

Integra Realty Resources
Chicago

Market Analysis of Real Property

South Boulevard Shores
Proposed LIHTC Apartments
504 - 514 South Blvd.
Evanston, Cook County, Illinois 60202

Prepared For:
Pirhl

Effective Date of the Market Analysis:
February 6, 2023

Report Format:
Market Analysis – IHDA Format

IRR - Chicago
File Number: 194-2023-0069





South Boulevard Shores
504 - 514 South Blvd.
Evanston, Illinois



February 16, 2023

Ms. Johana Casanova
Pirhl
333 S Wabash Ave, Suite 2700
Chicago, IL 60604

SUBJECT: IHDA Market Study
South Boulevard Shores
504 - 514 South Blvd.
Evanston, Cook County, Illinois 60202
IRR - Chicago File No. 194-2023-0070

Dear Ms. Casanova:

Integra Realty Resources – Chicago is pleased to submit the accompanying market study of the referenced property. The purpose of the market study is to define the primary market area and estimate potential multifamily demand and supply within the market. The client for the assignment is Pirhl and the intended use is for tax credit underwriting. Pirhl and Illinois Housing Development Authority (IHDA) are the intended users of this report. No party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject is a proposed five-story elevator apartment building with 60 rental units and parking for 66 cars. A total of 20 parking spaces are reserved for city parking leaving 46 for the apartment. The unit mix includes one bedroom, two bedroom and three bedroom floorplans. Construction is scheduled for completion in 2025. All of the units will be affordable and subject to tenant income restrictions of 60% or 80% AMI.

This Market Study conforms to the Illinois Housing Development Authority's "Standards for Site and Market Studies" for 2022-2023, the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and applicable state appraisal regulations.

Ms. Johana Casanova
Pirhl
February 16, 2023
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The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Chicago



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Purpose, Scope & Intended Users

Purpose of the Report

The purpose of the report is to identify the market area for the subject, identify the current competitive supply, analyze the depth of market demand and estimate market rent for the proposed multifamily units.

Scope of the Market Study

This Market Study conforms to the Illinois Housing Development Authority's "Standards for Site and Market Studies" for 2022-2023.

The following were sources for collecting, confirming and reporting of data:

- An inspection of the site and the immediate surrounding area was completed.
- Information regarding the overall project was provided by the developer.
- Discussions with property managers for competing developments.
- Market demographic data was obtained from Environics Analytics and Ribbon Demographics.
- Illinois Housing Development Authority (IHDA).
- Housing Authority of Cook County (HACC)
- The U.S. Department of Housing and Urban Development (HUD)
- Local market participants for information regarding supply and demand.
- Various Internet sites for area and apartment rental data.

Intended Use and User

The intended use of the market study is tax credit underwriting of the subject as proposed. The client is Pirhl. The intended users are Pirhl and IHDA. No party or parties may use or rely on the information, opinions, and conclusions contained in this report. No party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Applicable Requirements

This market study is intended to conform to the requirements of the following:

- Illinois Housing Development Authority's "Standards for Site and Market Studies" for 2022-2023;
- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and
- Applicable state appraisal regulations;

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Inspection

Michael Wingader conducted an inspection of the subject site on February 6, 2023. Ron DeVries, MAI, SRA, and James Kutill, MAI did not inspect the site.

Executive Summary

Subject Property

South Boulevard Shores is located on the south side of South Boulevard, ½ block east of Chicago Avenue, in Evanston, Illinois.

The subject is a proposed five-story elevator apartment building with 60 rental units and parking for 66 cars. A total of 20 parking spaces are reserved for city parking leaving 46 for the apartment. The unit mix includes one bedroom, two bedroom and three bedroom floorplans. Construction is scheduled for completion in 2025. All of the units will be affordable and subject to tenant income restrictions of 60% or 80% AMI.

Unit amenities will include stainless steel appliances consisting of an electric stove/range, refrigerator, dishwasher and microwave, hard surface countertops, breakfast bars, faux wood vinyl plank flooring and individual electric heat and air conditioning. These are superior to other newer affordable apartment properties in the Chicago market.

Project amenities include bicycle storage, lounge, community room, fitness center, playground, patio/picnic area, covered parking and surface parking. These are consistent with other newer affordable apartment properties in the local market.

The property will be restricted with 18 subsidized public housing units subject to area median income (AMI) restrictions of 30% (9 units) or 60% (9 units) and 42 affordable units subject to income restrictions of 30% AMI (3 units), 60% AMI (17 units) or 80% AMI (22 units) under the Section 42 Low Income Housing Tax Credit Program.

Upon review of the proposed building plans and inspection of the subject site, the proposed development, upon completion, will be adequately suited for their intended affordable multifamily use. In comparison with similar properties in the competitive market, the subject is above average.

Construction will commence once all zoning, financing and permits are in place. The developer projects construction to begin in the spring of 2024, followed by a 16 month construction period. Assuming a start date of May 2024, completion would be scheduled for September 2025. The projected construction costs are \$28,023,795 (\$467,063 per unit), which includes all hard, soft, financing and land costs, contingencies and developer profit. The costs are typical for an affordable apartment property in the Chicago market. The development budget is presented at the end of this section.

Neighborhood

The subject is located in the southeast portion of Evanston. The immediate neighborhood is bounded roughly by the Cavalry Catholic Cemetery on the south, Chicago Avenue on the west, Main Street on the north and Lake Michigan on the east.

Primary highway access to the area is via the Edens Expressway (I-94), which has an interchange at Dempster Street, approximately 4.5 miles northwest. Public transportation is provided by the Regional Transportation Authority (RTA). The RTA operates three transportation divisions; the Chicago Transit Authority (CTA), the Metra commuter rail, and the PACE suburban bus service. The CTA operates a network of trains and buses within the City of Chicago and Evanston, with the nearest train platform located ½ block west of the subject at South Boulevard and Chicago Avenue.

The current population within a 3-mile radius of the subject is 609,588, and the average household size is 2.2. Population in the area has been flat since the 2010 census, but the trend is projected to change to growth over the next five years, although at a slower rate. Compared to the Chicago MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is \$95,793, which is higher than the household income for the Chicago MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Chicago MSA, while median owner occupied home values are considerably higher.

Concluded Rents

A summary of our projected affordable and market rents are summarized as follows:

Subject Rental Rates Net of Utilities Summary

| Unit Type | Restrictions | # Units | Sq Ft | Developer - Restricted Rent | | | IRR - Restricted Rent | | | IRR Conclusions - Market Rent | | |
|---------------|----------------------|---------|-------|-----------------------------|---------|----------|-----------------------|---------|----------|-------------------------------|---------|-----------|
| | | | | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total |
| 1BR/1BA | HACC PBV 30%-60% AMI | 6 | 600 | \$1,504 | \$2.51 | \$9,024 | \$1,504 | \$2.51 | \$9,024 | \$1,800 | \$3.00 | \$10,800 |
| 1BR/1BA | SRN AFF 30% AMI | 3 | 600 | \$499 | \$0.83 | \$1,497 | \$500 | \$0.83 | \$1,500 | \$1,800 | \$3.00 | \$5,400 |
| 1BR/1BA | AFF 60% AMI | 10 | 600 | \$1,069 | \$1.78 | \$10,690 | \$1,050 | \$1.75 | \$10,500 | \$1,800 | \$3.00 | \$18,000 |
| 1BR/1BA | AFF 80% AMI | 11 | 600 | \$1,495 | \$2.49 | \$16,445 | \$1,475 | \$2.46 | \$16,225 | \$1,800 | \$3.00 | \$19,800 |
| 2BR/1BA | HACC PBV 30%-60% AMI | 4 | 850 | \$1,717 | \$2.02 | \$6,868 | \$1,717 | \$2.02 | \$6,868 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 60% AMI | 4 | 850 | \$1,278 | \$1.50 | \$5,112 | \$1,275 | \$1.50 | \$5,100 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 80% AMI | 4 | 850 | \$1,733 | \$2.04 | \$6,932 | \$1,725 | \$2.03 | \$6,900 | \$2,300 | \$2.71 | \$9,200 |
| 3BR/2BA | HACC PBV 30%-60% AMI | 8 | 1,150 | \$2,184 | \$1.90 | \$17,472 | \$2,184 | \$1.90 | \$17,472 | \$3,000 | \$2.61 | \$24,000 |
| 3BR/2BA | AFF 60% AMI | 3 | 1,150 | \$1,473 | \$1.28 | \$4,419 | \$1,475 | \$1.28 | \$4,425 | \$3,000 | \$2.61 | \$9,000 |
| 3BR/2BA | AFF 80% AMI | 7 | 1,150 | \$1,999 | \$1.74 | \$13,993 | \$2,000 | \$1.74 | \$14,000 | \$3,000 | \$2.61 | \$21,000 |
| Total/Average | | 60 | 815 | \$1,541 | \$1.89 | \$92,452 | \$1,534 | \$1.88 | \$92,014 | \$2,260 | \$2.77 | \$135,600 |

Demand Analysis

Capture Rate – Project Weighted Average

The projected annual capture rates for 2023-2027 are summarized as follows:

Capture Rate - Weighted Average

| | # Units | % Total Units | 2023 | 2024 | 2025 | 2026 | 2027 |
|----------------------|---------|---------------|-------|-------|-------|-------|-------|
| Subsidized @ 30% AMI | 9 | 15.0% | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |
| Subsidized @ 60% AMI | 9 | 15.0% | 0.08% | 0.08% | 0.08% | 0.08% | 0.07% |
| Affordable @ 30% AMI | 3 | 5.0% | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |
| Affordable @ 60% AMI | 17 | 28.3% | 0.41% | 0.41% | 0.41% | 0.40% | 0.40% |
| Affordable @ 80% AMI | 22 | 36.7% | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |
| Total | 60 | 100% | 0.33% | 0.33% | 0.33% | 0.33% | 0.33% |

These total figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Penetration Rate – Project Weighted Average

The projected annual penetration rates for 2023-2027 are summarized as follows:

Penetration Rate - Weighted Average

| | # Units | % Total Units | 2023 | 2024 | 2025 | 2026 | 2027 |
|----------------------|---------|---------------|-------|-------|-------|-------|-------|
| Subsidized @ 30% AMI | 9 | 15.0% | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |
| Subsidized @ 60% AMI | 9 | 15.0% | 0.34% | 0.34% | 0.79% | 0.78% | 0.78% |
| Affordable @ 30% AMI | 3 | 5.0% | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |
| Affordable @ 60% AMI | 17 | 28.3% | 0.41% | 0.41% | 1.51% | 1.50% | 1.48% |
| Affordable @ 80% AMI | 22 | 36.7% | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |
| Total | 60 | 100% | 0.38% | 0.37% | 0.75% | 0.75% | 0.75% |

These total figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Net Demand – Subsidized Units @ 30% AMI

For the subsidized units at 30% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Subsidized @ 30% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,567 | 1,508 | 1,448 | 1,389 | 1,330 |
| D. Subject Units | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,558 | 1,499 | 1,439 | 1,380 | 1,321 |

These figures indicate an undersupply of units.

Net Demand – Subsidized Units @ 60% AMI

For the subsidized units at 60% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Subsidized @ 60% AMI | | | | |
|--|----------------------|--------|--------|--------|--------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 2,975 | 2,982 | 2,989 | 2,996 | 3,003 |
| D. Subject Units | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 32 | 32 | 32 | 85 | 85 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 53 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 2,934 | 2,941 | 2,895 | 2,902 | 2,909 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 30% AMI

For the subsidized units at 30% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 30% AMI | | | | |
|--|----------------------|------|------|------|------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 644 | 638 | 632 | 626 | 620 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 161 | 160 | 158 | 157 | 155 |
| D. Subject Units | 3 | 3 | 3 | 3 | 3 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 158 | 157 | 155 | 154 | 152 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 60% AMI

For the affordable units at 60% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 60% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,029 | 1,037 | 1,045 | 1,053 | 1,061 |
| D. Subject Units | 17 | 17 | 17 | 17 | 17 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 46 | 46 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 46 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,012 | 1,020 | 982 | 990 | 998 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 80% AMI

For the affordable units at 80% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 80% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,248 | 1,251 | 1,254 | 1,257 | 1,260 |
| D. Subject Units | 22 | 22 | 22 | 22 | 22 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,226 | 1,229 | 1,232 | 1,235 | 1,238 |

Absorption Rate

The data indicates a range of monthly absorption rates 2 and 40, with an average of 12. For properties under 75 units in size, the range is 3 to 11 units per month, with an average of 6. For the subject's 60 units, it is our opinion that an absorption rate of 10 units per month can be achieved. Thus, stabilized occupancy should be achieved approximately six months after completion.

Impact On Other IHDA Properties

The subject is a proposed affordable apartment building. Its construction will result in the addition of 60 affordable units in the PMA. It is our opinion that the development will have little material impact on other IHDA properties in the competitive market.

Impact On Other Assisted/Affordable Housing (Non-IHDA Properties)

The subject's additional affordable units account for a small fraction of the existing stock of non-IHDA affordable units in the local market. Therefore, it is our opinion that the development will have little material impact on other non-IHDA low income properties in the local market.

Impact On Market Rate Housing

The subject will add no market rate units to the market and will have no impact on the overall supply of market rate housing in the PMA.

Conclusions

Positive and negative attributes of the subject are summarized as follows:

Positive Attributes

- The local subsidized and affordable segments of the local apartment market are undersupplied.
- Strong demand for affordable/subsidized units in PMA.
- New construction.
- Lack of available development sites limits the potential for future competitive development.
- Retail shopping amenities within walking distance.
- TOD location ½ block from a CTA commuter train station.
- Good quality unit finishes and amenities

Negative Attributes

- Located adjacent to a cemetery.
- No two bedroom units with two bathrooms.
- No enclosed garage parking

Overall, it is our opinion that the proposed development fits in well with the target renter market and that there is sufficient demand to support the project.

Recommendations

- We do not present any suggestions or modifications to the subject development.
- Based on our research, the subject development appears appropriate for and supportable by the defined Primary Market Area.

Project Description

Developer

South Boulevard Shores is being developed by:

Pihrl

333 South Wabash Avenue, Suite 2700

Chicago, Illinois 60604

Contact: Johana Casanova 312.498.3724

Project Description



The subject is a proposed five-story elevator apartment building with 60 rental units and parking for 66 cars. A total of 20 parking spaces are reserved for city parking leaving 46 for the apartment. The unit mix includes one bedroom, two bedroom and three bedroom floorplans. Construction is

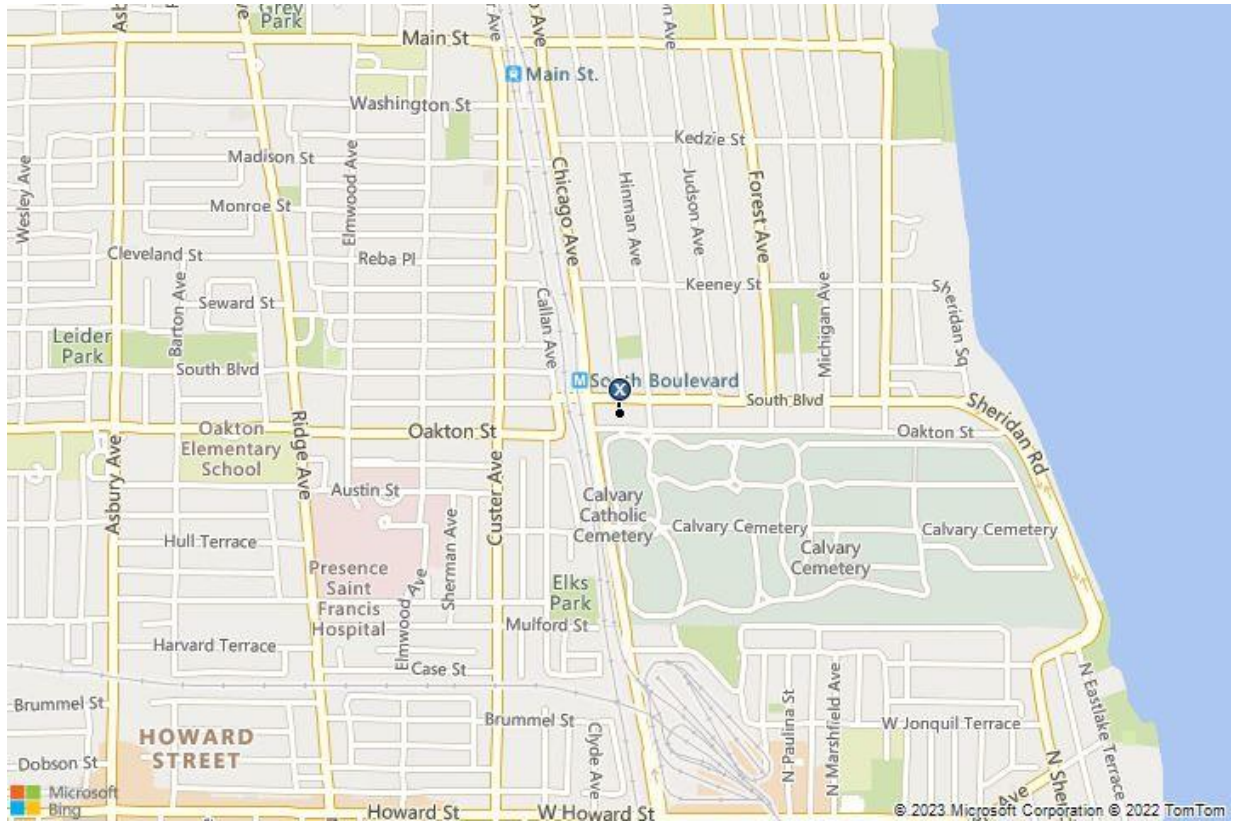
scheduled for completion in 2025. All of the units will be affordable and subject to tenant income restrictions of 60% or 80% AMI.

The property will be restricted with 18 subsidized public housing units subject to area median income (AMI) restrictions of 30% (9 units) or 60% (9 units) and 42 affordable units subject to income restrictions of 30% AMI (3 units), 60% AMI (17 units) or 80% AMI (22 units) under the Section 42 Low Income Housing Tax Credit Program.

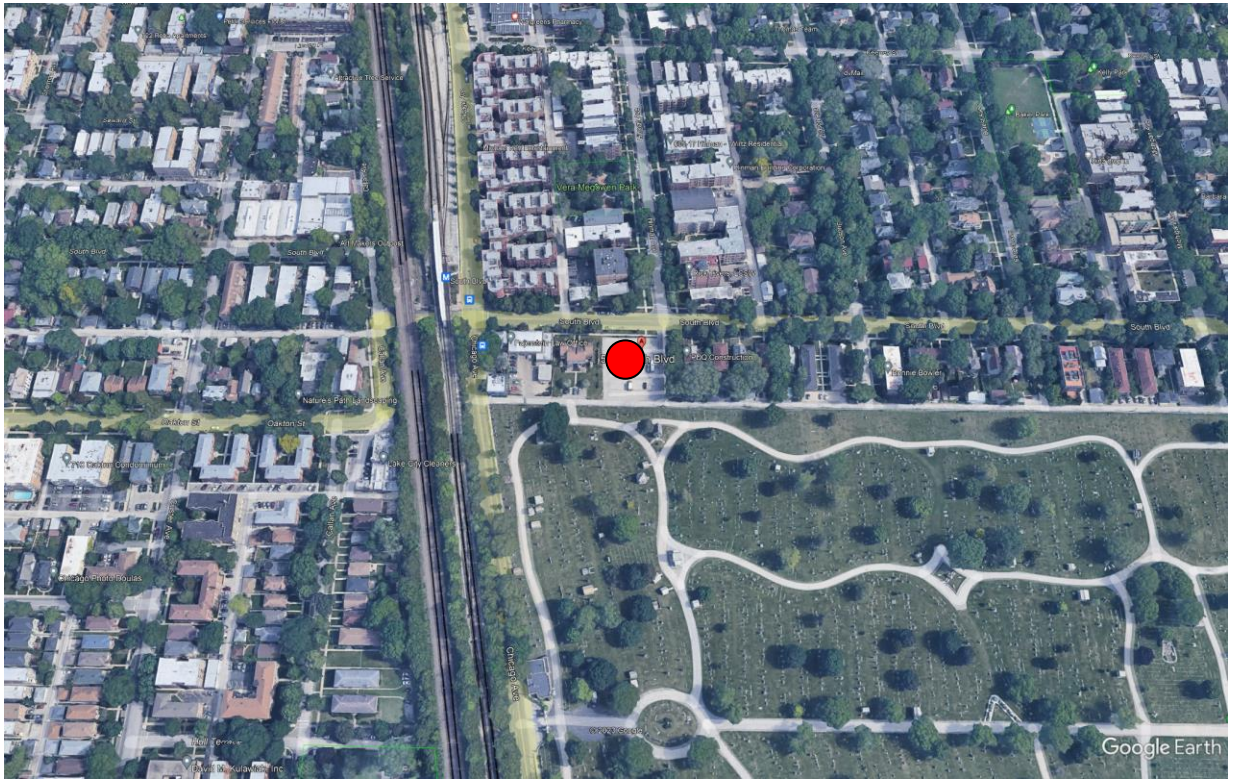
Location

The subject is located in the southeast portion of Evanston. The immediate neighborhood is bounded roughly by the Cavalry Catholic Cemetery on the south, Chicago Avenue on the west, Main Street on the north and Lake Michigan on the east.

Location Map



Site Description



| Land Description | |
|----------------------------------|---|
| Land Area | 0.97 acres; 42,045 SF |
| Source of Land Area | ALTA Survey |
| Primary Street Frontage | South Blvd - 280 feet |
| Shape | Rectangular |
| Corner | No |
| Topography | Generally level and at street grade |
| Drainage | No problems reported or observed |
| Environmental Hazards | None reported or observed |
| Ground Stability | No problems reported or observed |
| Flood Area Panel Number | 17031C0268K |
| Date | September 10, 2021 |
| Zone | X |
| Description | Outside of 500-year floodplain |
| Insurance Required? | No |
| Zoning; Other Regulations | |
| Zoning Jurisdiction | City of Evanston |
| Zoning Designation | R-4 |
| Description | General Residence District |
| Legally Conforming? | The proposed building is assumed to be legally conforming |
| Zoning Change Likely? | Yes - to R-5 |
| Permitted Uses | A variety of residential uses including multi-family |
| Other Land Use Regulations | None reported or observed |
| Utilities | |
| Service | Provider |
| Water | Municipal |
| Sewer | Municipal |
| Electricity | ComEd |
| Natural Gas | Nicor |
| Local Phone | Various |

The developer will apply to the City of Evanston for a zoning change to PD; Planned Development with an underlying R-5; General Residence, which we assume will be granted as the proposed development will be subject to a development agreement between the developer and the city. This increases the allowable number of units to 60 and the building height to five stories, which is confirmed by a zoning letter provided to IHDA by the City of Evanston 2/7/2023.

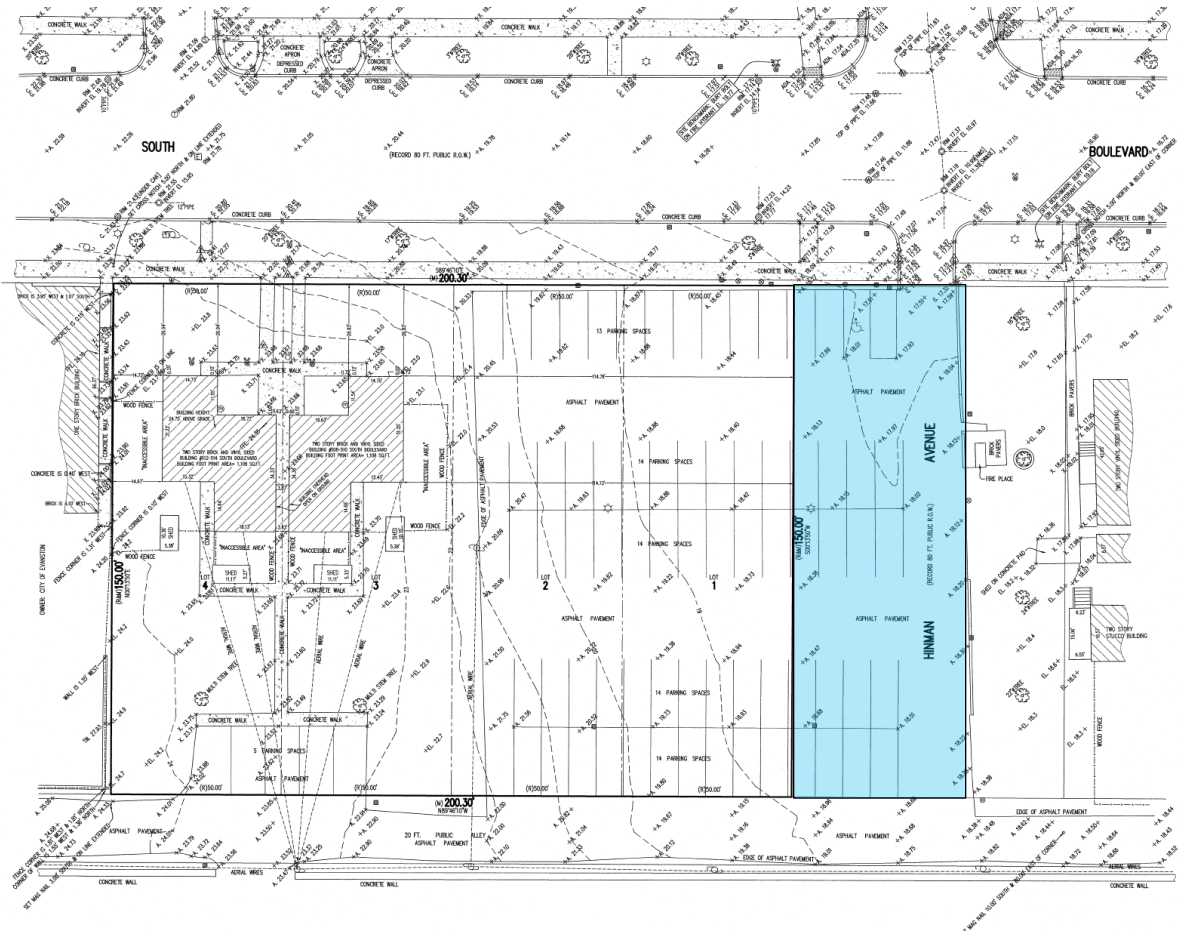
Streets, Access and Frontage

| | |
|-------------------------|------------------------|
| Street | South Blvd |
| Frontage Feet | 280 |
| Paving | Asphalt |
| Curbs | Concrete |
| Sidewalks | Concrete |
| Lanes | 2 way, 1 lane each way |
| Direction of Traffic | East-West |
| Condition | Average |
| Traffic Levels | Low |
| Signals/Traffic Control | None |
| Access/Curb Cuts | 1 |
| Visibility | Average |

Site Plan



Plat of Survey



Note: The shaded 80' x 150' area will also be included as part of the subject site.



Building Description

The subject is a proposed five-story elevator apartment building with 60 rental units and parking for 66 cars. A total of 20 parking spaces are reserved for city parking leaving 46 for the apartment. The unit mix includes one bedroom, two bedroom and three bedroom floorplans. Construction is scheduled for completion in 2025. All of the units will be affordable and subject to tenant income restrictions of 60% or 80% AMI.

Improvements Description

| | |
|--------------------------------|---|
| Name of Property | South Boulevard Shores |
| General Property Type | Multifamily |
| Property Sub Type | Conventional |
| Competitive Property Class | A |
| Occupancy Type | Multi-Tenant |
| Number of Buildings | 1 |
| Stories | 5 |
| Construction Class | C |
| Construction Type | Masonry |
| Construction Quality | Average |
| Condition | Average |
| Number of Units | 60 |
| Units per Acre (Density) | 62.2 |
| Gross Building Area (SF) | 63,753 |
| Rentable Floor Area (SF) | 48,900 |
| Building Efficiency Ratio | 76.7% |
| Land Area (SF) | 42,045 |
| Floor Area Ratio (RFA/Land SF) | 1.16 |
| Floor Area Ratio (GBA/Land SF) | 1.52 |
| Building Area Source | Architect |
| Year Built | 2025 |
| Actual Age (Yrs.) | 0 |
| Estimated Effective Age (Yrs.) | 0 |
| Estimated Economic Life (Yrs.) | 60 |
| Remaining Economic Life (Yrs.) | 60 |
| Number of Parking Spaces | 46 |
| Source of Parking Count | Architect |
| Parking Type | 18 covered and 48 surface. 20 of the surface spaces are reserved for city parking, leaving 28 for the building. |
| Parking Spaces/Unit | 0.8 |

Construction Details

| | |
|--------------------|---|
| Foundation | Reinforced concrete slab |
| Basement | None |
| Structural Frame | Steel |
| Corridor | Common |
| Exterior Walls | Brick and vinyl dising |
| Windows | Sliders in vinyl frames |
| Roof | Flat rubber membrane |
| HVAC | Variant refrigerant flow (VRF) system for heating and cooling |
| Electrical | Assumed adequate |
| Plumbing | Assumed adequate |
| Hot Water | Individual electric water heaters |
| Elevators | 2 |
| Restrooms | Each unit will have one or two full bathrooms |
| Sprinklers | Wet |
| Other Fire Safety | Smoke/CO detectors in the units and common areas |
| Security | Locked building entrance with phone/buzzer access |
| Entry Type | Common corridor |
| Interior Walls | Painted drywall |
| Floor Cover | Faux-wood vinyl plank flooring in the living area, bedrooms and kitchen and ceramic tile in the bathrooms. |
| Ceiling Heights | 9 feet |
| Kitchen Equipment | Quartz countertops with undermount sink, wood cabinets and stainless steel appliances that include an electric range/oven, refrigerator, dishwasher and built-in microwave. |
| Laundry Facilities | In-unit washer/dryer |
| Bathroom Fixtures | Fiberglass tub/shower with surround, ceramic commode, vanity with wood cabinets, cultured marble top and integral bowl and a lighted mirror |
| Garages | None |
| Doors | Solid core wood entry doors and hollow core wood interior doors |
| Lighting | Low wattage LED |
| Landscaping | Grass, trees and shrubs |
| Paving | Asphalt |

Unit Mix and Sizes

The subject's unit mix, unit sizes and building areas are detailed in the following table.

