

A MARKET VALUATION OF:

HIGHLAND SQUARE APARTMENTS

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Located at:
200 Pine Creek Ct. Ext
Greenville, Greenville County, SC 29728

Effective Date: September 11, 2024
Report Date: October 2, 2024

Prepared for:
Tyler Percell
Related Affordable
30 Hudson Yards
New York, NY 10001

Prepared by:
Novogradac
11401 Century Oaks Terrace, Suite 260
Austin, TX, 78758
512-340-0420





October 2, 2024

Tyler Percell
Related Affordable
30 Hudson Yards
New York, NY 10001

Re: Appraisal of Highland Square Apartments
200 Pine Creek Ct. Ext
Greenville, Greenville County, SC 29728

Dear Tyler Percell:

Novogradac & Company LLP doing business as Novogradac Consulting ("Novogradac") is pleased to present our findings with respect to the value of the above-referenced property, Highland Square Apartments ("Subject"). The Subject is an existing 152-unit Section 8 property proposed for acquisition/rehabilitation with LIHTC equity. As requested, we are providing a narrative appraisal report that includes the following value estimates, which are described and defined below. This letter serves as an introduction to the attached appraisal; the value opinions expressed in this introduction letter must be taken in context with the full appraisal report. We are preparing an application market study concurrently with this appraisal. Neither the appraiser nor the appraisal group have completed any other prior engagements on the property that is the Subject of this report within the three-year period immediately preceding the acceptance of this assignment.

- Land value as if vacant.
- Market value "as is restricted" of the fee simple interest in the property.
- Hypothetical market value "as is unrestricted" of the fee simple interest in the property.

Related Affordable is the client in this engagement. We understand that they will use this document for submittal to the South Carolina State Housing Finance and Development Authority (SC Housing) for Low Income Housing Tax Credit (LIHTC) and/or bond application. The South Carolina State Housing Finance Development Authority (SC Housing) is an authorized user and may rely on the representations made herein. Intended users including SC Housing, HUD, and those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Related Affordable owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

In addition, this report, or a reference to this report, may not be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities.

This valuation engagement was conducted in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which standards incorporate the Uniform Standards of Professional Appraisal Practice (USPAP). In accordance with these standards, we have reported our findings herein in an appraisal report, as defined by USPAP.

For the purposes of this assignment, market value is defined as:

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 is the consummation of sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

This report complies with the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation and FIRREA Title XI, 12 CFR Part 323(FDIC), and 12 CFR Part 34 (RTC), and the Code of Ethics & of Professional Practice of the Appraisal Institute. It also complies with Appraisal Institute, and SC Housing specifications.

As a result of our analysis, the value of the Subject's underlying land, "**As If Vacant**", of the fee simple interest, as of September 11, 2024, is:

THREE MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$3,400,000)

As a result of our analysis of the Subject's restricted scenario, the fee simple market value "**As Is**", as of September 11, 2024, is:

THIRTY THREE MILLION SIX HUNDRED THOUSAND DOLLARS
(\$33,600,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "**As Is**", as of September 11, 2024, is:

EIGHTEEN MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$18,800,000)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe

¹ 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990.

environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

Please refer to the assumptions and limiting conditions regarding the valuation conclusions and hypothetical conditions

If appropriate, the scope of our work includes an analysis of current and historical operating information provided by management. This unaudited data was not reviewed or compiled in accordance with the American Institute of Certificate Public Accountants (AICPA), and we assume no responsibility for such unaudited statements.

We also used certain forecasted data in our valuation and applied generally accepted valuation procedures based upon economic and market factors to such data and assumptions. We did not examine the forecasted data or the assumptions underlying such data in accordance with the standards prescribed by the AICPA and, accordingly, do not express an opinion or any other form of assurance on the forecasted data and related assumptions. The financial analyses contained in this report are used in the sense contemplated by the USPAP. Furthermore, there will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected, and these differences may be material.

Our value conclusion was based on general economic conditions as they existed on the date of the analysis and did not include an estimate of the potential impact of any sudden or sharp rise or decline in general economic conditions from that date to the effective date of our report. Events or transactions that may have occurred subsequent to the effective date of our opinion were not considered. We are not responsible for updating or revising this report based on such subsequent events, although we would be pleased to discuss with you the need for revisions that may be occasioned as a result of changes that occur after the valuation date.

We appreciate this opportunity to be of service. Please contact us if you have any comments or questions.

Respectfully submitted,
Novogradac



Lindsey Hannon
Partner
Certified General Real Estate Appraiser
South Carolina License Number: 8720
Expiration Date: June 30, 2026
Lindsey.Hannon@novoco.com
512-349-3212



Rachel B. Denton, MAI
Partner
Certified General Real Estate Appraiser
South Carolina License Number: 8708
Expiration Date: June 30, 2026
Rachel.Denton@novoco.com
913-312-4612

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I. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Property Appraised:

The Subject is an existing 152-unit Section 8 multifamily property located at 200 Pine Creek Ct. Ext, in Greenville, Greenville County, South Carolina. The Subject consists of 40 one-bedroom units, 80 two-bedroom units, and 32 three-bedroom units contained in 11 two-story garden-style residential buildings, in addition to one community building. The Subject was originally constructed in 1979 and renovated in 2017. All 152 residential units are encumbered by a Housing Assistance Payment (HAP) contract, and benefit from subsidy, where tenants contribute 30 percent of their income towards rent.

Recent Operation:

The Subject is currently operating as a Section 8 property. The Subject was 96 percent occupied according to the rent roll dated July 31, 2024, and maintains a waiting list. According to historical financial statements, the Subject's annual vacancy and collection loss was 1.68 percent in 2021 and 2.63 percent in 2022. According to management, the Subject's typical historical vacancy rate is less than five percent, and demand for affordable housing is very strong.

Tax Map ID:

The Subject is identified by the Greenville County Tax Assessor with the following parcel number: WG02030101200.

Land Area:

The Subject site consists of 13.4 acres, or 583,704 square feet.

Legal Interest Appraised:

The property interest appraised is fee simple, subject to any and all encumbrances, if applicable, for each value estimate.

Current Rents and Unit Mix:

The following table summarizes current tenant-paid rents at the Subject, as well as the contract rents and Novogradac's achievable market rents, which we have assumed would be in place if the Subject's rents were marked up to market (MUTM).

RENT ROLL ANALYSIS (7/31/2024)

Unit Type	Unit Size (SF)	Number of Units	Contract Rent*	Proposed As-Is MUTM Rent**	Minimum Tenant Paid Rent	Maximum Tenant-Paid Rent	Average Tenant-Paid Rent	Vacant Units	Vacancy Rate
1BR / 1BA	699	40	\$1,113	\$1,400	\$0	\$801	\$250	0	0.00%
2BR / 1.5BA	885	80	\$1,281	\$1,550	\$0	\$777	\$148	4	5.00%
3BR / 2BA	1,250	32	\$1,566	\$1,900	\$0	\$775	\$185	2	6.25%
Total		152						6	3.95%

*Based on rent schedule, effective 12/2024

**Based on Ren Comparability Study prepared by Renzi & Associates, eff. September 23, 2024

Ownership History of the Subject:

According to the Greenville County Assessor's Office, the Subject is currently owned by Hs Investors LLC. There have been no transactions of the Subject in the past three years, and the Subject is not listed for sale. According to a Purchase Option Agreement dated March 23, 2022, Javelin 2022, LLC has agreed to purchase the Subject an amount equal to the greater of: (i) 25,000,000.00 and (ii) the sum of: (x) the outstanding principal, accrued interest, any prepayment penalty and any other amounts due under all mortgage documents relating to the

Property described on Exhibit A less Property net cash, reserves and escrow balances and (y) ten percent (10%) of the amount in clause (i).

Our as is value is \$33,600,000, which is above the proposed purchase price from March 2022 but appears reasonable given the significant increase in contract rents and the recent MUTM rents over this time period.

**Highest and Best Use
“As If Vacant”:**

The Subject’s highest and best use “as if vacant” is to construct a 152-unit multifamily affordable development utilizing tax credit equity or favorable financing.

**Highest and Best Use
“As Improved”:**

The Subject property currently operates as a Section 8 multifamily property, and it is in average condition. The property currently generates positive cash flow, and it is not deemed feasible to tear it down for an alternative use. Therefore, the highest and best use of the site, as improved, would be to continue to operate as an affordable multifamily housing development.

Effective Date:

The Subject was inspected on September 11, 2024, which is the effective date for this report.

Capitalization Rate Reconciliation: After reviewing the appropriate methods for developing an overall rate, the following ranges of overall capitalization rates are indicated:

CAPITALIZATION RATE SELECTION SUMMARY

Method	Indicated Rate
Market Extraction	5.75%
The PWC Investor Survey	5.75%
Debt Coverage Ratio	5.46%
Band of Investment	6.55%

The various approaches indicate a range from 5.46 to 6.55 percent. We reconciled a 5.75 percent capitalization rate based primarily upon the market-extracted rate.

Operating Expense Reconciliation: Operating expenses were estimated based upon the historical expenses and comparable expenses. In the following table, we compared the total operating expenses per unit reported by the Subject with the total expenses reported by comparable properties utilized in our operating expense analysis. Our total expense estimate as restricted is below the Subject’s historical range, and below the range of the comparables; however, this is due to the extraordinary assumption that the Subject will be exempt from full property taxes, which it has historically paid, as have the comparable properties. Excluding taxes, utilities, and reserves, the concluded expenses are within the comparable and historical range.

TOTAL EXPENSES PER UNIT

Subject Expenses	
2025 (Budget)	\$6,369
2022 (Actuals)	\$7,087
2021 (Actuals)	\$6,888
Comparable Properties	
Comp 1	\$7,673
Comp 2	\$6,187
Comp 3	\$7,083
Comp 4	\$5,407
Comp 5	\$5,316
Subject Conclusions	
Restricted - As Is	\$5,774
Unrestricted - As Is	\$8,410

TOTAL EXPENSES PER UNIT LESS TUR

Subject Expenses	
2025 (Budget)	\$5,132
2022 (Actuals)	\$4,770
2021 (Actuals)	\$4,079
Comparable Properties	
Comp 1	\$5,218
Comp 2	\$3,480
Comp 3	\$5,456
Comp 4	\$3,335
Comp 5	\$4,108
Subject Conclusions	
Restricted - As Is	\$4,424
Unrestricted - As Is	\$4,348

Strengths and Weaknesses:

Based upon our market research, demographic calculations and analysis, we believe the Subject property is well positioned and accepted in the market. Strengths of the Subject include the positive demographics in the local area, limited supply of affordable rental housing in the area, and the fact that all units at the Subject benefit from subsidy. Weaknesses include the Subject's smaller one- and two-bedroom unit sizes relative to comparable properties in the area.

Third Party Reports:

We requested, but were not provided with, a physical condition assessment report for the Subject. During our site inspection, we inspected a representative number of units as well as common areas, and did not observe any obvious or significant critical repairs. Thus, we have made an extraordinary assumption that the Subject property does not require any immediate capital repairs.

We requested, but were not provided with, a recent Phase I ESA report. During our site inspection, we walked the Subject's grounds, including the rear of the buildings and the parking lot, and did not observe any obvious indicators of environmental contamination or adverse property condition issues. However, Novogradac & Company LLP does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions. Further analysis is beyond the scope of this report. It should be noted that we have made an extraordinary assumption that there are no adverse environmental conditions that would impact the valuation of the Subject site.

Indications of Value:

LAND VALUE

Scenario	No. of Units	Price/Unit	Indicated Value (Rounded)
Land Value	152	\$22,500	\$3,400,000

DIRECT CAPITALIZATION ANALYSIS - AS IS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)
Restricted - As Is	5.75%	\$1,932,624	\$33,600,000
Unrestricted - As Is	5.75%	\$1,081,247	\$18,800,000

NOI/UNIT ANALYSIS

Scenario	Number of Units	Price per unit	Indicated Value (Rounded)
Restricted - As Is	152	\$225,000	\$34,200,000
Unrestricted - As Is	152	\$125,000	\$19,000,000

Exposure Period: 9-12 Months

II. FACTUAL DESCRIPTION

FACTUAL DESCRIPTION

Appraisal Assignment and Valuation Approach

As requested, the appraisers provided several value estimates, described and defined below:

- Land value as if vacant.
- Market value “as is restricted” of the fee simple interest in the property.
- Hypothetical market value “as is unrestricted” of the fee simple interest in the property.

In determining the value estimates, the appraisers employed the sales comparison and income capitalization approaches to value. The property is an existing subsidized apartment community. Given the Subject’s restricted nature, age, and investment type, the cost approach is not considered a reliable method of valuation.

The income capitalization approach involves an analysis of the investment characteristics of the property under valuation. The earnings’ potential of the property is carefully estimated and converted into an estimate of the property’s market value.

The sales comparison approach involves a comparison of the appraised property with similar properties that have sold recently. When properties are not directly comparable, sale prices may be broken down into units of comparison, which are then applied to the Subject for an indication of its likely selling price.

Property Identification

The Subject is an existing 152-unit Section 8 development located at 200 Pine Creek Ct. Ext, Greenville, Greenville County, SC 29728. The site is approximately 13.4 acres and is improved with 11 two-story garden-style residential buildings, in addition to one community building. The Subject site is identified by the following Assessor’s Parcel Number (APN): WGO2030101200.

Intended Use and Intended User

Related Affordable is the client in this engagement. We understand that they will use this document for submittal to the SC Housing for Low Income Housing Tax Credit (LIHTC) and/or bond application. The South Carolina State Housing Finance Development Authority (SC Housing) is an authorized user and may rely on the representations made herein. Intended users including SC Housing, HUD, and those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Related Affordable owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

In addition, this report, or a reference to this report, may not be included or quoted in any offering circular, information circular, offering memorandum, registration statement, private placement memorandum, prospectus or sales brochure (in either electronic or hard copy format) in connection with a securitization or transaction involving such debt (or portion thereof) and/or securities.

Property Interest Appraised

The property interest appraised is fee simple estate.

Date of Inspection and Effective Date of Appraisal

The Subject was last inspected by Novogradac on September 11, 2024, which will serve as the effective date for this report.

Scope of the Appraisal

For the purposes of this appraisal, Novogradac visually inspected the Subject and comparable data. Individuals from a variety of city agencies as well as the Subject's development team were consulted (in person or by phone). Various publications, both governmental (i.e. zoning ordinances) and private (i.e. Multiple List Services publications) were consulted and considered in the course of completing this appraisal.

The scope of this appraisal is limited to the gathering, verification, analysis and reporting of the available pertinent market data. All opinions are unbiased and objective with regard to value. The appraiser made a reasonable effort to collect, screen and process the best available information relevant to the valuation assignment and has not knowingly and/or intentionally withheld pertinent data from comparative analysis. Due to data source limitations and legal constraints (disclosure laws), however, the appraiser does not certify that all data was taken into consideration. We believe the scope of work is appropriate for the problem stated.

For the purposes of this appraisal, we have utilized the sales comparison and income approaches to complete this assignment based on the scope of work required.

Extraordinary Assumptions (EA) and Hypothetical Conditions (HC)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

The use of extraordinary assumptions and/or hypothetical conditions may impact the assignment results.

Please refer to the complete assumptions and limiting conditions in the Addenda.

Market Value Definition

For the purposes of this assignment market value is defined as:

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 is the consummation of sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,

5. The price represents normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

Compliance and Competency Provision

The appraiser is aware of the compliance and competency provisions of USPAP, and within our understanding of those provisions, this report complies with all mandatory requirements, and the authors of this report possess the education, knowledge, technical skills, and practical experience to complete this assignment competently, in conformance with the stated regulations. Moreover, Advisory Opinion 14 acknowledges preparation of appraisals for affordable housing requires knowledge and experience that goes beyond typical residential appraisal competency including understanding the various programs, definitions, and pertinent tax considerations involved in the particular assignment applicable to the location and development. We believe our knowledge and experience in the affordable housing industry meets these supplemental standards.

Unavailability of Information

In general, all information necessary to develop an estimate of value of the Subject property was available to the appraisers.

Furniture, Fixtures, and Equipment

Removable fixtures such as kitchen appliances and hot water heaters are considered to be real estate fixtures that are essential to the use and operation of the complex. Supplemental income typically obtained in the operation of an apartment complex is included, and may include minor elements of personal and business property. As immaterial components, no attempt is made to segregate these items.

Ownership and History of Subject

According to the Greenville County Assessor's Office, the Subject is currently owned by Hs Investors LLC. There have been no transactions of the Subject in the past three years, and the Subject is not listed for sale. According to a Purchase Option Agreement dated March 23, 2022, Javelin 2022, LLC has agreed to purchase the Subject an amount equal to the greater of: (i) 25,000,000.00 and (ii) the sum of: (x) the outstanding principal, accrued interest, any prepayment penalty and any other amounts due under all mortgage documents relating to the Property described on Exhibit A less Property net cash, reserves and escrow balances and (y) ten percent (10%) of the amount in clause (i).

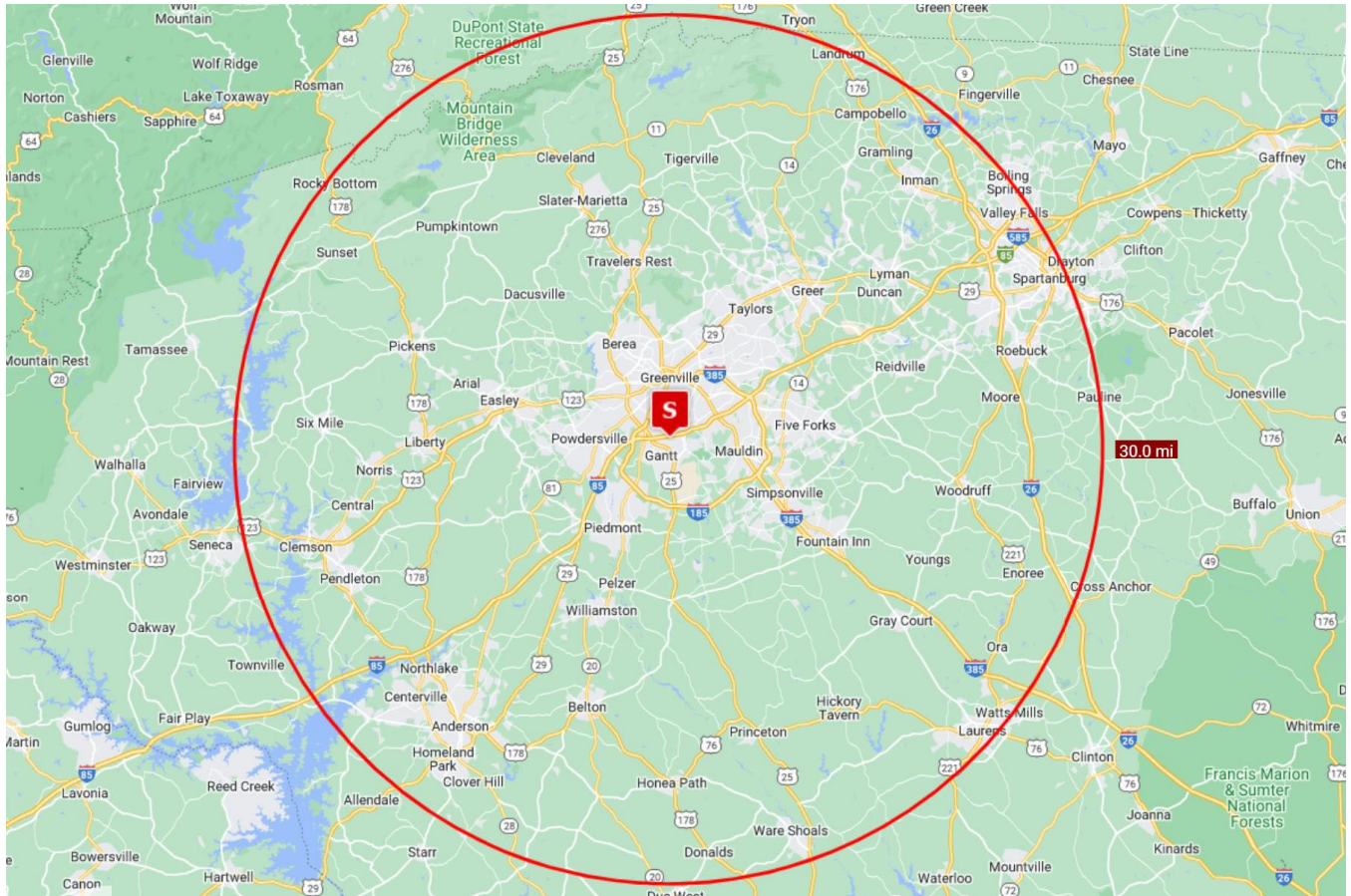
Our as is value is \$33,600,000, which is above the proposed purchase price from March 2022 but appears reasonable given the significant increase in contract rents and the recent MUTM rents over this time period.

2 - 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990.

III. REGIONAL AND LOCAL AREA ANALYSIS

REGIONAL AND LOCAL AREA ANALYSIS

Regional Map



Source: Google Earth, September 2024

The Subject is located in the southern portion of Greenville, in an unincorporated area, in Greenville County, South Carolina. According to the 2022 American Community Survey, the population of the city of Greenville was 72,310. The secondary market area (SMA) is defined as the Greenville-Anderson, SC Metropolitan Statistical Area (MSA), which consists of Anderson, Greenville, Laurens, and Pickens Counties in South Carolina.

