

The Six13 Apartments
613 NW 3rd Avenue
Fort Lauderdale, Florida 33311



Effective Date of Valuation
April 30, 2021

Date of the Report
August 6, 2021

Prepared for
Mr. Forty Semadeni
NorthMarq Finance, LLC
14841 North Dallas Parkway
Dallas, Texas 75154

File Number 2021-067

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August 6, 2021

Mr. Forty Semadeni
NorthMarq Finance, LLC
14841 North Dallas Parkway
Dallas, Texas 75154

Internal File Number: 2021-067

Re: **Appraisal Report** of The Six13 Apartments, an existing 142-unit Market-Rate apartment complex located at 613 NW 3rd Avenue in Fort Lauderdale, Broward County, Florida 33311.

Dear Mr. Semadeni:

At your request, we prepared a complete appraisal of the property referenced above. The subject property is further described and identified by legal and narrative descriptions within the text of the following report.

The Six13 apartments provides a highly attractive rental experience at significantly competitive price points relative to other rental options in the local market. Residency is restricted to households earning 160% AMI or less. This restriction has not impacted the subject.

The subject is located just west of Flagler Village, a major redevelopment node with heavily concentrated housing including high-density rental properties. The Six13 is within walking-biking distance within a lower density area providing convenience to employment but with a more attractive living environment.

The subject delivered units July 2020 in the middle of the COVID-19 pandemic. The timing was beneficial as all tenants were qualified with employment thus, rent delinquencies did not impact the subject. The property is 100% leased. Tenancy is the younger worker motivated by price point and public spaces. The subject's unit mix aligns with the expectations of the tenant.

A walkable environment is expanding where the subject is located. A bar/restaurant will be located on the first floor of the subject with expanded outdoor space to be provided. Just to the east is an entertainment area with a variety of food and beverage operations.

Rental properties are generally operating near capacity and lease-up trends are positive in newly delivered communities. The market is "concession" driven as marketing ploys. However, rent levels are quoted at elevated levels thus, the "concession" brings rents down to market. The concessions offered tend to be on specific units and not property-wide. This supports the fact that the concession is a marketing ploy versus market softness.

Market demand levels will sustain the subject into the foreseeable future. New supply in the immediate area is at higher price points. Thus, it will not be directly competitive with the subject. There is minimal risk associated with the subject's continue operation.

Rents in place combined with some consideration to the new asking rents formed the basis for the rental income. Revenue generally reflects the actual operation. Expenses are based on the current operation with consideration to higher real estate taxes as the property becomes fully assessed. The subject has a real estate

covenant in place that restricts rents to under 160% AMI. There is a real estate assessment advantage for the next ten years. This benefit has been calculated and added to the reconciled value for the “as is” state.

The investment community remains active. The overall capitalization rates in southeast Florida are low reflecting the competition for rental assets by national and international investment groups.

Our analyses and forecasts are based upon assumptions, limiting conditions, and definitions presented in this report. In addition, the valuation adheres to the guidelines imposed under USPAP and the HUD MAP 223(f) program.

We appreciate the ability to provide appraisal services to NorthMarq Finance, LLC.

Respectfully submitted,

VALUE TECH REALTY SERVICES, INC.



Kay C. Kauchick, MAI
State-Certified General Real Estate Appraiser – Florida License #RZ 2066
KK:kw
2021-067

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Certificate of Appraisal

- The statements of fact contained in this report are true and correct.
- 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.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- We have not performed a prior service concerning the subject property within the three-year period immediately preceding acceptance of this appraisal assignment.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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;
- Our compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this report or from its use;
- Our analyses, opinions, and conclusions were developed, and this report prepared in conformity with the *Uniform Standards of Professional Appraisal Practice* of the Appraisal Foundation.
- The racial/ethnic composition of the neighborhood surrounding the property is no way affected the appraisal determination.
- This appraisal conforms to the standards required by 12 U.S.C. Part 34.4 etc. issued pursuant to Title XI of the Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA).
- This report has been prepared in compliance with the Office of Thrift Supervision of the Department of Treasury's Regulation 12 CFR Part 564 and the Office of the Comptroller of Currency (OCC) Regulation Pas 12 CFR, 34.44, written appraisal guidelines.
- Kay C. Kauchick, MAI has obtained her HUD MAP and LEAN training and consistently attends MAP/LEAN conferences.
- Kay C. Kauchick, MAI conducted a physical inspection of the subject, market and the comparables indicated.
- It is acknowledged that Quintin James Kauchick, Registered Trainee Appraiser No. RI24977 as supervised by Kay C. Kauchick, MAI, State-Certified General Real Estate Appraiser – Florida License #RZ 2066 made significant professional contributions to this appraisal, consisting of participating in

the property inspection, conducting research on the subject, competitive markets and comparable data, performing appraisal analyses and assisting in the report writing, all under appropriate supervision.

- I, Kay C. Kauchick, MAI, State-Certified General Real Estate Appraiser – Florida License #RZ 2066, the supervisory appraiser of a registered appraiser trainee who contributed to the development or communication of this appraisal, hereby accepts full and complete responsibility for any work performed by the registered appraiser trainee named in this report as if it were my own work.
- No other persons provided significant professional assistance in the preparation of this appraisal.
- We certify that, to the best of our knowledge and beliefs, the reported analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice* of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Kay Kauchick, MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.

The value presented assumes that all critical and non-critical repairs have been made. Based on the inspection of the property and the investigation and the analysis undertaken, we have formed the opinion that the “as is” market value of the fee simple estate, effective April 12, 2021 was:

AS IS MARKET VALUE
FORTY TWO MILLION FOUR HUNDRED TWENTY THOUSAND DOLLARS
(\$42,420,000)

This appraisal is not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Respectfully submitted,

VALUE TECH REALTY SERVICES, INC.



Kay C. Kauchick, MAI
State-Certified General Real Estate Appraiser – Florida License # RZ 2066

APPRAISER CERTIFICATION FOR HUD

I understand that my appraisal will be used by NorthMarq Finance, LLC to document to the U.S. Department of Housing and Urban Development and that the MAP Lender's application for FHA multifamily mortgage insurance was prepared and reviewed in accordance with HUD requirements. This report has been made, presented, and delivered for the purpose of influencing an official action of the FHA, and of the Commissioner, and may be relied upon by the Commissioner as a true statement of the facts contained therein.

I certify that my review was in compliance with HUD program and processing requirements applicable on the date of my review and that I have no financial interest or family relationship with the officers, directors, shareholders, members or partners of the Lender or affiliated entities, Borrower or affiliated entities, the General Contractor, any subcontractors, the buyer, or seller of the proposed property and that I have not engaged in any business that might present a conflict of interest. I am employed under contract for this specific assignment, and I have no other side arrangements, agreements or financial considerations with MAP Lender or others in connection with this transaction.



Signature

Warning: I hereby certify under penalty of perjury that all of the information I have provided on this form and in any accompanying documentation is true and accurate. I acknowledge that if I knowingly have made any false, fictitious, or fraudulent statement, representation, or certification on this form or on any accompanying documents, I may be subject to criminal, civil, and/or administrative sanctions, including fines, penalties, and/or imprisonment under applicable federal law, including but not limited to 12 U.S.C. §§ 1708 and 1735f-14, and 1833a; 18 U.S.C. §§1001, 1006, 1010, 1012, and 1014; and 31 U.S.C. §§3729 and 3802.

Executive Summary

Property Name	The Six13 Apartments
Purpose of the Appraisal	
Pertinent Dates	
Inspection Date	April 12, 2021
Valuation Date	April 30, 2021
Report Date	August 6, 2021
Certification	
Appraiser	Kay C. Kauchick, MAI
Appraisal Type	State-Certified General Real Estate Appraiser
License Number	#RZ 2066

1-Project Site

The subject is a rental apartment complex with 142-units in Fort Lauderdale, Broward County, Florida. The subject property is located on the north side of Northwest 66th Street, between Northwest 4th Avenue and Northwest 3rd Avenue, in Fort Lauderdale, Broward County, Florida. The site is sufficient in size and shape to support a residential multifamily complex.

Property Identification

Street Address	613 NW 3rd Avenue
Municipality	Fort Lauderdale
County	Broward
State	Florida
Zip	33311

Site Description/Evaluation

Parcel ID	4942 34 07 6810
Site Size (Acres)	1.12
Site Size (SF)	48,918
Shape	Generally rectangular
Topography	Generally Level
Zoning	NWRAC-MUE
Zoning Comments	The subject is zoned NWRAC-MUE for North West Regional Activity Center-Mixed Use East.
Utilities	All available

Flood Hazard Zone

Zone	Zone AH
Panel Number	12011C0369H
Panel Date	August 18, 2014
Flood Insurance Required	The subject site is within the 100-year flood plain. Flood insurance may be required.

CENSUS TRACT	
Congressional District	Florida's 20th Congressional District
State Code	12
MSA Code	22744
County Code	011
Tract/BN Code	0417.00

Neighborhood land uses are supportive of a multifamily use. This includes health facilities, senior community centers, public transportation, and grocery stores.

2-Subject Development

Property Type	Garden, Low-Rise
Year of Construction	2020
Construction Type	B - Reinforced Concrete
Investment Class	B
Rentable SF	104,322
Number of Stories	6
Number of Units	142
Parking Spaces	193
Parking Description	189 in the Parking Garage and 4 surface spaces.

Unit Mix

SUBJECT UNIT MIX				
Unit Description	Unit Type	Size (SF)	No. of Units	NRA Sq Ft
One Bedroom J3	1x1	539	1	539
One Bedroom A10	1x1	573	1	573
One Bedroom J1	1x1	575	20	11,500
One Bedroom A9	1x1	579	1	579
One Bedroom A7	1x1	593	15	8,895
One Bedroom A8	1x1	644	2	1,288
One Bedroom A1	1x1	654	2	1,308
One Bedroom A4	1x1	693	3	2,079
One Bedroom A2	1x1	696	21	14,616
One Bedroom A3	1x1	711	15	10,665
One Bedroom A5	1x1	747	3	2,241
One Bedroom A6	1x1	781	20	15,620
Two Bedroom B2	2x2	809	10	8,090
Two Bedroom B7	2x2	837	1	837
Two Bedroom B8	2x2	841	1	841
Two Bedroom B5	2x2	903	2	1,806
Two Bedroom B3	2x2	935	10	9,350
Two Bedroom B6	2x2	939	5	4,695
Two Bedroom B1	2x2	965	4	3,860
Two Bedroom B4	2x2	988	5	4,940
Totals/Averages		735	142	104,322

For rent analysis purposes, some of the units were combined with the weighted square footage utilized in the analysis:

WEIGHTED UNIT MIX FOR RENT GRIDS				
Unit Description	Unit Type	Size (SF)	No. of Units	NRA Sq Ft
One Bedroom J3	1x1	539	1	539
One Bed A 10, J1, A9, A7	1x1	582	37	21,547
One Bed A8, A1	1x1	649	4	2,596
One Bed A4, A2 A3	1x1	702	39	27,360
One Bed A5, A6	1x1	777	23	17,861
Two Bed B2	2x2	809	10	8,090
Two Bed B7, B8	2x2	839	2	1,678
Two Bed B5, B3, B6	2x2	932	17	15,851
Two Bed B1, B4	2x2	978	9	8,800
Total/Average		735	142	104,322

3-Summary of Economic Conditions

Civilian labor force is defined as all persons 16+ years of age excluding members of the Armed Forces, who are either employed or unemployed but actively looking for work and available to accept employment. Persons within institutional settings such as prisons, nursing homes, etc. are not counted within the civilian labor force. The trend in employment is provided:

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT DATA IN BROWARD COUNTY				
Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
2020 YTD	1,010,442	939,914	70,528	7.0%
2019	1,040,519	1,008,813	31,706	3.0%
2018	1,031,169	995,853	35,316	3.4%
2017	1,023,413	982,614	40,799	4.0%
2016	1,002,237	957,296	44,941	4.5%
2015	986,384	935,820	50,564	5.1%
2014	986,355	927,797	58,558	5.9%
2013	974,428	908,457	65,971	6.8%
2012	963,563	886,780	76,783	8.0%
2011	951,445	861,686	89,759	9.4%
Source: BLS.gov				
YTD 2020 consists of data through Nov 2020; the data is not seasonally adjusted.				

The unemployment rate in Broward County had been decreasing over the past several years, even as the labor force increased. Unemployment in February 2020 was 2.9% before rapidly spiking to 14.9% in April 2020 as the impacts of COVID-19 forced businesses to close and unemployment to reach its highest levels in the last decade. However, preliminary December 2020 data shows Broward County unemployment is 6.6%. This indicates that over 140,000 jobs have been regained, approximately 65% of jobs lost from February to April. The county's employment trends are expected to continue towards historic norms as the pandemic is contained.

4-Summary of Competitive/Comparable Market Conditions

Rental apartment communities in the subject's region were interviewed in order to understand the dynamics of the market. Occupancy levels for properties in the area are as follows:

MARKET-AREA RENTAL PROPERTIES				
Property Name	Year Built	Number of Units	Occupancy	Occupied Units
<i>SUBJECT - At Inspection</i>	<i>2020</i>	<i>142</i>	<i>100.0%</i>	<i>142</i>
1 Motif at Flagler Village	2020	385	80.0%	308
2 Pearl Flagler Village	2019	350	86.0%	301
3 ORA Flagler Village	2017	292	97.2%	284
4 The Manor at Flagler Village	2014	382	94.0%	359
5 Solmar on Sixth	2009	286	94.6%	271
6 Eon at Flagler Village	2019	206	96.1%	198
7 Las Olas Walk	2020	456	60.1%	274
9 Motif at Flagler Village	2020	385	80.0%	308
10 Pearl Flagler Village	2019	350	73.7%	258
11 Eon at Flagler Village	2019	206	96.1%	198
12 ORA Flagler Village	2017	292	95.0%	277
13 Las Olas Walk	2020	456	60.1%	274
14 The Manor at Flagler Village	2014	382	94.0%	359
15 Solmar on Sixth	2009	286	94.6%	271
Stabilized Occupancy		2,332	95.0%	2,216
Totals		4,714	83.6%	3,939

5-Key Conclusion

The subject is an existing 142-unit apartment complex in average overall condition. The subject property is located on the north side of Northwest 66th Street, between Northwest 4th Avenue and Northwest 3rd Avenue, in Fort Lauderdale, Broward County, Florida. Within a few miles of the property are a variety of retail and commercial businesses. Access to the submarket is good.

The city has a diversified economic base that provides stability to the market. Household income levels are moderate aligning with the tenant profile seeking rental apartments. Household formation has been consistent and projected to continue into the foreseeable future.

Market conditions are good with no significant changes anticipated within the competitive supply. No future supply is anticipated to enter the submarket that would be a direct competitor. Continued household growth will fuel the need for rental apartments thereby continuing to sustain the subject.

Market risk levels are considered low. Therefore, the subject is projected to operate at similar levels into the future.

Concluded Rents

SUBJECT RENT CONCLUSIONS					
Unit Size			Market Rent		
Unit Type	(SF)	No. of Units	Monthly	Per SF	Annual Rent
1x1	539	1	\$1,765	\$3.27	\$21,180
1x1	582	37	\$1,630	\$2.80	\$723,720
1x1	649	4	\$1,700	\$2.62	\$81,600
1x1	702	39	\$1,710	\$2.44	\$800,280
1x1	777	23	\$1,780	\$2.29	\$491,280
2x2	809	10	\$1,950	\$2.41	\$234,000
2x2	839	2	\$2,015	\$2.40	\$48,360
2x2	932	17	\$2,165	\$2.32	\$441,660
2x2	978	9	\$2,260	\$2.31	\$244,080
Totals/Average	735	142	\$1,811	\$2.47	\$3,086,160

Market Support Yes

Final Value Estimate

VALUE RECONCILIATION	
Approach to Value	As Is
Land	\$5,000,000
Cost Approach	\$44,050,000
Sales Approach	\$42,780,000
Income Approach	\$42,420,000
Final Value Estimate	\$42,420,000

6-Conditions

This appraisal is subject to the General Assumptions, General Limiting Conditions, Special Conditions, and Certificate of Appraisal contained within this report. We reserve the right to modify the conclusions contained herein if any information provided on the subject should significantly change.

Definitions

The definitions included in this section have been extracted, solely or in combination, from definitions and descriptions printed in:

The Uniform Standards of Professional Appraisal Practice (*USPAP*);

The Dictionary of Real Estate Appraisal, Appraisal Institute, Chicago, Illinois, (*Dictionary*);

The Appraisal of Real Estate, Appraisal Institute, Chicago, Illinois; and/or

Marshall Valuation Service, Marshall & Swift, L. P., Los Angeles, California, (*MVS*).

Accrued Depreciation

The difference between the reproduction or replacement cost of the improvements on the effective date of the appraisal and the market value of the improvements on the same date. (*Dictionary*)

Appraisal

The act or process of developing an opinion of value. (*USPAP*)

Business Value

A value enhancement that results from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases, and operating agreements (*Dictionary*).

Deferred Maintenance

Curable, physical deterioration that should be corrected immediately, although work has not commenced; denotes the need for immediate expenditures but does not necessarily suggest inadequate maintenance in the past. (*Dictionary*)

Direct Capitalization

A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the income estimate by an appropriate rate or by multiplying the income estimate by an appropriate factor.

Effective Date of the Appraisal

The date at which the value opinion is an appraisal applies, which may or may not be the date of inspection; the date of the market conditions that provide the context for the value opinion. Current appraisals occur when the effective date of the appraisal is contemporaneous with the date of the report. Prospective value opinions (effective date of the appraisal subsequent to the date of the report) are intended to reflect the current expectations and perceptions along with available factual data. Retrospective value opinions are likely to apply as of a specific historic date; the opinions are intended to reflect the expectations and perceptions of market participants at the specified date, along with available factual data. Data subsequent to the effective date may be considered in estimating a retrospective value as a confirmation of trends. (*Dictionary and USPAP*)

HUD defines the **effective date** as the most current date that the appraiser inspected the subject, comparables and has made estimates of rents and expenses.

Entrepreneurial Profit

Entrepreneurial profit is a “market-derived figure that represents the amount an entrepreneur expects to receive for his or her contribution to a project”; may be measured by the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise presented with development. The term “entrepreneurial incentive” has the same definition as profit, but the perspective of the use of the word “incentive” is forward-looking (expected reward), whereas the use of the word “profit” indicates a retrospective perspective of a quantifiable amount earned. Unless otherwise noted, as used in this report, the terms are synonymous. (*Definition*)

Exposure Time

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time differs from the marketing period in that exposure time is assumed to precede the effective date of the appraisal. (*USPAP and Dictionary*)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (*Dictionary*)

Family Household (Family)

A family includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption. All people in a household who are related to the householder are regarded as members of his or her family. A family household may contain people not related to the householder, but those people are not included as part of the householder's family in census tabulations. Thus, the number of family households is equal to the number of families, but family households may include more members than do families. A household can contain only one family for purposes of census tabulations. Not all households contain families since a household may comprise a group of unrelated people or one person living alone.

Gross Building Area (GBA)

The total floor area of a building, including below-grade space but excluding unenclosed areas; measured from the exterior of the walls. (*Dictionary*)

Highest and Best Use

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. (*Dictionary*)

Household

A household includes all the people who occupy a housing unit as their usual place of residence.

Householder

The person, or one of the people, in whose name the home is owned, being bought, or rented.

If there is no such person present, any household member 15 years old and over can serve as the householder for the purposes of the census.

Two types of householders are distinguished: a family householder and a non-family householder. A family householder is a householder living with one or more people related to him or her by birth, marriage, or adoption. The householder and all people in the household related to him are family members. A non-family householder is a householder living alone or with non-relatives only.

Housing Unit

A house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building, and which have direct access from outside the building or through a common hall. For vacant units, the criteria of separateness and direct access are applied to the intended occupants whenever possible.

Insurable Value

The Appraisal Institute defines insurable value as the value based on the replacement and/or reproduction cost of physical items that are subject to loss from hazards. It is that portion of an asset or asset group that is acknowledged or recognized under the provisions of an applicable loss insurance policy. *Marshall & Swift* defines insurable value as the “replacement or reproduction cost less deterioration and uninsurable items.” (*MVS and Dictionary*)

Investment Value

The specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached. (*Dictionary*)

Leased Fee Estate

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease. (*Dictionary*)

Leasehold Estate

The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions. (*Dictionary*)

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone presented with the sale. (*USPAP, according to the Federal Register, CFR 34.43(F)*)

Marketing Period

A reasonable marketing period is the period of time it might take to sell a property interest in real estate at or near the concluded market value during the period immediately following the effective date of the appraisal. A marketing period is a function of price, time, use, and anticipated market conditions.

Replacement Cost

The estimated cost to construct, at current prices as of the effective date of the Appraisal, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout. (*Dictionary and USPAP*)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the Appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. (*Dictionary*)

Use Value

The value a specific property has for a specific use. (*Dictionary*)

Scope of Work

This appraisal has been prepared under the HUD 223(f) Program guidelines. This appraisal has been prepared in conformity with USPAP.

Scope of Work, Market Research and Appraisal Procedures

Standards Rule 2-2(a;viii) of the Uniform Standards of Professional Appraisal Practice requires that all appraisals "describe the information analyzed, the appraisal techniques employed, and the reasoning that supports the analyses, opinions, and conclusions. The scope of work includes the following steps:

Identification of Subject;
Identification of Property Rights to be Valued;
Define Use of Appraisal;
Define User of Appraisal;
Definition of Value;
Date of Value;
3-year history of arm's length transactions involving the subject, if any;
Special Assumptions and Limiting Conditions;
Data Selection and Collection-General and Specific;
Examination of Economic Influences;
Housing Market Area Analysis;
Highest and Best Use Analysis;
Approaches to Value as appropriate (Cost, Sales Comparison and/or Income);
Reconciliation; and
Appraisal Report.

Kay C. Kauchick, MAI conducted a physical inspection of the subject, market, and the comparables indicated. An analysis of the rental market was conducted to determine vacancy rates and achievable rents. Financial comparables, as well as historical financials, were utilized to provide guidance with the estimates of revenues, expenses, and net operating income. A number of sales were obtained and utilized as the basis for deriving the overall capitalization rate. The value indications were reconciled based on the reliability of data used in each approach, with a final estimate of value concluded. Kay C. Kauchick, MAI prepared the appraisal and conclusions presented. No other persons provided significant professional assistance in the preparation of this appraisal report.

Background Information

Identification of the Subject

The subject property is a multifamily apartment community, commonly known as The Six13 Apartments, located at 613 NW 3rd Avenue, Fort Lauderdale, Broward County, Florida. The community was constructed in 2020 and is of reinforced concrete construction. The complex contains 104,322 square feet of rentable area. The site is 1.12 acres.

LEGAL DESCRIPTION
LOTS 17, 18, 19, 20, 21, 22 AND 23, AND LOTS 25, 26, 27, 28, 29, 30, 31 AND 32, BLOCK 322, PROGRESSO, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGE 18, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, TOGETHER WITH LOT 25 BLOCK 322, LESS THAT PORTION THEREOF DESCRIBED AS FOLLOWS:
BEGIN AT THE SOUTHEAST CORNER OF SAID LOT 25; THENCE GO WESTERLY 135.0 FEET ALONG THE SOUTH LINE THEREOF TO THE SOUTHWEST CORNER OF SAID LOT 25; THENCE NORTHERLY ALONG THE WEST LINE THEREOF 22.55 FEET (22.50 FEET CALCULATED) TO THE TANGENT POINT OF A CIRCULAR ARC HAVING A RADIUS OF 10 FEET AND BEING CONCAVE TO THE NORTHEAST; THENCE SOUTHERLY TO EASTERLY ALONG SAID ARC 15.71 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 00' TO THE END OF SAID ARC; THENCE EASTERLY AND TANGENT TO SAID ARC ALONG A LINE BEING 35 FEET NORTH OF AND PARALLEL TO THE SOUTH BOUNDARY OF THE NORTH 1/2 OF SECTION 3, TOWNSHIP 50 SOUTH, RANGE 42 EAST, 125.0 FEET TO THE EAST LINE OF SAID LOT 25; THENCE SOUTHERLY 12.60 FEET (12.50 FEET CALCULATED) ALONG SAID EAST LINE TO THE POINT OF BEGINNING.
ALL BEING IN BLOCK 322 OF PROGRESSO, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 2, AT PAGE 18, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, SAID LANDS LYING AND BEING IN BROWARD COUNTY, FLORIDA, SAID LAND SITUATE, LYING AND BEING IN THE CITY OF FORT LAUDERDALE, BROWARD COUNTY, FLORIDA AND CONTAINING 48,916 SQUARE FEET OR 1.1230 ACRES, MORE OR LESS.

Intended Use of the Appraisal

The purpose of the appraisal is to estimate the “as is” market value of the subject property as of the valuation date indicated.

Intended User of the Appraisal

This appraisal is to be used by NorthMarq Finance, LLC and the U.S. Department of Housing and Urban Development in underwriting a mortgage loan to be secured by the subject.

Effective Dates

Date of Report	August 6, 2021
Inspection Date	April 12, 2021
Valuation Date	April 30, 2021

The subject was inspected on April 12, 2021 with additional market work and in-field research performed through April 30, 2021.

Inspection

The property was inspected by Kay C. Kauchick, MAI.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and

assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone Presented with the sale. (*USPAP, according to the Federal Register, CFR 34.43(F)*)

Data Collection

Three types of data are normally gathered while completing an appraisal: general, specific, and competitive supply and demand.

General Data—General data concerns the social, economic, governmental, and environmental forces that impact property values. General data presented in this appraisal is found in the Area Description and Analysis and the Neighborhood Description and Analysis Sections. We gathered general data from a variety of sources and publications as noted in the analyses. General data concerning the neighborhood is also based upon observations made during our inspection of the neighborhood.

General Data Sources: 2010 Census, ESRI

Specific Data—Data relating to the property being analyzed and/or appraised, and to comparable properties, is referred to as specific data. Documents we relied upon for specific data pertaining to the subject are listed in the General Assumptions. Additional data pertaining to the subject was gathered from subject contacts, local city and county offices and chambers of commerce, various State offices, and other resources maintained in our library.

Specific comparable data was gathered from market participants. The extent of the comparable data collection process varies from each type of comparable data. Refer to discussions preceding the presentation of each approach to value (cost, sales comparison, and income) for descriptions of the data sources used and the search criteria applied.

Specific Data Sources: Interviews with the zoning department, planning department, economic development department, chamber of commerce, rent comparables (see addenda), real estate brokers (see improved sales in addenda).

Compliance

We developed this report in compliance with the requirements of the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute, the *Uniform Standards of Professional Appraisal Practice* promulgated by the Appraisal Foundation. Further, the appraisal was prepared in conformance with the requirements of the U.S. Department of Housing and Urban Development under the 223(f) program.

Ownership and History of the Subject

The owner of the property is 613 NW 3RRD AVE LLC..

Sale Date	August 27, 2018
Purchase/Contract Price	\$2,000,000
Grantor (Seller)	Gospel Arena of Faith, Inc.
Grantee (Buyer)	613 N.W. 3rd Avenue Holdings, LLC
Sale Comments	This is the sale of the underlying land for the subject project. The sale was acquired for the development of the existing 142 unit apartment project. The price paid equates to \$14,085 per proposed unit.

Prior to acquisition 613 N.W. 3rd Avenue Holdings, LLC received a development program grant from Fort Lauderdale Community Redevelopment Agency to assist in the development of a 142-unit apartment project and 4,741 square feet of commercial space. The Agency provided a \$7,000,000 Development Incentive Grant to aid in hard and soft costs related to the construction of the project. The development grant requires the owner to rent 100% of the residential units to tenants that qualify under the Workforce Housing Requirements for 10 years from the completion date. The income restriction is <160% AMI. The Agreement also requires the developer to create six full time jobs for residents within the Redevelopment Area and require commercial tenants to provide 12 FTE job opportunities to 12 residents of the Redevelopment Area.

No other transactions have occurred involving the subject property within the past three-year period. No current listings were discovered and no known offers such as purchase, lease or option for the project are known to exist.

Assumptions and Limiting Conditions

The use of this report is subject to the following assumptions and limiting conditions:

General Assumptions

- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The property was analyzed “free and clear” of any and all liens or encumbrances unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in this report.
- It is assumed that all applicable zoning and land use regulations and restrictions have been complied with unless a non-conformity has been stated, defined, and considered in this report.
- It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the market support and/or value estimate contained in this report is based.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in this report.
- The appraiser has not made an environmental inspection of the subject and is not qualified to detect the existence of hazardous materials. The appraiser assumes no responsibility for any existing conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if so desired.
- The presence of hazardous materials such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value and/ or marketability of the property. The appraiser assumes no responsibility for any existing conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if so desired.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. Noncompliance with the ADA could cause a loss in value. Unless otherwise stated in this report, Value Tech Realty Services, Inc. has not been provided with a compliance survey; therefore, our value estimate is predicated upon the assumption that the subject is not negatively or positively impacted by issues relating to Fair Housing and ADA.

General Limiting Conditions

- Possession of this report, or a copy thereof, does not carry with it the right of publication.
- The appraiser herein by reason of this report is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- Neither all nor any part of the contents of this report (especially any conclusions as to market support and/or value estimates, the identity of the appraiser or that with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

Specific Assumptions and Limiting Conditions

This report has also been made subject to the following specific assumptions and limiting conditions:

- We assume that the project will be maintained in a quality condition;
- We assume that the subject will be aggressively marketed and professionally managed;
- We assume the necessary repairs outlined in the CNA will be performed including radon mitigation; and,
- We provided a value that adheres to the guidelines and limitations outlined under the HUD MAP 223(f) program.

Extraordinary Assumption & Hypothetical Condition

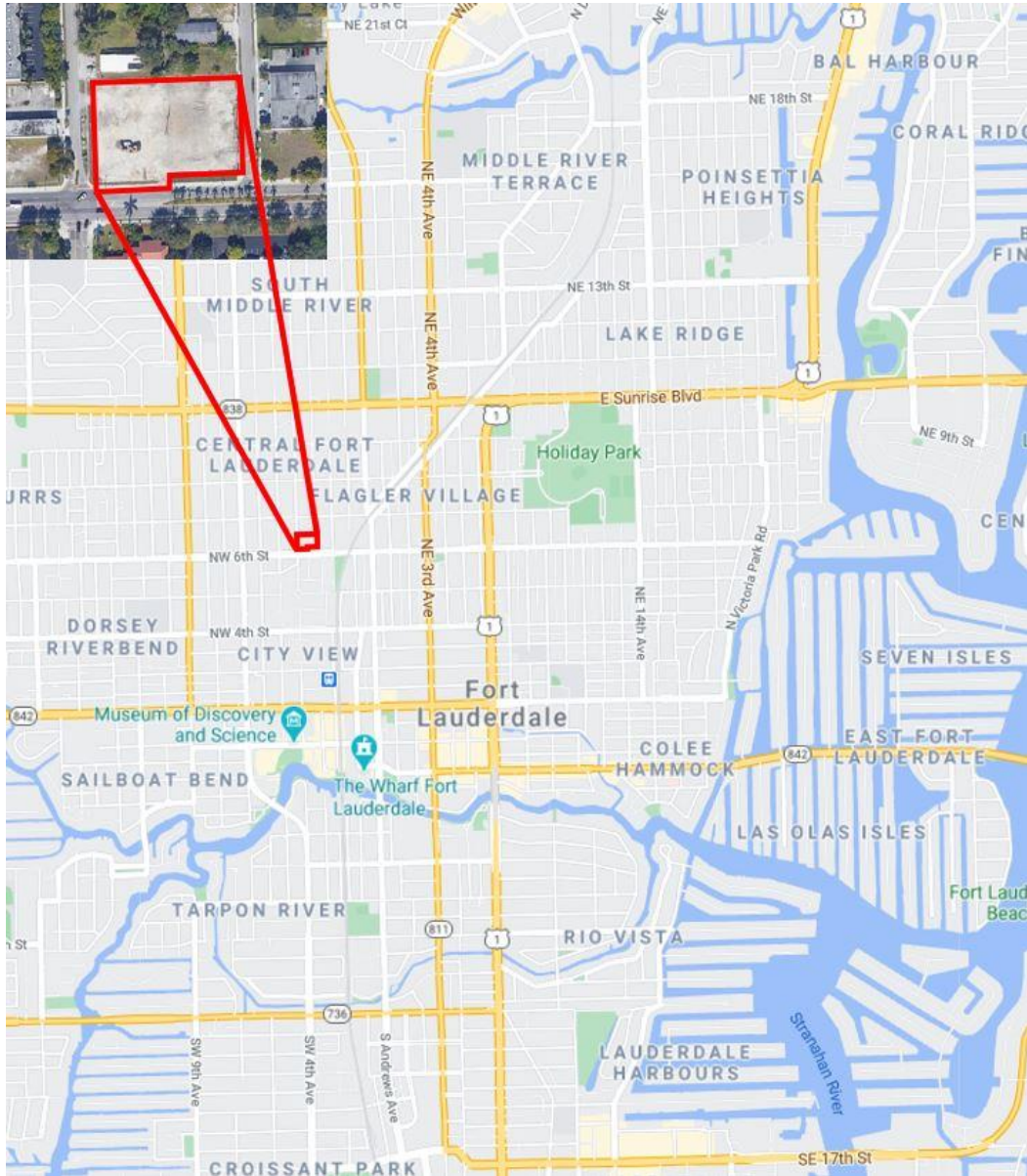
An **extraordinary assumption** is an underlying premise of the assignment, something that is believed to be true for the sake of the analysis, but whether or not it is in fact true is uncertain. Extraordinary assumptions differ from the general assumptions that are often made and reported in all assignments. An extraordinary assumption is specific to the assignment at hand. Further, if an extraordinary assumption is contrary to the truth, the assignment results would be affected.

None.

Hypothetical conditions are things that are known to be contrary to fact but are taken to be true for the purpose of the analysis. Contrast these with extraordinary assumptions, which are about uncertainties. The hypothetical condition must be appropriate given the client's intended use of the assignment results and cannot be so outlandish that it leads to non-credible results.

None.

Project Site Description



Site Description

Identification

Location	613 NW 3rd Avenue
Location Description	The subject property is located on the north side of Northwest 66th Street, between Northwest 4th Avenue and Northwest 3rd Avenue, in Fort Lauderdale, Broward County, Florida.
Parcel Number	4942 34 07 6810

Physical Features

Size	Approximately 1.12 acres, or 48,918 square feet
Configuration	Generally rectangular
Topography	Generally Level
Drainage	Appears Adequate
Flood Plain	
In Flood Plain	Yes
Flood Map #	12011C0369H
Date of Flood Map	August 18, 2014
Flood Zone	Zone AH
Flood Description	The subject site is within the 100-year flood plain. Flood insurance may be required.
Utilities	All available
Ground Stability	We were not provided with a soil report. We assume that the load bearing capacity of the soil is sufficient to support the existing structure. We did not observe any evidence to the contrary during our physical inspection of the property.

Streets, Access, Frontage

Access	Northwest 6th Street
Frontage	The subject has 136 feet of primary frontage along Northwest 6th Street.
Curbs/Gutters	Yes
Sidewalks	Yes
Left Turn Available	Yes
Median Cut	Yes
Visibility	Average
Easements, Encumbrances, Moratoriums	We were not provided a current title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search be completed to determine whether any adverse conditions exist.
Encroachments	We were provided an ALTA survey. An inspection of the site revealed no apparent encroachment(s) that would impact the marketability of the subject site.

Legal

Zoning	NWRAC-MUE, North West Regional Activity Center-Mixed Use East
Conformance	The existing improvements appear to be legally conforming.

ZONING INFORMATION	
Zoning Code:	NWRAC-MUE
Zoning Description:	North West Regional Activity Center-Mixed Use East
Maximum Height	65 feet
Maximum Density	None
Front Setback	0 feet
Rear Setback	5 feet
Side Setback	None
Legally Conforming Use?	Yes
Source: City of Fort Lauderdale	

Utilities and Services

UTILITIES AND RELATED SERVICES	
Water	City of Fort Lauderdale
Sewer	City of Fort Lauderdale
Electricity	Florida Power and Light
Gas	NA
Police/Fire	City of Fort Lauderdale
Trash	Republic Services
Telephone	Varies
Cable/Satellite	Varies

Land Uses

The surrounding uses complement the subject site. These are shown below:

LAND USES	
North	Residential
East	Commercial, retail, entertainment
West	Commercial
South	Multifamily/Park

Noise

No significant noise hazards impact the subject.

Hazardous or Toxic Materials

During our visual inspection of the subject, we did not observe any hazardous substances. We are not experts, however, in determining the presence of hazardous substances, defined as all hazardous or toxic wastes, pollutants, or contaminants (including asbestos, PCB's, or raw materials) either used in construction or stored on the property. The appraiser has not been provided with certification from the client or current property owner that no hazardous substances are present, which would adversely affect the use of the subject property. This report reflects the assumption that the subject property is not so affected.

Civic, Social and Commercial Centers

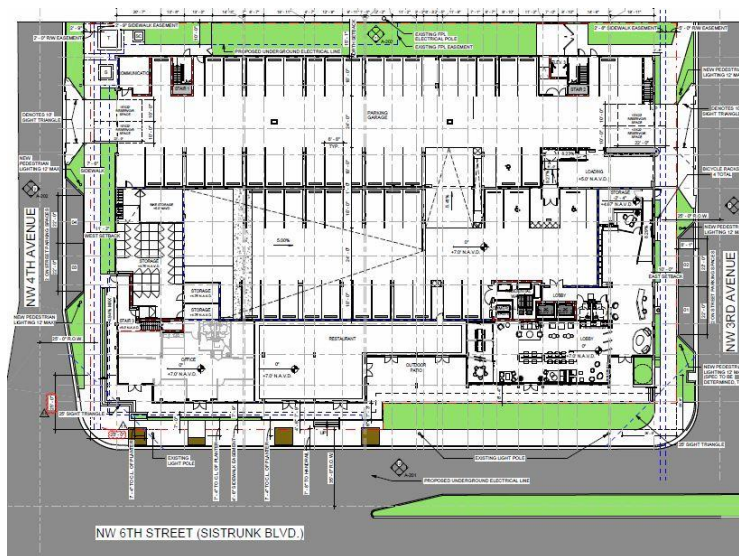
The subject is proximate a number of important residential support services as summarized in the following table:

CIVIC, SOCIAL AND COMMERCIAL CENTERS	
Item:	Distance (Miles)
Bank	~0.25
North Side Elementary School	~0.50
Pharmacy	~0.50
Grocery	~0.75
Holiday Park	~0.75
Fort Lauderdale High School	~1.50
Sunrise Middle School	~1.75

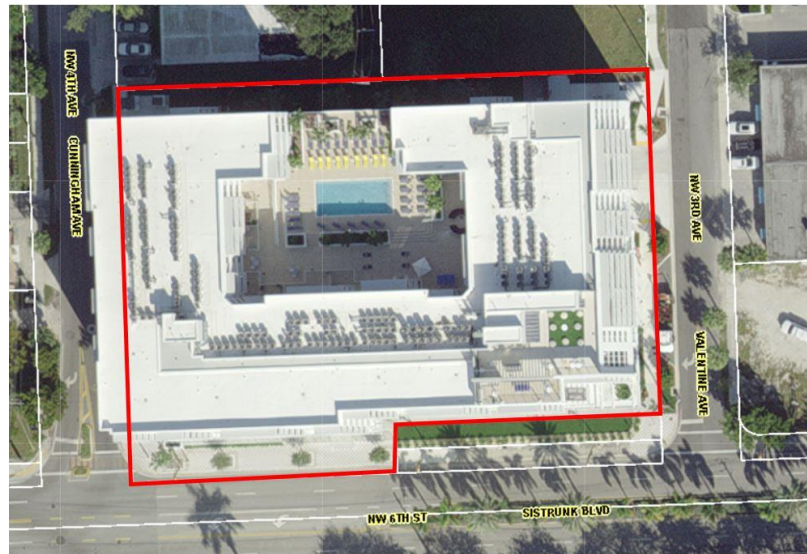
The subject site has convenient access to employment, civic, social, and commercial centers. Thus, the site is well supported by all of the services necessary for a rental complex.

Site Plan

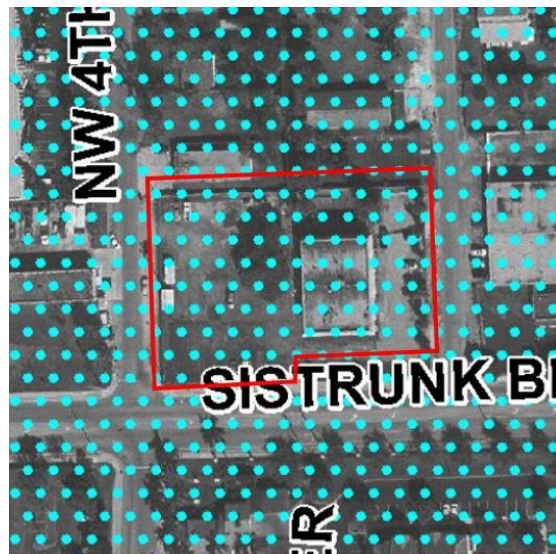
The site plan is illustrated below:



Tax Map



Flood Zone Map



Conclusion

The site is sufficient in size and shape to support a residential multifamily complex. The subject is a permitted use under current zoning. No adverse conditions were noted at the time of inspection. Entrance to and from the subject property is easily accessible. A rental apartment use of the property is compatible with the surrounding market. The subject site's location is good based on its proximity to major employers, major roadways, and residential support services including retail and schools. Access is good via Northwest 6th Street. The topography supports a rental apartment community and availability of utilities is considered suitable for the operation of a property such as the subject.