Unit Mix and Rentable Area

| Unit Type | Restrictions | # Units | Average Net Unit Size (Sq Ft) | Net Rentable Area (Sq Ft) |
|----------------------------|----------------------|---------|-------------------------------------|---------------------------------|
| 1BR/1BA | HACC PBV 30%-60% AMI | 6 | 600 | 3,600 |
| 1BR/1BA | SRN AFF 30% AMI | 3 | 600 | 1,800 |
| 1BR/1BA | AFF 60% AMI | 10 | 600 | 6,000 |
| 1BR/1BA | AFF 80% AMI | 11 | 600 | 6,600 |
| Sub-Total - 1BR | | 30 | 600 | 18,000 |
| 2BR/1BA | HACC PBV 30%-60% AMI | 4 | 850 | 3,400 |
| 2BR/1BA | AFF 60% AMI | 4 | 850 | 3,400 |
| 2BR/1BA | AFF 80% AMI | 4 | 850 | 3,400 |
| Sub-Total - 2BR | | 12 | 850 | 10,200 |
| 3BR/2BA | HACC PBV 30%-60% AMI | 8 | 1,150 | 9,200 |
| 3BR/2BA | AFF 60% AMI | 3 | 1,150 | 3,450 |
| 3BR/2BA | AFF 80% AMI | 7 | 1,150 | 8,050 |
| Sub-Total - 3BR | | 18 | 1,150 | 20,700 |
| Net Rentable Area | | | | 48,900 |
| Gross Building Area | | | | 63,750 |
| Efficiency Ratio | | | | 76.7% |

Source: Developer

The subject's unit mix consists of 50% one bedrooms, 20% two bedrooms and 30% three bedrooms. In order to determine if this mix is reasonable, we compared it with other transit oriented new construction properties in Evanston and the north side of Chicago:

Unit Mix Comparables

| Property | Address | Neighborhood | Year Built | Avg Unit Size | Total Units | Studio | Convertible | 1BR | 1BR+Den | 2BR | 2BR+Den | 3BR |
|-----------------------------------|-------------------|-----------------------|-----------------|---------------|--------------|------------|-------------|-------------|-----------|------------|----------|-----------|
| Centrum Lakeview | 1714 W. Roscoe | Lakeview | 2016 | 772 | 53 | 10 | | 32 | | 11 | | |
| Halsted Flats | 3740 N. Halsted | Lakeview | 2014 | 803 | 269 | | 52 | 147 | | 67 | | 3 |
| Lakeview 3200 | 3218 N. Clark | Lakeview | 2017 | 836 | 90 | 6 | | 57 | | 27 | | |
| The Residences at Addison & Clark | 1025 W. Addison | Lakeview | 2018 | 893 | 148 | 12 | 32 | 53 | | 51 | | |
| Viridian on Sheridan | 734 W. Sheridan | Lakeview | 2018 | 796 | 100 | | | 68 | | 24 | | 8 |
| Elevate Lincoln Park | 930 W. Altgeld | Lincoln Park | 2018 | 920 | 191 | 35 | 7 | 51 | 13 | 69 | | 16 |
| The Apartments at Lincoln Common | 2345 N. Lincoln | Lincoln Park | 2019 | 796 | 538 | 64 | 95 | 259 | | 98 | | 22 |
| Eight Eleven Uptown | 811 W. Agatite | Uptown | 2018 | 774 | 381 | 97 | 23 | 194 | 5 | 53 | | 9 |
| Upshore Chapter | 4555 N. Sheridan | Uptown | 2019 | 657 | 149 | 20 | 59 | 50 | | 20 | | |
| AM 1980 Apartments | 1980 N. Milwaukee | Logan Square/Bucktown | 2018 | 663 | 131 | 28 | 66 | 14 | 5 | 16 | 2 | |
| MiCA | 2733 W. Belden | Logan Square/Bucktown | 2016 | 737 | 216 | 4 | 44 | 135 | | 29 | | 4 |
| MODE Logan Square | 1950 N. Campbell | Logan Square/Bucktown | 2017 | 809 | 70 | 8 | 11 | 26 | | 22 | | 3 |
| AMLI at Evanston | 737 Chicago | Evanston | 2013 | 1,042 | 195 | 5 | | 134 | | 44 | | 12 |
| The Main | 847 Chicago | Evanston | 2016 | 889 | 112 | 14 | | 49 | | 42 | | 7 |
| Centrum Evanston | 1590 Elmwood | Evanston | 2017 | 910 | 101 | | 21 | 36 | | 38 | | 6 |
| Central Station | 1720 Central | Evanston | 2013 | 965 | 80 | | 8 | 32 | 12 | 18 | 6 | 4 |
| 415 Premier | 415 W Howard | Evanston | 2008 | 833 | 221 | 26 | | 143 | | 52 | | |
| Unit Mix - Total | | | 2016 | 829 | 3,045 | 329 | 418 | 1480 | 35 | 681 | 8 | 94 |
| Subject | | | Proposed | 815 | 60 | | | 30 | | 12 | | 18 |

| Unit Mix Comparables | | | | | | | | | | | | |
|-----------------------------------|-------------------|-----------------------|------------|------|-------------|--------|-------------|-------|---------|-------|---------|-------|
| Property | Address | Neighborhood | Year Built | Type | Total Units | Studio | Convertible | 1BR | 1BR+Den | 2BR | 2BR+Den | 3BR |
| Centrum Lakeview | 1714 W. Roscoe | Lakeview | 2016 | | 772 | 53 | 18.9% | | | 60.4% | | 20.8% |
| Halsted Flats | 3740 N. Halsted | Lakeview | 2014 | | 803 | 269 | | 19.3% | | 54.6% | | 24.9% |
| Lakeview 3200 | 3218 N. Clark | Lakeview | 2017 | | 836 | 90 | 6.7% | | | 63.3% | | 30.0% |
| The Residences at Addison & Clark | 1025 W. Addison | Lakeview | 2018 | | 893 | 148 | 8.1% | 21.6% | | 35.8% | | 34.5% |
| Viridian on Sheridan | 734 W. Sheridan | Lakeview | 2018 | | 796 | 100 | | | | 68.0% | | 8.0% |
| Elevate Lincoln Park | 930 W. Altgeld | Lincoln Park | 2018 | | 920 | 191 | 18.3% | 3.7% | | 26.7% | 6.8% | 36.1% |
| The Apartments at Lincoln Common | 2345 N. Lincoln | Lincoln Park | 2019 | | 796 | 538 | 11.9% | 17.7% | | 48.1% | | 18.2% |
| Eight Eleven Uptown | 811 W. Agatite | Uptown | 2018 | | 774 | 381 | 25.5% | 6.0% | | 50.9% | 1.3% | 13.9% |
| Upshore Chapter | 4555 N. Sheridan | Uptown | 2019 | | 657 | 149 | 13.4% | 39.6% | | 33.6% | | 13.4% |
| AM 1980 Apartments | 1980 N. Milwaukee | Logan Square/Bucktown | 2018 | | 663 | 131 | 21.4% | 50.4% | | 10.7% | 3.8% | 12.2% |
| MiCA | 2733 W. Belden | Logan Square/Bucktown | 2016 | | 737 | 216 | 1.9% | 20.4% | | 62.5% | | 13.4% |
| MODE Logan Square | 1950 N. Campbell | Logan Square/Bucktown | 2017 | | 809 | 70 | 11.4% | 15.7% | | 37.1% | | 31.4% |
| AMLI at Evanston | 737 Chicago | Evanston | 2013 | | 1,042 | 195 | 2.6% | | | 68.7% | | 22.6% |
| The Main | 847 Chicago | Evanston | 2016 | | 889 | 112 | 12.5% | | | 43.8% | | 37.5% |
| Centrum Evanston | 1590 Elmwood | Evanston | 2017 | | 910 | 101 | | 20.8% | | 35.6% | | 37.6% |
| Central Station | 1720 Central | Evanston | 2013 | | 965 | 80 | | 10.0% | | 40.0% | 15.0% | 22.5% |
| 415 Premier | 415 W Howard | Evanston | 2008 | | 833 | 221 | 11.8% | | | 64.7% | | 23.5% |
| Unit Mix - Total | | | 2016 | | 829 | 3,045 | 10.8% | 13.7% | | 48.6% | 1.1% | 22.4% |
| Subject | | | Proposed | | 815 | 60 | | | | 50.0% | | 20.0% |
| | | | | | | | | | | | 0.3% | 3.1% |
| | | | | | | | | | | | | 30.0% |

The market data indicate an average unit mix of 24.5% studios/convertibles, 49.7% one bedrooms, 22.7% two bedrooms and 3.1% three bedrooms. The subject’s units are more heavily weighted towards two bedroom and three bedroom units than the market average but is still within market norms.

In terms of unit sizes, the subject indicates 600 square feet for one bedrooms, 850 square feet for two bedrooms and 1,150 square feet for three bedrooms, with an overall average of 771 square feet. The comparables indicate the following unit size ranges:

| Unit Size Comparables | | | | | | | | | | | | | | |
|-----------------------------------|--------|------|-------------|------|-------------|-------|-------------------|------|-------------|-------|-------------------|-------|---------------|-------|
| Property | Studio | | Convertible | | One Bedroom | | One Bedroom + Den | | Two Bedroom | | Two Bedroom + Den | | Three Bedroom | |
| | Low | High | Low | High | Low | High | Low | High | Low | High | Low | High | Low | High |
| Centrum Lakeview | 440 | 542 | | | 647 | 901 | | | 1,013 | 1,031 | | | | |
| Halsted Flats | | | 520 | 570 | 590 | 870 | | | 1,045 | 1,205 | | | 1,525 | 1,730 |
| Lakeview 3200 | 431 | 436 | | | 560 | 900 | | | 840 | 1,452 | | | | |
| The Residences at Addison & Clark | 501 | 618 | 603 | 689 | 697 | 895 | | | 1,044 | 1,409 | | | | |
| Viridian on Sheridan | | | | | 542 | 742 | | | 1,007 | 1,117 | | | 1,310 | 1,310 |
| Elevate Lincoln Park | 464 | 533 | 604 | 604 | 678 | 831 | 860 | 860 | 978 | 1,277 | | | 1,494 | 2,616 |
| The Apartments at Lincoln Common | 486 | 490 | 558 | 570 | 667 | 775 | | | 1,164 | 1,215 | | | 1,820 | 1,820 |
| Eight Eleven Uptown | 495 | 525 | 545 | 545 | 700 | 845 | 925 | 925 | 1,075 | 1,175 | | | 1,555 | 2,250 |
| Upshore Chapter | 489 | 489 | 584 | 584 | 607 | 774 | | | 959 | 1,018 | | | | |
| AM 1980 Apartments | 464 | 542 | 538 | 657 | 617 | 774 | 803 | 803 | 937 | 1,231 | 1,115 | 1,115 | | |
| MiCA | 479 | 479 | 463 | 720 | 564 | 888 | | | 728 | 1,104 | | | 1,206 | 1,206 |
| MODE Logan Square | 555 | 568 | 590 | 642 | 673 | 815 | | | 890 | 1,114 | | | 1,308 | 1,363 |
| AMLI at Evanston | 500 | 633 | | | 632 | 1,237 | | | 1,000 | 1,590 | | | 1,510 | 1,510 |
| The Main | 500 | 650 | | | 746 | 853 | | | 912 | 1,068 | | | 1,424 | 1,424 |
| Centrum Evanston | | | 622 | 648 | 566 | 868 | | | 986 | 1,278 | | | 1,395 | 1,869 |
| Central Station | | | 590 | 635 | 785 | 850 | 885 | 885 | 1,185 | 1,230 | 1,305 | 1,305 | 1,485 | 1,485 |
| 415 Premier | 518 | 584 | | | 657 | 839 | | | 1,133 | 1,280 | | | | |
| Range - Total | 431 | 650 | 463 | 720 | 542 | 1,237 | 803 | 925 | 728 | 1,590 | 1,115 | 1,305 | 1,206 | 2,616 |
| Subject | | | | | 600 | 600 | | | 850 | 850 | | | 1,150 | 1,150 |

The data indicate a range of unit sizes from 542 to 1,237 square feet for standard one bedrooms, 728 to 1,590 for standard two bedrooms and 1,206 to 2,616 square feet for three bedrooms. The subject’s one bedroom and two bedroom unit sizes are within their respective ranges, albeit at the lower end. The three bedroom unit size is slightly below the market data range. Overall, the subject’s unit sizes are representative of market norms for similar properties.

Quality and Condition

Upon completion, the improvements will be in new condition. The quality and condition of the subject will be consistent with or superior to the existing supply of competitive multifamily properties in the PMA.



Functional Utility/ADA Compliance

The proposed building has a predominantly rectangular, with small entrance lobby, building mechanical rooms, storage room, management office, community room and seven apartments located on the ground floor. The parking ratio of 0.77 spaces per unit (excluding the 20 City of Evanston permit spaces) is reasonable for an affordable apartment property, especially considering the TOD location. There is also additional off-site parking along the adjacent streets. Based on the concept plans, the apartment units appear to have predominantly rectangular configurations. However, because the final design is still determined and detailed floorplans and finish schedules are not available, we have assumed, based on feedback from the developer, that the units will have traditional layouts and good quality amenities and finishes. These would include kitchens with breakfast bars, hard surface countertops with undermount sinks, stainless steel appliances (electric oven/range, refrigerator, dishwasher and microwave), in-unit washer/dryer, faux-wood vinyl strip flooring and all bedrooms having windows, which are consistent with design standards for newer market rate properties and above average for affordable and mixed income properties in the Chicago market. The units are small and lack amenities such as balconies and second bathrooms in the two bedroom units. However, these deficiencies are mitigated by the property being affordable. Overall, we consider the functional utility to be consistent with or superior to other newer construction affordable and mixed income apartment properties in the competitive market.

Based on our review of the construction plans provided, we are not aware of any potential ADA issues. However, we are not expert in ADA matters, and further study by an appropriately qualified professional would be recommended to assess ADA compliance.

Apartment Details/Rent Schedule

The property will be restricted with 18 subsidized public housing units subject to area median income (AMI) restrictions of 30% (9 units) or 60% (9 units) and 42 affordable units subject to income restrictions of 30% AMI (3 units), 60% AMI (17 units) or 80% AMI (22 units) under the Section 42 Low Income Housing Tax Credit Program. A summary of our projected restricted and market rents are summarized as follows:

Subject Rental Rates Net of Utilities Summary

| Unit Type | Restrictions | # Units | Sq Ft | Developer - Restricted Rent | | | IRR - Restricted Rent | | | IRR Conclusions - Market Rent | | |
|---------------|----------------------|---------|-------|-----------------------------|---------|----------|-----------------------|---------|----------|-------------------------------|---------|-----------|
| | | | | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total |
| 1BR/1BA | HACC PBV 30%-60% AMI | 6 | 600 | \$1,504 | \$2.51 | \$9,024 | \$1,504 | \$2.51 | \$9,024 | \$1,800 | \$3.00 | \$10,800 |
| 1BR/1BA | SRN AFF 30% AMI | 3 | 600 | \$499 | \$0.83 | \$1,497 | \$500 | \$0.83 | \$1,500 | \$1,800 | \$3.00 | \$5,400 |
| 1BR/1BA | AFF 60% AMI | 10 | 600 | \$1,069 | \$1.78 | \$10,690 | \$1,050 | \$1.75 | \$10,500 | \$1,800 | \$3.00 | \$18,000 |
| 1BR/1BA | AFF 80% AMI | 11 | 600 | \$1,495 | \$2.49 | \$16,445 | \$1,475 | \$2.46 | \$16,225 | \$1,800 | \$3.00 | \$19,800 |
| 2BR/1BA | HACC PBV 30%-60% AMI | 4 | 850 | \$1,717 | \$2.02 | \$6,868 | \$1,717 | \$2.02 | \$6,868 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 60% AMI | 4 | 850 | \$1,278 | \$1.50 | \$5,112 | \$1,275 | \$1.50 | \$5,100 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 80% AMI | 4 | 850 | \$1,733 | \$2.04 | \$6,932 | \$1,725 | \$2.03 | \$6,900 | \$2,300 | \$2.71 | \$9,200 |
| 3BR/2BA | HACC PBV 30%-60% AMI | 8 | 1,150 | \$2,184 | \$1.90 | \$17,472 | \$2,184 | \$1.90 | \$17,472 | \$3,000 | \$2.61 | \$24,000 |
| 3BR/2BA | AFF 60% AMI | 3 | 1,150 | \$1,473 | \$1.28 | \$4,419 | \$1,475 | \$1.28 | \$4,425 | \$3,000 | \$2.61 | \$9,000 |
| 3BR/2BA | AFF 80% AMI | 7 | 1,150 | \$1,999 | \$1.74 | \$13,993 | \$2,000 | \$1.74 | \$14,000 | \$3,000 | \$2.61 | \$21,000 |
| Total/Average | | 60 | 815 | \$1,541 | \$1.89 | \$92,452 | \$1,534 | \$1.88 | \$92,014 | \$2,260 | \$2.77 | \$135,600 |

Unit and Project Amenities

Although the final design of the property is still being determined, based on feedback from the developer, unit amenities will likely include white or black appliances consisting of an electric stove/range, refrigerator and dishwasher, laminate countertops, breakfast bars, faux wood vinyl plank

flooring and individual electric heat and air conditioning (individual thermostats). These are consistent with other newer affordable apartment properties in the local market.

Project amenities will likely include bicycle storage, lounge, community room, fitness room, computer terminals, playground, patio/picnic area and covered parking. These are consistent with other newer affordable apartment properties in the Chicago market. The subject's likely unit and project amenities are summarized as follows:

| Unit Features and Project Amenities | | | |
|--|------------|-------------------------------|------------|
| Unit Features | At Subject | Project Amenities | At Subject |
| Patio/Balcony/Deck | | Gated Entrance | |
| Central AC | X | Security/Door Staff | |
| Window/Sleeve AC | | Common Laundry | |
| Carpeting | | Community Room | X |
| Wood Floors | | Computer Lounge | X |
| Vinyl Plank Floors (LVT/LVP) | X | Fitness Center | X |
| Window Blinds/Shades | X | Playground | X |
| 8' Ceiling Height | | Roofdeck/Sundeck | |
| 9'+ Ceiling Heights | X | Outdoor Patio | X |
| Washer/Dryer Hookup | | BBQ Grill/Picnic Area | X |
| Washer/Dryer In Unit | X | Covered Parking | X |
| Dishwasher | X | Garage/In Building | |
| Disposal | | Garage/Detached | |
| Range | | Electric Car Charging Station | |
| Range - Electric | X | Bike Storage Room | X |
| Range - Gas | | Dog Run/Spa | |
| Refrigerator | X | Extra Storage Area | |
| Microwave | X | Resident Lounge | X |
| Stainless Steel Appliances | X | Co-Working Space | |
| Granite/Quartz Counters | X | Package System/Lockers/Rm | |
| Laminate Counters | | LEED Certified | |
| Kitchen Island/Eating Counter | X | Social Services Coordination | |
| Attached Garage | | Non-Shelter Services | |
| Grab Bars/Pull Cords | | | |

Construction/Rehab Overview

Construction will commence once all zoning, financing and permits are in place. The developer projects construction to begin in the spring of 2024, followed by a 16 month construction period. Assuming a start date of May 2024, completion would be scheduled for September 2025. The projected construction costs are \$28,023,795 (\$467,063 per unit), which includes all hard, soft, financing and land costs, contingencies and developer profit. The costs are typical for an affordable apartment property in the Chicago market. The development budget is presented at the end of this section.

Parking

The subject will have 18 covered parking spaces and 28 surface parking spaces, for a total of 46 (0.77 spaces per unit) for the building. An additional 20 surface spaces will also be provided for City of Evanston permit parking. Overall, the availability of dedicated on-site parking is acceptable due to the property being an affordable TOD.

Density

The subject's unit density is 62.2 units per acre.

Tenant Displacement

The subject property represents new construction and no tenants will be displaced during construction.

Other

Other than the apartment building, there will be no other building improvements on the site.

Conclusion of Improvements Analysis

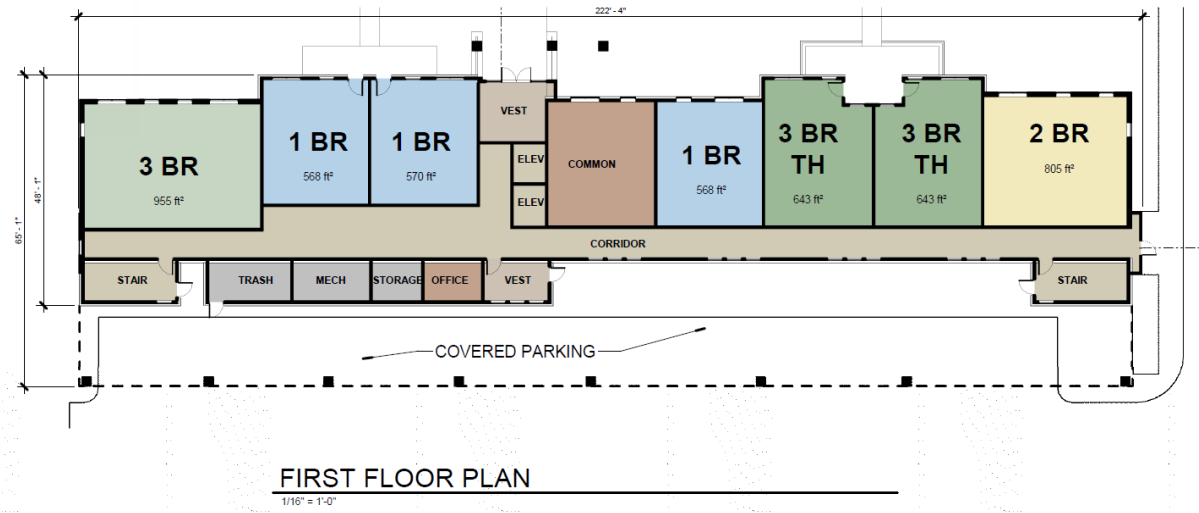
In comparison to other competitive mixed income properties in the region, the subject improvements are rated as follows:

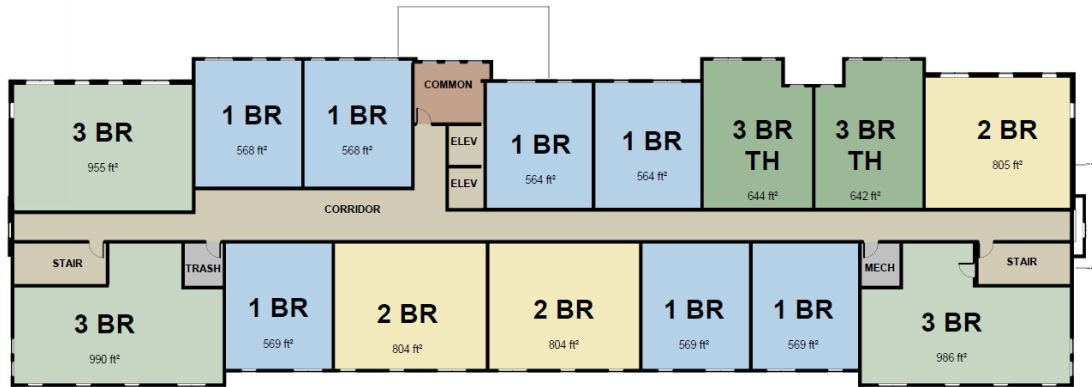
Improvements Ratings

| | |
|------------------------|---------------|
| Design and Appearance | Above Average |
| Age/Condition | Above Average |
| Room Sizes and Layouts | Average |
| Bathrooms | Average |
| Kitchens | Above Average |
| Landscaping | Average |
| Parking Ratios | Average |
| Unit Features | Average |
| Project Amenities | Above Average |

Upon review of the proposed building plans and inspection of the subject site, the proposed development, upon completion, will be adequately suited for their intended affordable multifamily use. In comparison with similar properties in the Chicago market, the subject is above average.

Elevations, Floor Plans and Development Budget





SECOND FLOOR PLAN

1/16" = 1'-0"



THIRD FLOOR PLAN

1/16" = 1'-0"



FOURTH FLOOR PLAN

1/16" = 1'-0"



FIFTH FLOOR PLAN
1/16" = 1'-0"

DEVELOPMENT BUDGET



South Boulevard Shores
 504-514 South
 9%, New Cons

| DEVELOPMENT BUDGET | | |
|--|------------------------|-----------------------|
| BASELINE ESTIMATED COSTS | Estimated Value | Eligible Basis |
| ACQUISITION | \$ 765,000 | \$ - |
| Land Cost | \$ 765,000 | \$ - |
| Acquisition of Land (HACC and City) | \$ 750,000 | |
| Legal Fees | \$ 5,000 | |
| Closing Costs | \$ 10,000 | |
| HARD COSTS | \$ 20,743,391 | \$ 20,255,929 |
| Original Contract | \$ 19,768,467 | \$ 19,768,467 |
| Demolition | \$ 45,000 | \$ 45,000 |
| Sitework (Division 2 Only) On Site | \$ 851,339 | \$ 851,339 |
| Solar PV, Electrical Charging stations and other Sust. | \$ 1,000,000 | \$ 1,000,000 |
| Construction (Divisions 3 - 16) | \$ 15,203,483 | \$ 15,203,483 |
| General Requirements | \$ 1,027,997 | \$ 1,027,997 |
| Builder's Overhead | \$ 342,666 | \$ 342,666 |
| Builder's Profit | \$ 1,027,997 | \$ 1,027,997 |
| Building Permits | \$ 75,000 | \$ 75,000 |
| Payment & Performance Bonds | \$ 194,985 | \$ 194,985 |
| Hard Cost Contingency | \$ 974,924 | \$ 487,462 |
| PROFESSIONAL SERVICES | \$ 1,338,508 | \$ 1,283,508 |
| Accounting | \$ 30,000 | \$ - |
| Audit & Tax | \$ 12,500 | |
| Cost Certification (Preparation) | \$ 17,500 | |
| Architect Design | \$ 781,508 | \$ 781,508 |
| Design Fee | \$ 662,948 | \$ 662,948 |
| Civil/Site Cost Fee | \$ 43,560 | \$ 43,560 |
| Preliminary Work | \$ 20,000 | \$ 20,000 |
| Reimbursables | \$ 5,000 | \$ 5,000 |
| Other - Traffic, asbestos etc | \$ 50,000 | \$ 50,000 |
| Due Diligence Studies | \$ 132,000 | \$ 132,000 |
| Market Study | \$ 10,000 | \$ 10,000 |
| Property Appraisal | \$ 7,000 | \$ 7,000 |
| Traffic | \$ 15,000 | \$ 15,000 |
| City of Evanston and HACC Deposit Funds | \$ 100,000 | \$ 100,000 |
| Engineering | \$ 90,000 | \$ 90,000 |
| Design Fee | \$ 60,000 | \$ 60,000 |
| Preliminary Work | \$ 25,000 | \$ 25,000 |
| Reimbursables | \$ 5,000 | \$ 5,000 |
| Environmental Assessment | \$ 15,000 | \$ 15,000 |
| Phase I & II | \$ 10,000 | \$ 10,000 |
| Archeological | \$ 5,000 | \$ 5,000 |
| Legal & Partner Fees | \$ 260,000 | \$ 235,000 |
| Zoning/Subdivision | \$ 35,000 | \$ 35,000 |
| Lender (IHDA) | \$ 50,000 | \$ 25,000 |
| Partnership | \$ 175,000 | \$ 175,000 |
| Survey | \$ 30,000 | \$ 30,000 |
| As-Builts | \$ 10,000 | \$ 10,000 |



DEVELOPMENT BUDGET



South Boulevard Shores
 504-514 South Boulevard, Evanston, IL 60202
 9%, New Construction

| BASELINE ESTIMATED COSTS | Estimated Value | Eligible Basis |
|--|------------------------|-----------------------|
| Boundary / Topo / ALTA | \$ 15,000 | \$ 15,000 |
| Subdivision | \$ 5,000 | \$ 5,000 |
| SOFT COSTS | \$ 604,446 | \$ 433,461 |
| FF&E / Common Space | \$ 75,000 | \$ 75,000 |
| Amenities Spaces (inc WIFI) | \$ 75,000 | \$ 75,000 |
| Impact & Tap Fees | \$ 25,000 | \$ 25,000 |
| Insurance | \$ 78,461 | \$ 78,461 |
| Builder's Risk (included in construction contract) | \$ 78,461 | \$ 78,461 |
| LIHTC Fees | \$ 155,985 | \$ - |
| Multifamily Housing Application Fee | \$ 5,000 | |
| Tax Credit Determination Fee | \$ 149,985 | |
| 8609 Fee | \$ 1,000 | |
| Marketing & Leasing | \$ 15,000 | |
| Real Estate Tax Bills (During Construction) | \$ 10,000 | \$ 10,000 |
| Reimbursement to City of Evanston | \$ 100,000 | \$ 100,000 |
| Testing | \$ 125,000 | \$ 125,000 |
| Concrete Testing & Reports | \$ 25,000 | \$ 25,000 |
| Energy Star Testing & Reports | \$ 75,000 | \$ 75,000 |
| Soils Testing & Reports | \$ 25,000 | \$ 25,000 |
| Title & Recording | \$ 20,000 | \$ 20,000 |
| FINANCING COSTS | \$ 1,763,791 | \$ 1,550,964 |
| Construction Loan Costs | \$ 100,000 | \$ 100,000 |
| Lender Origination Fees | \$ 75,000 | \$ 75,000 |
| Third Party Due Diligence | \$ 25,000 | \$ 25,000 |
| Permanent Loan Costs | \$ 87,827 | \$ - |
| IHDA Origination Fees | \$ 77,827 | |
| Conversion Costs | \$ 5,000 | |
| Plan and Cost Review | \$ 5,000 | |
| Syndication | \$ 75,000 | \$ - |
| Due Diligence / Closing Costs | \$ 75,000 | |
| Interest | \$ 1,500,964 | \$ 1,450,964 |
| Pre-Construction Loan Interest / GP Loans | \$ 50,000 | |
| Construction Loan Interest (Construction) | \$ 1,450,964 | \$ 1,450,963.74 |
| DEVELOPER FEE | \$ 2,181,959 | \$ 2,181,959 |
| South Boulevard Developer Fee | \$ 2,181,959 | \$ 2,181,959 |
| RESERVES / ESCROWS | \$ 626,700 | \$ - |
| Operating & Debt Reserve | \$ 468,300 | |
| Capitalized Replacement Reserve | \$ 45,000 | |
| Lease-Up Reserve | \$ 25,000 | |
| Real Estate Tax Reserve | \$ 24,750 | |
| Insurance Reserve | \$ 40,950 | |
| Risk Share MIP Reserve | \$ 22,700 | |
| TOTAL DEVELOPMENT BUDGET | \$ 28,023,795 | \$ 25,705,821 |



SOURCES & USES

| SOURCES / USES | | | | |
|------------------------------|--|----------------------|--------|-------------------|
| | Sources of Funds | Amount | % | Per Unit |
| (1) | 1st Mortgage: IHDA | \$ 7,782,716 | 27.77% | \$ 129,712 |
| (2) | Other Perm Loan: | \$ - | 0.00% | \$ - |
| (3) | LIHTC (9%) | \$ 13,498,650 | 48.17% | \$ 224,978 |
| (4) | ComED Energy Grant | \$ 325,000 | 1.16% | \$ 5,417 |
| (5) | Clean Energy Grant or Energy Tax Credits | \$ - | 0.00% | \$ - |
| (6) | IL Affordable Housing Tax Credit | \$ 780,000 | 2.78% | \$ 13,000 |
| (7) | IHDA Soft Funds | \$ 3,591,939 | 12.82% | \$ 59,866 |
| (8) | Deferred Fees | \$ 545,490 | 1.95% | \$ 9,091 |
| (9) | Cook County Soft Funds | \$ 1,500,000 | 5.35% | \$ 25,000 |
| (10) | Other | | 0.00% | \$ - |
| (11) | Financial Gap (Surplus) | \$ (0) | 0.00% | \$ (0) |
| TOTAL SOURCE OF FUNDS | | \$ 28,023,795 | | \$ 467,063 |
| | Use of Funds | Amount | % | Per Unit |
| (1) | Acquisition | \$ 765,000 | 2.73% | \$ 12,750 |
| (2) | Hard Costs | \$ 20,743,391 | 74.02% | \$ 345,723 |
| (3) | Soft Costs | \$ 604,446 | 2.16% | \$ 10,074 |
| (4) | Professional Services | \$ 1,338,508 | 4.78% | \$ 22,308 |
| (5) | Financing Costs | \$ 1,763,791 | 6.29% | \$ 29,397 |
| (6) | Developer Fee | \$ 2,181,959 | 7.79% | \$ 36,366 |
| (7) | Reserves / Escrows | \$ 626,700 | 2.24% | \$ 10,445 |
| TOTAL USE OF FUNDS | | \$ 28,023,795 | | \$ 467,063 |

Field Observations

Access to the Site

The site will be accessible from the residential alleys along the west and south lot lines.

Site Marketability

The subject site has average marketability due to its physical and locational attributes. Its size, shape, and topography would permit typical flexibility in development.

Adjacent Land Uses

The surrounding land uses are mixed and include apartment, condominium, retail-oriented commercial and transportation uses. Land use characteristics are summarized below.