ECONOMIC ANALYSIS

Major Employers

The following table details major employers in Greenville, SC.

MAJOR EMPLOYERS - GREENVILLE, SC

Employer Name	Industry	# Of Employees
Prisma Health	Healthcare/Social Assistance	10,000+
Greenville County Schools	Educational Services	10,000+
Michelin North America	Manufacturing	5,001 - 10,000
Bon Secours St. Francis Health System	Healthcare/Social Assistance	2,501 - 5,000
Duke Energy Corp.	Utilities	2,501 - 5,000
Greenville County Government	Public Administration	2,501 - 5,000
State of South Carolina	Public Administration	2,501 - 5,000
GE Power	Utilities	1,001 - 2,500
Fluor Corporation	Construction	1,001 - 2,500
SYNNEX Corporation	Prof/Scientific/Tech Services	1,001 - 2,500
TD Bank	Finance/Insurance	1,001 - 2,500
Verizon Wireless	Telecommunications	1,001 - 2,500
Sealed Air Corp. - Cryovac Division	Manufacturing	1,001 - 2,500
USC School of Medicine, Greenville	Educational Services	1,001 - 2,500
Magna	Manufacturing	1,001 - 2,500
Windstream	Telecommunications	501 - 1,000
City of Greenville	Public Administration	501 - 1,000
Furman University	Educational Services	501 - 1,000
Bosch Rexroth Corporation	Manufacturing	501 - 1,000
Greenville Technical College	Educational Services	501 - 1,000
Mitsubishi Polyester Film, Inc	Manufacturing	501 - 1,000
ScanSource, Inc.	Prof/Scientific/Tech Services	501 - 1,000
Alorica, Inc (Samsung Electronics America, Inc.)	Prof/Scientific/Tech Services	501 - 1,000
BB&T	Finance/Insurance	501 - 1,000
Bob Jones University	Educational Services	501 - 1,000
Anyone Home, Inc.	Admin/Support/Waste Mgmt Svcs	501 - 1,000
Hubbell Lighting	Manufacturing	501 - 1,000
Lockheed Martin Aeronautics Co.	Manufacturing	501 - 1,000
Global Lending Services	Finance/Insurance	501 - 1,000
International Vitamin Corp./Nutra	Manufacturing	501 - 1,000
House of Raeford	Manufacturing	501 - 1,000
Spectrum/Charter Communications	Telecommunications	501 - 1,000

Source: Greenville Area Development Corp., September 2024

The largest employers in Greenville are Prisma Health and Greenville County Schools, each employing over 10,000. Greenville's major employers are primarily concentrated within the healthcare/social assistance, educational services, public administration, and manufacturing sectors. We believe that the diverse industries represented by major employers provide stability to the local economy.

Employment Expansion/Contractions

We made several attempts to reach the Greenville Economic Development Corporation regarding business expansions and relocations. However, we were unable to reach anyone for an interview. Based on our internet research, the following business expansions and relocations are planned for the county.

- In November 2023, Nissin Foods, a producer of premium, instant ramen products, announced that it would be expanding its operations in the United States by establishing a new operations facility in

Greenville County. The company plans to invest \$228 million and create over 300 new jobs. The company plans to purchase a 640,640 square-foot building located in Piedmont.

- In July 2023, Wenker, Inc., a leading automotive supplier based in Germany, announced plans to establish its new U.S. headquarters in Greenville County. The company is investing \$3.1 million to construct a 131,400-square foot manufacturing facility in Greer. The company expects the expansion to create 27 new jobs.
- Lima One Capital announced plans in June 2023 to expand their SC operations in Greenville County, with an investment of \$51.4 million and the addition of 300 new jobs. Lima One Capital will relocate to the newly constructed County Square development. The development is expected to be completed by 2025.
- GE Appliances announced plans in February 2023 to expand their operations in Greenville County, with an investment of \$50 million and the addition of 45 new jobs over the next five years. This will be South Carolina's second GE facility and will be located in the August Grove Business Park.
- Essential Cabinetry Group announced plans in December 2022 to expand its operations in Greenville County, in Simpsonville, in the southeast corner of the Subject's PMA. According to the release, the company will invest \$4.75 million and create 156 new jobs in the area.
- EPC Power, announced plans in November 2022 to establish operations in Mauldin, in Greenville County, just outside of the PMA. EPC Power will invest \$5 million and create 150 new jobs in the smart energy sector.
- Dash EV, and electric car company, announced plans to establish operation in Greenville County in October 2022. The company is planning to create 10 new jobs to be located in downtown Greenville.
- Responsive Industries, a global manufacturer of PVC flooring, announced plans in September 2022 to establish operations in Mauldin. The company is planning an initial investment of \$10 million and the creation of 10 new jobs.
- Greif, an industrial packaging company, announced the expansion of their existing operations in Taylors in August 2022. Greif plans a \$13-million investment of the next five years. No estimate for new jobs created was available.
- Health Supply US, operating as "Glove One" announced an investment of over \$150 million to establish operations for their government contracting and medical supply company in June 2022. The new operation will create an estimated 600 new jobs over the next five years and will be located in Beechtree Business Park.
- Argo AI, a developer of self-driving technology products, announced plans in April 2022 to establish a highway-speed closed course test facility in Greenville County. Their investment of \$2.6 million is expected to create 40 new jobs.
- Fuyao Glass America Inc. announced the expansion of its operations in Greenville County in April 2022, with an investment of \$34.5 million and the creation of 121 new jobs.
- Trane Technologies, Thermo King, announced plans to establish operations in Greenville in March 2022. A \$30-million investment is expected to create 220 new jobs in Willimon Industrial Park. The site became operational in mid-2023.

WARN Notices

The following table illustrates the contractions to the economy of Greenville County area provided by the South Carolina Department of Employment and Workforce between 2022 and 2024 year-to-date (YTD). Jobs affected represent job losses.

**WARN LISTINGS
GREENVILLE COUNTY, SC**

Company	Industry	Employees Affected	Layoff Date
DiscoverFresh Foods	Manufacturing	7	8/1/2024
Charter Communications LLC	Telecommunications	132	8/27/2024
Charter Communications LLC	Telecommunications	74	7/8/2024
Gentherm	Manufacturing	114	5/1/2024
Proterra, Inc.	Transportation	290	1/26/2024
Ryder Integrated Logistics	Logistics	185	12/31/2023
Prisma Health	Healthcare	265	8/31/2023
Morrison Healthcare	Healthcare	72	5/7/2023
Jand Grace Delivery, LLC	Distribution	59	4/8/2023
Total		1,198	

Source: SC Works, retrieved September 2024

As illustrated in the previous table, there were a total of 1,198 layoffs between January 2023 and year-to-date 2023. Due to the size of the Greenville area labor market, these recent WARN filings are not anticipated to substantively affect total employment in the PMA or MSA as overall job growth has far exceeded these losses.

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2007 to June 2024.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2007	380,236	-	5.5%	-	146,046,667	-	4.6%	-
2008	377,406	-0.7%	6.4%	0.9%	145,362,500	-0.5%	5.8%	1.2%
2009	357,216	-5.3%	10.7%	4.2%	139,877,500	-3.8%	9.3%	3.5%
2010	351,822	-1.5%	10.6%	-0.1%	139,063,917	-0.6%	9.6%	0.3%
2011	360,115	2.4%	9.3%	-1.3%	139,869,250	0.6%	9.0%	-0.7%
2012	366,215	1.7%	8.0%	-1.3%	142,469,083	1.9%	8.1%	-0.9%
2013	376,302	2.8%	6.5%	-1.5%	143,929,333	1.0%	7.4%	-0.7%
2014	384,318	2.1%	5.6%	-0.9%	146,305,333	1.7%	6.2%	-1.2%
2015	395,797	3.0%	5.2%	-0.4%	148,833,417	1.7%	5.3%	-0.9%
2016	401,213	1.4%	4.4%	-0.8%	151,435,833	1.7%	4.9%	-0.4%
2017	399,568	-0.4%	3.8%	-0.6%	153,337,417	1.3%	4.3%	-0.5%
2018	406,633	1.8%	3.0%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019	416,568	2.4%	2.5%	-0.5%	157,538,083	1.1%	3.7%	-0.2%
2020	402,184	-3.5%	5.6%	3.1%	147,794,750	-6.2%	8.1%	4.4%
2021	417,180	3.7%	3.5%	-2.1%	152,580,667	3.2%	5.4%	-2.7%
2022	429,497	3.0%	2.9%	-0.6%	158,291,083	3.7%	3.6%	-1.7%
2023	440,643	2.6%	2.7%	-0.2%	161,036,583	1.7%	3.6%	-0.0%
2024 YTD Average*	443,344	0.6%	3.4%	0.6%	161,004,333	-0.0%	3.9%	0.3%
Jun-2023	440,937	-	3.0%	-	161,559,000	-	3.8%	-
Jun-2024	444,858	0.9%	4.4%	1.4%	161,774,000	0.1%	4.3%	0.5%

Source: U.S. Bureau of Labor Statistics, August 2024

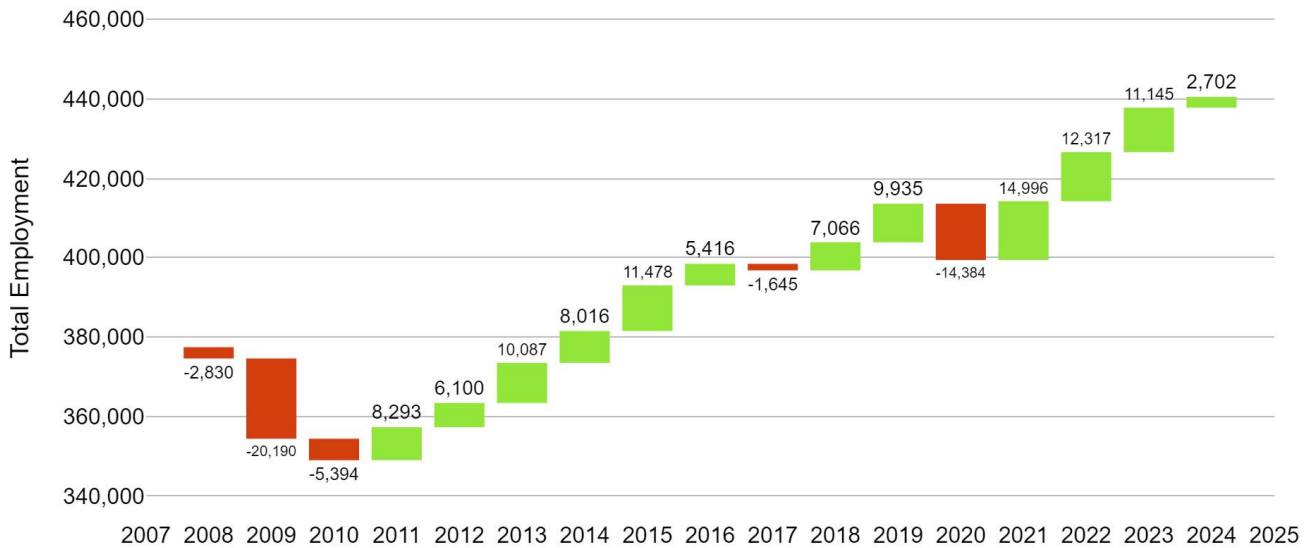
*2024 YTD Average is through June

Employment in the MSA declined by 3.5 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of June 2024, employment in the MSA is increasing at an annualized rate of 0.9 percent, compared to 0.1 percent growth across the nation.

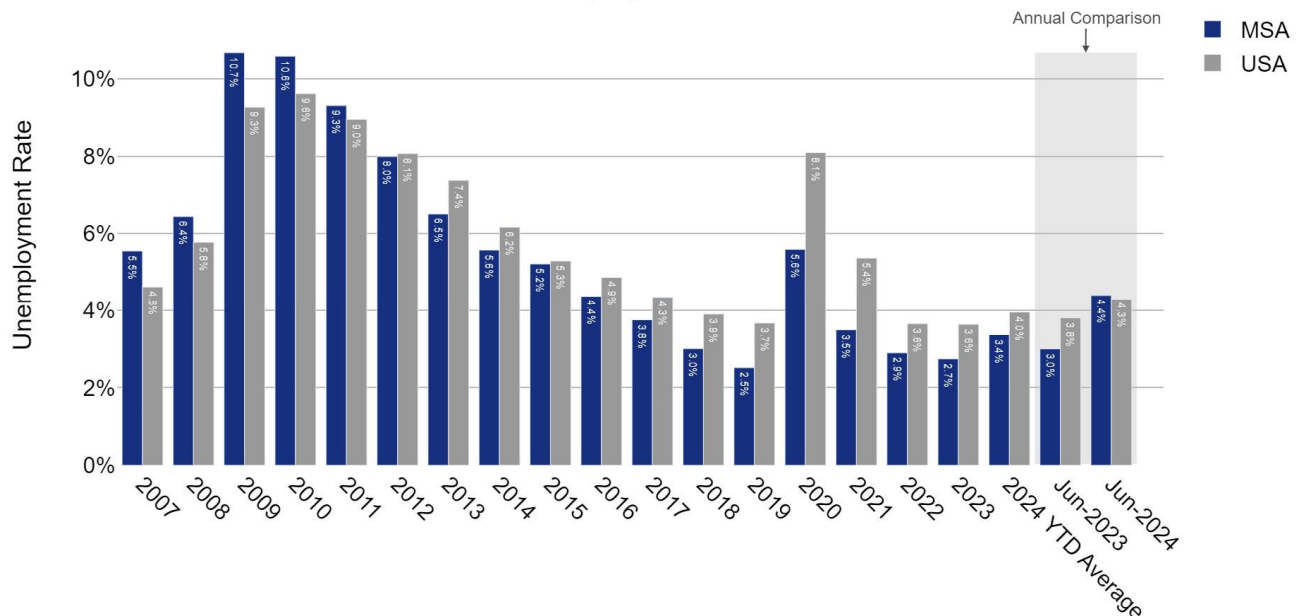
The MSA unemployment rate increased modestly by 3.1 percentage points in 2020 amid the pandemic, reaching a high of 5.6 percent. For comparison, the national unemployment rate rose by 4.4 percentage points and reached a high of 8.1 percent over the same time period. According to the latest labor statistics, dated June 2024, the current MSA unemployment rate is 4.4 percent. This is similar to the current national unemployment rate of 4.3 percent.

The following charts provide further illustration of the changes in employment and unemployment rate trends in the SMA.

MSA Job Growth



Unemployment Rate



It should be noted that increasing inflation and rising interest rates have created an uncertain economic climate. An article published by Kevin Dietsch (CNBC.com) from April 4, 2023 stated, "Federal Reserve Bank

of Cleveland President Loretta Mester said...the U.S. central bank likely has more interest rate rises ahead.” The article later states that Mester “expects growth and hiring to slow and inflation pressures to ease...with price pressures easing from their current 5.0 percent year-over-year increase to 3.75 percent [in 2023] and 2.0 percent by 2025”. According to a March 22, 2023 article by Ann Saphir (Reuters.com), “Federal Reserve policymakers believe beating back inflation may require one more interest-rate hike [in 2023] but less easing [in 2024]”. A report published by CBS News on February 27, 2023 stated that a majority economists surveyed by the National Association for Business Economics believe a recession is likely to occur in 2023, beginning in 2Q2023 or 3Q2023.

In March 2023, Silicon Valley Bank was shut down by regulators, and represents the largest U.S. bank failure since 2008. However, according to a statement made by St. Louis Fed President James Bullard on April 6, 2023, Bullard does not believe the SVB failure is “big enough by itself to send the U.S. economy into recession. Other things would have to happen.” However, according to an article published by Insider on April 7, 2023, JPMorgan Chase CEO Jamie Dimon “sees higher recession odds after March’s banking turmoil.”

In November 2023, Arend Kapteyn, UBS global head of economics and strategy research, told CNBC that the starting conditions are “much worse now than 12 months ago,” particularly in the form of the “historically large” amount of credit that is being withdrawn from the U.S. economy. UBS expects the U.S. Federal Reserve to cut interest rates by as much as 275 basis points in 2024, almost four times the market consensus, as the world’s largest economy tips into recession. UBS expects disinflation and rising unemployment to weaken economic output in 2024, leading the Federal Open Market Committee to cut rates “first to prevent the nominal funds rate from becoming increasingly restrictive as inflation falls, and later in the year to stem the economic weakening.”

Employment by Industry

The following table illustrates employment by industry for the PMA and nation as of 2023.

2023 - EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	7,801	15.9%	16,269,811	10.0%
Healthcare/Social Assistance	7,088	14.5%	22,115,876	13.6%
Retail Trade	4,712	9.6%	16,983,329	10.4%
Accommodation/Food Services	4,057	8.3%	10,883,169	6.7%
Prof/Scientific/Tech Services	4,010	8.2%	13,955,403	8.6%
Educational Services	3,983	8.1%	14,946,247	9.2%
Construction	3,114	6.4%	11,436,301	7.0%
Admin/Support/Waste Mgmt Svcs	2,679	5.5%	7,195,078	4.4%
Other Services	2,310	4.7%	7,645,568	4.7%
Finance/Insurance	2,211	4.5%	8,135,144	5.0%
Transportation/Warehousing	1,793	3.7%	9,030,239	5.5%
Public Administration	1,053	2.2%	7,857,180	4.8%
Wholesale Trade	989	2.0%	3,029,965	1.9%
Real Estate/Rental/Leasing	888	1.8%	2,901,274	1.8%
Arts/Entertainment/Recreation	821	1.7%	3,578,110	2.2%
Information	718	1.5%	3,143,826	1.9%
Utilities	476	1.0%	1,335,595	0.8%
Agric/Forestry/Fishing/Hunting	136	0.3%	1,800,335	1.1%
Mgmt of Companies/Enterprises	95	0.2%	216,588	0.1%
Mining	0	0.0%	572,355	0.4%
Total Employment	48,934	100.0%	163,031,393	100.0%

Source: Esri Demographics 2023, Novogradac, September 2024

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and retail trade, which collectively comprise 40.1 percent of local employment. Relative to the nation, the PMA features comparatively greater employment in the manufacturing, accommodation/food services, and

admin/support/waste mgmt srvcs industries. Conversely, the PMA is underrepresented in the public administration, transportation/warehousing, and educational services sectors.

Conclusion

Employment in the PMA is concentrated in manufacturing, healthcare/social assistance, and retail trade, which collectively comprise 40.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as these industries are historically volatile, and prone to contraction during economic recessions. However, the PMA also has a significant share of employment in the healthcare/social assistance industry, which typically exhibits greater stability during recessionary periods. Relative to the nation, the PMA features comparatively greater employment in the manufacturing, accommodation/food services, and admin/support/waste mgmt srvcs industries. Conversely, the PMA is underrepresented in the public administration, transportation/warehousing, and educational services sectors. Employment in the MSA declined by 3.5 percent in 2020 amid the pandemic, compared to 6.2 percent across the nation. The MSA subsequently recovered all pandemic-related job losses, and employment levels are currently at a post-recessionary record. As of June 2024, employment in the MSA is increasing at an annualized rate of 0.9 percent, compared to 0.1 percent growth across the nation.

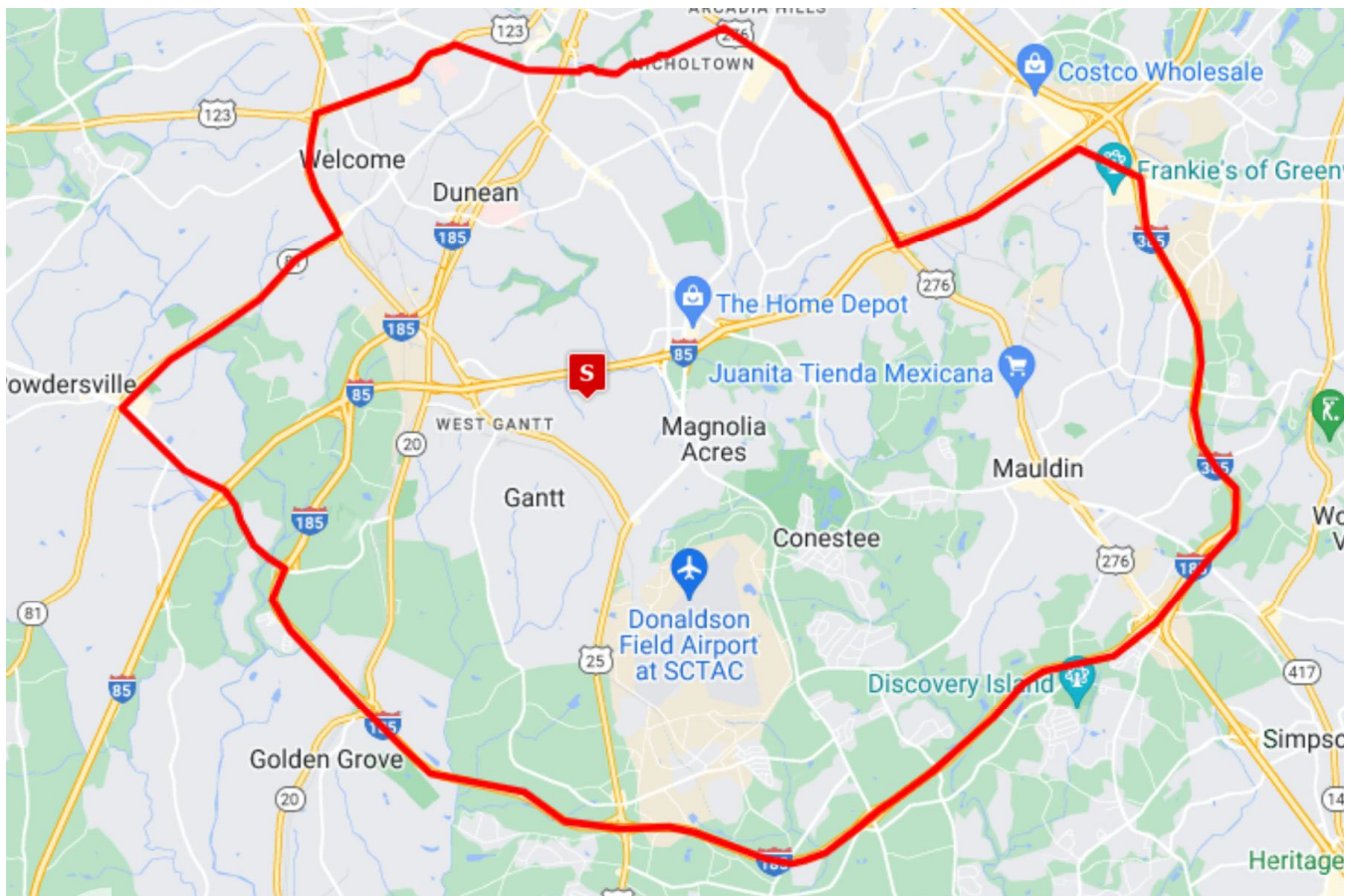
DEMOGRAPHIC ANALYSIS

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the SMA and the Primary Market Area (PMA) are areas of growth or contraction.