Improvement Description



Overview

The subject is a rental apartment community constructed in 2020. The unit mix is oriented to singles, couples and small families as noted by the following unit mix:

SUBJECT UNIT MIX				
Unit Description	Unit Type	Size (SF)	No. of Units	NRA Sq Ft
One Bedroom J3	1x1	539	1	539
One Bedroom A10	1x1	573	1	573
One Bedroom J1	1x1	575	20	11,500
One Bedroom A9	1x1	579	1	579
One Bedroom A7	1x1	593	15	8,895
One Bedroom A8	1x1	644	2	1,288
One Bedroom A1	1x1	654	2	1,308
One Bedroom A4	1x1	693	3	2,079
One Bedroom A2	1x1	696	21	14,616
One Bedroom A3	1x1	711	15	10,665
One Bedroom A5	1x1	747	3	2,241
One Bedroom A6	1x1	781	20	15,620
Two Bedroom B2	2x2	809	10	8,090
Two Bedroom B7	2x2	837	1	837
Two Bedroom B8	2x2	841	1	841
Two Bedroom B5	2x2	903	2	1,806
Two Bedroom B3	2x2	935	10	9,350
Two Bedroom B6	2x2	939	5	4,695
Two Bedroom B1	2x2	965	4	3,860
Two Bedroom B4	2x2	988	5	4,940
Totals/Averages		735	142	104,322

For the rent analysis presented later in the income approach, the units have been combined with the weighted average square footage applied. The unit mix for the rent analysis is presented:

WEIGHTED UNIT MIX FOR RENT GRIDS				
Unit Description	Unit Type	Size (SF)	No. of Units	NRA Sq Ft
One Bedroom J3	1x1	539	1	539
One Bed A10, J1, A9, A7	1x1	582	37	21,547
One Bed A8, A1	1x1	649	4	2,596
One Bed A4, A2 A3	1x1	702	39	27,360
One Bed A5, A6	1x1	777	23	17,861
Two Bed B2	2x2	809	10	8,090
Two Bed B7, B8	2x2	839	2	1,678
Two Bed B5, B3, B6	2x2	932	17	15,851
Two Bed B1, B4	2x2	978	9	8,800
Total/Average		735	142	104,322

Unit and property amenities are as follows:

UNIT AMENITIES
Balcony/Patio
Blinds
Carpeting
Stone Counters
Keyless Entry
Subway Tile Kitchen Backsplash
Stainless Appliances
High-Speed Wi-Fi

PROPERTY AMENITIES
Clubhouse
Business Center
Fitness Center
Pool
Barbecue/Picnic Area
Pet Park
Roof-top Lounge
Parlor
Coffee Bar
Onsite Restaurant
Free Bike Rentals
Co-work Space

Floor Plans

Floor plans are provided as follows:



A1 - 1 Bed - 1 Bath - 654 SF



A2 - 1 Bed - 1 Bath - 696 SF



A3 - 1 Bed - 1 Bath - 711 SF



A4 - 1 Bed - 1 Bath - 693 SF



A5 - 1 Bed - 1 Bath - 747 SF



A6 - 1 Bed - 1 Bath - 781 SF



A7 - 1 Bed - 1 Bath - 593 SF



A8 - 1 Bed - 1 Bath - 644 SF



A9 - 1 Bed - 1 Bath - 579 SF



A10 - 1 Bed - 1 Bath - 573 SF



J3 - 1 Bed - 1 Bath - 539 SF



JR1 - 1 Bed - 1 Bath - 575 SF



JR2 - 1 Bed - 1 Bath - 575 SF



B1 - 2 Bed - 2 Bath - 965 SF



B2 - 2 Bed - 2 Bath - 809 SF



B3 - 2 Bed - 2 Bath - 935 SF



B4 - 2 Bed - 2 Bath - 988 SF



B5 - 2 Bed - 2 Bath - 903 SF



B6 - 2 Bed - 2 Bath - 939 SF



B7 - 2 Beds - 2 Baths - 837 SF



B8 - 2 Bed - 2 Bath - 841 SF

General

Design/Use	Multifamily
Number of Units	142
Number of Buildings	1
Number of Stories	6
Building Size	GBA: 214,996 square feet RSF: 104,322 square feet
Year Built	2020
Investment Class	B

Exterior/Structural

Construction Type	Class B - Reinforced Concrete
Quality	Good
Basement	None
Exterior Walls	Block and Stucco
Building Condition	New
Foundation Type	Concrete Slab
Fire Sprinkler	Wet system
Roof Material	Single Ply TPO system over lightweight concrete

Interior Finish

Interior Walls	Painted drywall
Floor cover	Carpet and Tile
Window Type	Vinyl
Ceilings	Drywall
Kitchens	Stainless Appliances, Refrigerator, Range/Oven, Dishwasher, Microwave, Garbage Disposal, Washer/Dryer

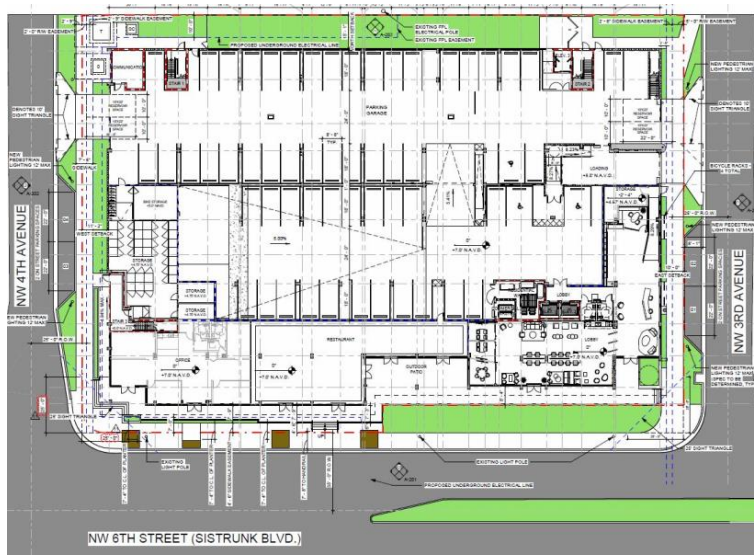
Mechanical

Air Conditioning	Central
Number of Elevators	3
Plumbing	Assumed adequate to meet code requirements.
Electrical	Assumed adequate to meet code requirements.
Condition	The appraisal inspection was limited to a visual inspection of the building components. It is not possible to determine the integrity of concealed structural components or the serviceability of mechanical systems. Inspections of this type are beyond the scope of the investigation required for this assignment. Mechanical systems were reportedly in operable condition.

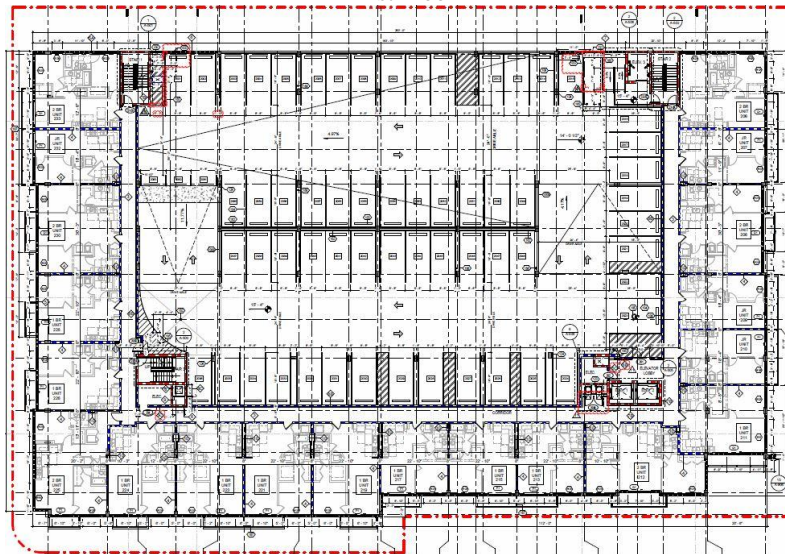
Parking and Site Improvements

Parking	
Spaces	193
Parking Description	189 in the Parking Garage and 4 surface spaces.
Parking Ratio	1.36
Condition	Good
Landscaping	Landscaping includes trees, shrubs, and an irrigated lawn.
Drainage and Retention	Appears adequate
Gated/Secured Access	Yes

Building Layout



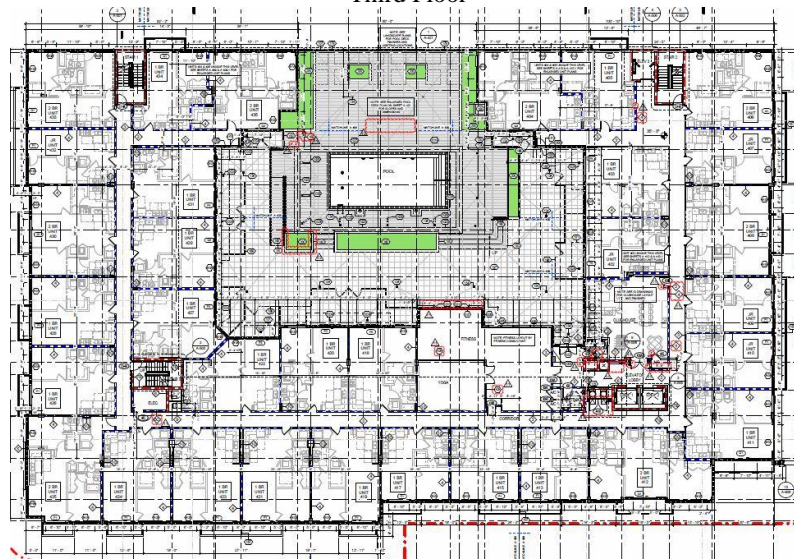
First Floor



Second Floor



Third Floor



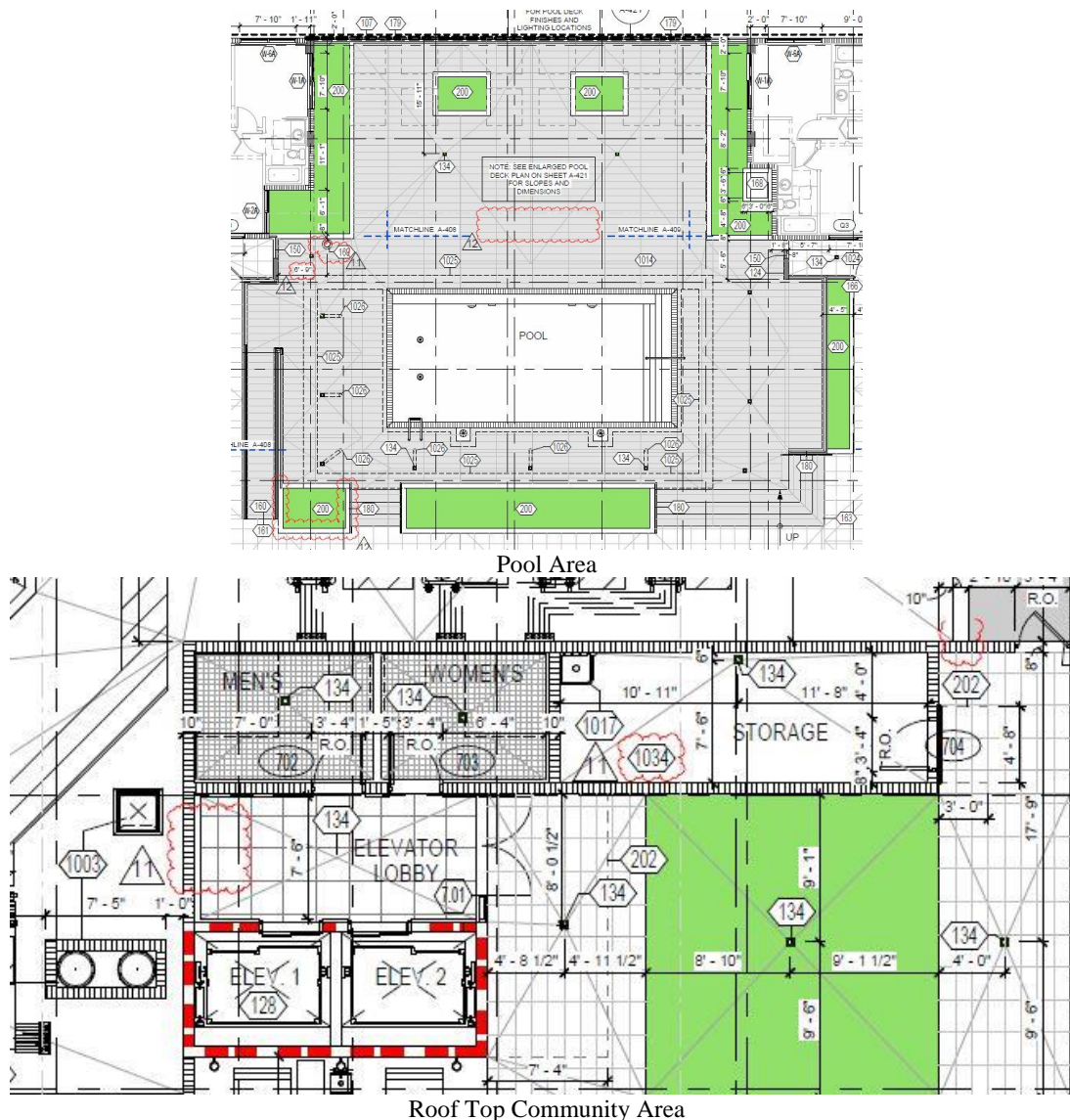
Fourth Floor



Fifth Floor



Sixth Floor



Critical and Non-Critical Repairs

The CNA assessment was conducted on the property providing the critical (immediate) and non-critical (near-term) repair items. Critical repairs are physical deficiencies that require immediate action as a result of existing potentially unsafe conditions, building code violations, poor or deteriorated conditions of a critical element of system, or a condition that if left "as is" would result in a critical element of system failure. An item with no cost presented with the repair will be handled during routine maintenance.

Non-Critical (near-term) repairs are defined as physical deficiencies that include deferred maintenance, that may not warrant immediate attention, but requiring repairs or replacements that should be undertaken on a priority basis, taking precedence over routine preventative maintenance work within a zero to one-year time frame. Included are such physical deficiencies resulting from improper design, faulty installation and/or substandard quality of original systems or materials.

The value presented assumes that all critical and non-critical repairs have been made.

The repairs assessed for the subject property follow:

TABLE 1A: CRITICAL REPAIRS (EXCLUDING ACCESSIBILITY)

The SIX13
613 NW 3rd Avenue
Fort Lauderdale, Florida
EBI Project No. 1721000146

SECTION NUMBER	RECOMMENDED REPAIR	REPAIR TYPE	LOCATION	CLASS OF WORK (SCOPE)	QUANTITY	UNIT COST	UNIT DESCRIPTION	ESTIMATED COST	REPAIR LEVEL (Routine, I, II, OR III)
3.2.7	Provide written confirmation of VGB Act Compliance	Critical	On the drain covers in the swimming pool.	Written confirmation that the swimming pool complies with the VGB Act was not provided.	1	\$ 0.00	Each	\$ 0.00	Routine
3.6.3	Seal ceiling penetrations with fire rated material	Critical	In the electrical/communication rooms throughout the building and media/storage room.	Ceiling penetrations were observed without proper fire sealing.	52	\$ 64.50	Each	\$ 3,354.00	I
TOTAL:								\$ 3,354.00	

TABLE 1B: NON-CRITICAL REPAIRS

The SIX13
613 NW 3rd Avenue
Fort Lauderdale, Florida
EBI Project No. 1721000146

SECTION NUMBER	RECOMMENDED REPAIR	REPAIR TYPE	LOCATION	CLASS OF WORK (SCOPE)	QUANTITY	UNIT COST	UNIT DESCRIPTION	ESTIMATED COST	REPAIR LEVEL (Routine, I, II, OR III)
3.7.2	Replace dwelling unit hollow core doors	Non-Critical	In the closet door in bed #2 in dwelling unit 412.	A damaged area (hole) was observed in one of the interior doors.	1	\$ 212.42	Each	\$ 212.42	1
4.1.1	Install radon mitigation system	Non-Critical	As recommended in EBI's ESA	Level 2 Install radon mitigation systems in 82 units as recommended in EBI's ESA	82	\$ 3,000.00	Each	\$ 246,000.00	2
4.1.1	Radon mitigation repairs and equipment	Non-Critical	As required for installation of radon mitigation systems	Equipment and repairs required for radon mitigation system installation	1	\$ 184,800.00	Other	\$ 184,800.00	1
TOTAL:								\$ 431,012.42	

TABLE 2 : ACCESSIBILITY REPAIRS

The SIX13
613 NW 3rd Avenue
Fort Lauderdale, Florida
EBI Project No. 1721000146

DESCRIPTION OF DEFICIENCY	LOCATION	RECOMMENDED REPAIR	SUSTAINABILITY INDICATOR	LIFESAFETY INDICATOR	ACCESSIBILITY INDICATOR	OWNER-PROPOSED INDICATOR	ACCESSIBILITY/STAFF/UTE	ACTION	QUANTITY	UNIT COST	UNIT DESCRIPTION	ESTIMATED COST	REPAIR LEVEL (I, II, OR III)
No van-accessible parking space is provided.	On the 1st floor level of the parking garage area.	Provide van-accessible parking spaces adjacent to areas of public accommodation.	NO	NO	YES	NO	Americans w/ Disabilities Act	One-time Repair	1	\$ 200.00	Each	\$ 200.00	1
The accessible entrance is not designated by signage with the International Symbol of Accessibility.	At the main entrance located at the east, NW 3rd Avenue side of the building.	Provide signage at accessible building entrances.	NO	NO	YES	NO	Americans w/ Disabilities Act	One-time Repair	1	\$ 50.00	Each	\$ 50.00	1
The terrace/balcony door thresholds were measured to be 2 1/2 to 8-inches high.	On the interior side of the sliding terrace/balcony doors in the living room of the adaptable units.	Provide ramps, ramp with railing and portable lift per Corrective Action Plan	NO	NO	YES	NO	Fair Housing Act.	One-time Repair	1	\$ 12,800.00	Other	\$ 12,800.00	1
TOTAL:												\$ 13,050.00	

Exterior Photographs

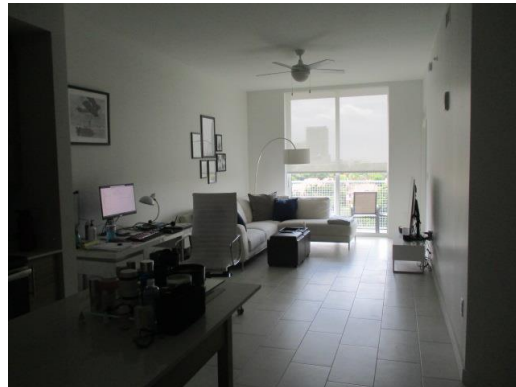




Interior Photographs



Resident Living Room



Resident Living Room



Resident Living Room



Resident Living Room



Resident Living Room and Kitchen



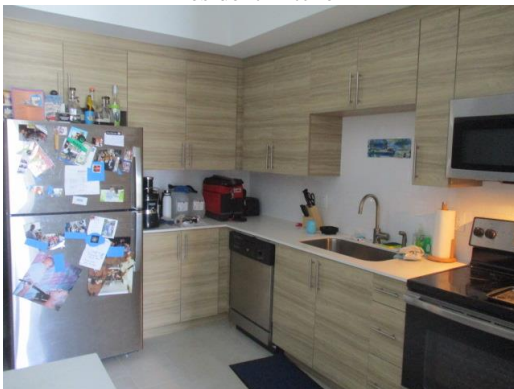
Resident Living Room and Kitchen



Resident Kitchen



Resident Kitchen



Resident Kitchen



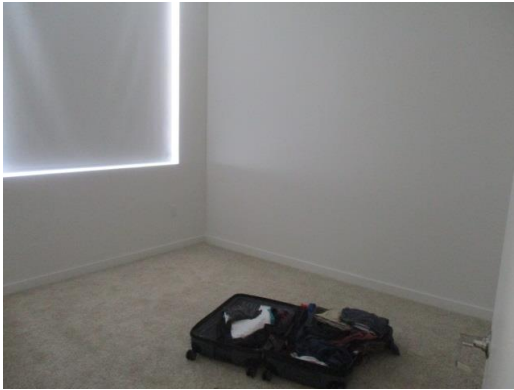
Resident Kitchen



Resident Laundry Closet



Resident Laundry Closet



Resident Bedroom



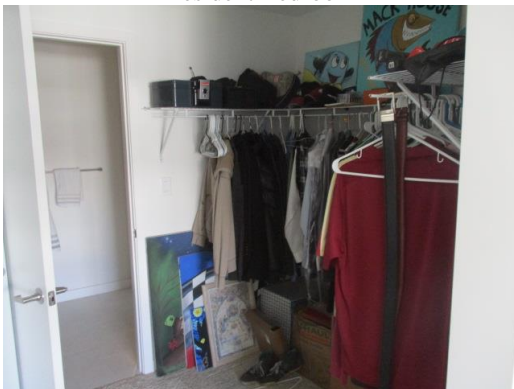
Resident Bedroom



Resident Bedroom



Resident Bedroom



Resident Bedroom Closet



Resident Bedroom Closet



Resident Bathroom



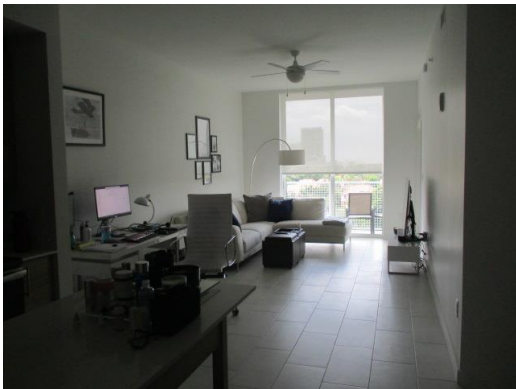
Resident Bathroom



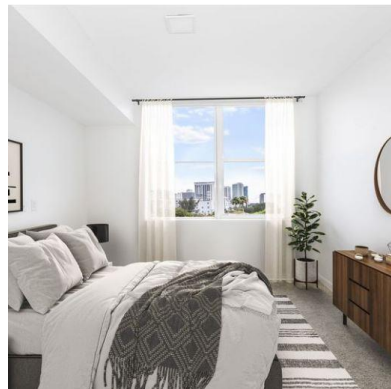
Resident Bathroom



Resident Bathroom

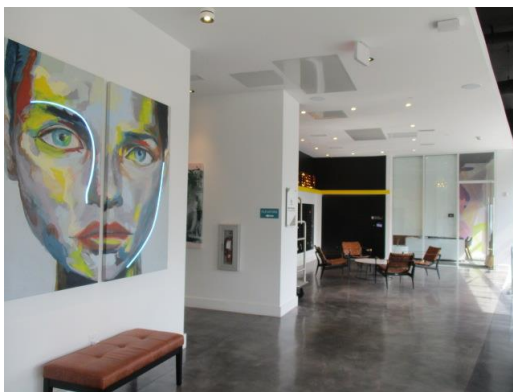


Resident Living Room



Resident Bedroom

Property Amenities Photographs



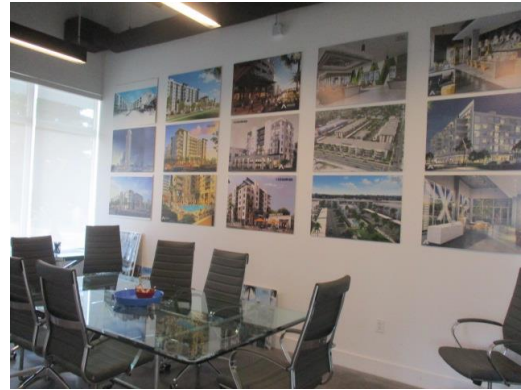
Community Entrance Foyer



Community Mail Center



Community Leasing Area



Community Leasing Area



Community Clubhouse Lounge



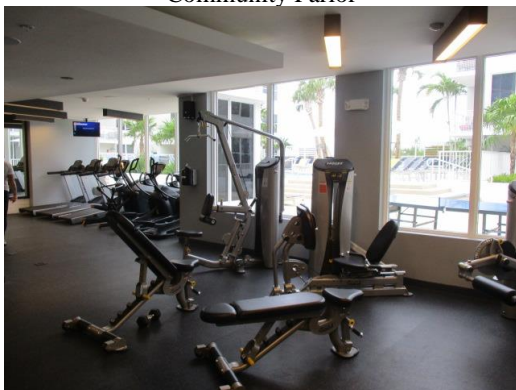
Community Clubhouse



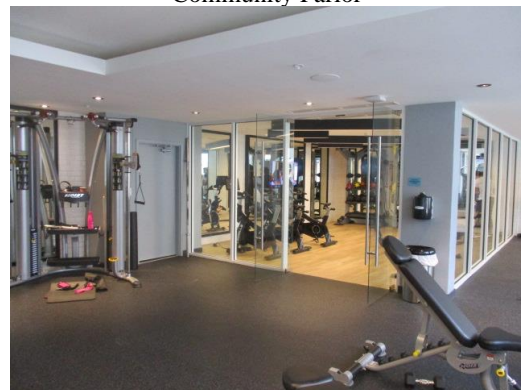
Community Parlor



Community Parlor



Community Fitness Center



Community Fitness Center



Community Elevators



Community Hall and Elevator



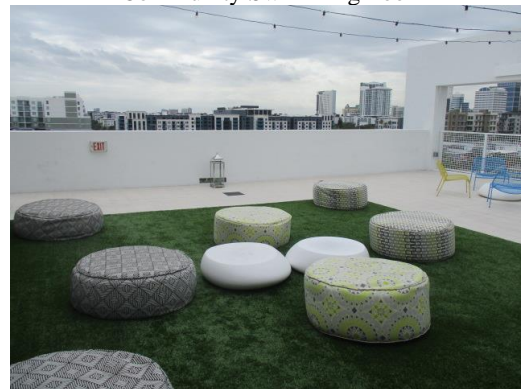
Community Swimming Pool



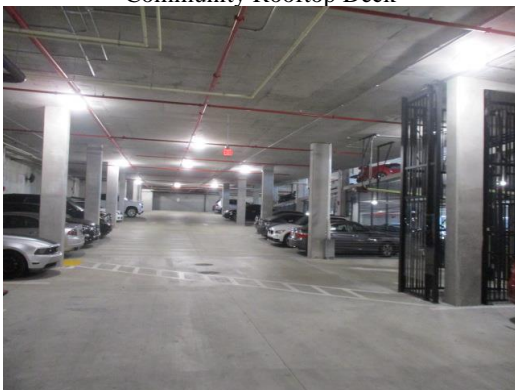
Community Swimming Pool



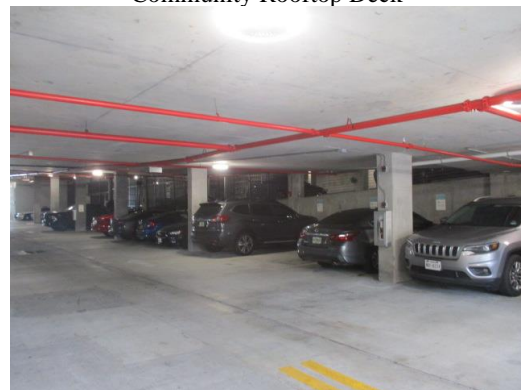
Community Rooftop Deck



Community Rooftop Deck



Community Parking Garage



Community Parking Garage



Community Clubhouse



Community Swimming Pool

Street Scenes



Facing North on Northwest 4th Avenue



Facing South on Northwest 4th Avenue



Facing Southwest across Sistrunk Boulevard

Americans with Disabilities Act of 1990

The Americans with Disabilities Act of 1990 sets strict and specific standards for handicapped access to and within most commercial and industrial buildings. Determination of compliance with these standards is beyond appraisal expertise and, therefore, has not been attempted by the appraisers. For purposes of this appraisal, we are assuming the improvements comply with Fair Housing and ADA requirements.

Remaining Economic Life Analysis (REL)

REMAINING ECONOMIC LIFE ANALYSIS					
Subject Year Built	2020				
Renovation	N/A				
Construction Type:	Type A-Steel	Type B-Steel/Masonry	Type C-Masonry	Type D-Wood	Type S-Other
				X	
Livability:	Excellent	Good	Average	Below Average	Not Applicable
Physical Condition	x				
Unit Design		x			
Unit Configuration		x			
Room Sizes		x			
Interior Flow		x			
Adequacy of Closets		x			
Lighting		x			
Washer/Dryers in Units		x			
Laundry Facilities in Project		x			
Project Amenities		x			
Project Density		x			
Availability of Parking			x		
Externalities:	Positive Influences	Negative Influences			
Neighborhood Characteristics	X				
Growth Trends	X				
Sustainability of Demand	X				
Sustainability of Rent Levels	X				
	Long Term Sustainability	Moderate Term Sustainability	Short Term Sustainability		
Overall Rating of Subject	X				
Note: Assumes all critical and non-critical repairs are completed as outlined in the CNA					

Per Chapter 7 Section 6K of the *MAP Guide*, there are factors that are evaluated when estimating the remaining economic life of an asset. Each of the factors was examined as follows:

1. Economic make-up of the community or region and the ongoing demand for accommodations of the type represented.

The subject has a good location proximate residential support services, economic demand generators, and retail nodes in the region. Both for-sale and rental housing is in demand. Occupancy levels in the defined area have been strong in all land-use sectors. The subject is proximate a variety of major employers as well as a good transportation network. Further, the subject has a walkable environment. This provides the ability to attract workers from a broad spectrum of industries. Demand levels should continue for rental housing including the subject.

2. The relationship between the property and the immediate environment.

Rental apartments are located along primary and secondary traffic arterials. The subject fronts two roadways including one a primary traffic arterial. The immediate area has significant residential support services providing conveniences for the residents as well as employment opportunities. Property managers in the area did not indicate any competition from the 'for-sale' market. The necessary community support services are proximate to the subject. In addition, the subject is located within a desirable school district. No changes are anticipated to the land uses within the immediate environment thus, the subject is compatible with no future conflicts to impact the REL.

3. Architectural design, style, and utility from a functional point of view and the likelihood of obsolescence attributable to new inventions, new materials, changes in building codes and changes in tastes.

The subject was constructed in 2020. The layout of the apartment interiors is good and similar to apartments of the same era in the area. Exterior and interior construction materials utilized at initial build-out were good. The apartments provide floor plans that are large with good flows and layouts. No functional obsolescence was noted.

4. The trend and rate of change in the characteristics of the neighborhood that affect property values and their effect on those values.

The subject's primary market area (PMA) has demonstrated increases in household formation, employment, and overall income. Projections indicate future growth will continue. With continued household formation and a prime location, neighborhood characteristics are supportive of future positive value trending.

5. Workmanship and durability of construction and the rapidity with which natural and man-made forces may cause physical deterioration.

The subject's construction materials were good. No natural or man-made forces have caused abnormal deterioration, and none are anticipated in the future.

6. Physical condition and the practice of owners and occupants with respect to maintenance, the use or abuse to which the improvements are subjected, the physical deterioration and the functional obsolescence within the subject property.

The subject is in good condition. The remaining economic life is based on the assumption that long-term maintenance and replacement programs to maintain the asset in a competitive position will occur.

We have estimated the subject has an economic life of 60 years. We have estimated the effective age at 1 years and the remaining economic life at 59 years.

Conclusion

The subject's development is attractive and provides a quality living environment for the tenants. The units have functional floor plans and are equipped with amenities that are competitive with the other supply in the immediate area. The subject's unit mix is appropriate to compete for a variety of household types. The improvements are in good overall condition. The subject should remain a strong competitor in the future.

Ad Valorem Tax Analysis

In Florida, real estate taxes are levied on all real property. Real property means land, buildings, fixtures, and all other improvements to land. The terms land, real estate, realty, and real property may be used interchangeably. Real property includes all other permanent improvements on the land and is broadly classified based on land use. Real estate taxes are re-assessed upon the consummation of a sale.

By July 1 of each year, the property appraiser must report the just value of all real property in the county as of January 1. The just value of a property is equal to the property's market value. This market value is the cash amount that a hypothetical willing buyer would pay for a property to a hypothetical willing seller on the open market under normal financial conditions. Factors that are considered in determining just value are present cash value, use, location, quantity or size, cost, replacement value of improvements, condition, income from property and net proceeds if the property is sold. The tax due for each parcel is calculated by dividing the assessed value by 1,000, then multiplying the taxable value by the tax rate (millage) levied by the taxing authority within that county. The proposed tax bill is mailed to the taxpayer usually in August or September. The actual tax bill is mailed to the taxpayer, usually by November 1. The payment must be made to the tax collector by April 1 of the following year.

There are discounts for early payment and penalties for delinquency. A 4% discount is applied for payment made in November. A 3% discount for payment made in December, a 2% discount for payment made in January, and a 1% discount for a payment made in February. The amount due in March is the gross tax amount and reflects no discount. Florida does not have an assessment ratio in place. However, to reduce significant challenges to assessed values county property appraiser will typically provide assessed values between 70% and 80% of market value or their respective purchase prices.

The Tax Rate (millage) is set by the taxing authority for the governmental unit within which the property is located. The Florida Constitution directly authorized counties, school districts, and municipalities to levy ad valorem taxes. It also provides that special districts may be created and authorized by law to levy ad valorem taxes. The total tax rate is a combination of all taxing authority's tax rate (millage) having jurisdiction over property.

The subject has rent restrictions in place over the next ten years. The project was developed specifically as workforce housing with a grant of \$7 million provided with a covenant in place on the land that will restrict rents do not exceed 160% of the AMI. This remains in place for ten years. The county assessor noted their real estate taxes will be reduced to recognize this restriction is in place.

The rents utilized in the financial projection do not exceed the 160% AMI level.

Real estate tax comparables are provided:

REAL ESTATE TAX COMPARABLES				
	Subject	Comparable 1	Comparable 2	Comparable 3
Property	The Six13 Apartments	ORA Flagler Village	Pearl Flagler Village	Avalon Toscana
City	Fort Lauderdale	Hollywood	Fort Lauderdale	Margate
ID#	4942 34 07 6810	51-42-09-27-0040	50-42-03-02-2400	48-41-24-38-0010
Year Built	2020	2017	2019	2016
# Units	142	336	350	240
Current Assessment				
Tax Year	2020	2020	2020	2020
Land Value	\$1,338,590	\$4,120,300	\$9,843,750	\$4,530,160
Improvement Value	\$0	\$74,466,390	\$89,212,250	\$48,742,210
Total Market Value	\$0	\$78,586,690	\$99,056,000	\$53,272,370
Total Assessment	\$1,338,590	\$78,586,690	\$99,056,000	\$53,272,370
Per Unit	\$9,427	\$233,889	\$283,017	\$221,968
Gross Taxes	\$30,157	\$1,859,815	\$2,090,500	\$1,307,847
Non Ad-Valorem Taxes	\$2,642	\$105,596	\$131,464	\$72,000
Ad-Valorem Taxes	\$27,515	\$1,754,219	\$1,959,037	\$1,235,847
Per Unit	\$212	\$5,535	\$5,973	\$5,449

The tax estimate is calculated by applying the millage rate to the assessment. The millage rate for the subject is as follows:

AD VALOREM MILLAGE RATES SCHEDULE	
Category	Mills
Broward County Gov.	5.4999
Voted Debt	0.1691
Broward County School	4.9140
Capital Outlay	1.5000
Voter approved Debt Levy	0.0912
SFWMD Everglades	0.0380
Okeechobee Basin	0.1192
SFWMD District	0.1103
North Broward Hospital	1.1469
Childrens SVCS	0.4822
City of Ft. Lauderdale Oper	4.1193
Debt Svs	0.2218
Fl Inland Navigation	0.0320
Total	18.4439
Source: Broward County Property Assessor	

The tax assessment for the subject is based on the assumption of a sale at the value conclusion. A loaded cap methodology was applied to estimate the subject's real estate taxes. The first step is to estimate the potential value by "loading" the OAR with the tax rate and applying this to the net operating income prior to deducting real estate taxes:

REAL ESTATE TAX ESTIMATE- LOADED CAP RATE		
	Total	Per Unit
NOI without Taxes	\$2,243,948	\$15,802
Effective Tax Rate	1.84%	1.84%
OAR	4.50%	4.50%
Loaded Cap Rate	6.34%	6.34%
Value via Loaded Cap	\$35,369,016	\$249,078

Once the potential value is established, the percent of market value applied by the assessor and the percent for the assessment is applied to calculate the potential assessment. Recent sales provided the basis for the assessment percent:

TAX ASSESSMENT AS % OF SALE PRICE			
Property Sale	ORA Flagler Village	THM Harbour Beach	Ventura Ponte
Sale Price	\$92,900,000	\$136,000,000	\$55,600,000
Assessment	\$78,586,690	\$106,690,790	\$45,000,600
% Sale Price	85%	78%	81%

The real estate tax estimate based on a sale is provided:

REAL ESTATE TAX ANALYSIS	
Potential Value	\$35,369,016
% for Assessment	80%
Potential Assessment	\$28,295,213
Per Unit Assessment	\$199,262
Effective Tax Rate	1.84%
Potential Taxes	\$521,874
% After Discount	96%
Potential Taxes	\$500,999
Per Unit	\$3,528

The tax assessment for the subject is estimated as follows:

REAL ESTATE TAX ESTIMATE- MARKET	
Number of Units	142
Taxes per Unit	\$3,500
Total	\$497,000

As discussed, the subject has a covenant in place that restricts the rents to workforce levels. This runs with the land for ten years. Therefore, the assessor recognizes this restriction and has noted the taxes will be below market for ten years.

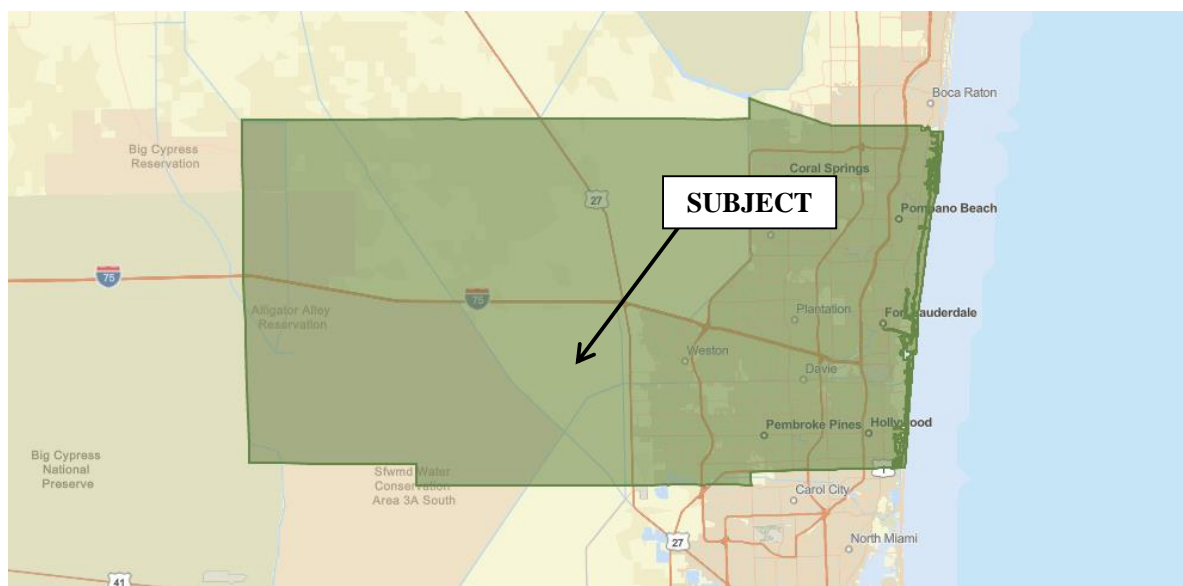
A calculation was made to quantify the impact of this savings. The assessor noted the real estate taxes for the subject would be about \$2,400 per unit or \$340,800 annually. A net present value of the tax savings was completed with the savings value added to the reconciled value. The methodology forecasts full taxes for ten years less the actual taxes with the covenant. The total tax savings are discounted at a safe rate. A safe rate estimated at 4%. Taxes are inflated over the projection period at 2% annually.