Surrounding Area Land Uses

| | |
|-------------------------------------|---------|
| Character of Area | Urban |
| Predominant Age of Improvements | 50-100 |
| Predominant Quality and Condition | Average |
| Approximate Percent Developed | 95% |
| Infrastructure and Planning | Average |
| Predominant Location of Undeveloped | Infill |
| Prevailing Direction of Growth | Infill |

Immediate Surroundings

| | |
|-------|--|
| North | South Boulevard, with vintage apartments across the street |
| South | The Cavalry Catholic Cemetery |
| East | A single-family residence |
| West | A warehouse, followed by an office building, then Chicago Avenue and the South Boulevard CTA train platform. |



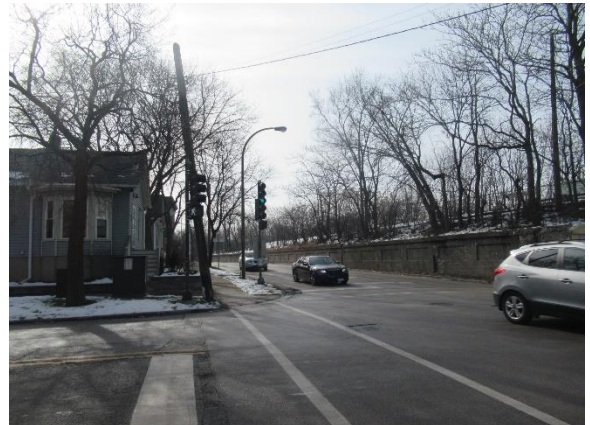
View of Site Facing South from South Boulevard
(Photo Taken on February 6, 2023)



View of Site Facing South from South Boulevard
(Photo Taken on February 6, 2023)



North on Chicago Avenue
(Photo Taken on February 6, 2023)



South on Chicago Avenue
(Photo Taken on February 6, 2023)



East on South Boulevard
(Photo Taken on February 6, 2023)

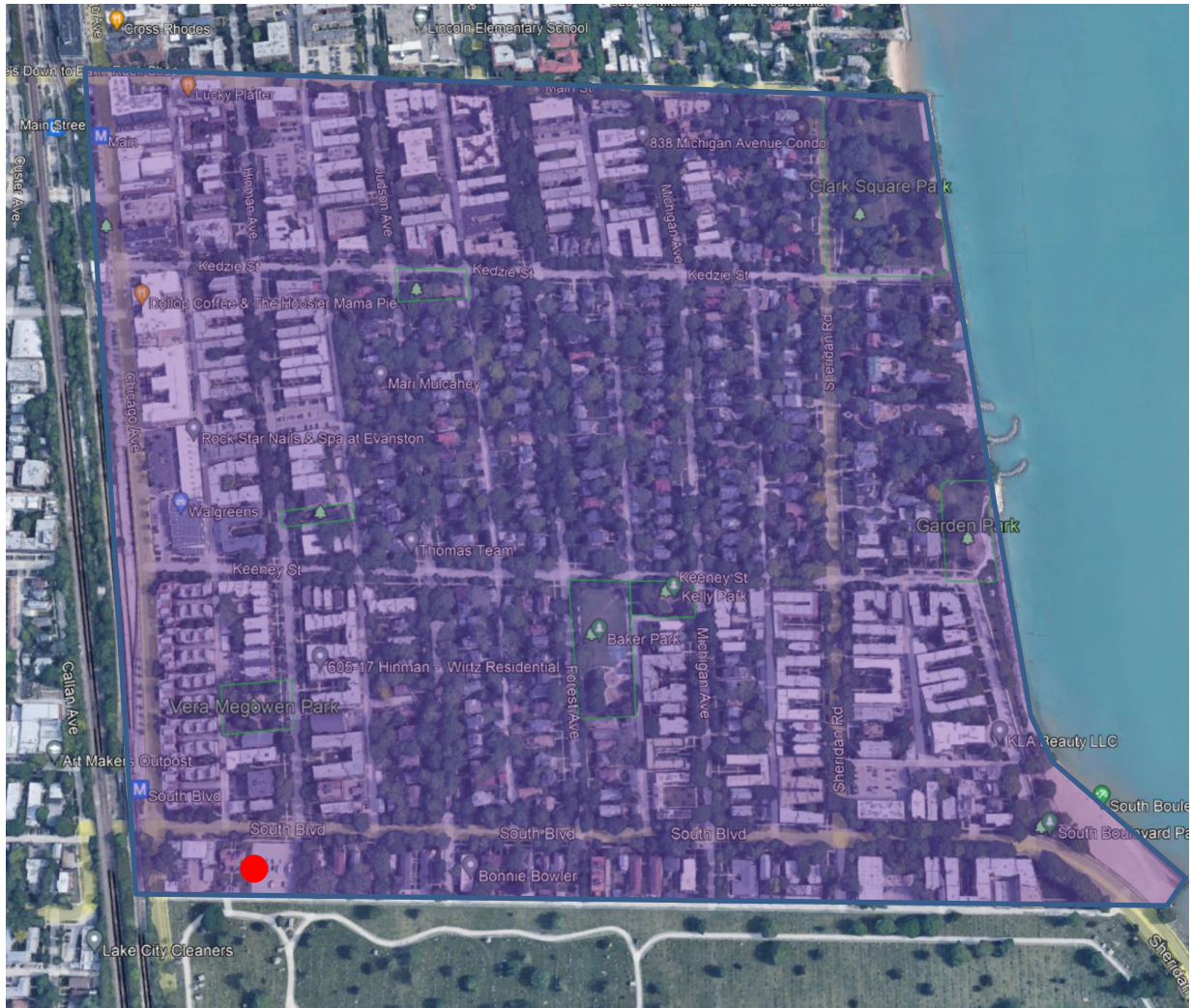


West on South Boulevard
(Photo Taken on February 6, 2023)

Neighborhood Description

Location

The subject is located in the southeast portion of Evanston. The immediate neighborhood is bounded roughly by the Cavalry Catholic Cemetery on the south, Chicago Avenue on the west, Main Street on the north and Lake Michigan on the east.



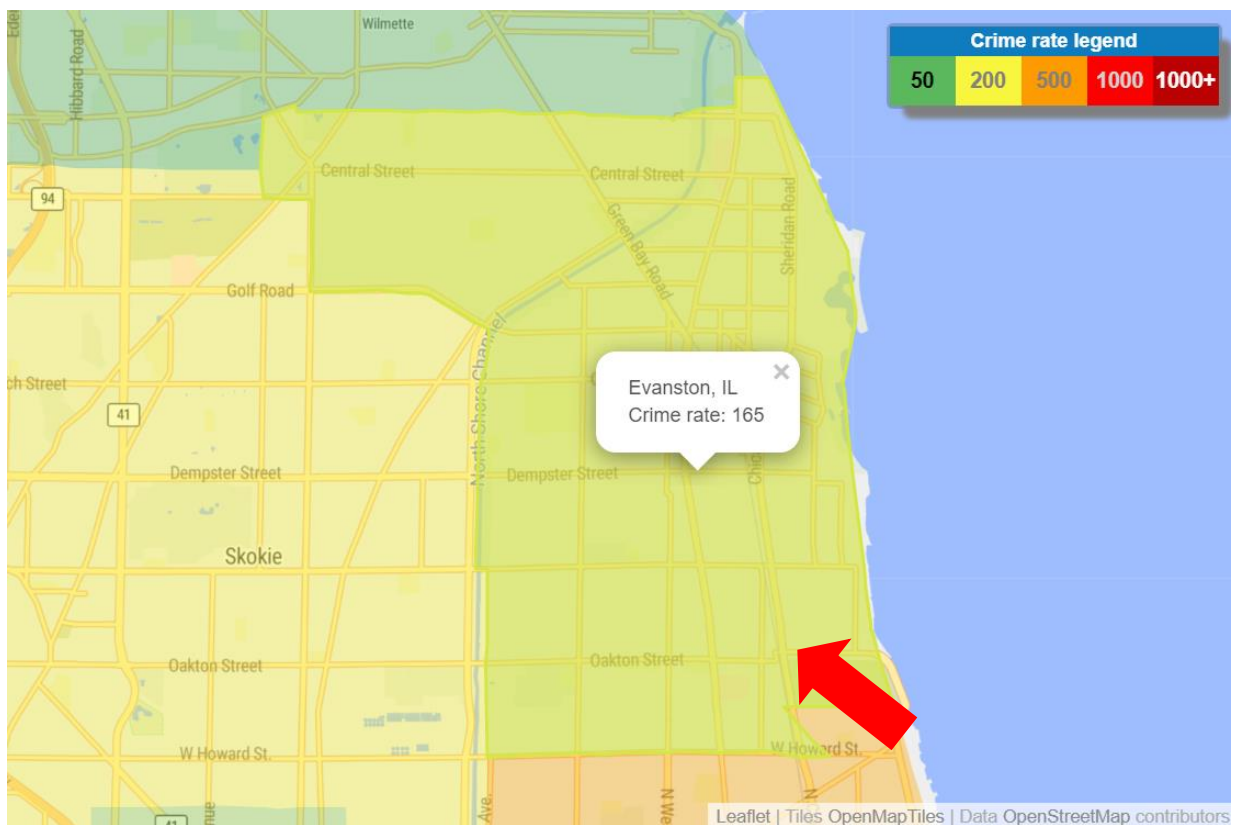
Access and Linkages

Primary highway access to the area is via the Edens Expressway (I-94), which has an interchange at Dempster Street, approximately 4.5 miles northwest. Public transportation is provided by the Regional Transportation Authority (RTA). The RTA operates three transportation divisions; the Chicago Transit Authority (CTA), the Metra commuter rail, and the PACE suburban bus service. The CTA operates a network of trains and buses within the City of Chicago and Evanston, with the nearest train platform

located ½ block west of the subject at South Boulevard and Chicago Avenue (CTA Purple Line). PACE operates a network of buses serving suburban Chicago, and the Metra commuter rail system operates a network of trains that service Chicago as well as the surrounding suburbs. As a whole the RTA services Cook, DuPage, Kane, Lake, McHenry and Will counties and operates over 5,200 buses and nearly 700 rail cars. Overall, the primary mode of transportation in the area is the automobile and public transportation.

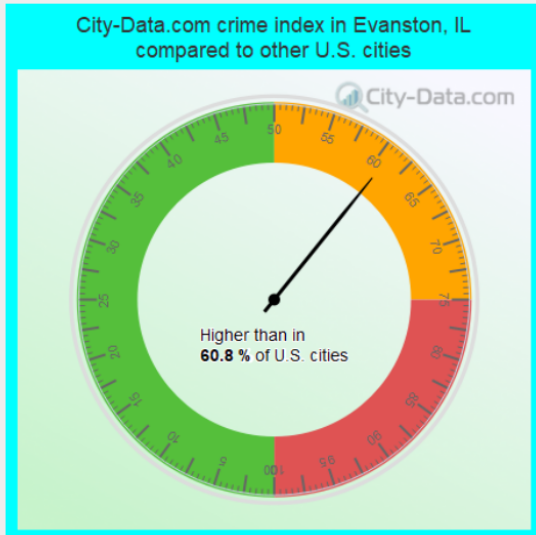
Public Safety Issues

The following map provided by the city-data.com of Chicago shows the subject's immediate neighborhood has a below average (yellow-green shading) crime risk.



We note that the area to the south of the neighborhood has a moderate crime rate. However, there is a large cemetery immediately to the south of the subject site that serves as a physical buffer between these areas.

The following graphic provided by city-data.com compares the crime rate in Evanston with national and local community crime rates:

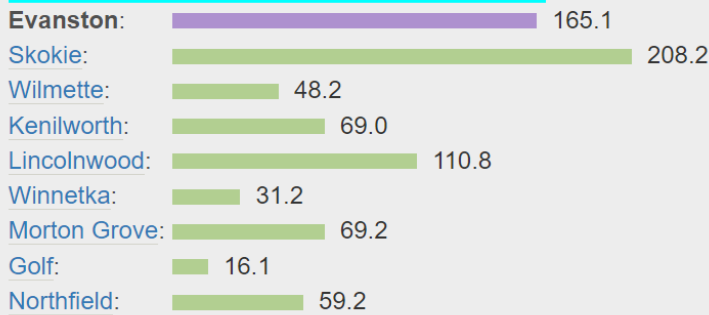


Crime rate in Evanston, IL

The 2019 crime rate in Evanston, IL is 165 (City-Data.com crime index), which is 1.6 times smaller than the U.S. average. It was higher than in 60.8% U.S. cities. The 2019 Evanston crime rate rose by 2% compared to 2018. The number of homicides stood at 1 - a decrease of 2 compared to 2018. In the last 5 years Evanston has seen decline of violent crime and increasing property crime.

See how dangerous Evanston, IL is compared to the nearest cities:

(Note: Higher means more crime)



On a relative basis, Evanston has a an above average crime rate in comparison with other nearby suburbs; however, it is below the national average. Therefore, it is our opinion that there are no public safety issues that are detrimental to operations of the property.

High Risk Area for Lead Exposure

The subject is located in a high-risk zip code (60202) for pediatric blood lead poisoning by the Illinois Department of Public Health. We note that all Chicago zip codes, and many other older suburbs adjacent to Chicago, are also identified as high risk. As the proposed improvements represent new construction, they will not suffer from any lead exposure issues. For any soil related matters, we assume that any lead exposure issues (if applicable) will be remediated in accordance with the IEPA standards and that a No Further Remediation letter will be issued at completion of the project.

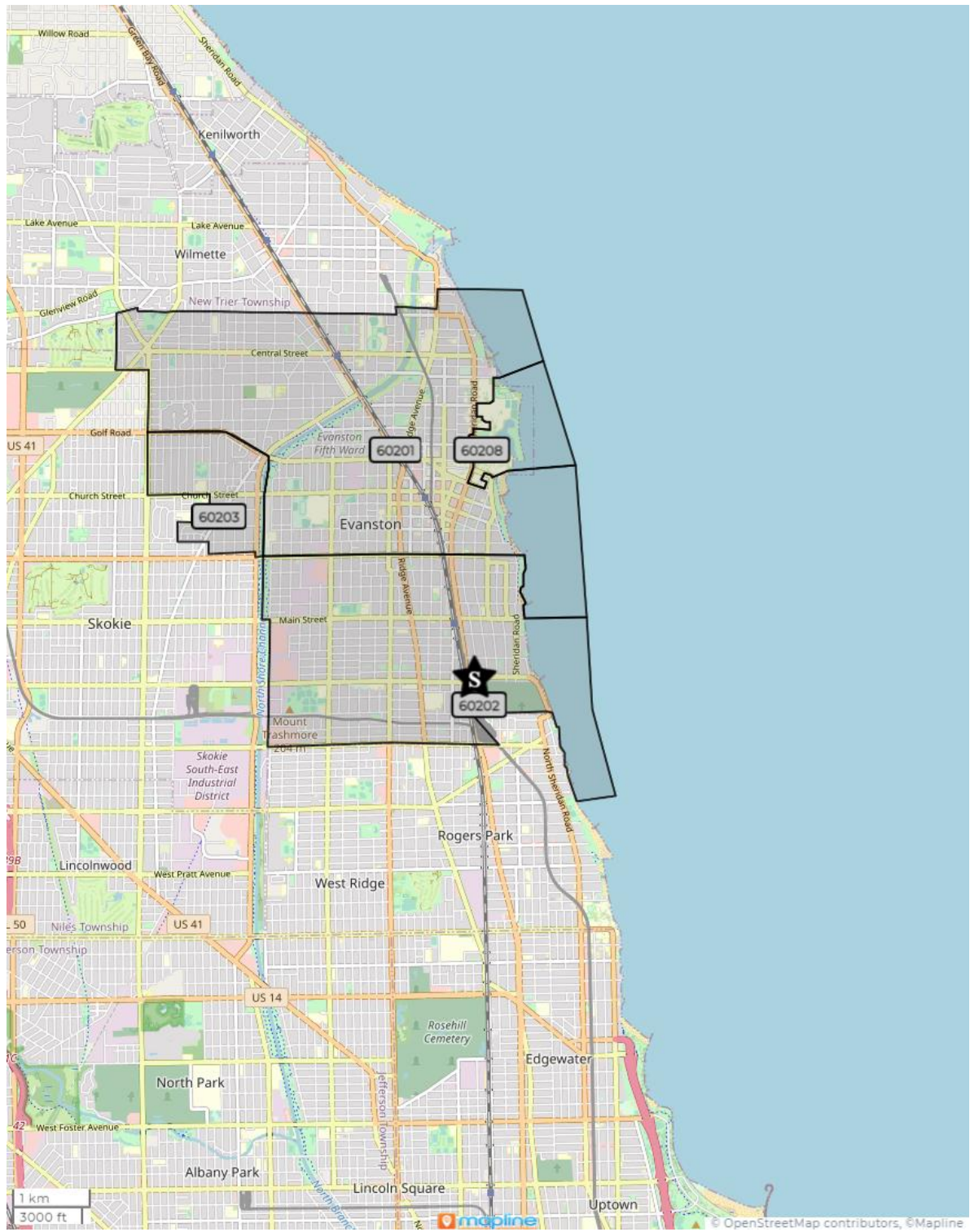
Market Area Characteristics

Primary Market Area (PMA)

The subject property is located in Evanston, Illinois. The subject's primary market area from which renters will be drawn is considered to be the area within the 60201, 60202, 60203 and 60208 zip codes. This area includes all of Evanston.

The subject's PMA includes a variety of land uses including residential apartments, condominiums and single-family, commercial, industrial, institutional and recreational uses.

PMA Map



Comparable Properties (Primary Competition)

The following property is considered the subject's only primary competitor:

Subsidized/Affordable/Mixed Income Properties Summary (Primary Competition)

| Property | Address | City | Zip Code | Type | Tenant Restrictions | Total Units | Subsidized | Affordable | Market | Other |
|-----------------------|-------------|----------|----------|------------|---------------------|-------------|------------|------------|--------|-------|
| Subject | 504 South | Evanston | 60202 | Mixed | | 60 | 18 | 42 | | |
| Emerson Square | 1600 Foster | Evanston | 60201 | Subsidized | | 32 | 32 | | | |
| Totals (excl subject) | | | | | | 32 | 32 | 0 | 0 | 0 |

Emerson Square is a three-story townhouse and walkup apartment complex with 32 subsidized e apartment units with a unit mix consisting of one bedroom, two bedroom and three bedroom units types. Unit amenities include a range/oven, refrigerator, dishwasher and washer/dryer. Community amenities include a leasing/management office, garden, park, playground, bike storage and surface parking. Water. Sewer and trash are included in the rent. Tenants pay gas and electric. The improvements were built in 2013.

New Construction

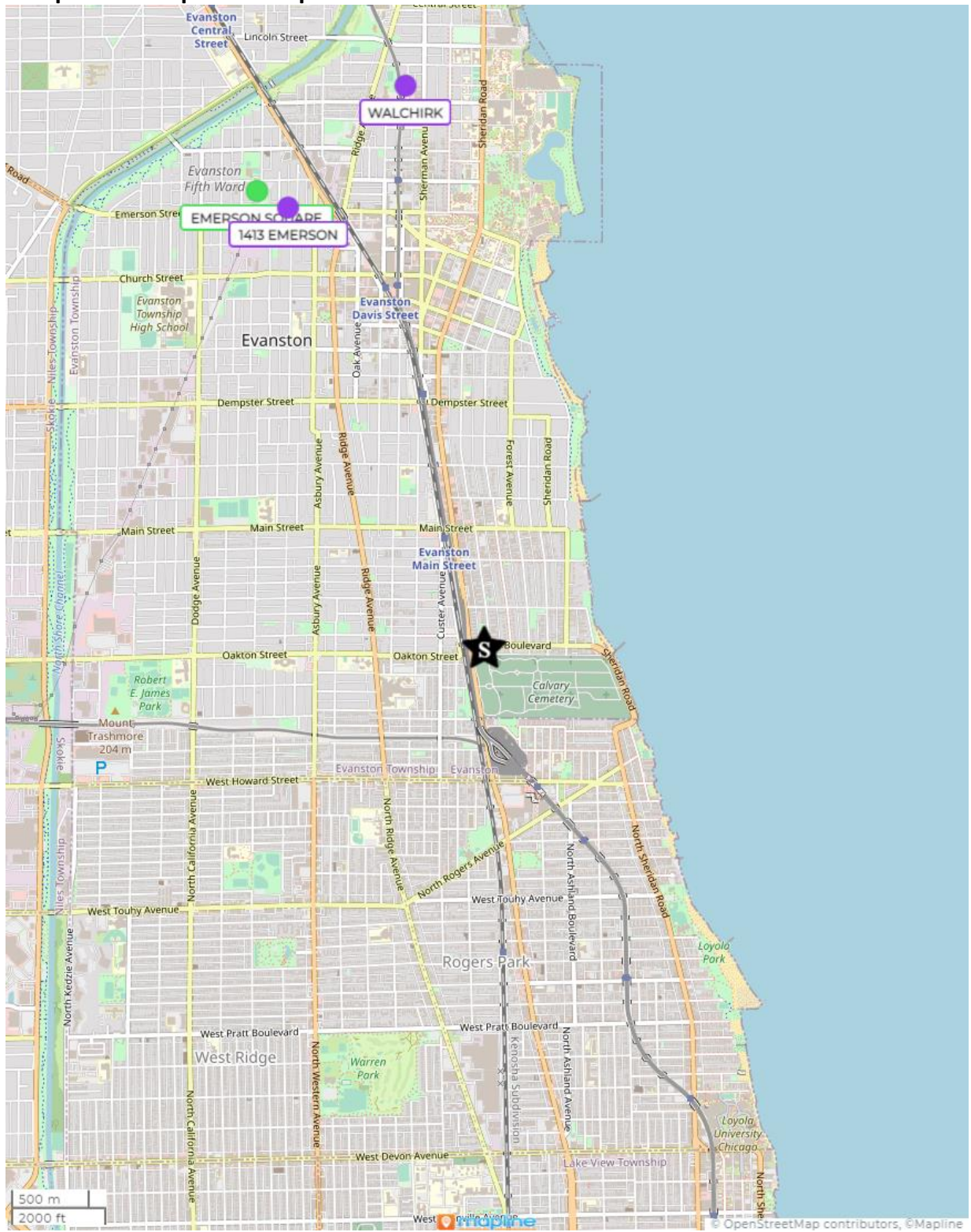
We are aware of the following proposed affordable properties in the subject's neighborhood. These are summarized as follows:

Proposed Competitive Properties

| Property | Address | City | Zip Code | Type | Unit Types | Completion | Units | Subsidized | Affordable | Market |
|-------------------------|--------------|----------|----------|----------|------------|------------|-----------|------------|------------|----------|
| Walchirk Family Housing | 2300 Noyes | Evanston | 60201 | Elevator | TBD | TBD | 53 | 53 | | |
| 1413 Emerson | 1413 Emerson | Evanston | 60201 | Elevator | TBD | TBD | 46 | | 46 | |
| Total | | | | | | | 99 | 53 | 46 | 0 |

The total number of proposed units is 99, with 53 subsidized and 46 affordable. No other details are available on either property.

Comparable Properties Map



Affordable Properties Within the Primary Market Area

The subject property has a mix of affordable and subsidized units and only competes directly with other family affordable and subsidized units in the local market. The following table all existing subsidized and affordable housing options in the subject's primary market area:

Subsidized/Affordable/Mixed Income Properties Summary (All)

| Property | Address | City | Zip Code | Type | Tenant Restrictions | Total Units | Subsidized | Affordable | Market | Other |
|--------------------------------|--------------|----------|----------|------------|---------------------|-------------|------------|------------|--------|-------|
| Subject | 504 South | Evanston | 60202 | Mixed | | 60 | 18 | 42 | | |
| Claridge Apartments | 319 Dempster | Evanston | 60201 | Subsidized | Special Needs | 50 | 50 | | | |
| Ebenezer Primm Towers | 1001 Emerson | Evanston | 60201 | Subsidized | Elderly | 101 | 101 | | | |
| Emerson Square | 1600 Foster | Evanston | 60201 | Subsidized | | 32 | 32 | | | |
| Jacob Blake Manor | 1615 Emerson | Evanston | 60201 | Subsidized | Elderly | 76 | 76 | | | |
| Jane R. Perlman Apartments PSH | 1900 Sherman | Evanston | 60201 | Subsidized | Elderly | 201 | 201 | | | |
| McGaw YMCA Men's Residence | 1000 Grove | Evanston | 60201 | Subsidized | Special Needs | 172 | 172 | | | |
| Over the Rainbow Unit II | 2040 Brown | Evanston | 60201 | Subsidized | Special Needs | 33 | 33 | | | |
| Victor Walchirk Apartments PSH | 2300 Noyes | Evanston | 60201 | Subsidized | Elderly | 110 | 110 | | | |
| 1015 Howard Street | 1015 Howard | Evanston | 60202 | Affordable | Elderly | 60 | | 60 | | |
| Impact Scattererd Site PSH | 419 Keeney | Evanston | 60202 | Subsidized | Special Needs | 24 | 24 | | | |
| Ann Rainey Apartments PSH | 1011 Howard | Evanston | 60202 | Affordable | Elderly | 60 | | 60 | | |
| Evanston Apartments | 824 Dobson | Evanston | 60202 | Subsidized | Elderly | 15 | 15 | | | |
| House of Peace | 700 Monroe | Evanston | 60202 | Subsidized | Special Needs | 12 | 12 | | | |
| Totals (excl subject) | | | | | | 946 | 826 | 120 | 0 | 0 |

Source: IHDA, HUD, HACC

These 13 properties total 946 units, with 826 subsidized and 120 affordable. All except Emerson Square are special needs, supportive and/or age restricted and are considered non-competitive.

Primary Competition

The following property totals 32 subsidized units. It is considered the subject's only primary competitor due to it being newer construction with similar unit types. However, we also note that it is located on the northern portion of Evanston, approximately two mile from the subject. There is no competition within the southern portion of Evanston.

Subsidized/Affordable/Mixed Income Properties Summary (Primary Competition)

| Property | Address | City | Zip Code | Type | Tenant Restrictions | Total Units | Subsidized | Affordable | Market | Other |
|-----------------------|-------------|----------|----------|------------|---------------------|-------------|------------|------------|--------|-------|
| Subject | 504 South | Evanston | 60202 | Mixed | | 60 | 18 | 42 | | |
| Emerson Square | 1600 Foster | Evanston | 60201 | Subsidized | | 32 | 32 | | | |
| Totals (excl subject) | | | | | | 32 | 32 | 0 | 0 | 0 |

Area Services

The subject neighborhood consists of mixed uses including multi-family and single-family residential, retail and service oriented commercial uses. The nearest major commercial corridor is along Chicago Avenue, which begins approximately two blocks north of the site. Representative nearby area services include the following:

Shopping and Related Services

Shopping, restaurants and services include the following:

- Walgreens – 635 Chicago (one block north)
- Miscellaneous storefronts, strip centers, service businesses and restaurants along Chicago Avenue within ½ mile. The Evanston CBD is approximately one mile north.

Transportation

Primary highway access to the area is via the Edens Expressway (I-94), which has an interchange at Dempster Street, approximately 4.5 miles northwest. Public transportation is provided by the Regional Transportation Authority (RTA). The RTA operates three transportation divisions; the Chicago Transit Authority (CTA), the Metra commuter rail, and the PACE suburban bus service. The CTA operates a network of trains and buses within the City of Chicago and Evanston, with the nearest train platform located ½ block west of the subject at South Boulevard and Chicago Avenue. PACE operates a network of buses serving suburban Chicago, and the Metra commuter rail system operates a network of trains that service Chicago as well as the surrounding suburbs. As a whole the RTA services Cook, DuPage, Kane, Lake, McHenry and Will counties and operates over 5,200 buses and nearly 700 rail cars. Overall, the primary mode of transportation in the area is the automobile and public transportation.

Educational Facilities

Educational facilities within walking distance include the following:

- Northwestern University – Sheridan Road and Emerson Street (1.50 mile north)
- Oakton Elementary School – 436 Ridge Avenue (0.5 mile west)
- Evanston Township High School – SWC Grove Street and Oak Avenue (1.5 miles northwest)

Recreation

Major recreation facilities include the following:

- South Boulevard Beach – Sheridan Road at South Boulevard (1/2 mile east)
- A number of small neighborhood parks within a few blocks

Health Care

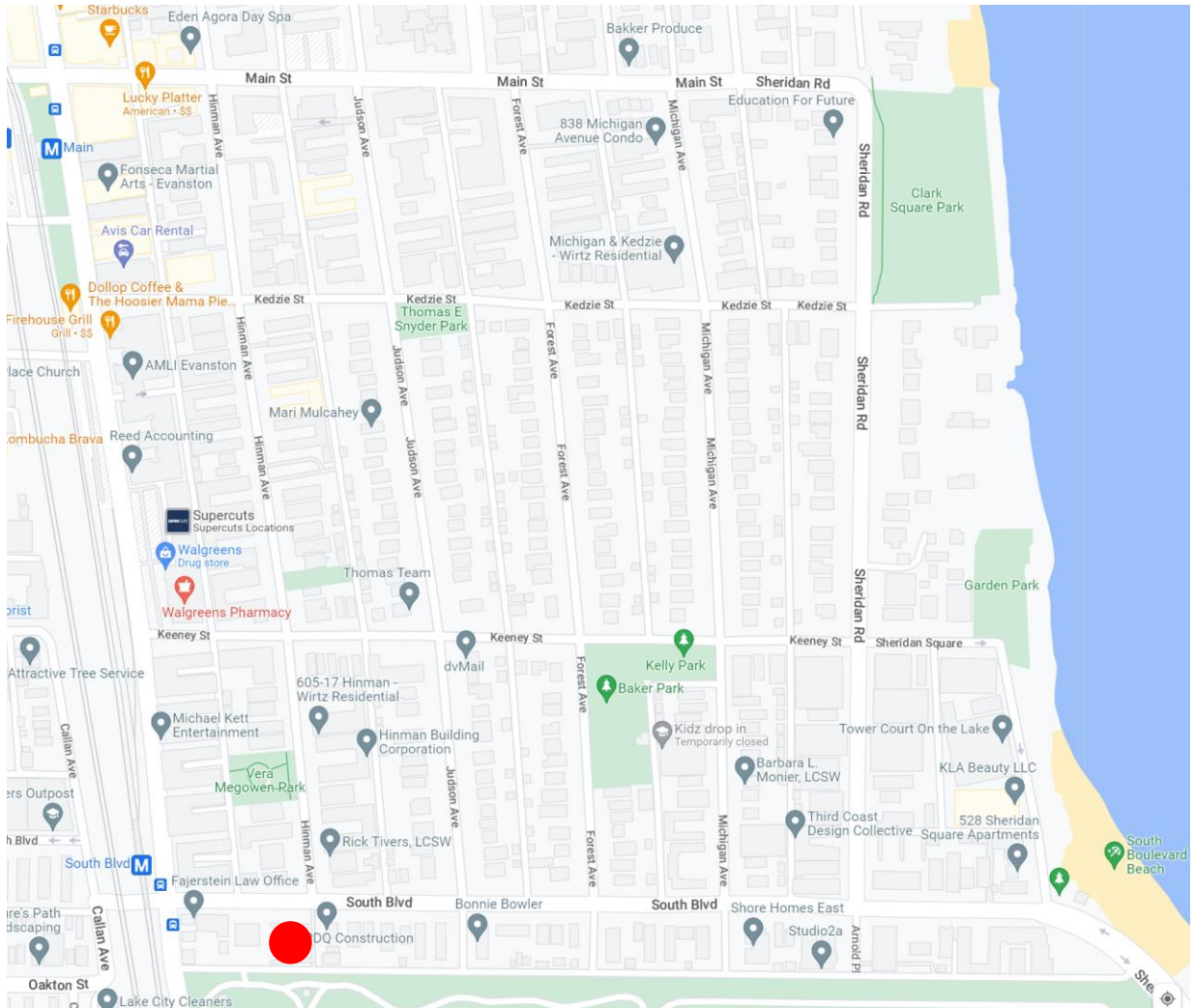
Local health care providers include the following:

- Ascension Saint Francis Hospital; – 355 Ridge (0.4 mile southwest)

Houses of Worship

- None in the immediate area but several churches, synagogues, mosques and temples in other parts of Evanston.