Primary Market Area (PMA)

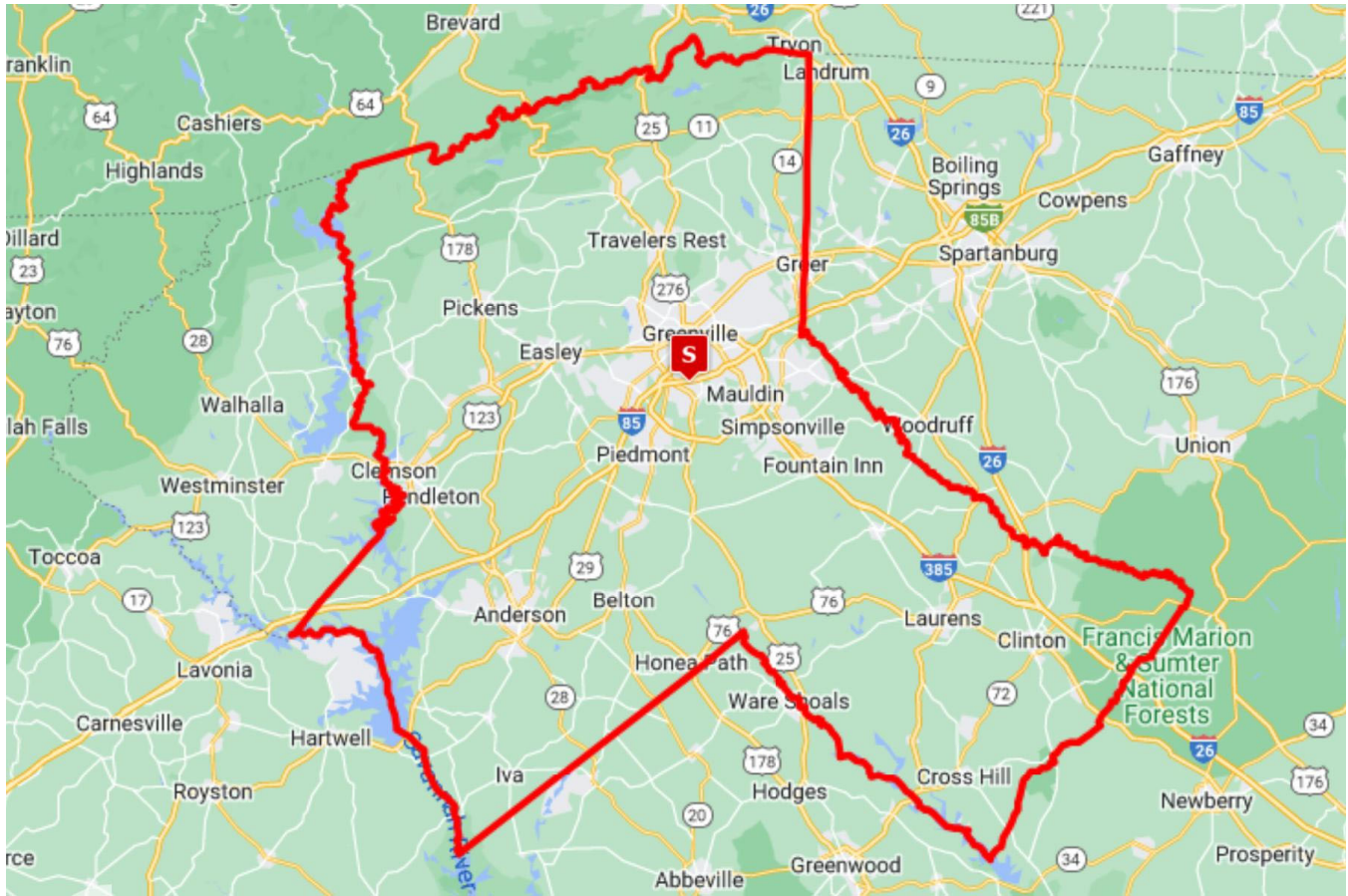
The Subject is located in the southern portion of Greenville South Carolina. The Primary Market Area (PMA) for the Subject covers approximately 68 square miles and consists of the communities of Conestee, Gantt, Mauldin, Magnolia Acres, Dunegan, and Welcome. We determined the PMA based on our conversations with local market participants including property managers, as well as our physical inspection of the market. The PMA boundaries are generally defined as Anderson Road (NC-81), White Horse Road, Easley Bridge Road, Laurens Road, Interstate 85 to the north, Interstate 385 to the east, State Highway 145, State Road S-13-22, State Highway 151, and Interstate 185 to the south, and Interstate 185 and Brown Road to the west. We anticipate that the Subject will experience some “leakage” from outside of the PMA and we estimate that 10 percent of the Subject’s tenants will come from outside of these boundaries. The secondary market area (SMA) for the Subject is Greenville-Anderson, SC Metropolitan Statistical Area (MSA), which consists of the following counties: Anderson, Greenville, Laurens, and Pickens in South Carolina.

PRIMARY MARKET AREA MAP



Source: Google Maps, September 2024

SECONDARY MARKET AREA MAP



Source: Google Maps, September 2024

Population and Households

The following tables illustrates population and household trends in the PMA, MSA and nation from 2010 through 2023, as well as projections through 2028.

POPULATION

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	82,787	-	824,018	-	308,730,056	-
2023	101,739	1.8%	966,684	1.3%	337,460,311	0.7%
2028	107,173	1.1%	999,948	0.7%	342,629,524	0.3%

Source: Esri Demographics 2023, Novogradac, September 2024

HOUSEHOLDS

Year	PMA		MSA		USA	
	Amount	Annual Change	Amount	Annual Change	Amount	Annual Change
2010	33,887	-	321,131	-	116,709,667	-
2023	42,612	2.0%	383,926	1.5%	129,912,564	0.9%
2028	45,136	1.2%	400,383	0.9%	133,092,836	0.5%

Source: Esri Demographics 2023, Novogradac, September 2024

Historical population growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced population growth greater than the nation during the same time period. According to ESRI

demographic projections, annualized PMA growth is expected to slow to 1.1 percent through 2028, which is above growth expectations for the MSA and substantially above the nation.

Historical household growth in the PMA exceeded the MSA between 2010 and 2023. Both geographic areas experienced household growth greater than the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to slow to 1.2 percent through 2028, which is above growth expectations for the MSA and substantially above the nation.

Household Income

The following table illustrates median household income levels in the PMA, MSA, and nation from 2010 through 2028. Note that this is based on data for all household sizes and is independent of the calculation of AMI.

MEDIAN HOUSEHOLD INCOME						
Year	PMA		MSA		USA	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2010	\$46,743	-	\$47,365	-	\$55,535	-
2023	\$60,369	2.2%	\$62,324	2.4%	\$72,604	2.4%
2028	\$67,338	2.3%	\$70,079	2.5%	\$82,410	2.7%

Source: Esri Demographics 2023, Novogradac, September 2024

As of 2023, the median income in the PMA is similar to the surrounding MSA. Relative to the nation, household income in the PMA declined slightly from 84.2 percent of the national median income in 2010 to 83.1 in 2023. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 2.3 percent through 2028, which is similar to projected growth in the surrounding MSA and slightly below the overall nation.

Conclusion

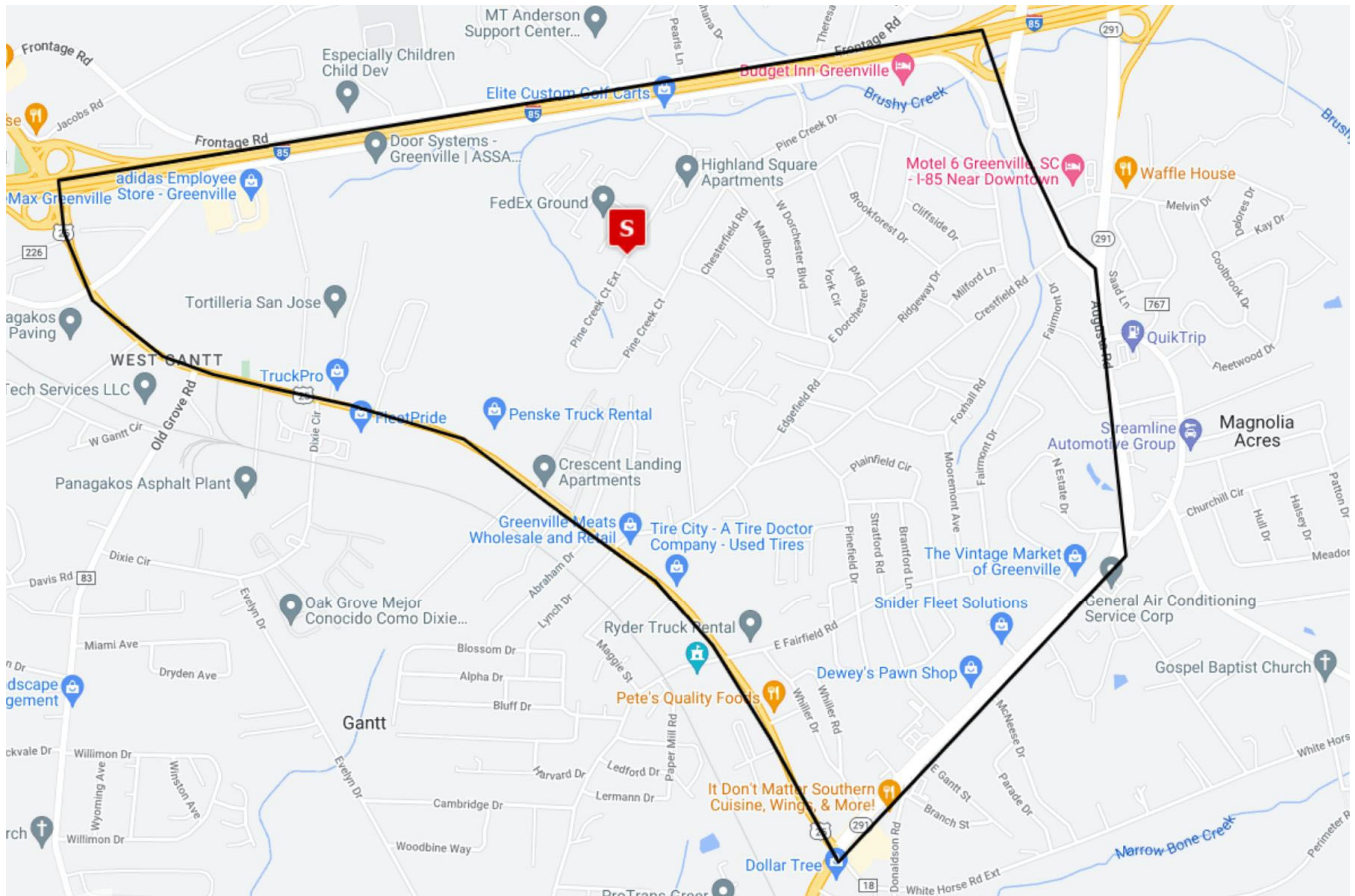
Population in the PMA increased at an annualized rate of 1.8 percent between 2010 and 2023. Comparatively the MSA and the nation experienced an annualized growth rate of 0.7 percent. The percentage of renter households in the PMA rose between 2010 and 2023 and is estimated to be 39.1 percent as of 2023. This is more than the estimated 35 percent renter households across the overall nation. The median income in the PMA as of 2023 is similar to the MSA and overall nation. According to ESRI demographic projections, population, household, and median income levels are all expected to rise through 2028. Overall, the combination of rising population and median household income bodes well for future demand for multifamily housing.

NEIGHBORHOOD ANALYSIS

The location and surrounding neighborhood of an apartment community often impacts the property's status, class and potential tenant base. In addition to the access to local commercial and employment opportunities, the quality and type of uses in a community are factors that could positively or negatively impact a property's marketability. This section describes the property's neighborhood and evaluates any locational factors that could affect its achievable rents, occupancy and overall profitability.

Location and Boundaries

The Subject is located in a mixed-use neighborhood in southern portion of Greenville, in a neighborhood that is generally bounded by Interstate 85 to the north, Augusta Road to the east and to the south, and White Horse Road to the west. A map of the Subject's neighborhood is below.



Predominate Land Uses

The Subject is located in a mixed-use neighborhood of Gantt surrounded by single, and multi-family homes, commercial uses, light industrial uses, and retail uses all of which exhibit average condition. Land use in the northern portion of the Subject's neighborhood consists of light industrial uses, and commercial. Land use in the eastern portion of the Subject's neighborhood consists of single-family homes average condition. Land use in the southern portion of the Subject's neighborhood consists of townhomes and single-family homes in average condition. Land use in the western portion of the Subject's neighborhood consists of a FedEx Ground facility and commercial uses. Overall, the Subject site is a good location for an affordable multifamily development. Commercial uses in the neighborhood appeared to be over 85 percent occupied and in average condition. The Subject has a Walk Score of 11, or "Car-Dependent", which is typical of predominantly residential areas. Overall, land uses in the Subject's neighborhood are in average to excellent condition. No detrimental influences were observed.

Accessibility

The Subject site is located along Pine Creek Court, a two-lane neighborhood road that traverses north/south along the western boundary of the Subject site. Pine Creek Court provides access to Bruce Road and Augusta Road approximately 0.9 miles west of the Subject site. Augusta Road is a two-lane neighborhood road that traverses north/south, and provides access to SC Highway 23/Church Street Road, approximately 4.5 miles north of the Subject site. SC Highway 23/Church Street Road traverses north/south throughout the eastern portion of Greenville, providing access to downtown Greenville 6.3 miles northeast of the Subject site. Approximately 1.7 miles from the Subject I-85 is accessed, and traverses northwest/southeast throughout Greenville, providing access throughout the region, including to Woodberry, approximately 12.0 miles north of the Subject site. Overall, access is considered good.

Neighborhood Housing Stock

Single-family homes in the Subject's neighborhood generally exhibit generally average condition. According to Zillow, the median home value in the Subject's zip code is \$280,349.

NEIGHBORHOOD ANALYSIS

	0.5 Mile Radius	PMA
	2023	2023
Owner-Occupied Housing Units	54.8%	55.9%
Renter-Occupied Housing Units	39.2%	35.8%
Vacant Housing Units	6.0%	8.2%
2023 Median Household Income	\$33,309	\$60,369
2023 - 2028 MHI Annual Growth	3.27%	2.3%
2023 Median Home Value	\$239,869	\$275,493

Source: Esri Demographics 2023, Novogradac, September 2024; Zillow

As indicated in the previous table, the percentage of renter households within a 0.5-mile radius of the Subject site is slightly higher than that of the PMA as a whole. According to 2023 data provided by ESRI, approximately 39.2 percent of the occupied housing units within 0.5 miles of the Subject are renter-occupied, compared to 35.8 percent in the PMA. The median household income within a 0.5-mile radius of the Subject is below the PMA, and is projected to increase by 3.27 percent annually through 2028.

Public Transportation

Greenlink Transit provides fixed-route bus service within Greenville County. One-way fares start at \$1.50 for adult passengers, and \$0.75 for senior aged 65+, individuals with disabilities, and Medicare cardholders. The nearest bus stop to the Subject is located approximately 0.6 mile to the south, at the intersection of Crestfield Road and Glenwood Lane.

Healthcare

The nearest hospital is Prisma Health Greenville Memorial Hospital, which is located approximately 2.3 miles north of the Subject site. The hospital is a 746-bed full-service facility that offers a range of medical services including, but not limited to: emergency, primary care, orthopedics, oncology, heart and vascular care, urgent care, behavioral and mental health services, and cardiac rehabilitation, among others.

Crime Statistics

The table below illustrates crime indices in the PMA and MSA in comparison to that of the nation. A crime index below 100 is below the national average and anything over 100 is above the nation's crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime index of 200 would be twice that of the national average. Crime indices were provided by 2023 ESRI Demographics data.

2023 CRIME INDICES		
	PMA	MSA
Total Crime*	201	126
Personal Crime*	181	111
Murder	235	134
Rape	170	110
Robbery	117	63
Assault	202	126
Property Crime*	204	128
Burglary	196	132
Larceny	211	130
Motor Vehicle Theft	172	110

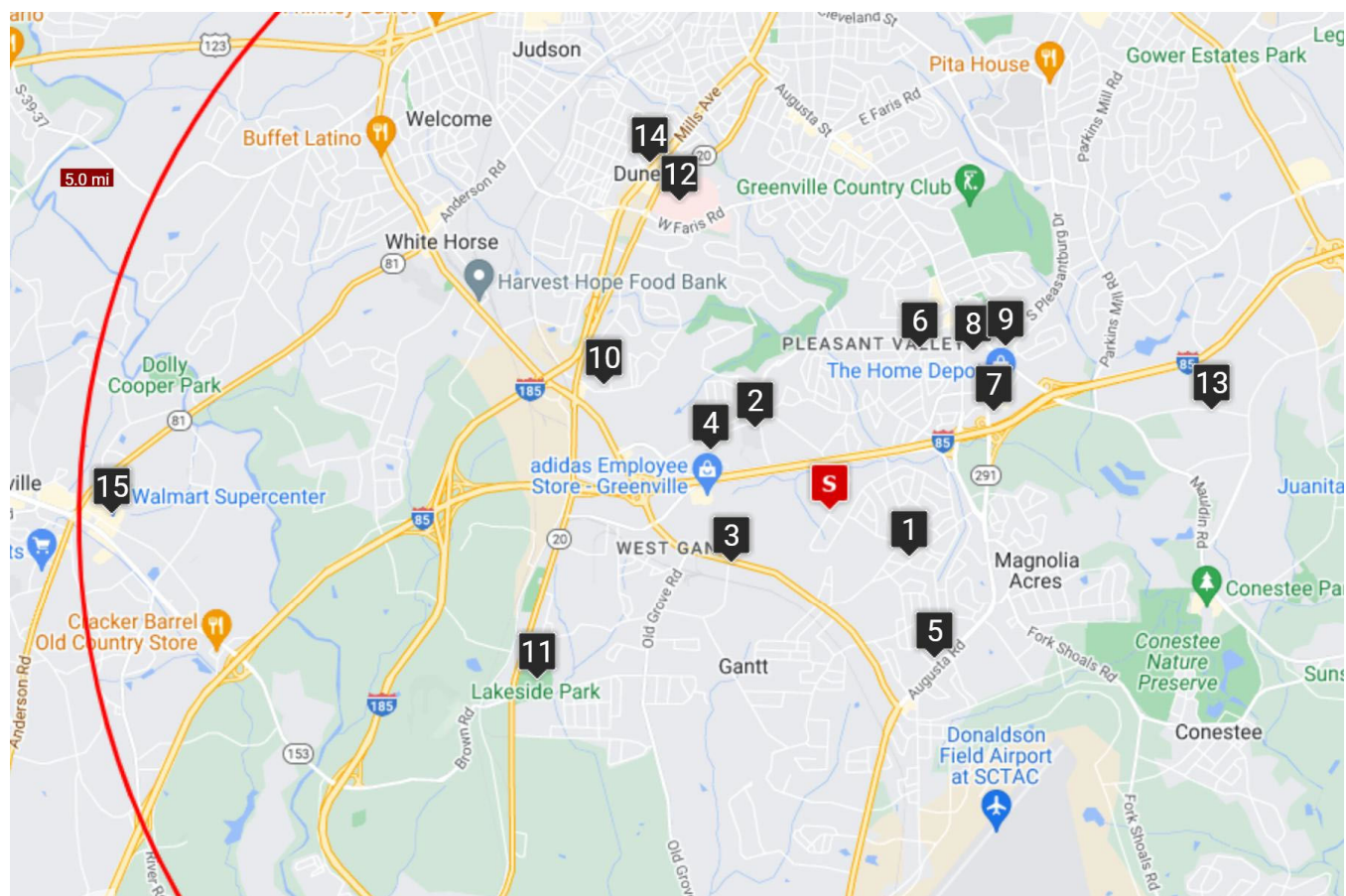
Source: Esri Demographics 2023, Novogradac, September 2024

*Unweighted aggregations

Total crime indices in the PMA are more than double the national average, and above the surrounding MSA. Both geographic areas feature crime indices above the overall nation. The Subject offers video surveillance as a security feature.