The chart following provides the calculation of the savings:

COVENANT TAX SAVINGS VALUE										
YEAR:	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Time Period:	1	2	3	4	5	6	7	8	9	10
Forecasted Full Taxes	\$497,000	\$506,940	\$517,079	\$527,420	\$537,969	\$548,728	\$559,703	\$570,897	\$582,315	\$593,961
Less: Actual Taxes w/covenant	(\$340,800)	(\$347,616)	(\$354,568)	(\$361,660)	(\$368,893)	(\$376,271)	(\$383,796)	(\$391,472)	(\$399,302)	(\$407,288)
Tax Savings	\$156,200	\$159,324	\$162,510	\$165,761	\$169,076	\$172,457	\$175,907	\$179,425	\$183,013	\$186,673
Discount Rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Present Value Factor	0.96154	0.92456	0.88900	0.85480	0.82193	0.79031	0.75992	0.73069	0.70259	0.67556
NPV of Tax Saving	\$150,192	\$147,304	\$144,471	\$141,693	\$138,968	\$136,296	\$133,675	\$131,104	\$128,583	\$126,110
Covenant Tax Savings Value:	\$1,378,395									
Rounded	\$1,380,000									

The tax savings are added to the market value estimate.

Broward County Area Analysis



Introduction

Broward County was founded in 1915 and named after Napoleon Bonaparte Broward, the 19th Governor of Florida. The county covers approximately 1,203 square miles and has an estimated population of 1,909,545 people. The county's density is 1,587 people per square mile. Broward County is the second most populous county in Florida and 17th most populous in the United States. Fort Lauderdale is the county seat. Pembroke Pines, Hollywood, Coral Springs, and Miramar are major cities in Broward County.

Broward County is surrounded by Palm Beach County to the north, Miami-Dade County to the south, Hendry and Collier Counties to the west, and the Atlantic Ocean to the east. The county is included in the Miami – Fort Lauderdale – West Palm Beach, FL metropolitan statistical area (MSA).

Population and Demographics

The information in this section was obtained through the U.S. Census Bureau and ESRI. Broward County continues to experience positive population growth as evidenced by the following:

POPULATION AND HOUSEHOLDS: BROWARD COUNTY				
	2010	2020	Change	% Change
Total Population	1,748,066	1,909,545	161,479	9.2%
Total Households	686,047	739,204	53,157	7.7%
Source: Demographic and Income Profile, ESRI Site Analysis				

Total population and the total number of households have increased over the past 10 years.

The following chart provides historical population data as well as future projections by age for Broward County:

BROWARD COUNTY POPULATION PROJECTIONS BY AGE					
Total Number of Residents					
Age	2010	2020	2025	Change 2020 - 2025	% Change
0-4	103,256	100,799	106,483	5,684	5.6%
5-9	104,071	105,197	106,224	1,027	1.0%
10-14	112,207	111,351	112,237	886	0.8%
15-19	114,200	104,615	108,613	3,998	3.8%
20-24	104,783	110,819	106,281	-4,538	-4.1%
25-34	224,479	267,103	274,287	7,184	2.7%
35-44	251,425	239,746	267,527	27,781	11.6%
45-54	277,040	255,247	240,284	-14,963	-5.9%
55-64	207,181	265,278	258,943	-6,335	-2.4%
65-74	125,353	195,695	225,676	29,981	15.3%
75-84	82,545	102,654	132,528	29,874	29.1%
85+	41,526	51,041	54,425	3,384	6.6%
Total	1,748,066	1,909,545	1,993,508	83,963	4.4%
% Change		9.2%	4.4%		
Compounded annual growth rate (2010 to 2025)		0.9%			
Compounded annual growth rate (2020 to 2025)		0.9%			
Source: Demographic and Income Profile, ESRI Site Analysis					

The county has experienced positive growth trends which are projected to continue through 2025. The largest increase in population is projected for the age groups between 65 and 84. The 65+ age cohorts represent the empty nester housing market. This is becoming a more important segment within the rental housing industry as seniors seek low maintenance lifestyles within a secured living environment.

The following table provides information on the working-age population within Broward County:

BROWARD COUNTY WORKING-AGE RESIDENTS					
Total Number of Residents					
Age	2010	2020	2025	Change 2020 - 2025	% Change
20-24	104,783	110,819	106,281	-4,538	-4.1%
25-34	224,479	267,103	274,287	7,184	2.7%
35-44	251,425	239,746	267,527	27,781	11.6%
45-54	277,040	255,247	240,284	-14,963	-5.9%
55-64	207,181	265,278	258,943	-6,335	-2.4%
Total	1,064,908	1,138,193	1,147,322	9,129	0.8%
% Change		6.9%	0.8%		
Compounded annual growth rate (2010 to 2025)			0.5%		
Compounded annual growth rate (2020 to 2025)			0.2%		
Source: Demographic and Income Profile, STDB, Inc., ESRI Site Analysis.					

The number of households increased from 2010 to 2020 and is projected to continue this trend through 2025.

The following table exhibits household growth within Broward County as well as expected future growth:

HOUSEHOLD PROJECTION FOR 2020 to 2025					
BROWARD COUNTY					
				% Household Change	
Year	2010	2020	2025	2010-2020	2020-2025
Total	686,047	739,204	767,636	7.7%	3.8%
Compounded annual growth rate				0.7%	0.8%
Average Size	2.52	2.56	2.58		
Source: Site To Do Business					

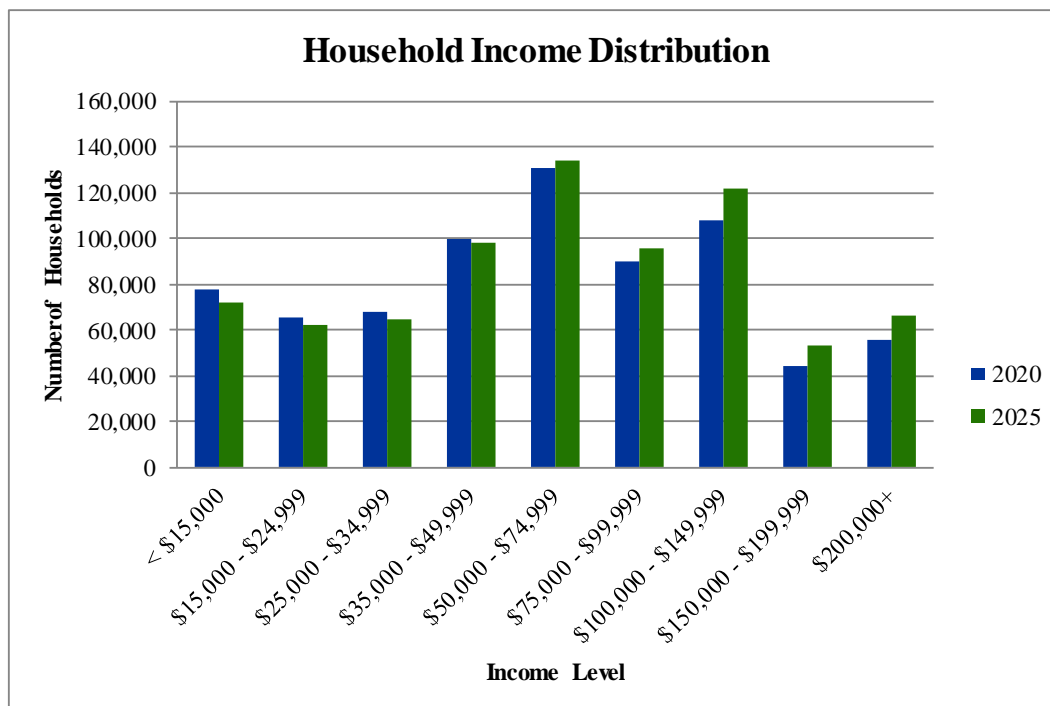
The number of households increased from 2010 to 2020 and is projected to continue this trend through 2025.

Household Income

The median household income in Broward County is provided:

MEDIAN HOUSEHOLD INCOME IN BROWARD COUNTY	
2020	2025
\$58,830	\$63,994
Source: Age by Income Profile, ESRI Site Analysis	

More than 57% of households earn more than \$50,000 per year, the income levels typically associated with rental housing. The income distribution in Broward County is provided:



Households are generally projected to earn higher incomes by 2025.

Employment Trends

At-place employment refers to jobs that are filled and located within the same county. This does not represent jobs in a county that are filled by residents from other counties. The trend in the market is presented:

AT-PLACE EMPLOYMENT IN BROWARD COUNTY			
Year	Employment	Change	Percent
2020 YTD	753,620	-70,575	-8.6%
2019	824,195	12,031	1.5%
2018	812,164	14,655	1.8%
2017	797,509	14,586	1.9%
2016	782,923	21,521	2.8%
2015	761,402	21,299	2.9%
2014	740,103	21,263	3.0%
2013	718,840	17,416	2.5%
2012	701,424	16,254	2.4%
2011	685,170	7,511	1.1%
2010	677,659	-	-
YTD data is provided through Sep. 2020			
Source: Department of Labor Statistics			

The trend in the market was positive until March 2020, when the effects of COVID-19 caused businesses to close. In April 2020, at-place employment dropped by 15% year-over-year. The county is expected to trend towards historic norms once the pandemic is contained. As of September 2020, at-place employment increased an average of 1.54% each month since April 2020.

The civilian labor force is defined as all employed or unemployed persons 16+ years of age who are actively looking for work and available to accept employment. Persons in the Armed Forces or within institutional settings such as prisons, nursing homes, etc. are not counted within the civilian labor force. The trend in employment is provided:

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT DATA IN BROWARD COUNTY				
Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
2020 YTD	1,010,442	939,914	70,528	7.0%
2019	1,040,519	1,008,813	31,706	3.0%
2018	1,031,169	995,853	35,316	3.4%
2017	1,023,413	982,614	40,799	4.0%
2016	1,002,237	957,296	44,941	4.5%
2015	986,384	935,820	50,564	5.1%
2014	986,355	927,797	58,558	5.9%
2013	974,428	908,457	65,971	6.8%
2012	963,563	886,780	76,783	8.0%
2011	951,445	861,686	89,759	9.4%
Source: BLS.gov				
YTD 2020 consists of data through Nov 2020; the data is not seasonally adjusted.				

The unemployment rate in Broward County had been decreasing over the past several years, even as the labor force increased. Unemployment in February 2020 was 2.9% before rapidly spiking to 14.9% in April 2020 as the impacts of COVID-19 forced businesses to close and unemployment to reach its highest levels in the last decade. However, preliminary December 2020 data shows Broward County unemployment is 6.6%. This indicates that over 140,000 jobs have been regained, approximately 65% of jobs lost from February to April. The county's employment trends are expected to continue towards historic norms as the pandemic is contained.

The following chart provides the total job growth for Broward County through 2028:

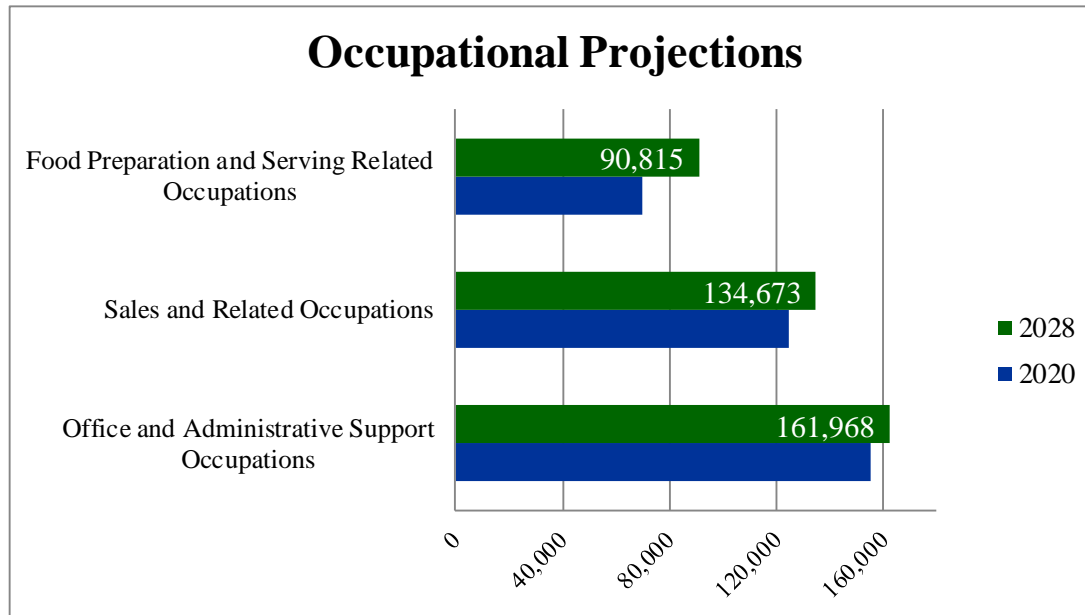
OCCUPATIONAL PROJECTIONS				
Total Employment	2020	2028	Total Growth %	Total Growth
All Occupations	901,102	1,011,643	12.3%	110,541
Compounded Annual Growth Rate			1.5%	
Source: Florida Research and Economic Information Database Application				

Jobs are projected to grow at an annual rate of 1.5% between 2020 and 2028. This amounts to an increase of over 110,000 total job openings.

The following chart illustrates the largest occupation categories and projected growth within those categories within Broward County:

OCCUPATIONAL PROJECTIONS				
Occupation Category	Employment		Total Growth %	Total Growth
	2020	2028		
Office and Administrative Support Occupations	155,344	161,968	4.3%	6,624
Sales and Related Occupations	124,654	134,673	8.0%	10,019
Food Preparation and Serving Related Occupations	70,088	90,815	29.6%	20,727
Healthcare Practitioners and Technical Occupations	58,987	67,385	14.2%	8,398
Transportation and Material Moving Occupations	56,330	65,074	15.5%	8,744
Management Occupations	52,750	59,644	13.1%	6,894
Business and Financial Operations	51,391	57,565	12.0%	6,174
Construction and Extraction Occupations	42,806	47,203	10.3%	4,397
Education, Training, and Library Occupations	39,007	45,471	16.6%	6,464
Installation, Maintenance, and Repair Occupations	40,328	44,195	9.6%	3,867
Source: Florida Research and Economic Information Database Application				

Office and administrative support occupations, sales and related occupations, and food preparation and serving related occupations were the largest categories in 2020 and are expected to remain the largest through 2028.



The following chart illustrates employment by sector with the most recent data for Broward County:

PRIVATE SECTOR EMPLOYMENT IN BROWARD COUNTY						
		2015	2016	2017	2018	2019
Natural Resources	Employment	918	916	1,050	977	836
	Percent Change	4.0%	-0.2%	14.6%	-7.0%	-14.4%
Construction	Employment	39,977	42,930	45,309	47,405	48,537
	Percent Change	11.2%	7.4%	5.5%	4.6%	2.4%
Manufacturing	Employment	27,396	27,129	27,016	27,577	28,453
	Percent Change	3.5%	-1.0%	-0.4%	2.1%	3.2%
Trade, Transportation, Utilities	Employment	172,602	176,500	178,970	182,891	186,548
	Percent Change	3.1%	2.3%	1.4%	2.2%	2.0%
Information	Employment	17,956	17,990	18,601	18,498	18,267
	Percent Change	1.7%	0.2%	3.4%	-0.6%	-1.2%
Financial Activities	Employment	53,589	54,078	54,587	57,108	60,131
	Percent Change	3.7%	0.9%	0.9%	4.6%	5.3%
Professional and Business Services	Employment	128,843	135,102	137,293	138,702	139,821
	Percent Change	2.6%	4.9%	1.6%	1.0%	0.8%
Education and Health Services	Employment	99,360	102,852	107,185	108,409	109,472
	Percent Change	1.6%	3.5%	4.2%	1.1%	1.0%
Leisure and Hospitality	Employment	90,113	92,995	93,526	95,213	96,387
	Percent Change	2.5%	3.2%	0.6%	1.8%	1.2%
Other Services	Employment	29,370	29,917	30,020	30,170	29,506
	Percent Change	1.1%	1.9%	0.3%	0.5%	-2.2%

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics

The county's top three private employment sectors are the trade, transportation, and utilities industry, the professional and business services industry, and the education and health services industry.

The following chart shows the typical annual wages by occupation type for the Miami-Fort Lauderdale-West Palm Beach, FL MSA:

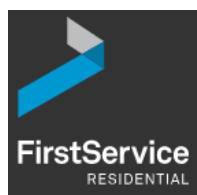
ANNUAL WAGE LEVEL BY OCCUPATION		
Occupation Type	Miami-Fort Lauderdale-	Florida
Management Occupations	\$119,110	\$111,190
Business and Financial Operations Occupations	\$73,960	\$71,080
Computer and Mathematical Occupations	\$84,950	\$82,810
Architecture and Engineering Occupations	\$78,430	\$80,230
Life, Physical, and Social Science Occupations	\$71,980	\$68,120
Community and Social Service Occupations	\$49,220	\$46,010
Legal Occupations	\$116,000	\$99,170
Education, Training, and Library Occupations	\$57,270	\$52,820
Arts, Design, Entertainment, Sports, and Media Occupations	\$57,180	\$54,370
Healthcare Practitioners and Technical Occupations	\$82,920	\$80,240
Healthcare Support Occupations	\$32,390	\$32,110
Protective Service Occupations	\$49,290	\$45,710
Food Preparation and Serving Related Occupations	\$27,060	\$26,720
Building and Grounds Cleaning and Maintenance Occupations	\$28,950	\$29,640
Personal Care and Service Occupations	\$30,140	\$30,160
Sales and Related Occupations	\$44,690	\$42,090
Office and Administrative Support Occupations	\$40,490	\$39,300
Farming, Fishing, and Forestry Occupations	\$29,040	\$31,660
Construction and Extraction Occupations	\$45,240	\$42,930
Installation Maintenance and Repair Occupations	\$47,720	\$46,560
Production Occupations	\$37,470	\$37,700
Transportation and Material Moving Occupations	\$39,910	\$37,270
Source: Bureau of Labor Statistics		

Annual wages within the Miami-Fort Lauderdale-West Palm Beach, FL MSA are higher than those at the state level.

The following table illustrates the major employers in the area:

MAJOR EMPLOYERS IN BROWARD COUNTY		
Company	Number of Employees	Industry
Broward County Public Schools	36,375	Education
Broward County Government	12,246	Government
Memorial Healthcare System	13,500	Healthcare
Broward Health	8,477	Healthcare
Nova Southeastern University	6,114	Education
FirstService Residential	5,400	Professional Services
JAERestaurant Group	5,000	Food & Beverage
Spirit Airlines	3,391	Aviation
City of Fort Lauderdale	2,831	Government
Q Link Wireless	2,011	Telecommunications
JM Family Enterprises	1,729	Automotive
Ultimate Software	1,650	Software
Broward College	1,442	Education
City of Hollywood	1,305	Government
Castle Group	1,275	Real Estate
City of Miramar	1,135	Government
City of Pembroke Pines	1,086	Government

Source: Greater Fort Lauderdale Alliance



FirstService Residential is a residential property management company serving over 8,000 communities in North America. FirstService's clientele includes low- to high-rise condominiums, homeowners' associations, and large-scale master-planned communities. The company also provides financial management, project development, and insurance services to residential property owners. The company generates approximately \$2 billion in annual revenues and has more than 20,000 employees in North America. FirstService Residential was founded in 1989 and is headquartered in

Ontario, Canada. The company employs more than 5,000 people throughout Broward County.



Ultimate Software is a privately-owned cloud-based human capital management software company known for its leading product, UltiPro. The company provides software solutions for human resources needs such as payroll, recruiting, onboarding, and talent management. Ultimate Software generated \$940 million in revenue in 2017 and ended 2019 with over 5,100 employees worldwide. The company employs over 1,600 people throughout Broward County. The company placed second in Fortune Magazine's "100 Best Companies to Work For" list in a 2020, placed within the top 10 for the last four years, and top 25 for the last eight years. In 2020, Ultimate Software announced plans to merge with Kronos Incorporated which will nearly double its current market share to roughly 8% of the \$25.9 billion human resources software industry.

Economic Development

Florida Power & Light

Florida Power & Light (FPL) began construction in May 2019 on a new Clean Energy Center in Dania Beach, Florida. The new energy center will be housed on an already existing FPL property in Dania Beach. The construction is estimated at \$880 million and is expected to cut air emissions by 70%, save customers up to \$337 million, and generate \$297 million in tax revenue. The project will create 600 construction related jobs and at least 30 full time positions within the center. Operation of the center is slated to begin 2022. A map of the site is provided:



Port Everglades

Port Everglades is undergoing massive changes to keep up with the rapid innovation in the shipping industry. The port has \$900 million in infrastructure improvements planned for the next five years. The most recent project approved was a \$471 million expansion of the Southport turning notch and crane rail. The turning notch portion of construction will add new cargo berths and extend the deep-water area for cargo ships from 900 to 2,400 feet. The crane portion will add three new gantry cranes. When this project is complete, it is expected to provide 7,000 more jobs in Broward County. Below is a depiction of the project:



Metropica

Metropica is a 65-acre mixed used development under construction in Sunrise. The development is adjacent to an outlet shopping mall, Sawgrass Mills. The \$1.5 billion development will include 2,250 condominiums in eight towers, 485,000 square feet of retail space, 650,000 square feet of Class A office space, and a boutique hotel. This first residential tower completed in June 2020. A rendering for Metropica is provided:



Pier 66 Development

In May 2019, the City of Fort Lauderdale Planning and Zoning Board approved the development of a mixed-use complex surrounding Pier 66 Hotel & Marina. The hotel is closed for construction and plans to reopen in 2022. The hotel, which was damaged during Hurricane Irma, will be revamped and an additional 10-story hotel building will be added on the north side. The developments to the hotel will also include a new restaurant, fitness center, rooftop lawn, and pool. Alongside the hotel improvements, the project will build four waterfront villas, two 11-story condominium buildings featuring ground floor restaurants and 12 single-family homes, as well as 32,000 square feet of retail and office space. Below is a rendering of the completed project:



FATVillage

A key parcel to the 506,000-square-foot large-scale mixed-use project, FATVillage, was purchased in late 2019. The \$300 million project will have eight buildings offering residential, commercial, and culinary space. Construction has already begun on Forge Lofts, consisting of 35 rental lofts and two residential towers consisting of 307 units. Below is a rendering of the completed project:



Broward County Convention Center

In March 2020, construction began on an expansion of the Broward County Convention Center. The project is expected to cost around \$1 billion. It will add an additional 600,000 square feet along with an 800-room hotel. Once complete in 2024, the center will add up to 1,000 local jobs and boost the economy by \$100 million each year. Below is a rendering of the completed project:



Spirit Airlines Headquarters

Spirit Airlines has been headquartered in Miramar for 20 years but has submitted plans to build a new \$250 million 500,000-square-foot headquarters in Dania Beach. By 2022, the company hopes to be ready to start transitioning employees to the new headquarters. Below is a rendering of the completed development:



Virgin Voyages

In 2018, Virgin announced a \$15.9 million-dollar investment on a new headquarters for its cruise branch, Virgin Voyages in Plantation. In early 2021, the company completed the relocation and expects to have approximately 300 employees by the end of 2021. The headquarters will have staff in charge of management and sales. No announcement has been released in regard to how COVID-19-related travel limitations have affected its hiring goals.

Beach Refurbishment

In 2021, the U.S. Army Corps of Engineers will complete Segment II and III of a \$7.9 million project to infill sand along 7.2 miles of beaches from Dania Beach to Hallandale Beach. The overall \$50 million plan also consists of beach access construction and beach staging at select intervals along State Route A1A.

Shiji Group

In February 2020, the Greater Fort Lauderdale Alliance (GFLA) and Shiji Group, a Chinese hospitality technology supplier, cut the ribbon on Shiji Group's new headquarters in Hollywood. The firm created approximately 70 new jobs in the area.

Hayes Locums

In late 2020, Hayes Locums, a medical professional recruiting company, invested \$6.8 million into a 77,105-square-foot space in Cypress Financial Center. The location serves as its new headquarters and is expected to add 250 office and administrative jobs to the 184 employees the firm already had working within Broward County.

Techtronic Industries

Techtronic Industries relocated its U.S. headquarters to Fort Lauderdale in the third quarter of 2019. The transition brought its executive, finance, legal, and human departments to Broward County and created approximately 75 new executive level jobs.

Road Projects

As Broward County expands, roads must be continually updated to accommodate the increasing population. Several major road projects are presented below:

Lyons Road Mobility Improvement Project

This project will span about five miles from the C-14 Canal to the Sawgrass Expressway and is estimated to cost \$11 million. Sidewalks, signalization, pavement, and lighting will be improved and renovated to meet Americans with Disabilities Act standards. It will also widen the roads and add new bike lanes. This project is scheduled to be complete in Fall 2021.

State Road 93/ Interstate-75

This six-mile endeavor was completed August 11, 2020, at a cost of \$8.5 million. The project's purpose was to resurface roads and install double facing guard rails along State Road 93/ Interstate-75 from Miami Dade/ Broward County Line to Sheridan Street.

State Road 7 (SR 7)

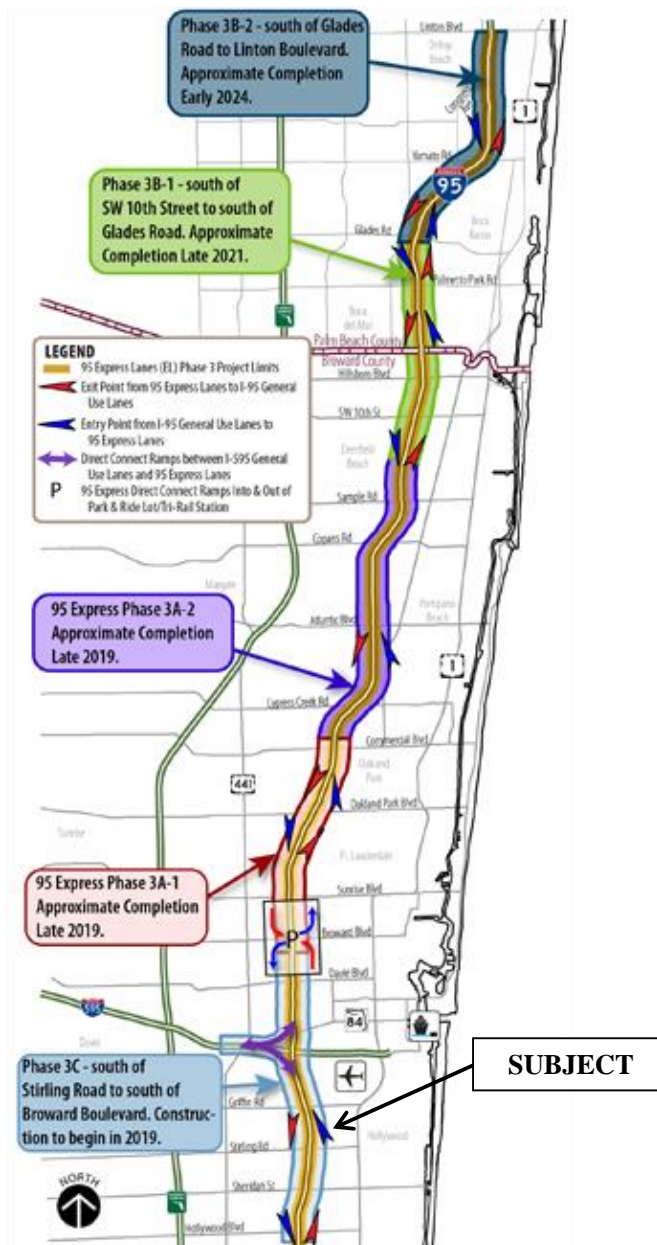
There are four minor projects currently under construction or recently completed:

- An almost 10-mile stretch from the Broward/ Palm Beach County Line to Commercial Boulevard finished construction on May 7, 2020. The construction includes upgraded sidewalks, bike lanes, crosswalks, road surfacing, drainage structures, and signalization. The project's final construction cost is estimated at \$14.2 million.
- Construction from Filmore Street to Stirling Road is approximately 2.08 miles long and will cost about \$29.6 million. It will add two lanes, reconstruct the sewer system, add new bus stops, replace sidewalks, curbs, and gutters, and upgrade signalization
- A \$1.4 million project from Northwest 29th Street to Oakland Park Boulevard will increase pedestrian safety by adding signage, a safety barrier, and repave sidewalks.
- From Hallandale Beach Boulevard to the south of Stirling Road, a \$1.9 million landscaping project will install new palm trees, shade trees, shrubs, and a new irrigation system along the 4.2 mile stretch of road.
- The final project on SR 7 will cost approximately \$500,000 and will increase pedestrian safety from Northwest 36th Street to Northwest 41st Street by adding mid-block crossings and light poles.

Interstate-95 (I-95) has three major projects under construction.

- Phase 3A-1 began in October of 2015 and should be complete by the summer of 2021. It is 6.7 miles long and is estimated to cost \$149 million. It will add one express lane in each direction, install Intelligent Transportation System (ITS), update tolling equipment, widen bridges, and install noise barriers on I-95 northbound, between Powerline Road and Commercial Boulevard, and southbound, between Broward Boulevard and NW 6th Street.
- Phase 3B-1 began in January 2018 and is slated for completion in the spring of 2022. It is expected to cost \$102 million and is around 4.8 miles long. It will convert and widen existing lanes into express lanes, resurface I-95 from Southwest 10th Street to Glades Road, add new auxiliary lanes in select locations, install ITS, noise barriers, and add general improvements like new guard rails, barrier walls, shoulder gutters, and signage.

- Phase 3C will be the most costly and extensive of the I-95 projects. Costing an estimated \$457 million, it will add an express lane in each direction from Stirling Road to Broward Boulevard, a southbound and northbound entrance and exit serving Sheridan Street, dual right turn lane improvements for the ramp on Griffin Road, I-95/ State Road 84 interchange modifications, and the reconstruction, milling, widening, and resurfacing of I-595 from State Road 7 to I-95. Along with these installations, there will be general renovations including improved drainage, lighting, signalization, tolling equipment, bridge painting, and the installation of ITS. A map of the entire project is provided:



Housing Market

Residential building permits for Broward County are presented below:

BROWARD COUNTY BUILDING PERMITS			
Year	SF*	MF*	Total
Annual 2020	1,472	2,948	4,420
2019	1,680	3,450	5,130
2018	1,658	1,674	3,332
2017	1,826	3,208	5,034
2016	1,609	2,496	4,105
2015	1,546	3,906	5,452
2014	1,207	1,255	2,462
2013	1,488	2,982	4,470
2012	1,053	2,503	3,556
2011	1,460	984	2,444
2010	993	175	1,168

*SF= under 5 units MF=5+ units; Source: SOCDS Building Permits, (P)=Preliminary data

Residential development in the market has trended upward.

The median home price for Broward County is provided:

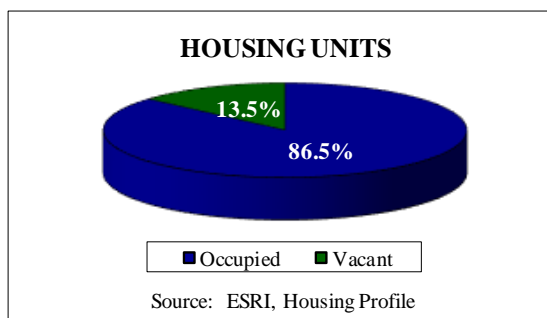
MEDIAN HOME PRICES FOR BROWARD COUNTY	
2020	2025
\$286,112	\$319,525

Source: Housing Profile

The following table displays the occupancy and vacancy rates for the housing market in the county:

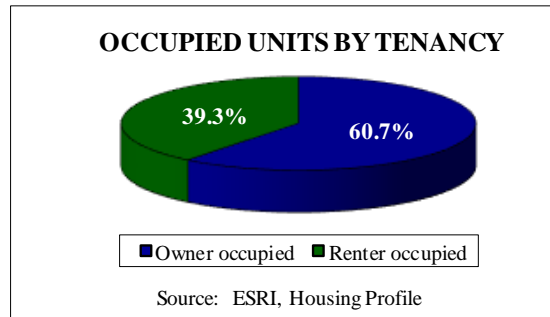
HOUSING UNITS BROWARD COUNTY		
	% of Total	Total
Total:	100.0%	854,986
Occupied	86.5%	739,204
Vacant	13.5%	115,782

Source: ESRI, Housing Profile, 2020



The vacancy rate includes all vacant homes regardless of their availability to rent. The majority of housing units in the county are owner occupied. Rental housing includes all types of units such as apartments, duplexes, triplexes, manufactured housing, single-family homes, etc. The number of owner and renter occupied units for the area is provided:

OCCUPIED UNITS BY TENANCY BROWARD COUNTY		
	% of Total	Total
Total:	100.0%	739,204
Owner occupied	60.7%	448,473
Renter occupied	39.3%	290,731
Source: ESRI, Housing Profile, 2020		



Households by size within Broward County are provided:

HOUSEHOLDS BY SIZE IN BROWARD COUNTY		
Tenure	2020	
Persons Per Household	Number	Percentage
One Person	197,582	28.8%
Two People	214,047	31.2%
Three People	111,826	16.3%
Four People	92,616	13.5%
Five People	42,535	6.2%
Six People	16,465	2.4%
Seven or More People	11,663	1.7%
Total	686,047	100%
Source: ESRI, Market Profile, 2010		

The majority of households within Broward County are one- or two-person households. Further, husband-wife families make up the majority of two-person households, as provided:

HOUSEHOLDS BY TYPE IN BROWARD COUNTY	
Households with Two or More People	71.2%
Family Households	63.3%
Husband-wife Families	42.8%
With Related Children	19.6%
Other Family (No Spouse Present)	20.5%
Other Family with Male Householder	5.3%
With Related Children	2.7%
Other Family with Female Householder	15.3%
With Related Children	9.6%
Nonfamily Households	7.9%
Households with One Person	28.8%
Total Households	100.0%
Source: ESRI, Market Profile, 2010	

Single-Family Housing Trends

February 2021 single-family housing trend in Broward County were obtained from the Miami Association of Realtors and are provided below:

Broward Single Family Homes	February 2021	February 2020	% Change Year-over-Year
Closed Sales	1,243	1,004	23.8%
% Paid in Cash	20.6%	21.5%	-4.3%
Median Sale Price	\$433,000	\$385,000	12.5%
Dollar Volume	\$786,301,912	\$546,310,536	43.9%
% of Original List Price Received	98	96	2%
Median Time to Contract	22	56	-60.7%
Median Time to Sales	67	96	-30.2%
Active Inventory	2,338	4,863	-51.9%
Months Supply of Inventory	1.7	3.6	-52.8%

Closed sales and median sale price increased 23.8% and 12.47%, respectively, year-over-year from February 2020 to February 2021 as month's supply of inventory decreased 52.78%. These trends indicate that Broward County has a strong single-family housing market favoring sellers.

Medical

The area is well serviced by the following major medical facilities:

MAJOR HOSPITALS IN BROWARD COUNTY		
Facility	Beds	City
Memorial Regional Hospital	1,013	Hollywood
Plantation General Hospital	660	Plantation
Broward Health Medical Center	632	Fort Lauderdale
Memorial Hospital West	486	Pembroke Pines
Florida Medical Center	434	Fort Lauderdale
Holy Cross Health	367	Fort Lauderdale
Broward Health North	334	Deerfield Beach
University Hospital and Medical Center	305	Tamarac
Memorial Hospital Pembroke	301	Pembroke Pines
Northwest Medical Center	283	Margate
Westside Regional Medical Center	250	Plantation
Kindred Hospital - South Florida Fort Lauderdale	244	Fort Lauderdale
Cleveland Clinic Florida	230	Weston
Broward Health Coral Springs	224	Coral Springs
Saint John's Nursing Center	207	Lauderdale Lakes
Broward Health Imperial Point	204	Fort Lauderdale
Fort Lauderdale Behavioral Health Center	182	Oakland Park
Encompass Health Rehabilitation Hospital of Sunrise	126	Sunrise
Larkin Community Hospital Behavioral Health Services	50	Hollywood
South Florida State Hospital	49	Pembroke Pines
Source: American Hospital Directory		



Broward Health North is a full-service hospital with 334 beds located in Deerfield Beach. The hospital recently added a \$78 million expansion to create a 36,000-square-foot, 53-bed emergency department with three trauma bays and six new operating rooms.



Memorial Regional Hospital is a full-service hospital with 1,013 beds serving all of Broward County. It is a part of the Memorial Healthcare System, which encompasses 11 healthcare facilities in Broward County. It is one of the largest hospitals in Florida. The ER and Trauma Center is a Level 1 Trauma Center. The hospital also houses the Memorial Cardiac and Vascular, Memorial Cancer, and Memorial Neuroscience Institutes. The hospital admits over 43,000 patients, has over 108,000 emergency department visits, and completes over 12,000 surgeries annually.

Schools



Broward County Public School District is the second largest school system in Florida and sixth largest in the U.S. The school district consists of 330 schools serving 267,970 students in the county. The district has a 17:1 student teacher ratio and employs around 36,000 full and part-time staff. This makes it one of the largest employers in the county.



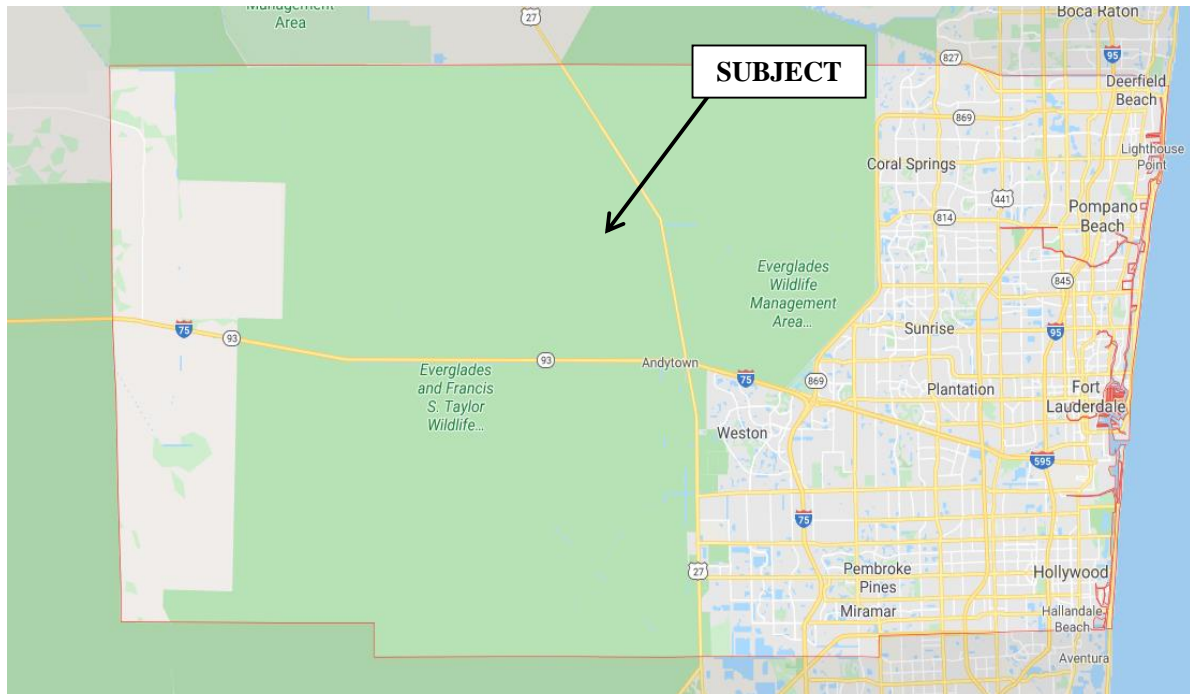
Nova Southeastern University (NSU) is a private research university based out of Davie, Florida. It first opened in 1964 as Nova University before merging with the Southeastern University of the Health Sciences in 1994 to create NSU. Today, the university has over 18 campus and academic centers throughout Florida and Puerto Rico, and over 150 programs of study. With numerous locations in Broward County, NSU is one of the largest employers in the county with over 6,600 employees.

Government



Broward County is comprised of a nine-district commission who vote in a Mayor and Vice-Mayor annually. Commissioners are voted through a bi-partisan election into four year terms. Commissioners must be a resident in the district in which they are elected.

Transportation



Highway Network

Broward County is located halfway between Miami and West Palm Beach. Interstate 95 provides north-south access along the eastern coast of Florida. In addition to I-95, Florida's Turnpike, U.S. Highway 27, U.S. Highway 441, and U.S. Highway 1 (U.S. 1) also provide north/south travel throughout the county. Interstate 75 is the main arterial through the center of the county, providing a route to Naples on the western coast. There are several state roads and county roads throughout the area providing local access to employment nodes, residences, and support services.

Travel patterns in the county provide an indication of where residents work and their commuting patterns. The typical modes of transportation are provided:

TYPICAL MODE OF TRANSPORTATION		
Mode of Transportation	Worker's Age 16+	
	Number	Percent
Drove Alone	754,014	79.5%
Carpooled	85,817	9.1%
Public Transit	24,825	2.6%
Walked	11,497	1.2%
Other Means	22,599	2.4%
Worked at Home	49,414	5.2%
Total	948,166	100.0%
Source: 2019 American Community Survey		

The majority of residents commute alone. Typical travel time provides an indication of the distance from employment residents live and/or the traffic congestion involved with their commutes. The typical travel time is provided:

TYPICAL TRAVEL TIME		
Travel Time	Worker's Age 16+	
	Number	Percent
Less Than 15 Minutes	155,459	17.3%
15 to 29 Minutes	334,614	37.2%
30 to 44 Minutes	235,454	26.2%
45 to 59 Minutes	90,543	10.1%
60 or More Minutes	82,682	9.2%
Total	898,752	100.0%
Source: 2019 American Community Survey		

Most residents have travel times less than 30 minutes. This suggests that a majority of the residents will live within urban or suburban areas.