Neighborhood Amenities Map



Population / Demographic Characteristics

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

| Surrounding Area Demographics | | | | | |
|--|---------------|---------------|---------------|-------------|------------|
| 2023 Estimates | 1-Mile Radius | 3-Mile Radius | 5-Mile Radius | Chicago MSA | Illinois |
| Population 2020 | 45,831 | 259,063 | 563,201 | 9,618,502 | 12,812,508 |
| Population 2023 | 44,921 | 254,161 | 551,956 | 9,504,599 | 12,633,738 |
| Population 2028 | 44,343 | 251,409 | 545,446 | 9,462,034 | 12,518,254 |
| Compound % Change 2020-2023 | -0.7% | -0.6% | -0.7% | -0.4% | -0.5% |
| Compound % Change 2023-2028 | -0.3% | -0.2% | -0.2% | -0.1% | -0.2% |
| Households 2020 | 20,440 | 105,815 | 237,192 | 3,672,824 | 4,998,395 |
| Households 2023 | 20,103 | 104,552 | 234,075 | 3,653,281 | 4,958,627 |
| Households 2028 | 19,918 | 104,252 | 233,111 | 3,663,684 | 4,945,885 |
| Compound % Change 2020-2023 | -0.6% | -0.4% | -0.4% | -0.2% | -0.3% |
| Compound % Change 2023-2028 | -0.2% | -0.1% | -0.1% | 0.1% | -0.1% |
| Median Household Income 2023 | \$74,572 | \$67,717 | \$75,605 | \$82,702 | \$77,083 |
| Average Household Size | 2.1 | 2.3 | 2.3 | 2.6 | 2.5 |
| College Graduate % | 55% | 52% | 55% | 39% | 35% |
| Median Age | 40 | 38 | 39 | 39 | 39 |
| Owner Occupied % | 44% | 45% | 48% | 65% | 66% |
| Renter Occupied % | 56% | 55% | 52% | 35% | 34% |
| Median Owner Occupied Housing Value | \$384,154 | \$392,109 | \$426,539 | \$310,872 | \$255,281 |
| Median Year Structure Built | 1940 | 1946 | 1945 | 1970 | 1969 |
| Average Travel Time to Work in Minutes | 40 | 39 | 39 | 35 | 32 |

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 254,161, and the average household size is 2.3. Population in the area has declined since the 2020 census, and this trend is projected to continue over the next five years, although at a slower rate. Compared to the Chicago MSA overall, the population within a 3-mile radius is projected to decline at a faster rate.

Median household income is \$67,717, which is lower than the household income for the Chicago MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Chicago MSA, while median owner occupied home values are considerably higher.

Economy/Employment Overview

The subject is located in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area, hereinafter called the Chicago MSA, as defined by the U.S. Office of Management and Budget. The Chicago MSA is 7,197 square miles in size, and is the third most populous metropolitan area in the nation.

Population

The Chicago MSA has an estimated 2023 population of 9,504,599, which represents an average annual 0.4% decrease from the 2020 census of 9,618,502. The Chicago MSA lost an average of 37,968 residents per year over the 2020-2023 period, and its downward trend in population parallels the State of Illinois which had a 0.5% average annual decrease in population over this time.

Looking forward, the Chicago MSA's population is projected to decrease at a 0.1% annual rate from 2023-2028, equivalent to the loss of an average of 8,513 residents per year. The Chicago MSA's decline in population parallels Illinois, which is projected to decrease at a 0.2% rate.

| | Population | | | Compound Ann. % Chng | |
|---------------|-------------|---------------|-----------------|----------------------|-------------|
| | 2020 Census | 2023 Estimate | 2028 Projection | 2020 - 2023 | 2023 - 2028 |
| United States | 331,449,281 | 334,500,069 | 341,662,969 | 0.3% | 0.4% |
| Illinois | 12,812,508 | 12,633,738 | 12,518,254 | -0.5% | -0.2% |
| Chicago MSA | 9,618,502 | 9,504,599 | 9,462,034 | -0.4% | -0.1% |

Source: Claritas

Employment

Total employment in the Chicago MSA was estimated at 4,803,700 jobs as of November 2022. Between year-end 2012 and 2022, employment rose by 366,200 jobs, equivalent to an 8.3% increase over the entire period. There were gains in employment in nine out of the past ten years. Consistent with national trends, there were significant losses in 2020, with the onset of the COVID-19 pandemic, followed by a return to positive growth in 2021. The Chicago MSA's rate of employment growth over the last decade surpassed that of Illinois, which experienced an increase in employment of 5.9% or 342,600 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Chicago MSA has had a 6.4% average unemployment rate, which is the same as the rate for Illinois. The two areas are performing similarly according to this measure.

Recent data shows that the Chicago MSA unemployment rate is 4.3% in comparison to a 4.6% rate for Illinois, a positive sign that is consistent with the fact that the Chicago MSA has outperformed Illinois in the rate of job growth over the past two years.

Employment Trends

| Year | Total Employment (Year End) | | | | Unemployment Rate (Ann. Avg.) | |
|----------------------------------|-----------------------------|----------|-----------|----------|-------------------------------|----------|
| | Chicago MSA | % Change | Illinois | % Change | Chicago MSA | Illinois |
| 2012 | 4,437,500 | | 5,822,600 | | 9.1% | 9.0% |
| 2013 | 4,510,700 | 1.6% | 5,882,100 | 1.0% | 9.1% | 9.1% |
| 2014 | 4,582,000 | 1.6% | 5,969,900 | 1.5% | 7.2% | 7.2% |
| 2015 | 4,670,100 | 1.9% | 6,048,000 | 1.3% | 6.0% | 6.0% |
| 2016 | 4,711,400 | 0.9% | 6,076,800 | 0.5% | 5.8% | 5.9% |
| 2017 | 4,748,600 | 0.8% | 6,131,900 | 0.9% | 4.9% | 4.9% |
| 2018 | 4,780,200 | 0.7% | 6,159,700 | 0.5% | 4.1% | 4.4% |
| 2019 | 4,806,900 | 0.6% | 6,176,900 | 0.3% | 3.9% | 4.0% |
| 2020 | 4,422,400 | -8.0% | 5,702,800 | -7.7% | 9.5% | 9.2% |
| 2021 | 4,656,900 | 5.3% | 5,981,100 | 4.9% | 6.2% | 6.1% |
| 2022* | 4,803,700 | 3.2% | 6,165,200 | 3.1% | 4.6% | 4.7% |
| Overall Change 2012-2022 | 366,200 | 8.3% | 342,600 | 5.9% | | |
| Avg Unemp. Rate 2012-2022 | | | | | 6.4% | 6.4% |
| Unemployment Rate - October 2022 | | | | | 4.3% | 4.6% |

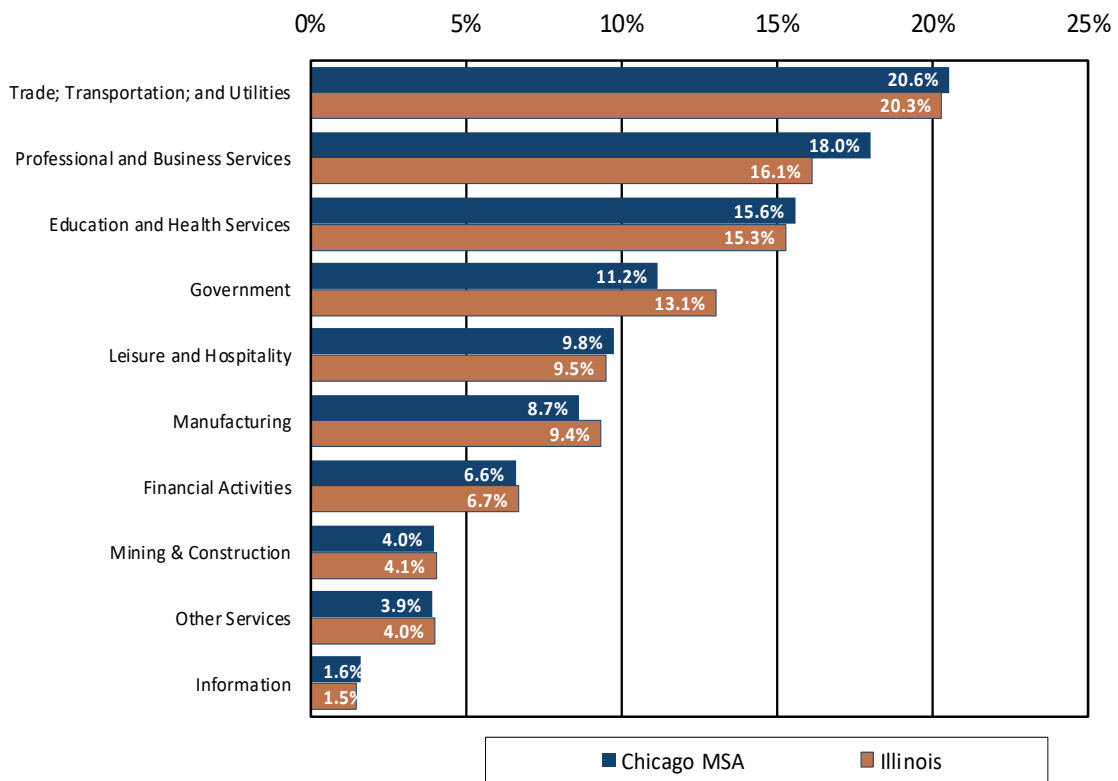
*Total employment data is as of November 2022; unemployment rate data reflects the average of 11 months of 2022.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Chicago MSA job market is depicted in the following chart, along with that of Illinois. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Chicago MSA jobs in each category.

Employment Sectors - 2022



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

The Chicago MSA has greater concentrations than Illinois in the following employment sectors:

1. Trade; Transportation; and Utilities, representing 20.6% of Chicago MSA payroll employment compared to 20.3% for Illinois as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Professional and Business Services, representing 18.0% of Chicago MSA payroll employment compared to 16.1% for Illinois as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Education and Health Services, representing 15.6% of Chicago MSA payroll employment compared to 15.3% for Illinois as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
4. Leisure and Hospitality, representing 9.8% of Chicago MSA payroll employment compared to 9.5% for Illinois as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

The Chicago MSA is underrepresented in the following sectors:

1. Government, representing 11.2% of Chicago MSA payroll employment compared to 13.1% for Illinois as a whole. This sector includes employment in local, state, and federal government agencies.
2. Manufacturing, representing 8.7% of Chicago MSA payroll employment compared to 9.4% for Illinois as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
3. Financial Activities, representing 6.6% of Chicago MSA payroll employment compared to 6.7% for Illinois as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.
4. Mining & Construction, representing 4.0% of Chicago MSA payroll employment compared to 4.1% for Illinois as a whole. This sector includes construction of buildings, roads, and utility systems, as well as mining, quarrying, and oil and gas extraction.

Major Employers

Major employers in the Chicago MSA are shown in the following table.

Major Employers - Chicago MSA

| | Name | Number of Employees |
|----|-----------------------------------|---------------------|
| 1 | U.S. Government | 52,357 |
| 2 | Chicago Public Schools | 38,637 |
| 3 | City of Chicago | 30,928 |
| 4 | Advocate Aurora Health | 26,585 |
| 5 | Cook County | 22,074 |
| 6 | Northwestern Memorial Healthcare | 21,999 |
| 7 | University of Chicago | 18,732 |
| 8 | Amazon.com Inc | 18,210 |
| 9 | Amita Health | 18,202 |
| 10 | Walmart, Inc | 16,900 |
| 11 | State of Illinois | 13,936 |
| 12 | JPMorgan Chase & Co | 13,750 |
| 13 | Walgreens Boots Alliance Inc | 13,377 |
| 14 | United Airlines Holdings Inc | 11,059 |
| 15 | University of Illinois at Chicago | 10,691 |
| 16 | Abbott Laboratories | 10,280 |
| 17 | Rush University Medical Center | 10,222 |
| 18 | Jewel-Osco | 10,032 |
| 19 | Northwestern University | 9,888 |
| 20 | American Airlines Group Inc | 9,700 |
| 21 | Abbvie Inc | 9,534 |
| 22 | AT&T Inc | 9,340 |
| 23 | Chicago Transit Authority | 9,069 |
| 24 | United Parcel Service Inc | 8,248 |
| 25 | Health Care Service Corp | 7,889 |

Source: Crains

Gross Domestic Product

The Chicago MSA is the third largest metropolitan area economy in the nation based on Gross Domestic Product (GDP).

Economic growth, as measured by annual changes in GDP, has been somewhat higher in the Chicago MSA than Illinois overall during the past decade. The Chicago MSA has grown at a 1.2% average annual rate while Illinois has grown at a 0.9% rate. Consistent with national trends, both areas experienced declines in 2020 followed by a rebound in 2021. The Chicago MSA continues to perform better than Illinois. GDP for the Chicago MSA rose by 6.4% in 2021 while Illinois's GDP rose by 6.2%.

The Chicago MSA has a per capita GDP of \$66,260, which is 8% greater than Illinois's GDP of \$61,560. This means that Chicago MSA industries and employers are adding relatively more value to the economy than their counterparts in Illinois.

Gross Domestic Product

| Year | (\$,000s) | | (\$,000s) | |
|----------------------------|-------------|----------|-------------|----------|
| | Chicago MSA | % Change | Illinois | % Change |
| 2011 | 556,699,079 | | 711,283,400 | |
| 2012 | 570,954,874 | 2.6% | 726,399,100 | 2.1% |
| 2013 | 571,812,288 | 0.2% | 726,125,000 | 0.0% |
| 2014 | 585,490,687 | 2.4% | 741,194,000 | 2.1% |
| 2015 | 598,224,439 | 2.2% | 751,754,900 | 1.4% |
| 2016 | 600,346,200 | 0.4% | 749,333,500 | -0.3% |
| 2017 | 605,947,501 | 0.9% | 753,027,000 | 0.5% |
| 2018 | 622,008,434 | 2.7% | 771,695,500 | 2.5% |
| 2019 | 626,388,990 | 0.7% | 775,998,100 | 0.6% |
| 2020 | 592,460,553 | -5.4% | 734,385,000 | -5.4% |
| 2021 | 630,126,315 | 6.4% | 780,060,800 | 6.2% |
| Compound % Chg (2011-2021) | | 1.2% | | 0.9% |
| GDP Per Capita 2021 | \$66,260 | | \$61,560 | |

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2022.

The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2012 dollars.

Household Income

The Chicago MSA has a higher level of household income than Illinois. Median household income for the Chicago MSA is \$82,702, which is 7.3% greater than the corresponding figure for Illinois.

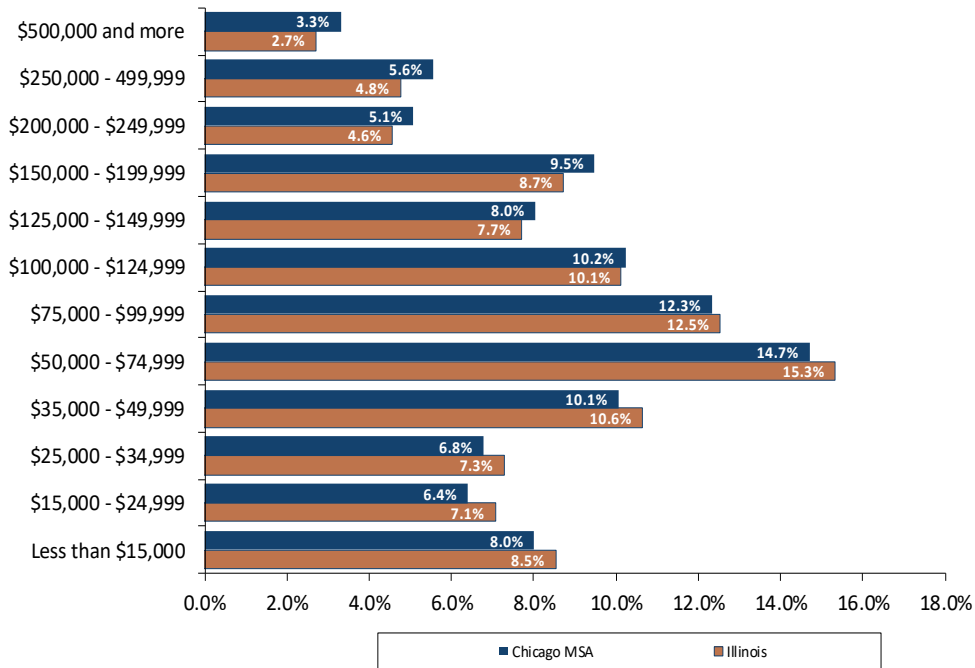
Median Household Income - 2023

| | Median |
|---------------------------------------|----------|
| Chicago MSA | \$82,702 |
| Illinois | \$77,083 |
| Comparison of Chicago MSA to Illinois | + 7.3% |

Source: Claritas

The following chart shows the distribution of households across twelve income levels. The Chicago MSA has a greater concentration of households in the higher income levels than Illinois. Specifically, 54% of Chicago MSA households are at the \$75,000 or greater levels in household income as compared to 51% of Illinois households. A lesser concentration of households is apparent in the lower income levels, as 21% of Chicago MSA households are below the \$35,000 level in household income versus 23% of Illinois households.

Household Income Distribution - 2023

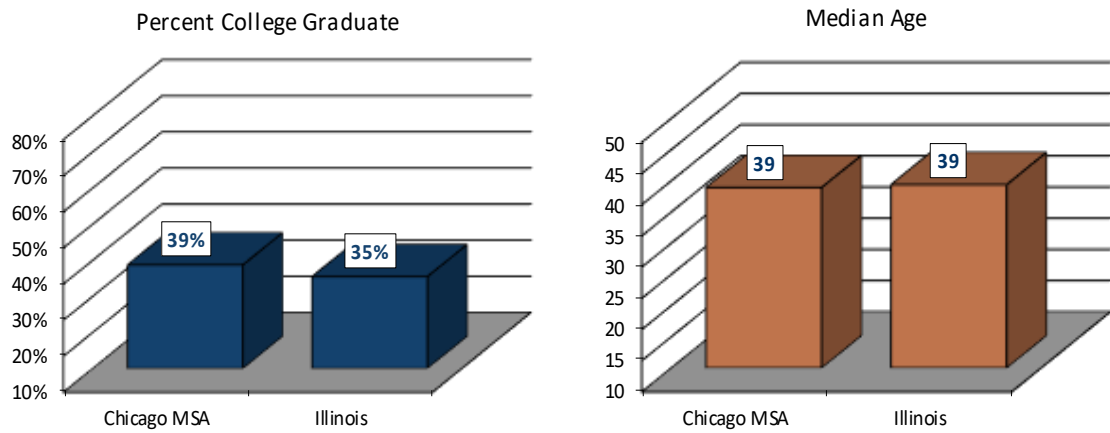


Source: Claritas

Education and Age

Residents of the Chicago MSA have a higher level of educational attainment than those of Illinois. An estimated 39% of Chicago MSA residents are college graduates with four-year degrees, versus 35% of Illinois residents. People in the Chicago MSA are similar in age to their Illinois counterparts. The median age of both the Chicago MSA and Illinois is 39 years.

Education & Age - 2023



Source: Claritas

Conclusion

The Chicago MSA economy will be affected by a flat to declining population base and higher income and education levels. The Chicago MSA experienced growth in the number of jobs over the past decade, and it is reasonable to assume that employment growth will occur in the future. Moreover, the Chicago MSA gains strength from being the third most populous metropolitan area in the country and having both a higher rate of GDP growth and a higher level of GDP per capita than Illinois overall. It is anticipated that the Chicago MSA economy will improve and employment will grow, strengthening the demand for real estate.

Housing Market Characteristics

Multifamily Market Analysis

Metro Area Overview

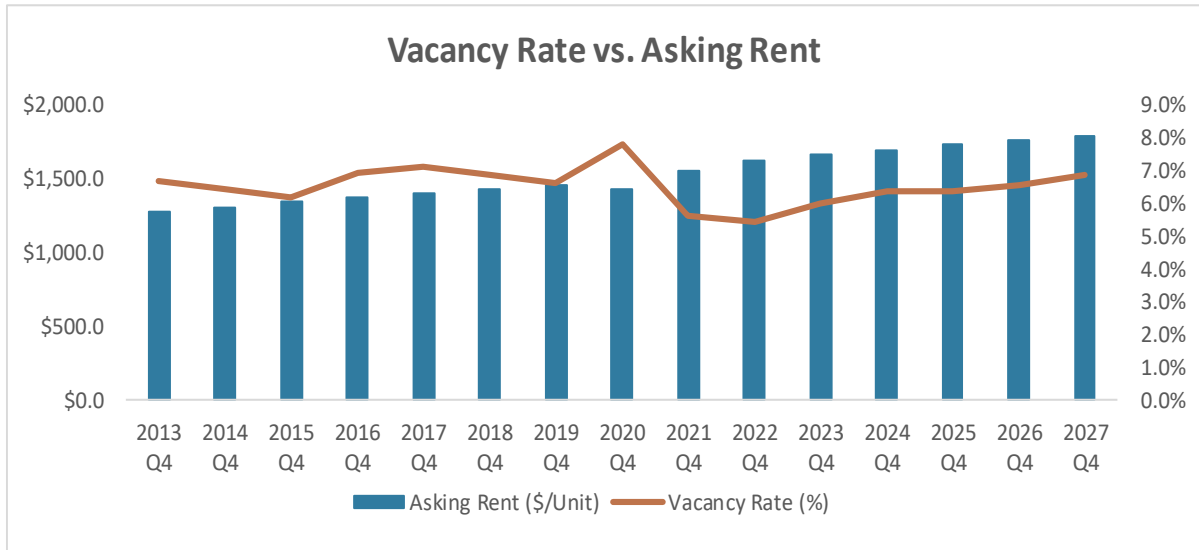
The subject is located in the Chicago - IL metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Multifamily Chicago - IL Metro Trends

| Period | Stock | Demand | Vacancy | Net Completions 12 Months | Under Construction Stock | Net Absorption 12 Months | Asking Rent | Rent Growth 12 Month | Price Growth | Cap Rate |
|---------|---------|---------|---------|------------------------------|-----------------------------|-----------------------------|-------------|-------------------------|--------------|----------|
| 2013 Q4 | 467,771 | 436,537 | 6.67% | 5,957 | 8,165 | 4,038 | \$1,277 | 2.51% | 2.54% | 6.78% |
| 2014 Q4 | 472,936 | 442,511 | 6.43% | 5,092 | 9,213 | 5,919 | \$1,306 | 2.27% | 8.08% | 6.52% |
| 2015 Q4 | 477,620 | 447,976 | 6.20% | 4,757 | 11,752 | 5,557 | \$1,351 | 3.50% | 6.15% | 6.39% |
| 2016 Q4 | 486,569 | 452,800 | 6.93% | 8,949 | 15,894 | 4,843 | \$1,380 | 2.11% | 5.73% | 6.30% |
| 2017 Q4 | 495,877 | 460,515 | 7.13% | 9,306 | 17,814 | 7,739 | \$1,404 | 1.73% | 4.00% | 6.23% |
| 2018 Q4 | 505,105 | 470,346 | 6.88% | 9,225 | 17,504 | 9,862 | \$1,431 | 1.95% | 6.24% | 6.12% |
| 2019 Q4 | 514,644 | 480,459 | 6.64% | 9,798 | 14,994 | 10,390 | \$1,457 | 1.77% | 5.39% | 5.93% |
| 2020 Q4 | 524,228 | 483,286 | 7.80% | 9,584 | 14,946 | 2,850 | \$1,436 | -1.43% | 1.96% | 5.77% |
| 2021 Q4 | 533,442 | 503,386 | 5.63% | 9,214 | 12,384 | 20,179 | \$1,552 | 8.13% | 9.09% | 5.66% |
| 2022 Q4 | 539,359 | 509,870 | 5.46% | 5,917 | 16,811 | 6,502 | \$1,620 | 4.39% | 3.76% | 5.61% |
| 2023 Q4 | 547,617 | 514,847 | 5.98% | 8,258 | 0 | 4,978 | \$1,669 | 2.98% | -0.86% | 5.77% |
| 2024 Q4 | 556,847 | 521,110 | 6.40% | 9,230 | 0 | 6,264 | \$1,700 | 1.86% | 2.02% | 5.75% |
| 2025 Q4 | 562,903 | 527,081 | 6.36% | 6,056 | 0 | 5,970 | \$1,734 | 2.00% | 1.82% | 5.75% |
| 2026 Q4 | 570,677 | 533,041 | 6.59% | 7,774 | 0 | 5,960 | \$1,768 | 1.96% | 1.72% | 5.75% |
| 2027 Q4 | 578,411 | 538,527 | 6.89% | 7,734 | 0 | 5,486 | \$1,798 | 1.72% | 1.19% | 5.77% |

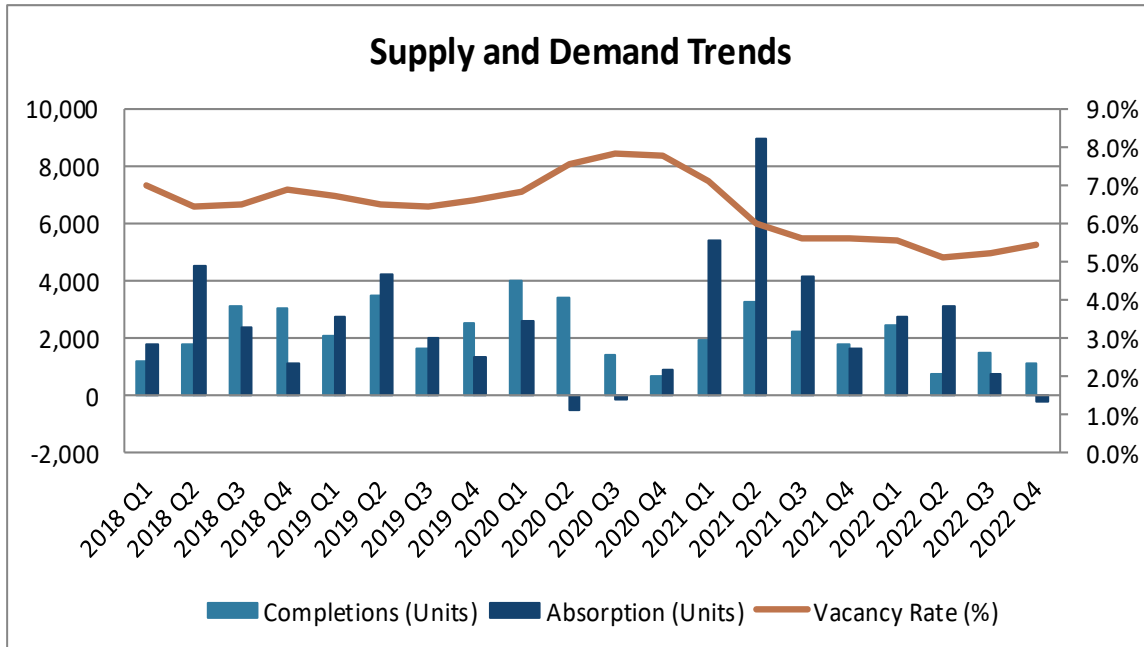
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Chicago - IL Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 5.46%; the vacancy rate has decreased by 234 bps from 2020 Q4.
- Two-year Base Case forecasts project a 6.40% vacancy rate in the metro area, representing an increase of 94 bps by 2024 Q4.
- Asking rent averages \$1,620/unit in the metro area, and values have increased by 12.85% from 2020 Q4.
- Two-year Base Case forecasts project a \$1,700/unit asking rent in the metro area, representing an increase of 4.91% by 2024 Q4.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 2.89% from 2020 Q4, while the demand has increased by 5.50%.
- Between 2018 Q1 and 2022 Q4, net completions in the metro area have averaged 8,748 units annually, and reached a peak of 3,987 units in 2020 Q1.
- Between 2018 Q1 and 2022 Q4, net absorption in the metro area has averaged 9,957 units annually, and reached a peak of 9,003 units in 2021 Q2.

Submarket Overview

The subject is located in the North Lakefront submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.



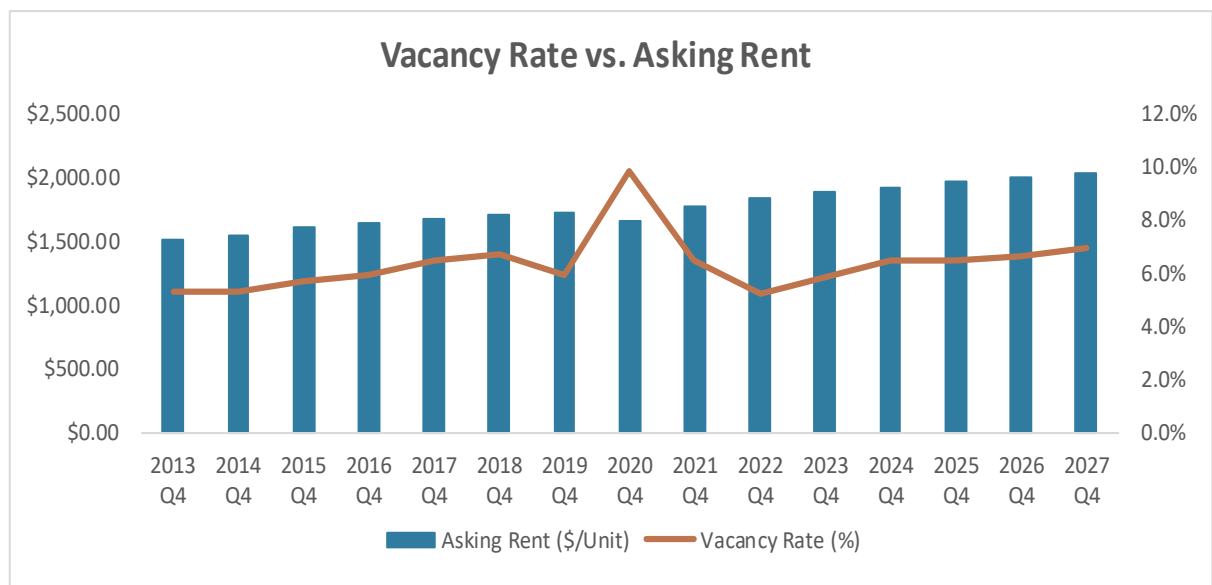
All Multifamily North Lakefront Submarket Trends

| Period | Stock | Demand | Vacancy | Net Completions 12 Months | Under Construction Stock | Net Absorption 12 Months | Asking Rent | Rent Growth 12 Month | Price Growth | Cap Rate |
|---------|--------|--------|---------|---------------------------|--------------------------|--------------------------|-------------|----------------------|--------------|----------|
| 2013 Q4 | 73,145 | 69,256 | 5.32% | 266 | 1,716 | 425 | \$1,519 | 2.08% | 3.41% | 6.16% |
| 2014 Q4 | 73,923 | 70,004 | 5.30% | 778 | 1,475 | 759 | \$1,549 | 1.99% | 8.05% | 5.91% |
| 2015 Q4 | 75,142 | 70,833 | 5.73% | 1,219 | 2,672 | 836 | \$1,606 | 3.69% | 6.56% | 5.78% |
| 2016 Q4 | 76,217 | 71,683 | 5.95% | 1,075 | 3,343 | 849 | \$1,649 | 2.66% | 6.25% | 5.68% |
| 2017 Q4 | 78,369 | 73,272 | 6.50% | 2,152 | 4,315 | 1,590 | \$1,671 | 1.36% | 4.08% | 5.61% |
| 2018 Q4 | 80,885 | 75,446 | 6.72% | 2,516 | 4,184 | 2,187 | \$1,703 | 1.90% | 5.83% | 5.52% |
| 2019 Q4 | 82,641 | 77,704 | 5.97% | 1,756 | 3,322 | 2,274 | \$1,733 | 1.73% | 4.71% | 5.38% |
| 2020 Q4 | 84,654 | 76,322 | 9.84% | 2,013 | 2,322 | -1,370 | \$1,655 | -4.46% | 0.09% | 5.32% |
| 2021 Q4 | 86,467 | 80,861 | 6.48% | 1,813 | 2,013 | 4,592 | \$1,769 | 6.83% | 8.96% | 5.20% |
| 2022 Q4 | 87,058 | 82,524 | 5.21% | 591 | 2,758 | 1,668 | \$1,840 | 4.03% | 2.66% | 5.23% |
| 2023 Q4 | 87,997 | 82,822 | 5.88% | 939 | 0 | 298 | \$1,891 | 2.77% | -1.02% | 5.39% |
| 2024 Q4 | 89,674 | 83,774 | 6.49% | 1,677 | 0 | 953 | \$1,926 | 1.84% | 2.04% | 5.37% |
| 2025 Q4 | 90,863 | 84,984 | 6.47% | 1,189 | 0 | 1,208 | \$1,963 | 1.96% | 1.83% | 5.37% |
| 2026 Q4 | 92,133 | 86,042 | 6.61% | 1,270 | 0 | 1,059 | \$2,001 | 1.92% | 1.72% | 5.37% |
| 2027 Q4 | 93,445 | 86,960 | 6.94% | 1,312 | 0 | 918 | \$2,035 | 1.69% | 1.20% | 5.39% |

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The North Lakefront submarket comprises 16.1% of the metro building stock and 16.2% of the metro building demand.
- The vacancy rate in the North Lakefront submarket is 5.21%, which is less than the metro area's average of 5.46%.
- North Lakefront market rate is \$1,840/unit which is greater than the metro area's average rate of \$1,620/unit.