Proximity to Local Services

The following map and table illustrate the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.



Source: Google Earth, September 2024

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Bus Stop	0.6 miles	9	Carolina First Bank	1.6 miles
2	Southside High School	0.7 miles	10	Gnatt Fire Department	1.7 miles
3	Family Dollar	0.7 miles	11	Lakeside Park	2.2 miles
4	Thomas E. Kerns Elementary School	0.9 miles	12	Prisma Health Greenville Memorial Hospital	2.3 miles
5	Gas Station	1.2 miles	13	Christ Church Middle School	2.6 miles
6	Greenville Police Station	1.2 miles	14	CVS Pharmacy	2.6 miles
7	ALDI	1.3 miles	15	Walmart	4.7 miles
8	Augusta Road Branch Library	1.4 miles	-	-	-

Conclusion

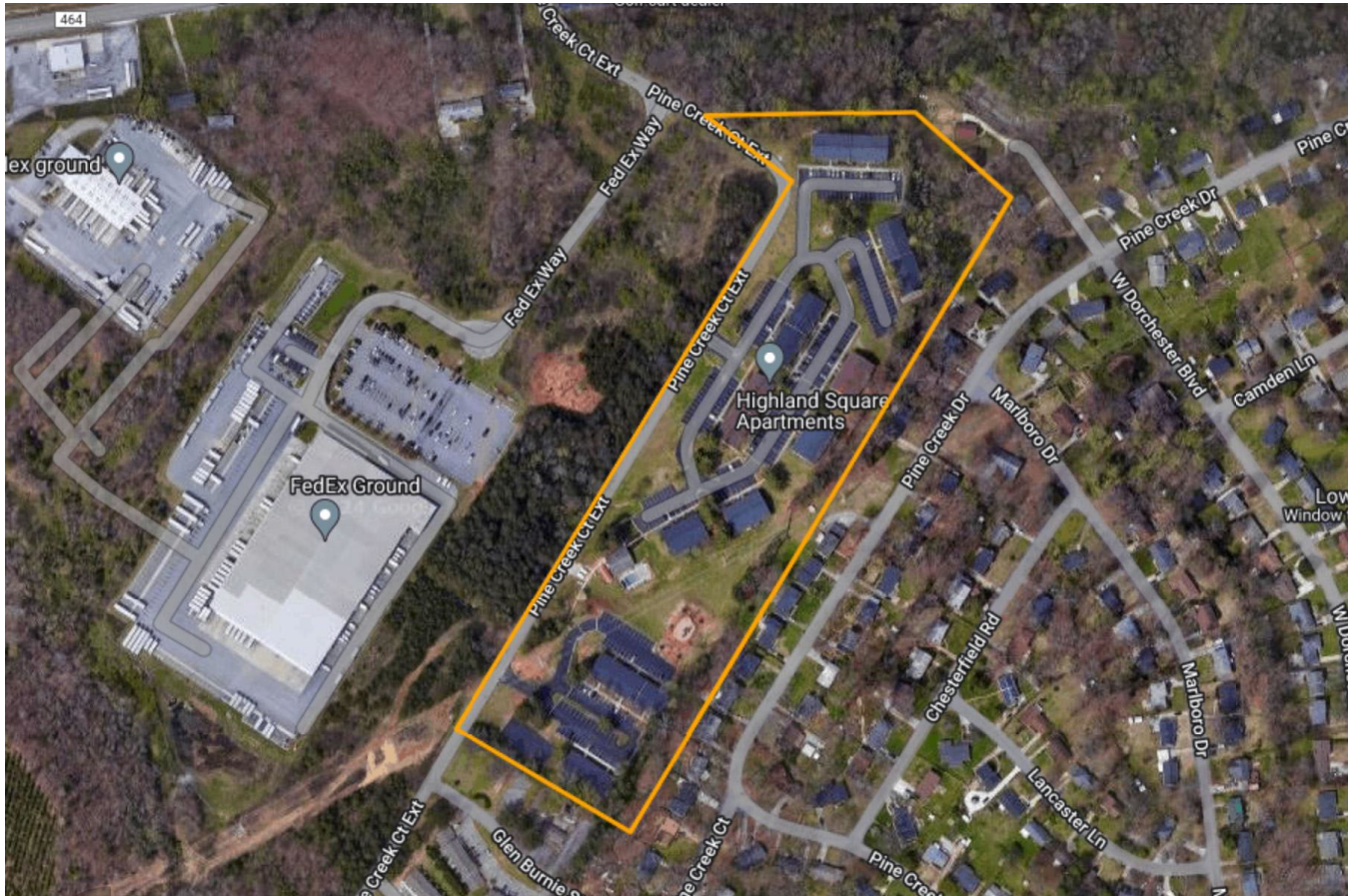
The Subject's neighborhood appears to be an adequate location for an existing affordable multifamily development. Most desirable locational amenities are located within 4.7 miles from the Subject property. The Subject is located in a mixed-use neighborhood in southeastern Greenville and is a compatible use within the existing neighborhood.

IV. ANALYSIS OF THE SUBJECT

ANALYSIS OF THE SUBJECT

DESCRIPTION OF THE SITE

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow. An aerial map of the Subject is provided below.



Source: Google Earth, September 2024

Size:	The Subject site consists of 13.4 acres, or 583,704 square feet.
Shape:	The Subject site is generally rectangular in shape.
Frontage:	The Subject has frontage along the east side of Pine Creek Court Ext.
Topography	The site exhibits level topography.
Utilities:	All utilities are available to the site.
Visibility/Views:	The Subject has good visibility from the east side of Pine Creek Court Ext. Views to the north consist of vacant land. Views to the east consist of single-family homes in average condition. Views to the west consist of a FedEx Ground facility and commercial uses. Views to the

south consist of townhomes in average condition. Overall, visibility is considered good, and views are considered average.

Access and Traffic Flow:

The Subject site is located along Pine Creek Court, a two-lane neighborhood road that traverses north/south along the western boundary of the Subject site. Pine Creek Court provides access to Bruce Road and Augusta Road approximately 0.9 miles west of the Subject site. Augusta Road is a two-lane neighborhood road that traverses north/south, and provides access to SC Highway 23/Church Street Road, approximately 4.5 miles north of the Subject site. SC Highway 23/Church Street Road traverses north/south throughout the eastern portion of Greenville, providing access to downtown Greenville 6.3 miles northeast of the Subject site. Approximately 1.7 miles from the Subject I-85 is accessed, and traverses northwest/southeast throughout Greenville, providing access throughout the region, including to Woodberry, approximately 12.0 miles north of the Subject site. Overall, access is considered good.

Environmental, Soil and Subsoil Conditions and Drainage:

We requested, but were not provided with, a recent Phase I ESA report. During our site inspection, we walked the Subject's grounds, including the rear of the buildings and the parking lot, and did not observe any obvious indicators of environmental contamination or adverse property condition issues. However, Novogradac & Company LLP does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions. Further analysis is beyond the scope of this report. It should be noted that we have made an extraordinary assumption that there are no adverse environmental conditions that would impact the valuation of the Subject site.

Flood Plain:

According to Flood Insights and Flood Insurance Rate Map Community Panel Number 45045C0392E, dated August 18, 2014, the Subject site is located in Zone X. Zone X is defined as an area outside 500-year floodplain, which is determined to be outside the 0.2 percent annual chance floodplains. Novogradac does not offer expertise in this field and cannot opine on this issue. Further analysis by Novogradac is beyond the scope of the report.

Detrimental Influences:

At the time of the site inspection, there were no detrimental influences observed that would adversely impact the marketability of the Subject.

Conclusion:

At the time of the site inspection, there were no detrimental influences observed that would adversely impact the marketability of the Subject. The Subject site is considered to be an adequate location for multifamily use and physically capable of supporting a variety of legally permissible uses.

DESCRIPTION OF THE IMPROVEMENTS

Details of the Subject's improvements are summarized as follows. This information, which was provided by the property manager, and confirmed during our inspection to the extent possible, is presumed to be accurate.

Property Improvements:	The Subject is an existing 152-unit Section 8 multifamily property located at 200 Pine Creek Ct. Ext, in Greenville, Greenville County, SC. The Subject consists of 40 one-bedroom units, 80 two-bedroom units, and 32 three-bedroom units contained in 11 two-story garden-style residential buildings, in addition to one community building. The Subject was originally constructed in 1979 and renovated in 2017. All 152 residential units are encumbered by a Housing Assistance Payment (HAP) contract, and benefit from subsidy, where tenants contribute 30 percent of their income towards rent.
Year Built or Date of Construction:	The Subject was originally constructed in 1979 and renovated in 2017. Renovations totaled \$2,872,426 in hard costs, or \$18,897 per unit. The Subject is currently proposed for renovations with LIHTC equity.
Property Layout and Curb Appeal:	Based on an inspection of the Subject by the appraiser, the property offers a functional property layout and has average curb appeal.
Current Rents and Unit Mix:	The following table summarizes the current rents and unit mix at the Subject. The current rent schedule for the Subject is effective December 1, 2024. Additionally, we have included Novogradac's achievable market rents, which we have assumed would be in place if the Subject's rents were marked up to market (MUTM).

CURRENT RENTS

Unit Type	Unit Size (SF)	Number of Units	Contract Rent*	Proposed As-Is MUTM Rent**	Utility Allowance*	Gross Rent	2025 HUD Fair Market Rents
Section 8							
1BR / 1BA	699	40	\$1,113	\$1,400	\$93	\$1,206	\$1,180
2BR / 1.5BA	885	80	\$1,281	\$1,550	\$128	\$1,409	\$1,306
3BR / 2BA	1,250	32	\$1,566	\$1,900	\$154	\$1,720	\$1,599
		152					

*Based on rent schedule, effective 12/2024

**Based on Ren Comparability Study prepared by Renzi & Associates, eff. September 23, 2024

The following table illustrates the current tenant-paid rents at the Subject, based on the rent roll provided by the client, dated July 31, 2024.

RENT ROLL ANALYSIS (7/31/2024)

Unit Type	Unit Size (SF)	Number of Units	Contract Rent*	Proposed As-Is MUTM Rent**	Minimum Tenant Paid Rent	Maximum Tenant-Paid Rent	Average Tenant-Paid Rent	Vacant Units	Vacancy Rate
1BR / 1BA	699	40	\$1,113	\$1,400	\$0	\$801	\$250	0	0.00%
2BR / 1.5BA	885	80	\$1,281	\$1,550	\$0	\$777	\$148	4	5.00%
3BR / 2BA	1,250	32	\$1,566	\$1,900	\$0	\$775	\$185	2	6.25%
Total		152						6	3.95%

*Based on rent schedule, effective 12/2024

**Based on Ren Comparability Study prepared by Renzi & Associates, eff. September 23, 2024

The Subject is currently operating as a Section 8 property. The Subject was 96.0 percent occupied according to the rent roll dated July 31, 2024, and maintains a waiting list of undetermined length. The Subject is currently operating as a Section 8 property. According to historical financial statements, the Subject's annual vacancy and collection loss was 1.68 percent in 2021 and 2.63 percent in 2022. According to management, the Subject's typical historical vacancy rate is less than five percent, and demand for affordable housing is very strong.

Unit Amenities:

The Subject's unit amenities include patio/balcony, blinds, carpet flooring, central air conditioning, coat closets, dishwashers, disposals, ovens, refrigerators, walk-in closets, and washer/dryer hookups.

Common Area Amenities:

The Subject's common area amenities include a computer lab, clubhouse/community room, central laundry facility, off-street parking, on-site management, recreation areas, swimming pool, tennis court, and a playground.

Parking:

The Subject offers uncovered, off-street parking spaces. We requested, but were not provided with the exact amount, but based on our inspection there are enough parking spaces for residents. The amount of parking appears adequate based on the current unit mix, as well as comparable properties.

Unit Layout:

Based on our physical inspection of representative units, the floor plans appear adequate relative to their intended use and they offer good functional utility. The appraiser inspected the following units on September 11, 2024.

UNITS INSPECTED

Unit Type	Unit Number	Status	Condition
2BR/1.5BA	142	Occupied	Average
3BR/2BA	105	Vacant	Average
1BR/1BA	16	Occupied	Average

Utility Structure:

Tenants are responsible for electric and expenses, including electric cooking, electric heating, electric water heating, central air conditioning, and general electric expenses. The landlord is

responsible for cold water, sewer, and trash expenses, in addition to common area utility expenses.

Americans With Disabilities Act of 1990:

We assume the property does not have any violations of the Americans With Disabilities Act of 1990.

PCA:

We requested, but were not provided with, a physical condition assessment report for the Subject. During our site inspection, we inspected a representative number of units as well as common areas, and did not observe any obvious or significant critical repairs. Thus, we have made an extraordinary assumption that the Subject property does not require any immediate capital repairs.

Remaining Economic Life:

The Subject's actual age is 45 years based on the original construction date of 1979 and 2017 renovations. Based on a typical economic life of 60 years and the Subject's current average condition, we have estimated the effective age to be 35 years. Thus, the remaining economic life is approximately 25 years, as is.

Quality of Construction:

At the time of the inspection, the Subject was in average condition overall. The Subject appears to have been completed in a manner consistent with the information provided, using average-quality materials in a professional manner.

Functional Utility:

Based on our site inspection, the Subject does not appear to suffer from functional obsolescence.

Conclusion:

The Subject is an average quality multifamily property for this location and given its age. Based on our site inspection, the Subject does not appear to suffer from functional obsolescence and it provides adequate utility for its intended use.

PROPERTY PROFILE REPORT

Highland Square Apartments

Effective Rent Date	9/11/2024
Location	200 Pine Creek Ct. Ext Greenville, SC 29605 Greenville County
Distance	N/A
Units	152
Vacant Units	6
Vacancy Rate	3.9%
Type	Garden (3 stories)
Year Built/Renovated	1979
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Piedmont Manor
Tenant Characteristics	Tenants are mostly singles or single mothers; the average household size is 2.
Contact Name	Cammy
Phone	864.277.4467



Market Information

Program	Section 8
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Prelease
Annual Chg. in Rent	N/A
Concession	None
Waiting List	Yes

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	40	699	\$1,113	\$0	Section 8	Yes	N/A	N/A	N/A	None
2	1.5	Garden (3 stories)	80	885	\$1,281	\$0	Section 8	Yes	N/A	N/A	N/A	None
3	2	Garden (3 stories)	32	1,250	\$1,566	\$0	Section 8	Yes	N/A	N/A	N/A	None

Unit Mix

Section 8	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,113	\$0	\$1,113	\$0	\$1,113
2BR / 1.5BA	\$1,281	\$0	\$1,281	\$0	\$1,281
3BR / 2BA	\$1,566	\$0	\$1,566	\$0	\$1,566

Highland Square Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	Afterschool Program
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Recreation Areas	Swimming Pool		
Tennis Court			

Comments

Highland Square is a garden style Section 8 subsidized community with 152 units and an occupancy rate of 96 percent. The development is proposed to be renovated with LIHTC in 2025.

ASSESSMENT VALUE AND TAXES

The following real estate tax estimate is based upon our interviews with local assessment officials, either in person or via telephone. We do not warrant its accuracy. It is our best understanding of the current system as reported by local authorities. Currently, the assessment of affordable housing properties is a matter of intense debate and in many jurisdictions pending legal action. The issue often surrounds how the intangible value or restricted rents are represented. We cannot issue a legal opinion as to how the taxing authority will assess the Subject. We advise the client to obtain legal counsel to provide advice as to the most likely outcome of a possible reassessment.

The Subject is located within the Greenville County real estate taxing jurisdiction. Real estate taxes for a property located in this jurisdiction are based upon a property's assessed valuation for each tax year. Real estate taxes in Greenville County represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by multiplying the assessed value for the property by a millage rate.

According to Nicole Turner, Commercial Appraiser with Greenville County Real Property Services, the primary approaches used to value multifamily properties in Greenville County are the income and sales comparison approaches. In Greenville, commercial properties are assessed at six percent of the fair market value. According to Ms. Turner, under South Carolina law, counties must revalue real property every five years and the most recent revaluation occurred in 2020. Sales also trigger reassessment. The value of real property may not be increased more than 15 percent when revalued by the county, unless an assessable transfer of interest (ATI) occurs, which includes any sale or transfer of property to a third party. When an ATI occurs, the value of the property for tax purposes can be increased to its current market value (often actual sale price), without regard to the 15 percent cap. However, under a new law implemented in 2011, electing owners of commercial real property and non-owner-occupied residential property can have the value of their property reduced on the date of any ATI sale/transfer by up to 25 percent. If the 25 percent valuation discount results in a value lower than the property tax value at the time of the ATI, then the existing property tax value will continue to apply. If the market value of the property is lower than the property tax value at the time of the ATI, such as where the property is sold for a loss, then this lower market value will be used for property tax purposes. The current millage rate for the Subject is \$365.40 per \$1,000 of assessed value.

CURRENT ASSESSMENT AND TAX BURDEN

Year	Market Value	Market Value Per Unit	Assessment Ratio	Assessed Value	Assessed Value Per Unit	Tax Rate	Tax Burden	Ad Valorem Taxes per Unit
2024	\$6,062,960	\$39,888	6.00%	\$363,778	\$2,393	36.54%	\$132,924	\$875

Reasonable Assessment and Taxes

It should be noted that following the sale, the Subject will benefit from a tax abatement that abates all ad valorem taxes. The property is eligible for the tax abatement under South Carolina Tax Code Article 3, Section 12-37- 220(B)(11)(e) as the abatement is based on the non-profit status of the owner and the use of the property for housing for low or very income residents. The abatement runs in perpetuity provided the property continues to meet the qualifications of Section 12-37-220(B)(11)(e) and the abatement can transfer with ownership. It is likely that any new purchaser would include a non-profit partner and be eligible for the tax exemption. As such, there is no tax burden applied in the as is restricted scenario.

We have utilized an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario. The use of this extraordinary assumption may impact assignment results.

As an unrestricted property, the Subject would be responsible for full real estate taxes. To estimate the Subject's tax liability in the unrestricted scenario, we have performed a tax recapitulation analysis. For comparison, we have obtained assessments of like market rate properties in the Subject's area, illustrated in the following table.

COMPARABLE ASSESSMENTS

Property	Type	Year Built / Renovated	Number of Units	Market Value	Assessed Value	Assessed Value Per Unit
Eagle Trace Apartments	Market	1972 / 2008 / 2019	220	\$18,817,920	\$1,129,075	\$5,132
Mauldin Heights	Market	1976 / 2010 / 2024	80	\$8,424,000	\$505,440	\$6,318
Haywood Reserve	Market	2015	292	\$58,832,330	\$3,529,940	\$12,089
The Cove At Fairforest Apartments	Market	1978 / 2021	152	\$21,621,600	\$1,297,296	\$8,535

The following table illustrates our tax estimate for the hypothetical unrestricted scenario. As illustrated, our assessed value per unit is within the comparable range and appears reasonable.

TAX RECAPITULATION

	Unrestricted - As Is
NOI Excluding Ad Valorem Taxes	\$1,493,512
Cap Rate	5.75%
Millage Rate	36.54%
Assessment Ratio	6.00%
Loaded Cap Rate	7.94%
Indicated Market Value	\$18,804,293
Post-transfer Market Value Ratio	100%
Indicated Assessment	\$1,128,258
Assessment Per Unit	\$7,423
Indicated Ad Valorem Tax	\$412,265
Market Value With the Tax	\$18,804,293
Value Rounded	\$18,800,000

ZONING

Current Zoning

According to the Greenville County Zoning Administration, the Subject is zoned R-M20 (Multifamily Residential). The principal use of land is for one-family, two-family, and multiple-family dwellings. The R-M20 district allows for up to 20 units per acre, and requires 1.0 parking space per dwelling unit with none or one bedroom, 1.5 per dwelling unit with two bedrooms, and 2.0 spaces per dwelling unit with three or more bedrooms. The Subject features 152 units on 13.4 acres of land, for a density of 11.34 units per acre. We were not provided with the exact number of parking spaces at the Subject, but the Subject appears to offer more than 224 spaces, which would be the minimum required based on the Subject's unit mix. As such, the Subject as proposed appears to represent a legal and conforming use.

Potential Zoning Changes

We are not aware of any proposed zoning changes at this time.

V. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

GENERAL MARKET INFORMATION

New Supply

We were unable to reach a contact with the Greenville Planning Department regarding planned, proposed, or under construction developments in the PMA. Therefore, we conducted online research and consulted a CoStar new construction report, as well as South Carolina Housing LIHTC allocation lists. The following table illustrates multifamily projects in the PMA according to CoStar.