Public Transit

Broward County Transit (BCT) provides fixed route bus, shuttles, and door-to-door public transportation within the county. BCT routes cover the majority of residential areas in Broward County east of Interstate 75 and the Sawgrass Expressway. It has a mobile app that allows residents to purchase and scan their ticket on their smart phone.

Port

Port Everglades is the leading container port in Florida and one of the most active cargo ports in the U.S. with about \$24 billion in yearly cargo value. The port's cruise sector served 3.9 million passengers in 2019. The port generates \$32 billion in economic activity and draws over 13,000 local jobs from the companies that utilize its services.

Locomotive

Brightline is the only privately owned passenger train system in the U.S. It provides access to Miami, Fort Lauderdale, and West Palm Beach, with plans to expand to Orlando by 2023. These plans received \$1.75 billion in bond funding in August 2018. The earliest released map of the line with approximate travel times is provided:



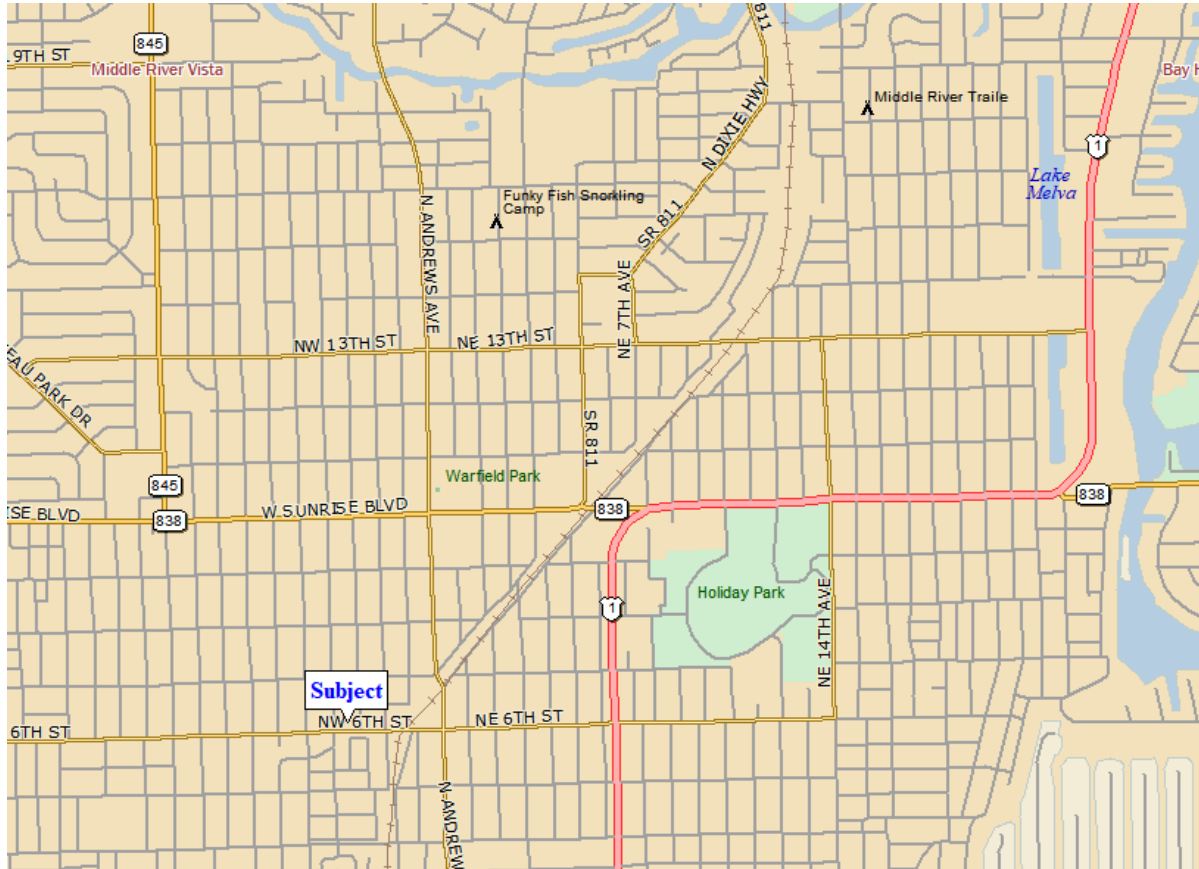
Airport

Fort Lauderdale-Hollywood International Airport (FLL) is the primary airport in Broward County. The airport sits in between the city limits of Fort Lauderdale, Hollywood, and Dania Beach. The airport is a regional hub for residents and tourists seeking destinations in the Caribbean. FLL handled over 36 million passengers in 2019 and over 330,000 flights. The airport is self-sufficient in that it takes no tax revenue, employs nearly 18,000 individuals, and has an average annual economic impact of \$37.5 billion.

Conclusion

Broward County is located in southeast Florida along the eastern coast between Miami and West Palm Beach. Broward County's population and household formation have expanded over the last several years and is expected to continue into the foreseeable future. The county's diverse economy provides stability to the workforce and attracts a steady in-migration of residents. The presence of Port Everglades and its importance in the intermodal distribution of goods in and out of the southeast United States helps further insulate the county from industry specific downturns.

Neighborhood Analysis



A neighborhood is an area of similar or complementary land uses, inhabitants, buildings, and business enterprises that are relatively uniform; that is, a neighborhood exhibits a greater degree of commonality than the larger surrounding area. The subject is located in Fort Lauderdale with excellent access to the area's community support services and major roadways. A brief overview of the neighborhood is provided.

Overview of Neighborhood

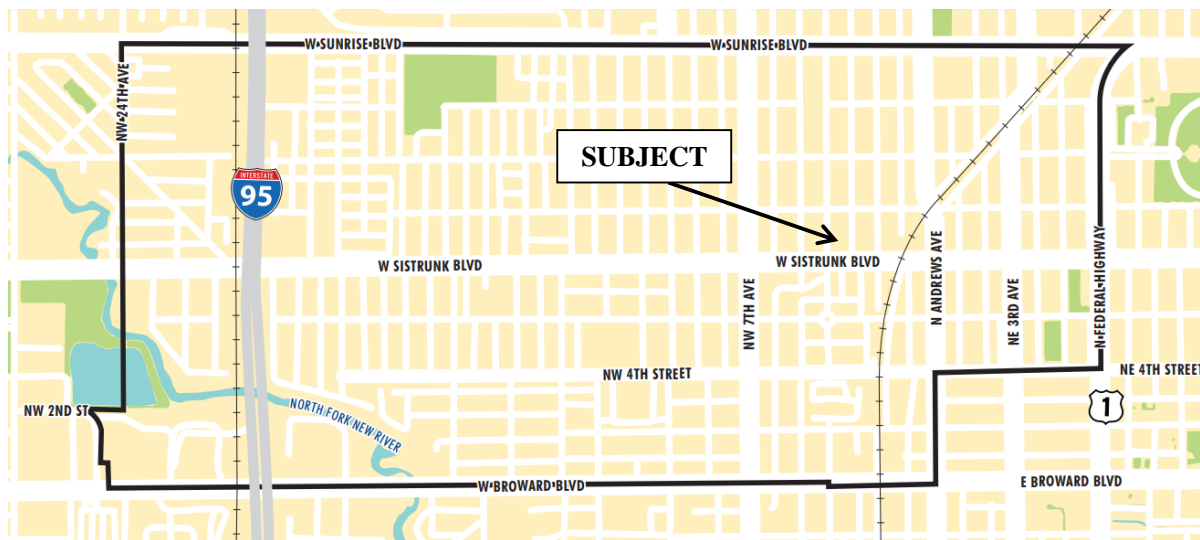
Fort Lauderdale was built in 1838 during the Seminole Wars and named after Major William Lauderdale. The City of Fort Lauderdale was incorporated in 1911. The population has rapidly grown to approximately 183,000 people and covers approximately 36 square miles. Fort Lauderdale offers many entertainment opportunities for recreation, relaxation, and enjoyment. The city economy was once based entirely on tourism. Today, the city is home to a broad range of industries such as marine, manufacturing, finance, insurance, and many others. The subject's neighborhood is located on the northern portion of Fort Lauderdale in an area referred to as the Village District or the Northwest-Progresso-Flagler Heights (NFP).

Economic Trends

The Northwest-Progresso-Flagler Heights Community Redevelopment Area

The NFP area was selected for redevelopment by the Fort Lauderdale Community Redevelopment Agency to eliminate slum and blighting conditions and promote the rehabilitation, conservation, and redevelopment. The plan was enacted in 1995 and was last revised in 2016. Since its inception, \$26 million has been

invested into the area to improve public infrastructure and construct businesses and housing units. The agency offers various incentives for developments within the boundaries presented in the map below:



Access

The subject can be accessed via Northwest 6th Street/ Sistrunk Boulevard and U.S. 1 is the main thoroughfare for the neighborhood. Northwest 6th Street travels west-east and U.S. 1 winds north-south. The neighborhood is well connected through a network of smaller streets.

School District

School districts are typically an important factor when selecting housing. The following provides the schools within the subject's neighborhood:

SUBJECT'S DISTRICT SCHOOLS			
Name	Rating	Grades	Enrollment
North Side Elementary School	5	PK-5	437
Sunrise Middle School	4	6-8	1,249
Fort Lauderdale High School	6	9-12	2,007
Source: Greatschools.org			

Great Schools is an organization that rates thousands of schools across the country against their state averages. The scale goes from 1 to 10, ten being the best. The neighborhood has moderately rated schools.

Worker Adjustment and Retraining Notification Act (WARN)

WARN Notices are sent in coordination with the United States labor law which protects employees by requiring most employers with 100 or more employees to provide 60 calendar day advance notification of plant closings and mass layoffs of employees. The following chart illustrates organizations that have issued WARN notices in the last two years in City of Fort Lauderdale:

WARN NOTICES IN FORT LAUDERDALE			
Company/Organizations	Number Affected	Effective Date	Closing or Layoff
Southwest Airlines	271	3/15/2021	Layoff
Norwegian Air Resources US	154	2/11/2021	Layoff
Southwest Airlines/Mechanic and Related Workgroup	6	1/25/2021	Layoff
Southwest Airlines/Aircraft Appearance Technicians Workgroup	2	1/25/2021	Layoff
Princess Cruise Lines Ltd.	13	12/1/2020	Layoff
ABM, Inc.	269	11/30/2020	Layoff
American Sales Management Organization LLC d/b/a Eulen America	123	11/29/2020	Layoff
Sonesta Fort Lauderdale Beach Hotel	53	11/10/2020	Layoff
HMSHost	533	10/15/2020	Layoff
Neiman Marcus	122	10/2/2020	Closing
Spirit Airlines, Inc.	11	10/1/2020	Layoff
Silver Airways	79	10/1/2020	Layoff
Spirit Airlines, Inc.	946	10/1/2020	Layoff
SP+ Corporation	119	9/23/2020	Layoff
Airport Management Services and Hudson Group	37	8/31/2020	Layoff
The Hertz Corporation	2	8/17/2020	Layoff
Air Canada	51	8/2/2020	Layoff
Airport Management Services and Hudson Group	77	7/31/2020	Layoff
Westin Beach Resort Fort Lauderdale	235	5/22/2020	Layoff
The Hertz Corporation	10	5/20/2020	Layoff
Grille 66 & Bar	58	5/11/2020	Closing
Prismatik Dentalcraft, Inc.	3	5/9/2020	Layoff
MSC Cruises (USA) Inc.	128	5/4/2020	Layoff
Check N' Go of Florida	1	5/1/2020	Layoff
Enterprise Holdings -- Ft. Lauderdale-Hollywood Airport	116	4/30/2020	Layoff
Enterprise Holdings -- Ft. Lauderdale Administrative Office	97	4/30/2020	Layoff
The Hertz Corporation	116	4/14/2020	Layoff
VSPOne Ft. Lauderdale	50	4/10/2020	Layoff
Sunshine Cleaning Systems, Inc	62	4/6/2020	Layoff
Calvary Chapel Church, Inc	81	4/4/2020	Layoff
Avis Budget Car Rental, LLC	12	4/1/2020	Layoff
Avianca	1	4/1/2020	Layoff
Brightline Management LLC	18	4/1/2020	Layoff
Lynx FBO Fort Lauderdale, LLC	8	3/28/2020	Layoff
Prismatik Dentalcraft, Inc.	6	3/27/2020	Layoff
Phelan Hallinan Diamond & Jones	31	3/27/2020	Layoff
Keolis Transit America's	123	3/25/2020	Layoff
Hilton Fort Lauderdale Beach Resort	108	3/23/2020	Layoff
Delaware North Companies, Inc.	622	3/23/2020	Layoff
Starr Restaurants Hotel Group, LP d/b/a El Vez FL	157	3/23/2020	Closing
Starr Restaurants Hotel Group, LP d/b/a Steak 954	143	3/23/2020	Closing
Go Rentals	7	3/22/2020	Layoff
OSM Aviation, Inc.	160	3/22/2020	Layoff
Hilton Fort Lauderdale Marina	167	3/21/2020	Layoff
OTF Studios, LLC	21	3/21/2020	Closing
P.F. Chang's China Bistro	82	3/20/2020	Layoff
GALLERYone a DoubleTree Suites by Hilton	62	3/20/2020	Layoff
Embassy Suites Fort Lauderdale	118	3/20/2020	Layoff
DoubleTree by Hilton Bahia Mar Fort Lauderdale	67	3/20/2020	Layoff
Avis Budget Car Rental, LLC	93	3/20/2020	Closing
Paradies-Broward, LLC	74	3/19/2020	Layoff
GWB, LLC d/b/a Grand Western	52	3/18/2020	Layoff
Rustic Inn Crabhouse	151	3/18/2020	Closing
The Ritz-Carlton Ft. Lauderdale	294	3/17/2020	Layoff
Sheraton Suites Fort Lauderdale Plantation	64	3/16/2020	Layoff
SW Hotels & Resorts WW, LLC d/b/a W Fort Lauderdale	305	3/14/2020	Layoff
Ft. Lauderdale Marriott Harbor Beach Resort & Spa	564	3/14/2020	Layoff
Swissport SA USA, LLC	103	3/13/2020	Layoff

Source: Florida Department of Economic Opportunity

Community Support Services

There are a number of residential support services in the market area. Support services provide a network of easily accessible medical, shopping, dining and social opportunities for residents and their families. The following map highlights several of the residential support services available within the market:



CIVIC, SOCIAL AND COMMERCIAL CENTERS	
Item:	Distance (Miles)
Bank	~0.25
North Side Elementary School	~0.50
Pharmacy	~0.50
Grocery	~0.75
Holiday Park	~0.75
Fort Lauderdale High School	~1.50
Sunrise Middle School	~1.75

The subject is located in close proximity to all of the major support services needed for a residential property. These support services include a grocery store, pharmacy, bank, and schools.

Crime Statistics

The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

The subject is within the jurisdiction of the Fort Lauderdale Police Department. The following chart illustrates the crime rate per 10,000 persons that were committed in the City of Fort Lauderdale, the state of Florida, and the United States as a whole in 2019:

2019 CRIME STATISTICS			
	Fort Lauderdale	Florida	National
Violent Crime	59.4268	37.8392	38.0559
Murder and Nonnegligent Manslaughter	1.1366	0.5224	0.4956
Rape	5.0334	3.9371	4.2602
Robbery	22.0821	7.5506	8.6213
Aggravated Assault	31.1747	25.8291	24.6788
Property Crime	491.5433	214.5692	219.9499
Burglary	69.0066	29.5171	37.6000
Larceny-Theft	375.8829	166.8714	159.4613
Motor Vehicle Theft	46.6539	18.1807	22.8886
Source: FBI.gov			

Crime rates are not reflective of the subject's specific neighborhood.

Conclusion

The subject is located in the northern portion of Fort Lauderdale. The subject is located near an expansive community park and has all the necessary community support services available within two miles, including a grocery store, bank, pharmacy, and schools. The subject is walkable to a variety of employment centers, entertainment, and support services. The subject has easy access to U.S. 1 and numerous state roads in close proximity, providing ease of commute to employment nodes throughout Broward County. These characteristics will attract demand for rental properties such as the subject.

Primary Market Analysis

The Primary Market Analysis (PMA) examines the sustainability of the subject. One of two levels of analyses is presented: Level B or Level C. Level B is an inferred analysis while Level C is a fundamental analysis.

Level B is general and descriptive and not subject-specific. This level of analysis relies on historical data and not on future projections. General data and select comparable information are presented to reflect market trends. The conclusion is based on general trends in the PMA, county and/or region. In essence, if trends are positive, it is inferred that there is sufficient demand that will exist in the future to sustain the subject. Level B is typically applied when the subject has a history of operating results, and no significant change is anticipated in the market.

Level C is more project-specific in nature. Projected conclusions are presented that are based on interpretations of market data. Information analyzed includes market-wide data, specific market surveys and demand analyses. Level C analyses are typically applied when there are changes anticipated in the market that could have a significant impact on market trends.

The immediate area surrounding the subject property provides a variety of residential support services including schools, grocery stores, health facilities, and related. As such, the PMA supports rental housing. Overall, the PMA surrounding the subject has employment opportunities and good proximity to the major road networks necessary for the current rental development. There are no complex features noted in the PMA such as fervent growth or drastic market-oriented changes.

PMA Level B is applied

Broward County is anticipated to continue to add households. This will place stress on the existing supply. The subject has a good location to accommodate the growth, which will help to sustain the property into the future. Population growth is projected as follows:

BROWARD COUNTY POPULATION PROJECTIONS BY AGE					
Total Number of Residents					
Age	2010	2020	2025	Change 2020 - 2025	% Change
0-4	103,256	100,799	106,483	5,684	5.6%
5-9	104,071	105,197	106,224	1,027	1.0%
10-14	112,207	111,351	112,237	886	0.8%
15-19	114,200	104,615	108,613	3,998	3.8%
20-24	104,783	110,819	106,281	-4,538	-4.1%
25-34	224,479	267,103	274,287	7,184	2.7%
35-44	251,425	239,746	267,527	27,781	11.6%
45-54	277,040	255,247	240,284	-14,963	-5.9%
55-64	207,181	265,278	258,943	-6,335	-2.4%
65-74	125,353	195,695	225,676	29,981	15.3%
75-84	82,545	102,654	132,528	29,874	29.1%
85+	41,526	51,041	54,425	3,384	6.6%
Total	1,748,066	1,909,545	1,993,508	83,963	4.4%
% Change		9.2%	4.4%		
Compounded annual growth rate (2010 to 2025)			0.9%		
Compounded annual growth rate (2020 to 2025)			0.9%		

Source: Demographic and Income Profile, ESRI Site Analysis

The county is not anticipated to experience significant fluctuations in household formation. This reinforces the Level B PMA analysis.

BROWARD COUNTY WORKING-AGE RESIDENTS					
Total Number of Residents					
Age	2010	2020	2025	Change 2020 - 2025	% Change
20-24	104,783	110,819	106,281	-4,538	-4.1%
25-34	224,479	267,103	274,287	7,184	2.7%
35-44	251,425	239,746	267,527	27,781	11.6%
45-54	277,040	255,247	240,284	-14,963	-5.9%
55-64	207,181	265,278	258,943	-6,335	-2.4%
Total	1,064,908	1,138,193	1,147,322	9,129	0.8%
% Change		6.9%	0.8%		
Compounded annual growth rate (2010 to 2025)			0.5%		
Compounded annual growth rate (2020 to 2025)			0.2%		
Source: Demographic and Income Profile, STDB, Inc., ESRI Site Analysis.					

The subject provides rental housing targeting moderate-income households. The PMA accommodates a variety of household profiles with the subject ideally positioned to compete for this rental household profile. A summary of apartment communities in the market area is presented in the following table.

MARKET-AREA RENTAL PROPERTIES				
Property Name	Year Built	Number of Units	Occupancy	Occupied Units
<i>SUBJECT - At Inspection</i>	<i>2020</i>	<i>142</i>	<i>100.0%</i>	<i>142</i>
1 Motif at Flagler Village	2020	385	80.0%	308
2 Pearl Flagler Village	2019	350	86.0%	301
3 ORA Flagler Village	2017	292	97.2%	284
4 The Manor at Flagler Village	2014	382	94.0%	359
5 Solmar on Sixth	2009	286	94.6%	271
6 Eon at Flagler Village	2019	206	96.1%	198
7 Las Olas Walk	2020	456	60.1%	274
9 Motif at Flagler Village	2020	385	80.0%	308
10 Pearl Flagler Village	2019	350	73.7%	258
11 Eon at Flagler Village	2019	206	96.1%	198
12 ORA Flagler Village	2017	292	95.0%	277
13 Las Olas Walk	2020	456	60.1%	274
14 The Manor at Flagler Village	2014	382	94.0%	359
15 Solmar on Sixth	2009	286	94.6%	271
Stabilized Occupancy		2,332	95.0%	2,216
Totals		4,714	83.6%	3,939

The subject's surrounding market is operating at strong occupancy levels despite the additions to supply that have occurred over the past two years. Continued household expansion will put pressure on the existing supply to accommodate additional demand.

Additions to Supply

According to the planning departments there are a number of for-sale and for-rent projects that could enter the market.

Quantum at Flagler Village is a 15-story high rise with 328 apartments. The project is under construction and should deliver units in early 2022. The price point will be significantly higher than the subject.

Modera Flagler Village is under construction. This 24-story project will offer 350 apartments. The project should deliver units in late 2021 or early 2022. The price points will be significantly higher than the subject.

Eon at Flagler Village opened in 2019 and has a second phase that should be delivered in 2022. The second phase will have 270-units.

Household formation is strong and there is a current need for additional rental product. Occupancy levels are near capacity within existing supply. Furthermore, the cost of new construction results in new development to be priced significantly above the subject's rate structure. Thus, there is minimal risk due to additions to supply.

PMA Conclusion

The PMA is reporting strong, occupancy levels with demand exceeding supply. Combined with good schools, convenient access to the regional transportation network and a variety of residential support services, the PMA will continue to sustain the existing supply. There are virtually no concessions in the market and demand levels exceed supply. We have concluded that the subject will be sustained well into the future.

Highest and Best Use

Introduction

According to *The Appraisal of Real Estate*, the highest and best use of a property is defined as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

Fundamental in the above definition are separate estimates of the highest and best use of the subject property as if vacant and as improved. Although the highest and best use of the site may be determined to be different from the existing improvements, the improvements will continue as the highest and best use until land value exceeds the properties total value plus demolition costs.

In this section of the appraisal, we address the highest and best use relative to the HUD requirement that the property be examined based on its intended use.

As-If Vacant

Physically Possible

The subject site is generally rectangular in shape and contains 1.12 acres of land. The site is ample in size to accommodate a number of land uses. The site has average frontage and visibility, providing convenient access to major traffic routes in the area. As such, a residential (including multifamily) or residential support use would be physically possible.

Legally Permissible

The subject is zoned NWRAC-MUE, (North West Regional Activity Center-Mixed Use East) which allows apartment development. Moreover, the subject is located within an area that supports a multifamily use. The subject is a legally conforming use of the site and is compatible with adjacent land uses.

Financially Feasible

Because residential development was the intended use and the project is financially viable based on this appraisal, it is considered a feasible use of the property.

Conclusion of Highest and Best Use

The subject's intended use is considered to be the likely highest and best use as a multifamily development oriented to moderate income rental households.

Highest and Best Use – As Improved

The subject provides good-quality rental product designed to meet the needs of rental households. The subject's unit mix and improvements are physically well suited for the market. The subject's improvements are considered the highest and best use of the site.

Marketing Time and Financing

Typical Buyers

Typical buyers for apartment complexes similar to the subject include limited partnerships, REIT's, insurance companies and pension funds.

Marketing Time

According to the verifying sources for each of the sales within the Sales Comparison Approach, the typical marketing time for their respective complexes was 6± months.

Based on the actual marketing periods for several of the sales that will be discussed in detail in the Sales Comparison Approach, as well as the recent investor surveys, we estimated a typical marketing time for the subject of 6± months.

Exposure Time

Exposure time may be defined as follows:

The estimated length of time the property being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events, assuming a competitive and open market. (Source: "USPAP," Statement on Appraisal Standards No. 6 {SMT-6})

The market value estimates derived herein assume an exposure time for the subject of 6± months.

Financing

Financing for the subject property would most likely be obtained from an agency such as HUD, Freddie Mac or Fannie Mae as well as a regional bank or life insurance company. Permanent lenders in the area are presently underwriting loans based on a 1.176x to 1.25x DSCR, with 25- to 35-year amortization period, and a rate based on a spread of 175 to 250 basis points over the 10-year U.S. Treasury rate. Agency rates are between 4.0% and 5.0% depending on the property and various underwriting standards.

Appraisal Process

Three traditional approaches are normally used by appraisers in the estimation of market value of a property, providing data from three market perspectives. These three techniques are the cost approach, the income approach, and the sales comparison approach (market approach).

The **cost approach** is the sum of the land value and the cost new of the improvements less accrued depreciation. The cost approach is based on the premise that an informed, rational investor/purchaser would pay no more for an existing property than it would cost him to reproduce a substitute property with the same utility without undue delay. The cost approach provides an excellent valuation method for recently constructed or proposed improvements as well as unique or special purpose property types in which improved sales or comparable leases are not readily available.

The **sales comparison approach** (market approach) is the process of comparing prices paid for properties having a satisfactory degree of similarity to the subject property adjusted for differences in time, location, and physical characteristics. This approach is based upon the principle of substitution, which implies that a prudent purchaser will not pay more to buy a property than it would cost to buy a comparable substitute property in a similar location.

The **income approach** is based on the premise that a prudent investor would pay no more for the subject property than they would for another investment with similar risk and return characteristics. Since the value of an investment can be considered equal to the present worth of anticipated future benefits in the form of dollar income or amenities, this approach estimates the present value of the net income that the property is capable of producing. This amount is capitalized at a rate that should reflect risk to the investor and the amount of income necessary to support debt service or the mortgage requirement.

Each technique or approach to value has its strengths and weaknesses, depending largely on the type of property being appraised and the quality of available data. In most instances, one or more of these approaches will produce a more reliable value indication than the other approach or approaches.

The final step in the appraisal process is the reconciliation and correlation of all of the value indications into a final value estimate. This step usually begins with a discussion of the merits and demerits of each approach and an analysis of the reliability of the data used in each approach. It concludes with the statement of final value estimate.

Cost Approach

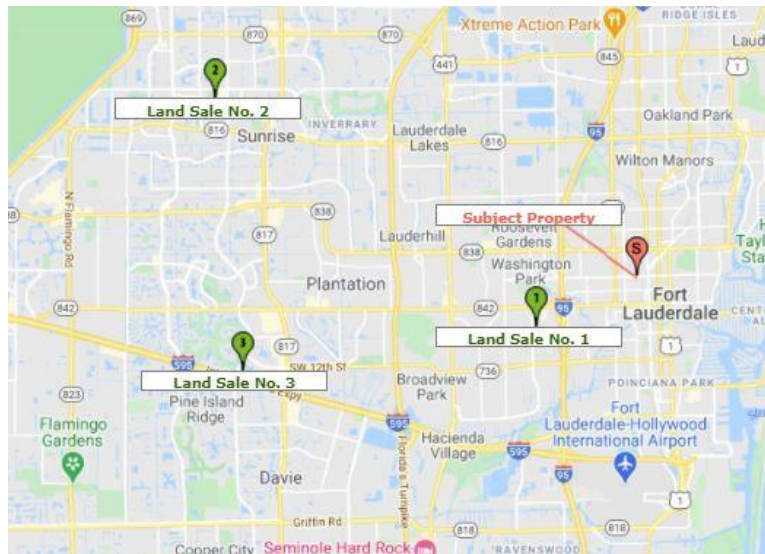
The cost approach is based on the principle of substitution, which states that a prudent purchaser would not pay more for a property than the amount required to purchase a similar site and construct similar improvements, without undue delay, to produce a property of equal desirability and utility. The procedure begins by estimating the value of the subject site at its highest and best use, based upon a market analysis of recent comparable sales of vacant land similar to the subject site. The next step involves estimating the current reproduction cost of the improvements including entrepreneurial profit, less accrued depreciation, if any. The final step involves adding the land value to the contributory value of the improvements to result in a value indication.

According to the most recent *HUD MAP Guide*, the cost approach may be eliminated for properties that are greater than 10 years old. The subject was originally built in 2020; therefore, the cost approach was deemed unnecessary. A land value is provided per the *HUD MAP Guide* instructions.

Basis of Analysis

Sales used to value the subject site were analyzed on a per unit basis. The locations of the land sales are referenced in the land sales map, and detailed descriptions of the comparable land sales are in the addenda. These complete discussions may facilitate further understanding of the adjustment discussion that follows the land sales analysis table.

Land Sales Map



Land Sales Summary

A summary of the sales follows.

LAND SALE DATA			
	1	2	3
Property ID	19381	19380	13724
Property Name	Sunset Colony Mobile Home Park - Pearl Riverland Apartments	Village Shoppes Of Pine Plaza - Vista Verde at Sunrise	Modera Cornerstone
Address	400 SW 27th Ave	4255 North Pine Island Road	1240 South Pine Island Road
City/Municipality	Fort Lauderdale	Sunrise	Plantation
County	Broward	Broward	Broward
State	Florida	Florida	Florida
Zip Code	33312-2039	33351	33324
Zoning Description	Mobile Home Park	Planned Development	Planned Commercial Development
Seller	Clarkson-Bergman Family Partnership, LTD.	Pine Plaza Holdings, LLC	PG-Plantation CS Four, LLC
Buyer	Riverland Owner, LLC	Pine Park Apartments LLC	Columbia Cornerstone Ventures, LLC
Sale Date	1/27/2020	1/14/2019	3/29/2018
Sale Price	\$10,000,000	\$10,918,000	\$11,400,000
Number of Acres	10.91	15.30	6.26
Number of Units	276	288	330
Price/Acre	\$916,466	\$713,666	\$1,821,086
Price/Unit	\$36,232	\$37,910	\$34,545

Land Sales Analysis

As shown in the table at the end of this section entitled land sale analysis, we made adjustments to the comparable sales as necessary to offset differences for various factors affecting value such as date of sale, location/access, zoning/density, physical characteristics, and condition/other. Explanations of the adjustment categories utilized to reflect the similarities between these sales and the subject property are discussed in the following section.

The market has trended upward. A pared analysis was completed of Sale Two and Three both located in the west submarkets of Broward County. The analysis is based on the sales after all adjustments other than time. The analysis suggests a 2.5% annual change, rounded, for market conditions. This was applied to all of the sales.

Sunset Colony Mobile Home Park - Pearl Riverland Apartments (Land Sale No. 1)

This land parcel is located on the east side of Southwest 27th Avenue, south of West Broward Boulevard, in Fort Lauderdale, Broward County, Florida. The zoning at the time was for mobile home park use but easily lends itself to multi-family development. Access is via the east side of Southwest 27th Avenue.

This sale occurred January 2020. It was a former mobile home park that was acquired to develop a 276-garden apartment community. There were no unusual sale conditions. The sale was contingent upon development approvals.

No adjustment was made for financing or conditions of sale. The sale was adjusted for market conditions as previously discussed at 2.5% annually. Sale One is located west of Interstate 95 in an area that is experiencing new development at an intensity below the subject's neighborhood. An upward adjustment was applied for location. The density is lower. Low density site will sell for more per unit than high density sites. A downward adjustment was applied. The sale and the subject have good exposure and access. No adjustment was applied. The general neighborhood demographics and tenant orientation are similar and not adjusted. There were no unusual site conditions. No other adjustments were made.

Village Shoppes Of Pine Plaza - Vista Verde at Sunrise (Land Sale No. 2)

The property is located in the southwest corner of Northwest 44th Street and North Pine Island Road, in Sunrise, Broward County, Florida. This was previously improved by a retail shopping center. It was part of

a larger parent tract. Access is good from to roadways. Exposure is average being located setback off of NW 44th Street.

This is the January 2019 sale of a high vacancy shopping center. The property was purchased with the intent to raze the improvements and develop a 288-unit apartment project to be named Riverland Apartments. The sale price was adjusted upward by \$550,000 for demolition costs of the existing improvements.

No adjustment was made for financing or conditions of sale. The sale was adjusted for market conditions as previously discussed at 2.5% annually. Sale Two is in the western suburban market of Sunrise. An upward adjustment was applied for location. The density is lower. Low density site will sell for more per unit than high density sites. A downward adjustment was applied. The sale has inferior access and exposure and was adjusted upward. The general neighborhood demographics and tenant orientation are similar and not adjusted. There were no unusual site conditions. No other adjustments were made.

Modera Cornerstone (Land Sale No. 3)

This is a 6.26-acre pad site located in the Cornerstone Corporate Center. Cornerstone is a 58-acre class A business campus located in the northwest quadrant of South Pine Island Road and Interstate 595. The site has infrastructure in place, a paved parking lot and frontage on an 11-acre lake.

This is the March 2018 sale of a developed pad site within the Cornerstone Corporate Center. The site was pad ready with a parking lot and utilities in place. The site benefits from off-site drainage. The buyer intends on utilizing some of the existing parking lot. Minor demolition of the parking lot and lateral sewer lines are required for the planned development. The buyer intends on constructing a seven-story, 330-unit hospitality inspired apartment project. It will include one-, two- and three-bedroom apartments ranging in square footage from 657 to 1,384 with den layouts available. Community amenities will include outdoor pool, fitness center, controlled -access garage, parking, dog park, pet spa, clubhouse, and barbecue area. Construction is set for completion in October 2019 with move ins to begin January 2020. This was a fully negotiated arm's length transaction.

No adjustment was made for financing or conditions of sale. The sale was adjusted for market conditions as previously discussed at 2.5% annually. Sale Three is located just north of Interstate 595 in an area that is experiencing new development at an intensity inferior to the subject's neighborhood. An upward adjustment was made. The density is lower. Low density site will sell for more per unit than high density sites. A downward adjustment was applied. The sale and the subject have good exposure and access. No adjustment was applied. The general neighborhood demographics and tenant orientation are similar and not adjusted. There were no unusual site conditions. No other adjustments were made.

Conclusion Land Value Estimate

After analyzing all available land sales data and making the necessary adjustments, the indicated range of values for the subject was:

INDICATED VALUE PER UNIT	
Minimum	\$35,280
Maximum	\$35,967
Average	\$35,557
Standard Deviation	\$362
Reconciled Value	\$35,000

The subject, when acquired, was in an emerging, redeveloping area. Since the acquisition, the neighborhood characteristics have changed, and significant development activity has occurred. Numerous new apartment communities and entertainment establishments have opened and are thriving. This has resulted in the subject's location going from a "fringe" area to a prime walkable location.

Reliance is placed on the middle portion of the range with most emphasis on Sale One.

The land analysis is presented:

8. Value Fully Improved	Location of Project Fort Lauderdale				Size of Subject Property 142 Units
	Comparable Sales Address No. 1	Comparable Sales Address No. 2	Comparable Sales Address No. 3	Comparable Sales Address No. 4	Comparable Sales Address No. 5
	Sunset Colony Mobile Home Park - Pearl Riverland Apartments	Village Shoppes Of Pine Plaza - Vista Verde at Sunrise	Modera Cornerstone		Subject
Date of Sale	January -20	January -19	March -18		
Sales Price	\$10,000,000	\$10,918,000	\$11,400,000		
Size (Acres)	10.91	15.30	6.26		1.12
Size (SF)	475,304	666,402	272,686		48,918
Number of Units	276	288	330		142
Density	25.29	18.83	52.72		126.45
Price per Unit	\$36,232	\$37,910	\$34,545		
Price Per Acre	\$916,466	\$713,666	\$1,821,086		
Price Per SF	\$21.04	\$16.38	\$41.81		
Unit of Comparison	\$36,232	\$37,910	\$34,545		
Adjustments (%)					
Time	3%	5%	8%		
Adjusted For Time	\$37,289	\$39,963	\$37,136		
Location	5%	5%	5%		
Zoning/Density	-10%	-20%	-10%		
Frontage/Exposure	0%	5%	0%		
Demographics	0%	0%	0%		
Unusal Site conditions	0%	0%	0%		
Other	0%	0%	0%		
Total Adjustment Factor	-5.0%	-10.0%	-5.0%		
Adjusted Price	\$35,424	\$35,967	\$35,280		
Indicated Value by Comparison	\$5,030,239	\$5,107,293	\$5,009,695		
Reconciled:	\$35,000 Per Unit				\$5,000,000

Improvement Valuation

The steps in developing the cost approach:

- Estimate the value of the land as though vacant and available for development to its highest and best use.
- Estimate the reproduction or replacement cost of all improvements on the effective date of the appraisal. This includes direct (hard) and indirect (soft) costs.
- Estimate other costs (indirect costs) incurred after construction to bring the new, vacant building up to market conditions and occupancy levels.
- Estimate entrepreneurial profit, when appropriate, from an analysis of the market.
- Add estimated replacement or reproduction cost, indirect costs, and entrepreneurial profit, often expressed as a percentage of total direct and indirect costs and sometimes land value, to arrive at the total replacement or reproduction cost of the primary structure(s).
- Estimate the amount of accrued depreciation in the structure, which is divided into three major categories: physical deterioration, functional obsolescence, and external obsolescence.
- Deduct the estimated depreciation from the total reproduction or replacement costs of the structure to derive an estimate of the structure's depreciated reproduction or replacement costs.
- Estimate reproduction or replacement costs and depreciation for any accessory buildings and site improvements and then deduct estimated depreciation from the reproduction or replacement costs of these improvements. Site improvements and minor buildings are often appraised at their net value, i.e., directly on a depreciated basis.
- Add the depreciated reproduction or replacement costs of the structure, the accessory buildings, and the site improvements to obtain the estimated total depreciated reproduction or replacement cost of all improvements.
- Add the land value to the total depreciated reproduction or replacement cost of all improvements to arrive at the indicated value of the fee simple interest in the property.
- Adjust the indicated fee simple value to reflect the property interest being appraised, if necessary, to produce an indicated value for the interest in the subject property.

Replacement Cost New

Reproduction cost and replacement cost are the two types of cost. Replacement cost is the cost to construct a building having functional utility the same as the building being appraised. Reproduction cost is the cost to construct an exact replica of the subject. Both consist of the three basic components of direct costs, indirect costs, and entrepreneurial profit.

Reproduction cost is commonly used for structures that suffer from super-adequacies so that the impact of the superadequacy can be measured. Because the subject suffers from no super-adequacies, replacement cost is used in this analysis.

The replacement cost estimate was provided by the cost engineer.

Analysis of Depreciation

Depreciation is any loss in value from reproduction or replacement cost new as of the effective date of appraisal. Physical deterioration, functional obsolescence and external obsolescence are the three types of depreciation. Both physical deterioration and functional obsolescence can be segregated as either curable or incurable. External obsolescence is always said to be incurable, since only changes in circumstances outside of the property can reverse external obsolescence.

We measured incurable physical deterioration using the modified economic age-life method. This method presumes that the utility of improvements is reduced on a straight-line basis. It utilizes the estimated effective age and economic life of the improvements considered after correction of curable items of physical deterioration and functional obsolescence (if any). If the improvements suffer from external obsolescence, the effect of that upon the economic life should be considered.

There was no functional obsolescence noted.

Economic obsolescence does not exist in the subject market. Therefore, no external economic obsolescence was applied in the analysis.

Physical depreciation was estimated based on an effective age of 1 year with a remaining economic life of 59 years.

The following table summarizes the cost approach and concludes at a value indication.