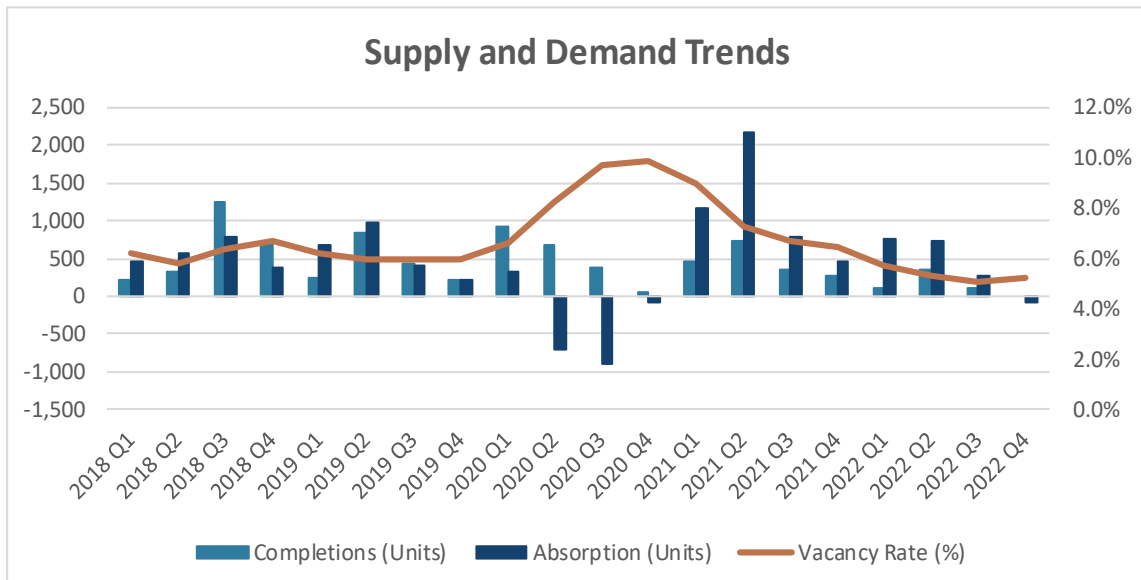
North Lakefront Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



- The current vacancy rate in the submarket area is 5.21%; the vacancy rate has decreased by 463 bps from 2020 Q4.
- Two-year Base Case forecasts project a 6.49% vacancy rate in the submarket area, representing an increase of 128 bps by 2024 Q4.
- Asking rent averages \$1,840/unit in the submarket area, and values have increased by 11.17% from 2020 Q4.
- Two-year Base Case forecasts project a \$1,926/unit asking rent in the submarket area, representing an increase of 4.66% by 2024 Q4.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 2.84% from 2020 Q4, while the demand has increased by 8.13%.
- Between 2018 Q1 and 2022 Q4, net completions in the submarket area have averaged 1,738 units annually, and reached a peak of 1,259 units in 2018 Q3.
- Between 2018 Q1 and 2022 Q4, net absorption in the submarket area has averaged 1,870 units annually, and reached a peak of 2,183 units in 2021 Q2.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Chicago metro area to have a neutral impact on the subject property’s performance in the near-term.



General Housing Characteristics

According to data supplied by Ribbon Demographics, housing tenure statistics for the PMA are summarized as follows:

Household Distribution by Occupancy Type

| Tenure | 2011-2015 | | 2022 | | 2027 | |
|-----------------|-------------|---------|-------------|---------|-------------|---------|
| | Number HH's | % Total | Number HH's | % Total | Number HH's | % Total |
| Owner Occupied | 17,758 | 57.50% | 18,508 | 56.49% | 18,808 | 56.30% |
| Renter Occupied | 13,124 | 42.50% | 14,255 | 43.51% | 14,598 | 43.70% |
| Total | 30,882 | | 32,763 | | 33,406 | |

Source: HISTA 2.2 Report published by Ribbon Demographics

Comparison of Market Area Rental Market

Local rental housing options include market rate, affordable, subsidized and mixed income apartments (both age and non-age restricted), condominiums and townhouses. Upon completion of the proposed construction, the subject property will be a new affordable and subsidized apartment building. It will directly compete with the following:

- Affordable units – properties with LIHTC, HOME or other income restricted units, excluding age-restricted, SRO, supportive or special needs properties.
- Subsidized units – properties with Section 8 or other project-based subsidy contract units excluding age-restricted, SRO, supportive or special needs properties.

Primary/Secondary Competition

Our research identified one newer construction subsidized properties within the PMA that are considered directly competitive with the subject as affordable units and are considered primary competition. We also identified one other newer mixed income property located just outside the PMA that we also consider be somewhat competitive and designate it as secondary competition. These are summarized on the following page:

Rent Comparable Summary - Affordable/Mixed Income

| Development Name Address City, State, Zip Code Telephone | Tenant Base | Bedroom Types | Affordable Housing Program | # Total Units | # Low Income Units | Age/Condition | Occupancy | Tenant Demographics |
|---|-------------|---------------|----------------------------|---------------|--------------------|---------------|-------------|--|
| South Boulevard Shores 504-514 South Boulevard Evanston, IL 60202 | Family | 1,2,3 | Section 42 PBV | 60 | 60 | 2025 New | 95% Assumed | 30%-60% AMI (PBV) 30% AMI (AFF) 60% AMI (AFF) 80% AMI (AFF) |
| Emerson Square 1600 Foster Evanston, IL 60201 | Family | 1,2,3 | PBV | 32 | 32 | 2013 Good | 100% | 30% of Tenant Income |

Rent Comparable Summary - Affordable/Mixed Income

| Development Name Address City, State, Zip Code Telephone | Unit Type | Unit Mix | Net Rent Range | Size (SF) Range | Rent/SF Range | Tenant Utilities | Amenities |
|---|---------------|----------|----------------|-----------------|---------------|------------------|-----------------|
| South Boulevard Shores 504-514 South Boulevard Evanston, IL 60202 | 1BR (PBV) | 6 | \$1,504 | 600 | \$2.51 | Electric | Washer/Dryer |
| | 1BR (AFF 30%) | 3 | \$499 | 600 | \$0.83 | | Covered Parking |
| | 1BR (AFF 60%) | 10 | \$1,069 | 600 | \$1.78 | | Lounge |
| | 1BR (AFF 80%) | 11 | \$1,495 | 600 | \$2.49 | | Community Room |
| | 2BR (PBV) | 4 | \$1,717 | 850 | \$2.02 | | Fitness Room |
| | 2BR (AFF 60%) | 4 | \$1,278 | 850 | \$1.50 | | Playground |
| | 2BR (AFF 80%) | 4 | \$1,733 | 850 | \$2.04 | | Computer Lab |
| | 3BR (PBV) | 8 | \$2,184 | 1150 | \$1.90 | | Common Balcony |
| | 3BR (AFF 60%) | 3 | \$1,473 | 1150 | \$1.28 | | Picnic Area |
| | 3BR (AFF 80%) | 7 | \$1,999 | 1150 | \$1.74 | | |
| | | 60 | | | | | |
| Emerson Square 1600 Foster Evanston, IL 60201 | 1BR (PBV) | n/a | n/a | n/a | n/a | Gas | Washer/Dryer |
| | 2BR (PBV) | n/a | n/a | n/a | n/a | Electric | Garden |
| | 3BR (PBV) | n/a | n/a | n/a | n/a | | Park |
| | | 32 | | | | Playground | |
| | | | | | | | Surface Parking |

Comparison of Market Rents & Restricted Rents

In order to estimate restricted and hypothetical market rents for the subject, we have surveyed the following affordable and market rate apartment properties. Due to a lack of affordable properties in the subject’s market area, we included affordable and mixed income properties located on the north side of Chicago.



Summary of Comparable Rentals

| No. | Property Name; Address | Yr Built; Stories | Unit Mix | # Units; % Occ. | Avg. Unit SF | Avg. Rent/ Month | Avg. Rent/ SF | Unit Comments |
|-----|--|---|----------|--------------------|--------------------|------------------------|---------------------|-----------------|
| 1 | Larrabee Place 545 W. Division St. Chicago | 2009 7 | | 111 95% | | | | |
| | | | 1BR/1BA | - | 791 | \$790 | \$1.00 | LIHTC @ 50% AMI |
| | | | 1BR/1BA | - | 791 | \$955 | \$1.21 | LIHTC @ 60% AMI |
| | | | 1BR/1BA | - | 791 | \$1,798 | \$2.27 | Market Rate |
| | | | 2BR/1BA | - | 1,100 | - | - | LIHTC @ 50% AMI |
| | | | 2BR/1BA | - | 1,100 | \$1,176 | \$1.07 | LIHTC @ 60% AMI |
| | | | 2BR/1BA | - | 1,100 | \$1,925 | \$1.75 | Market Rate |
| | | | 3BR/2BA | - | 1,500 | \$1,323 | \$0.88 | LIHTC @ 60% AMI |
| | | | 5BR/2BA | - | 2,301 | - | - | LIHTC @ 50% AMI |
| | Tenant-Paid Utilities: Comments: | In-Unit Electric, Gas Heat, Gas Cooking Mixed-income 111-unit apartment building with 28 market-rate units and 83 affordable units subject to affordable income restrictions of 50% or 60% AMI. 35 of the affordable 50% and 60% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated. | | | | | | |
| 2 | 544 Oak at Parkside 544 W. Oak St. Chicago | 2011 8 | | 112 94% | | | | |
| | | | 1BR/1BA | - | 800 | \$819 | \$1.02 | LIHTC @ 50% AMI |
| | | | 1BR/1BA | - | 800 | \$987 | \$1.23 | LIHTC @ 60% AMI |
| | | | 1BR/1BA | - | 800 | - | - | HOME @ 80% AMI |
| | | | 1BR/1BA | - | 800 | \$1,756 | \$2.20 | Market Rate |
| | | | 2BR/1BA | - | 1,100 | \$898 | \$0.82 | LIHTC @ 50% AMI |
| | | | 2BR/1BA | - | 1,100 | \$1,138 | \$1.03 | LIHTC @ 60% AMI |
| | | | 2BR/1BA | - | 1,100 | \$1,931 | \$1.76 | Market Rate |
| | | | 3BR/2BA | - | 1,500 | \$1,340 | \$0.89 | LIHTC @ 60% AMI |
| | | | 3BR/2BA | - | 1,500 | - | - | HOME @ 80% AMI |
| | | | 5BR/2BA | - | 2,272 | - | - | LIHTC @ 60% AMI |
| | Tenant-Paid Utilities: Comments: | In-Unit Electric, Gas Heat, Gas Cooking Mixed-income 112-unit apartment building with 20 market-rate units and 92 affordable units subject to affordable income restrictions of 50%,60%, or 80% AMI. 39 of the affordable 50%, 60%, and 80% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated. | | | | | | |
| 3 | Terrace 459 at Parkside of Old 459 W. Division St. Chicago | 2016 9 | | 106 93% | | | | |
| | | | 1BR/1BA | 1 | 816 | \$380 | \$0.47 | LIHTC @ 30% AMI |
| | | | 1BR/1BA | 1 | 816 | \$603 | \$0.74 | LIHTC @ 40% AMI |
| | | | 1BR/1BA | 12 | 816 | \$737 | \$0.90 | LIHTC @ 50% AMI |
| | | | 1BR/1BA | 18 | 816 | \$906 | \$1.11 | LIHTC @ 60% AMI |
| | | | 1BR/1BA | 19 | 816 | \$1,590 | \$1.95 | Market Rate |
| | | | 2BR/1BA | 2 | 1,087 | \$493 | \$0.45 | LIHTC @ 30% AMI |
| | | | 2BR/1BA | 2 | 1,049 | \$698 | \$0.67 | LIHTC @ 40% AMI |
| | | | 2BR/1BA | 6 | 1,087 | \$948 | \$0.87 | LIHTC @ 50% AMI |
| | | | 2BR/1BA | 8 | 1,049 | \$1,204 | \$1.15 | LIHTC @ 60% AMI |
| | | | 2BR/1BA | 24 | 1,049 | \$1,800 | \$1.72 | Market Rate |
| | | | 3BR/2BA | 1 | 1,459 | \$889 | \$0.61 | LIHTC @ 40% AMI |
| | | | 3BR/2BA | 4 | 1,459 | \$915 | \$0.63 | LIHTC @ 50% AMI |
| | | | 3BR/2BA | 7 | 1,459 | \$1,390 | \$0.95 | LIHTC @ 60% AMI |
| | | | 4BR/2BA | 1 | 1,516 | - | - | LIHTC @ 60% AMI |
| | Tenant-Paid Utilities: Comments: | In-Unit Electric, Gas Heat, Gas Cooking Mixed-income 106-unit apartment building with 43 market-rate units and 63 affordable units subject to affordable income restrictions of 40%, 50%, or 60% AMI. 36 of the affordable 50% and 60% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated. | | | | | | |



Summary of Comparable Rentals

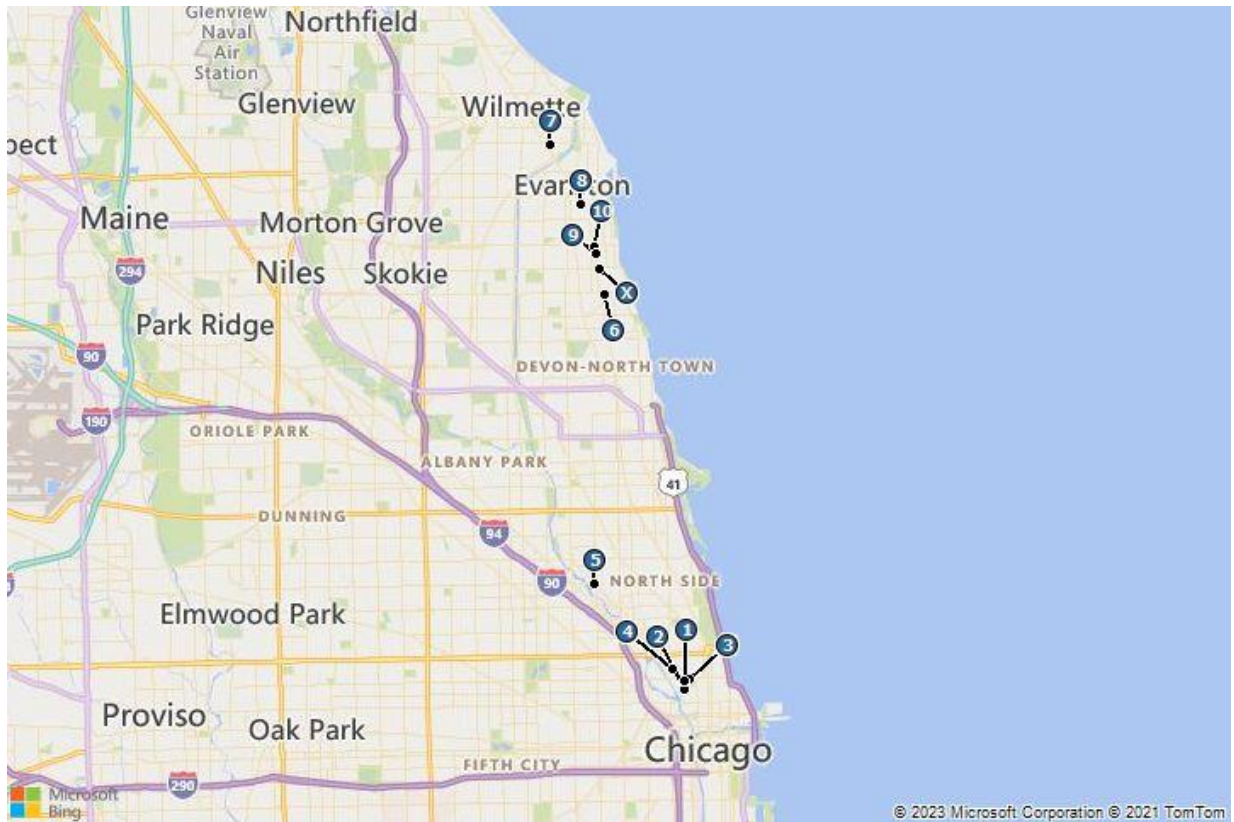
| No. | Property Name; Address | Yr Built; Stories | Unit Mix | # Units; % Occ. | Avg. Unit SF | Avg. Rent/ Month | Avg. Rent/ SF | Unit Comments |
|-----|---|--|------------|--------------------|--------------------|------------------------|---------------------|---|
| 4 | North Town Village - Phase I 1311 N. Halsted St/ 1415 N Chicago | 2000 7 | | 116 98% | | | | |
| | | | 1BR/1BA | 12 | 831 | \$545 | \$0.66 | LIHTC CHA @40% AMI; Sizes: 769-917 SF |
| | | | 1BR/1BA | 2 | 808 | \$545 | \$0.67 | HOME CHA @50% AMI; Sizes: 783-833 SF |
| | | | 1BR/1BA | 4 | 825 | \$765 | \$0.93 | HOME @50% AMI; Sizes 769-900 SF |
| | | | 1BR/1BA | 2 | 842 | \$765 | \$0.91 | LIHTC @50% AMI; Sizes: 783-900 SF |
| | | | 1BR/1BA | 12 | 791 | \$1,079 | \$1.36 | LIHTC @60% AMI; Sizes: 738-848 SF |
| | | | 1BR/1BA | 24 | 837 | \$1,245 | \$1.49 | Market Rate; Sizes: 769-900 SF |
| | | | 2BR/1BA | 7 | 1,052 | \$545 | \$0.52 | LIHTC CHA @40% AMI; Sizes: 999-1,106 SF |
| | | | 2BR/1BA | 6 | 991 | \$545 | \$0.55 | HOME CHA @50% AMI; Sizes: 891-1,106 SF |
| | | | 2BR/1BA | 2 | 891 | \$853 | \$0.96 | HOME @50% AMI |
| | | | 2BR/1BA | 4 | 978 | \$545 | \$0.56 | LIHTC CHA @50% AMI; Sizes: 891-1,106 SF |
| | | | 2BR/1BA | 15 | 993 | \$1,136 | \$1.14 | LIHTC @60% AMI; Sizes: 891-1,106 SF |
| | | | 2BR/2BA | 10 | 1,018 | \$1,427 | \$1.40 | Market Rate; Sizes: 917-1,106 SF |
| | | | 3BR/2BA | 4 | 1,200 | \$545 | \$0.45 | LIHTC CHA @40% AMI |
| | | | 3BR/2BA | 1 | 1,200 | \$545 | \$0.45 | LIHTC CHA @50% AMI |
| | | | 3BR/2BA | 3 | 1,200 | \$1,162 | \$0.97 | LIHTC @60% AMI |
| | | | 3BR/2BA | 4 | 1,200 | \$1,336 | \$1.11 | Market Rate |
| | | | 4BR/2BA | 1 | 1,550 | \$545 | \$0.35 | LIHTC CHA @40% AMI |
| | | | 4BR/2BA | 1 | 1,550 | \$545 | \$0.35 | HOME CHA @50% AMI |
| | | | 4BR/2BA | 1 | 1,550 | \$545 | \$0.35 | LIHTC CHA @50% AMI |
| | | | 4BR/2BA | 1 | 1,550 | \$1,321 | \$0.85 | LIHTC @60% AMI |
| | Tenant-Paid Utilities: | In-Unit Electric, Hot Water, Gas Heat, Gas Cooking | | | | | | |
| | Comments: | A 116-unit mixed-income apartment complex that includes 39 subsidized CHA units, 37 affordable LIHTC (50%-60% AMI) and HOME (50% AMI) units, and 38 market-rate units. | | | | | | |
| 5 | Lathrop Homes - Phase 1A 2000 W. Diversey Ave Chicago | 1937 4 | | 414 - | | | | |
| | | | Studio/1BA | 16 | 531 | \$1,275 | \$2.40 | Market Rate |
| | | | Studio/1BA | 3 | 531 | - | - | LIHTC @ 60% AMI |
| | | | 1BR/1BA | 90 | 684 | \$1,709 | \$2.50 | Market Rate |
| | | | 1BR/1BA | 52 | 684 | \$1,089 | \$1.59 | LIHTC @ 60% AMI |
| | | | 1BR/1BA | 72 | 684 | - | - | Subsidized |
| | | | 2BR/1BA | 56 | 781 | \$1,915 | \$2.45 | Market Rate |
| | | | 2BR/1BA | 31 | 781 | \$1,299 | \$1.66 | LIHTC @ 60% AMI |
| | | | 2BR/1BA | 43 | 781 | - | - | Subsidized |
| | | | 3BR/2BA | 15 | 1,185 | \$1,498 | \$1.26 | LIHTC @ 60% AMI |
| | | | 3BR/2BA | 30 | 1,185 | - | - | Subsidized |
| | | | 4BR/2BA | 6 | 1,249 | - | - | Subsidized |
| | Tenant-Paid Utilities: | In-Unit Electric, Hot Water, Electric Heat, Electric Cooking | | | | | | |
| | Comments: | No concessions are currently offered. | | | | | | |



Summary of Comparable Rentals

| No. | Property Name; Address | Yr Built; Stories | Unit Mix | # Units; % Occ. | Avg. Unit SF | Avg. Rent/ Month | Avg. Rent/ SF | Unit Comments |
|-----|---|----------------------|--|--------------------|--------------------|------------------------|---------------------|--|
| 6 | 415 Premier Apartments 415 W. Howard St. Evanston | 2008 17 | | 221 96% | | | | |
| | | | Studio/1ba | 26 | 551 | \$1,521 | \$2.76 | 518-584 sf; Gross rent range \$1,613-\$1,678 |
| | | | 1br/1ba | 143 | 756 | \$1,841 | \$2.44 | 657-839 sf; Gross rent range \$1,885-\$2,047 |
| | | | 2br/2ba | 52 | 1,200 | \$2,155 | \$1.80 | 1,133-1,280 sf; Gross rent range \$2,195-\$2,370 |
| | Tenant-Paid Utilities: Comments: | | Trash, Cable, Broadband, In-Unit Electric, Electric Heat, Water Average rents above are net of concessions. Parking \$125/month for self park gar/end. | | | | | |
| 7 | Central Station 1720 Central St. Evanston | 2013 4 | | 80 94% | | | | |
| | | | Convertible/1ba | 8 | 612 | \$2,047 | \$3.34 | 590 to 635 sf; \$2,033-\$2,061 |
| | | | 1br/1ba | 32 | 817 | \$2,293 | \$2.81 | 785 sf to 850 sf; \$2,153-\$2,433 |
| | | | 2br/2ba | 18 | 1,207 | \$3,339 | \$2.77 | 1,185 sf to 1,230 sf; \$3,316-\$3,361 |
| | | | 3br/2ba | 4 | 1,485 | \$4,214 | \$2.84 | – |
| | | | 1br+Den/1ba | 12 | 885 | \$2,639 | \$2.98 | – |
| | | | 2br+Den/2ba | 6 | 1,305 | \$3,831 | \$2.94 | – |
| | Tenant-Paid Utilities: Comments: | | Cable, Broadband, In-Unit Electric, Hot Water, Gas Heat Garage parking is \$180/month. | | | | | |
| 8 | Centrum Evanston 1590 Elmwood Ave. Evanston | 2017 12 | | 101 100% | | | | |
| | | | Conv/1ba | 21 | 635 | \$2,290 | \$3.61 | 622-648 sf; rent range \$2,225-\$2,355 |
| | | | 1br/1ba | 36 | 717 | \$2,481 | \$3.46 | 566-868 sf; rent range \$2,275-\$2,687 |
| | | | 2br/2ba | 38 | 1,132 | \$3,692 | \$3.26 | 986-1,278 sf; rent range \$3,405-\$3,978 |
| | | | 3br/2ba | 6 | 1,632 | \$4,628 | \$2.84 | 1,395-1,869 sf; rent range \$4,280-\$4,975 |
| | Tenant-Paid Utilities: Comments: | | Trash, Cable, Broadband, In-Unit Electric, Gas Heat, Water Leasing began June 2017. Occupancy in August 2017. The property does not have on-site parking, but residents may park in a municipal garage located one block east for \$85/mo. RUBS package is \$100 for 1br, \$125 for 2br, and \$150 for 3br. | | | | | |
| 9 | AMLI at Evanston 737 Chicago Ave. Evanston | 2013 – | | 195 95% | | | | |
| | | | Studio/1ba | 5 | 567 | \$1,717 | \$3.03 | 500-633 sf |
| | | | 1br/1ba | 134 | 935 | \$2,813 | \$3.01 | 632-1,237 sf; Rent range \$2,355-\$3,271 |
| | | | 2br/1ba | 4 | 1,000 | \$2,700 | \$2.70 | – |
| | | | 2br/2ba | 40 | 1,327 | \$3,437 | \$2.59 | 1,064-1,590 sf; Rent range \$2,750-\$4,123 |
| | | | 3br/2ba | 12 | 1,510 | \$4,020 | \$2.66 | 1,462-1,557 sf; Rent range \$3,866-\$4,174 |
| | Tenant-Paid Utilities: Comments: | | Trash, Cable, Broadband, In-Unit Electric, Gas Heat, Water Electric car parking is \$160/mo. Utility package \$85-\$135/month. | | | | | |
| 10 | The Main 847 Chicago Ave. Evanston | 2016 9 | | 112 98% | | | | |
| | | | Studio/1ba | 14 | 575 | \$1,622 | \$2.82 | 500-650 sf; rent range \$1,459-\$1,785 |
| | | | 1br/1ba | 35 | 800 | \$2,509 | \$3.14 | 746-853 sf; rent range \$2,299-\$2,719 |
| | | | 1br/1ba | 14 | 853 | \$2,779 | \$3.26 | – |
| | | | 2br/2ba | 42 | 990 | \$3,294 | \$3.33 | 912-1,068 sf |
| | | | 3br/2ba | 7 | 1,424 | \$3,447 | \$2.42 | – |
| | Tenant-Paid Utilities: Comments: | | – Garage parking priced at \$165/mo for reserved spaces and \$215/mo for tandem spaces. | | | | | |

Comparable Rentals Map





Rent Survey 1
Larrabee Place



Rent Survey 2
544 Oak at Parkside



Rent Survey 3
Terrace 459 at Parkside of Old Town



Rent Survey 4
North Town Village - Phase I



Rent Survey 5
Lathrop Homes - Phase 1A



Rent Survey 6
415 Premier Apartments



Rent Survey 7
Central Station



Rent Survey 8
Centrum Evanston



Rent Survey 9
AMLI at Evanston



Rent Survey 10
The Main

Restricted Rents

All of the subject’s units are subject to area median income (AMI) affordable income and rent restrictions under the various affordable programs. These consist of 12 units at 30% AMI, 26 units at 60% AMI and 22 units at 80% AMI.

Subsidized Rents

A total of 18 units will be subsidized under a long-term project based vouchers (PBV) contract with HACC. Nine of the units will be subject to 30% AMI restrictions and nine units will be subject to 60% AMI restrictions. The projected contract rents (net of tenant paid utilities) for all the subsidized units are \$1,504 for one bedrooms, \$1,717 for two bedrooms and \$2,184 for three bedrooms. These rents are based on HUD Fair Market Rents for the local area. We stabilize subsidized rents at these levels.

Affordable Rents

The LIHTC 30%, 50% and 80% AMI units will not be subsidized. Therefore, we have estimated affordable rent for these units.

Following is a summary of the current 2022 income limits for various household sizes:

| 2022 HUD Affordable Income Limits - Chicago Metro Area | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 15% AMI | 30% AMI | 40% AMI | 50% AMI | 60% AMI | 80% AMI |
| Household Size | Max Income | Max Income | Max Income | Max Income | Max Income | Max Income |
| One Person | \$10,950 | \$21,900 | \$29,150 | \$36,500 | \$43,800 | \$58,300 |
| Two Persons | \$12,510 | \$25,020 | \$33,350 | \$41,700 | \$50,040 | \$66,700 |
| Three Persons | \$14,070 | \$28,140 | \$37,525 | \$46,900 | \$56,280 | \$75,050 |
| Four Persons | \$15,630 | \$31,260 | \$41,675 | \$52,100 | \$62,520 | \$83,350 |
| Five Persons | \$16,890 | \$33,780 | \$45,025 | \$56,300 | \$67,560 | \$90,050 |
| Six Persons | \$18,135 | \$36,270 | \$48,350 | \$60,450 | \$72,540 | \$96,700 |
| Seven Persons | \$19,395 | \$38,790 | \$51,700 | \$64,650 | \$77,580 | \$103,400 |
| Eight Persons | \$20,640 | \$41,280 | \$55,025 | \$68,800 | \$82,560 | \$110,050 |

Source: IHDA website

Should the AMI for the region fall below the level at the time the project is placed in service, the maximum income levels would not be allowed to be reduced below the initial level.

Tenant Maximum Rent Levels

Unlike Maximum Income Levels which are linked to the actual number of persons in the household, the maximum rent Levels are based on the housing unit size.



| 2022 HUD Affordable Rent Limits - Chicago Metro Area | | | | | | |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Unit Type | 15% AMI Max Income | 30% AMI Max Income | 40% AMI Max Income | 50% AMI Max Income | 60% AMI Max Income | 80% AMI Max Income |
| Studio | \$274 | \$548 | \$729 | \$913 | \$1,095 | \$1,458 |
| One Bedroom | \$293 | \$587 | \$781 | \$978 | \$1,173 | \$1,563 |
| Two Bedrooms | \$352 | \$704 | \$938 | \$1,173 | \$1,407 | \$1,876 |
| Three Bedrooms | \$407 | \$813 | \$1,084 | \$1,355 | \$1,626 | \$2,168 |
| Four Bedrooms | \$453 | \$907 | \$1,209 | \$1,511 | \$1,814 | \$2,418 |
| Five Bedrooms | \$500 | \$1,001 | \$1,334 | \$1,668 | \$2,002 | \$2,668 |

Source: IHDA website

The actual rents charged to tenants are the lesser of the maximum rent and achievable affordable gross rent (contract rent plus tenant paid utility allowances). The foregoing gross rents include all utilities. For the subject property, tenants pay for electric (includes heat, cooking and lights) . The developer’s projected utility allowances are \$69 for one bedrooms, \$87 for two bedrooms and \$104 for three bedrooms.