RECENT AND PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	LIHTC Allocation Year
The Aster	Market	Family	330	0	Complete	N/A
Evolve at Homestead	Market	Family	240	0	Under Construction	N/A
13 Jenkins St	Market	Family	42	0	Under Construction	N/A
Maverick Yards - 40 townhomes	Market	Family	42	0	Proposed	N/A
Avery Landing	LIHTC	Family	153	153	Proposed	2023
Dunean Creek	LIHTC	Family	60	60	Under Construction	2021
Judson Mill Lofts	Market	Family	204	0	Complete	N/A
Totals			1,071	213		

As illustrated above, two of the planned or under construction developments in the PMA are LIHTC properties that will compete with the Subject.

Recent LIHTC Allocations

We reviewed the South Carolina State Housing Finance and Development Authority (SC Housing) LIHTC allocation and HUD development lists for projects funded since 2020 as being the best representative of current and planned affordable housing conditions. Per these lists, there have been three LIHTC allocations in the Subject's PMA since 2021. Two of these developments will add additional competitive units to the Subject's market.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Year Allocated	Rent Structure	Tenancy	New Construction or Rehab?	Total Units	New Competitive Units
Waters at Augusta	2021	LIHTC	Family	Rehab	200	0
Dundean Creek (fka Dunean Mill)	2021	LIHTC	Family	New Construction	60	60
Avery Landing	2023	LIHTC	Family	New Construction	153	153

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, e.g., building type, building age/quality, the level of common amenities, absorption rates, and similarity in rent structure. We attempted to compare the Subject to properties from the competing market, in order to provide a picture of the general economic health and available supply in the market.

Description of Property Types Surveyed/Determination of Number of Units

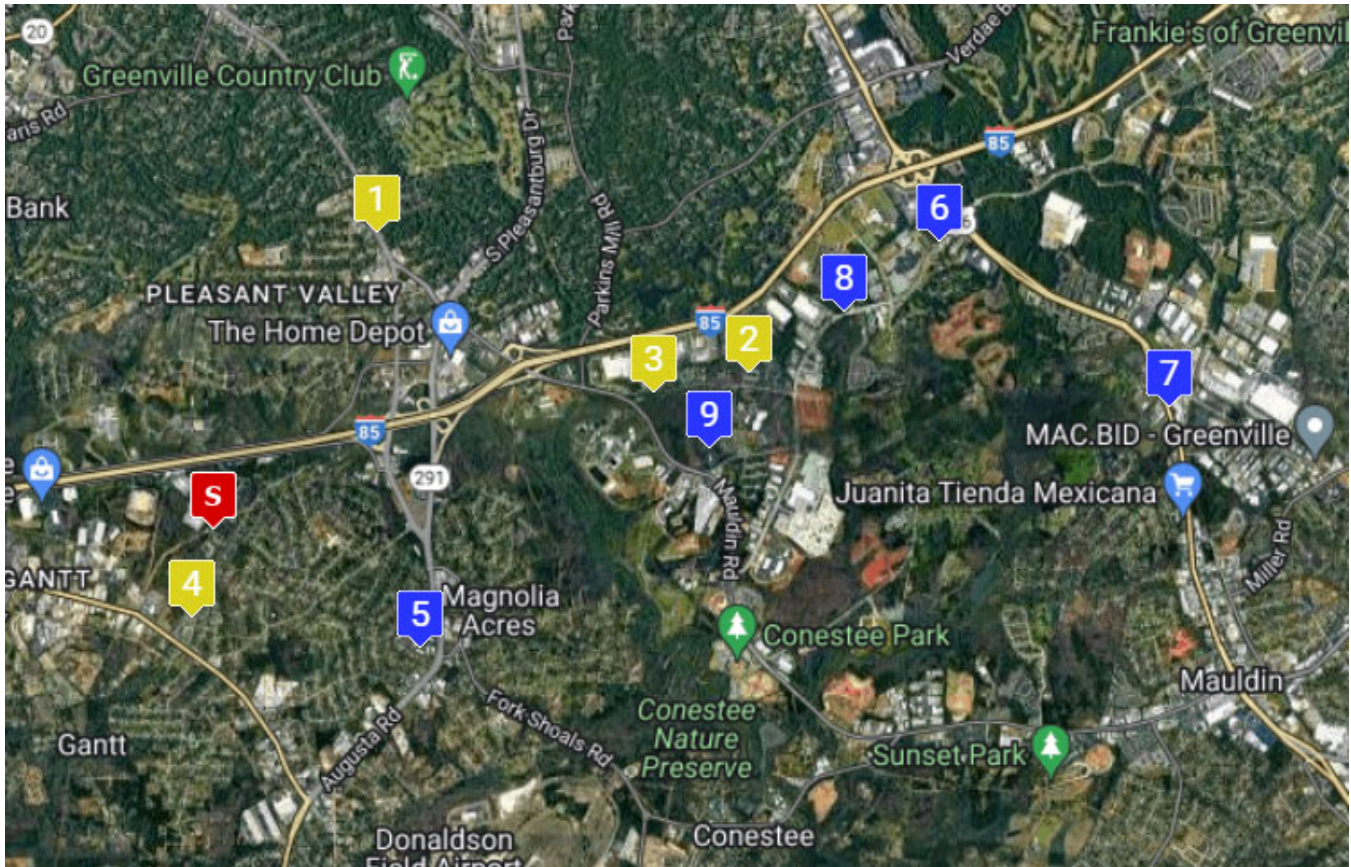
To evaluate the competitive position of the Subject, we surveyed a total of 1,378 units in nine rental properties. The availability of the LIHTC data is considered good. We included four affordable developments located between 0.4 and 2.6 miles from the Subject site, all of which are located inside the PMA. The availability of the market rate data is also considered good. We included five market rate properties located between 1.1 and 4.6 miles from the Subject site, all of which are located inside the PMA. Overall, we believe the availability of data is adequate to support our conclusions.

EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Reason for Exclusion
Cloverfield Estates	LIHTC	Family	Unable to Contact
Avery Landing	LIHTC	Family	More Similar Comparable Used (Unit Types)
Jamestown Pointe	LIHTC	Family	Unable to Contact
Eagle Trace Apartments	Market	Family	Unable to Contact
The Bristol	Market	Family	Unable to Contact
Laurel Woods Apartments	Market	Family	More Similar Comparable Used (Unit Types)
Piedmont Properties	Section 8	Family	Subsidized Rents
Mauldin Gardens	Section 8	Family	Subsidized Rents
Miller Oak Village	Section 8	Family	Subsidized Rents

The following table and map are of the comparable properties used in the supply analysis.

Comparable Rental Property Map



Source: Google Maps, September 2024

COMPARABLE PROPERTIES

#	Property Name	City	Rent Structure	Distance to Subject
S	Highland Square Apartments	Greenville	Section 8	-
1	Augusta Heights	Greenville	LIHTC	1.6 miles
2	Avalon Apartments	Greenville	LIHTC	2.6 miles
3	Berkley Pointe	Greenville	LIHTC/Market	2.2 miles
4	Crescent Landing Apartments	Greenville	LIHTC	0.4 mile
5	Augusta Road Apartments	Greenville	Market	1.1 miles
6	Evolve At Homestead	Greenville	Market	3.7 miles
7	Mauldin Heights	Mauldin	Market	4.6 miles
8	Millennium Apartments	Greenville	Market	3.2 miles
9	The Cove At Fairforest Apartments	Greenville	Market	2.4 miles

HIGHLAND SQUARE APARTMENTS – GREENVILLE, SOUTH CAROLINA – APPRAISAL

AMENITY MATRIX

	Highland Square Apartments	Augusta Heights	Avalon Apartments	Berkley Pointe LIHTC/ Market	Crescent Landing Apartments	Augusta Road Apartments	Evolve At Homestead Market	Mauldin Heights Market	Millennium Apartments Market	The Cove At Fairforest Apartments Market
Program	Section 8	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building										
Property Type	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden
# Stories	3	2	2	3	2	2	3	2	2	2
Year Built	1979	2010	2004	1983	1973	1972	2023	1976	2009	1978
Year Renovated				2020	2013	2016		2010/2024	2021	2021
Utility Structure										
Heat	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Water	yes	yes	no	yes	yes	no	yes	yes	no	no
Unit										
Balcony	yes	no	no	yes	no	no	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	no	yes	yes	yes	yes	no
Ceiling Fan	no	yes	yes	no	yes	yes	no	yes	yes	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Hardwood Floors	no	no	no	no	yes	no	yes	no	no	yes
Tile Flooring	no	no	no	no	no	no	no	no	yes	no
Vinyl Plank Flooring	no	no	no	no	no	yes	no	yes	yes	no
Walk-In-Closet	yes	yes	yes	yes	yes	no	yes	no	yes	yes
Washer / Dryer	no	no	no	yes	no	no	yes	no	yes	no
W/D Hookups	yes	yes	yes	yes	yes	no	no	yes	no	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Microwave	no	yes	yes	yes	no	no	yes	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Bike Storage	no	no	no	no	no	no	yes	no	no	no
Business Center	yes	yes	yes	yes	no	no	yes	no	yes	yes
Central Laundry	yes	yes	yes	no	yes	yes	no	no	no	no
Clubhouse	yes	yes	yes	yes	no	yes	yes	no	yes	no
Concierge	no	no	no	no	no	no	yes	no	no	no
Courtyard	no	no	no	no	no	no	yes	no	no	no
EV Charging Station	no	no	no	no	no	no	yes	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pet Park	no	no	no	no	no	no	yes	no	no	no
WiFi	no	no	yes	yes	no	no	no	no	yes	no
Recreation										
Basketball Court	no	no	no	no	no	yes	no	no	no	no
Exercise Facility	no	yes	no	no	no	no	yes	no	yes	no
Picnic Area	no	yes	no	yes	no	no	no	no	yes	yes
Playground	yes	yes	yes	yes	yes	yes	yes	no	no	yes
Recreational Area	yes	no	no	no	no	no	no	no	no	no
Swimming Pool	yes	no	no	yes	no	no	yes	no	yes	yes
Tennis Court	yes	no	no	no	no	no	no	no	no	no
Volleyball Court	no	no	no	no	no	no	no	no	yes	no
Services										
Afterschool Program	yes	no	no	no	no	no	no	no	no	no
Security										
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	no	no
Limited Access	no	yes	no	no	no	no	no	no	yes	no
Patrol	yes	no	no	yes	yes	no	no	no	no	no
Perimeter Fencing	no	no	no	no	no	no	no	no	yes	no
Video Surveillance	no	yes	no	no	yes	no	no	no	no	no
Parking										
Garage	no	no	no	no	no	no	no	no	yes	no
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

SUMMARY MATRIX

#	Property Name	Distance	Type/Built/ Renovated	AMI	Unit Type	#	%	SF	Restriction	Rent (Adj)	Max Rent?	Waiting List	Vacant Units	Vacancy Rate
S	Highland Square Apartments 200 Pine Creek Ct. Ext Greenville, SC Greenville County		Garden 3-stories 1979 / 2026 Family	@60%	1BR/1BA 2BR/1.5BA 3BR/2BA	40 80 32	26.3% 52.6% 21.1%	699 885 1,250	@60% @60% @60%	\$1,113 \$1,281 \$1,566	Yes Yes Yes	N/A N/A N/A	N/A N/A N/A	N/A
						152							6	96%
1	Augusta Heights 3100 Augusta Street Greenville, SC Greenville County	1.6 miles	Garden 2-stories 2010 Family	@50% @60%	1BR/1BA 1BR/1BA 2BR/2BA 2BR/2BA 3BR/2BA 3BR/2BA	3 2 7 11 10 4	8.1% 5.4% 18.9% 29.7% 27.0% 10.8%	800 800 1,049 1,049 1,220 1,163	@50% @60% @50% @60% @50% @60%	\$755 \$892 \$901 \$1,067 \$1,157 \$1,230	Yes Yes Yes Yes Yes Yes	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	0% 0% 0% 0% 0% 0%
2	Avalon Apartments 490 Wenwood Road Greenville, SC Greenville County	2.6 miles	Garden 2-stories 2004 Family	@50% @60%	2BR/2BA 2BR/2BA 3BR/2BA 3BR/2BA	18 18 18 18	25.0% 25.0% 25.0% 25.0%	1,082 1,082 1,302 1,302	@50% @60% @50% @60%	\$936 \$1,142 \$1,104 \$1,342	No No No No	No No No No	1 0 1 0	5.6% 0% 5.6% 0%
						72							2	2.8%
3	Berkley Pointe 500 Wenwood Road Greenville, SC Greenville County	2.2 miles	Garden 3-stories 1983 / 2020 Family	@60% Market	1BR/1BA 1BR/1BA 2BR/2BA 2BR/2BA 3BR/2BA 3BR/2BA	24 23 61 61 8 8	13.0% 12.4% 33.0% 33.0% 4.3% 4.3%	650 650 852 852 1,102 1,102	@60% Market @60% Market @60% Market	\$940 \$1,028 \$1,112 \$1,208 \$1,294 \$1,494	No N/A No No No N/A	Yes Yes No No Yes Yes	N/A N/A N/A N/A N/A N/A	N/A
						185							6	3.2%
4	Crescent Landing Apartments 1008 White Horse Road Greenville, SC Greenville County	0.4 mile	Garden 2-stories 1973 / 2013 Family	@60%	0BR/1BA 1BR/1BA 2BR/1.5BA 3BR/1.5BA	16 58 58 44	9.1% 33.0% 33.0% 25.0%	750 925 1,050 1,250	@60% @60% @60% @60%	\$741 \$826 \$997 \$1,113	No No No No	Yes Yes Yes Yes	0 0 0 0	0% 0% 0% 0.0%
5	Augusta Road Apartments 5300 Augusta Rd Greenville, SC Greenville County	1.1 miles	Garden 2-stories 1972 / 2016 Family	Market	1BR/1BA 2BR/1BA 3BR/2BA	123 86 11	55.9% 39.1% 5.0%	700 900 1,100	Market Market Market	\$1,061 \$1,188 \$1,431	N/A N/A N/A	No No No	0 2 0	0% 2.3% 0%
						220							2	0.9%
6	Evolve At Homestead 2001 Double Creek Place Greenville, SC Greenville County	3.7 miles	Garden 3-stories 2023 Family	Market	1BR/1BA 1BR/1BA 2BR/2BA 2BR/2BA 3BR/2BA 3BR/2BA	N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A	738 1,242 1,066 1,066 1,242 1,242	Market Market Market Market Market Market	\$1,283 \$1,398 \$1,645 \$1,531 \$1,765 \$1,810	N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A N/A	N/A
						240							48	20.0%
7	Mauldin Heights 901 N Main Street Mauldin, SC Greenville County	4.6 miles	Garden 2-stories 1976 / 2024 Family	Market	1BR/1BA 2BR/1BA 3BR/2BA	16 56 8	20.0% 70.0% 10.0%	742 865 1,027	Market Market Market	\$1,050 \$1,225 \$1,350	N/A N/A N/A	Yes Yes Yes	N/A N/A N/A	N/A
						80							32	40.0%
8	Millennium Apartments 221 Fairforest Way Greenville, SC Greenville County	3.2 miles	Garden 2-stories 2009 / 2021 Family	Market	1BR/1BA 1BR/1BA 2BR/2BA 2BR/2BA 2BR/2BA 3BR/2BA 3BR/2BA	17 17 56 30 72 8 16	7.9% 7.9% 25.9% 13.9% 33.3% 3.7% 7.4%	525 772 1,025 1,070 1,244 1,309 1,354	Market Market Market Market Market Market Market	\$1,131 \$1,271 \$1,469 \$1,400 \$1,498 \$2,127 \$1,965	N/A N/A N/A N/A N/A N/A N/A	No No No No No No No	0 2 0 3 4 0 0	0% 11.8% 0% 10.0% 5.6% 0% 0%
						216							9	4.2%
9	The Cove At Fairforest Apartments 105 Cavalier Drive Greenville, SC Greenville County	2.4 miles	Garden 2-stories 1978 / 2021 Family	Market	1BR/1BA 2BR/1.5BA 3BR/2BA	16 104 32	10.5% 68.4% 21.1%	636 884 1,144	Market Market Market	\$1,245 \$1,412 \$1,755	N/A N/A N/A	Yes Yes Yes	3 3 3	18.8% 2.9% 9.4%
						152							9	5.9%

PROPERTY PROFILE REPORT

Augusta Heights

Effective Rent Date	8/21/2024
Location	3100 Augusta Street Greenville, SC 29605 Greenville County
Distance	N/A
Units	37
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Singles and families from Greenville area
Contact Name	Lenise
Phone	864-277-9400



Market Information

Program	@50%, @60%
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	22%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Decreased by 5% -7%
Concession	None
Waiting List	Yes, unknown length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	3	800	\$755	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	2	800	\$892	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	7	1,049	\$901	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	11	1,049	\$1,067	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	10	1,220	\$1,157	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	4	1,163	\$1,230	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$755	\$0	\$755	\$0	\$755	1BR / 1BA	\$892	\$0	\$892	\$0	\$892
2BR / 2BA	\$901	\$0	\$901	\$0	\$901	2BR / 2BA	\$1,067	\$0	\$1,067	\$0	\$1,067
3BR / 2BA	\$1,157	\$0	\$1,157	\$0	\$1,157	3BR / 2BA	\$1,230	\$0	\$1,230	\$0	\$1,230

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Ceiling Fan	Video Surveillance	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

Comments

According to the contact, rents are below 2024 maximum allowable levels, and was unable to note if the rents would be achievable. The contact noted that demand for affordable housing in the area is strong.

Photos



PROPERTY PROFILE REPORT

Avalon Apartments

Effective Rent Date	8/22/2024
Location	490 Wenwood Road Greenville, SC 29607 Greenville County
Distance	N/A
Units	72
Vacant Units	2
Vacancy Rate	2.8%
Type	Garden (2 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Berkeley Point, Haywood Manor
Tenant Characteristics	None identified
Contact Name	Property manager
Phone	864-297-8979



Market Information

Program	@50%, @60%
Annual Turnover Rate	20%
Units/Month Absorbed	48
HCV Tenants	30%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Kept at 2023 max
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	18	1,082	\$841	\$0	@50%	No	1	5.6%	no	None
2	2	Garden (2 stories)	18	1,082	\$1,047	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (2 stories)	18	1,302	\$966	\$0	@50%	No	1	5.6%	no	None
3	2	Garden (2 stories)	18	1,302	\$1,204	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$841	\$0	\$841	\$95	\$936	2BR / 2BA	\$1,047	\$0	\$1,047	\$95	\$1,142
3BR / 2BA	\$966	\$0	\$966	\$138	\$1,104	3BR / 2BA	\$1,204	\$0	\$1,204	\$138	\$1,342

Avalon Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Wi-Fi			

Comments

Surface parking spaces are included in the cost of rent. The property recently hired brand new management staff. Rent prices are held below the 2024 maximum allowable rent levels.

Photos



PROPERTY PROFILE REPORT

Berkley Pointe

Effective Rent Date	8/22/2024
Location	500 Wenwood Road Greenville, SC 29607 Greenville County
Distance	N/A
Units	185
Vacant Units	6
Vacancy Rate	3.2%
Type	Garden (3 stories)
Year Built/Renovated	1983 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Forest View, Clark Ridge and Nichol Town Green
Tenant Characteristics	Mixture of singles, families, and young couples from the Greenville area
Contact Name	Jasmine
Phone	864-297-1410



Market Information

Program	@60%, Market
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	75%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Kept at 2023 max
Concession	N/A
Waiting List	Yes, only for one and three bedrooms

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	650	\$940	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Garden (3 stories)	23	650	\$1,028	\$0	Market	Yes	N/A	N/A	N/A	None
2	2	Garden (3 stories)	61	852	\$1,112	\$0	@60%	No	N/A	N/A	no	None
2	2	Garden (3 stories)	61	852	\$1,208	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	8	1,102	\$1,294	\$0	@60%	Yes	N/A	N/A	no	None
3	2	Garden (3 stories)	8	1,102	\$1,494	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$940	\$0	\$940	\$0	\$940	1BR / 1BA	\$1,028	\$0	\$1,028	\$0	\$1,028
2BR / 2BA	\$1,112	\$0	\$1,112	\$0	\$1,112	2BR / 2BA	\$1,208	\$0	\$1,208	\$0	\$1,208
3BR / 2BA	\$1,294	\$0	\$1,294	\$0	\$1,294	3BR / 2BA	\$1,494	\$0	\$1,494	\$0	\$1,494

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Wi-Fi		

Comments

According to the contact, rents are at the 2024 maximum allowable levels.

Photos



PROPERTY PROFILE REPORT

Crescent Landing Apartments

Effective Rent Date	8/22/2024
Location	1008 White Horse Road Greenville, SC 29605 Greenville County
Distance	0.6 miles
Units	176
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1973 / 2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Augusta Hill, Highland Square, Grove Station
Tenant Characteristics	Tenants employed in the education, manufacturing, healthcare, and retail sectors
Contact Name	Ethan
Phone	864-277-8408



Market Information

Program	@60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	60%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 10 percent
Concession	None
Waiting List	Yes, around two months in length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	16	750	\$741	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	58	925	\$826	\$0	@60%	Yes	0	0.0%	no	None
2	1.5	Garden (2 stories)	58	1,050	\$997	\$0	@60%	Yes	0	0.0%	no	None
3	1.5	Garden (2 stories)	44	1,250	\$1,113	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$741	\$0	\$741	\$0	\$741
1BR / 1BA	\$826	\$0	\$826	\$0	\$826
2BR / 1.5BA	\$997	\$0	\$997	\$0	\$997
3BR / 1.5BA	\$1,113	\$0	\$1,113	\$0	\$1,113

Crescent Landing Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	Patrol	None
Central A/C	Coat Closet	Video Surveillance	
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Playground		

Comments

The contact stated that demand for rental housing in the area is high. The contact estimated that Housing Choice Voucher usage at the property was slightly over half. Washer and dryer connections are available in the 2 and 3 BR units.