G. Estimated Replacement Cost			
36a. Unusual Land Improvements	\$	0	
b. Other Land Improvements	\$	150,000	
c. Total Land Improvements	\$	150,000	
Structures			
37. Main Buildings	\$	20,005,789	
38. Accessory Buildings	\$	0	
39. Garages	\$	0	
40. All other Buildings	\$	0	
41. Total Structures	\$	20,005,789	
42. General Requirements	\$	1,000,289	
Fees			
43. Builder's Gen Overhead	at _____ %	\$ 428,123	
44. Builder's Profit	at _____ %	\$ 1,070,309	
45. Arch. Fee-Design	at _____ %	\$ 343,569	
46. Arch. Fee-Supvr.	at _____ %	\$ 343,569	
47. Bond Premium	at _____ %	\$ 229,045	
48. Other Fees	at _____ %	\$ 229,046	
49. Total Fees		\$ 2,643,661	
50. Total All Improvements			
(Lines 36c. plus 41 plus 42 plus 49)	\$	23,799,739	
51. Cost Per Gross Sq. Ft.	\$	50.77	
52. Estimated Construction Time (Months)		12	
Note 1: Jurisdictional Exception: In HUD programs, land, and/or existing improvements are not valued for their "highest and best use," but instead, for their intended multifamily use (See Section J analysis below.) (Exception: Title II or VI Preservation). Offsite improvements are assumed completed in new construction land valuations (See Line M17 for estimated cost.) Unusual costs of site preparation are deducted from the "Value of the Site Fully Improved" to determine "Warranted Price of Land Fully Improved."			
Carrying Charges & Financing			
53. Interest: 14 Mos. at 4.00%			
on \$25,639,740		\$ 7,179,127	
54. Taxes		\$ 24,356	
55. Insurance		\$ 5,000	
56. FHA Mtg. Ins. Prem. (0.65%)		\$ 166,658	
57. FHA Exam Fee (0.05%)		\$ 12,820	
58. FHA. Inspec. Fee (0.20%)		\$ 51,279	
59. Financing Fee (2.0%)		\$ 512,795	
60. AMPO (N. P. only) ()		\$ 0	
61. FNMA/GNMA Fee ()		\$ 0	
62. Title & Recording		\$ 25,000	
63. Total Carrying Charges & Financing		\$ 7,977,036	
Legal, Organization & Audit Fee			
64. Legal		\$ 50,000	
65. Organizational		\$ 25,000	
66. Cost Certification Audit Fee		\$ 10,000	
67. Total Legal, Organization & Audit Fees (64+65+66)		\$ 85,000	
68. Sponsor Profit & Risk", "Builder and Sponsor Profit & Risk		\$ 0	
69. Ground Rent during Construction", "Developer's Fee		\$ 0	
70. Depreciation 55 9.1%		\$ (2,896,525)	
71. Contingency Reserve (Sec. 202 or Rehab only)		\$ 0	
72. Total Est. Development Cost (Excl. of Land or Off-site Cost) (50 plus 63 plus 67 thru 71)		\$ 28,965,250	
73a. Warranted Price of Land J-14(3)			
1,028,016 sq. ft. @ \$ 2.14 per sq. ft.		2,200,000	* see note 1
73b. As Is Property Value (Rehab only)		\$ 0	* see note 2
73c. Off-Site (if needed, Rehab only)		\$ 0	* see note 1
74. Total Estimated Replacement Cost of Project			
(72 plus 73a or 73b and 73c)		\$ 31,165,250	

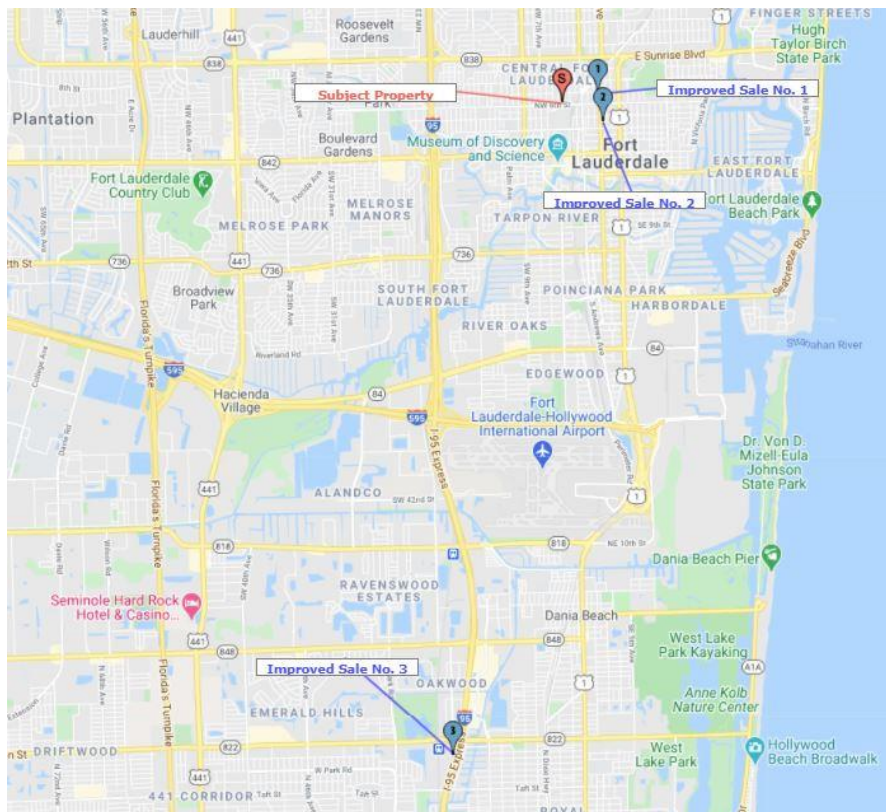
Sales Comparison Approach

The sales comparison approach is a method of estimating the market value of a property by the comparison of actual sales or offerings of properties considered similar to the subject site. This approach reflects the market value of a property, based on actions of typical buyers and sellers in the marketplace, and simplifies the principles of substitution. The principle of substitution affirms that the maximum value of a property tends to be set by the cost of acquiring an equally desirable and valuable substitute property, assuming that no costly delays are encountered in making the substitution.

The methodology in the sales comparison approach was to locate similar properties that sold recently. One of the primary measurements of comparison used by buyers and sellers of improved multifamily projects is the price per unit. Adjustments were made, as necessary, to these sales on this basis to recognize differences in various factors affecting value, such as location/access, age/condition, quality/amenities, property size, occupancy, and unit mix/average unit size. No adjustments were required for cash equivalency, as all the sales were cash transactions or involved conventional third-party financing at market interest rates and terms.

The following map outlines the improved sales while written descriptions of the properties can be found subsequently and in the addenda.

Improved Sales Map



Improved Sales Summary

A summary of the sales follows.

IMPROVED SALE DATA			
	1	2	3
Property ID	19370	19367	19366
Property Name	ORA Flagler Village	Pearl Flagler Village	Cortland Hollywood
Address	673 Northeast 3rd Avenue	400 Northeast 3rd Avenue	2300 North 29th Avenue
City/Municipality	Fort Lauderdale	Fort Lauderdale	Hollywood
County	Broward	Broward	Broward
State	Florida	Florida	Florida
Zip Code	33304	33301	33020
Grantor (Seller)	Fairfield Flagler LP	400 N.E. Third Avenue, LLC	Parc Station Holdco LLC
Grantee (Buyer)	Riverview Peninsula Investments, LLC	TA Apt Flagler Village, LLC	North 29th FL Partners, LLC
Year Built	2017	2019	2016
Sale Date	9/10/2019	1/29/2020	1/6/2021
Sale Price	\$92,900,000	\$112,500,000	\$91,700,000
Number of Units	292	350	336
Price/Unit	\$318,151	\$321,429	\$272,917
EGI	\$7,450,900	\$8,947,500	\$7,250,488
EGIM (actual)	12.47	12.57	12.65
OAR (actual)	4.50%	4.50%	3.80%
Rentable SF	254,090	327,030	345,948

Market conditions have trended upward. A paired sales analysis was made between Sales Two located slightly removed from the heart of Flagler Village considered similar to the subject and Sale Three, the most recent sale. The paired sale was after all adjustments except for time. A market adjustment of 4% annually was concluded. This adjustment was applied to Sales One and Two.

A brief description of the sales is provided in the following:

ORA Flagler Village (Improved Sale No. 1)

Ora Flagler is located on the west side of Northeast 3rd Avenue between Northeast 7th Street and Northeast 6th Street, in Fort Lauderdale, Broward County, Florida. It was delivered in 2017 and totals 292 studio, one-, and two-bedroom apartments. The site encompasses almost an entire block and includes an enclosed parking garage.

This is the September 2019 sale of a Class A asset that was stabilized at 94% occupancy. The seller had held the property in excess of three years. The overall capitalization rate was based on a proforma adjusted for a re-assessment of real estate taxes. There were no unusual sale conditions. Financing was completed by Teachers Insurance and Annuity Association.

There were no adjustments made for property rights or conditions of sale. Market conditions were made at 4% annually as previously discussed. This property is located within the heart of Flagler Village. At the time of development, the property was one of the first properties to enter the submarket. Since completion, the neighborhood has changed to include mid-rise and high-rise apartment communities and a variety of entertainment venues as well as employment. The location is considered superior and adjusted downward. The design and appeal are similar and not adjusted. The quality of construction is similar and not adjusted. The year built is the same general era and not adjusted. The condition is similar and not adjusted. The project is larger and adjusted downward to reflect the ability to spread fixed costs over more units. The average unit size is larger and adjusted downward. No other adjustments were made.

Pearl Flagler Village (Improved Sale No. 2)

This is a newly constructed asset located on the northeast corner of Northeast 4th Street and Northeast 3rd Avenue, in Fort Lauderdale, Broward County, Florida. The project was delivered in 2019 and includes 350 studio, one-, two-, and three-bedroom apartments. It includes high quality finishes including fitness center, business center, media lounge, kitchen, various outdoor amenities. There is also a small component of live-work units and commercial flex space fronting NE 3rd Avenue.

The Morgan group developed and stabilized the property selling it when 95% occupied. The sale traded with 4.5% overall rate based on a one-year proforma inclusive of reserves and management fee. There were no unusual sale conditions. The project was in new condition.

There were no adjustments made for property rights or conditions of sale. Market conditions were made at 4% annually as previous discussed. This property is located within a similar distance from the heart of Flagler Village as the subject and not adjusted. The quality of construction is similar and not adjusted. The year built is the same general era and not adjusted. The condition is similar and not adjusted. The project is larger and adjusted downward to reflect the ability to spread fixed costs over more units. The average unit size is larger and adjusted downward. The acquisition was negotiated prior to reaching stabilization reflecting the buyer's risk to leases that had incorporated concessions during lease-up. The sale was adjusted upward in "other". No other adjustments were made.

Cortland Hollywood (Improved Sale No. 3)

The asset is located in the southwest quadrant of I-95 and Sheridan Street, in Hollywood, Broward County, Florida. It is proximate to the Sheridan Street train station. It was delivered in July 2016 and totals 350,000 square feet. The property consists of 336 one-, two-, and three-bedroom apartment homes ranging in size from 800 to 1,260 square feet. This is a Class A project including a business center, clubhouse, fitness center, pool, and walking/bike trails. The units are finished with granite countertops, hardwood floors, and stainless steel appliances.

This is the January 2021 sale by an entity of JP Morgan Chase & Company. at the time the property was known as Parc Station. Prior to the apartment project the tract was improved with a mobile home park. It was delivered in 2016 and sold to the seller December 2017 for \$90.28 million fully stabilized. This transaction closed with the occupancy at 95%. There were no unusual sale conditions or expenditures required after the sale. The overall capitalization rate was based on in place income over the trailing twelve months with expenses per unit averaging \$11,208 per unit and adjusted taxes upward to account for reassessment occurring after the sale.

There were no adjustments made for property rights, conditions of sale or market conditions. The property is located in a submarket with less intense activity and adjusted upward. The quality of construction is similar and not adjusted. The year built is the same general era and not adjusted. The condition is similar and not adjusted. The project is larger and adjusted downward to reflect the ability to spread fixed costs over more units. The average unit size is larger and adjusted downward. No other adjustments were made.

Reconciliation

The adjustments for the comparables provided good support for estimating the subject's anticipated value via the per unit methodology. The range is provided:

Minimum	\$274,227
Maximum	\$290,578
Average	\$283,789
Standard Deviation	\$8,521
Reconciled Value	\$290,000

The subject is most similar to Sales One and Two due to the location. Reliance is placed on these two sales with some consideration to Sale Three. The analysis is presented on the following page:

Item	Subject Property					Comparable Sale No. 1					Comparable Sale No. 2					Comparable Sale No. 3							
Name	The Six13 Apartments					ORA Flagler Village					Pearl Flagler Village					Cortland Hollywood							
Address	613 NW 3rd Avenue					673 Northeast 3rd Avenue					400 Northeast 3rd Avenue					2300 North 29th Avenue							
Proximity to Subject																							
Sales Price						<input checked="" type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$92,900,000			<input checked="" type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$91,700,000			<input checked="" type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$91,700,000					
Sales Price per GBA						\$365.62					\$280.40					\$265.07							
Effective Gross Income	\$3,229,351					\$7,450,900					\$8,947,500					\$7,250,488							
Effective Gross Rent Multiplier (1)*						12.47					10.25					12.65							
Sales Price per Unit						\$318,151					\$262,000					\$272,917							
Sales Price per Room																							
Data Source						Public Records, ARA					Public Records, ARA					Public Records							
Adjustments	Description					Description + (-) \$ Adjust.					Description + (-) \$ Adjust.					Description + (-) \$ Adjust.							
Sales or Financing Concessions						None					None					None							
Date of Sale/Time						September-19 6.33%					January-20 4.67%					January-21 0.00%							
Location	Good					Superior -5.00%					Similar					Inferior 15.00%							
Site/View	Good					Similar 0.00%					Similar					Similar							
Design and Appeal	Good					Similar					Similar					Similar							
Quality of Construction	Good					Similar					Similar					Similar							
Year Built	2020					2017 0.00%					2019					2016 0.00%							
Condition	Good					Similar 0.00%					Similar					Similar 0.00%							
Gross Rentable Area	104,322 Sq. ft.					254,090 Sq. ft. -5.00%					327,030 Sq. ft. -5.00%					345,948 Sq. ft. -5.00%							
Average Unit Size	735 Sq. ft.					870 Sq. ft. -5.00%					934 Sq. ft. -5.00%					1,030 Sq. ft. -5.00%							
Unit Breakdown	No. of Units	Room count			No. of Units	Room count			No. of Units	Room count			No. of Units	Room count			No. of Units	Room count					
		Tot.	Br.	Ba.		Vac.	Tot.	Br.		Ba.	Vac.	Tot.		Br.	Ba.	Vac.		Tot.	Br.	Ba.	Vac.		
		104	2				20	3		0	1			12	3	0		1		96	4	1	1
		38	2				182	4		1	1			232	4	1		1		204	6	2	2
		0	2				90	6		2	2			80	6	2		2		36	7	3	2
		0	2					2						26	7	3		2			2		
								2							2						2		
142	284			292	1,328				350	1,626				336	1,860								
Basement Description	N/A					N/A					N/A					N/A							
Functional Utility	Good					Good					Good					Good							
Heating/Cooling	Electric					Electric					Electric					Electric							
Parking On/Off Site	Adequate					Adequate					Adequate					Adequate							
Project Amenities and Fee	Typical					Typical					Typical					Typical							
Other						0.00%					Sale Upon Stabalization 10.00%					0.00%							
Total Adjustment						-8.67%					4.7%					5.0%							
Adjusted Sales Price of Comparables						\$290,578					\$274,227					\$286,563							
8. Value by Sales Comparison via Per Unit						\$290,000					142					\$41,180,000							

Effective Gross Income Multiplier (EGIM)

In addition to adjusting the improved sales for price paid per unit, we have examined the indicated EGIMs of each property. This method compares the subject's income characteristics with those of the comparable properties and develops a multiplier, which is appropriate for the subject. The sales are shown as follows:

EGIM Valuation							Actual
Sale No.	Project	City	Total Units	YOC	Sale Date	Exp. Ratio	EGIM
1	ORA Flagler Village	Fort Lauderdale	292	2017	Sep-19	43.89%	12.47
2	Pearl Flagler Village	Fort Lauderdale	350	2019	Jan-20	43.42%	12.57
3	Cortland Hollywood	Hollywood	336	2016	Jan-21	51.94%	12.65
							Minimum 12.47
							Maximum 12.65
Indicated Value							
Projected EGI includes Commercial NOI			\$3,329,293	(EGI from income approach)			
EGIM			<u>12.50</u>	45.90% Expense Ratio			
Indicated Value			\$41,616,160				
Rounded			\$41,620,000				

The EGIM is at the high end of the range.

Value Conclusion

The value conclusion under the sales comparison approach is:

VALUE ESTIMATE SALES COMPARISON	
Value Estimate Sales	\$41,180,000
Value Estimate EGIM	\$41,620,000
Value Via Sales Comparison	\$41,400,000
Add Benefit of Covenant:	\$1,380,000
Value Conclusion	\$42,780,000

Income Approach

Introduction

The income approach is based on the premise that a prudent investor would not pay more for an alternative investment that offers similar financial return characteristics. This method is usually the most appropriate technique for valuation of income producing properties similar to the subject.

The income approach is an appraisal technique that translates anticipated or future benefits from a property into an indication of value. The basic steps involved in the income approach include the following:

1. Research the subject market area for rental and expense information on similar properties to the subject.
2. Estimate potential gross income for the subject through analyzing appropriate market derived data and the subject's actual income.
3. Estimate appropriate vacancy and operating expenses for the subject to arrive at a net operating income.
4. Capitalize or discount net income to arrive at a present value indication that reflects typical market reactions and parameters.

A value estimate is required under the HUD 223(f) application process.

Subject Base Rents

Base rents for the subject include the following:

FEATURES AND AMENITIES			
15. Equipment		16. Services	Type
a. A/C	CENTRAL	a. Heat/Type	Electric
b. Range/Oven	Yes	b. Cook/Type	Electric
c. Refrigerator	Yes	c. Electricity	Electric
d. Disposal	Yes	d. Water Cold/Hot	Electric
e. Microwave	Yes	17. Storage	No
f. Dishwasher	Yes	a. Secured Access	Yes
g. Washer/Dryer	Yes	b. Utilities in Rent	None
h. Carpet/Blinds	Yes/Yes		
i. Pool/Rec. Area	Yes/Yes		

Income and Expense Analysis:

The income and expense analysis are provided in order to document via market rent comparables our estimate of rental revenue as provided on the HUD 92273 Forms. In addition, we have provided an operating expense analysis with descriptive support for our conclusions presented on HUD 92274 Form.

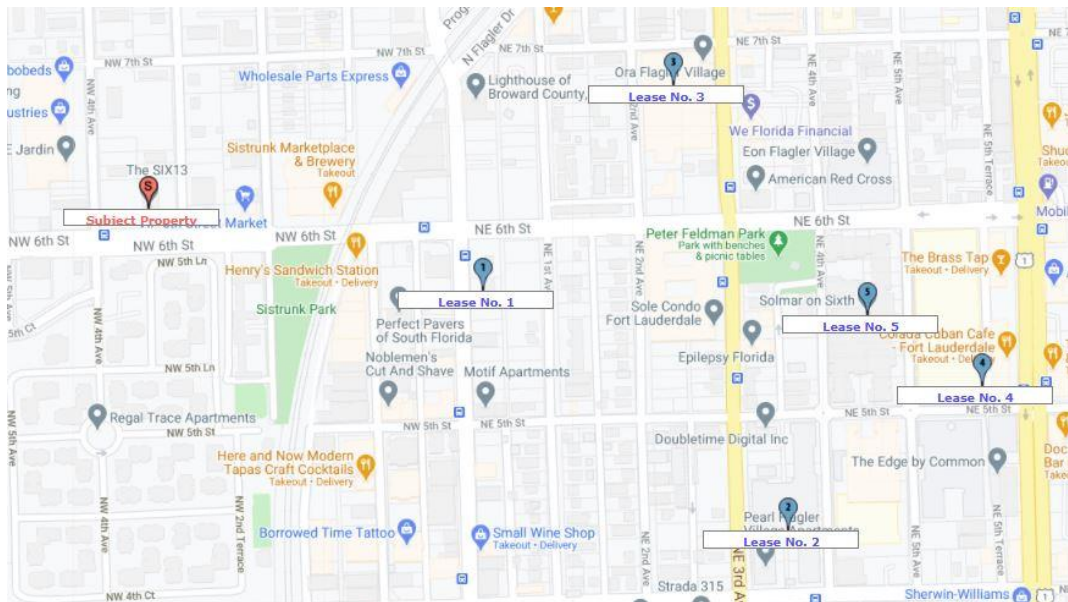
Market Rent Survey

The rental rates for the subject are based on a comparison of the direct competitors within the market. The properties utilized in the HUD 92273 Forms are illustrated on the map and then described. All rent comparables were selected based on their similarity to the subject, location within the immediate area and/or their targeted tenant is similar to the subject.

Note: The buildings in the market price their units through a revenue enhancement program. Included in the rent are premium features. This could include the floor level, the location within the building and views such as into a courtyard or toward downtown. The rents used in the analysis were “base” without premiums.

The following map shows the locations of the comparable rentals followed by a summary table and detailed written descriptions of each comparable in the addenda.

Comparable Rentals Map



A summary of the rental data for comparable properties follows.

Motif at Flagler Village (Lease No. 1)

Motif at Flagler Village is a 385-unit multifamily facility built in 2020. It offers one-, two-, and three-bedroom units ranging in size from 530 to 1,840 square feet. The community features a clubhouse, business center, fitness center, pool, bocce court, barbeque/picnic area, pet spa, gated/secure access, elevators, and rooftop terrace. Unit amenities include balcony/patio, washer/dryer connections, walk-in closets, wood vinyl, quartz countertops refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal is an additional \$25 per month. Parking is billed above rent at \$10 and \$60 per month for the first and second vehicle, respectively. The community is currently offering a concession of two month's free rent on all units. All units are online. The property began lease up in July 2020. The property is absorbing an average of 30 units per month. There are more floor plans available than are presented. At the time of the survey, the property was 80% occupied.

Pearl Flagler Village (Lease No. 2)

Pearl Flagler Village is a 350-unit multifamily community built in 2019. It features studio, one-, two-, and three-bedroom units ranging from 575 to 1,694 square feet. Community amenities include a clubhouse, elevators, business center, fitness center with yoga room, pool, barbeque/picnic area, parking structure, parcel lockers, gated/secured access, and elevators. Units feature a balcony/patio, ceiling fans, walk-in closets, blinds, carpet, wood vinyl flooring, granite/quartz countertops, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$11 and \$5 per month, respectively. Private storage is available for \$75 - 125 per month. Studio, one-bedroom, and two-bedroom units have a reserved parking space. Three-bedroom units have two reserved parking spaces. Parking sign up is \$50 per vehicle. Uncovered parking is available for \$75 per month. This property is nearing stabilization. They commenced development in 2019 and were sold in January 2020. The property offers up to six weeks off rent on select units. There is a pet fee of \$500 and \$15 per month pet rent. At the time of the survey, occupancy was 86%.

ORA Flagler Village (Lease No. 3)

ORA Flagler Village is a 292-unit multifamily community built in 2017 in downtown Fort Lauderdale. It features studio, one, and two-bedroom units ranging from 536 to 1,249 square feet. Community amenities include a clubhouse, elevators, fitness center with yoga room, business center, heated pool, barbeque/picnic area, pet spa, parcel lockers, parking structure, gated/secured access, and elevators. Units feature a balcony/patio, ceiling fans, walk-in closets, blinds, wood vinyl flooring, quartz countertops, stainless steel appliances, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

Trash collection and pest control are \$25 and \$1.50 per month, respectively. Parking spaces in the garage are \$10 per month. At the time of the survey, the property was 97.2% occupied.

The Manor at Flagler Village (Lease No. 4)

The Manor at Flagler Village is a 382-unit multifamily facility built in 2014. It offers one-, two-, and three-bedroom units ranging in size from 770 to 1,350 square feet. The community features a clubhouse, business center, fitness center, pool with spa, barbeque/picnic area, pet park, gated/secure access, and elevators. Unit amenities include balcony/patio, ceiling fans, washer/dryer connections, walk-in closets, carpet, granite countertops, blinds, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$15 and \$20 per month, respectively. Private storage is available for \$75 per month. Reserved parking spaces are available for \$75 per month. Parking spaces are \$50 per month. The community is currently offering a concession of one month's free rent on select units. The community is also currently offering a concession of a \$99 administrative fee. At the time of the survey, the property was 94% occupied and 96.7% leased.

Solmar on Sixth (Lease No. 5)

Solmar on Sixth is a 286-unit multifamily facility built in 2009. It offers one-, two-, and three-bedroom units ranging in size from 691 to 1,501 square feet. The community features a clubhouse, business center, fitness center, pool with spa, sports court, playground, barbeque/picnic area, pet park, car care center, laundry facility, gated/secure access, and elevators. Unit amenities include balcony/patio, ceiling fans, washer/dryer connections, walk-in closets (some), wood vinyl, quartz countertops, blinds, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$25 and \$5 per month, respectively. Water and sewer are back billed. Private storage is available for \$75 per month. One- and two-bedroom units have a free parking space. Three-bedroom units have two free parking spaces. Each additional space is \$60 per month. At the time of the survey, the property was 94.6% occupied.

Rental Rate Analysis

The market rent comparables discussed above were utilized in the rent adjustment grid for each unit type that is provided in the addenda. The following paragraphs provide a discussion of each of the line items that were considered as part of the analysis.

Effective Date of Rental

The market was surveyed at the time of inspection. All of the rent comparables were surveyed during the same period. As such, no adjustment was made for the effective date.

Type of Project/Stories

The subject and the rent comparables are all elevator-serviced communities. Thus, no adjustment was made for project type.

Floor of Unit in Building

The subject and the rent comparables were all analyzed based on “base” rents. Thus, no adjustments were necessary for floor of unit within a building.

Project Occupancy

The subject’s estimated stabilized occupancy level includes physical loss. This is the same as the comparables. An occupancy adjustment is made if the comparable is operating at a level below the subject. This is applied to apartment communities that are not in lease-up. The calculation is as follows:

$$(\text{Comparable Occ. \%} / \text{Subject Occ. \%}) - 1 * (\text{Unadjusted Rental Rate of Comparable})$$

Concessions

Concessions in the market are generally reflected in current market rents. If management finds they have an unusually high vacancy rate in a particular type of unit, a temporary move-in special might be offered. However, these are temporary in nature and not considered a significant factor in the overall marketplace. Further, properties may suppress rental rates due to additions to supply and competition in the market.

Discussions with leasing agents noted the market uses concessions as a marketing ploy. Typically concessions applied to specific unit types to attract leasing traffic. Noted in some of the units that qualify for concessions, the asking lease rate is elevated to off-set the concession.

During the selection of the units for the analysis, apartments that did not have a concession were utilized. Motif at Flagler Village and Pearl Flagler Village were offering lease-up specials, but these are temporary in nature and will be reduced as the property reaches stabilization. Lease up specials are a marketing strategy and are not reflective of a soft market or rent levels above market.

Year Built/Age

The adjustment process employed for age takes into consideration a number of factors. These include differences in standards due to changes in lifestyles of rental tenants, modernization of appliances and/or lack thereof, floor plan layouts, as well as general quality. A new community has the opportunity to utilize all of the most modern construction techniques and features to provide state-of-the-art residences. Today, features that are in demand include washer/dryers in the units, wireless internet access and open floor plans. This is different than when apartments were constructed with more closed interiors and did not provide washer/dryers or internet access. The basis for adjustments is from comparisons of older properties with newer properties and pricing differentials over the course of time. This methodology provides a quantification process that can be calculated rather than utilizing a more subjective basis of comparing "good" to "average" to "fair."

The rent comparables are generally the same era of construction. No age adjustment was applied.

Square Feet Area

An adjustment is made for differences in unit size. An analysis was conducted of similar unit types within the same complex and on the same floor with no premium attributes to determine a size adjustment. The size adjustment was estimated as follows:

SF Adjustment			
Property	Unit Type	SF	Rent
Motif at Flagler Village	1 x 1	561	\$2,223
	1 x 1	733	\$2,250
	Difference	172	\$27
	Total Difference		\$27
	SF Adjustment		\$0.16
Motif at Flagler Village	2 x 2	1,154	\$2,975
	2 x 2	1,120	\$2,961
	Difference	-34	(\$14)
	Total Difference		(\$14)
	SF Adjustment		\$0.41
Conclusion			\$0.30

Number of Bedrooms

A bedroom adjustment is made if the number of bedrooms in the subject is different from the rent comparables. No bedroom adjustment was required.

Number of Bathrooms

A bathroom adjustment is made if the number of bathrooms in the subject is different from the rent comparables. No bathroom adjustment was required.

Garage or Carport/Covered Parking

The subject provides parking spaces in base rents. Some of the comparables do not provide any parking in rents and were adjusted upward based on the quoted fee added to base rates for a parking spot.

Equipment

The subject provides functional equipment within the apartments. This includes oven/stove, garbage disposal, central AC, refrigerator, dishwasher, carpet, and window covering. Further, the complex features a complement of recreational amenities.

Adjustments to the rent comparables were made if they provided equipment or complex amenities that were superior or inferior to the subject. Adjustments of \$2 were made to the rent comparables where necessary. The adjustment is based on discussions with leasing agents and the value presented with different equipment.

Washer/Dryer

The subject provides a washer/dryer. The comparables provide washer/dryers. No adjustment was made.

Services

The subject and all of the comparables provide electric appliances and central HVAC. No adjustments were required for services.

Storage Closet

The subject does not provide additional storage within units that include a balcony/patio. The comparables do not provide storage closets. No adjustment was made.

Project Location

The subject and all of the comparables are located in the same market. All of the rent comparables were considered similar and not adjusted.

Limited Access

The subject and the comparables have secured access buildings. No adjustment was made.

Utilities in Rent

No utilities are provided in rent at the subject or the comparables. No adjustments were made.

Market Rental Rate Conclusions

The concluded market rents are shown on the following table:

SUBJECT RENT CONCLUSIONS					
Unit Size			Market Rent		
Unit Type	(SF)	No. of Units	Monthly	Per SF	Annual Rent
1xl	539	1	\$1,765	\$3.27	\$21,180
1xl	582	37	\$1,630	\$2.80	\$723,720
1xl	649	4	\$1,700	\$2.62	\$81,600
1xl	702	39	\$1,710	\$2.44	\$800,280
1xl	777	23	\$1,780	\$2.29	\$491,280
2x2	809	10	\$1,950	\$2.41	\$234,000
2x2	839	2	\$2,015	\$2.40	\$48,360
2x2	932	17	\$2,165	\$2.32	\$441,660
2x2	978	9	\$2,260	\$2.31	\$244,080
Totals/Average	735	142	\$1,811	\$2.47	\$3,086,160

The concluded rents in comparison to the comparable range is provided:

SUBJECT RENT CONCLUSIONS IN COMPARISON TO MARKET RANGE					
Unit Type	Unit Size	Comparable Low End of Range	Comparable High End of Range	Subject Rent Conclusion	Average Rent
1xl	539	\$1,586	\$2,226	\$1,765.00	\$1,758
1xl	582	\$1,599	\$2,239	\$1,630.00	\$1,620
1xl	649	\$1,619	\$2,202	\$1,700.00	\$1,693
1xl	702	\$1,635	\$2,339	\$1,710.00	\$1,702
1xl	777	\$1,657	\$2,234	\$1,780.00	\$1,767
2x2	809	\$2,013	\$2,577	\$1,950.00	\$1,936
2x2	839	\$2,022	\$2,586	\$2,015.00	\$1,912
2x2	932	\$2,050	\$2,614	\$2,165.00	\$2,156
2x2	978	\$2,064	\$2,827	\$2,260.00	\$2,249

The rent conclusions are within the range of the comparables. The market is reporting positive trends in occupancy and rental rates. A summary of the subject's rents relative to the conclusion is provided:

RENT CONCLUSIONS VERSUS IN PLACE RENTS			
Unit Type	Subject Rent	Average Rent	Average
1xl	\$1,765	\$1,758	\$1,758
1xl	\$1,630	\$1,620	\$1,620
1xl	\$1,700	\$1,693	\$1,693
1xl	\$1,710	\$1,702	\$1,702
1xl	\$1,780	\$1,767	\$1,767
2x2	\$1,950	\$1,936	\$1,936
2x2	\$2,015	\$1,912	\$1,912
2x2	\$2,165	\$2,156	\$2,156
2x2	\$2,260	\$2,249	\$2,249

Reliance was placed on the subject's asking rents and average rents. Overall, the rent conclusions were based on a blended rate. The HUD 92273 Forms are as follows:

**Estimates of Market Rent
by Comparison**

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
One Bedroom J3	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		94%
7. Concessions	None	Lease Up		Lease Up		None
8. Year Built	2020	2020		2019		2014
9. Sq. Ft. Area	539	561	(\$6.60)	776	(\$71.10)	686
10. Number of Bedrooms	1.0	1.0		1.0		1.0
11. Number of Baths	1.0	1.0		1.0		1.0
12. Number of Rooms	4.0	4.0		4.0		4.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes		None
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,223		\$1,975		\$1,695
21. Total Adjustment			\$3.40		(\$71.10)	
22. Indicated Rent		\$2,226.40		\$1,903.90		\$1,660.90
23. Correlated Subject Rent	\$1,765.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.				

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature

Kay Hancock

Date (mm/dd/yyyy)

4/12/2021

Reviewer's Signature

Date (mm/dd/yyyy)

4/12/2021

Previous versions are obsolete

form HUD-92273 (07/2009)

**Estimates of Market
by Comparison**
U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

 OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
One Bed A10, J1, A9, z	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
			- +		- +	
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		95%
7. Concessions	None	Lease Up		Lease Up		None
8. Year Built	2020	2020		2019		2017
9. Sq. Ft. Area	582	561	\$6.41	776 (\$58.09)	686 (\$31.09)	740 (\$47.29)
10. Number of Bedrooms	1.0	1.0		1.0		1.0
11. Number of Baths	1.0	1.0		1.0		1.0
12. Number of Rooms	4.0	4.0		4.0		4.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes	None	\$50.00
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes	No/Yes	Yes/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,223		\$1,975	\$1,695	\$1,665
21. Total Adjustment			\$16.41		(\$58.09)	(\$21.09)
22. Indicated Rent		\$2,239.41		\$1,916.91	\$1,673.91	\$1,667.71
23. Correlated Subject Rent	\$1,630.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.				

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature



Date (mm/dd/yyyy)

4/12/2021

Reviewer's Signature

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**Estimates of Market
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U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	D. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
One Bed A8, A1	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
			- +		- +	
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		95%
7. Concessions	None	Lease Up		Lease Up		None
8. Year Built	2020	2020		2019		2017
9. Sq. Ft. Area	649	643	\$1.80	776 (\$38.10)	686 (\$11.10)	740 (\$27.30)
10. Number of Bedrooms	1.0	1.0		1.0		1.0
11. Number of Baths	1.0	1.0		1.0		1.0
12. Number of Rooms	4.0	4.0		4.0		4.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes	None \$10.00	None \$50.00
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes	No/Yes	Yes/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,190		\$1,975	\$1,695	\$1,665
21. Total Adjustment			\$11.80		(\$38.10)	(\$1.10)
22. Indicated Rent		\$2,201.80		\$1,936.90	\$1,693.90	\$1,687.70
23. Correlated Subject Rent	\$1,700.00		<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.			

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature



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**Estimates of Market
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U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

 OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
One Bed A4, A2 A3	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
			- +		- +	
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		95%
7. Concessions	None	Lease Up		Lease Up		None
8. Year Built	2020	2020		2019		2017
9. Sq. Ft. Area	702	770	(\$20.54)	776	(\$22.34)	686
10. Number of Bedrooms	1.0	1.0		1.0		1.0
11. Number of Baths	1.0	1.0		1.0		1.0
12. Number of Rooms	4.0	4.0		4.0		4.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes		None
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,350		\$1,975		\$1,695
21. Total Adjustment			(\$10.54)		(\$22.34)	
22. Indicated Rent		\$2,339.46		\$1,952.66		\$1,709.66
23. Correlated Subject Rent	\$1,710.00					

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

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U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
One Bed A5, A6	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
3. Effective Date of Rental	Apr-21	Apr-21	-	Apr-21	-	Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		95%
7. Concessions	None	Lease Up		Lease Up		None
8. Year Built	2020	2020		2019		2017
9. Sq. Ft. Area	777	771	\$1.67	776	\$0.17	785 (\$2.53)
10. Number of Bedrooms	1.0	1.0		1.0		1.0
11. Number of Baths	1.0	1.0		1.0		1.0
12. Number of Rooms	4.0	4.0		4.0		4.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes		None
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,222		\$1,975		\$1,845
21. Total Adjustment			\$11.67		\$0.17	
22. Indicated Rent		\$2,233.67		\$1,975.17		\$1,852.47
23. Correlated Subject Rent	\$1,780.00					

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature

Kay Hauck

Date (mm/dd/yyyy)

4/12/2021

Reviewer's Signature

Date (mm/dd/yyyy)

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by Comparison**
U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)		B. Comparable Property No. 2 (address)		C. Comparable Property No. 3 (address)		D. Comparable Property No. 4 (address)		E. Comparable Property No. 5 (address)	
Two Bed B2	The Six13 Apartments	Motif at Flagler Village		Pearl Flagler Village		ORA Flagler Village		The Manor at Flagler Village		Solmar on Sixth	
Address	613 NW 3rd Avenue	500 N Andrews Ave		400 Northeast 3rd Avenue		673 NE 3rd Ave		501 Northeast 5th Street		408 Northeast 6th Street	
City	Fort Lauderdale	Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale	
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments
			- +		- +		- +		- +		- +
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21		Apr-21		Apr-21	
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/6		Elevator/7		Elevator/7	
5. Floor of Unit in Building	Base	Base		Base		Base		Base		Base	
6. Project Occupancy %	94.0%	Lease Up		Lease Up		97%		94%		95%	
7. Concessions	None	Lease Up		Lease Up		None		None		None	
8. Year Built	2020	2020		2019		2017		2014		2009	
9. Sq. Ft. Area	809	900	(\$27.30)	1,184	(\$112.50)	1,029	(\$66.00)	1,090	(\$84.30)	993	(\$55.20)
10. Number of Bedrooms	2.0	2.0		2.0		2.0		2.0		2.0	
11. Number of Baths	2.0	2.0		2.0		2.0		2.0		2.0	
12. Number of Rooms	6.0	6.0		6.0		6.0		6.0		6.0	
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes		Yes		Yes	
14. Garage or Carport	Yes	None	\$10.00	Yes		None	\$10.00	None	\$50.00	Yes	
15. Equipment											
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL		CENTRAL		CENTRAL	
b. Range/Oven	Yes	Yes		Yes		Yes		Yes		Yes	
c. Refrigerator	Yes	Yes		Yes		Yes		Yes		Yes	
d. Disposal	Yes	Yes		Yes		Yes		Yes		Yes	
e. Microwave	Yes	Yes		Yes		Yes		Yes		Yes	
f. Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes	
g. Washer/Dryer	Yes	Yes		Yes		Yes		Yes		Yes	
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes		Yes/Yes		No/Yes	
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes	
16. Services											
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
17. Storage	No	No		No		No		No		No	
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR		SIMILAR		SIMILAR	
19. Other											
a. Secured Access	Yes	Yes		Yes		Yes		Yes		Yes	
b. Utilities in Rent	None	None		None		None		None		None	
20. Unit Rent per Month		\$2,594		\$2,555		\$2,069		\$2,222		\$2,291	
21. Total Adjustment			(\$17.30)		(\$112.50)		(\$56.00)		(\$34.30)		(\$55.20)
22. Indicated Rent		\$2,576.70		\$2,442.50		\$2,013.00		\$2,187.70		\$2,235.80	
23. Correlated Subject Rent	\$1,950.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.									
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature <i>Kay Kauchick</i>		Date (mm/dd/yyyy) 4/12/2021		Reviewer's Signature		Date (mm/dd/yyyy) 4/12/2021	
Previous versions are obsolete								form HUD-92273 (07/2009)			

**Estimates of Market
by Comparison**
U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

 OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)		B. Comparable Property No. 2 (address)		C. Comparable Property No. 3 (address)		D. Comparable Property No. 4 (address)		E. Comparable Property No. 5 (address)	
Two Bed B7, B8	The Six13 Apartments	Motif at Flagler Village		Pearl Flagler Village		ORA Flagler Village		The Manor at Flagler Village		Solmar on Sixth	
Address	613 NW 3rd Avenue	500 N Andrews Ave		400 Northeast 3rd Avenue		673 NE 3rd Ave		501 Northeast 5th Street		408 Northeast 6th Street	
City	Fort Lauderdale	Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale	
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments
			- +		- +		- +		- +		- +
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21		Apr-21		Apr-21	
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/6		Elevator/7		Elevator/7	
5. Floor of Unit in Building	Base	Base		Base		Base		Base		Base	
6. Project Occupancy %	94.0%	Lease Up		Lease Up		97%		94%		95%	
7. Concessions	None	Lease Up		Lease Up		None		None		None	
8. Year Built	2020	2020		2019		2017		2014		2009	
9. Sq. Ft. Area	839	900	(\$18.30)	1,184	(\$103.50)	1,029	(\$57.00)	1,090	(\$75.30)	993	(\$46.20)
10. Number of Bedrooms	2.0	2.0		2.0		2.0		2.0		2.0	
11. Number of Baths	2.0	2.0		2.0		2.0		2.0		2.0	
12. Number of Rooms	6.0	6.0		6.0		6.0		6.0		6.0	
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes		Yes		Yes	
14. Garage or Carport	Yes	None	\$10.00	Yes		None	\$10.00	None	\$50.00	Yes	
15. Equipment											
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL		CENTRAL		CENTRAL	
b. Range/Oven	Yes	Yes		Yes		Yes		Yes		Yes	
c. Refrigerator	Yes	Yes		Yes		Yes		Yes		Yes	
d. Disposal	Yes	Yes		Yes		Yes		Yes		Yes	
e. Microwave	Yes	Yes		Yes		Yes		Yes		Yes	
f. Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes	
g. Washer/Dryer	Yes	Yes		Yes		Yes		Yes		Yes	
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes		Yes/Yes		No/Yes	
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes	
16. Services											
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
17. Storage	No	No		No		No		No		No	
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR		SIMILAR		SIMILAR	
19. Other											
a. Secured Access	Yes	Yes		Yes		Yes		Yes		Yes	
b. Utilities in Rent	None	None		None		None		None		None	
20. Unit Rent per Month		\$2,594		\$2,555		\$2,069		\$2,222		\$2,291	
21. Total Adjustment			(\$8.30)		(\$103.50)		(\$47.00)		(\$25.30)		(\$46.20)
22. Indicated Rent		\$2,585.70		\$2,451.50		\$2,022.00		\$2,196.70		\$2,244.80	
23. Correlated Subject Rent	\$2,015.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.									