Only one comparable has affordable units at 30% AMI. It indicate a rent of \$380 for one bedrooms. The developer projects a one bedroom rent of \$499 per month. We stabilize at \$500 for the one bedroom units.

The rent comparables indicate 60% AMI rents of between \$906 and \$1,089 for one bedrooms, \$1,136 and \$1,299 for two bedrooms and \$1,162 and \$1,498 for three bedrooms. The developer projects rents at \$1,069 for one bedrooms, \$1,278 for two bedrooms and \$1,473 for three bedrooms. These fall within the data ranges and appear reasonable. We conclude at \$1,050 for one bedrooms, \$1,275 for two bedrooms and \$1,475 for three bedrooms.

None of the rent comparables has affordable units at 80% AMI that are not subsidized. The developer projects rents at \$1,495 for one bedrooms, \$1,733 for two bedrooms and \$1,999 for three bedrooms. We conclude at \$1,475 for one bedrooms, \$1,725 for two bedrooms and \$2,000 for three bedrooms.

Market Rents (Hypothetical)

For estimating hypothetical market rents, we surveyed five market rate properties in the local market. These indicate market rents from \$1,841 to \$2,813 for one bedrooms, \$2,155 to \$3,692 for two bedrooms and \$3,447 to \$4,628 for three bedrooms. We conclude hypothetical market rents of \$1,800 for one bedrooms, \$2,300 for two bedrooms and \$3,000 for three bedrooms. The concluded rents are typically at or below the low end of each range due to the subject’s smaller unit sizes and more limited building amenities.

We note that these rents are substantially higher than the projected HACC PBV rents, which are based on HUD Fair Market Rents, which represent all rental product in the market area, whereas our survey properties include predominantly newer construction class A quality properties that achieve rents that are far above the market average.

A summary of our projected affordable and market rents are summarized as follows:

Subject Rental Rates Net of Utilities Summary

| Unit Type | Restrictions | # Units | Sq Ft | Developer - Restricted Rent | | | IRR - Restricted Rent | | | IRR Conclusions - Market Rent | | |
|---------------|----------------------|---------|-------|-----------------------------|---------|----------|-----------------------|---------|----------|-------------------------------|---------|-----------|
| | | | | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total | Avg Rent | Avg PSF | Total |
| 1BR/1BA | HACC PBV 30%-60% AMI | 6 | 600 | \$1,504 | \$2.51 | \$9,024 | \$1,504 | \$2.51 | \$9,024 | \$1,800 | \$3.00 | \$10,800 |
| 1BR/1BA | SRN AFF 30% AMI | 3 | 600 | \$499 | \$0.83 | \$1,497 | \$500 | \$0.83 | \$1,500 | \$1,800 | \$3.00 | \$5,400 |
| 1BR/1BA | AFF 60% AMI | 10 | 600 | \$1,069 | \$1.78 | \$10,690 | \$1,050 | \$1.75 | \$10,500 | \$1,800 | \$3.00 | \$18,000 |
| 1BR/1BA | AFF 80% AMI | 11 | 600 | \$1,495 | \$2.49 | \$16,445 | \$1,475 | \$2.46 | \$16,225 | \$1,800 | \$3.00 | \$19,800 |
| 2BR/1BA | HACC PBV 30%-60% AMI | 4 | 850 | \$1,717 | \$2.02 | \$6,868 | \$1,717 | \$2.02 | \$6,868 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 60% AMI | 4 | 850 | \$1,278 | \$1.50 | \$5,112 | \$1,275 | \$1.50 | \$5,100 | \$2,300 | \$2.71 | \$9,200 |
| 2BR/1BA | AFF 80% AMI | 4 | 850 | \$1,733 | \$2.04 | \$6,932 | \$1,725 | \$2.03 | \$6,900 | \$2,300 | \$2.71 | \$9,200 |
| 3BR/2BA | HACC PBV 30%-60% AMI | 8 | 1,150 | \$2,184 | \$1.90 | \$17,472 | \$2,184 | \$1.90 | \$17,472 | \$3,000 | \$2.61 | \$24,000 |
| 3BR/2BA | AFF 60% AMI | 3 | 1,150 | \$1,473 | \$1.28 | \$4,419 | \$1,475 | \$1.28 | \$4,425 | \$3,000 | \$2.61 | \$9,000 |
| 3BR/2BA | AFF 80% AMI | 7 | 1,150 | \$1,999 | \$1.74 | \$13,993 | \$2,000 | \$1.74 | \$14,000 | \$3,000 | \$2.61 | \$21,000 |
| Total/Average | | 60 | 815 | \$1,541 | \$1.89 | \$92,452 | \$1,534 | \$1.88 | \$92,014 | \$2,260 | \$2.77 | \$135,600 |

Foreclosed, Vacant and Abandoned Properties

Although there have been occasional foreclosures in the market area, they have no measurable impact on the local housing market. There are no known vacant or abandoned apartment properties in the subject's neighborhood. Market fundamentals are currently stable.

Affordability and Demand

Households

The following summarizes basic demographic information for the subject's Primary Market Area as defined in the Housing Market/Sub-Market definitions section of the report, which determines long-term viability for demand:

Pop-Facts® Demographic Snapshot | Summary

Trade Area: Evanston - All

Benchmark: USA

| Population | |
|--------------------------------|--------|
| 2000 Census | 79,073 |
| 2010 Census | 79,148 |
| 2022 Estimate | 79,580 |
| 2027 Projection | 80,462 |
| Population Growth | |
| Percent Change: 2000 to 2010 | 0.10 |
| Percent Change: 2010 to 2022 | 0.55 |
| Percent Change: 2022 to 2027 | 1.11 |
| Households | |
| 2000 Census | 31,400 |
| 2010 Census | 31,751 |
| 2022 Estimate | 32,763 |
| 2027 Projection | 33,406 |
| Household Growth | |
| Percent Change: 2000 to 2010 | 1.12 |
| Percent Change: 2010 to 2022 | 3.19 |
| Percent Change: 2022 to 2027 | 1.96 |
| Family Households | |
| 2000 Census | 17,327 |
| 2010 Census | 16,910 |
| 2022 Estimate | 17,188 |
| 2027 Projection | 17,439 |
| Family Household Growth | |
| Percent Change: 2000 to 2010 | -2.41 |
| Percent Change: 2010 to 2022 | 1.64 |
| Percent Change: 2022 to 2027 | 1.46 |

Overall Market Demand

Household Income Distribution

The following table summarizes the estimated 2022 and 2027 distribution of households in the PMA by household size and income level, as provided by Ribbon Demographics:

| All Households | | | | | | |
|-----------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------|
| All Age Groups | | | | | | |
| Year 2022 Estimates | | | | | | |
| | 1-Person Household | 2-Person Household | 3-Person Household | 4-Person Household | 5+-Person Household | Total |
| \$0-10,000 | 1,404 | 457 | 261 | 65 | 78 | 2,265 |
| \$10,000-20,000 | 1,299 | 348 | 80 | 57 | 44 | 1,828 |
| \$20,000-30,000 | 1,169 | 477 | 114 | 54 | 49 | 1,863 |
| \$30,000-40,000 | 1,342 | 430 | 240 | 123 | 51 | 2,186 |
| \$40,000-50,000 | 684 | 374 | 141 | 150 | 102 | 1,451 |
| \$50,000-60,000 | 724 | 458 | 175 | 61 | 64 | 1,482 |
| \$60,000-75,000 | 1,000 | 574 | 293 | 265 | 234 | 2,366 |
| \$75,000-100,000 | 1,290 | 1,259 | 368 | 237 | 190 | 3,344 |
| \$100,000-125,000 | 1,091 | 1,018 | 406 | 190 | 109 | 2,814 |
| \$125,000-150,000 | 684 | 1,024 | 276 | 271 | 192 | 2,447 |
| \$150,000-200,000 | 760 | 997 | 437 | 311 | 342 | 2,847 |
| \$200,000+ | <u>1,106</u> | <u>2,601</u> | <u>1,715</u> | <u>1,632</u> | <u>816</u> | <u>7,870</u> |
| Total | 12,553 | 10,017 | 4,506 | 3,416 | 2,271 | 32,763 |

| All Households | | | | | | |
|-----------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------|
| All Age Groups | | | | | | |
| Year 2027 Projections | | | | | | |
| | 1-Person Household | 2-Person Household | 3-Person Household | 4-Person Household | 5+-Person Household | Total |
| \$0-10,000 | 1,333 | 388 | 203 | 62 | 52 | 2,038 |
| \$10,000-20,000 | 1,250 | 318 | 77 | 37 | 24 | 1,706 |
| \$20,000-30,000 | 1,023 | 364 | 96 | 48 | 43 | 1,574 |
| \$30,000-40,000 | 1,171 | 363 | 198 | 114 | 47 | 1,893 |
| \$40,000-50,000 | 875 | 389 | 144 | 145 | 82 | 1,635 |
| \$50,000-60,000 | 641 | 384 | 141 | 50 | 65 | 1,281 |
| \$60,000-75,000 | 931 | 497 | 258 | 213 | 183 | 2,082 |
| \$75,000-100,000 | 1,322 | 1,166 | 327 | 184 | 185 | 3,184 |
| \$100,000-125,000 | 1,125 | 991 | 399 | 151 | 115 | 2,781 |
| \$125,000-150,000 | 753 | 996 | 270 | 238 | 181 | 2,438 |
| \$150,000-200,000 | 1,016 | 1,127 | 460 | 302 | 364 | 3,269 |
| \$200,000+ | <u>1,519</u> | <u>3,184</u> | <u>2,019</u> | <u>1,881</u> | <u>922</u> | <u>9,525</u> |
| Total | 12,959 | 10,167 | 4,592 | 3,425 | 2,263 | 33,406 |

Affordable Income Limits

The subject is projected to have 18 subsidized units, subject to maximum household income limits of 30% AMI (9 units) or 60% AMI (9 units) and 42 affordable units subject to maximum household income limit of 30% AMI (3 units), 60% of AMI (17 units) or 80% AMI (22 units). 2022 HUD income limits are summarized as follows:

2022 HUD Affordable Income Limits - Section 42 - Chicago Metropolitan Area

| Household Size | 20% AMI Max Income | 30% AMI Max Income | 40% AMI Max Income | 50% AMI Max Income | 60% AMI Max Income | 80% AMI Max Income | 100% AMI Max Income | 120% AMI Max Income |
|----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|
| One Person | \$14,600 | \$21,900 | \$29,200 | \$36,500 | \$43,800 | \$58,400 | \$73,000 | \$87,600 |
| Two Persons | \$16,680 | \$25,020 | \$33,360 | \$41,700 | \$50,040 | \$66,720 | \$83,400 | \$100,080 |
| Three Persons | \$18,760 | \$28,140 | \$37,520 | \$46,900 | \$56,280 | \$75,040 | \$93,800 | \$112,560 |
| Four Persons | \$20,840 | \$31,260 | \$41,680 | \$52,100 | \$62,520 | \$83,360 | \$104,200 | \$125,040 |
| Five Persons | \$22,520 | \$33,780 | \$45,040 | \$56,300 | \$67,560 | \$90,080 | \$112,600 | \$135,120 |
| Six Persons | \$24,180 | \$36,270 | \$48,360 | \$60,450 | \$72,540 | \$96,720 | \$120,900 | \$145,080 |
| Seven Persons | \$25,860 | \$38,790 | \$51,720 | \$64,650 | \$77,580 | \$103,440 | \$129,300 | \$155,160 |
| Eight Persons | \$27,520 | \$41,280 | \$55,040 | \$68,800 | \$82,560 | \$110,080 | \$137,600 | \$165,120 |

Source: IHDA website

Demand – Subsidized Units @ 30% AMI

The following summarizes the household income range to qualify for the 9 units @ 30% AMI. **Note that IHDA considers rent to be affordable up to 35% of household income:**

| Tenant Income Qualification | Subsidized @ 30% AMI | |
|---|-----------------------------|----------|
| | 2022 | 2027 |
| Monthly Net Rent (Starting) | \$0 | \$0 |
| Plus: Tenant Paid Utility Allowance | \$0 | \$0 |
| Monthly Gross Rent | \$0 | \$0 |
| Annualized Gross Rent | \$0 | \$0 |
| Divided By: Max % of HH Income to Qualify | 35% | 35% |
| Minimum Income To Qualify | \$0 | \$0 |
| Income Limit | \$32,520 | \$36,793 |

For the 30% AMI units, we estimate household demand to be households earning between \$0 and \$32,520 (the income limit for a three bedroom unit at 30% AMI).

We estimate the number of income qualified households at 6,507 households, calculated as follows:

| Income Qualified Renter Household Demand | | | | Subsidized @ 30% AMI | | | |
|---|--|--------------|-----------------------------|--|--------------|-----------------------------|--|
| 2022 | | | | 2027 | | | |
| Income Cohort | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | |
| \$0 - \$10,000 | 2,265 | 100% | 2,265 | 2,038 | 100% | 2,038 | |
| \$10,000 - \$20,000 | 1,828 | 100% | 1,828 | 1,706 | 100% | 1,706 | |
| \$20,000 - \$30,000 | 1,863 | 100% | 1,863 | 1,574 | 100% | 1,574 | |
| \$30,000 - \$40,000 | 2,186 | 25.2% | 551 | 1,893 | | | |
| \$40,000 - \$50,000 | 1,451 | | | 1,635 | | | |
| \$50,000 - \$60,000 | 1,482 | | | 1,281 | | | |
| \$60,000 - \$75,000 | 2,366 | | | 2,082 | | | |
| \$75,000 - \$100,000 | 3,344 | | | 3,184 | | | |
| \$100,000 - \$125,000 | 2,814 | | | 2,781 | | | |
| \$125,000 - \$150,000 | 2,447 | | | 2,438 | | | |
| \$150,000 - \$200,000 | 2,847 | | | 3,269 | | | |
| \$200,000 + | 7,870 | | | 9,525 | | | |
| Total | 32,763 | 19.9% | 6,507 | 33,406 | 15.9% | 5,318 | |

The income qualified range of \$0 to \$32,520 falls within four separate income bands. For calculation purposes, we separate the qualified income range into \$0 to \$10,000, \$10,000 to \$20,000, \$20,000 to \$30,000 and \$30,000 and \$40,000 income bands.

All of the households in the first three income bands are income qualified. The \$30,000 to \$40,000 income cohort has a range of \$10,000 ($\$40,000 - \$30,000 = \$10,000$) between the high and low values. The percentage of cohort factor for this income band is calculated at 25.2% ($\$32,520 - \$30,000 = \$2,520 / \$10,000 = 25.2\%$). This percentage is then multiplied by the total number of households in that income cohort to arrive at the total number of income qualified households of 551 ($2,186 \times 25.2\% = 551$). The sum of the income qualified households for all four income cohorts results a total demand estimate of 6,507.

In order to test the stability of this demand estimate, we also projected demand five years from now. Assuming that the AMI limit will increase at an inflation based 2.5% per year to \$36,783. The total number of income qualified households is projected to decrease to 5,318 by 2027.

Demand – Subsidized Units @ 60% AMI

The following summarizes the household income range to qualify for the 9 units @ 60% AMI. Note that IHDA considers rent to be affordable up to 35% of household income:

| Tenant Income Qualification | Subsidized @ 60% AMI | |
|---|----------------------|----------|
| | 2022 | 2027 |
| Monthly Net Rent (Starting) | \$0 | \$0 |
| Plus: Tenant Paid Utility Allowance | \$0 | \$0 |
| Monthly Gross Rent | \$0 | \$0 |
| Annualized Gross Rent | \$0 | \$0 |
| Divided By: Max % of HH Income to Qualify | 35% | 35% |
| Minimum Income To Qualify | \$0 | \$0 |
| Income Limit | \$65,040 | \$73,587 |

For the 60% AMI units, we estimate household demand to be households earning between \$0 and \$65,040 (the income limit for a three bedroom unit at 60% AMI).

Using the same methodology, we estimate the number of income qualified households at 11,870 households, calculated as follows:

| Income Qualified Renter Household Demand | | | | | Subsidized @ 60% AMI | | |
|--|--|--------------|-----------------------------|--|----------------------|-----------------------------|--|
| Income Cohort | 2022 | | | 2027 | | | |
| | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | |
| \$0 - \$10,000 | 2,265 | 100% | 2,265 | 2,038 | 100% | 2,038 | |
| \$10,000 - \$20,000 | 1,828 | 100% | 1,828 | 1,706 | 100% | 1,706 | |
| \$20,000 - \$30,000 | 1,863 | 100% | 1,863 | 1,574 | 100% | 1,574 | |
| \$30,000 - \$40,000 | 2,186 | 100% | 2,186 | 1,893 | 100% | 1,893 | |
| \$40,000 - \$50,000 | 1,451 | 100% | 1,451 | 1,635 | 100% | 1,635 | |
| \$50,000 - \$60,000 | 1,482 | 100% | 1,482 | 1,281 | 100% | 1,281 | |
| \$60,000 - \$75,000 | 2,366 | 33.6% | 795 | 2,082 | 90.6% | 1,886 | |
| \$75,000 - \$100,000 | 3,344 | | | 3,184 | | | |
| \$100,000 - \$125,000 | 2,814 | | | 2,781 | | | |
| \$125,000 - \$150,000 | 2,447 | | | 2,438 | | | |
| \$150,000 - \$200,000 | 2,847 | | | 3,269 | | | |
| \$200,000 + | 7,870 | | | 9,525 | | | |
| Total | 32,763 | 36.2% | 11,870 | 33,406 | 36.0% | 12,013 | |

In order to test the stability of this demand estimate, we also projected demand five years from now. Assuming that the AMI limit will increase at an inflation based 2.5% per year to \$73,587. The total number of income qualified households is projected to increase to 12,013 by 2027.

Demand – Affordable Units @ 30% AMI

The following summarizes the household income range to qualify for the 3 units @ 30% AMI. Note that IHDA considers rent to be affordable up to 35% of household income:

| Tenant Income Qualification | Affordable @ 30% AMI | |
|---|-----------------------------|----------|
| | 2022 | 2027 |
| Monthly Net Rent (Starting) | \$500 | \$566 |
| Plus: Tenant Paid Utility Allowance | \$69 | \$78 |
| Monthly Gross Rent | \$569 | \$644 |
| Annualized Gross Rent | \$6,828 | \$7,725 |
| Divided By: Max % of HH Income to Qualify | 35% | 35% |
| Minimum Income To Qualify | \$19,509 | \$22,072 |
| Income Limit | \$23,460 | \$26,543 |

For the 30% AMI units, we estimate household demand to be those 1-2 person households earning between \$19,509 and \$23,460 (the income limit for a one bedroom unit at 30% AMI). Based on this, we estimated income qualified household demand at 650. The calculation for this is summarized as follows:

| Income Qualified Renter Household Demand | | | | Affordable @ 30% AMI | | | |
|---|------------------------------|-----------------------------|-------------|------------------------------|-----------------------------|-------------|-----------------------------|
| | | 2022 | | | 2027 | | |
| Income Cohort | Size Qualified Households in | Income Qualified Households | % of Cohort | Size Qualified Households in | Income Qualified Households | % of Cohort | Income Qualified Households |
| | Income Band | | | Income Band | | | |
| \$0 - \$10,000 | 1,861 | | | 1,721 | | | |
| \$10,000 - \$20,000 | 1,647 | 4.9% | 81 | 1,568 | | | |
| \$20,000 - \$30,000 | 1,646 | 34.6% | 570 | 1,387 | 44.7% | 620 | |
| \$30,000 - \$40,000 | 1,772 | | | 1,534 | | | |
| \$40,000 - \$50,000 | 1,058 | | | 1,264 | | | |
| \$50,000 - \$60,000 | 1,182 | | | 1,025 | | | |
| \$60,000 - \$75,000 | 1,574 | | | 1,428 | | | |
| \$75,000 - \$100,000 | 2,549 | | | 2,488 | | | |
| \$100,000 - \$125,000 | 2,109 | | | 2,116 | | | |
| \$125,000 - \$150,000 | 1,708 | | | 1,749 | | | |
| \$150,000 - \$200,000 | 1,757 | | | 2,143 | | | |
| \$200,000 + | 3,707 | | | 4,703 | | | |
| Total | 22,570 | 2.9% | 650 | 23,126 | 2.7% | 620 | |

In order to test the stability of this demand estimate, we also projected demand five years from now. Assuming that the rent, utility allowance and AMI limit all increase at an inflation based 2.5% per year, the qualified income range is projected to increase to between \$22,072 and \$26,543. The total number of income qualified households is projected to decrease to 620 by 2027.

Demand – Affordable Units @ 60% AMI

The following summarizes the household income range to qualify for the 17 units @ 60% AMI. **Note that IHDA considers rent to be affordable up to 35% of household income:**

| Tenant Income Qualification | Affordable @ 60% AMI | |
|---|----------------------|----------|
| | 2022 | 2027 |
| Monthly Net Rent (Starting) | \$1,050 | \$1,188 |
| Plus: Tenant Paid Utility Allowance | \$69 | \$78 |
| Monthly Gross Rent | \$1,119 | \$1,266 |
| Annualized Gross Rent | \$13,428 | \$15,193 |
| Divided By: Max % of HH Income to Qualify | 35% | 35% |
| Minimum Income To Qualify | \$38,366 | \$43,407 |
| Income Limit | \$65,040 | \$73,587 |

For the 60% AMI units, we estimate household demand to be those households earning between \$38,366 and \$65,040 (the income limit for a three bedroom unit at 60% AMI). Based on this, we estimated income qualified household demand at 4,085. The calculation for this is summarized as follows:

| Income Qualified Renter Household Demand | | | | Affordable @ 60% AMI | | | |
|--|--|--------------|-----------------------------|--|--------------|-----------------------------|--|
| | | 2022 | | | | 2027 | |
| Income Cohort | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | |
| \$0 - \$10,000 | 2,265 | | | 2,038 | | | |
| \$10,000 - \$20,000 | 1,828 | | | 1,706 | | | |
| \$20,000 - \$30,000 | 1,863 | | | 1,574 | | | |
| \$30,000 - \$40,000 | 2,186 | 16.3% | 357 | 1,893 | | | |
| \$40,000 - \$50,000 | 1,451 | 100% | 1,451 | 1,635 | 65.9% | 1,078 | |
| \$50,000 - \$60,000 | 1,482 | 100% | 1,482 | 1,281 | 100% | 1,281 | |
| \$60,000 - \$75,000 | 2,366 | 33.6% | 795 | 2,082 | 90.6% | 1,886 | |
| \$75,000 - \$100,000 | 3,344 | | | 3,184 | | | |
| \$100,000 - \$125,000 | 2,814 | | | 2,781 | | | |
| \$125,000 - \$150,000 | 2,447 | | | 2,438 | | | |
| \$150,000 - \$200,000 | 2,847 | | | 3,269 | | | |
| \$200,000 + | 7,870 | | | 9,525 | | | |
| Total | 32,763 | 12.5% | 4,085 | 33,406 | 12.7% | 4,245 | |

In order to test the stability of this demand estimate, we also projected demand five years from now. Assuming that the rent, utility allowance and AMI limit all increase at an inflation based 2.5% per year, the qualified income range is projected to increase to between \$43,407 and \$73,587. The total number of income qualified households is projected to increase to 4,245 by 2027.

Demand – Affordable Units @ 80% AMI

The following summarizes the household income range to qualify for the 22 units @ 80% AMI. **Note that IHDA considers rent to be affordable up to 35% of household income:**

| Tenant Income Qualification | Affordable @ 80% AMI | |
|---|-----------------------------|----------|
| | 2022 | 2027 |
| Monthly Net Rent (Starting) | \$1,475 | \$1,669 |
| Plus: Tenant Paid Utility Allowance | \$69 | \$78 |
| Monthly Gross Rent | \$1,544 | \$1,747 |
| Annualized Gross Rent | \$18,528 | \$20,963 |
| Divided By: Max % of HH Income to Qualify | 35% | 35% |
| Minimum Income To Qualify | \$52,937 | \$59,894 |
| Income Limit | \$86,720 | \$98,116 |

For the 80% AMI units, we estimate household demand to be those households earning between \$52,937 and \$87,720 (the income limit for a three bedroom unit at 80% AMI). Based on this, we estimated income qualified household demand at 4,980. The calculation for this is summarized as follows:

| Income Qualified Renter Household Demand | | | | Affordable @ 80% AMI | | | |
|---|--|--------------|-----------------------------|--|--------------|-----------------------------|--|
| Income Cohort | 2022 | | | 2027 | | | |
| | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | Size Qualified Households in Income Band | % of Cohort | Income Qualified Households | |
| \$0 - \$10,000 | 2,265 | | | 2,038 | | | |
| \$10,000 - \$20,000 | 1,828 | | | 1,706 | | | |
| \$20,000 - \$30,000 | 1,863 | | | 1,574 | | | |
| \$30,000 - \$40,000 | 2,186 | | | 1,893 | | | |
| \$40,000 - \$50,000 | 1,451 | | | 1,635 | | | |
| \$50,000 - \$60,000 | 1,482 | 70.6% | 1,047 | 1,281 | 1.1% | 14 | |
| \$60,000 - \$75,000 | 2,366 | 100% | 2,366 | 2,082 | 100% | 2,082 | |
| \$75,000 - \$100,000 | 3,344 | 46.9% | 1,568 | 3,184 | 92.5% | 2,944 | |
| \$100,000 - \$125,000 | 2,814 | | | 2,781 | | | |
| \$125,000 - \$150,000 | 2,447 | | | 2,438 | | | |
| \$150,000 - \$200,000 | 2,847 | | | 3,269 | | | |
| \$200,000 + | 7,870 | | | 9,525 | | | |
| Total | 32,763 | 15.2% | 4,980 | 33,406 | 15.1% | 5,040 | |

In order to test the stability of this demand estimate, we also projected demand five years from now. Assuming that the rent, utility allowance and AMI limit all increase at an inflation based 2.5% per year, the qualified income range is projected to increase to between \$59,894 and \$98,116. The total number of income qualified households is projected to increase to 5,040 by 2027.

Capture Rate

The capture rate is based on the percentage of size and income qualified households that the project would have to capture to be completely occupied. For purposes of this market study, it is calculated by dividing the total units at the subject property by size and income qualified households.

Capture Rate – Subsidized Units @ 30% AMI

The projected annual capture rates for 2023-2027 for the 9 units are summarized as follows:

| Capture Rate | Subsidized @ 30% AMI | | | | |
|---------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| D. Subject Units - Total | 9 | 9 | 9 | 9 | 9 |
| Projected Capture Rate (D / C) | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Capture Rate – Subsidized Units @ 60% AMI

The projected annual capture rates for 2023-2027 for the 9 units are summarized as follows:

| Capture Rate | Subsidized @ 60% AMI | | | | |
|---------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| D. Subject Units - Total | 9 | 9 | 9 | 9 | 9 |
| Projected Capture Rate (D / C) | 0.08% | 0.08% | 0.08% | 0.08% | 0.07% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Capture Rate – Affordable Units @ 30% AMI

The projected annual capture rates for 2023-2027 for the 3 units are summarized as follows:

| Capture Rate | Affordable @ 30% AMI | | | | |
|---------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 644 | 638 | 632 | 626 | 620 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 644 | 638 | 632 | 626 | 620 |
| D. Subject Units - Total | 3 | 3 | 3 | 3 | 3 |
| Projected Capture Rate (D / C) | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Capture Rate – Affordable Units @ 60% AMI

The projected annual capture rates for 2023-2027 for the 17 units are summarized as follows:

| Capture Rate | Affordable @ 60% AMI | | | | |
|---------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| D. Subject Units - Total | 17 | 17 | 17 | 17 | 17 |
| Projected Capture Rate (D / C) | 0.41% | 0.41% | 0.41% | 0.40% | 0.40% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Capture Rate – Affordable Units @ 80% AMI

The projected annual capture rates for 2023-2027 for the 22 units are summarized as follows:

| Capture Rate | Affordable @ 80% AMI | | | | |
|---------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| D. Subject Units - Total | 22 | 22 | 22 | 22 | 22 |
| Projected Capture Rate (D / C) | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Capture Rate – Project Weighted Average

The projected annual capture rates for 2023-2027 for all 43 units are summarized as follows:

| Capture Rate - Weighted Average | | | | | | | |
|---------------------------------|-----------|---------------|--------------|--------------|--------------|--------------|--------------|
| | # Units | % Total Units | 2023 | 2024 | 2025 | 2026 | 2027 |
| Subsidized @ 30% AMI | 9 | 15.0% | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |
| Subsidized @ 60% AMI | 9 | 15.0% | 0.08% | 0.08% | 0.08% | 0.08% | 0.07% |
| Affordable @ 30% AMI | 3 | 5.0% | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |
| Affordable @ 60% AMI | 17 | 28.3% | 0.41% | 0.41% | 0.41% | 0.40% | 0.40% |
| Affordable @ 80% AMI | 22 | 36.7% | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |
| Total | 60 | 100% | 0.33% | 0.33% | 0.33% | 0.33% | 0.33% |

These figures are well below IHDA's acceptable maximum threshold of 5% for non-age restricted projects.

Penetration Rate

The penetration rate analysis measures the amount of income-restricted housing relative to the number of income-qualified households within the market area. For purposes of this market study, it is calculated by dividing the total number of size and income qualified affordable units in the market by all size and income qualified households.

Penetration Rate – Subsidized Units @ 30% AMI

The projected annual penetration rates for 2023-2027 for the affordable units are summarized as follows:

| Penetration Rate | Subsidized @ 30% AMI | | | | |
|---|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| D. Subject Units - Total | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - New | 0 | 0 | 0 | 0 | 0 |
| G. Total Units (D + E + F) | 9 | 9 | 9 | 9 | 9 |
| Projected Penetration Rate (G / C) | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |

We note that none of primary competitors have subsidized units with 30% AMI limits. The penetration rates are well below IHDA's acceptable maximum threshold of 25%.

Penetration Rate – Subsidized Units @ 50% AMI

The projected annual penetration rates for 2023-2027 for the affordable units are summarized as follows:

| Penetration Rate | Subsidized @ 60% AMI | | | | |
|---|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| D. Subject Units - Total | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 32 | 32 | 32 | 85 | 85 |
| F. Competitive Units - New | 0 | 0 | 53 | 0 | 0 |
| G. Total Units (D + E + F) | 41 | 41 | 94 | 94 | 94 |
| Projected Penetration Rate (G / C) | 0.34% | 0.34% | 0.79% | 0.78% | 0.78% |

The penetration rates are well below IHDA's acceptable maximum threshold of 25%.

Penetration Rate – Affordable Units @ 30% AMI

The projected annual penetration rates for 2023-2027 for the affordable units are summarized as follows:

| Penetration Rate | Affordable @ 30% AMI | | | | |
|---|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 644 | 638 | 632 | 626 | 620 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 644 | 638 | 632 | 626 | 620 |
| D. Subject Units - Total | 3 | 3 | 3 | 3 | 3 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - New | 0 | 0 | 0 | 0 | 0 |
| G. Total Units (D + E + F) | 3 | 3 | 3 | 3 | 3 |
| Projected Penetration Rate (G / C) | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |

We note that none of primary competitors have affordable units with 30% AMI limits. The penetration rates are well below IHDA's acceptable maximum threshold of 25%.