Photos



PROPERTY PROFILE REPORT

Augusta Road Apartments

Effective Rent Date	8/01/2024
Location	5300 Augusta Rd Greenville, SC 29605 Greenville County
Distance	1 mile
Units	220
Vacant Units	2
Vacancy Rate	0.9%
Type	Garden (2 stories)
Year Built/Renovated	1972 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from the Greenville area
Contact Name	Not disclosed
Phone	864-740-0934



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within one week
Annual Chg. in Rent	Incr. 13% since 1Q2023
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	123	700	\$975	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	86	900	\$1,075	\$0	Market	No	2	2.3%	N/A	None
3	2	Garden (2 stories)	11	1,100	\$1,275	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$975	\$0	\$975	\$86	\$1,061
2BR / 1BA	\$1,075	\$0	\$1,075	\$113	\$1,188
3BR / 2BA	\$1,275	\$0	\$1,275	\$156	\$1,431

Augusta Road Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Vinyl Plank Flooring		
Property		Premium	Other
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		

Comments

The contact noted that the property has a \$75 dollar monthly amenity fee, which has been included in the rents shown in this profile.

Augusta Road Apartments, continued

Photos



PROPERTY PROFILE REPORT

Evolve At Homestead

Effective Rent Date	8/22/2024
Location	2001 Double Creek Place Greenville, SC 29607 Greenville County
Distance	N/A
Units	240
Vacant Units	48
Vacancy Rate	20.0%
Type	Garden (3 stories)
Year Built/Renovated	2023 / N/A
Marketing Began	N/A
Leasing Began	12/01/2023
Last Unit Leased	N/A
Major Competitors	None reported
Tenant Characteristics	Mixed tenancy
Contact Name	Chloe
Phone	864-740-3244



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	21
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Changes daily
Concession	First month free rent
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	738	\$1,400	\$117	Market	n/a	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	1,242	\$1,525	\$127	Market	n/a	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,066	\$1,670	\$139	Market	n/a	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,066	\$1,795	\$150	Market	n/a	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,242	\$1,925	\$160	Market	n/a	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,242	\$1,975	\$165	Market	n/a	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,400 - \$1,525	\$117 - \$127	\$1,283 - \$1,398	\$0	\$1,283 - \$1,398
2BR / 2BA	\$1,670 - \$1,795	\$139 - \$150	\$1,531 - \$1,645	\$0	\$1,531 - \$1,645
3BR / 2BA	\$1,925 - \$1,975	\$160 - \$165	\$1,765 - \$1,810	\$0	\$1,765 - \$1,810

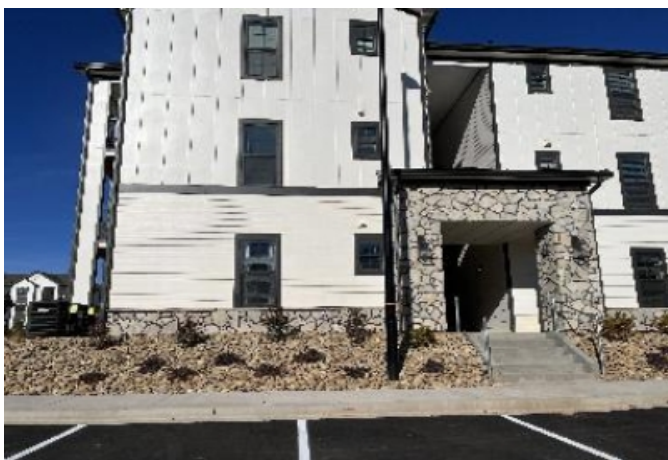
Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	None	None
Carpeting	Central A/C		
Dishwasher	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Bike Storage	Business Center/Computer Lab	None	None
Clubhouse/Meeting Room/Community	Concierge		
Courtyard	EV Charging Station		
Exercise Facility	Off-Street Parking		
On-Site Management	Pet Park		
Playground	Swimming Pool		

Comments

The property currently is 80% occupied and projects stabilization by end of 2024 or early 2025. Water, sewer and trash are included in rent. Surface parking is free for all tenants. The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Mauldin Heights

Effective Rent Date	8/01/2024
Location	901 N Main Street Mauldin, SC 29662 Greenville County
Distance	N/A
Units	80
Vacant Units	32
Vacancy Rate	40.0%
Type	Garden (2 stories)
Year Built/Renovated	1976 / 2010/2024
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Lions Gate, Hyde Park
Tenant Characteristics	Mixed tenancy
Contact Name	Not disclosed
Phone	864-550-1369



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within one month
Annual Chg. in Rent	Incr. 10% annually since 1Q2023
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	742	\$1,050	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (2 stories)	56	865	\$1,225	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (2 stories)	8	1,027	\$1,350	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,050	\$0	\$1,050	\$0	\$1,050
2BR / 1BA	\$1,225	\$0	\$1,225	\$0	\$1,225
3BR / 2BA	\$1,350	\$0	\$1,350	\$0	\$1,350

Mauldin Heights, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Vinyl Plank Flooring		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None

Comments

The contact stated that the elevated vacancy rate is attributed to ongoing renovations, which began in July 2024. The scope of renovation includes, but is not limited to, new cabinets, flooring, appliances, paint, and light fixtures, in addition to general repairs and maintenance. The contact noted that the property experienced a change in ownership and management in 2024. The rents in the profile reflect non-renovated units.

Photos



PROPERTY PROFILE REPORT

Millennium Apartments

Effective Rent Date	8/22/2024
Location	221 Fairforest Way Greenville, SC 29607 Greenville County
Distance	N/A
Units	216
Vacant Units	9
Vacancy Rate	4.2%
Type	Garden (2 stories)
Year Built/Renovated	2009 / 2021
Marketing Began	9/20/2008
Leasing Began	1/01/2009
Last Unit Leased	7/01/2010
Major Competitors	Walden Creek, Vinings at Brookfield
Tenant Characteristics	Young professionals, some small families
Contact Name	Melanie
Phone	888-291-7869



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	12
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Changes frequently
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	17	525	\$1,063	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	17	772	\$1,203	\$0	Market	No	2	11.8%	N/A	None
2	2	Garden (2 stories)	56	1,025	\$1,374	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	30	1,070	\$1,305	\$0	Market	No	3	10.0%	N/A	None
2	2	Garden (2 stories)	72	1,244	\$1,403	\$0	Market	No	4	5.6%	N/A	None
3	2	Garden (2 stories)	8	1,309	\$1,989	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	1,354	\$1,827	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,063 - \$1,203	\$0	\$1,063 - \$1,203	\$68	\$1,131 - \$1,271
2BR / 2BA	\$1,305 - \$1,403	\$0	\$1,305 - \$1,403	\$95	\$1,400 - \$1,498
3BR / 2BA	\$1,827 - \$1,989	\$0	\$1,827 - \$1,989	\$138	\$1,965 - \$2,127

Millennium Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Tile Flooring		
Vinyl Plank Flooring	Walk-In Closet		
Washer/Dryer			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage(\$115.00)		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		
Volleyball Court	Wi-Fi		

Comments

The contact attributed the elevated vacancy rate to evictions. The contact noted that seven vacant units are pre-leased. The range in asking rent is due to view, floor level, and availability. Attached garages are an additional \$115 per month. Wi-fi is an additional \$65 per month. This property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

The Cove At Fairforest Apartments

Effective Rent Date	9/10/2024
Location	105 Cavalier Drive Greenville, SC 29607 Greenville County
Distance	N/A
Units	152
Vacant Units	9
Vacancy Rate	5.9%
Type	Garden (2 stories)
Year Built/Renovated	1978 / 2021
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Greg
Phone	864-299-0026



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Incr. 10% annually since 1Q2022
Concession	Six free weeks
Waiting List	Yes; undetermined length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	636	\$1,159	N/A	Market	Yes	3	18.8%	N/A	None
2	1.5	Garden (2 stories)	104	884	\$1,299	N/A	Market	Yes	3	2.9%	N/A	None
3	2	Garden (2 stories)	32	1,144	\$1,599	N/A	Market	Yes	3	9.4%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,159	\$0	N/A	\$86	N/A
2BR / 1.5BA	\$1,299	\$0	N/A	\$113	N/A
3BR / 2BA	\$1,599	\$0	N/A	\$156	N/A

The Cove At Fairforest Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpet/Hardwood	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Off-Street Parking	None	Pet park
On-Site Management	Picnic Area		
Playground	Swimming Pool		

Comments

The property does not accept Housing Choice Vouchers. The contact noted the property utilizes LRO pricing; as such, rents change daily. The contact stated that the 2021 renovations included high-end fixtures and furnishes, new flooring, cabinets, appliances, ceiling fans, and blinds.

The Cove At Fairforest Apartments, continued

Photos



Rent Comparability Grid

Unit Type: 1BR/1BA - Garden - 699 sf - As Is

Subject FHA#: -

Subject		Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9	
Highland Square Apartments		Augusta Road Apartments		Evolve At Homestead		Mauldin Heights		Millennium Apartments		The Cove At Fairforest Apartments	
200 Pine Creek Ct. Ext		5300 Augusta Rd		2001 Double Creek Place		901 N Main Street		221 Fairforest Way		105 Cavalier Drive	
Greenville, Greenville County, SC		Greenville, Greenville County, SC		Greenville, Greenville County, SC		Mauldin, Greenville County, SC		Greenville, Greenville County, SC		Greenville, Greenville County, SC	
Subject		Subject		Subject		Subject		Subject		Subject	
Rents Charged		Data		Data		Data		Data		Data	
\$ Last Rent / Restricted?		\$975		N		\$1,400		N		\$1,063	
Date Last Leased (mo/yr)		Aug-24		Aug-24		Aug-24		Aug-24		Sep-24	
Rent Concessions		N		Y		(\$117)		N		N	
Occupancy for Unit Type		100%		80%		60%		100%		81%	
Effective Rent & Rent/ sq. ft		\$975		\$1.39		\$1,283		\$1.74		\$1,050	
\$1,063		\$2.02		\$1,159		\$1.82		\$1,063		\$2.02	
Design, Location, Condition		Data		Data		Data		Data		Data	
Structure / Stories		G / 3		G / 2		G / 3		G / 2		G / 2	
Yr. Built / Yr. Renovated		1979 / 2026		1972 / 2016		2023		1976 / 2010/2024		2009 / 2021	
Condition / Street Appeal		A		F		E		A		G	
Neighborhood		A		A		G		G		G	
Same Market? Miles to Subj.		Y/1.1		Y/3.7		Y/4.6		Y/3.2		Y/2.4	
Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
# Bedrooms		1.0		1.0		1.0		1.0		1.0	
# Bathrooms		1.0		1.0		1.0		1.0		1.0	
Unit Interior Sq. Ft.		699		700		738		742		525	
Balcony / Patio		Y		N		N		N		Y	
AC: Central / Wall		C		C		C		C		C	
Range / Refrigerator		R / F		R / F		R / F		R / F		R / F	
Microwave / Dishwasher		D		D		M / D		D		M / D	
Washer / Dryer		L / HU		L		WD		HU		WD	
Floor Coverings		C		C / V		C / HW		C / V		C / V / TF	
Window Coverings		B		B		B		B		B	
Cable / Satellite / Internet		N		N		N		N		N	
Special Features		GD / WIC		CF / GD		BS / EVS / Pet / WIC		CF / GD		CF / GD / WIC / WiFi	
Site Equipment/ Amenities		Data		Data		Data		Data		Data	
Parking (\$ Fee)		L		L		L		L / G(\$115)		L	
Extra Storage		N		N		N		N		N	
Security		Y		N		\$5		N		\$5	
Clubhouse / Meeting Rooms		MR		MR		MR		N		\$10	
Pool / Recreation Areas		P / RRR		RR		\$15		P / E / RR		N	
Business Ctr / Nhd Network		BC		N		\$10		BC		N	
Service Coordination		N		N		N		N		N	
Non-shelter Services		After School Program		N		\$50		N		\$50	
Neighborhood Networks		N		N		N		N		N	
Utilities		Data		Data		Data		Data		Data	
Heat (in rent? / type)		N / E		N / E		N / E		N / E		N / E	
Cooling (in rent? / type)		N / C		N / C		N / C		N / C		N / C	
Cooking (in rent? / type)		N / E		N / E		N / E		N / E		N / E	
Hot water (in rent? / type)		N / E		N / E		N / E		N / E		N / E	
Other Electric		N		N		N		N		N	
Cold Water / Sewer		Y / Y		N / N		\$61		Y / Y		N / N	
Trash / Recycling		Y		N		\$29		Y		N	
Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
# Adjustments B to D		7		(0)		3		(7)		6	
Sum Adjustments B to D		\$175		\$65		(\$203)		\$115		(\$55)	
Sum Utility Adjustments		\$90		\$90		\$61		\$61		\$90	
Net / Gross Adjustments B to E		Net		Gross		Net		Gross		Net	
\$265		\$265		(\$138)		\$268		\$60		\$170	
\$74		\$324		\$139		\$249		\$74		\$324	
Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent (5 + 43)		\$1,240		\$1,145		\$1,110		\$1,137		\$1,298	
Adj Rent / Last rent		127%		89%		106%		107%		112%	
Estimated Market Rent		\$1,200		\$1.72 Estimated Market Rent / Sq. Ft							

Subject FHA#: -

Subject		Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9		
	Highland Square Apartments	Data	Augusta Road Apartments		Evolve At Homestead		Mauldin Heights		Millennium Apartments		The Cove At Fairforest Apartments	
	200 Pine Creek Ct. Ext	on	5300 Augusta Rd		2001 Double Creek Place		901 N Main Street		221 Fairforest Way		105 Cavalier Drive	
	Greenville, Greenville County, SC	Subject	Greenville, Greenville County, SC		Greenville, Greenville County, SC		Mauldin, Greenville County, SC		Greenville, Greenville County, SC		Greenville, Greenville County, SC	
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$1,075	N	\$1,670	N	\$1,225	N	\$1,374	N	\$1,299	N
2	Date Last Leased (mo/yr)		Aug-24		Aug-24		Aug-24		Aug-24		Sep-24	
3	Rent Concessions		N		Y	(\$139)	N		N		N	
4	Occupancy for Unit Type		98%		80%		60%		100%		97%	
5	Effective Rent & Rent/ sq. ft		\$1,075	\$1.19	\$1,531	\$1.44	\$1,225	\$1.42	\$1,374	\$1.34	\$1,299	\$1.47
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G / 3	G / 2		G / 3		G / 2		G / 2		G / 2	
7	Yr. Built / Yr. Renovated	1979 / 2026	1972 / 2016		2023		1976 / 2010/2024		2009 / 2021		1978 / 2021	
8	Condition / Street Appeal	A	F	\$75	E	(\$100)	A		G	(\$50)	A	
9	Neighborhood	A	A		G	(\$40)	G	(\$40)	G	(\$40)	G	(\$40)
10	Same Market? Miles to Subj.		Y/1.1		Y/3.7		Y/4.6		Y/3.2		Y/2.4	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2.0	2.0		2.0		2.0		2.0		2.0	
12	# Bathrooms	1.5	1.0	\$30	2.0	(\$30)	1.0	\$30	2.0	(\$30)	1.5	
13	Unit Interior Sq. Ft.	885	900	(\$4)	1,066	(\$71)	865	\$7	1,025	(\$47)	884	
14	Balcony / Patio	Y	N	\$10	N	\$10	N	\$10	Y		Y	
15	AC: Central / Wall	C	C		C		C		C		C	
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	D	D		M / D	(\$5)	D		M / D	(\$5)	D	
18	Washer / Dryer	L / HU	L	\$10	WD	(\$20)	HU	\$5	WD	(\$20)	HU	\$5
19	Floor Coverings	C	C / V		C / HW	(\$10)	C / V		C / V / TF		HW	(\$10)
20	Window Coverings	B	B		B		B		B		B	
21	Cable / Satellite / Internet	N	N		N		N		N		N	
22	Special Features	GD / WIC	CF / GD		BS / EVS / Pet / WIC	(\$10)	CF / GD		CF / GD / WIC / WiFi	(\$10)	CF / GD / WIC	(\$5)
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L		L		L		L / G(\$115)		L	
25	Extra Storage	N	N		N		N		N		N	
26	Security	Y	N	\$5	N	\$5	N	\$5	Y		N	\$5
27	Clubhouse / Meeting Rooms	MR	MR		MR		N	\$10	MR		N	\$10
28	Pool / Recreation Areas	P / RRR	RR	\$15	P / E / RR		N	\$25	P / E / RR		P / RR	\$5
29	Business Ctr / Nbhd Network	BC	N	\$10	BC		N	\$10	BC		BC	
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	After School Program	N	\$50	N	\$50	N	\$50	N	\$50	N	\$50
32	Neighborhood Networks	N	N		N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C		N / C	
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
36	Hot water (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
37	Other Electric	N	N		N		N		N		N	
38	Cold Water / Sewer	Y / Y	N / N	\$77	Y / Y		Y / Y		N / N	\$77	N / N	\$77
39	Trash / Recycling	Y	N	\$29	Y		Y		Y		N	\$29
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		8	(1)	3	(8)	9	(1)	1	(7)	5	(3)
41	Sum Adjustments B to D		\$205	(\$4)	\$65	(\$286)	\$152	(\$40)	\$50	(\$202)	\$75	(\$55)
42	Sum Utility Adjustments		\$106						\$77		\$106	
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E		\$307	\$315	(\$221)	\$351	\$112	\$192	(\$75)	\$329	\$126	\$236
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)		\$1,382		\$1,310		\$1,337		\$1,299		\$1,425	
45	Adj Rent / Last rent			129%		86%		109%		95%		110%
46	Estimated Market Rent	\$1,375	\$1.55 Estimated Market Rent / Sq. Ft									

Subject FHA#: -

Subject		Comparable #5		Comparable #6		Comparable #7		Comparable #8		Comparable #9		
	Highland Square Apartments	Data	Augusta Road Apartments		Evolve At Homestead		Mauldin Heights		Millennium Apartments		The Cove At Fairforest Apartments	
	200 Pine Creek Ct. Ext	on	5300 Augusta Rd		2001 Double Creek Place		901 N Main Street		221 Fairforest Way		105 Cavalier Drive	
	Greenville, Greenville County, SC	Subject	Greenville, Greenville County, SC		Greenville, Greenville County, SC		Mauldin, Greenville County, SC		Greenville, Greenville County, SC		Greenville, Greenville County, SC	
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$1,275	N	\$1,925	N	\$1,350	N	\$1,989	N	\$1,599	N
2	Date Last Leased (mo/yr)		Aug-24		Aug-24		Aug-24		Aug-24		Sep-24	
3	Rent Concessions		N		Y	(\$160)	N		N		N	
4	Occupancy for Unit Type		100%		80%		60%		100%		91%	
5	Effective Rent & Rent/ sq. ft		\$1,275	\$1.16	\$1,765	\$1.42	\$1,350	\$1.31	\$1,989	\$1.52	\$1,599	\$1.40
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G / 3	G / 2		G / 3		G / 2		G / 2		G / 2	
7	Yr. Built / Yr. Renovated	1979 / 2026	1972 / 2016		2023		1976 / 2010/2024		2009 / 2021		1978 / 2021	
8	Condition / Street Appeal	A	F	\$75	E	(\$100)	A		G	(\$50)	A	
9	Neighborhood	A	A		G	(\$40)	G	(\$40)	G	(\$40)	G	(\$40)
10	Same Market? Miles to Subj.		Y/1.1		Y/3.7		Y/4.6		Y/3.2		Y/2.4	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3.0	3.0		3.0		3.0		3.0		3.0	
12	# Bathrooms	2.0	2.0		2.0		2.0		2.0		2.0	
13	Unit Interior Sq. Ft.	1,250	1,100	\$43	1,242		1,027	\$73	1,309	(\$22)	1,144	\$37
14	Balcony / Patio	Y	N	\$10	N	\$10	N	\$10	Y		Y	
15	AC: Central / Wall	C	C		C		C		C		C	
16	Range / Refrigerator	R / F	R / F		R / F		R / F		R / F		R / F	
17	Microwave / Dishwasher	D	D		M / D	(\$5)	D		M / D	(\$5)	D	
18	Washer / Dryer	L / HU	L	\$10	WD	(\$20)	HU	\$5	WD	(\$20)	HU	\$5
19	Floor Coverings	C	C / V		C / HW	(\$10)	C / V		C / V / TF		HW	(\$10)
20	Window Coverings	B	B		B		B		B		B	
21	Cable / Satellite / Internet	N	N		N		N		N		N	
22	Special Features	GD / WIC	CF / GD		BS / EVS / Pet / WIC	(\$10)	CF / GD		CF / GD / WIC / Wi-Fi	(\$10)	CF / GD / WIC	(\$5)
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L		L		L		L / G(\$115)		L	
25	Extra Storage	N	N		N		N		N		N	
26	Security	Y	N	\$5	N	\$5	N	\$5	Y		N	\$5
27	Clubhouse / Meeting Rooms	MR	MR		MR		N	\$10	MR		N	\$10
28	Pool / Recreation Areas	P / RRR	RR	\$15	P / E / RR		N	\$25	P / E / RRR		P / RR	\$5
29	Business Ctr / Nbhd Network	BC	N	\$10	BC		N	\$10	BC		BC	
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	After School Program	N	\$50	N	\$50	N	\$50	N	\$50	N	\$50
32	Neighborhood Networks	N	N		N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
34	Cooling (in rent? / type)	N / C	N / C		N / C		N / C		N / C		N / C	
35	Cooking (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
36	Hot water (in rent? / type)	N / E	N / E		N / E		N / E		N / E		N / E	
37	Other Electric	N	N		N		N		N		N	
38	Cold Water / Sewer	Y / Y	N / N	\$92	Y / Y		Y / Y		N / N	\$92	N / N	\$92
39	Trash / Recycling	Y	N	\$29	Y		Y		Y		N	\$29
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		8	(0)	3	(6)	8	(1)	1	(6)	6	(3)
41	Sum Adjustments B to D		\$218		\$65	(\$185)	\$188	(\$40)	\$50	(\$147)	\$112	(\$55)
42	Sum Utility Adjustments		\$121						\$92		\$121	
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net / Gross Adjustments B to E		\$339	\$339	(\$120)	\$250	\$148	\$228	(\$55)	\$289	\$178	\$288
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)		\$1,614		\$1,645		\$1,498		\$1,984		\$1,777	
45	Adj Rent / Last rent			127%		93%		111%		100%		111%
46	Estimated Market Rent	\$1.650	\$1.32 Estimated Market Rent / Sq. Ft									

PROPERTY CHARACTERISTICS

Following are relevant characteristics of the comparable properties surveyed:

Location

The following table illustrates the Subject and comparable property demographic data based on zip code.