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature



Date (mm/dd/yyyy)

4/12/2021

Reviewer's Signature

Date (mm/dd/yyyy)


4/12/2021

Previous versions are obsolete

form HUD-92273 (07/2009)


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by Comparison**
U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

 OMB Approval No. 2502-0029
(exp. 07/31/2009)

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)
Two Bed B5, B3, B6	The Six13 Apartments	Motif at Flagler Village	Pearl Flagler Village	ORA Flagler Village	The Manor at Flagler Village	Solmar on Sixth
Address	613 NW 3rd Avenue	500 N Andrews Ave	400 Northeast 3rd Avenue	673 NE 3rd Ave	501 Northeast 5th Street	408 Northeast 6th Street
City	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale	Fort Lauderdale
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data
			- +		- +	
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/7
5. Floor of Unit in Building	Base	Base		Base		Base
6. Project Occupancy %	94.0%	Lease Up		Lease Up		95%
7. Concessions	None	Lease Up		None		None
8. Year Built	2020	2020		2019		2009
9. Sq. Ft. Area	932	900	\$9.72	1,184 (\$75.48)	1,029 (\$28.98)	1,090 (\$47.28)
10. Number of Bedrooms	2.0	2.0		2.0		2.0
11. Number of Baths	2.0	2.0		2.0		2.0
12. Number of Rooms	6.0	6.0		6.0		6.0
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes
14. Garage or Carport	Yes	None	\$10.00	Yes	None \$10.00	None \$50.00
15. Equipment						
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL
b. Range/Oven	Yes	Yes		Yes		Yes
c. Refrigerator	Yes	Yes		Yes		Yes
d. Disposal	Yes	Yes		Yes		Yes
e. Microwave	Yes	Yes		Yes		Yes
f. Dishwasher	Yes	Yes		Yes		Yes
g. Washer/Dryer	Yes	Yes		Yes		Yes
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes	No/Yes	Yes/Yes
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes
16. Services						
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC
17. Storage	No	No		No		No
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR
19. Other						
a. Secured Access	Yes	Yes		Yes		Yes
b. Utilities in Rent	None	None		None		None
20. Unit Rent per Month		\$2,594		\$2,555	\$2,069	\$2,222
21. Total Adjustment			\$19.72		(\$75.48)	(\$18.98)
22. Indicated Rent		\$2,613.72		\$2,479.52	\$2,050.02	\$2,224.72
23. Correlated Subject Rent	\$2,165.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.				
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.			Appraiser's Signature 		Date (mm/dd/yyyy) 4/12/2021	
			Reviewer's Signature		Date (mm/dd/yyyy) 4/12/2021	
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Two Bed B1, B4	The Six13 Apartments	Motif at Flagler Village		Pearl Flagler Village		ORA Flagler Village		The Manor at Flagler Village		Solmar on Sixth	
Address	613 NW 3rd Avenue	500 N Andrews Ave		400 Northeast 3rd Avenue		673 NE 3rd Ave		501 Northeast 5th Street		408 Northeast 6th Street	
City	Fort Lauderdale	Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale		Fort Lauderdale	
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments
			- +		- +		- +		- +		- +
3. Effective Date of Rental	Apr-21	Apr-21		Apr-21		Apr-21		Apr-21		Apr-21	
4. Type of Project/Stories	Elevator/6	Elevator/7		Elevator/7		Elevator/6		Elevator/7		Elevator/7	
5. Floor of Unit in Building	Base	Base		Base		Base		Base		Base	
6. Project Occupancy %	94.0%	Lease Up		Lease Up		97%		94%		95%	
7. Concessions	None	Lease Up		Lease Up		None		None		None	
8. Year Built	2020	2020		2019		2017		2014		2009	
9. Sq. Ft. Area	978	983	(\$1.57)	1,184	(\$61.87)	1,029	(\$15.37)	1,090	(\$33.67)	993	(\$4.57)
10. Number of Bedrooms	2.0	2.0		2.0		2.0		2.0		2.0	
11. Number of Baths	2.0	2.0		2.0		2.0		2.0		2.0	
12. Number of Rooms	6.0	6.0		6.0		6.0		6.0		6.0	
13. Balc/Terrace/Patio/Sunroom	Yes	Yes		Yes		Yes		Yes		Yes	
14. Garage or Carport	Yes	None	\$10.00	Yes		None	\$10.00	None	\$50.00	Yes	
15. Equipment											
a. A/C	CENTRAL	CENTRAL		CENTRAL		CENTRAL		CENTRAL		CENTRAL	
b. Range/Oven	Yes	Yes		Yes		Yes		Yes		Yes	
c. Refrigerator	Yes	Yes		Yes		Yes		Yes		Yes	
d. Disposal	Yes	Yes		Yes		Yes		Yes		Yes	
e. Microwave	Yes	Yes		Yes		Yes		Yes		Yes	
f. Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes	
g. Washer/Dryer	Yes	Yes		Yes		Yes		Yes		Yes	
h. Carpet/Blinds	Yes/Yes	No/Yes		Yes/Yes		No/Yes		Yes/Yes		No/Yes	
i. Pool/Rec. Area	Yes/Yes	Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes		Yes/Yes	
16. Services											
a. Heat/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
b. Cook/Type	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
c. Electricity	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
d. Water Cold/Hot	ELECTRIC	ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC		ELECTRIC	
17. Storage	No	No		No		No		No		No	
18. Project Location/Overall Amenity Pkg	GOOD	SIMILAR		SIMILAR		SIMILAR		SIMILAR		SIMILAR	
19. Other											
a. Secured Access	Yes	Yes		Yes		Yes		Yes		Yes	
b. Utilities in Rent	None	None		None		None		None		None	
20. Unit Rent per Month		\$2,819		\$2,555		\$2,069		\$2,222		\$2,291	
21. Total Adjustment			\$8.43		(\$61.87)		(\$5.37)		\$16.33		(\$4.57)
22. Indicated Rent		\$2,827.43		\$2,493.13		\$2,063.63		\$2,238.33		\$2,286.43	
23. Correlated Subject Rent	\$2,260.00	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of the page.									
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature 		Date (mm/dd/yyyy) 4/12/2021		Reviewer's Signature		Date (mm/dd/yyyy) 4/12/2021	
Previous versions are obsolete											

Other Income

There are a number of other income items that the subject utilizes to generate additional revenue. The income portion of the expense comparables provide a summary as noted:

OTHER INCOME COMPARABLES					
Comparables	1	2	3	Projection	Projection w/Vacancy
Utility Reimbursement	\$56.25	\$57.37	\$99.89	\$60.00	\$56.40
Garage and Storage Revenue	\$17.98	\$0.44	\$19.56	\$6.00	\$5.64
Miscellaneous	\$47.36	\$58.47	\$62.63	\$60.00	\$56.40
Pet Deposits and Fees	\$4.02	\$0.00	\$6.60	\$6.00	\$5.64
Telecommunication	\$5.89	\$3.95	\$3.32	\$73.00	\$68.62
Total	\$131.50	\$120.24	\$192.00	\$205.00	\$192.70

These items are further discussed below:

Utility Allowance

The subject will receive reimbursements for utilities. The reimbursement is based on the expenses incurred. The projection is provided:

Utility Reimbursement			
Utility Item:	#	\$/Month	Annual
Water/Sewer	142	\$45.83	\$78,100
Trash Collection	142	\$20.00	\$34,080
Pest Fee	142	\$5.00	\$8,520
Telecommunication	142	\$75.00	\$127,800
Total	142	\$1,750.00	\$248,500

The projection is provided:

Utility Reimbursement				
	T9 2021 Annualized	Budget	Conclusion - Market	After vacancy-Market
Per Unit/Month	\$15.54	\$59.13	\$60.00	\$56.40
Per Unit	\$186	\$710	\$720	\$677
Revenue	\$26,476	\$100,750	\$102,240	\$96,106

Garage and Storage Revenue

The subject generates additional income from the rental of garage spaces. There are 15 spaces that are leased. Storage units were recently added and are now available for lease. The projection is based on the subject and the comparables. The comparables are provided:

Comparables-Monthly Fees					
Property	Parking	Storage	Trash	Pest	Telecom
Motif	\$10-\$60		\$25	\$5	
Econ	\$100	\$50-\$75	\$30	\$5	
OAR Flagler	\$10		\$25	\$2	
The Manor	\$50-\$75	\$75	\$15	\$20	
Solamar on Sixth	\$80	\$75	\$25	\$5	
Subject Projection	\$50	\$25	\$20	\$5	\$75

The subject's potential revenue is calculated as follows:

Garage and Storage Revenue			
Size:	#	\$/Month	Annual
Additional Parking	15	\$50.00	\$9,000
Storage	25	\$25.00	\$7,500
Total/Average	40	\$34.38	\$16,500

The calculation for the garage and storage revenue at the subject is provided:

Garage and Storage Revenue				
	T9 2021 Annualized	Budget	Conclusion - Market	After vacancy-Market
Per Unit/Month	\$2.92	\$5.84	\$6.00	\$5.64
Per Unit	\$35	\$70	\$72	\$68
Revenue	\$4,976	\$9,948	\$10,224	\$9,611

The revenue amount for 2021 did not include storage units.

Miscellaneous Income

Miscellaneous income can be generated from a number of other sources. Generally, other revenue items that are available are late fees, vending income, application fees, etc. The projection is based on the comparables. The projection follows:

Miscellaneous				
	T9 2021 Annualized	Budget	Conclusion - Market	After vacancy-Market
Per Unit/Month	\$53.44	\$36.92	\$60.00	\$56.40
Per Unit	\$641	\$443	\$720	\$677
Revenue	\$91,061	\$62,914	\$102,240	\$96,106

Pet Fees

The subject charges pet deposits and monthly rent. This is projected based on the comparables and the number of pet owners on-site.

Pet Deposits and Fees				
	T9 2021 Annualized	Budget	Conclusion - Market	After vacancy-Market
Per Unit/Month	\$6.92	\$4.14	\$6.00	\$5.64
Per Unit	\$83	\$50	\$72	\$68
Revenue	\$11,786	\$7,050	\$10,224	\$9,611

Telecommunication

The telecommunication package provides Wi-Fi service to the tenants and is a mandatory fee. This is a typical fee structure in the market. The landlord is able to negotiate the service at a cost that is below what an individual can obtain on their own. Contract with the provider is transferrable. Further, providers will often require long-term contracts and high deposit fees whereas the subject's service requires no deposit and aligns with the length of the lease. Thus, the telecommunication service is attractive to the tenant. The projection is based on the current fee schedule.

Telecommunication				
	T9 2021 Annualized	Budget	Conclusion - Market	After vacancy-Market
Per Unit/Month	\$20.97	\$72.49	\$73.00	\$68.62
Per Unit	\$252	\$870	\$876	\$823
Revenue	\$35,732	\$123,525	\$124,392	116928.48

Total Other Income

The total other income for the subject is summarized in the following chart:

Other Potential Income/Loss	Unit #	\$	Monthly	Annually
Utility Reimbursement	142	\$60.00	/Month	\$102,240
Garage and Storage Revenue	142	\$6.00	/Month	\$10,224
Miscellaneous	142	\$60.00	/Month	\$102,240
Pet Deposits and Fees	142	\$6.00	/Month	\$10,224
Telecommunication	142	\$73.00	/Month	\$124,392
Total Other Income	142	\$205.00	/Month	\$349,320

Forecasted Stabilized Occupancy

The subject reported 100.0% occupancy at inspection. Occupancy levels of properties in the area includes recently delivered buildings in lease-up and stabilized communities. The occupancy levels presented includes buildings that are competitive as well as others in the general area as follows:

MARKET-AREA RENTAL PROPERTIES				
Property Name	Year Built	Number of Units	Occupancy	Occupied Units
<i>SUBJECT - At Inspection</i>	<i>2020</i>	<i>142</i>	<i>100.0%</i>	<i>142</i>
1 Motif at Flagler Village	2020	385	80.0%	308
2 Pearl Flagler Village	2019	350	86.0%	301
3 ORA Flagler Village	2017	292	97.2%	284
4 The Manor at Flagler Village	2014	382	94.0%	359
5 Solmar on Sixth	2009	286	94.6%	271
6 Eon at Flagler Village	2019	206	96.1%	198
7 Las Olas Walk	2020	456	60.1%	274
9 Motif at Flagler Village	2020	385	80.0%	308
10 Pearl Flagler Village	2019	350	73.7%	258
11 Eon at Flagler Village	2019	206	96.1%	198
12 ORA Flagler Village	2017	292	95.0%	277
13 Las Olas Walk	2020	456	60.1%	274
14 The Manor at Flagler Village	2014	382	94.0%	359
15 Solmar on Sixth	2009	286	94.6%	271
Stabilized Occupancy		2,332	95.0%	2,216
Totals		4,714	83.6%	3,939

The subject's concluded occupancy and vacancy for the financial project includes physical and bad debt. The physical and economic vacancy reflects the subject's annualized amount during lease-up as well as the budget. A market vacancy level was utilized as stabilized plus bad debt:

HISTORICAL OCCUPANCY & VACANCY/COLLECTION LOSS		
Year:	Occupancy	Vacancy/Collection Loss
T9 2021 Annualized	45.59%	54.4%
Budget	96.78%	3.2%
Projected	94.0%	6.0%

Total Revenue

Total revenue for the subject is estimated as follows:

The Six13 Apartments Revenue Projections - Market					
Unit Type					94.0%
	SF	Units	Monthly Rate		Annual
1x1	539	1	\$1,765	/Month	\$21,180
1x1	582	37	\$1,630	/Month	\$723,720
1x1	649	4	\$1,700	/Month	\$81,600
1x1	702	39	\$1,710	/Month	\$800,280
1x1	777	23	\$1,780	/Month	\$491,280
2x2	809	10	\$1,950	/Month	\$234,000
2x2	839	2	\$2,015	/Month	\$48,360
2x2	932	17	\$2,165	/Month	\$441,660
2x2	978	9	\$2,260	/Month	\$244,080
Gross Rental Revenue		142	\$1,811	/Month	\$3,086,160
Other Potential Income/Loss					
Utility Reimbursement		142	\$60.00	/Month	\$102,240
Garage and Storage Revenue		142	\$6.00	/Month	\$10,224
Miscellaneous		142	\$60.00	/Month	\$102,240
Pet Deposits and Fees		142	\$6.00	/Month	\$10,224
Telecommunication		142	\$73.00	/Month	\$124,392
Total Other Income		142	\$205	/Month	\$349,320
Gross Income Potential					\$3,435,480
Vacancy Factor					6.0%
Vacancy Amount					(\$206,129)
Effective Gross Income		142	\$1,895	/Month	\$3,229,351
EGI Per Unit					\$22,742

Historical Income and Expense Analysis

The subject was in lease-up during 2020. The budget was reviewed and presented. The subject provides a competitive price point in the market and is well-received as noted by the quick lease-up despite the impact of the COVID-19 pandemic.

Expense Comparables and Analysis

Expense comparables utilized were considered to represent the best comparables relative to the subject. Our search for expense comparables was based primarily on properties that would operate in a similar manner to the subject. We were able to obtain expense information in sufficient detail to apply them to the HUD 92274 Form. A brief summary of the income and expense comparables utilized in the analysis are presented in the following table.

EXPENSE COMPARABLES-MARKET												
Property Name	Solmar on Six				Country Club Lakes				33 West			
												
Address	Ft. Lauderdale				Coconut Creek, FL				Ft. Lauderdale, FL			
Type of Project	Market-Rate				Market-Rate				Market-Rate			
# of Stories	5				3				3			
Type of Construction	Masonry				Wood Frame				Wood Frame			
# of Units	286				196				376			
Year Built	2009				1990				2014			
Project Unit Composition	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM	BDRM
Composition	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
No. of Each Type Unit	94	140	52		30	166	0		168	184	24	
Sq. Ft. Each Type Unit	835	1,219	1,488		956	1,203	0		709	1,178	1,442	
Average Unit Area	1,142				1,165				985			
Comparability	Similar				Similar				Similar			

Trending

An updating percentage is defined as the application of a time adjustment to comparables in order to bring them forward to the same date as the most current comparable. The subject is then compared to the trended expenses. Once the subject's expense estimates have been made, then a final upward trend is applied from the point in time of the expense estimate to the current date. The trending date is the "beginning" period of the financial information utilized. For example, a financial period from January 1 through December 31 would have a "date" of January 1. The subject's expenses are trended forward to the valuation date.

Advertising

Advertising is generally the cost for local apartment guides, yellow pages, internet web pages and promotional efforts. The comparables provide the following:

TOTAL ADVERTISING & MARKETING				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Advertising & Marketing	\$369	\$429	\$162	\$400
Projection				\$56,800

The market is, and should remain, competitive. Reliance was placed in the upper-portion of the comparables. The subject's historical expense included lease-up costs. The budget versus the projection is similar:

ADVERTISING			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$934	\$488	\$400
Expense	\$132,568	\$69,356	\$56,800

Management Fee

Management fees in the market generally range from 2% to 5%. The projection relative to the comparables is presented as follows:

TOTAL MANAGEMENT FEE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Management Fee	\$677	\$802	\$508	\$569
	2.73%	4.15%	2.28%	2.50%
Projection				\$80,734

The historical trend for management fee expense is presented below:

MANAGEMENT FEE			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$516	\$558	\$569
Revenue	5.89%	2.45%	2.50%
Expense	\$73,259	\$79,278	\$80,734

The management fee for the subject is 2.5%. This is in line with the comparables.

General Administrative

The general administrative expense includes the costs related to such items as office supplies, telephones, computer equipment and maintenance, travel, training, accounting, and legal. The comparables provide the following:

TOTAL OTHER GENERAL ADMINISTRATIVE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total General Administrative	\$427	\$281	\$234	\$400
Projection				\$56,800

Owners are not consistent with the items that will be classified as “general administrative” but Comparable One is considered the most similar. The historical trend is presented below:

OTHER-ADMINISTRATIVE			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$410	\$468	\$400
Expense	\$58,182	\$66,474	\$56,800

Total Administration

Total administrative expenses for the comparables and the subject's projection follows:

TOTAL ADMINISTRATIVE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Administrative	\$1,473	\$1,511	\$904	\$1,369
Projection				\$194,334

The subject's projection is most similar to Comparables One and Two. The historical trend, budget and projection follows:

TOTAL ADMINISTRATIVE EXPENSES (ADV, MGMT, AND GEN)			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$1,859	\$1,515	\$1,369
Expense	\$264,010	\$215,108	\$194,334

The subject's projection is generally similar to the budget.

Elevator

Comparable One provided an elevator expense:

TOTAL ELEVATOR EXPENSE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Elevator Expense	\$116	\$0	\$0	\$115
Projection				\$16,330

The subject's projection is higher than the budget but similar to Comparable One. The historical trend, budget and projection follow:

ELEVATOR			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$0	\$65	\$115
Expense	\$0	\$9,242	\$16,330

Utilities

This category includes all of the costs related to the property owner's utilities. Utility costs were examined on an individual basis for electric, water/sewer, gas, and garbage removal. The comparables provide the following:

TOTAL UTILITIES				
Electricity				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Electricity	\$343	\$197	\$205	\$340
Water/Sewer				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Water/Sewer	\$550	\$810	\$1,097	\$550
Gas				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Gas	\$0	\$18	\$6	\$0
Trash				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Trash	\$314	\$170	\$254	\$200
Projection				\$154,780

All utility costs are the responsibility of the tenant through either a direct bill by the provider or through a utility reimbursement that was discussed in the revenue section. The subject's most recent reporting period, budget and projection follow:

UTILITIES			
Electricity			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$181	\$362	\$340
Expense	\$25,722	\$51,400	\$48,280
Water/Sewer			
Per Unit	\$160	\$485	\$550
Expense	\$22,688	\$68,850	\$78,100
Gas			
Per Unit	\$0	\$0	\$0
Expense	\$0	\$0	\$0
Garbage/Trash Removal			
Per Unit	\$105	\$190	\$200
Expense	\$14,866	\$27,000	\$28,400
Projection			\$154,780

Payroll/Taxes & Benefits

Payroll expenses were based on the subject's salary information. The following staffing chart was utilized as the basis for the projection of payroll expenses.

PAYROLL AND RELATED - MARKET		FTE	Annual
Property Manager	\$65,000 /year	1.0	\$65,000
Leasing Agent	\$14.00 /hour	1.0	\$29,120
Maintenance Supervisor	\$20.00 /hour	1.0	\$41,600
Maintenance Tech	\$15.00 /hour	1.0	\$31,200
Maintenance Tech	\$13.00 /hour	1.25	\$33,800
Total Payroll		5.3	\$200,720

The staffing projected provides sufficient staff to maintain the property in good condition. The comparables provide the following:

TOTAL PAYROLL & RELATED				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Payroll & Related	\$1,334	\$1,651	\$1,096	\$1,414
Projection				\$200,720

The subject's projection is within the norm of the market. The historical trend, budget and projection follow:

PAYROLL			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$1,613	\$1,504	\$1,414
Expense	\$229,116	\$213,550	\$200,720

Other-Telecommunication

The subject has a telecommunication contract. The subject's projection is within the norm of the market. The historical trend, budget and projection follow:

TELECOMMUNICATION			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$150	\$627	\$630
Expense	\$21,322	\$89,100	\$89,460

Comparable One provides cable. The other comparables do not provide this item in rent.

TELECOMMUNICATION				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Telecommunication	\$18	\$0	\$0	\$630
Projection				\$89,460

Total Operation

Total operating expenses for the comparables and the subject is provided below:

TOTAL OPERATING				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Operating w/o Telecommunication	\$2,676	\$2,846	\$2,658	\$2,619
Subject with Telecommunication				\$3,249
Projection				\$461,290

The projection is higher than the comparables due to the inclusion of telecommunication expense.

The historical trend, budget and projection follows:

TOTAL OPERATION EXPENSES (UTILITIES AND PAYROLL)			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$2,209	\$3,233	\$3,249
Expense	\$313,714	\$459,142	\$461,290

The projection is similar to the budget.

Decorating

Operators are not consistent with the items they classify as turnover costs/decorating. Total decorating expenses for the comparables and the subject is provided below:

TOTAL DECORATING				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Decorating	\$106	\$39	\$263	\$110
Projection				\$15,620

The subject projection is within the range of the comparables. The subject has primarily faux flooring and minimal carpet. The cost of turnover is low. The projection is within the lower end of the range. The comparison to the budget is provided:

DECORATING			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$47	\$86	\$110
Expense	\$6,619	\$12,160	\$15,620

Repairs

Repair expenses can vary widely by the condition of units, common areas and turnover rates. The comparables provide the following:

TOTAL REPAIRS				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Repairs	\$663	\$872	\$329	\$660
Projection				\$93,720

The subject is most similar to Comparable One. Our payroll projection incorporated sufficient staff to maintain the community. The subject's historical trend, budget and projection is presented as follows:

REPAIRS			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$514	\$625	\$660
Expense	\$72,998	\$88,690	\$93,720
Combined Dec. & Repairs	\$561	\$710	\$770

Exterminating

The comparables provide the following range:

TOTAL EXTERMINATING				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Exterminating	\$34	\$42	\$63	\$40
Projection				\$5,680

The projection is similar to the comparables. The following is the historical exterminating expense for the subject:

EXTERMINATING			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$24	\$21	\$40
Expense	\$3,403	\$3,000	\$5,680

Reliance was placed on the comparables.

Insurance

The comparables provide the following range:

TOTAL INSURANCE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Insurance	\$943	\$784	\$437	\$825
Projection				\$117,150

Insurance is property specific. The following is the historical insurance expense for the subject:

INSURANCE			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$587	\$825	\$825
Expense	\$83,367	\$117,180	\$117,150

The insurance projection is based on the budget.

Grounds Maintenance

Grounds maintenance expenses include all of the costs relating to the upkeep of the grounds, including landscaping. These costs can vary depending on the size and landscaping program of the property. The comparables provide the following:

TOTAL GROUNDS MAINTENANCE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Grounds Maintenance	\$125	\$244	\$328	\$125
Projection				\$17,750

The subject has minimal grounds to maintain and is considered most similar to Comparable One. The following is the historical, budget and projection for grounds maintenance expense for the property:

GROUNDS MAINTENANCE			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$99	\$118	\$125
Expense	\$14,065	\$16,800	\$17,750

The projection is similar to the historical trend and based on the continuation of a good-quality landscaping program.

Total Maintenance

The total maintenance expense includes the sum of decorating, repairs, exterminating, insurance, security, and grounds maintenance. The comparables provide the following:

TOTAL MAINTENANCE				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Maintenance	\$2,162	\$1,981	\$1,496	\$1,760
Projection				\$249,920

The subject's total maintenance expense is within the range of the comparables. The following is the total historical maintenance expense for the subject.

TOTAL MAINTENANCE (DEC/REPAIRS, EXT, INS, AND GROUNDS)			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$1,475	\$1,675	\$1,760
Expense	\$209,498	\$237,830	\$249,920

The subject's projection is supported by the comparables and is above the budget. The difference is within categories where the comparables were relied on for the cost estimate.

Replacement Reserves

Replacement reserves were estimated at a market level:

TOTAL RESERVES	
	Conclusion - Market
Per Unit	\$250
Expense	\$35,500

Taxes and Insurance

Taxes and other includes real estate taxes and related. Property liability insurance was included under maintenance. Reliance for real estate taxes were based on our previous ad valorem analysis. The comparables provide the following:

TOTAL REAL ESTATE TAXES, PAYROLL TAXES AND BENEFITS				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Real Estate Taxes	\$4,392	\$2,896	\$4,712	\$3,500
Payroll Taxes and Benefits	\$361	\$317	\$284	\$312
Total Taxes	\$4,753	\$3,214	\$4,996	\$3,812
Projection				\$541,359

The cost for this category is property specific. The historical, budget and projection follows:

TOTAL REAL ESTATE TAXES, PAYROLL TAXES AND BENEFITS			
	T9 2021 Annualized	Budget	Conclusion - Market
Real Estate Taxes (Per Unit)	\$535	\$2,400	\$3,500
Payroll Taxes & Benefits	\$641	\$357	\$312
Total Per Unit	\$1,175	\$2,757	\$3,812
Expense	\$166,914	\$391,540	\$541,359

The real estate taxes were estimated via a loaded capitalization approach for the projection. The budget represents the real estate taxes the city and county has estimated will apply to the subject. The variation is for appraisal valuations, the real estate taxes are calculated on the assumption of a sale at the appraised value. The city/county provided an assessment based on their mass appraisal technique.

Overall Expenses

Overall expenses for the comparables are presented as follows:

TOTAL EXPENSES				
	Comp. 1	Comp 2	Comp 3	Projection - Market
Total Expenses	\$11,064	\$9,552	\$10,055	\$10,439
Projection				\$1,482,403

Overall projected expenses are within the range of the comparables. Individual expense categories were well supported based on the comparables and the subject's historic financials. The following is the historical expense total for the subject:

OVERALL EXPENSES			
	T9 2021 Annualized	Budget	Conclusion - Market
Per Unit	\$6,719	\$9,180	\$10,439
Expense	\$954,135	\$1,303,620	\$1,482,403

Overall, the individual expense categories were projected at a market level with consideration to the historical operation and when deemed appropriate adjusted to reflect typical expense levels.

Revenue and Expense Summary

The revenue and expense estimate for the subject are projected to be as follows:

REVENUE AND EXPENSE SUMMARY-MARKET	
Potential Rental Income	\$3,086,160
Other Income	\$349,320
Potential Gross Income	\$3,435,480
Less: Vacancy and Collection	(\$206,129)
Effective Gross Income	\$3,229,351
Less: Total Expenses	(\$1,482,403)
Net Operating Income-Apartment	\$1,746,948

FINANCIAL ANALYSIS						
Units	142		142		142	
Operating Year	T9 2021 Annualized		Budget		Projected - Market	
	Actual	Per Unit	Actual	Per Unit	Dollars	Per Unit
Revenues						
Rental Revenue	\$2,528,026	\$17,803	\$2,905,727	\$20,463	\$3,086,160	\$21,734
Utility Reimbursement	\$26,476	\$186	\$100,750	\$710	\$102,240	\$720
Garage and Storage Revenue	\$4,976	\$35	\$9,948	\$70	\$10,224	\$72
Miscellaneous	\$91,061	\$641	\$62,914	\$443	\$102,240	\$720
Retail	\$30,355	\$214	\$128,395	\$904	\$0	\$0
Pet Deposits and Fees	\$11,786	\$83	\$7,050	\$50	\$10,224	\$72
Telecommunication	\$35,732	\$252	\$123,525	\$870	\$124,392	\$876
Vacancy and Collections	(\$1,484,584)	(\$10,455)	(\$107,613)	(\$758)	(\$206,129)	(\$1,452)
Effective Gross Income	\$1,243,827	\$8,759	\$3,230,696	\$22,751	\$3,229,351	\$22,742
Administrative						
Advertising	\$132,568	\$934	\$69,356	\$488	\$56,800	\$400
Management Fee	\$73,259	\$516	\$79,278	\$558	\$80,734	\$569
Other-Administrative	\$58,182	\$410	\$66,474	\$468	\$56,800	\$400
Total Administrative	\$264,010	\$1,859	\$215,108	\$1,515	\$194,334	\$1,369
Operating						
Elevator	\$0	\$0	\$9,242	\$65	\$16,330	\$115
Electricity	\$25,722	\$181	\$51,400	\$362	\$48,280	\$340
Water/Sewer	\$22,688	\$160	\$68,850	\$485	\$78,100	\$550
Garbage/Trash Removal	\$14,866	\$105	\$27,000	\$190	\$28,400	\$200
Payroll	\$229,116	\$1,613	\$213,550	\$1,504	\$200,720	\$1,414
Telecommunication	\$21,322	\$150	\$89,100	\$627	\$89,460	\$630
Total Operating	\$313,714	\$2,209	\$459,142	\$3,233	\$461,290	\$3,249
Maintenance						
Decorating	\$6,619	\$47	\$12,160	\$86	\$15,620	\$110
Repairs	\$72,998	\$514	\$88,690	\$625	\$93,720	\$660
Exterminating	\$3,403	\$24	\$3,000	\$21	\$5,680	\$40
Insurance	\$83,367	\$587	\$117,180	\$825	\$117,150	\$825
Grounds Maintenance	\$14,065	\$99	\$16,800	\$118	\$17,750	\$125
Security	\$29,045	\$205	\$0	\$0	\$0	\$0
Total Maintenance	\$209,498	\$1,475	\$237,830	\$1,675	\$249,920	\$1,760
Replacement Reserves					\$35,500	\$250
Taxes						
Real Estate Taxes	\$75,941	\$535	\$340,800	\$2,400	\$497,000	\$3,500
Employee Payroll Tax	\$0	\$0	\$34,720	\$245	\$17,061	\$120
Workers Compensation	\$0	\$0	\$0	\$0	\$1,204	\$8
Employee Benefits	\$90,972	\$641	\$16,020	\$113	\$26,094	\$184
Total Taxes	\$166,914	\$1,175	\$391,540	\$2,757	\$541,359	\$3,812
Total Expenses	\$954,135	\$6,719	\$1,303,620	\$9,180	\$1,482,403	\$10,439
Net Operating Income	\$289,692	\$2,040	\$1,927,076	\$13,571	\$1,746,948	\$12,302
Note:						

Operating Expense Analysis Worksheet

U.S. Department of Housing and Urban Development

Office of Housing
Federal Housing Commissioner

Kay Kawchick

OMB Approval No. 2502-0331
(exp. 4/30/2006)

See Instructions on back and Refer to Handbook
4480.1 for details on completing this form.

MARKET SCENARIO

Project Name The Six13 Apartments									Project Number											
City Fort Lauderdale									Date of Appraisal (mm/dd/yyyy) April 30, 2021											
Signature of Processor									Signature of Reviewer									Date (mm/dd/yyyy)		
Project Name		Solmar on Six			Country Club Lakes				33 West				The Six13 Apartments							
Project Number																				
Location		Ft. Lauderdale			Coconut Creek, FL				Ft. Lauderdale, FL				Fort Lauderdale							
Type of Project		Market-Rate			Market-Rate				Market-Rate				Market-Rate							
No. of Stories		5			3				3				6							
Type of Construction		Masonry			Wood Frame				Wood Frame				B - Reinforced Concrete							
No. of Living Units		286			196				376				142							
Age of Project		2009			1990				2014				2020							
Project Unit Composition		BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM	BRM			
Composition		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)			
No. of Each Type Unit		94	140	52	0	30	166	0	0	168	184	24	0	104	38	0	0			
Sq. Ft. Each Type Unit		835	1,219	1,488	0	956	1,203	0	0	709	1,178	1,442	0	539	582	649				
Average Unit Area		1142			1165				985				551							
Same Tax Rate as Subject*		No			No				No											
Effective Date/Updating		8/1/2019			1/1/2019				1/1/2017				4/30/2021							
Months/Percentage		0.00 0.0%			7.00 1.2%				31.00 5.2%											
Same Utility Rate *		No			No				No											
Equip. & Services Inc. in Rent																				
Equipment Included in Rent									Services Included in Rent											
1 Ranges & Refrig.		2 Carpet & Drapes		3 Disposal		Gas		10 Heat		11 Cooking		12 Hot Water		13 A/C						
4 Dishwasher		5 Laundry Fac.		6 Air Cond.		Elec.		14 Heat		15 Cooking		16 Hot Water		17 A/C		18 Lights				
7 Microwave		8 Pool/Tennis		9 Other		Other Fuel		19 Heat		20 Hot Water		21 Water		22 Other		Trash Removal/Pest				

Items of Expense by Units of Comparison ***	Exp.	Adj. + −	Ind. Exp.	Exp.	Updated Exp.	Adj. + −	Ind. Exp.	Exp.	Updated Exp.	Adj. + −	Ind. Exp.	Correlated Expense-Market Scenario	
													Trended
1. Advertising	\$369	\$0	\$369	\$424	\$429	\$0	\$429	\$154	\$162	\$0	\$162	\$387	\$400
2. Management	\$677	\$0	\$677	\$792	\$802	\$0	\$802	\$483	\$508	\$0	\$508	\$550	\$569
3. Other	\$427	\$0	\$427	\$278	\$281	\$0	\$281	\$222	\$234	\$0	\$234	\$387	\$400
4. Total Admin.	\$1,473	\$0	\$1,473	\$1,494	\$1,511	\$0	\$1,511	\$859	\$904	\$0	\$904	\$1,324	\$1,369
5. Elevator	\$116	\$0	\$116	\$0	\$0	\$0		\$0	\$0	\$0		\$111	\$115
6. Fuel	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0
7. Lighting & Mis. Power	\$343	\$0	\$343	\$195	\$197	\$0	\$197	\$194	\$205	\$0	\$205	\$329	\$340
8. Water	\$550	\$0	\$550	\$800	\$810	\$0	\$810	\$1,042	\$1,097	\$0	\$1,097	\$532	\$550
9. Gas	\$0	\$0		\$18	\$18	\$0	\$18	\$6	\$6	\$0	\$6	\$0	\$0
10. Garbage & Trash	\$314	\$0	\$314	\$168	\$170	\$0	\$170	\$241	\$254	\$0	\$254	\$194	\$200
11. Payroll	\$1,334	\$0	\$1,334	\$1,632	\$1,651	\$0	\$1,651	\$1,042	\$1,096	\$0	\$1,096	\$1,368	\$1,414
12. Other	\$18	\$0	\$18	\$0	\$0	\$0		\$0	\$0	\$0		\$610	\$630
13. Total Operating	\$2,676	\$0	\$2,676	\$2,813	\$2,846	\$0	\$2,846	\$2,525	\$2,658	\$0	\$2,658	\$3,143	\$3,249
14. Decorating	\$106	\$0	\$106	\$38	\$39	\$0	\$39	\$250	\$263	\$0	\$263	\$106	\$110
15. Repairs	\$663	\$0	\$663	\$862	\$872	\$0	\$872	\$313	\$329	\$0	\$329	\$639	\$660
16. Exterminating	\$34	\$0	\$34	\$42	\$42	\$0	\$42	\$60	\$63	\$0	\$63	\$39	\$40
17. Insurance	\$943	\$0	\$943	\$775	\$784	\$0	\$784	\$415	\$437	\$0	\$437	\$798	\$825
18. Ground Expenses	\$125	\$0	\$125	\$241	\$244	\$0	\$244	\$312	\$328	\$0	\$328	\$121	\$125
19. Other	\$292	\$0	\$292	\$0	\$0	\$0		\$72	\$75	\$0	\$75	\$0	\$0
20. Total Maint.	\$2,162	\$0	\$2,162	\$1,958	\$1,981	\$0	\$1,981	\$1,422	\$1,496	\$0	\$1,496	\$1,703	\$1,760
20a. Total Operating Expense Exclusive of Reserve Time and Trend (Sum of Lines 4, 13 and 20)													\$6,170
20b. Trend Adjustment				Apr-21				Annual Rate		2.00%		3.36%	
21. Replacement Reserve (Per Applicable Formula from Forms HUD-92264 or HUD-92264B)													\$250
22. Total Operating Expenses Including Reserve Time and Trend (Sum of Lines 20a, 20b and 21)													\$6,627
23. Taxes/Real Estate	\$4,392	\$0	\$4,392	\$2,863	\$2,896	\$0	\$2,896	\$4,477	\$4,712	\$0	\$4,712	\$3,386	\$3,500
24. Personal Prop. Tax	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0
25. Emp. Payroll Tax	\$120	\$0	\$120	\$141	\$143	\$0	\$143	\$38	\$40	\$0	\$40	\$116	\$120
26. Other	\$104	\$0	\$104	\$0	\$0	\$0		\$86	\$91	\$0	\$91	\$8	\$8
27. Other	\$138	\$0	\$138	\$172	\$174	\$0	\$174	\$145	\$153	\$0	\$153	\$178	\$184
27a Total Taxes w/o trend	\$4,753	\$0	\$4,753	\$3,177	\$3,214	\$0	\$3,214	\$4,747	\$4,996	\$0	\$4,996	\$3,689	\$3,812
27b. Trend Adjustment				Apr-21				Annual Rate		2.00%		3.36%	
28. Total Taxes (Including Time and Trend) (Sum of Lines 27a and 27b)													\$3,812
29. Total Expense (Sum of Lines 22 and 28)													\$10,439

Commercial Income

The subject will generate commercial income from two leases located on the ground floor. These are:

Blue Steel Pizza Company will operate a restaurant on premise. The space is 2,677 square feet at a base rent of **\$25.70** per year. The lease has a 10-year lease term with two five (5) year option. The lease will have annual escalations of 3% and a Common Area Maintenance charge of \$6.00 per square foot.

Affiliated Development LLC is leasing office space on the first floor. The term commenced June 1, 2020, with a 10-year term with 10-year renewals until terminated. The space is 2,064 square feet. The lease is \$45,408 per year or **\$22.00** per square foot. In addition, the CAM is charged.

Leases from the market were obtained for space located within the immediate area including apartment buildings.

Motif has commercial spaces with a total of 6,344 available in one area and 11,701 square feet in total in another area of the building. The spaces can be subdivided. The lease rate for triple net leases is \$40 per square foot.



Shoppes on Arts Avenue is a freestanding retail neighborhood retail center. There is 2,313 square feet in the building. The center was built in 2012. Lease rate is \$40 per square foot triple net with a \$5.00 per square foot CAM. A photo of the center is provided:



616 NW 2nd Avenue (Sistrunk Marketplace & Brewery) is a building just east of the subject. An existing industrial building was converted into an entertainment complex occupied by a variety of tenants. Space on the ground floor that is most similar to the subject leases for **\$30** per square foot. There is 2,000 square feet available. The CAM is about \$5-\$6 per square foot depending on the tenant.



407-413 N. Andrews Avenue is a retail center with 14,458 total square feet in a two-story design. The property has two rental apartments above the retail space. The retail rent is \$40 triple net with a CAM charge or about \$5.00 per square foot.



101 NW 6th Street is a mixed-tenant property with 8,000 square feet of warehouse space, built in 1966. The building is available for lease for \$18 per square foot, triple net.



The lease range in the market is \$18 to \$40 per square foot, triple net. CAM charges are generally \$5.00 to \$6.00 per square foot. The most similar space is **616 NW 2nd Avenue** just east of the subject leasing space for **\$30 per square foot, NNN**.