Penetration Rate – Affordable Units @ 60% AMI

The projected annual penetration rates for 2023-2027 for the affordable units are summarized as follows:

| Penetration Rate | Affordable @ 60% AMI | | | | |
|---|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| D. Subject Units - Total | 17 | 17 | 17 | 17 | 17 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 46 | 46 |
| F. Competitive Units - New | 0 | 0 | 46 | 0 | 0 |
| G. Total Units (D + E + F) | 17 | 17 | 63 | 63 | 63 |
| Projected Penetration Rate (G / C) | 0.41% | 0.41% | 1.51% | 1.50% | 1.48% |

We note that none of primary competitors have affordable units with 60% AMI limits. The penetration rates are well below IHDA's acceptable maximum threshold of 25%.

Penetration Rate – Affordable Units @ 80% AMI

The projected annual penetration rates for 2023-2027 for the affordable units are summarized as follows:

| Penetration Rate | Affordable @ 80% AMI | | | | |
|---|----------------------|--------------|--------------|--------------|--------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| B. % Demand from PMA | 100% | 100% | 100% | 100% | 100% |
| C. Household Demand - Total (A / B) | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| D. Subject Units - Total | 22 | 22 | 22 | 22 | 22 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - New | 0 | 0 | 0 | 0 | 0 |
| G. Total Units (D + E + F) | 22 | 22 | 22 | 22 | 22 |
| Projected Penetration Rate (L / C) | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |

We note that none of primary competitors have affordable units with 80% AMI limits. The penetration rates are well below IHDA's acceptable maximum threshold of 25%.

Penetration Rate – Project Weighted Average

The projected annual penetration rates for 2023-2027 for all units are summarized as follows:

| Penetration Rate - Weighted Average | | | | | | | |
|-------------------------------------|---------|---------------|-------|-------|-------|-------|-------|
| | # Units | % Total Units | 2023 | 2024 | 2025 | 2026 | 2027 |
| Subsidized @ 30% AMI | 9 | 15.0% | 0.14% | 0.15% | 0.16% | 0.16% | 0.17% |
| Subsidized @ 60% AMI | 9 | 15.0% | 0.34% | 0.34% | 0.79% | 0.78% | 0.78% |
| Affordable @ 30% AMI | 3 | 5.0% | 0.47% | 0.47% | 0.47% | 0.48% | 0.48% |
| Affordable @ 60% AMI | 17 | 28.3% | 0.41% | 0.41% | 1.51% | 1.50% | 1.48% |
| Affordable @ 80% AMI | 22 | 36.7% | 0.44% | 0.44% | 0.44% | 0.44% | 0.44% |
| Total | 60 | 100% | 0.38% | 0.37% | 0.75% | 0.75% | 0.75% |

These total figures are well below IHDA's acceptable maximum threshold of 25%.

Net Demand Analysis

Net demand analysis estimated the number of additional units needed to achieve market saturation. It is calculated by deducting the existing and proposed units from the total number of income qualified households at market saturation (typically 25% of all income qualified households).

Net Demand – Subsidized Units @ 30% AMI

For the subsidized units at 30% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Subsidized @ 30% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 6,269 | 6,031 | 5,794 | 5,556 | 5,318 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,567 | 1,508 | 1,448 | 1,389 | 1,330 |
| D. Subject Units | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,558 | 1,499 | 1,439 | 1,380 | 1,321 |

These figures indicate an undersupply of units.

Net Demand – Subsidized Units @ 60% AMI

For the subsidized units at 50% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Subsidized @ 60% AMI | | | | |
|--|----------------------|--------|--------|--------|--------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 11,899 | 11,927 | 11,956 | 11,984 | 12,013 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 2,975 | 2,982 | 2,989 | 2,996 | 3,003 |
| D. Subject Units | 9 | 9 | 9 | 9 | 9 |
| E. Competitive Units - Existing | 32 | 32 | 32 | 85 | 85 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 53 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 2,934 | 2,941 | 2,895 | 2,902 | 2,909 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 30% AMI

For the affordable units at 30% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 30% AMI | | | | |
|--|----------------------|------|------|------|------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 644 | 638 | 632 | 626 | 620 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 161 | 160 | 158 | 157 | 155 |
| D. Subject Units | 3 | 3 | 3 | 3 | 3 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 158 | 157 | 155 | 154 | 152 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 60% AMI

For the affordable units at 60% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 60% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,117 | 4,149 | 4,181 | 4,213 | 4,245 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,029 | 1,037 | 1,045 | 1,053 | 1,061 |
| D. Subject Units | 17 | 17 | 17 | 17 | 17 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 46 | 46 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 46 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,012 | 1,020 | 982 | 990 | 998 |

These figures indicate an undersupply of units.

Net Demand – Affordable Units @ 80% AMI

For the affordable units at 60% of AMI, we project the following annual number of additional units needed:

| Net Demand Analysis | Affordable @ 80% AMI | | | | |
|--|----------------------|-------|-------|-------|-------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| A. Household Demand - PMA | 4,992 | 5,004 | 5,016 | 5,028 | 5,040 |
| B. Maximum Penetration Rate | 25% | 25% | 25% | 25% | 25% |
| C. Total Units Needed (A x B) | 1,248 | 1,251 | 1,254 | 1,257 | 1,260 |
| D. Subject Units | 22 | 22 | 22 | 22 | 22 |
| E. Competitive Units - Existing | 0 | 0 | 0 | 0 | 0 |
| F. Competitive Units - Under Construction/Proposed | 0 | 0 | 0 | 0 | 0 |
| G. Additional Units Needed (C - D - E - F) | 1,226 | 1,229 | 1,232 | 1,235 | 1,238 |

These figures indicate an undersupply of units.

Absorption Rate

The following summarizes monthly absorption rates for new construction apartment properties with Chicago neighborhood (non-CBD) locations:

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| Apartment Project | Address | Submarket | Delivered | Total # of Units | Leased Avg/Month |
|--------------------------------|---------------------|-------------------|-------------|------------------|------------------|
| Neighborhood Properties | | | | | |
| Wicker Park Lofts | 1515 W. Haddon | Wicker Park | Aug-16 | 40 | 4 |
| Luxe on Chicago | 1850 W. Chicago | Ukrainian Village | Aug-16 | 55 | 10 |
| Centrum Old Irving | 4185 W. Irving Park | Old Irving | Sep-16 | 30 | 5 |
| Centrum Wicker Park | 1664 W. Division | Wicker Park | Oct-16 | 60 | 5 |
| MiCA | 2733 W. Belden | Logan Square | Oct-16 | 216 | 15 |
| Lakeview 3200 | 3218 N. Clark | Lakeview | Jan-17 | 90 | 14 |
| MODE Logan Square | 1950 N. Campbell | Logan Square | Jan-17 | 78 | 17 |
| 2950 N Sheridan | 2950 N Sheridan | Lakeview | May-17 | 79 | 6 |
| Centrum Bucktown | 1743 N. Leavitt | Bucktown | May-17 | 94 | 14 |
| Seven10West | 710 West Grand | River West | Jan-18 | 105 | 18 |
| Elevate Lincoln Park | 930 W. Altgeld | Lincoln Park | Jan-18 | 191 | 40 |
| Ashland Place | 33 S. Ashland | West Loop | Feb-18 | 47 | 6 |
| Stewart School Lofts | 4525 N. Kenmore | Uptown | Apr-18 | 64 | 2 |
| Viridian on Sheridan | 730 W. Sheridan | Lakeview | Apr-18 | 100 | 6 |
| Wicker Park Connection Phase 1 | 1640 W. Division | Wicker Park | Apr-18 | 146 | 20 |
| AM 1980 Apartments | 1980 N. Milwaukee | Bucktown | Aug-18 | 132 | 11 |
| Eight Eleven Uptown | 811 W. Agatite | Uptown | Aug-18 | 381 | 11 |
| Noca Blu | 2340 N. California | Logan Square | Sep-18 | 138 | 11 |
| Residences at Addison & Clark | 1025 W. Addison | Lakeview | Oct-18 | 148 | 8 |
| Apartments at Lincoln Common | 2345 N. Lincoln | Lincoln Park | Apr-19 | 538 | 20 |
| The Arcade Residences | 6361 N. Broadway | Uptown | Aug-19 | 58 | 3 |
| 940 W. Winona | 940 W. Winona | Uptown | Jan-19 | 67 | 8 |
| Upshore Chapter | 4555 N. Sheridan | Lakeview | Jul-19 | 149 | 12 |
| The Henry | 4346 N. Honore | W. Ravenswood | Jun-19 | 38 | 3 |
| Four 50 | 450 W. Belmont | Lakeview | Nov-19 | 80 | 11 |
| The Eagle Building | 3833 N. Broadway | Lakeview | Jan-20 | 134 | 7 |
| North + Vine | 633 W. North | Old Town | Mar-20 | 261 | 15 |
| Logan Apts | 2522 N. Milwaukee | Logan Square | Spring 2020 | 236 | 20 |
| 2405 W. Hutchinson | 2405 W. Hutchinson | North Center | Aug-20 | 48 | 5 |
| Panorama | 918 W School | Lakeview | Feb-21 | 140 | 18 |
| The Balaban | 4806 N. Magnolia | Uptown | Mar-21 | 54 | 11 |
| Trailhead | 1744 N. Western | Logan Square | Mar-21 | 109 | 29 |
| Wrigleyville Lofts | 949 W. Dakin | East Lakeview | Oct-21 | 120 | 7 |
| Triangle Square | 2155 N. Elston | Bucktown | Jul-21 | 298 | 23 |
| Average/Bldg/Month | | | | | 12 |

The data indicates a range of monthly absorption rates 2 and 40, with an average of 12. For properties under 75 units in size, the range is 3 to 11 units per month, with an average of 6. For the subject's 60 units, it is our opinion that an absorption rate of 10 units per month can be achieved. Thus, stabilized occupancy should be achieved approximately six months after completion.

Impact On Other Rental Housing

Impact On Other IHDA Properties

The subject is a proposed affordable apartment building. Its construction will result in the addition of 60 affordable units in the PMA. It is our opinion that the development will have little material impact on other IHDA properties in the competitive market.

Impact On Other Assisted/Affordable Housing (Non-IHDA Properties)

The subject's additional affordable units account for a small fraction of the existing stock of non-IHDA affordable units in the local market. Therefore, it is our opinion that the development will have little material impact on other non-IHDA low income properties in the local market.

Impact On Market Rate Housing

The subject will add no market rate units to the market and will have no impact on the overall supply of market rate housing in the PMA.

Conclusions and Recommendations

Conclusions

Positive and negative attributes of the subject are summarized as follows:

Positive Attributes

- The local subsidized and affordable segments of the local apartment market are undersupplied.
- Strong demand for affordable/subsidized units in PMA.
- New construction.
- Lack of available development sites limits the potential for future competitive development.
- Retail shopping amenities within walking distance.
- TOD location ½ block from a CTA commuter train station.
- Good quality unit finishes and amenities

Negative Attributes

- Located adjacent to a cemetery.
- No two bedroom units with two bathrooms.
- No enclosed garage parking

Overall, it is our opinion that the proposed development fits in well with the target renter market and that there is sufficient demand to support the project.

Recommendations

- We do not present any suggestions or modifications to the subject development.
- Based on our research, the subject development appears appropriate for and supportable by the defined Primary Market Area.

Certification

Integra Realty Resources Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Michael Wingader made a personal inspection subject of this report. Ron DeVries, MAI, SRA, and James Kutill, MAI, have not personally inspected the subject but is familiar with the proposed development plan and its competitive market conditions.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties like the subject and are in compliance with the Competency Rule of USPAP.

14. As of the date of this report, Ron DeVries, MAI, SRA and James Kutill, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.
15. As of the date of this report, Michael W. Wingader has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.



Michael Wingader
Certified General Real Estate Appraiser
Illinois Certificate # 553.001595
Expires: 9/30/2023
Date Signed: February 16, 2023



Ron DeVries, MAI, SRA
Certified General Real Estate Appraiser
Illinois Certificate # 553.000145
Expires: 9/30/2023
Date Signed: February 16, 2023



James Kutill, MAI
Certified General Real Estate Appraiser
Illinois Certificate # 553.000280
Expires: 9/30/2023
Date Signed: February 16, 2023

Assumptions and Limiting Conditions

This market study and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
5. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This market study and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our market study apply only as of the effective date of the market study, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
8. The market study shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
9. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
10. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
11. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
12. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
13. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
14. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
15. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

16. The market study is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
17. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Chicago, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the “Integra Parties”), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
18. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
19. Integra Realty Resources – Chicago is not a building or environmental inspector. Integra Chicago does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
20. The market study conclusions assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
21. Integra Realty Resources – Chicago, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client’s use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
22. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future

- occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
23. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
24. The market study is also subject to the following Extraordinary Assumptions and Hypothetical Conditions:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. A zoning change to R-5 and approval of 60 development units is granted by the City of Evanston.
2. Execution of the HACC PBV agreement at the contract rents indicated
3. All 60 units will be subject to PILOT at the developer's pro forma figure of \$750 per unit.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Rent Surveys



Location & Property Identification

Property Name: Larrabee Place
 Sub-Property Type: LIHTC
 Address: 545 W. Division St.
 City/State/Zip: Chicago, IL 60610
 County: Cook
 Submarket: Gold Coast-River North
 Market Orientation: Urban

 IRR Event ID: 2971578



Property Data

Survey Date: 12/13/2022
 No. of Buildings/Stories: 1/7
 No. of Units/Unit Type: 111/Apt. Units
 Multi-Tenant/Condo.: Yes/No
 Elevators: Yes
 Rent Controlled: Yes
 Property Class: B
 Vacancy @ Survey: 4.51%
 Yr. Built/Yr. Renov.: 2009/
 Land Size (Ac.): 0.00

Project & Unit Amenities

Project Amenities: Fitness Center, Common Laundry
 Unit Amenities: Central AC, Carpeting, Dishwasher, Range, Refrigerator, Window Blinds/Shades

 Landlord Pays: Trash, Sewer, Cold Water, Hot Water
 Tenant Pays: In-Unit Electric, Gas Heat, Gas Cooking

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| 1BR/1BA | 3/1/1.0 | | INA | 791 | \$790 | \$1.00 | LIHTC @ 50% AMI |
| 1BR/1BA | 3/1/1.0 | | INA | 791 | \$955 | \$1.21 | LIHTC @ 60% AMI |
| 1BR/1BA | 3/1/1.0 | | INA | 791 | \$1798 | \$2.27 | Market Rate |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | | | LIHTC @ 50% AMI |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | \$1176 | \$1.07 | LIHTC @ 60% AMI |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | \$1925 | \$1.75 | Market Rate |
| 3BR/2BA | 5/3/2.0 | | INA | 1,500 | \$1323 | \$0.88 | LIHTC @ 60% AMI |
| 5BR/2BA | 7/5/2.0 | | INA | 2,301 | | | LIHTC @ 50% AMI |

Comments

Comments (Cont'd)

Mixed-income 111-unit apartment building with 28 market-rate units and 83 affordable units subject to affordable income restrictions of 50% or 60% AMI. 35 of the affordable 50% and 60% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated.

Location & Property Identification

Property Name: 544 Oak at Parkside
 Sub-Property Type: LIHTC
 Address: 544 W. Oak St.
 City/State/Zip: Chicago, IL 60610
 County: Cook
 Submarket: Gold Coast-River North
 Market Orientation: Urban
 IRR Event ID: 2971446



Property Data

Survey Date: 12/13/2022
 No. of Buildings/Stories: 1/8
 No. of Units/Unit Type: 112/Apt. Units
 Multi-Tenant/Condo.: Yes/No
 Elevators: Yes
 Rent Controlled: Yes
 Property Class: B
 Vacancy @ Survey: 6.25%
 Yr. Built/Yr. Renov.: 2011/
 Land Size (Ac.): 0.00

Project & Unit Amenities

Project Amenities: Fitness Center, Common Laundry
 Unit Amenities: Central AC, Carpeting, Dishwasher, Range, Refrigerator, Window Blinds/Shades
 Landlord Pays: Trash, Sewer, Cold Water, Hot Water
 Tenant Pays: In-Unit Electric, Gas Heat, Gas Cooking

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| 1BR/1BA | 3/1/1.0 | | INA | 800 | \$819 | \$1.02 | LIHTC @ 50% AMI |
| 1BR/1BA | 3/1/1.0 | | INA | 800 | \$987 | \$1.23 | LIHTC @ 60% AMI |
| 1BR/1BA | 3/1/1.0 | | INA | 800 | | | HOME @ 80% AMI |
| 1BR/1BA | 3/1/1.0 | | INA | 800 | \$1756 | \$2.20 | Market Rate |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | \$898 | \$0.82 | LIHTC @ 50% AMI |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | \$1138 | \$1.03 | LIHTC @ 60% AMI |
| 2BR/1BA | 4/2/1.0 | | INA | 1,100 | \$1931 | \$1.76 | Market Rate |
| 3BR/2BA | 5/3/2.0 | | INA | 1,500 | \$1340 | \$0.89 | LIHTC @ 60% AMI |
| 3BR/2BA | 5/3/2.0 | | INA | 1,500 | | | HOME @ 80% AMI |
| 5BR/2BA | 7/5/2.0 | | INA | 2,272 | | | LIHTC @ 60% AMI |

Comments

Comments (Cont'd)

Mixed-income 112-unit apartment building with 20 market-rate units and 92 affordable units subject to affordable income restrictions of 50%,60%, or 80% AMI. 39 of the affordable 50%, 60%, and 80% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated.

Location & Property Identification

| | |
|---------------------|-------------------------------------|
| Property Name: | Terrace 459 at Parkside of Old Town |
| Sub-Property Type: | LIHTC |
| Address: | 459 W. Division St. |
| City/State/Zip: | Chicago, IL 60610 |
| County: | Cook |
| Submarket: | Gold Coast-River North |
| Market Orientation: | Urban |
| IRR Event ID: | 2971292 |



Property Data

| | |
|---------------------------|----------------|
| Survey Date: | 12/13/2022 |
| No. of Buildings/Stories: | 1/9 |
| No. of Units/Unit Type: | 106/Apt. Units |
| Multi-Tenant/Condo.: | Yes/No |
| Elevators: | Yes |
| Rent Controlled: | Yes |
| Rent Subsidized: | Yes |
| Property Class: | B |
| Vacancy @ Survey: | 6.60% |
| Yr. Built/Yr. Renov.: | 2016/ |
| Land Size (Ac.): | 1.64 |

Project & Unit Amenities

| | |
|--------------------|--|
| Project Amenities: | Fitness Center, Common Laundry |
| Unit Amenities: | Central AC, Carpeting, Dishwasher, Range, Refrigerator, Window Blinds/Shades |
| Landlord Pays: | Trash, Sewer, Cold Water, Hot Water |
| Tenant Pays: | In-Unit Electric, Gas Heat, Gas Cooking |

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| 1BR/1BA | 3/1/1.0 | 1 | 0 | 816 | \$380 | \$0.47 | LIHTC @ 30% AMI |
| 1BR/1BA | 3/1/1.0 | 1 | 0 | 816 | \$603 | \$0.74 | LIHTC @ 40% AMI |
| 1BR/1BA | 3/1/1.0 | 12 | 0 | 816 | \$737 | \$0.90 | LIHTC @ 50% AMI |
| 1BR/1BA | 3/1/1.0 | 18 | 3 | 816 | \$906 | \$1.11 | LIHTC @ 60% AMI |
| 1BR/1BA | 3/1/1.0 | 19 | 1 | 816 | \$1590 | \$1.95 | Market Rate |
| 2BR/1BA | 4/2/1.0 | 2 | 0 | 1,087 | \$493 | \$0.45 | LIHTC @ 30% AMI |
| 2BR/1BA | 4/2/1.0 | 2 | 0 | 1,049 | \$698 | \$0.67 | LIHTC @ 40% AMI |
| 2BR/1BA | 4/2/1.0 | 6 | 1 | 1,087 | \$948 | \$0.87 | LIHTC @ 50% AMI |
| 2BR/1BA | 4/2/1.0 | 8 | 1 | 1,049 | \$1204 | \$1.15 | LIHTC @ 60% AMI |
| 2BR/1BA | 4/2/1.0 | 24 | 1 | 1,049 | \$1800 | \$1.72 | Market Rate |
| 3BR/2BA | 5/3/2.0 | 1 | 0 | 1,459 | \$889 | \$0.61 | LIHTC @ 40% AMI |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| 3BR/2BA | 5/3/2.0 | 4 | 0 | 1,459 | \$915 | \$0.63 | LIHTC @ 50% AMI |
| 3BR/2BA | 5/3/2.0 | 7 | 0 | 1,459 | \$1390 | \$0.95 | LIHTC @ 60% AMI |
| 4BR/2BA | 6/4/2.0 | 1 | 0 | 1,516 | | | LIHTC @ 60% AMI |

Comments

Mixed-income 106-unit apartment building with 43 market-rate units and 63 affordable units subject to affordable income restrictions of 40%, 50%, or 60% AMI. 36 of the affordable 50% and 60% AMI units are subsidized CHA units. Only the non-subsidized rents are indicated.

Mixed-income market/affordable.

Location & Property Identification

Property Name: North Town Village - Phase I
 Sub-Property Type: Conventional
 Address: 1311 N. Halsted St/ 1415 N Halsted St/ 1427 N Halsted St/ 1321 N Burling St/ 1239 N Burling St
 City/State/Zip: Chicago, IL 60610
 County: Cook
 Submarket: Gold Coast-River North
 Market Orientation: Urban

 IRR Event ID: 2968002



Property Data

Survey Date: 12/13/2022
 No. of Buildings/Stories: 5/7
 No. of Units/Unit Type: 116/Apt. Units
 Rent Controlled: Yes
 Rent Subsidized: Yes
 Vacancy @ Survey: 1.68%
 Yr. Built/Yr. Renov.: 2000/
 Land Size (Ac.): 0.00

Project & Unit Amenities

Project Amenities: Common Laundry, Garage/In Building
 Unit Amenities: Central AC, Dishwasher, Disposal, Granite/Quartz Counters, Kitchen Island/Eating Counter, Laminate Counters, Patio/Balcony/Deck, Range - Gas, Stainless Steel Appliances, Vinyl Plank Floors (LVT/LVP), Washer/Dryer In Unit

 Landlord Pays: Trash, Sewer, Cold Water
 Tenant Pays: In-Unit Electric, Hot Water, Gas Heat, Gas Cooking

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---------------------------------------|
| 1BR/1BA | 3/1/1.0 | 12 | 0 | 831 | \$545 | \$0.66 | LIHTC CHA @40% AMI; Sizes: 769-917 SF |
| 1BR/1BA | 3/1/1.0 | 2 | 0 | 808 | \$545 | \$0.67 | HOME CHA @50% AMI; Sizes: 783-833 SF |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---|
| 1BR/1BA | 3/1/1.0 | 4 | 0 | 825 | \$765 | \$0.93 | HOME @50% AMI; Sizes 769-900 SF |
| 1BR/1BA | 3/1/1.0 | 2 | 0 | 842 | \$765 | \$0.91 | LIHTC @50% AMI; Sizes: 783-900 SF |
| 1BR/1BA | 3/1/1.0 | 12 | 0 | 791 | \$1079 | \$1.36 | LIHTC @60% AMI; Sizes: 738-848 SF |
| 1BR/1BA | 3/1/1.0 | 24 | 0 | 837 | \$1245 | \$1.49 | Market Rate; Sizes: 769-900 SF |
| 2BR/1BA | 4/2/1.0 | 7 | 0 | 1,052 | \$545 | \$0.52 | LIHTC CHA @40% AMI; Sizes: 999-1,106 SF |
| 2BR/1BA | 4/2/1.0 | 6 | 0 | 991 | \$545 | \$0.55 | HOME CHA @50% AMI; Sizes: 891-1,106 SF |
| 2BR/1BA | 4/2/1.0 | 2 | 0 | 891 | \$853 | \$0.96 | HOME @50% AMI |
| 2BR/1BA | 4/2/1.0 | 4 | 0 | 978 | \$545 | \$0.56 | LIHTC CHA @50% AMI; Sizes: 891-1,106 SF |
| 2BR/1BA | 4/2/1.0 | 15 | 2 | 993 | \$1136 | \$1.14 | LIHTC @60% AMI; Sizes: 891-1,106 SF |
| 2BR/2BA | 4/2/2.0 | 10 | 0 | 1,018 | \$1427 | \$1.40 | Market Rate; Sizes: 917-1,106 SF |
| 3BR/2BA | 5/3/2.0 | 4 | 0 | 1,200 | \$545 | \$0.45 | LIHTC CHA @40% AMI |
| 3BR/2BA | 5/3/2.0 | 1 | 0 | 1,200 | \$545 | \$0.45 | LIHTC CHA @50% AMI |
| 3BR/2BA | 5/3/2.0 | 3 | 0 | 1,200 | \$1162 | \$0.97 | LIHTC @60% AMI |
| 3BR/2BA | 5/3/2.0 | 4 | 1 | 1,200 | \$1336 | \$1.11 | Market Rate |
| 4BR/2BA | 6/4/2.0 | 1 | 0 | 1,550 | \$545 | \$0.35 | LIHTC CHA @40% AMI |
| 4BR/2BA | 6/4/2.0 | 1 | 0 | 1,550 | \$545 | \$0.35 | HOME CHA @50% AMI |
| 4BR/2BA | 6/4/2.0 | 1 | 0 | 1,550 | \$545 | \$0.35 | LIHTC CHA @50% AMI |
| 4BR/2BA | 6/4/2.0 | 1 | 0 | 1,550 | \$1321 | \$0.85 | LIHTC @60% AMI |

Comments

A 116-unit mixed-income apartment complex that includes 39 subsidized CHA units, 37 affordable LIHTC (50%-60% AMI) and HOME (50% AMI) units, and 38 market-rate units.

Location & Property Identification

Property Name: Lathrop Homes - Phase 1A
 Sub-Property Type: Conventional
 Address: 2000 W. Diversey Ave
 City/State/Zip: Chicago, IL 60647
 County: Cook
 Submarket: Wicker Park-Bucktown
 Market Orientation: Urban

IRR Event ID: 2973705



Property Data

Survey Date: 12/13/2022
 No. of Units/Unit Type: 414/Apt. Units
 Property Class: B
 Yr. Built/Yr. Renov.: 1937/2019
 Land Size (Ac.): 12.04

Project & Unit Amenities

Project Amenities: BBQ Grill/Picnic Area, Bike Storage Room, Clubhouse Building, Dog Run/Spa, Fitness Center, Playground, Resident Lounge

Unit Amenities: Central AC, Dishwasher, Disposal, Granite/Quartz Counters, Kitchen Island/Eating Counter, Microwave, Range - Electric, Refrigerator, Stainless Steel Appliances, Vinyl Plank Floors (LVT/LVP), Window Blinds/Shades

Landlord Pays: Trash, Sewer, Cold Water
 Tenant Pays: In-Unit Electric, Hot Water, Electric Heat, Electric Cooking

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| Studio/1BA | 2/0/1.0 | 16 | INA | 531 | \$1275 | \$2.40 | Market Rate |
| Studio/1BA | 2/0/1.0 | 3 | INA | 531 | | | LIHTC @ 60% AMI |
| 1BR/1BA | 3/1/1.0 | 90 | INA | 684 | \$1709 | \$2.50 | Market Rate |
| 1BR/1BA | 3/1/1.0 | 52 | INA | 684 | \$1089 | \$1.59 | LIHTC @ 60% AMI |
| 1BR/1BA | 3/1/1.0 | 72 | INA | 684 | | | Subsidized |
| 2BR/1BA | 4/2/1.0 | 56 | INA | 781 | \$1915 | \$2.45 | Market Rate |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|-----------------|
| 2BR/1BA | 4/2/1.0 | 31 | INA | 781 | \$1299 | \$1.66 | LIHTC @ 60% AMI |
| 2BR/1BA | 4/2/1.0 | 43 | INA | 781 | | | Subsidized |
| 3BR/2BA | 5/3/2.0 | 15 | INA | 1,185 | \$1498 | \$1.26 | LIHTC @ 60% AMI |
| 3BR/2BA | 5/3/2.0 | 30 | INA | 1,185 | | | Subsidized |
| 4BR/2BA | 6/4/2.0 | 6 | INA | 1,249 | | | Subsidized |

Comments

No concessions are currently offered.

Mixed income adaptive re-use and new construction apartment complex with 414 units, of which 101 are affordable (60% AMI), 151 are subsidized public housing and 162 are market rate. This represents the first phase of a multi-phase development.

Location & Property Identification

Property Name: 415 Premier Apartments
 Sub-Property Type: Conventional, Mid/High-Rise
 Address: 415 W. Howard St.
 City/State/Zip: Evanston, IL 60202
 County: Cook
 Submarket: Glenview-Evanston
 Market Orientation: Suburban
 IRR Event ID: 2966787



Property Data

Survey Date: 01/01/2023
 No. of Buildings/Stories: 1/17
 No. of Units/Unit Type: 221/Apt. Units
 Elevators: Yes
 Property Class: A
 Vacancy @ Survey: 3.60%
 Yr. Built/Yr. Renov.: 2008/
 Land Size (Ac.): 0.66

Project & Unit Amenities

Project Amenities: Clubhouse Building, Covered Parking, Fitness Center, Extra Storage Area, Business Center, Party/Social Room
 Unit Amenities: Central AC, Dishwasher, Patio/Balcony/Deck, Range - Electric, Walk-in Closets, Washer/Dryer In Unit, Refrigerator, Carpeting, Window Blinds/Shades, Granite/Quartz Counters, Disposal
 Tenant Pays: Trash, Cable, Broadband, In-Unit Electric, Electric Heat, Water

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| Studio/1ba | 2/0/1.0 | 26 | INA | 551 | \$1521 | \$2.76 | 518-584 sf; Gross rent range \$1,613-\$1,678 |
| 1br/1ba | 3/1/1.0 | 143 | INA | 756 | \$1841 | \$2.44 | 657-839 sf; Gross rent range \$1,885-\$2,047 |
| 2br/2ba | 4/2/2.0 | 52 | INA | 1,200 | \$2155 | \$1.80 | 1,133-1,280 sf; Gross rent range \$2,195-\$2,370 |

Comments

Average rents above are net of concessions. Parking \$125/month for self-park gar/encl.

NRA and unit mix are per OM. GBA is based on an estimated 30% loss factor. Opened in July '08 with move-in August 1, 2008.

RUBS program where water, sewer and trash is billed back.

Location & Property Identification

Property Name: Central Station
 Sub-Property Type: Conventional, Mid/High-Rise
 Address: 1720 Central St.
 City/State/Zip: Evanston, IL 60201
 County: Cook
 Submarket: Glenview-Evanston
 Market Orientation: Suburban
 IRR Event ID: 2966821



Property Data

Survey Date: 01/01/2023
 No. of Buildings/Stories: 1/4
 No. of Units/Unit Type: 80/Apt. Units
 Property Class: A
 Vacancy @ Survey: 6.20%
 Yr. Built/Yr. Renov.: 2013/
 Land Size (Ac.): 1.01

Project & Unit Amenities

Project Amenities: Fitness Center, Party/Social Room, Business Center
 Unit Amenities: Central AC, Carpeting, Dishwasher, Disposal, Wood Floors, Patio/Balcony/Deck, Range, Storage in Unit, Walk-in Closets, Washer/Dryer In Unit, Refrigerator, Window Blinds/Shades, 9'+ Ceiling Heights, Granite/Quartz Counters, Tile Backsplash, Undermount Sinks, Microwave
 Tenant Pays: Cable, Broadband, In-Unit Electric, Hot Water, Gas Heat
 Survey Comp./Contact: RMK/

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---------------------------------------|
| Convertible/1ba | /0/1.0 | 8 | INA | 612 | \$2047 | \$3.34 | 590 to 635 sf; \$2,033-\$2,061 |
| 1br/1ba | /1/1.0 | 32 | INA | 817 | \$2293 | \$2.81 | 785 sf to 850 sf; \$2,153-\$2,433 |
| 2br/2ba | /2/2.0 | 18 | INA | 1,207 | \$3339 | \$2.77 | 1,185 sf to 1,230 sf; \$3,316-\$3,361 |
| 3br/2ba | /3/2.0 | 4 | INA | 1,485 | \$4214 | \$2.84 | |
| 1br+Den/1ba | /1/1.0 | 12 | INA | 885 | \$2639 | \$2.98 | |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---------------|
| 2br+Den/2ba | /2/2.0 | 6 | INA | 1,305 | \$3831 | \$2.94 | |

Comments

Garage parking is \$180/month.