LOCATION COMPARISON						
No.	Property Name	Zip Code	Median Income	Median Rent	Median Home Value	Rent Differential
S	Highland Square Apartments	29605	\$58,283	\$1,259	\$145,600	-
1	Augusta Heights	29605	\$58,283	\$1,259	\$145,600	0%
2	Avalon Apartments	29607	\$68,051	\$1,576	\$283,467	20.1%
3	Berkley Pointe	29607	\$68,051	\$1,576	\$283,467	20.1%
4	Crescent Landing Apartments	29605	\$58,283	\$1,259	\$145,600	0%
5	Augusta Road Apartments	29605	\$58,283	\$1,259	\$145,600	0%
6	Evolve At Homestead	29607	\$68,051	\$1,576	\$283,467	20.1%
7	Mauldin Heights	29662	\$70,713	\$1,592	\$222,751	20.9%
8	Millennium Apartments	29607	\$68,051	\$1,576	\$283,467	20.1%
9	The Cove At Fairforest Apartments	29607	\$68,051	\$1,576	\$283,467	20.1%

As illustrated in the previous table, two of the LIHTC comparables and four of the market rate comparables are located in areas with higher median incomes, rents, and home values. Thus, we have considered these comparables to be superior in terms of location. In the market rate rent grids, we applied negative \$40 adjustments to the comparables in superior locations. The remaining comparables are considered similar.

Age, Condition, and Design

The Subject was originally constructed in 1979, renovated in 2017, and currently exhibits average condition. The LIHTC comparables were built or renovated with LIHTC between 2004 and 2020. Three of the LIHTC comparables exhibit good condition, which one exhibits average condition. Three of the market rate comparables were built in the 1970s. Augusta Road Apartments appears to be in fair condition and received a positive \$75 adjustment. The other two older comparables are considered average and no adjustments were warranted. The remaining two market rate comparables were built in 2009 and 2023 and are in good and excellent condition, respectively. Thus, we applied negative \$50 and \$100 adjustments to these comparables, respectively.

The Subject's units are contained in two-story garden-style residential buildings, generally similar to the majority of comparables.

Value of Bathroom

The Subject offers one bathroom in one-bedroom units, 1.5 bathrooms in its two-bedroom units, and two bathrooms in its three-bedroom units. We utilized a matched pair analysis, detailed below, to determine the market premium for an additional bathroom.

SUPPORT FOR BATHROOM ADJUSTMENT

Property Name	Unit Type	Structure	Rent	SF	Rent / SF	Value of Extra SF*	Value of Full Bath
Eagle Trace Apartments	3BR/1BA	Garden	\$1,174	1,000	\$1.17		
	3BR/1.5BA	Garden	\$1,225	1,071	\$1.14		
	Difference		\$51	71	\$0.72	\$(21)	\$60
The Bristol	2BR/1BA	Garden	\$1,150	950	\$1.21		
	2BR/2BA	Garden	\$1,250	1,025	\$1.22		
	Difference		\$100	75	\$1.33	\$(23)	\$77
Average							\$69

*Note: SF value is calculated as (square foot delta) * (rpsf smaller unit) * (25% PSF)

As illustrated above, the indicated premium for an additional bathroom is \$69. Based on the small sample provided and conversations with property managers in the area, we estimated the value of an additional bathroom at \$60, and a half-bathroom at \$30. We applied a negative \$30 adjustment to Evolve At Homestead and Millennium Apartments in the two-bedroom rent grids for their additional half-bathroom, and a positive \$30 adjustment to Augusta Road Apartments. The adjustment is supported by the market and appears reasonable.

Value of Bedroom

The Subject offers one-, two-, and three-bedroom units. All of the comparables offer one-, two-, and three-bedroom units. Therefore, no adjustments are necessary.

Unit Size

The following table summarizes unit sizes in the market area, and provides a comparison of the Subject's unit size relative to the surveyed average unit sizes in the market.

UNIT SIZE COMPARISON

Bedroom Type	1BR	2BR	3BR
Subject	699	885	1,250
Average	765	1,009	1,204
Min	525	852	1,027
Max	1,242	1,244	1,354
Advantage/Disadvantage	-8.6%	-12.3%	3.8%

The Subject's one-bedroom units, two-bedroom units, and three-bedroom units are within the range of the surveyed comparable unit sizes. The Subject's three-bedroom units are above the comparables average square footage. The Subject's one-bedroom units and two-bedroom units are below the comparables average square footage. We have considered the Subject's unit sizes in our determination of achievable rents.

Utility Structure

Tenants are responsible for electric and expenses, including electric cooking, electric heating, electric water heating, central air conditioning, and general electric expenses. The landlord is responsible for cold water, sewer, and trash expenses, in addition to common area utility expenses. The utility structure varies among the comparable properties; we have adjusted the comparables' rents in accordance with the utility schedule obtained from SC State Housing Finance and Development Agency, effective February 2024, which is the most recent available.

Parking

The Subject offers uncovered off-street parking spaces included in the monthly rent. All of the comparables offer off-street parking included in the monthly rent. As such, the Subject's parking is considered similar to the comparables.

HIGHLAND SQUARE APARTMENTS – GREENVILLE, SOUTH CAROLINA – APPRAISAL

Amenities

AMENITY MATRIX

	Highland Square Apartments	Augusta Heights	Avalon Apartments	Berkley Pointe	Crescent Landing Apartments	Augusta Road Apartments	Evolve At Homestead	Mauldin Heights	Millennium Apartments	The Cove At Fairforest Apartments
Program	Section 8	LIHTC	LIHTC	LIHTC/ Market	LIHTC	Market	Market	Market	Market	Market
Tenancy	Family	Family	Family	Family	Family	Family	Family	Family	Family	Family
Building										
Property Type	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden
# Stories	3	2	2	3	2	2	3	2	2	2
Year Built	1979	2010	2004	1983	1973	1972	2023	1976	2009	1978
Year Renovated				2020	2013	2016		2010/2024	2021	2021
Utility Structure										
Heat	no	no	no	no	no	no	no	no	no	no
Cooking	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Air Conditioning	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Water	yes	yes	no	yes	yes	no	yes	yes	no	no
Unit										
Balcony	yes	no	no	yes	no	no	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	no	yes	yes	yes	yes	no
Ceiling Fan	no	yes	yes	no	yes	yes	no	yes	yes	yes
Central/AC	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Hardwood Floors	no	no	no	no	yes	no	yes	no	no	yes
Tile Flooring	no	no	no	no	no	no	no	no	yes	no
Vinyl Plank Flooring	no	no	no	no	no	yes	no	yes	yes	no
Walk-In-Closet	yes	yes	yes	yes	yes	no	yes	no	yes	yes
Washer / Dryer	no	no	no	yes	no	no	yes	no	yes	no
W/D Hookups	yes	yes	yes	yes	yes	no	no	yes	no	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Microwave	no	yes	yes	yes	no	no	yes	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Bike Storage	no	no	no	no	no	no	yes	no	no	no
Business Center	yes	yes	yes	yes	no	no	yes	no	yes	yes
Central Laundry	yes	yes	yes	no	yes	yes	no	no	no	no
Clubhouse	yes	yes	yes	yes	no	yes	yes	no	yes	no
Concierge	no	no	no	no	no	no	yes	no	no	no
Courtyard	no	no	no	no	no	no	yes	no	no	no
EV Charging Station	no	no	no	no	no	no	yes	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pet Park	no	no	no	no	no	no	yes	no	no	no
WiFi	no	no	yes	yes	no	no	no	no	yes	no
Recreation										
Basketball Court	no	no	no	no	no	yes	no	no	no	no
Exercise Facility	no	yes	no	no	no	no	yes	no	yes	no
Picnic Area	no	yes	no	yes	no	no	no	no	yes	yes
Playground	yes	yes	yes	yes	yes	yes	yes	no	no	yes
Recreational Area	yes	no	no	no	no	no	no	no	no	no
Swimming Pool	yes	no	no	yes	no	no	yes	no	yes	yes
Tennis Court	yes	no	no	no	no	no	no	no	no	no
Volleyball Court	no	no	no	no	no	no	no	no	yes	no
Services										
Afterschool Program	yes	no	no	no	no	no	no	no	no	no
Security										
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	no	no
Limited Access	no	yes	no	no	no	no	no	no	yes	no
Patrol	yes	no	no	yes	yes	no	no	no	no	no
Perimeter Fencing	no	no	no	no	no	no	no	no	yes	no
Video Surveillance	no	yes	no	no	yes	no	no	no	no	no
Parking										
Garage	no	no	no	no	no	no	no	no	yes	no
Surface	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

Notable amenities offered by the Subject include balconies/patios, central air conditioning, dishwashers, disposals, walk-in closets, and washer/dryer hook-ups. The majority of the comparables offer unit amenities considered slightly inferior relative to the Subject. These properties lack features such as balconies/patios, all of which are offered by the Subject. Notable exceptions include Berkley Pointe, Millennium Apartments, and The Cove At Fairforest Apartments, which feature slightly superior unit amenities. These properties offer amenities such as microwaves, washer/dryers, and ceiling fans, none of which are offered by Subject. Overall, we believe the Subject's unit amenities are competitive in the market.

Notable amenities offered by the Subject include a business center, central laundry, a clubhouse, on-site management, a playground, recreational areas, a swimming pool, and tennis courts. The majority of the comparables offer property amenities ranging from slightly inferior to inferior relative to the Subject. These properties lack features such as recreational areas, a swimming pool, tennis courts, a business center, central laundry, and a clubhouse, all of which are offered by the Subject. Notable exceptions include Evolve At Homestead and Millennium Apartments, which feature slightly superior property amenities. These properties offer amenities such as a fitness center, which are not offered by the Subject. The amenities offered by Augusta Heights and Berkley Pointe are considered similar to the Subject. Overall, we believe the Subject's property amenities are competitive in the market.

According to ESRI Demographic data, crime risk indices in the Subject's location are above the national averages and those of the SMA. The Subject currently offers patrol as a security feature. Four of the comparables reported offering some sort of security feature; as such, the Subject is considered slightly superior to majority of the comparables in terms of security features and appears market-oriented.

MARKET CHARACTERISTICS

Following are relevant market characteristics for the comparable properties surveyed.

Absorption

One of the comparables was able to provide absorption data. To add additional data points, we expanded our search to include additional properties within the Subject's MSA that reported absorption information.

ABSORPTION

Property Name	Program	Tenancy	City	Year	Total Units	Absorption (units/month)
Evolve At Homestead	Market	Family	Greenville	2023	240	21
The Aster	Market	Family	Mauldin	2021	330	34
Easley Mill Lofts	Market	Family	Easley	2021	128	14
Pleasantburg Senior	LIHTC	Senior	Greenville	2020	38	38
Chandler Trace	LIHTC	Senior	Hartwell	2020	52	26
Waterleaf At Keys Crossing	Market	Family	Greenville	2020	241	29
Legacy Haywood	Market	Family	Greenville	2020	244	28
Average Affordable					45	32
Average Market					237	25
Overall Average					182	27

Note the Subject is an existing property and will not need to re-lease its units. Therefore, this discussion is hypothetical, and assumes the Subject were 100 percent vacant. We obtained absorption data from seven properties, which reported absorption rates ranging from 14 to 38 units per month, with an overall average of 27 units per month. Overall, we expect the Subject will experience an absorption rate of 30 units per month, if vacant. This equates to an absorption period of approximately five months.

Turnover

The following table illustrates reported turnover for the comparable properties. It should be noted that one comparable was unable to provide turnover estimates.

TURNOVER

Property Name	Program	Tenancy	Annual Turnover
Augusta Heights	LIHTC	Family	11%
Avalon Apartments	LIHTC	Family	20%
Berkley Pointe	LIHTC/Market	Family	5%
Crescent Landing Apartments	LIHTC	Family	10%
Augusta Road Apartments	Market	Family	15%
Evolve At Homestead	Market	Family	N/A
Mauldin Heights	Market	Family	40%
Millennium Apartments	Market	Family	28%
The Cove At Fairforest Apartments	Market	Family	28%
Average Turnover			20%

The comparable properties reported turnover ranging between five and 40 percent, with an overall average of 20 percent. The affordable comparables operate with an average turnover rate of 12 percent, which is well

below the 28 percent average reported by the market rate properties. Based on the performance of the affordable comparables, we expect the Subject will operate with a turnover rate of approximately 15 percent.

Vacancy Levels

The following table summarizes overall weighted vacancy trends at the surveyed properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Augusta Heights	LIHTC	Family	37	0	0.0%
Avalon Apartments	LIHTC	Family	72	2	2.8%
Berkley Pointe	LIHTC/ Market	Family	185	6	3.2%
Crescent Landing Apartments	LIHTC	Family	176	0	0.0%
Augusta Road Apartments	Market	Family	220	2	0.9%
Evolve At Homestead*	Market	Family	240	48	20.0%
Mauldin Heights**	Market	Family	80	32	40.0%
Millennium Apartments	Market	Family	216	9	4.2%
The Cove At Fairforest Apartments	Market	Family	152	9	5.9%
Total LIHTC			470	8	1.7%
Total Market Rate			908	100	11.0%
Overall Total			1,378	108	7.8%

*In leaseup

**Under renovation

The comparable properties reported vacancy rates ranging from zero to 40.0 percent, with an overall weighted average of 7.8 percent. It should be noted that Evolve at Homestead was constructed in 2023 and is still in the lease up phase. Management at this comparable expects the property to be fully stabilized by the end of 2024 or early 2025. Additionally, Mauldin Heights is currently undergoing renovations, resulting in an elevated vacancy rate as units are being completed. Managers at two of the four LIHTC properties reported being fully occupied. The average vacancy rate reported by the affordable comparables was 1.7 percent, and indicative of supply constrained conditions. Excluding Evolve at Homestead and Mauldin Heights, the market rate comparables feature an overall vacancy rate of 3.4 percent. Based on the performance of the comparables, we expect the Subject would operate with a vacancy rate of approximately five percent as an unrestricted property.

The Subject was 96 percent occupied according to the rent roll dated July 31, 2024, and maintains a waiting list. According to historical financial statements, the Subject's annual vacancy and collection loss was 1.68 percent in 2021 and 2.63 percent in 2022. According to management, the Subject's typical historical vacancy rate is less than five percent, and demand for affordable housing is very strong. Taking this data into consideration, as well as the Subject's historical data and the low vacancy rates among the affordable comparables, we anticipate a vacancy and collection loss of three percent in the restricted scenario.

Concessions

One of the comparables reported offering concessions. It should be noted that this property is currently in the lease up phase. With no concessions present at the remaining comparables, we do not believe that the Subject would need to offer concessions to be competitive both as restricted and hypothetically unrestricted.

CONCESSIONS

Property Name	Rent Structure	Tenancy	Concessions
Augusta Heights	LIHTC	Family	None
Avalon Apartments	LIHTC	Family	None
Berkley Pointe	LIHTC/ Market	Family	None
Crescent Landing Apartments	LIHTC	Family	None
Augusta Road Apartments	Market	Family	None
Evolve At Homestead	Market	Family	1BR.1ba: \$117-\$127; 2BR.2ba: \$139-\$150; 3BR.2ba: \$160-\$165
Mauldin Heights	Market	Family	None
Millennium Apartments	Market	Family	None
The Cove At Fairforest Apartments	Market	Family	None

Reasonability of Rents

The following table compares the Subject's current rents to comparable developments. Rents have been adjusted for differences in utility structure and concessions. The following table illustrates the current rents and unit mix for the Subject property.

RENT ROLL ANALYSIS (7/31/2024)

Unit Type	Unit Size (SF)	Number of Units	Contract Rent*	Proposed As-Is MUTM Rent**	Minimum Tenant Paid Rent	Maximum Tenant-Paid Rent	Average Tenant-Paid Rent	Vacant Units	Vacancy Rate
1BR / 1BA	699	40	\$1,113	\$1,400	\$0	\$801	\$250	0	0.00%
2BR / 1.5BA	885	80	\$1,281	\$1,550	\$0	\$777	\$148	4	5.00%
3BR / 2BA	1,250	32	\$1,566	\$1,900	\$0	\$775	\$185	2	6.25%
Total		152						6	3.95%

*Based on rent schedule, effective 12/2024

**Based on Ren Comparability Study prepared by Renzi & Associates, eff. September 23, 2024

Achievable Market Rents As Is

Provided below is an analysis of the Subject's current contract rents in comparison to the comparable unrestricted units, which have been adjusted in the previous grids.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Current Contract Rent	Adjusted Min	Adjusted Max	Adjusted Average	Achievable Market Rent	Rent Advantage
1BR/1BA	\$1,113	\$1,110	\$1,298	\$1,186	\$1,200	7%
2BR/1.5BA	\$1,281	\$1,299	\$1,425	\$1,351	\$1,375	7%
3BR/2BA	\$1,566	\$1,498	\$1,984	\$1,704	\$1,650	5%

As illustrated above, we have concluded to as is achievable market rents of **\$1,200**, **\$1,375**, and **\$1,650** for the Subject's one-, two-, and three-bedroom units, respectively, which are within the adjusted range and similar to the average of the adjusted comparables and are supported by the previous rent grids. It should be noted that we placed the most weight on Augusta Road Apartments, which is the closest comparable to the Subject. The Subject's current contract rents are slightly below to within the range of the adjusted comparables. The Subject's achievable as is market rents are five to seven percent above the Subject's current contract rents. It should be noted that these achievable market rents are supported by the as is rent grids. Per the client's request, utilized the achievable market rents from a rent comparability study, provided by the client, prepared

by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We have utilized our achievable market rents in the as is unrestricted scenario.

VI. HIGHEST AND BEST USE

HIGHEST AND BEST USE

Highest and Best Use is defined as: "The reasonably probable and legal use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.³"

Investors continually attempt to maximize profits on invested capital. The observations of investor activities in the area are an indication of that use which can be expected to produce the highest value. The principle of conformity holds, in part, that conformity in use is usually a highly desirable adjunct of real property, since it generally helps create and/or maintains maximum value.

It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Implied in this definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. The principle of Highest and Best Use may be applied to the site if vacant and to the site as it is improved.

The Highest and Best Use determination is a function of neighborhood land use trends, property size, shape, zoning, and other physical factors, as well as the market environment in which the property must compete. Four tests are typically used to determine the highest and best use of a particular property. Thus, the following areas are addressed.

1. **Physically Possible:** The uses to which it is physically possible to put on the site in question.
2. **Legally Permissible:** The uses that are permitted by zoning and deed restrictions on the site in question.
3. **Feasible Use:** The possible and permissible uses that will produce any net return to the owner of the site.
4. **Maximally Productive:** Among the feasible uses, the use that will produce the highest net return or the highest present worth.

³ Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022).

HIGHEST AND BEST USE AS IF VACANT

Physically Possible

The Subject site is 13.4 acres, or 583,704 square feet, in size. It is comprised of a generally rectangular shaped parcel that exhibits level topography. The site has good accessibility and visibility and is not located in a flood plain. The site is considered adequate for a variety of legally permissible uses.

Legally Permissible

the Subject is zoned R-M20 (Multifamily Residential). The principal use of land is for one-family, two-family, and multiple-family dwellings. The R-M20 district allows for up to 20 units per acre, and requires 1.0 parking space per dwelling unit with none or one bedroom, 1.5 per dwelling unit with two bedrooms, and 2.0 spaces per dwelling unit with three or more bedrooms. The Subject contains 13.4 acres of land and is primarily surrounded by low density uses such as single-family homes.

The comparable land sales have densities of 10.77, 11.90, and 39.32 units per acre. Based upon the densities of these properties, zoning requirements, and surrounding uses, we believe the Subject site could support a density of approximately 11.34 units per acre, which is within the range of the comparable sales and appears reasonable based on the surrounding uses. This would equate to a total development size of 152 units, which is in-line with the Subject's current use.

