

Exhibit R

Physical Needs Assessment Certification Form

I, John Koch, have completed a physical needs assessment report for the proposed development, Lancaster Manor Apartments, which is located at 201 Chesterfield Ave., Lancaster, SC 29720, Lancaster County, South Carolina.

I hereby certify that all of the repairs outlined in the physical needs assessment report dated May 7, 2024 are needed and necessary repairs and that said report is based on a **100% physical inspection of all units** in the development.

Based on my calculations, I hereby certify that a total of \$ 60,000 per unit in **hard construction costs** are needed and necessary in the rehabilitation of this property. A total of \$ 41,000 per unit will be attributed to the interior of the units.

Assessor's Signature: John K. Koch  Digitally signed by John K. Koch
Date: 2024.06.06 14:59:50 -07'00'

Assessor's Name: John K. Koch

Company: GRS Group an NV5 company

Phone Number: (949) 515-4661

Email: jkoch@grs-global.com

Date: 5/6/2025