Occupancy began September 27, 2013. Property offers a utility package ranging from \$70-\$120/month depending on unit size.

Location & Property Identification

Property Name: Centrum Evanston
 Sub-Property Type: Mixed Use, Multifamily-Retail
 Address: 1590 Elmwood Ave.
 City/State/Zip: Evanston, IL 60201
 County: Cook
 Submarket: Glenview-Evanston
 Market Orientation: Suburban
 IRR Event ID: 2966834



Property Data

Survey Date: 01/01/2023
 No. of Units/Unit Type: 101/Apt. Units
 Elevators: Yes
 Property Class: A
 Vacancy @ Survey: 0.00%
 Yr. Built/Yr. Renov.: 2017/
 Land Size (Ac.): 0.46

Project & Unit Amenities

Project Amenities: Fitness Center, BBQ Grill/Picnic Area, Bike Storage Room, Fire Pit, Valet Dry Cleaning, Business Center, Party/Social Room

Unit Amenities: Central AC, Dishwasher, Disposal, Patio/Balcony/Deck, Range - Gas, Washer/Dryer In Unit, Refrigerator, Window Blinds/Shades, Vinyl Plank Floors (LVT/LVP), 10' Ceilings, Exposed Concrete Ceiling, Window Roller Shades, Granite/Quartz Counters, Tile Backsplash, Undermount Sinks, Microwave, Washer/Dryer In Unit

Tenant Pays: Trash, Cable, Broadband, In-Unit Electric, Gas Heat, Water

Survey Comp./Contact: 33 Realty / 847-588-1600/

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---------------|
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|---------------|

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| Conv/1ba | 2/0/1.0 | 21 | INA | 635 | \$2290 | \$3.61 | 622-648 sf; rent range \$2,225-\$2,355 |
| 1br/1ba | 3/1/1.0 | 36 | INA | 717 | \$2481 | \$3.46 | 566-868 sf; rent range \$2,275-\$2,687 |
| 2br/2ba | 4/2/2.0 | 38 | INA | 1,132 | \$3692 | \$3.26 | 986-1,278 sf; rent range \$3,405-\$3,978 |
| 3br/2ba | 5/3/2.0 | 6 | INA | 1,632 | \$4628 | \$2.84 | 1,395-1,869 sf; rent range \$4,280-\$4,975 |

Comments

Leasing began June 2017. Occupancy in August 2017. The property does not have on-site parking, but residents may park in a municipal garage located one block east for \$85/mo. RUBS package is \$100 for 1br, \$125 for 2br, and \$150 for 3br.

Luxury mixed-use property with 101 apartments and 1,555 SF of ground-floor retail space. There is no on-site parking, but residents may park in a municipal garage about one block to the east. The units have 10-foot ceiling heights, wood-style vinyl plank flooring throughout, exposed concrete ceiling and duct work, dual-tone cabinets with high-gloss white on the uppers and wood grain lowers, quartz counters, tile backsplash, single-bowl undermount sink, and stainless steel appliances in the kitchen, floating vanity, quartz counters, and ceramic tile flooring and tub/shower surround in the baths, and stacked washer and dryer. Common amenities are a resident lobby with social area, private study rooms and computer lounge, fitness center, separate yoga studio with fitness-on-demand program, party room with entertaining space and chef's grade kitchen, rooftop deck with fire pit, lounge seating, and grilling stations, valet dry cleaning service, and Luxer One package delivery system.

Location & Property Identification

Property Name: AMLI at Evanston
 Sub-Property Type: Mixed Use
 Address: 737 Chicago Ave.
 City/State/Zip: Evanston, IL 60202
 County: Cook
 Submarket: Glenview-Evanston
 Market Orientation: Suburban

 IRR Event ID: 2966973



Property Data

Survey Date: 01/01/2023
 Property Class: A
 Vacancy @ Survey: 4.60%
 Yr. Built/Yr. Renov.: 2013/
 Land Size (Ac.): 2.02

Project & Unit Amenities

Project Amenities: BBQ Grill/Picnic Area, Fitness Center, Roofdeck/Sundeck, Business Center, Conference Room, Party/Social Room, Extra Storage Area, LEED Certified

Unit Amenities: Carpeting, Granite/Quartz Counters, Window Blinds/Shades, Wood Floors, Granite Islands, Dishwasher, Microwave, Patio/Balcony/Deck, Range - Gas, Refrigerator, Washer/Dryer In Unit

Tenant Pays: Trash, Cable, Broadband, In-Unit Electric, Gas Heat, Water

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| Studio/1ba | 1/0/1.0 | 5 | INA | 567 | \$1717 | \$3.03 | 500-633 sf |
| 1br/1ba | 3/1/1.0 | 134 | INA | 935 | \$2813 | \$3.01 | 632-1,237 sf; Rent range \$2,355-\$3,271 |
| 2br/1ba | 4/2/2.0 | 4 | INA | 1,000 | \$2700 | \$2.70 | |
| 2br/2ba | 4/2/2.0 | 40 | INA | 1,327 | \$3437 | \$2.59 | 1,064-1,590 sf; Rent range \$2,750-\$4,123 |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| 3br/2ba | 5/3/2.0 | 12 | INA | 1,510 | \$4020 | \$2.66 | 1,462-1,557 sf; Rent range \$3,866-\$4,174 |

Comments

Electric car parking is \$160/mo. Utility package \$85-\$135/month.

Building contains 214 units with 19 first floor live/work units not included in survey. Opened April 15, 2013.

Location & Property Identification

Property Name: The Main
 Sub-Property Type: Mixed Use, Multifamily-Retail
 Address: 847 Chicago Ave.
 City/State/Zip: Evanston, IL 60202
 County: Cook
 Submarket: Glenview-Evanston
 Market Orientation: Suburban
 IRR Event ID: 2966845



Property Data

Survey Date: 01/01/2023
 No. of Units/Unit Type: 112/Apt. Units
 Elevators: Yes
 Property Class: A
 Vacancy @ Survey: 1.80%
 Yr. Built/Yr. Renov.: 2016/
 Land Size (Ac.): 0.71

Project & Unit Amenities

Project Amenities: Fitness Center, Bike Storage Room, BBQ Grill/Picnic Area, Electric Car Charging Station, Extra Storage Area, Fire Pit, Party/Social Room
 Unit Amenities: Carpeting, Dishwasher, Disposal, Patio/Balcony/Deck, Range - Gas, Washer/Dryer In Unit, Refrigerator, Window Blinds/Shades, Vinyl Plank Floors (LVT/LVP), Granite/Quartz Counters, Tile Backsplash, Undermount Sinks, Microwave
 Landlord Pays: Trash, Cable, Broadband, In-Unit Electric, Gas Heat, Water
 Survey Comp./Contact: Atlantic Realty Partners / 847-450-0115/

Unit Mix

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| Studio/1ba | 2/0/1.0 | 14 | INA | 575 | \$1622 | \$2.82 | 500-650 sf; rent range \$1,459-\$1,785 |

Unit Mix (Cont'd)

| Unit Information | Rms/BR/Bth | No. of Units | Vacant Units | SF Per Unit | Base Rent | \$/SF Effective | Unit Comments |
|------------------|------------|--------------|--------------|-------------|-----------|-----------------|--|
| 1br/1ba | 3/1/1.0 | 35 | INA | 800 | \$2509 | \$3.14 | 746-853 sf; rent range \$2,299-\$2,719 |
| 1br/1ba | 3/1/1.0 | 14 | INA | 853 | \$2779 | \$3.26 | |
| 2br/2ba | 4/2/2.0 | 42 | INA | 990 | \$3294 | \$3.33 | 912-1,068 sf |
| 3br/2ba | 5/3/2.0 | 7 | INA | 1,424 | \$3447 | \$2.42 | |

Comments

Garage parking priced at \$165/mo for reserved spaces and \$215/mo for tandem spaces.

Leasing began May 2016. Occupancy began October 1, 2016. Luxury mixed-use property with 112 Apts, 11,156 SF of retail space, 12,333 SF of office space and 137 parking spaces. Finishes include floor-to-ceiling windows, wood-style vinyl plank flooring in the living areas and kitchen, carpeting in the bedrooms, flat-panel wood cabinets, quartz counters, single-bowl undermount sink, tile backsplash, and stainless steel appliances in the kitchen, ceramic tile flooring and tub surround and quartz counters in the baths, and in-unit washer and dryer. Common amenities are a fitness center, bike room, party room, sundeck with grilling station and fire pit, storage lockers, and an electric car charging station.

2022-2023 Site and Market Study Form

| 2022-2023 Site and Market Study Summary Form | | | | | | | | | |
|--|---|--|--|--------------|-------------------------------------|--------------|--------------------------|---|--|
| <i>(Please complete all highlighted (in yellow) sections of this form. Failure to do so will be grounds for automatic denial of your application)</i> | | | | | | | | | |
| Required Information: | Information Requested on this form: | Mark appropriate box / Include required information: | Other information / Page Number Where information can be found in Site and Market Study: | | | | | | |
| Name of Development: | South Boulevard Shores | | | | | | | | |
| Location of the Proposed (City/County): | Evanston/Cook | | | | | | | | |
| Targeted Tenant Type: | <table border="1"> <tr> <td>Family</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Elderly</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Other</td> <td><input type="checkbox"/></td> </tr> </table> | Family | <input checked="" type="checkbox"/> | Elderly | <input type="checkbox"/> | Other | <input type="checkbox"/> | If Other please indicate targeted population: | |
| Family | <input checked="" type="checkbox"/> | | | | | | | | |
| Elderly | <input type="checkbox"/> | | | | | | | | |
| Other | <input type="checkbox"/> | | | | | | | | |
| Other affordable units that target the same tenant type in the PMA: Number of Units (should include IHDA, HUD, Rural Housing, Chicago Tax Credits, etc.) | Subsidized=32 | Page number: | | | | | | | |
| | Affordable=0 | 38 | | | | | | | |
| Total Number of other affordable units in the PMA: (should include IHDA, HUD, Rural Housing, Chicago Tax Credits, etc.) | Subsidized =826 | Page number: | | | | | | | |
| | Affordable = 120 | 40 | | | | | | | |
| Rent Schedule (including unit sizes) for Proposed Development: | <table border="1"> <tr> <td>Included</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Not Included</td> <td><input type="checkbox"/></td> </tr> </table> | Included | <input checked="" type="checkbox"/> | Not Included | <input type="checkbox"/> | Page number: | | | |
| Included | <input checked="" type="checkbox"/> | | | | | | | | |
| Not Included | <input type="checkbox"/> | | | | | | | | |
| | | 21 | | | | | | | |
| Occupancy levels for existing affordable properties in PMA: | <table border="1"> <tr> <td>Included</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Not Included</td> <td><input type="checkbox"/></td> </tr> </table> | Included | <input checked="" type="checkbox"/> | Not Included | <input type="checkbox"/> | Page number: | | | |
| Included | <input checked="" type="checkbox"/> | | | | | | | | |
| Not Included | <input type="checkbox"/> | | | | | | | | |
| | | 21 | | | | | | | |
| Rent Schedule for Comparable Properties: | <table border="1"> <tr> <td>Included</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Not Included</td> <td><input type="checkbox"/></td> </tr> </table> | Included | <input checked="" type="checkbox"/> | Not Included | <input type="checkbox"/> | Page number: | | | |
| Included | <input checked="" type="checkbox"/> | | | | | | | | |
| Not Included | <input type="checkbox"/> | | | | | | | | |
| | | 58 | | | | | | | |
| Evaluation of the proposed rents to comparable properties in the PMA: | <table border="1"> <tr> <td>Lower</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Comparable</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Higher</td> <td><input type="checkbox"/></td> </tr> </table> | Lower | <input type="checkbox"/> | Comparable | <input checked="" type="checkbox"/> | Higher | <input type="checkbox"/> | 58-61 | |
| Lower | <input type="checkbox"/> | | | | | | | | |
| Comparable | <input checked="" type="checkbox"/> | | | | | | | | |
| Higher | <input type="checkbox"/> | | | | | | | | |
| | | 66 | | | | | | | |
| Demographic (population) trending for PMA and for targeted tenant population: | <table border="1"> <tr> <td>Increase</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Stable</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Decrease</td> <td><input type="checkbox"/></td> </tr> </table> | Increase | <input checked="" type="checkbox"/> | Stable | <input type="checkbox"/> | Decrease | <input type="checkbox"/> | Evaluation and Explanation found on page: | |
| Increase | <input checked="" type="checkbox"/> | | | | | | | | |
| Stable | <input type="checkbox"/> | | | | | | | | |
| Decrease | <input type="checkbox"/> | | | | | | | | |
| | | 43, 68 | | | | | | | |
| Demographic (households) trending for PMA and for targeted tenant population: | <table border="1"> <tr> <td>Increase</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Stable</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Decrease</td> <td><input type="checkbox"/></td> </tr> </table> | Increase | <input checked="" type="checkbox"/> | Stable | <input type="checkbox"/> | Decrease | <input type="checkbox"/> | Evaluation and Explanation found on page: | |
| Increase | <input checked="" type="checkbox"/> | | | | | | | | |
| Stable | <input type="checkbox"/> | | | | | | | | |
| Decrease | <input type="checkbox"/> | | | | | | | | |
| | | 43, 68-75 | | | | | | | |
| Evaluation of the proposed unit mix to the PMA standard: | <table border="1"> <tr> <td>Superior</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Meets</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Inferior</td> <td><input type="checkbox"/></td> </tr> </table> | Superior | <input type="checkbox"/> | Meets | <input checked="" type="checkbox"/> | Inferior | <input type="checkbox"/> | Evaluation found on page: | |
| Superior | <input type="checkbox"/> | | | | | | | | |
| Meets | <input checked="" type="checkbox"/> | | | | | | | | |
| Inferior | <input type="checkbox"/> | | | | | | | | |
| | | 18-20 | | | | | | | |
| Evaluation of the proposed unit sizes (sq. ft.) to the PMA standard: | <table border="1"> <tr> <td>Superior</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Meets</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Inferior</td> <td><input type="checkbox"/></td> </tr> </table> | Superior | <input type="checkbox"/> | Meets | <input checked="" type="checkbox"/> | Inferior | <input type="checkbox"/> | Evaluation found on page: | |
| Superior | <input type="checkbox"/> | | | | | | | | |
| Meets | <input checked="" type="checkbox"/> | | | | | | | | |
| Inferior | <input type="checkbox"/> | | | | | | | | |
| | | 18-20 | | | | | | | |
| List of Proposed Development Amenities: | <table border="1"> <tr> <td>Included</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Not Included</td> <td><input type="checkbox"/></td> </tr> </table> | Included | <input checked="" type="checkbox"/> | Not Included | <input type="checkbox"/> | Page number: | | | |
| Included | <input checked="" type="checkbox"/> | | | | | | | | |
| Not Included | <input type="checkbox"/> | | | | | | | | |
| | | 21-22 | | | | | | | |
| Evaluation of proposed amenities to PMA standard: | <table border="1"> <tr> <td>Superior</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Equal</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Inferior</td> <td><input type="checkbox"/></td> </tr> </table> | Superior | <input type="checkbox"/> | Equal | <input checked="" type="checkbox"/> | Inferior | <input type="checkbox"/> | Evaluation and Explanation found on page: | |
| Superior | <input type="checkbox"/> | | | | | | | | |
| Equal | <input checked="" type="checkbox"/> | | | | | | | | |
| Inferior | <input type="checkbox"/> | | | | | | | | |
| | | 21-22 | | | | | | | |

| | | | |
|--|--------------------------|-----------|---|
| Estimated absorption period: | Units per month | 10 | Explanation of absorption estimate found on page: |
| | Number of months | 6 | |
| Marketability/Visibility of the Site: | Good | | Explanation found on page: |
| | Average | X | |
| | Poor | | |
| Affordable units market penetration including the proposed in the PMA Rate (use ALL income qualified households for PMA ONLY): | Project = 0.37%-0.75% | | Page number: |
| | | | 78-80 |
| Proposed projects' required rate of capture within the PMA (use ALL Rate income qualified households for PMA ONLY): | Project = 0.33%-0.33% | | Page number: |
| | | | 76-77 |
| Overall Market Demand (the additional number of units needed within the market area to meet demand from targeted populations. The analysis should determine if there is sufficient demand to support the proposed project): | Units needed | 152-2,941 | Page number: |
| | Sufficient Demand (y/n)? | | 81-82 |
| Public Safety Issues (Provide an analysis of public safety issues including information or statistics on crime in the PMA. Address any local perceptions of crime or safety issues in the PMA): | Included | X | Page number: |
| | Not Included | | 33-35 |
| List of major employers in PMA (not required of some projects, see requirements): | Included | X | Page number: |
| | Not Included | | 48 |
| Economic Stability Analysis / Evaluation of PMA employment (not required of some projects, see requirements): | Growth | X | Analysis found on page: |
| | Stability | | |
| | Decline | | |

2023 NCHMA Membership Certificate

Certificate of Membership

Integra Realty Resources - Chicago
Is a Member Firm in Good Standing of



National Council of Housing Market Analysts
1400 16th St. NW, Suite 420
Washington, DC 20036
202-939-1750

Designation Maintained By
Michael Wingader

Membership Term
1/1/2023 - 12/31/2023



Kaitlyn Snyder
Managing Director, NH&RA

Certificate of Liability Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/6/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| PRODUCER Bradish 215 N Arlington Heights Rd Suite 200 Arlington Heights IL 60004 License#: 100297671 INTEREA-01 | | CONTACT NAME: PHONE (A/C, No, Ext): 847-259-2400 FAX (A/C, No): 847-259-0400 E-MAIL ADDRESS: info@bradish.com | | | | | | | | | | | | | | | |
|--|--------|---|--|-------------------------------|--------|---------------------------------------|-------|---|-------|-------------|--|-------------|--|-------------|--|-------------|--|
| INSURED Integra Realty Resources - Chicago Ron DeVries 1 N. Franklin St., Suite 3010 Chicago IL 60606 | | <table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Hanover Insurance Company</td> <td>22292</td> </tr> <tr> <td>INSURER B : The Hanover American Ins Co</td> <td>36064</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table> | | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A : Hanover Insurance Company | 22292 | INSURER B : The Hanover American Ins Co | 36064 | INSURER C : | | INSURER D : | | INSURER E : | | INSURER F : | |
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| INSURER E : | | | | | | | | | | | | | | | | | |
| INSURER F : | | | | | | | | | | | | | | | | | |

COVERAGES **CERTIFICATE NUMBER: 969385064** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|-----------|----------|---------------|-------------------------|-------------------------|--|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | | OHCH384314 | 10/6/2022 | 10/6/2023 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$ |
| A | <input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY | | | OHCH384314 | 10/6/2022 | 10/6/2023 | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| A | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$ | | | OHCH384314 | 10/6/2022 | 10/6/2023 | EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$ |
| B | <input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | | WZCH384297 | 10/6/2022 | 10/6/2023 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |
| A | <input type="checkbox"/> PROPERTY ALL RISK | | | OHCH384314 | 10/6/2022 | 10/6/2023 | CONTENTS 434,091 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Verification of insurance.

No deductible applies to General Liability.

| | |
|--|--|
| CERTIFICATE HOLDER VERIFICATION OF INSURANCE | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE |
|--|--|

Addendum A

Appraiser Qualifications

Ron DeVries, MAI, SRA

Experience

Senior Managing Director for Integra Realty Resources
Former Vice President for Appraisal Research Counselors
Former Assistant Manager, Norwest Financial Inc.

Mr. DeVries' valuation experience includes industrial, retail, office, hotel, multi-family (including FNMA/Freddie, HUD as well as LIHTC deals), and residential subdivisions for uses ranging from due diligence and financing to review appraisal. He oversees the multi-family rental market/feasibility studies for the firm along with the quarterly research of over 150,000 units in the Chicago MSA. Mr. DeVries is a frequent speaker at the Chicago Real Estate Council, the Chicagoland Apartment Association as well as private events for clients. He has testified as an expert witness in a variety of matters. Mr. DeVries is past national Chair of Education for the Appraisal Institute and previously served on the Appraisal Institute's Board of Directors, and numerous committees. Mr. DeVries is a past President of the Chicago Chapter of the Appraisal Institute and served for many years as the Chapter's Chair of Education. Ron has served on several course development teams including Principles, Procedures, Market Analysis & Highest & Best Use, Income Capitalization and a number of seminars. Mr. DeVries was also a content contributor for The Appraisal of Real Estate, published by The Appraisal Institute. He is a frequent instructor for the Appraisal Institute.

Professional Activities & Affiliations

Appraisal Institute: Member (MAI)
Appraisal Institute: Senior Residential Appraiser (SRA)
Member: Chicagoland Apartment Association, Board of Directors
Associate Member: Real Estate Investment Association (REIA)
Member: Chicago Real Estate Council (CREC)
President: Illinois Coalition of Real Estate Professionals (ICAP) (2020)
Member: Advisory Board, Stuart Handler Department of Real Estate at UIC
Member: Integra Realty Resources Board of Directors
Member: Appraisal Institute National Level Education Committee (2015-2018)
Chairman: Appraisal Institute Chicago Chapter - Education (2013-2018)
Member: Appraisal Institute National Level Region III Nominating Committee (2016)
Member: Appraisal Institute National Level Strategic Planning Committee (2011-2012)
Chairman: Appraisal Institute National Level education Committee (2011-2012)
Member: Appraisal Institute National Level Body of Knowledge Committee (2010)
Vice Chairman: Appraisal Institute National Level AI Education Trust (2010)
Chairman: Appraisal Institute National Level Publication Review Panel (2010)
Member: Appraisal Institute National Level Audit Committee (2008)
Board of Directors: Appraisal Institute National Level Region III Chair (2007)
Board of Directors: Appraisal Institute National Level Region III Vice Chair (2006)
President: Appraisal Institute Chicago Chapter (2006)
President Elect: Appraisal Institute Chicago Chapter (2005)
Chairman: Appraisal Institute Chicago Chapter - Education (2001-2005)
Vice President: Appraisal Institute Chicago Chapter (2004)
Treasurer: Appraisal Institute Chicago Chapter (2003)
Vice Chairman: Appraisal Institute National Level Instruction Subcommittee (2003)

Integra Realty Resources - Chicago

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Ron DeVries, MAI, SRA

Secretary: Appraisal Institute Chicago Chapter (2002)

Member: Appraisal Institute National Level Young Advisory Council (1995-1996)

Licenses

Illinois, Certified General Real Estate Appraiser, 553.000145, Expires September 2023

Wisconsin, Certified General Real Estate Appraiser, 2120-10, Expires December 2023

Michigan, Certified General Real Estate Appraiser, 1205072436, Expires July 2024

Indiana, Certified General Real Estate Appraiser, CG40300510, Expires June 2024

New York, Certified General Real Estate Appraiser, 46000052402, Expires July 2024

Iowa, Certified General Real Estate Appraiser, CG03646, Expires June 2024

Massachusetts, Certified General Real Estate Appraiser, 1000096, Expires March 2025

Pennsylvania, Certified General Real Estate Appraiser, GA004416, Expires June 2023

Texas, Certified General Real Estate Appraiser, TX 1380899 G, Expires May 2023

District of Columbia, Certified General Real Estate Appraiser, GA2002124, Expires February 2024

Washington, Certified General Real Estate Appraiser, 110298, Expires March 2025

Florida, Certified General Real Estate Appraiser, RZ4199, Expires November 2024

Education

Bachelor of Science Degree in Economics, May 1985. Western Illinois University

University: A guest lecturer at De Paul, IIT and Roosevelt universities. Authored and taught Commercial Real Estate Valuation course for De Paul University as part of the Real Estate Certificate program.

Regulatory agency and financial institutions: Authored and taught Commercial Real Estate Valuation – A Guide for Reviewers. Program presented to each of the Western Division offices of the Office of the Comptroller of the Currency (OCC). Authored and teach Appraising the Appraisal to lenders and credit analysts of various lending institutions.

Frequent speaker (CAA, CREC, REIA) on Chicago's residential markets and quoted regularly in Chicago and national media. Quarterly contributor to Aptitudes magazine published by the Chicagoland Apartment Association.

Qualified Before Courts & Administrative Bodies

Qualified as an Expert Witness in United State Bankruptcy Court, Northern District of Illinois; State of Illinois Circuit Court of Cook County, Chancery Division; Court of Appeals Wisconsin, District IV

Qualified as an Expert Witness on Zoning matters for various municipalities in the greater Chicago area

Miscellaneous

Course Review Team: Basic Appraisal Principals

Course Review Team: Basic Appraisal Procedure

Course Review Team: Residential Market Analysis and Highest and Best Use

Course Review Team: General Appraiser Market Analysis and Highest and Best Use

Course Review Team: General Appraiser Income Approach Part 1

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Ron DeVries, MAI, SRA

Miscellaneous (Cont'd)

Course Review Team: General Appraiser Income Approach Part 2
Course Review Team: Advanced Income Capitalization
Course Review Team: Advanced Market Analysis and Highest and Best Use
Seminar Review Team: Contract Rent or Effective Rent: Finding the Real Rent
Seminar Review Team: Marketability Studies: Advanced Considerations and Applications
Seminar Review Team: Marketability Studies: Six-Step Process and Basic Applications
Seminar Review Team: Solving Land Valuation Puzzles
Seminar Review Team: Advanced Land Valuation: Sound Solutions to Perplexing Problems
Seminar Review Team: Two Day Advanced Income Capitalization Part A
Seminar Review Team: Two Day Advanced Income Capitalization Part B
Recipient: William N Kinnard, Jr., PhD Award 2013
Inductee: Appraisal Institute Chicago Chapter Instructor Hall of Fame 2010
Recipient: Appraisal Institute Chicago Chapter Exceptional Leadership and Dedicated Service Award 2007
Recipient: Appraisal Institute Chicago Chapter Exceptional Leadership and Dedicated Service Award 2005
Recipient: William N Kinnard, Jr., PhD Award 2005
Recipient: Appraisal Institute Chicago Chapter Scipio "Skip" Del Campo Award 2004
Recipient: Appraisal Institute Chicago Chapter Herman O. Walther Award 2003
Recipient: Appraisal Institute Chicago Chapter Distinguished Service Award 1999

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State of Illinois

Department of Financial and Professional Regulation
Division of Real Estate

LICENSE NO.
553.000145

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Real Estate and Regulatory Act and is hereby authorized to engage in the activity in indicated below.

EXPIRES:
09/30/2023

CERTIFIED GENERAL REAL ESTATE APPRAISER

RON D DEVRIES



MARIO TRETTO, JR.
ACTING SECRETARY

LAIRE MURPHY
ACTING DIRECTOR

The official status of this license can be verified at www.idfpr.com

15780364

Michael Wingader

Experience

Director at Integra Realty Resources
Former Senior Appraiser for Appraisal Research Counselors
Former Loan Officer – Kensington Realty Advisors
Former Associate Appraiser for American Appraisal Associates

Michael W. Wingader began his career in appraisal in 1992. Mr. Wingader also has experience as a Loan Officer underwriting commercial loans. Mike has experience in the appraisal of investment-grade commercial real estate properties located throughout the United States. In particular, Mike has extensive experience with multi-family projects financed under the HUD MAP program as well as nursing homes and assisted living facilities for a variety of clients. Mr. Wingader has a Bachelor of Arts degree in Economics from Lawrence University.

Professional Activities & Affiliations

Practicing Affiliate of the Appraisal Institute
Member: Global Valuation Solutions (Birmingham U.K.)
Managing Director: Appraisal Institute
General Associate Member: Appraisal Institute

Licenses

Illinois, Certified General Real Estate Appraiser, 553.001595, Expires September 2023
Wisconsin, Certified General Real Estate Appraiser, No. 1323-10, Expires December 2023

Education

Bachelor of Arts Degree, Economics, Lawrence University, 1987

COURSES IS REAL ESTATE:

Appraisal Institute

Course 110: Appraisal Principles
Course 120: Appraisal Procedures
Course 310: Basic Income Capitalization
Course 410: Standards of Professional Appraisal Practice, Part A
Course 420: Standards of Professional Appraisal Practice, Part B
Course 540: Report Writing and Valuation Analysis

Integra Realty Resources - Chicago

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mwingader@irr.com - 312.565.3414



State of Illinois

Department of Financial and Professional Regulation
Division of Real Estate

LICENSE NO.
553.001596

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated herein.

EXPIRES:
09/30/2023



CERTIFIED GENERAL REAL ESTATE APPRAISER

MICHAEL W WINGADER



MARIO TRETO, JR.
ACTING SECRETARY

LAURIE MURPHY
ACTING DIRECTOR

The official status of this license can be verified at www.idfpr.com

15982919

James Kutill, MAI

Experience

Managing Director for Integra Realty Resources
Former Vice President and Partner, Appraisal Research Counselors Former Director of
Neighborhood Properties and Senior Care Projects Former Senior Staff Appraiser, Advisory
Appraisal Service, Division of Unity Savings Association

Mr. Kutill oversees the senior care property practice including independent living (ILF), assisted living (ALF), skilled nursing (SNF) and continuing care retirement communities (CCRC). He also oversees neighborhood oriented and mid-market investment properties assignments. His valuation experience includes limited and full service hospitality, retail, office and multi-family (market rent, HUD, LIHTC and age restricted). He has extensive experience with appraisal compliance review, for a variety of property types, and has testified as an expert witness for a variety of matters. Jim is a member of the Board of Directors of the Chicago Chapter of the Appraisal Institute, and a former president of the Chicago Real Estate Council.

Professional Activities & Affiliations

Member: Appraisal Institute (MAI)
Member: University of Illinois Real Estate Alumni Association (2004-present)
Board of Directors: Appraisal Institute Chicago Chapter (2015-present)
President: Pleasant Condominium Homeowners Association (2014-2015)
President: Chicago Real Estate Council (2010)
Treasurer: Chicago Real Estate Council (2008)
Secretary: Chicago Real Estate Council (2007)
Board of Directors: Chicago Real Estate Council (2004-2006)
Chairman: Illinois Mortgage Bankers Association - Appraisers Committee (1989)
Member: Illinois Mortgage Bankers Association - Appraisers Committee (1987-1989)

Licenses

Illinois, Certified General Real Estate Appraiser, 553.000280, Expires September 2023
Indiana, Certified General Real Estate Appraiser, CG49500029, Expires June 2024
Wisconsin, Certified General Real Estate Appraiser, 1113-10, Expires December 2023

Education

Bachelor of Science Degree in Finance and Real Estate, University of Illinois, Urbana-Champaign, May, 1978.

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State of Illinois

Department of Financial and Professional Regulation
Division of Real Estate

LICENSE NO.
553.000280

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EXPIRES:
09/30/2023

CERTIFIED GENERAL REAL ESTATE APPRAISER

JAMES K KUTILL



Mario Treto, Jr.

MARIO TRETO, JR.
ACTING SECRETARY

Laurie Murphy

Laurie Murphy
ACTING DIRECTOR

The official status of this license can be verified at www.idfpr.com

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About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

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