The subject's space is new construction with modern features and should command a lease rate at, or above this level. The subject is superior to the warehouse space at 101 NW 6th Street (\$18 SF). The lease rates commanded east of the rail line as noted by Motif and 407-413 N. Andrews Avenue (\$40 SF) is higher. The retail space at Shoppes on Arts Avenue is west of the rail line but functions more as a retail center than space within an existing apartment community.

The subject's lease rates of \$22 to \$23.50 per square foot are below the most similar comparable. However, as noted in the lease term, the leases are for 10-years. This provides less risk to the income-stream than the leases in the market that are typically five-year terms. Thus, the discount offered on rent for the longer term is reasonable.

The income analysis incorporates the existing leases. Vacancy is calculated at the 10% threshold required under the FHA program. Common Area Maintenance (CAM) is additional rent relating to costs that are incurred and equitably prorated for Tenant's share of the property which include real estate taxes, insurance, utilities, service agreements, routing repairs, maintenance, and replacements. Management fee is included in services. They do not relate to capital or capital improvements, debt payments re related. CAM was estimated at \$6.00 per square foot as outlined in the leases and is at market.

The calculation of the net operating income for the commercial space is calculated and added to the apartment revenue stream.

Commerical Income Analysis		
Leases:	Basis	Annual \$
Total Square Feet	4,741	
Blue Steel Pizza Co.	Actual Lease	\$68,799
Affiliated	Actual Lease	\$45,408
Commercial Income		\$114,207
Commercial Vacancy	10%	(\$11,421)
Effective Commercial Revenue		\$102,786
Total Expenses:		
CAM per SF Includes Mgmt	\$6.00	\$28,446
CAM Reimbursement:	90%	\$25,601
Total Operating Expenses		\$2,845
Landlord's NOI		\$99,942

Direct Capitalization

There are several methods of deriving a capitalization rate in order to convert anticipated income into a value estimate. The best method is by direct extraction of capitalization rates from market transactions. In this instance, we were able to obtain capitalization rate information from each of the improved sales, as well as other sales in the region. A summary of the overall capitalization rates follows:

No.	Property Name Location	Sale Date Year Built	Number of Units	Income Type	OAR (actual)
Sale # 1	ORA Flagler Village	Sep-19	292	Actual	4.50%
	Fort Lauderdale, Florida	2017		Stabilized	4.50%
Sale # 2	Pearl Flagler Village	Jan-20	350	Actual	4.50%
	Fort Lauderdale, Florida	2019		Stabilized	4.50%
Sale # 3	Cortland Hollywood	Jan-21	336	Actual	3.80%
	Hollywood, Florida	2016		Stabilized	3.80%

Currently, apartment fundamentals are strong in Florida. The economic environment remains consistent with respect to job formation and no external obsolescence would negatively impact the anticipated future performance of the property. The location of the subject is good relative to employment and support services including a broad spectrum of employers in the medical, education, retail, and manufacturing and distribution industries. The subject is a quality rental property with minimal risk associated with the asset. A rate similar to the sales would be considered reasonable.

Band of Investment—This method of building an overall rate is based on the basic market-derived components plus investor perceptions that formulate capitalization rates. These are the return of and on the investment (payback of financing) as well as the return “of” and “on” the equity (equity dividend rate). Equity dividend rates were typically not available from the sales because of a lack of sufficient information regarding financing arrangements for the purchases. We have reviewed the industry for prevailing equity return requirements. Given the property’s management requirement, location, age, and condition, we believe that an equity dividend rate of 6% to 8% will be required to attract a suitable investor. A rate of 7% was chosen.

Band of Investment and Debt Coverage Ratio				
Mortgage Interest Rate (Market)				3.50%
Term Years				30
Loan to Value Ratio				75.0%
Debt Coverage Ratio				1.250
Equity Dividend Rate				7.00%
BAND OF INVESTMENT				
Debt Portion	75% x	0.0539	=	0.0404
Equity Portion	25% x	0.0700	=	0.0175
				5.79%
DEBT COVERAGE (w/MIP)	75% x	1.25 x	0.0539	5.05%

The subject is a quality rental property with minimal risk associated with the asset. A rate similar to the sales would be considered reasonable.

Conclusion/Overall Rate Analysis

Applying the concluded overall capitalization rate to the net operating income will result in the following value estimates.

INCOME APPROACH TO VALUE	
Potential Rental Income	\$3,086,160
Other Income	\$349,320
Potential Gross Income	\$3,435,480
Less: Vacancy and Collection	(\$206,129)
Effective Gross Income	\$3,229,351
Less: Total Expenses	(\$1,482,403)
Net Operating Income-Apartment	\$1,746,948
NOI Commercial Income	\$99,942
Total NOI Apartment & Commercial	\$1,846,890
Divided by Overall Rate	4.50%
Estimated Value	\$41,041,998
Add Impact of Covenant:	\$1,378,395
Total "as is" Market Value	\$42,420,393
Total Value (Rounded)	\$42,420,000
Per Unit	\$298,732

Reconciliation-Final Value Estimate

The purpose of this appraisal was to estimate the “As Is” market value of the fee simple interest in the subject. The value presented assumes that all critical and non-critical repairs have been made. The values concluded via each of the three approaches are provided as follows:

VALUE RECONCILIATION	
Approach to Value	As Is
Land	\$5,000,000
Cost Approach	\$44,050,000
Sales Approach	\$42,780,000
Income Approach	\$42,420,000
Final Value Estimate	\$42,420,000

In the cost approach, the value of the land plus the depreciated reproduction cost of the improvements is typically estimated. This approach to value provides an excellent method of estimating the value of recently constructed or proposed properties that represent the highest and best use of the site. The cost approach is provided but is not relied upon for estimating the final value.

The income approach was considered to provide a reliable value indication, since it is especially appropriate for the valuation of income-producing properties like the subject. The income, expenses, and overall rate were considered well supported by the rent comparables, expense comparables, and several recent apartment sales. Overall, the income approach was judged very persuasive. We employed the Direct Capitalization method in this appraisal for the market value, which is considered the most reliable indicator of value for properties such as the subject.

The sales comparison approach (market approach) was considered to provide a reliable value estimate. Sales comparables that were considered to be most similar to the subject were utilized. The per unit and the EGIM methodology were employed, and both provided a reasonable range of value for the subject. In addition, they provided support for the final value estimate.

After considering each approach to value, we gave the most weight to the income approach for the final value estimate with consideration to the sales comparison approach.

Based on the inspection of the property and the investigation and the analysis undertaken, we have formed the opinion that the “As Is” market value of the fee simple estate, effective April 12, 2021 was:

AS IS MARKET VALUE
FORTY TWO MILLION FOUR HUNDRED TWENTY THOUSAND DOLLARS
(\$42,420,000)

ADDENDUM A

SUBJECT INFORMATION



PROPERTY SUMMARY

Tax Year: 2021	Property Use: 10 - Vacant commercial	Deputy Appraiser: Commercial Department
Property Id: 494234076810	Millage Code: 0312	Contact Number: 954-357-6835
Property Owner/s: 613 NW 3RD AVE LLC	Adj. Bldg. S.F: 0	Email: commercialtrim@bcpa.net
Mailing Address: 613 NW 3 AVE #104 FORT LAUDERDALE, FL 33311	Bldg Under Air S.F:	Zoning: NWRAC-MUe - NW REGIONAL
Physical Address: 613 NW 3 AVENUE FORT LAUDERDALE, 33311-7449	Effective Year: 0	ACTIVITY CENTER - MIXED USE EAST
	Year Built:	Abbr. Legal Des.: PROGRESSO 2-18 D LOT 17
	Units/Beds/Baths: 0 / /	THRU 23.25 LESS PT FOR ST, 26 TO 32 BLK 322

2020 values are considered "working values" and are subject to change.

PROPERTY ASSESSMENT

Year	Land	Building / Improvement	Agricultural Saving	Just / Market Value	Assessed / SOH Value	Tax
2021	\$1,771,840	0	0	\$1,771,840	\$1,472,440	
2020	\$1,771,840	0	0	\$1,771,840	\$1,338,590	\$30,156.86
2019	\$1,216,900	0	0	\$1,216,900	\$1,216,900	\$22,615.72

EXEMPTIONS AND TAXING AUTHORITY INFORMATION

	County	School Board	Municipal	Independent
Just Value	\$1,771,840	\$1,771,840	\$1,771,840	\$1,771,840
Portability	0	0	0	0
Assessed / SOH	\$1,472,440	\$1,472,440	\$1,472,440	\$1,472,440
Granny Flat				
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exemption Type	0	0	0	0
Affordable Housing	0	0	0	0
Taxable	\$1,472,440	\$1,771,840	\$1,472,440	\$1,472,440

SALES HISTORY FOR THIS PARCEL

Date	Type	Price	Book/Page or Cin
08/27/2018	Special Warranty Deed Disqualified Sale	\$2,000,000	115291880
04/01/1990	Quit Claim Deed		17354 / 339
10/01/1989	Warranty Deed	\$481,000	
03/01/1988	Quit Claim Deed	\$100	

LAND CALCULATIONS

Unit Price	Units	Type
\$35.00	50,624 SqFt	Square Foot

RECENT SALES IN THIS SUBDIVISION

Property ID	Date	Type	Qualified/ Disqualified	Price	CIN	Property Address
494234074420	03/15/2021	Warranty Deed	Qualified Sale	\$462,500	117135496	609 NE 8 AVE FORT LAUDERDALE, FL 33304
494234076340	03/15/2021	Multi Warranty Deed	Disqualified Sale	\$1,250,000	117121742	NW 1 AVE FORT LAUDERDALE, FL 33311
494234070480	02/24/2021	Warranty Deed	Qualified Sale	\$249,000	117083376	360 NW 8 ST FORT LAUDERDALE, FL 33311
494234076330	02/23/2021	Multi Warranty Deed	Disqualified Sale	\$1,250,000	117121742	633 NW 1 AVE FORT LAUDERDALE, FL 33311
494234076350	02/23/2021	Multi Warranty Deed	Disqualified Sale	\$1,250,000	117121742	629 NW 1 AVE FORT LAUDERDALE, FL 33311

SPECIAL ASSESSMENTS

Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc
Ft Lauderdale Fire-rescue (03)						(F2)		
Vacant Lots (L)								
1						50,624.00		

SCHOOL

North Side Elementary C
Sunrise Middle B
Fort Lauderdale High A

ELECTED OFFICIALS

Property Appraiser	County Comm. District	County Comm. Name	US House Rep. District	US House Rep. Name
Marty Kiar	7	Tim Ryan	20	Alcee L. Hastings
Florida House Rep. District	Florida House Rep. Name	Florida Senator District	Florida Senator Name	School Board Member
94	Bobby B DuBose	33	Perry E. Thurston, Jr.	Sarah Leonardi

ADDENDUM B

COMPARABLES

LAND
RENT
IMPROVED

LAND SALES

Land Sale 1
Sunset Colony Mobile Home Park - Pearl Riverland Apartments



Property Identification

Property ID	19381
Property Type	Multi-Family Land
Property Name	Sunset Colony Mobile Home Park - Pearl Riverland Apartments
Address	400 SW 27th Ave
City, State Zip	Fort Lauderdale, Florida 33312-2039
County	Broward
Tax ID	50-42-08-00-0050

Sale Data		Land Data	
Seller	Clarkson-Bergman Family Partnership, LTD.	Land Size	10.91 acres or 475,304 SF
Buyer	Riverland Owner, LLC	Zoning	MHP Mobile Home Park
Sale Date	January 27, 2020	Number of Units	276
Sale Price	\$10,000,000	Shape	L-shaped
Financing	Cash to seller	Topography	Generally Level
Property Rights	Fee Simple	Frontage	There is approximately 600 feet on the east side of SW 27th Ave
Reference Number	116315281	Utilities	All municipal utilities available
Verification	Chris Conklin, Walker Dunlop, LLC	Flood Zone	

Indicators

Sale Price/Gross Acre	\$916,466 per Acre
Sale Price/Gross SF	\$21.04 per SF
Sale Price/Unit	\$36,232

Remarks

This is the January 2020 sale of a former mobile home park that was acquired to develop a 276-garden apartment community. There were no unusual sale conditions. The sale was contingent upon development approvals. This land parcel is located on the east side of Southwest 27th Avenue, south of West Broward Boulevard, in Fort Lauderdale, Broward County, Florida. The zoning at the time was for mobile home park use but easily lends itself to multi-family development. Access is via the east side of Southwest 27th Avenue.

Land Sale 2
Village Shoppes Of Pine Plaza - Vista Verde at Sunrise



Property Identification

Property ID	19380
Property Type	Multi-Family Land
Property Name	Village Shoppes Of Pine Plaza - Vista Verde at Sunrise
Address	4255 North Pine Island Road
City, State Zip	Sunrise, Florida 33351
County	Broward
Tax ID	49-41-20-33-0040

Sale Data

Seller	Pine Plaza Holdings, LLC
Buyer	Pine Park Apartments LLC
Sale Date	January 14, 2019
Sale Price	\$10,918,000
Financing	Cash to seller
Property Rights	Fee Simple
Reference Number	115555623
Verification	Doron Valero, Buyer Representative

Land Data

Land Size	15.30 acres or 666,402 SF
Zoning	PDD Planned Development
Number of Units	288
Shape	Rectangular
Topography	Level
Frontage	There is approximately 630 feet on the north side of NW 4th St
Utilities	All municipal utilities available
Flood Zone	

Indicators

Sale Price/Gross Acre	\$713,666 per Acre
Sale Price/Gross SF	\$16.38 per SF
Sale Price/Unit	\$37,910

Remarks

This is the January 2019 sale of a high vacancy shopping center. The property was purchased with the intent to raze the improvements and develop a 288-unit apartment project to be named Riverland Apartments. The sale price was adjusted upward by \$550,000 for demolition costs of the existing improvements.

The property is located in the southwest corner of Northwest 44th Street and North Pine Island Road, in Sunrise, Broward County, Florida. This was previously improved by a retail shopping center. It was part of a larger parent tract. Access is good from to roadways. Exposure is average being located setback off of NW 44th Street.

**Land Sale 3
Modera Cornerstone**



Aerial from PA

Property Identification

Property ID	13724
Property Type	Multi-Family Land
Property Name	Modera Cornerstone
Address	1240 South Pine Island Road
City, State Zip	Plantation, Florida 33324
County	Broward
Tax ID	504116290016

Sale Data

Seller	PG-Plantation CS Four, LLC
Buyer	Columbia Cornerstone Ventures, LLC
Sale Date	March 29, 2018
Sale Price	\$11,400,000
Financing	Cash to seller
Property Rights	Fee Simple

Land Data

Land Size	6.26 acres or 272,686 SF
Zoning	B7-Q Planned Commercial Development
Number of Units	330
Shape	Irregular
Topography	Generally Level
Frontage	There is approximately 825 feet of frontage on the east side of an interior access road and 595 feet on the south side of a shared access road in the Cornerstone Corporate Center.
Utilities	All municipal utilities available
Flood Zone	No 12011C0535H

Reference Number	114984804
Verification	Jeff Meran, Mill Creek Residential

Indicators

Sale Price/Gross Acre	\$1,821,086 per Acre
Sale Price/Gross SF	\$41.81 per SF
Sale Price/Unit	\$34,545

Remarks

This is the March 2018 sale of a developed pad site within the Cornerstone Corporate Center. The site was pad ready with a parking lot and utilities in place. The site benefits from off-site drainage. The buyer intends on utilizing some of the existing parking lot. Minor demolition of the parking lot and lateral sewer lines are required for the planned development. The buyer intends on constructing a seven-story, 330-unit hospitality inspired apartment project. It will include one-, two- and three-bedroom apartments ranging in square footage from 657 to 1,384 with den layouts available. Community amenities will include outdoor pool, fitness center, controlled -access garage, parking, dog park, pet spa, clubhouse, and barbecue area. Construction is set for completion in October 2019 with move ins to begin January 2020. This was a fully negotiated arm's length transaction.

This is a 6.26-acre pad site located in the Cornerstone Corporate Center. Cornerstone is a 58-acre class A business campus located in the northwest quadrant of South Pine Island Road and Interstate 595. The site has infrastructure in place, a paved parking lot and frontage on an 11-acre lake.

RENT COMPARABLES

**Lease Comparable 1
Motif at Flagler Village**

Property Identification - 19400

Property Name	Motif at Flagler Village
Property Type	Multifamily
Address	500 N Andrews Ave
City, State, Zip	Fort Lauderdale, Florida 33301-3216
Occupancy	80.0%
Confirmed By	Brandon Pearson
Confirmed With	Jamie
Date of Confirmation	04-14-2021
Confirmation Phone	833-381-3667



Physical Data

Rentable Area	76,916
Year Built	2020
Stories	7
Number of Units	385

Property Amenities	Clubhouse, Business Center, Fitness Center, Pool, Bocce Court, Barbeque/Picnic Area, Pet Spa, Gated/Secure Access, Rooftop Terrace
Unit Amenities	Balcony/Patio, Blinds, Washer/Dryer Connections, Walk-In Closets, Wood Vinyl, Quartz Countertops
Unit Appliances	Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer
Utilities with Rent	None

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
	1 Bd 1.0 Ba	6	561	3,366	\$2,223	\$13,338	\$3.96	2%
	1 Bd 1.0 Ba	4	643	2,572	\$2,190	\$8,760	\$3.41	1%
	1 Bd 1.0 Ba	3	667	2,001	\$2,346	\$7,038	\$3.52	1%
	1 Bd 1.0 Ba	1	770	770	\$2,350	\$2,350	\$3.05	0%
	1 Bd 1.0 Ba	9	771	6,939	\$2,222	\$19,998	\$2.88	2%
	1 Bd 1.0 Ba	59	716	42,244	\$2,165	\$127,735	\$3.02	15%
	1 Bd 1.0 Ba	3	815	2,445	\$2,537	\$7,611	\$3.11	1%
	1 Bd 1.0 Ba	2	675	1,350	\$2,616	\$5,232	\$3.88	1%
	2 Bd 2.0 Ba	5	900	4,500	\$2,594	\$12,970	\$2.88	1%
	2 Bd 2.0 Ba	3	912	2,736	\$3,343	\$10,029	\$3.67	1%
	2 Bd 2.0 Ba	2	983	1,966	\$2,819	\$5,638	\$2.87	1%
	2 Bd 2.0 Ba	1	993	993	\$2,933	\$2,933	\$2.95	0%
	2 Bd 2.0 Ba	1	1,002	1,002	\$3,536	\$3,536	\$3.53	0%
	2 Bd 2.0 Ba	4	1,008	4,032	\$3,619	\$14,476	\$3.59	1%
Remainder	Bd Ba	282						73%
* Totals *		385	200	76,916	\$628	\$241,644	\$3.14	100%

Remarks

Motif at Flagler Village is a 385-unit multifamily facility built in 2020. It offers one-, two-, and three-bedroom units ranging in size from 530 to 1,840 square feet. The community features a clubhouse, business center, fitness center, pool, bocce court, barbeque/picnic area, pet spa, gated/secure access, elevators, and rooftop terrace. Unit amenities include balcony/patio, washer/dryer connections, walk-in closets, wood vinyl, quartz countertops refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal is an additional \$25 per month. Parking is billed above rent at \$10 and \$60 per month for the first and second vehicle, respectively. The community is currently offering a concession of two month's free rent on all units. All units are online. The property began lease up in July 2020. The property is absorbing an average of 30 units per month. There are more floor plans available than are presented. At the time of the survey, the property was 80% occupied.

Lease Comparable 2
Pearl Flagler Village

Property Identification - 16111	
Property Name	Pearl Flagler Village
Property Type	Multifamily
Address	400 Northeast 3rd Avenue
City, State, Zip	Fort Lauderdale, Florida 33301-3299
Occupancy	86.0%
Confirmed With	Brian
Date of Confirmation	04-14-2021



Physical Data	
Year Built	2019
Stories	7
Number of Units	350
Building Condition	Good
Property Amenities	Clubhouse, Business Center, Fitness Center with Yoga Room, Pool, Barbeque/Picnic Area, Parking Structure, Parcel Lockers, Elevators, Secured Access
Unit Amenities	Balcony/Patio, Ceiling Fans, Walk-In Closets, Blinds, Carpet, Wood Vinyl Flooring, Granite/Quartz Countertops, Marble Bathroom Finishes, Stainless Steel Appliances
Unit Appliances	Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer
Utilities with Rent	None

Unit Description	Unit Type	Units	<u>Unit Mix</u>		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
Studio 1	0 Bd 1.0 Ba	5	575	2,875	\$1,770	\$8,850	\$3.08	1%
Studio 2	0 Bd 1.0 Ba	7	662	4,634	\$1,860	\$13,020	\$2.81	2%
A1	1 Bd 1.0 Ba	31	776	24,056	\$1,975	\$61,225	\$2.55	9%
A2	1 Bd 1.0 Ba	26	732	19,032	\$1,850	\$48,100	\$2.53	7%
A3	1 Bd 1.0 Ba	5	809	4,045	\$2,020	\$10,100	\$2.50	1%
A4	1 Bd 1.0 Ba	51	819	41,769	\$1,975	\$100,725	\$2.41	15%
A4.1	1 Bd 1.0 Ba	14	828	11,592	\$1,950	\$27,300	\$2.36	4%
A4.2	1 Bd 1.0 Ba	4	842	3,368	\$1,995	\$7,980	\$2.37	1%
A4.3	1 Bd 1.0 Ba	5	906	4,530	\$2,150	\$10,750	\$2.37	1%
A5	1 Bd 1.0 Ba	93	754	70,122	\$1,840	\$171,120	\$2.44	27%
A6	1 Bd 1.0 Ba	3	779	2,337	\$1,945	\$5,835	\$2.50	1%
B1	2 Bd 2.0 Ba	17	1,205	20,485	\$2,580	\$43,860	\$2.14	5%
B2	2 Bd 2.0 Ba	38	1,184	44,992	\$2,555	\$97,090	\$2.16	11%
B3	2 Bd 2.0 Ba	13	1,235	16,055	\$2,729	\$35,477	\$2.21	4%
C1	2 Bd 2.0 Ba	12	1,363	16,356	\$2,995	\$35,940	\$2.20	3%
D1	3 Bd 2.0 Ba	12	1,463	17,556	\$3,135	\$37,620	\$2.14	3%
E1	3 Bd 2.0 Ba	14	1,694	23,716	\$3,695	\$51,730	\$2.18	4%
* Totals *		350	936	327,520	\$2,191	\$766,722	\$2.34	100%

Remarks

Pearl Flagler Village is a 350-unit multifamily community built in 2019. It features studio, one-, two-, and three-bedroom units ranging from 575 to 1,694 square feet. Community amenities include a clubhouse, elevators, business center, fitness center with yoga room, pool, barbeque/picnic area, parking structure, parcel lockers, gated/secured access, and elevators. Units feature a balcony/patio, ceiling fans, walk-in closets, blinds, carpet, wood vinyl flooring, granite/quartz countertops, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$11 and \$5 per month, respectively. Private storage is available for \$75 - 125 per month. Studio, one-bedroom, and two-bedroom units have a reserved parking space. Three-bedroom units have two reserved parking spaces. Parking sign up is \$50 per vehicle. Uncovered parking is available for \$75 per month. This property is nearing stabilization. They commenced development in 2019 and were sold in January 2020. The property offers up to six weeks off rent on select units. There is a pet fee of \$500 and \$15 per month pet rent. At the time of the survey, occupancy was 86%.

**Lease Comparable 3
ORA Flagler Village**

Property Identification - 16112

Property Name ORA Flagler Village
Property Type Multifamily
Address 673 NE 3rd Ave
City, State, Zip Fort Lauderdale, Florida
 33304-2617
Occupancy 97.2%

Date of Confirmation 04-14-2021



Physical Data

Year Built 2017
Stories 6
Number of Units 292
Property Amenities Clubhouse, Elevators, Fitness Center with yoga Room, Business Center, Heated Pool, Barbeque/Picnic Area, Pet Spa, Parcel Lockers, Parking Structure, Gated/Secured Access
Unit Amenities Balcony/Patio, Ceiling Fans, Walk-In Closets, Blinds, Wood Vinyl Flooring, Quartz Countertops, Stainless Steel Appliances
Unit Appliances Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
S1	0 Bd 1.0 Ba	12	536	6,432	\$1,665	\$19,980	\$3.11	4%
S2	0 Bd 1.0 Ba	12	561	6,732				4%
S3	0 Bd 1.0 Ba	12	764	9,168	\$1,865	\$22,380	\$2.44	4%
	1 Bd 1.0 Ba	12	686	8,232	\$1,695	\$20,340	\$2.47	4%
	1 Bd 1.0 Ba	12	702	8,424	\$1,804	\$21,648	\$2.57	4%
A12	1 Bd 1.0 Ba	12	708	8,496	\$1,835	\$22,020	\$2.59	4%
A2	1 Bd 1.0 Ba	11	715	7,865				4%
	1 Bd 1.0 Ba	11	731	8,041	\$1,830	\$20,130	\$2.50	4%
A13	1 Bd 1.0 Ba	11	737	8,107				4%
	1 Bd 1.0 Ba	11	751	8,261	\$1,849	\$20,339	\$2.46	4%
	1 Bd 1.0 Ba	11	779	8,569				4%
	1 Bd 1.0 Ba	11	785	8,635	\$1,845	\$20,295	\$2.35	4%
	1 Bd 1.0 Ba	11	788	8,668	\$1,800	\$19,800	\$2.28	4%
	1 Bd 1.0 Ba	11	825	9,075				4%
	1 Bd 1.0 Ba	11	1,003	11,033				4%
B1	2 Bd 2.0 Ba	11	1,029	11,319	\$2,069	\$22,759	\$2.01	4%
B2	2 Bd 2.0 Ba	11	1,040	11,440	\$2,265	\$24,915	\$2.18	4%
	2 Bd 2.0 Ba	11	1,044	11,484	\$2,550	\$28,050	\$2.44	4%
	2 Bd 2.0 Ba	11	1,111	12,221	\$2,190	\$24,090	\$1.97	4%
	2 Bd 2.0 Ba	11	1,138	12,518	\$2,140	\$23,540	\$1.88	4%
	2 Bd 2.0 Ba	11	1,222	13,442				4%
	2 Bd 2.0 Ba	11	1,227	13,497	\$2,500	\$27,500	\$2.04	4%
	2 Bd 2.0 Ba	11	1,235	27,170	\$2,555	\$56,210	\$2.07	8%
B8/ B9D	2 Bd 2.0 Ba	22	1,235	27,170	\$2,555	\$56,210	\$2.07	8%
B8.1	2 Bd 2.0 Ba	11	1,241	13,651	\$2,425	\$26,675	\$1.95	4%
B10	2 Bd 2.0 Ba	11	1,249	13,739				4%
* Totals *		292	912	266,219	\$1,441	\$420,671	\$1.58	100%

Remarks

ORA Flagler Village is a 292-unit multifamily community built in 2017 in downtown Fort Lauderdale. It features studio, one, and two-bedroom units ranging from 536 to 1,249 square feet. Community amenities include a clubhouse, elevators, fitness center with yoga room, business center, heated pool, barbeque/picnic area, pet spa, parcel lockers, parking structure, gated/secured access, and elevators. Units feature a balcony/patio, ceiling fans, walk-in closets, blinds, wood vinyl flooring, quartz countertops, stainless steel appliances, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

Trash collection and pest control are \$25 and \$1.50 per month, respectively. Parking spaces in the garage are \$10 per month. At the time of the survey, the property was 97.2% occupied.

Lease Comparable 4
The Manor at Flagler Village

Property Identification - 19427

Property Name The Manor at Flagler Village
Property Type Mid, High-Rise Multifamily
Address 501 Northeast 5th Street
City, State, Zip Fort Lauderdale, Florida 33301
Occupancy 94.0%
Confirmed By Brandon Pearson
Confirmed With Victoria
Date of Confirmation 04-14-2021
Confirmation Phone 855-262-2812



Physical Data

Year Built 2014
Stories 7
Number of Units 382

Property Amenities Clubhouse, Business Center, Fitness Center, Pool with Spa, Barbeque/Picnic Area, Pet Park, Gated/Secure Access, Elevators

Unit Amenities Balcony/Patio, Ceiling Fans, Washer/Dryer Connections, Walk-In Closets, Carpet, Granite Countertops, Blinds

Unit Appliances Stainless Steel, Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer

Utilities with Rent None

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
	0 Bd 1.0 Ba	27	700	18,900	\$2,022	\$54,594	\$2.89	7%
	1 Bd 1.0 Ba	1	740	740	\$1,665	\$1,665	\$2.25	0%
	1 Bd 1.0 Ba	96	745	71,520	\$1,882	\$180,672	\$2.53	25%
	1 Bd 1.0 Ba	26	770	20,020	\$1,942	\$50,492	\$2.52	7%
	1 Bd 1.0 Ba	28	912	25,536	\$1,990	\$55,720	\$2.18	7%
	2 Bd 1.0 Ba	10	988	9,880	\$2,239	\$22,390	\$2.27	3%
	2 Bd 2.0 Ba	26	1,090	28,340	\$2,222	\$57,772	\$2.04	7%
	2 Bd 2.0 Ba	114	1,108	126,312	\$2,307	\$262,998	\$2.08	30%
	2 Bd 2.0 Ba	27	1,138	30,726	\$2,322	\$62,694	\$2.04	7%
	3 Bd 2.0 Ba	27	1,350	36,450	\$2,566	\$69,282	\$1.90	7%
* Totals *		382	964	368,424	\$2,142	\$818,279	\$2.22	100%

Remarks

The Manor at Flagler Village is a 382-unit multifamily facility built in 2014. It offers one-, two-, and three-bedroom units ranging in size from 770 to 1,350 square feet. The community features a clubhouse, business center, fitness center, pool with spa, barbeque/picnic area, pet park, gated/secure access, and elevators. Unit amenities include balcony/patio, ceiling fans, washer/dryer connections, walk-in closets, carpet, granite countertops, blinds, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$15 and \$20 per month, respectively. Private storage is available for \$75 per month. Reserved parking spaces are available for \$75 per month. Parking spaces are \$50 per month. The community is currently offering a concession of one month's free rent on select units. The community is also currently offering a concession of a \$99 administrative fee. At the time of the survey, the property was 94% occupied and 96.7% leased.

**Lease Comparable 5
Solmar on Sixth**

Property Identification - 19428	
Property Name	Solmar on Sixth
Property Type	Mid, High-Rise Multifamily
Address	408 Northeast 6th Street
City, State, Zip	Fort Lauderdale, Florida 33304
Occupancy	94.6%
Confirmed By	Brandon Pearson
Confirmed With	Alicia
Date of Confirmation	04-13-2021
Confirmation Phone	833-716-8383



Physical Data	
Year Built	2009
Stories	7
Number of Units	286
Property Amenities	Clubhouse, Business Center, Fitness Center, Pool, Barbeque/Picnic Area, Pet Park, Gated/Secure Access, Elevators
Unit Amenities	Balcony/Patio, Ceiling Fans, Washer/Dryer Connections, Walk-In Closets (some), Wood Vinyl, Quartz Countertops, Blinds
Unit Appliances	Stainless Steel, Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer
Utilities with Rent	None

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
	1 Bd 1.0 Ba	17	691	11,747	\$1,840	\$31,280	\$2.66	6%
	1 Bd 1.0 Ba	1	805	805				0%
	1 Bd 1.0 Ba	36	809	29,124	\$1,667	\$60,012	\$2.06	13%
	1 Bd 1.0 Ba	12	887	10,644	\$2,049	\$24,588	\$2.31	4%
	1 Bd 1.0 Ba	28	934	26,152	\$1,834	\$51,352	\$1.96	10%
	2 Bd 2.0 Ba	28	993	27,804	\$2,291	\$64,148	\$2.31	10%
	2 Bd 2.0 Ba	2	1,100	2,200				1%
	2 Bd 2.0 Ba	61	1,151	70,211	\$2,121	\$129,381	\$1.84	21%
	2 Bd 2.0 Ba	28	1,208	33,824	\$2,466	\$69,048	\$2.04	10%
	2 Bd 2.0 Ba	10	1,518	15,180	\$2,272	\$22,720	\$1.50	3%
	2 Bd 2.0 Ba	1	1,520	1,520				0%
	2 Bd 2.0 Ba	2	1,538	3,076				1%
	2 Bd 2.5 Ba	8	2,110	16,880	\$2,938	\$23,504	\$1.39	3%
	3 Bd 2.0 Ba	14	1,451	20,314	\$2,795	\$39,130	\$1.93	5%
	3 Bd 2.0 Ba	38	1,501	57,038	\$2,785	\$105,830	\$1.86	13%
* Totals *		286	1,142	326,519	\$2,171	\$620,993	\$1.90	100%

Remarks

Solmar on Sixth is a 286-unit multifamily facility built in 2009. It offers one-, two-, and three-bedroom units ranging in size from 691 to 1,501 square feet. The community features a clubhouse, business center, fitness center, pool with spa, sports court, playground, barbeque/picnic area, pet park, car care center, laundry facility, gated/secure access, and elevators. Unit amenities include balcony/patio, ceiling fans, washer/dryer connections, walk-in closets (some), wood vinyl, quartz countertops, blinds, stainless steel, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in rent. Trash removal and pest control are billed above rent at \$25 and \$5 per month, respectively. Water and sewer are back billed. Private storage is available for \$75 per month. One- and two-bedroom units have a free parking space. Three-bedroom units have two free parking spaces. Each additional space is \$60 per month. At the time of the survey, the property was 94.6% occupied.

IMPROVED SALES

**Improved Sale 1
ORA Flagler Village**

Property Information	
Property Name	ORA Flagler Village
Address	673 Northeast 3rd Avenue Fort Lauderdale, Florida 33304
County	Broward
Tax ID	49-42-34-07-5640
Property Type	Mid, High-Rise Multifamily



Sale Data	
Grantor	Fairfield Flagler LP
Grantee	Riverview Peninsula Investments, LLC
Sale Date	September 10, 2019
Sale Price	\$92,900,000
Recording Number	116044776
Confirmation	Neal Victor, broker

Site Data	
Site Size	2.39 Acres or 104,252 SF
Comments/Other	

Improvement Data	
GBA/NRA	275,000/254,090
Number of Units	292
Year Built/Condition	2017/Good
Stories	6

Financial Data	
EGI	\$7,450,900
Expenses	(\$3,270,400)
NOI	\$4,180,500
Occupancy at Sale	94.0%

Analysis	
Adj. Price per Unit	\$318,151
Cap Rate	4.50%
EGI Multiplier (EGIM)	12.468
Operating Expense Ratio	43.89%

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
Studio	0 Bd 1.0 Ba	20	606	12,120	\$1,600	\$32,000	\$2.64	7%
One Bedroom	1 Bd 1.0 Ba	182	745	135,590	\$1,786	\$325,052	\$2.40	62%
Two Bedroom	2 Bd 2.0 Ba	90	1,182	106,380	\$2,305	\$207,450	\$1.95	31%
* Totals *		292	870	254,090	\$1,933	\$564,502	\$2.22	100%

Remarks

Ora Flagler is located on the west side of Northeast 3rd Avenue between Northeast 7th Street and Northeast 6th Street, in Fort Lauderdale, Broward County, Florida. It was delivered in 2017 and totals 292 studio, one-, two-, and two-bedroom apartments. The site encompasses almost an entire block and includes an enclosed parking garage. This is the September 2019 sale of a Class A asset that was stabilized at 94% occupancy. The seller had held the property in excess of three years. The overall capitalization rate was based on a proforma adjusted for a re-assessment of real estate taxes. There were no unusual sale conditions. Financing was completed by Teachers Insurance and Annuity Association.

**Improved Sale 2
Pearl Flagler Village**

Property Information	
Property Name	Pearl Flagler Village
Address	400 Northeast 3rd Avenue Fort Lauderdale, Florida 33301
County	Broward
Tax ID	50-42-03-02-2400
Property Type	Mid, High-Rise Multifamily



Sale Data	
Grantor	400 N.E. Third Avenue, LLC
Grantee	TA Apt Flagler Village, LLC
Sale Date	January 29, 2020
Sale Price	\$112,500,000
Recording Number	116319965
Confirmation	Troy Ballard, Listing Broker

Site Data	
Site Size	3.01 Acres or 131,116 SF
Comments/Other	

Improvement Data	
GBA/NRA	734,020/327,030
Number of Units	350
Year Built/Condition	2019/4
Stories	7

Financial Data	
EGI	\$8,947,500
Expenses	<u>(\$3,885,000)</u>
NOI	\$5,062,500
Occupancy at Sale	95.0%

Analysis	
Adj. Price per Unit	\$321,429
Cap Rate	4.50%
EGI Multiplier (EGIM)	12.573
Operating Expense Ratio	43.42%

		Unit Mix							
Unit Description	Unit Type	Units	Avg Unit SF	Total SF	Avg Rent/Mo	Total Rent	Rent/SF	% of Total	
Studio	0 Bd 1.0 Ba	12	626	7,512	\$1,638	\$19,656	\$2.62	3%	
One Bedroom	1 Bd 1.0 Ba	232	778	180,496	\$2,028	\$470,496	\$2.61	66%	
Two Bedroom	2 Bd 2.0 Ba	80	1,222	97,760	\$2,519	\$201,520	\$2.06	23%	
Three Bedroom	3 Bd 2.0 Ba	26	1,587	41,262	\$3,368	\$87,568	\$2.12	7%	
* Totals *		350	934	327,030	\$2,226	\$779,240	\$2.38	100%	
Remarks									

This is a newly constructed asset located on the northeast corner of Northeast 4th Street and Northeast 3rd Avenue, in Fort Lauderdale, Broward County, Florida. The project was delivered in 2019 and includes 350 studio, one-, two-, and three-bedroom apartments. It includes high quality finishes including fitness center, business center, media lounge, kitchen, various outdoor amenities. There is also a small component of live-work units and commercial flex space fronting NE 3rd Avenue.

The Morgan group developed and stabilized the property selling it when 95% occupied. The sale traded with 4.5% overall rate based on a one-year proforma inclusive of reserves and management fee. There were no unusual sale conditions. The project was in new condition.

**Improved Sale 3
Cortland Hollywood**

Property Information	
Property Name	Cortland Hollywood
Address	2300 North 29th Avenue Hollywood, Florida 33020
County	Broward
Tax ID	51-42-09-27-0040
Property Type	Garden, Low-Rise



Sale Data	
Grantor	Parc Station Holdco LLC
Grantee	North 29th FL Partners, LLC
Sale Date	January 6, 2021
Sale Price	\$91,700,000
Recording Number	116983119
Confirmation	Ted Taylor

Site Data	
Site Size	14.53 Acres or 632,918 SF
Comments/Other	

Improvement Data	
GBA/NRA	350,000/345,948
Number of Units	336
Year Built/Condition	2016/Good
Stories	4

Financial Data	
EGI	\$7,250,488
Expenses	(\$3,765,888)
NOI	\$3,484,600
Occupancy at Sale	95.0%

Analysis	
Adj. Price per Unit	\$272,917
Cap Rate	3.80%
EGI Multiplier (EGIM)	12.647
Operating Expense Ratio	51.94%

		Unit Mix						
Unit Description	Unit Type	Units	Avg Unit SF	Total SF	Avg Rent/Mo	Total Rent	Rent/SF	% of Total
One Bedroom	1 Bd 1.0 Ba	96	800	76,800	\$1,827	\$175,392	\$2.28	29%
Two bedroom	2 Bd 2.0 Ba	204	1,097	223,788	\$2,072	\$422,688	\$1.89	61%
Three Bedroom	3 Bd 2.0 Ba	36	1,260	45,360	\$2,530	\$91,080	\$2.01	11%
* Totals *		336	1,030	345,948	\$2,051	\$689,160	\$1.99	100%

Remarks

The asset is located in the southwest quadrant of I-95 and Sheridan Street, in Hollywood, Broward County, Florida. It is proximate to the Sheridan Street train station. It was delivered in July 2016 and totals 350,000 square feet. The property consists of 336 one-, two-, and three-bedroom apartment homes ranging in size from 800 to 1,260 square feet. This is a Class A project including a business center, clubhouse, fitness center, pool, and walking/bike trails. The units are finished with granite countertops, hardwood floors, and stainless-steel appliances.

This is the January 2021 sale by an entity of JP Morgan Chase & Company. at the time the property was known as Parc Station. Prior to the apartment project the tract was improved with a mobile home park. It was delivered in 2016 and sold to the seller December 2017 for \$90.28 million fully stabilized. This transaction closed with the occupancy at 95%. There were no unusual sale conditions or expenditures required after the sale. The overall capitalization rate was based on in place income over the trailing twelve months with expenses per unit averaging \$11,208 per unit and adjusted taxes upward to account for reassessment occurring after the sale.

ADDENDUM C

HUD FORMS

Multifamily Summary Appraisal Report

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commission

OMB Approval No. 2502-0029
(exp. 9/30/2016)

This form is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice for written reports, except where the Jurisdictional Exception is invoked to allow for minor deviations, as noted throughout.

Additional technical direction is contained in the HUD Handbooks referenced in the lower right corner.

Application Processing Stage	<input type="checkbox"/> SAMA	<input type="checkbox"/> Feasibility (Rehab)	<input checked="" type="checkbox"/> Firm
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	
Project Name The Six13 Apartments			Project Number

Purpose. This appraisal evaluates the subject property as security for a long-term insured mortgage. Included in the appraisal (consultation for Section 221) are the analyses of market need, location, earning capacity, expenses, taxes, and warranted cost of the property.

Scope. The Appraiser has developed, and hereunder reports, conclusions with respect to: feasibility; suitability of improvements; extent, quality, and duration of earning capacity; the value of real estate proposed or existing as security for a long-term mortgage; and several other factors which have a bearing on the economic soundness of the subject property.

A. Location and Description of Property

1. Street Nos. 613 NW 3rd Avenue	2. Street	3. Municipality Fort Lauderdale			
4a. Census Tract No.	4b. Placement Code	4c. Legal Description (Optional)	5. County Broward	6. State and Zip Code Florida 33311	
7. Type of Project <input checked="" type="checkbox"/> Elevator(s) 3 <input type="checkbox"/> Detached	<input type="checkbox"/> Highrise <input type="checkbox"/> Walkup <input type="checkbox"/> Semi-detached	<input type="checkbox"/> 2 - 5 sty. Elev. <input type="checkbox"/> Row House <input type="checkbox"/> Town House	8. No. Stories 6	9a. Foundation <input checked="" type="checkbox"/> Slab on Grade <input type="checkbox"/> Partial Basement	9b. Basement Floor <input type="checkbox"/> Full Basement <input type="checkbox"/> Crawl Space <input type="checkbox"/> Structural Slab <input type="checkbox"/> Slab on Grade

10. <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing	11. Number of Units Revenue 142 Non Revenue 0	12. No. of Bldgs. 1	13a. List Accessory Bldgs. and Area Area (s.f.):
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13b. List Recreational Facilities and Area Clubhouse, Business Center, Fitness Center, Pool, Barbecue/Picnic Area, Pet Park, Roof-top Lounge, Parlor, Coffee Bar, Onsite Restaurant, Free Bike Rentals, Co-working Space Area (s.f.):

13c. Neighborhood Description

Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Present Land Use	40 % 1 Family	10 % 2 to 4 Family
Built Up	<input checked="" type="checkbox"/> Fully Developed	<input type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	20 % Multifamily	5 % Condo/Coop
Growth Rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	<input type="checkbox"/> Slow	20 % Commer.	5 % Industrial	
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	0 % Vacant		
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	Change in Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely
Rent Controls	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Likely			<input type="checkbox"/> Taking Place
				Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant
						<5% % Vacant

Description of Neighborhood. (Note: Race and racial composition of the neighborhood are not appraisal factors.) Describe the boundaries of the neighborhood and those factors, favorable or unfavorable, that affect marketability, including neighborhood stability, appeal, property conditions, vacancies, rent control, etc.

A walkable environment is expanding where the subject is located. A bar/restaurant will be located on the first floor of the subject with expanded outdoor space to be provided. Just to the east is an entertainment area with a variety of food and beverage operations. Rental properties are generally operating near capacity and lease-up trends are positive in newly delivered communities. The market is "concession" driven as marketing ploys. However, rent levels are quoted at elevated levels thus, the "concession" brings rents down to market. The concessions offered tend to be on specific units and not property-wide. This supports the fact that the concession is a marketing play versus market softness. Market demand levels will sustain the subject into the foreseeable future. New supply in the immediate area is at higher price points. Thus, will not be directly competitive with the subject

Site Information

14. Dimensions ft. by ft. or 48,918 sq. ft	15a. Zoning (if recently changed, submit evidence) NWRAC-MUE; North West Regional Activity Center-Mixed Use East
15b. Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Illegal	<input type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> No zoning
15c. Highest and Best Use as Improved <input checked="" type="checkbox"/> Present Use <input type="checkbox"/> Proposed Use	<input type="checkbox"/> Other use (explain)
15d. Intended M/F Use (summarize: e.g., Market Rent: Hi - Med. - Lo-End; Rent Subsidized; Rent Restricted with or without Subsidy; Applicable Percentages)	

Building Information

16a. Yr. Built 2020	16b. <input type="checkbox"/> Manufactured Housing <input type="checkbox"/> Modules	<input checked="" type="checkbox"/> Conventionally Built <input type="checkbox"/> Components	17a. Structural System Reinforced concrete	17b. Floor System Wood joist	17c. Exterior Finish Block and Stucco	18. Heating A/C System Central
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Previous editions are obsolete

B. Additional Information Concerning Land or Property					
19. Date Acquired 8/27/2018	20. Purchase Price \$2,000,000	21. Additional Costs Paid or Accrued	22. If Leasehold, Annual Ground Rent	23a. Total Cost \$2,000,000	23b. Outstanding Balance -
24a. Relationship (Business, Personal, or Other Between Seller and Buyer Business		24b. Has the Subject Property been sold in the past 3 years? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," explain: This is the sale of the underlying land for the subject project. The sale was acquired for the development of the existing 142 un			
25. Utilities Public Community Distance from Site Water <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> ft. Sewers <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> ft.		26. Unusual Site Features <input type="checkbox"/> Cuts <input type="checkbox"/> Fills <input type="checkbox"/> Rock Formations <input type="checkbox"/> Erosion <input type="checkbox"/> Poor Drainage <input checked="" type="checkbox"/> None <input type="checkbox"/> High Water Table <input type="checkbox"/> Retaining Walls <input type="checkbox"/> Off-Site Improvements <input type="checkbox"/> Other (Specify) _____			

C. Estimate of Income (Attach forms HUD-92273, 92264-T, as applicable)				
27. No. of Each Family Type Unit	Rentable Living Area (Sq. Ft.)	Composition of Units	Unit Rent per Mo. (\$)	Total Monthly Rent for Unit Type (\$)
(a) 1	539	1x1	\$1,765	\$1,765
(b) 37	582	1x1	\$1,630	\$60,310
(c) 4	649	1x1	\$1,700	\$6,800
(d) 39	702	1x1	\$1,710	\$66,690
(e) 23	777	1x1	\$1,780	\$40,940
(f) 10	809	2x2	\$1,950	\$19,500
(g) 2	839	2x2	\$2,015	\$4,030
(h) 17	932	2x2	\$2,165	\$36,805
(i) 9	978	2x2	\$2,260	\$20,340
28. Total Estimated Rentals for All Family Units				\$257,180
29. Number of Parking Spaces	Offstreet Parking and Other Non-Commercial Ancillary Income (Not Included in Unit Rent)			
<input type="checkbox"/> Attended _____	Open Spaces _____ total, with _____ @ _____ per month = \$ _____			
<input checked="" type="checkbox"/> Self Park 193	Covered Spaces _____ total, with _____ @ _____ per month = \$ _____			
Total Spaces 193	Laundry _____ Sq. Ft. or Living Units @ _____ per month = \$ _____			
	Other Utility Reimbursement 142	\$60.00	per month = \$	\$8,520
	Other Garage and Storage Revenue 142	\$6.00	per month = \$	\$852
	Other Miscellaneous 142	\$60.00	per month = \$	\$8,520
	Other Cable 142	\$0.00	per month = \$	\$0
	Other Retail 142	\$0.00	per month = \$	\$0
	Other Pet Deposits and Fees 142	\$6.00	per month = \$	\$852
	Other Telecommunication 142	\$73.00	per month = \$	\$10,366
	Total Monthly Ancillary Income			\$ 29,110
30. Commercial Income (Attach Documentation)				
Area-Ground Level	2677.00 sq. ft. @ \$	29.50 per sq. ft./month = \$	78971.50	Total Monthly Commercial Income \$ 136,763.50
Other Levels	0.00 sq. ft. @ \$	0.00 per sq. ft./month = \$	0.00	
Other	2064.00 sq. ft. @ \$	28.00 per sq. ft./month = \$	57792.00	
31. Total Estimated Monthly Gross Income at 100 Percent Occupancy				\$ 423,054
32. Total Annual Rent (Item 31 x 12 months)				\$ 5,076,642
33. Gross Floor Area 214,996 Sq. Ft.		34. Net Rentable Residential Area 104,322 Sq. Ft.		35. Net Rentable Commercial Area 4,741 Sq. Ft.
36. Non-Revenue Producing Space				
Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project	
36a. Personal Benefit Expense (PBE) (May produce additional revenue and expenses to be considered above and below.)				
Tenant/Employee-Paid Utilities	Type(s)		Monthly Cost	\$ -
Landlord/Employer-Paid Utilities	Type(s)		Monthly Cost	\$ -

D. Amenities and Services Included in Rent (Check and circle appropriate items; fill-in number where indicated)

37a. Unit Amenities

<input checked="" type="checkbox"/> Ranges - Gas or <input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Disposal/Compactor
<input checked="" type="checkbox"/> Refrig. - Gas or <input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Air Conditioning - Central
<input checked="" type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Dishwasher
<input checked="" type="checkbox"/> Carpet	<input checked="" type="checkbox"/> Window treatmt -
<input checked="" type="checkbox"/> Balcony/Patio	<input type="checkbox"/> Fireplace(s) No.
<input checked="" type="checkbox"/> Laundry hookups (in units)	
<input type="checkbox"/> Upper level vaulted ceiling/Skylight(s) No.	
<input checked="" type="checkbox"/> Washer/Dryer (in units)	<input type="checkbox"/> Security System(s) (Describe)
<input type="checkbox"/> Other(Specify)	

37b. Project Amenities

<input type="checkbox"/> Guest room(s) No.	<input checked="" type="checkbox"/> Community room(s) No.
<input type="checkbox"/> Sauna/Steam room No.	<input checked="" type="checkbox"/> Swimming Pool(s) No.
<input checked="" type="checkbox"/> Exercise room(s) No.	<input type="checkbox"/> Racquetball court(s) No.
<input type="checkbox"/> Tennis Court(s) No.	<input checked="" type="checkbox"/> Picnic/Play area(s) No.
<input type="checkbox"/> Laundry Facilities (coin)	
<input checked="" type="checkbox"/> Project Security System(s) (Describe)	
<input type="checkbox"/> Jacuzzis/Community Whirlpool(s) No.	
<input type="checkbox"/> Other (specify)	

Clubhouse, Business Center, Fitness Center, Pool, Barbecue/Picnic Area, Pet Park, Roof-top Lounge, Parlor, Coffee Bar, Onsite Restaurant, Free Bike Rentals, Co-working Space

37c. Unit Rating	Good	Aver.	Fair	Poor
Condition of Improvement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Room Sizes and Layout	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Closets and Storage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen Equip., Cabinets, Workspace	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing - Adequacy and Condition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical - Adequacy and Condition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Adequacy and Condition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation - Adequacy and Condition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Livability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal and Marketability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

37d. Project Rating	Good	Aver.	Fair	Poor
Location	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amenities & Rec. Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Density (units per acre)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unit Mix	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Construction (matl. & finish)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Exterior	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Interior	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Vertical	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing - Horizontal	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

38. Services

Gas:	<input type="checkbox"/> Heat	<input type="checkbox"/> Hot Water	<input type="checkbox"/> Cooking	<input type="checkbox"/> Air Conditioning
Elec:	<input type="checkbox"/> Heat	<input type="checkbox"/> Hot Water	<input type="checkbox"/> Cooking	<input type="checkbox"/> Air Conditioning
Other:	<input type="checkbox"/> Heat	<input type="checkbox"/> Hot Water	<input type="checkbox"/> Water	<input type="checkbox"/> Other (specify)

39. Special Assessments

a. <input type="checkbox"/> Prepayable	<input type="checkbox"/> Non-Prepayable
b. Principal Balance	
c. Annual Payment	
d. Remaining Term	Years

E. Estimate of Annual Expense**Administrative**

1. Advertising	\$56,800
2. Management	\$80,734
3. Other	\$56,800
4. Total Administrative	\$ 194,334

Operating

5. Elevator Main. Exp.	\$16,330
6. Fuel (Heating and Domestic Hot Water)	\$0
7. Lighting & Misc. Power	\$48,280
8. Water	\$78,100
9. Gas	\$0
10. Garbage & Trash Removal	\$28,400
11. Payroll	\$200,720
12. Other	\$89,460
13. Total Operating	\$ 461,290

Maintenance

14. Decorating	\$15,620
15. Repairs	\$93,720
16. Exterminating	\$5,680
17. Insurance	\$117,150
18. Ground Expense	\$17,750
19. Other	\$0
20. Total Maintenance	\$ 249,920

21. Replacement Reserve (0.006 x total structures Line G41) or (0.004 x MTG. for Rehab)	\$ 35,500
22. Total Operating Expense	\$ 941,044

Taxes

23. Real Estate: Est. Assessed Value	\$ 1,338,590
at \$ per \$1000	\$ 497,000
24. Personal Prop. Est. Assessed Value	
at \$ per \$1000	\$ -
25. Empl. Payroll Tax	\$ 17,061
26. Workers Comp	\$ 1,204
27. Employee Benefits	\$ 26,094
28. Total Taxes	\$ 541,359
29. Total Expenses (Attach form HUD-92274, as necessary)	\$ 1,482,403

F. Income Computations			
30a. Estimated Residential Project Income (Line C28 x 12)	\$	3,086,160	
b. Estimated Ancillary Project Income (Line C29 x 12)	\$	349,320	
c. Residential and Ancillary Occupancy Percentage *		94.0%	
d. Effective Gross Residential and Ancillary Income (Line 30c. x (Line 30a. plus Line 30b.))	\$	3,229,351	
e. Total Residential and Ancillary Project Expenses (Line E29)	\$	1,482,403	
31. Net Residential and Ancillary Income to Project (Line 30d. minus Line 30e.)	\$	1,746,948	
32a. Estimated Commercial Income (Line C30 x 12)	\$	136,764	
b. Commercial Occupancy (See instructions)		80.0%	
c. Effective Gross Commercial Income (Line 32a. x Line 32b.)	\$	109,411	
d. Total Commercial Project Expenses (From Attached Analysis)	\$	2,845	
33. Net Commercial Income to Project (Line 32c. minus Line 32d.)	\$	106,566	
34. Total Project Net Income (Line 31 plus Line 33)	\$	1,853,515	
35a. Residential and Ancillary Project Expense Ratio (Line E29 divided by Line 30d.)		45.9%	
35b. Commercial Expense Ratio (Line 32d. divided by 32c.)		2.6%	

* Vacancy and collection loss rates and corresponding residential and commercial occupancy percentages are analyzed through market data, but subject by Jurisdictional Exception to overall HUD underwriting mandates.

G. Estimated Replacement Cost			
36a. Unusual Land Improvements	\$	0	
b. Other Land Improvements	\$	1,700,000	
c. Total Land Improvements	\$	1,700,000	
Structures			
37. Main Buildings	\$	28,140,000	
38. Accessory Buildings	\$	0	
39. Garages	\$	0	
40. All other Buildings	\$	0	
41. Total Structures	\$	28,140,000	
42. General Requirements	\$	1,190,000	
Fees			
43. Builder's Gen Overhead	at	%	\$ 0
44. Builder's Profit	at	%	\$ 0
45. Arch. Fee-Design	at	%	\$ 0
46. Arch. Fee-Supvr.	at	%	\$ 0
47. Bond Premium	at	%	\$ 0
48. Other Fees	at	%	\$ 3,535,000
49. Total Fees	\$	3,535,000	
50. Total All Improvements (Lines 36c. plus 41 plus 42 plus 49)	\$	34,565,000	
51. Cost Per Gross Sq. Ft.	\$	#VALUE!	
52. Estimated Construction Time (Months)		12	
<p>Note 1: Jurisdictional Exception: In HUD programs, land, and/or existing improvements are not valued for their "highest and best use," but instead, for their intended multifamily use (See Section J analysis below.) (Exception: Title II or VI Preservation). Offsite improvements are assumed completed in new construction land valuations (See Line M17 for estimated cost.) Unusual costs of site preparation are deducted from the "Value of the Site Fully Improved" to determine "Warranted Price of Land Fully Improved."</p>			
Carrying Charges & Financing			
53. Interest:	14	Mos. at	3.50%
	on		\$ 2,223,499
54. Taxes			\$
55. Insurance			\$
56. FHA Mtg. Ins. Prem.	()		\$ 0
57. FHA Exam Fee	()		\$ 0
58. FHA. Inspec. Fee	()		\$ 0
59. Financing Fee	()		\$ 0
60. AMPO (N. P. only)	()		\$ 0
61. FNMA/GNMA Fee	()		\$ 0
62. Title & Recording			\$
63. Total Carrying Charges & Financing			\$ 2,223,499
Legal, Organization & Audit Fee			
64. Legal			\$
65. Organizational			\$
66. Cost Certification Audit Fee			\$ 0
67. Total Legal, Organization & Audit Fees (64+65+66)			\$ 0
68. Sponsor Profit & Risk", "Builder and Sponsor Profit & Risk			\$ 950,601
69. Ground Rent during Construction", "Developer's Fee			\$ 0
70. Depreciation	60	1.7%	\$ (628,985)
71. Contingency Reserve (Sec. 202 or Rehab only)			\$ 1,943,529
72. Total Est. Development Cost (Excl. of Land or Off-site Cost) (50 plus 63 plus 67 thru 71)			\$ 39,053,644
73a. Warranted Price of Land J-14(3)			
48,918 sq. ft. @ \$ 102.21 per sq. ft			\$ 5,000,000
73b. As Is Property Value (Rehab only)			\$ 0
73c. Off-Site (if needed, Rehab only)			\$ 0
74. Total Estimated Replacement Cost of Project (72 plus 73a or 73b and 73c)			\$ \$44,053,644 \$ \$44,050,000

H. Remarks

(Note 2: For Rehab only: Estimated Value of land without Improvements \$ 0
Estimated Value of land and improvements 'As Is' by Residual Method, i.e., After Rehabilitation Correlated Value minus line G72 Cost of Rehabilitation Improvements equals \$; line G73b is the lesser of this residual amount, and the amount estimated by Supplemental form HUD-92264 'As Is'.

Per current MAP guidance, the IOD period should be divided into three intervals; however, because the form has input spaces only for two intervals, the 1st period in Section I. below includes both the first and second intervals when applicable, and the 2nd period in Section I. below represents the third interval. For that reason, the occupancy percentage displayed in the periods below represent the overall economic occupancy for the entire interval(s). Please see the detailed absorption schedule and formula calculation of IOD that is included with the application; it contains the expected physical occupancy, income and expenses for each month prior to stabilization. Although we have estimated the initial operating deficit by formula calculation, the Initial Operating Deficit escrow recommended for this transaction is not based on the MAP Guide's formula; instead the recommended operating deficit escrow is equal to

I. Estimate of Operating Deficit							
Residential Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st Mos		0.0%					
2. 2nd Mos		0.0%					
Commercial Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st Mos		0.0%					
2. 2nd Mos		0.0%					
3. Total Operating Deficit							

J. Project Site Analysis and Appraisal (See Chapter 2, Handbook 4465.1)

1. Is Location and Neighborhood acceptable? ☒ Yes ☐ No
2. Is Site adequate in Size for proposed Project? ☒ Yes ☐ No
3. Is Site Zoning permissive for intended use? ☒ Yes ☐ No
4. Are Utilities available now to serve the Site? ☒ Yes ☐ No
5. Is there a Market at this location for the Facility at the proposed Rents? ☒ Yes ☐ No
6. ☒ Site acceptable for type of Project proposed under Section 223(f). (If checked, acceptance subject to qualifications listed at bottom of page
7. ☐ Site not acceptable (see reasons listed at bottom of page 6.)

Date of Inspection

4/30/21

8. Value Fully Improved	Location of Project Fort Lauderdale				Size of Subject Property 142 Units
	Comparable Sales Address No. 1	Comparable Sales Address No. 2	Comparable Sales Address No. 3	Comparable Sales Address No. 4	Comparable Sales Address No. 5
	Sunset Colony Mobile Home Park - Pearl Riverland Apartments	Village Shoppes Of Pine Plaza - Vista Verde at Sunrise	Modera Cornerstone		Subject
Date of Sale	January -20	January -19	March-18		
Sales Price	\$10,000,000	\$10,918,000	\$11,400,000		
Size (Acres)	10.91	15.30	6.26		1.12
Size (SF)	475,304	666,402	272,686		48,918
Number of Units	276	288	330		142
Density	25.29	18.83	52.72		126.45
Price per Unit	\$36,232	\$37,910	\$34,545		
Price Per Acre	\$916,466	\$713,666	\$1,821,086		
Price Per SF	\$21.04	\$16.38	\$41.81		
Unit of Comparison	\$36,232	\$37,910	\$34,545		
Adjustments (%)					
Time	3%	6%	8%		
Adjusted For Time	\$37,364	\$40,042	\$37,208		
Location	5%	5%	5%		
Zoning/Density	-10%	-20%	-10%		
Frontage/Exposure	0%	5%	0%		
Demographics	0%	0%	0%		
Unusal Site conditions	0%	0%	0%		
Other	0%	0%	0%		
Total Adjustment Factor	-5.0%	-10.0%	-5.0%		
Adjusted Price	\$35,496	\$36,038	\$35,348		
Indicated Value by Comparison	\$5,040,421	\$5,117,386	\$5,019,404		
Reconciled:	\$35,000 Per Unit				\$5,000,000

Previous editions are obsolete

12. Acquisition Cost (Last Arms-Length Transaction)			
Buyer	613 N.W. 3rd Avenue Holdings, LLC	Address	
Seller	Gospel Arena of Faith, Inc.	Address	
Date	8/27/2018	Price	\$2,000,000
Source			

13. Other Costs	
(1) Legal Fees and Zoning Costs	
(2) Recording and Title Fees	
(3) Interest on Investment	
(4) Other	
(5) Acquisition Cost (From 12 above)	\$ -
(6) Total Cost to Sponsor	\$ -

14. Value of Land and Cost Certification	
(1) Fair Market Value of land fully improved (from 9 above)	\$ -
(2) Deduct unusual items from Section G, item 36a	\$ -
(3) Warranted price of land fully improved (Replacement Cost items excluded) (enter G-73)	\$ -
For Cost Certification Purposes	
(3a) Deduct cost of demolition 0 and required off-sites 0 to be paid by Mtgor. or by special assessments	\$ -
(4) Estimate of "As Is" by subtraction from improved value	\$ -
(5) Estimate of "As Is" by direct comparison with similar unimproved sites (from 11 above)	\$ -
(6) "As Is" based on acquisition cost to sponsor (from 13 above)	\$ -
(7) Commissioner's estimated value of land "As Is" (the lesser of [4] or [5] above)*	\$ -

* Where land is purchased from LPA or other Governmental authority for specific reuse, use the least of 4, 5, or 6.

K. Income Approach to Value	
(1) Estimated Remaining Economic Life	59.0 Years
(2) Capitalization Rate Determined By (See Chapter 7, Handbook 4465.1)	
<input checked="" type="checkbox"/> Overall Rate From Comparable Projects	
<input checked="" type="checkbox"/> Rate From Band of Investment	
<input type="checkbox"/> Cash Flow to Equity	
(3) Rate Selected	4.50%
(4) Net Income	\$ 1,853,515
(5) Capitalized Value (Line 4 divided by Line 3)	\$ 41,189,211
(5) Capitalized Value Rounded	\$ 41,190,000
(6) Value of Leased Fee (See Chapter 3, Handbook 4465.1) Ground Rent divided by Cap. Rate 0 equals Value of Leased Fee	\$ -

Remarks: (See item 6 and 7 on page 5)

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L. Comparison Approach to Value																
Item	Subject Property				Comparable Sale No. 1				Comparable Sale No. 2				Comparable Sale No. 3			
Name	The Six13 Apartments				ORA Flagler Village				Pearl Flagler Village				Cortland Hollywood			
Address	613 NW 3rd Avenue				673 Northeast 3rd Avenue				400 Northeast 3rd Avenue				2300 North 29th Avenue			
Proximity to Subject																
Sales Price					<input checked="" type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$92,900,000				<input checked="" type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$91,700,000				<input checked="" type="checkbox"/> Unf. <input type="checkbox"/> Furn. \$91,700,000			
Sales Price per GBA					\$365.62				\$280.40				\$265.07			
Effective Gross Income	\$3,229,351				\$7,450,900				\$8,947,500				\$7,250,488			
Effective Gross Rent Multiplier (1)*					12.47				10.25				12.65			
Sales Price per Unit					\$318,151				\$262,000				\$272,917			
Sales Price per Room																
Data Source					Public Records, ARA				Public Records, ARA				Public Records			
Adjustments	Description				Description				Description				Description			
Sales or Financing Concessions					None				None				None			
Date of Sale/Time					September-19				January-20				January-21			
Location	Good				Superior				Similar				Inferior			
Site/View	Good				Similar				Similar				Similar			
Design and Appeal	Good				Similar				Similar				Similar			
Quality of Construction	Good				Similar				Similar				Similar			
Year Built	2020				2017				2019				2016			
Condition	Good				Similar				Similar				Similar			
Gross Rentable Area	104,322 Sq. ft.				254,090 Sq. ft.				327,030 Sq. ft.				345,948 Sq. ft.			
Average Unit Size	735 Sq. ft.				870 Sq. ft.				934 Sq. ft.				1,030 Sq. ft.			
Unit Breakdown	No. of Units	Room count			No. of Units	Room count			No. of Units	Room count			No. of Units	Room count		
	Tot.	Br.	Ba.	Vac.	Tot.	Br.	Ba.	Vac.	Tot.	Br.	Ba.	Vac.	Tot.	Br.	Ba.	Vac.
	104	2			20	3	0	1	12	3	0	1	96	4	1	1
	38	2			182	4	1	1	232	4	1	1	204	6	2	2
	0	2			90	6	2	2	80	6	2	2	36	7	3	2
	0	2			2				26	7	3	2	2	2		
	142	284			292	1,328			350	1,626			336	1,860		
Basement Description	N/A				N/A				N/A				N/A			
Functional Utility	Good				Good				Good				Good			
Heating/Cooling	Electric				Electric				Electric				Electric			
Parking On/Off Site	Adequate				Adequate				Adequate				Adequate			
Project Amenities and Fee	Typical				Typical				Typical				Typical			
Other					0.00%				Sale Upon Stabilization 10.00%				0.00%			
Total Adjustment					-8.67%				4.7%				5.0%			
Adjusted Sales Price of Comparables					\$290,578				\$274,227				\$286,563			
8. Value by Sales Comparison via Per Unit					\$290,000				142				\$41,180,000			
9. Indicated Value by EGIM	EGIM: 12.50				Effective Gross Income:				\$3,329,293				\$41,620,000			
10. Concluded Value via Comparison Approach																
Reconciliation																
Capitalization	\$42,420,000				Summation				Comparison				\$42,780,000			
9. The market value of the subject property, as of the effective date of the appraisal, is \$ 42,420,000 ** see note below																

M. To Be Completed by Construction Cost Analyst

Cost Not Attributable to Dwelling Use		Total Est. Cost of Off-Site Requirements	
	Area (s.f.)	Estimated Cost	
10. Parking		\$	
11. Garage		\$	
12. Commercial		\$	
13. Special Ext Land Improvements		\$	
14. Other		\$	
15. Total		\$	
		%	
16. Off-Site		Estimated Cost	
		\$	
		\$	
		\$	
		\$	
		\$	
17. Total Off-Site Costs		\$	


N. Signatures and Appraiser Certification

Architectural Processor	Date	Architectural Reviewer	Date
Cost Processor	Date	Cost Reviewer	Date

I certify that to the best of my knowledge and belief:

- o the statements of fact contained in this report are true and correct.
- o the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- o I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- o my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- o my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice; HUD Handbook 4465.1, The Valuation Analysis Handbook for Project Mortgage Insurance; HUD Handbook 4480.1, Multifamily Underwriting Forms Catalog; and other applicable HUD handbooks and Notices.
- o I have made a personal inspection of the property that is the subject of this report.
- o professionals signing above. These professionals' estimations of the subject property's dimensions and "hard" replacement costs have been relied upon by the Appraiser and Review Appraiser.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Appraiser Kay C. Kauchick, MAI 	Date 4/30/2021	Review Appraiser	Date
State Certification Number RZ 2066	State Florida	State Certification Number	State
The Review Appraiser certifies that he/she <input checked="" type="checkbox"/> Did <input type="checkbox"/> Did not inspect the subject property			
Signature (Proposed Mortgagee)	Date	Director, Housing Development	Date

O. Remarks and Conclusions (continue on separate page if necessary. Appraisal reports must be kept for a minimum of five years.)

Public Reporting Burden for this collection of information is estimated to average 114 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Sections 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.

ADDENDUM D

QUALIFICATION/LICENSE



"Providing solutions & exceeding expectations through vision, integrity & excellence"

Kay Kauchick, MAI

President

Value Tech Realty Services, Inc.

240 Crystal Grove Boulevard

Lutz, FL 33548

813.948.0545 Phone

813.909.9338 Fax

Certifications

Member: Appraisal Institute (MAI No. 10510)
NCHMA – National Council of Housing Market Analysts

State-Certified General Real Estate Appraiser in the following states:

- Alabama – G00706
- Arizona – 32204
- Arkansas – CG 4260
- Florida – RZ 2066
- Georgia – 251355
- Indiana – CG40700410
- Iowa – CG03490
- Kentucky – 003868
- Louisiana – G4460
- Maryland – 32466
- Michigan – 1201006024
- Mississippi – GA-813
- New Jersey – 42RG00194800
- New York – 46000052997
- North Carolina – A6711
- Ohio – 2006006410
- Pennsylvania – GA004330
- South Dakota – 1403CG
- Texas – TX-1336610-G
- Virginia – 4001-015705

Education

Bachelor of Arts – Michigan State University with specializations in Tourism and Travel Management, Economics, and Marketing.

Mrs. Kauchick has successfully completed numerous real estate related courses and seminars sponsored by the Appraisal Institute, accredited universities and others. She is currently certified by the Appraisal Institute's voluntary program of continuing education for its designated members. Mrs. Kauchick completed the HUD sponsored MAP training session in October 2000. She regularly updates her USPAP training and other education requirements as needed to maintain licensure in each state.

Professional Experience

Mrs. Kauchick is co-founder of Value Tech Realty Services, Inc. She is a real estate consultant and Member of the Appraisal Institute. Her consulting services cover a broad spectrum of industries including market analytics, economic evaluations and financial valuations with deliverables that include a variety of real estate related services such as appraisals, market studies, economic impact reports and investment consulting. Reports have been prepared for a variety of private and governmental entities including the U.S Department of Housing and Urban Development (HUD) including MAP applications, Fannie Mae, Freddie Mac, LIHTC and various Bond programs. Each report was prepared in conformance with its individual agency requirements and with adherence to USPAP.

Mrs. Kauchick has been actively engaged in real estate valuation and consulting since 1979 on national and international levels. Her background includes experience with the creation of economic development programs for third world countries utilizing tourism and real estate development as a stimulus for growth and detail market studies for private and public entities. She has assisted banks, international investment funds, and various profit and non-profit entities, evaluate investment opportunities. Her specialization has been within the housing, healthcare, multifamily, retail, office and hospitality industries. Clients served include accountants, investment firms, law firms, and lenders, private and public agencies. Valuations and market studies have been done on proposed, partially completed, renovated and existing structures.

Military-related work has been completed for the Navy, Air Force, Army, Army Core of Engineers, AAFES and developers providing services to each of the divisions. Economic and market program models have been created for the ability to evaluate various development scenarios. Demand studies were developed to interface with financial modeling programs in order to judge the highest and/or best use for military projects.

240 Crystal Grove Boulevard, Lutz, Florida 33548 · Phone 813-948-0545 · Fax 813-909-9338 · www.gotovalue.com



Ron DeSantis, Governor

Halsey Beshears, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

KAUCHICK, KAY C

19711 KELL ESTATES LANE
LUTZ FL 33549

LICENSE NUMBER: RZ2066

EXPIRATION DATE: NOVEMBER 30, 2022

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ADDENDUM E
ENGAGEMENT LETTER



NORTHMARQ FINANCE, L.L.C.

AGREEMENT FOR SERVICES – Appraisal REPORT

1.0) SPECIFICATIONS:

AGREEMENT DATE:	March 10, 2021
REPORT(s):	223(l) Refinance – Appraisal
SUBJECT:	The Six13 613 NW 3 rd Avenue Fort Lauderdale, FL 33311
NUMBER of UNITS/BEDS:	142 Units
CONSULTANT:	Value Tech Realty Services, Inc. 240 Crystal Grove Boulevard Lutz, FL 33548 Kelli Wiedinger 813-948-0545 x210
CLIENT/LENDER:	NorthMarq Finance, LLC, 8300 Douglas Avenue, Suite 650 Dallas, TX 75225 (972) 941-3404 Fax: (972) 941-3424
CLIENT/LENDER	Fortunat (Forty) Semadeni 14841 N. Dallas Pkwy, Ste. 275 Dallas, TX 75254 (972) 941-3408 fsemadeni@Northmarq.com
BORROWER/PROJECT CONTACT:	613 NW 3RD AVE, LLC Nicholas Rojo

1.1) **Appraisal FEE:** **\$ 8,000**

TOTAL FEE **\$ 8,000**

1.1.1 Travel expense is to be included in total fee.

SCHEDULED COMPLETION DATE: (DRAFT) **April 12th, 2021**

SCHEDULED COMPLETION DATE: (FINAL) Within 5 days of LENDER's approval of the DRAFT REPORT(s).

2.0) AGREEMENT:

This AGREEMENT is entered into on the date noted above between the CONSULTANT, with offices located as noted above, and NorthMarq Finance, L.L.C. (hereinafter referred to as LENDER) with offices located at 8300 Douglas Ave, Suite 650, Dallas, TX 75225.

The provisions and special conditions stated herein will prevail over all statements or directions, either written or verbal, when such statements contradict the terms and expectations of the engagement established herein. Modifications to this AGREEMENT must be confirmed by an addendum executed by the parties to this AGREEMENT.

This AGREEMENT is conditioned upon the approval of CONSULTANT by the HUD Hub that will be processing the subject application. In the event HUD does not approve the CONSULTANT as a third party consultant under its MAP program, LENDER will have no responsibility to compensate CONSULTANT in any amount for any partial performance under this AGREEMENT.

3.0) SCOPE OF SERVICES:

The CONSULTANT will develop a Real Estate Valuation Analysis (Appraisal), which estimates a value for the SUBJECT property. Such Appraisal will be completed in accordance with HUD's Multifamily Accelerated Processing (MAP) Guide published January 29, 2016, Chapter 7, appendices, and all Frequently Asked Questions (FAQ's) issued thereafter and all applicable Mortgagee Letters handbooks, and Notices.

The Appraisal will include all of the following:

- (1) HUD Form 92264, Multifamily Summary Appraisal Report;
- (2) A trial HUD Form 92264-A, Supplement to Project Analysis;
- (3) HUD Form 92273, Estimates of Market Rents by Comparison;
- (4) HUD Form 92274, Operating Expense Analysis Worksheet;
- (5) HUD Form 92264-T, Rent Estimates for Low/Moderate Income Units, if applicable;
- (6) A statement of opinion of the market demand at the proposed rents and expenses;
- (7) An estimate of the initial operating deficit escrow;
- (8) Statement that certifies compliance with all USPAP and FIRREA guidelines.

The CONSULTANT understands that it is their responsibility to ensure all REPORT(s) are conducted according to the current HUD MAP and/ or Lean standards and requirements.

4.0) REPORTS:

- 4.1) The CONSULTANT will deliver a "DRAFT" copy of the REPORT(s) to LENDER for review on or before the SCHEDULED COMPLETION DATE (DRAFT) noted above. Upon completion of LENDER's review, the CONSULTANT will, as appropriate, perform additional investigations and/or incorporate modification to the REPORT(s) as necessary to

resolve LENDER's review comments. It is understood that such modifications will not require that the CONSULTANT alter his/her conclusions. LENDER's review comments will be oriented to augmenting data, clarifying the presentation of data or specifying requirements for compliance with LENDER and/or FHA/HUD procedures. At LENDER's option, LENDER may require a meeting with the CONSULTANT to review the REPORT(s) findings.

- 4.2) After incorporation of LENDER's review comments, if any, the CONSULTANT will deliver to LENDER on or before the SCHEDULED COMPLETION DATE (FINAL) noted above, the "FINAL" original REPORT(s).
- 4.3) Both the DRAFT and FINAL REPORT(s) will be provided to LENDER in electronic format and will be emailed to the LENDER CONTACT identified above. **LENDER requires two (2) FINAL REPORTs, one of which must bear original signatures. The two REPORTs must include color photos (may be color copies or originals) and must be bound hard copies.**

5.0) PAYMENT OF FEE:

The fees noted in section 1.1 (which include travel and all related expenses) are to be paid to the CONSULTANT as follows:

- The entire agreed-upon fee shall be paid upon acceptance and receipt of the FINAL REPORT(s).

If the DRAFT and FINAL REPORTs are not completed and delivered to LENDER by the due dates stated above, LENDER reserves the right to (1) cancel this assignment for cause and no fee will be due or paid; or (2) reduce the fee by five percent (5%) per week (or any portion thereof) commencing on the completion date stated above, until the REPORT(s) is/are received. The penalty will be deducted from the agreed upon fee stated herein. If a delay is anticipated by the CONSULTANT, contact the CLIENT/LENDER CONTACT immediately to discuss an extension of the completion date.

The CONSULTANT agrees that corrections and/or additions to the FINAL REPORT(s) required as a result of HUD's review will be completed at no additional cost and will be provided in a timely manner.

OR

6.0) SPECIAL CONDITIONS:

- 6.1) Correspondence and data from the CONSULTANT will, at LENDER's request, be transmitted by email, express conveyance, i.e., express mail, overnight courier and/or FAX, at the CONSULTANT's expense.
- 6.2) Information provided by LENDER, that is non-public information or is not a part of the public domain is considered proprietary, including the REPORT(s) and associated data. Therefore, such information may not be made available to others without the express and prior written consent of LENDER.

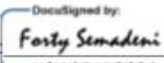
- 6.3) The Fee for services to be provided under this AGREEMENT is not contingent upon conclusions that will be developed by the CONSULTANT.
- 6.4) The CONSULTANT represents that there is no identity of interest between the CONSULTANT and the SUBJECT, its owners, proposed owners, or the LENDER.
- 6.5) Except as noted below, the CONSULTANT represents that he/she has not previously been engaged to complete a REPORT(s) for the SUBJECT.
- 6.6) Except as noted below, the CONSULTANT represents that he/she has had no discussions with the Owner or proposed Owner of the SUBJECT, or the LENDER regarding the SUBJECT or the CONSULTANT's engagement by LENDER to develop a REPORT.
- 6.7) It is expected that the CONSULTANT will interview the Owner and/or proposed Owner of the SUBJECT, or the LENDER, as integral part of the assessment and analysis process; however, it is understood that comments by the Owner, proposed Owner, or LENDER will not influence the CONSULTANT's conclusions. The CONSULTANT will report to LENDER any remarks and/or actions by such individuals, which in the CONSULTANT's opinion are intended to unduly influence the conclusions of the CONSULTANT.
- 6.8) The CONSULTANT acknowledges that LENDER has no obligation to pay CONSULTANT for REPORT(s) and/or data, which in LENDER's opinion is/are not in compliance with HUD/FHA requirements, LENDER requirements, and/or good commercial practices or procedures..
- 6.9) The CONSULTANT understands that the LENDER and financing associates will be relying on the REPORT(s) in determining whether to make a loan evidenced by a note (the "Property Note") secured by the Property. The CONSULTANT further agrees that: (i) the REPORT(s) may be referred to in and included with materials offering for sale the Property Note or an interest in the Property Note; and (ii) persons who acquire the Property Note or an interest in the Property Note may rely on the REPORT(s), although in each case it is specifically understood that the REPORT(s) speaks only as of its date in the absence of a specific written update of the REPORT(s) signed and delivered by the CONSULTANT.
- 6.10) CONSULTANT represents that he/she is qualified with any licensure necessary to perform the required services in the state where SUBJECT is located , or possesses an applicable and or a valid temporary license issued by the state in which the SUBJECT project is located, as of the effective date of the REPORT.
- 6.11) The CONSULTANT may not limit the ability of the LENDER to assign work products produced by CONSULTANT under this AGREEMENT.

This AGREEMENT represents the entire agreement and understanding between the CONSULTANT and NorthMarq Finance, L.L.C. with respect to the matters referred to herein and supersedes all prior or contemporaneous agreements, representations and understandings between the parties hereto.

ACCEPTANCE:

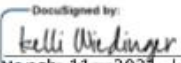
The parties hereto have accepted the provisions of this AGREEMENT effective on the date noted above.

By: NorthMarq Finance, L.L.C.

By: 
March 11, 2021 | 1:53 AM EST
Name: Forty Semadeni

Title: SVP/ Chief Underwriter

By: Value Tech Realty Services, Inc.

By: 
March 11, 2021 | 8:07 AM EST
Name: Kelli Wiedinger

Title: Production Manager

PREVIOUS ASSOCIATION DECLARATION:

With respect to the CONSULTANT's representations included in Paragraphs 6.5 and 6.6 above, the following exceptions are noted: (If there are none indicate "none".)