Financially Feasible

The cost of the land limits those uses that are financially feasible for the site. Any uses of the Subject site that provide a financial return to the land in excess of the cost of the land are those uses that are financially feasible. The Subject's feasible uses are restricted to those that are allowed by zoning classifications, and are physically possible. As noted in the zoning section, the Subject site could support multifamily development. Based on the Subject's surrounding land uses, the site's physical attributes, and the recent development patterns in the area, multifamily residential development is most likely. Thus, multifamily development appears to financially feasible utilizing tax credit equity, favorable financing, and/or other gap subsidies.

Maximally Productive

Based upon our analysis, the maximally productive use the sites as if vacant would be to construct a 152-unit multifamily development using tax credit equity, favorable financing, and other gap subsidies.

CONCLUSION

Highest and Best Use "As If Vacant"

The Subject's highest and best use "as if vacant" is to construct a 152-unit multifamily affordable development utilizing tax credit equity or favorable financing.

HIGHEST AND BEST USE "AS IMPROVED"

The Subject property currently operates as a Section 8 multifamily property, and it is in average condition. The property currently generates positive cash flow, and it is not deemed feasible to tear it down for an alternative use. Therefore, the highest and best use of the site, as improved, would be to continue to operate as an affordable multifamily housing development.

VII. APPRAISAL METHODOLOGY

APPRAISAL METHODOLOGY

Contemporary appraisers usually gather and process data according to the discipline of the three approaches to value.

The cost approach consists of a summation of land value and the cost to reproduce or replace the improvements, less appropriate deductions for depreciation. Reproduction cost is the cost to construct a replica of the Subject improvements. Replacement cost is the cost to construct improvements having equal utility.

The sales comparison approach involves a comparison of the appraised property with similar properties that have sold recently. When properties are not directly comparable, sale prices may be broken down into units of comparison, which are then applied to the Subject for an indication of its likely selling price.

The income capitalization approach involves an analysis of the investment characteristics of the property under valuation. The earnings' potential of the property is carefully estimated and converted into an estimate of the property's market value.

Applicability to the Subject Property

The cost approach consists of a summation of land value (as though vacant) and the cost to reproduce or replace the improvements, less appropriate deductions for depreciation. Reproduction cost is the cost to construct a replica of the Subject improvements. Replacement cost is the cost to construct improvements having equal utility. Given the restricted nature of the Subject property and lack of financial feasibility, this valuation technique was not undertaken since we do not believe the approach would yield a reliable indication of value for the Subject property. However, we have provided a land value for the Subject as if vacant.

In the sales comparison approach, we estimate the value of a property by comparing it with similar, recently sold properties in surrounding or competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. There is adequate information to use both an EGIM and NOI per unit analyses in valuing the Subject property.

The income capitalization approach requires estimation of the anticipated economic benefits of ownership, gross and net incomes, and capitalization of these estimates into an indication of value using investor yield or return requirements. Yield requirements reflect the expectations of investors in terms of property performance, risk and alternative investment possibilities. The Subject will be an income producing property and this is considered to be the best method of valuation.

VIII. LAND VALUATION

LAND VALUATION

To arrive at an estimated land value for the Subject site, the appraisers have analyzed actual sales of comparable properties in the competitive area.

No two parcels of land are alike; therefore, these sales have been adjusted for various factors including location, size, shape, topography, utility, and marketability. The adjustments made are the result of a careful analysis of market data, as well as interviews with various informed buyers, sellers, real estate brokers, builders and lending institutions. The following pages outline our findings.

The sales comparison approach typically reflects the actions of buyers and sellers in the marketplace and serves as an excellent benchmark as to what a potential buyer would be willing to pay for the Subject property. We researched the subject's market area for recent sales of comparable vacant land. From our research, we selected transactions that represent the most recent competitive alternative sales in the marketplace. It should be noted that per SC Housing's QAP, comparable properties must be located in the proposal's sub-market. If none exist, comparable properties must be located in the proposal's county or an adjacent county. We were successful in identifying three sales in the Subject's county that have occurred since June 2022, two of which occurred in 2023.

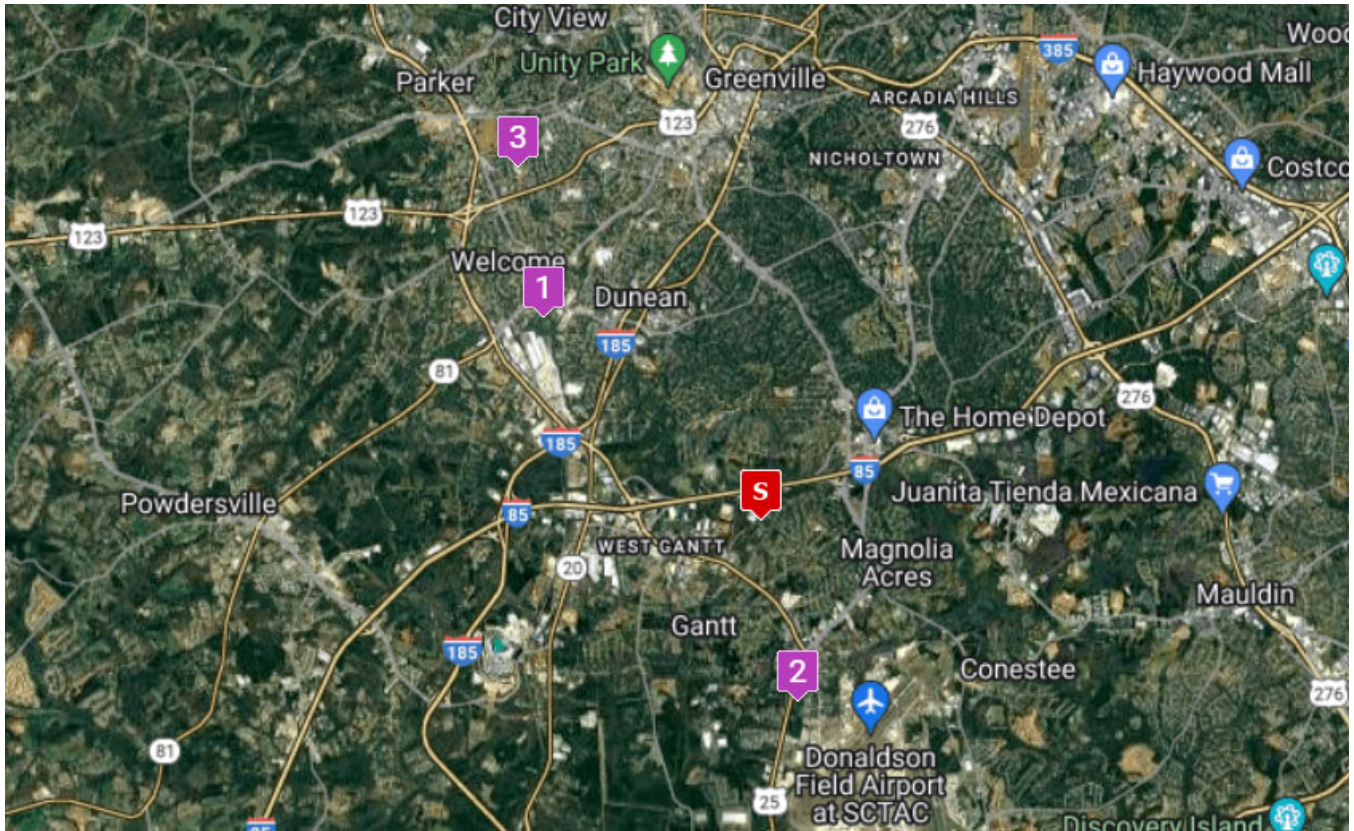
The previous highest and best use analysis concluded multifamily was the most likely type of development. The comparable land sales represent proposed multifamily developments ranging from 60 to 136 units. The following table details the land sale comparables used in our analysis.

COMPARABLE LAND SALES

#	Property Name	Location	Sale Date	Sale Price	Land Acres	# Units	Price Per Unit
1	130 Prospect Street	Greenville, SC	Mar/2023	\$1,450,000	5.0	60	\$24,167
2	6615 Augusta Road	Greenville, SC	Jan/2023	\$3,435,000	12.6	136	\$25,257
3	100 Gordon Street Extension	Greenville, SC	Jun/2022	\$1,799,900	3.0	116	\$15,516

Throughout our conversations with market participants and buyers and sellers of the comparable sales, the respondents indicated that the purchase price is typically based upon a price per unit. This is typical of the local multifamily market and will be used as a basis for analysis. A location map is presented on the following page.

Comparable Land Sales Map



Google Maps, September 2024

COMPARABLE LAND SALES

#	Property Name	Location	Sale Date	Sale Price	Land Acres	# Units	Price Per Unit
1	130 Prospect Street	Greenville, SC	Mar/2023	\$1,450,000	5.0	60	\$24,167
2	6615 Augusta Road	Greenville, SC	Jan/2023	\$3,435,000	12.6	136	\$25,257
3	100 Gordon Street Extension	Greenville, SC	Jun/2022	\$1,799,900	3.0	116	\$15,516

Land Sale 130 Prospect Street



Transaction

Address	130 Prospect Street	Sale Date	2023/03/27
City	Greenville	Sale Price	\$ 1,450,000
State	SC	Sale Status	closed
County	Greenville	Sale Conditions	Cash
Seller	Paul Gallucci	Rights Conveyed	Fee Simple
Buyer	Lincoln Avenue Capital	Confirmed With	Costar, public records

Site

Land Acres	5.04	Topography	Level
Land Sq Ft	219,542	Zoning	RM-20/R7.5
Shape	Irregular	Corner	No

Improvements and Ratios

Proposed Units	60	Adj \$/Proposed Unit	\$ 24,167
		Adj \$/SF	\$ 7

Remarks

The site was purchased to develop a 60-unit new construction townhome development to be known as Dunean Mill Townhomes. The development is currently under construction, and is expected to be completed in 2024. At the time of the sale, the site was improved with a 1,637-square foot single-family home, which was demolished.

Land Sale 6615 Augusta Road



Transaction

Address	6615 Augusta Road	Sale Date	2023/01/17
City	Greenville	Sale Price	\$ 3,435,000
State	SC	Sale Status	closed
County	Greenville	Sale Conditions	Cash
Seller	South Lake Holdings, LLC	Rights Conveyed	Fee Simple
Buyer	Greenville Leased Housing Associates	Confirmed With	Purchase and sale agreement, buyer

Site

Land Acres	12.63	Topography	Level
Land Sq Ft	550,163	Zoning	Residential vacant
Shape	Irregular	Corner	No

Improvements and Ratios

Proposed Units	136	Adj \$/Proposed Unit	\$ 25,257
		Adj \$/SF	\$ 6

Remarks

The sale includes three contiguous parcels that are proposed to be developed into a 136-unit LIHTC multifamily development, known as Avery Landing. The site was improved with a single-family home, a mobile home, and several sheds that were to be demolished. The buyer estimated demolition and removal costs at \$50,000. A construction timeline is not yet available.

Land Sale 100 Gordon Street Extension



Transaction

Address	100 Gordon Street Extension	Sale Date	2022/06/02
City	Greenville	Sale Price	\$ 1,799,900
State	SC	Sale Status	closed
County	Greenville	Sale Conditions	Typical
Seller	J&C Hldg Co LLC	Rights Conveyed	Fee Simple
Buyer	Gordon Street Affordable LP	Confirmed With	CoStar, Broker

Site

Land Acres	2.95	Topography	Level
Land Sq Ft	128,502	Zoning	I-1
Shape	Irregular	Corner	No

Improvements and Ratios

Proposed Units	116	Adj \$/Proposed Unit	\$ 15,516
		Adj \$/SF	\$ 14

Remarks

This vacant land was purchased with the intent to construct a 116-unit LIHTC multifamily development known as Gordon Street Mill, which was awarded tax credits in 2021 and will offer units restricted to households earning 60 percent of the AMI or below. The site is adjacent to the historic Gordon Street Mill building, which will be an adaptive reuse project that will provide 50 shelter beds.

Explanation of Adjustments

The adjustment grid follows at the end of this section. As illustrated, adjustments have been made based on price differences created by the following factors:

- **Property Rights**
- **Financing Terms**
- **Conditions of Sale**
- **Market Conditions**
- **Location**
- **Zoning/Use**
- **Topography**
- **Site Characteristics**
- **Size**

Property Rights

All sales were of fee simple interest; therefore, no adjustments are necessary.

Financing

The sales were cash transactions; therefore, no adjustment is necessary.

Conditions of Sale

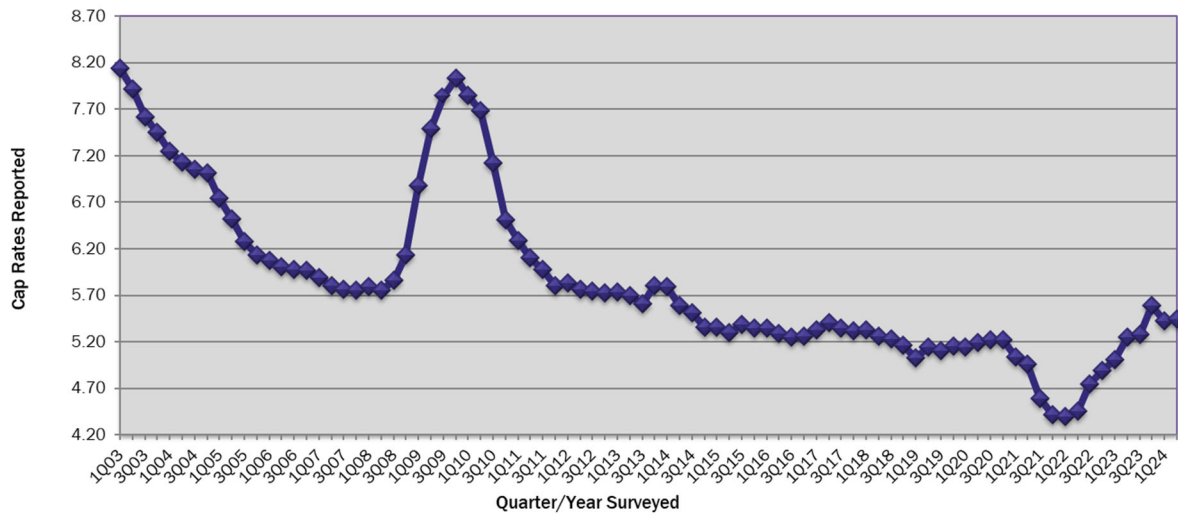
This adjustment is used if there are any unusual circumstances surrounding the transactions such as foreclosures, bulk sales, related parties, assemblages, etc. All of the comparable sales are considered to be market-oriented, arms-length transactions. Sale 1 was improved with a 1,637 square foot single-family home at the time of sale, which would be demolished. We have estimated demolition costs at \$5 per square foot, and added a positive \$8,185 adjustment to this sale. Sale 2 was improved with a single-family home, a mobile home, and several sheds that were to be demolished. According to the buyer, demolition costs were estimated at \$50,000. Therefore, we applied this adjustment to Sale 2. No other adjustments were necessary.

Market Conditions

Real estate values vary over time due to changes in market conditions. The rate of this change fluctuates due to investor's perceptions and responses to prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sale date of the comparables, when values have appreciated or depreciated.

The comparable sales occurred between June 2022 and March 2023. Capitalization rates have increased since June 2022. Based on the trend data and our conversations with area market participants, we have applied a negative adjustment of five percent to each sale.

PwC National Apartment Market Survey



Location

Location encompasses a number of issues, including location within different market areas with different supply/demand pressures, the character/condition of surrounding development, access, and visibility. It is important to assess which factors truly impact value for different types of real estate. We have addressed this issue (as well as the remaining elements of comparison) on a comparable-by-comparable basis. The following table illustrates the median income, median rent, and median home values, arranged by zip code for each of the land sales.

LAND SALES - LOCATION COMPARISON

#	Property Name	Zip Code	Median Income	Median Rent	Median Home Value	Income Differential	Rent Differential With Subject	Home Value Differential	Average Delta
S	Highland Square Apartments	29605	\$44,438	\$1,259	\$239,869	-	-	-	-
1	130 Prospect Street	29611	\$42,877	\$1,211	\$163,701	-4%	-4%	-32%	-13%
2	6615 Augusta Road	29605	\$58,283	\$1,259	\$239,869	31%	0%	0%	10%
3	100 Gordon Street Extension	29611	\$42,877	\$1,211	\$163,701	-4%	-4%	-32%	-13%

As illustrated above, Sales 1 and 3 are located in an area with slightly lower incomes and rents, and lower home values compared to the Subject's location. Therefore, we applied positive ten percent adjustments to both sales. Sale 2 is located in an area with similar median rents and home values, but higher incomes. We consider the location of this sale to be slightly superior to the Subject's location, and applied a negative five percent adjustment to this sale.

Zoning/Use

All of the comparable sites allow for multifamily development. However, Sale 3 will be developed to a significantly higher density, resulting in higher construction costs. Therefore, we applied a positive 10 percent adjustment to this sale. No other adjustments were warranted.

Topography

All sales exhibit level topography. Therefore, no adjustments are warranted.

Site Characteristics

The Subject and Sales 1 and 2 are considered similar, and no adjustments were warranted for these sales. Sale 3 features an irregular shape that wraps around an existing structure, and has frontage next to a railroad

track. We have considered the site characteristics of this sale to be inferior, and applied a negative five percent adjustment.

Size

With respect to size, the general convention is that larger properties tend to sell for less on a per unit basis than smaller properties. Conversely, smaller properties typically sell for more per unit than larger properties. The pool of potential purchasers decreases as property size (and purchase price) increases, effectively reducing competition. The pricing relationship is not linear and certain property sizes, while different, may not receive differing prices based on the grouping within levels. Typically, smaller sites exhibit higher price per unit. As previously indicated in the *Highest and Best Use* section of this report, the Subject could support 152 total units. Sales 2 and 3 are generally similar, and no adjustments were warranted. Sale 1 is smaller than the Subject and received a negative ten percent adjustment.

Land Value Estimate

The land sales grid is presented following:

LAND SALES DATA ADJUSTMENT GRID				
	Subject	1	2	3
Property Name	Highland Square Apartments	Dunean Mill Townhomes	Avery Landing	100 Gordon Street
Address	200 Pine Creek Ct.	130 Prospect Street	6615 Augusta Road	100 Gordon Street
City	Greenville	Greenville	Greenville	Greenville
Parcel Data				
Zoning		RM-20/R7.5	Residential vacant	I-1
Topography		Level	Level	Level
Shape		Irregular	Irregular	Irregular
Size (SF)	583,704	219,542	550,163	128,502
Size (Acres)	13.4	5.04	12.63	2.95
Units	152	60	136	116
Units Per Acre	11.34	11.90	10.77	39.32
Sales Data				
Date		Mar/2023	Jan/2023	Jun/2022
Interest		Fee Simple	Fee Simple	Fee Simple
Price		\$1,450,000	\$3,435,000	\$1,799,900
Price per Unit		\$24,167	\$25,257	\$15,516
Adjustments				
Property Rights		Fee Simple	Fee Simple	Fee Simple
Adjustment		\$0	\$0	\$0
		\$1,450,000	\$3,435,000	\$1,799,900
Financing Terms		Cash	Cash	Typical
Adjustment		\$0	\$0	\$0
		\$1,450,000	\$3,435,000	\$1,799,900
Conditions of Sale		Demolish 1,637 sf single-family home	Demolish \$50,000 of improvements	None
Adjustment		\$8,185	\$50,000	\$0
		\$1,458,185	\$3,485,000	\$1,799,900
Market Conditions		0.95	0.95	0.95
Adjusted Sales Price		\$1,385,276	\$3,310,750	\$1,709,905
Adjusted Price Per Unit		\$23,088	\$24,344	\$14,741
Adjustments				
Location		10%	-5%	10%
Zoning/Use		0%	0%	10%
Topography		0%	0%	0%
Site Characteristics		0%	0%	25%
Size		-10%	0%	0%
Overall Adjustment		0%	-5%	45%
Adjusted Price Per Unit		\$23,088	\$23,127	\$21,374

The sales indicate an adjusted price per unit per unit range of \$21,374 to \$23,127, with a mean of \$22,529 per unit. As such, we have concluded to a value of \$22,500 per unit for the land. This correlates with an indication of land value as follows: 152 units at \$22,500 per unit, equates to \$3,400,000.

It should be noted that our conclusion on a price per acre basis of \$255,224 is within the adjusted range of the comparables, which range from \$249,027 to \$840,462 per acre.

LAND VALUE

Scenario	No. of Units	Price/Unit	Indicated Value (Rounded)
Land Value	152	\$22,500	\$3,400,000

Conclusion of As If Vacant Value

As a result of our investigation and analysis, it our opinion that, subject to the limiting conditions and assumptions contained herein, the estimated value of the underlying land, as if vacant, of the fee simple interest, as of September 11, 2024, is:

**THREE MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$3,400,000)**

Please refer to the complete Assumptions and Limiting Conditions in the Addenda of this report.

IX. INCOME CAPITALIZATION APPROACH

INCOME CAPITALIZATION APPROACH

Introduction

We were asked to provide several value estimates, including:

- Market value “as is restricted” of the fee simple interest in the property.
- Hypothetical market value “as is unrestricted” of the fee simple interest in the property.

As discussed, we were asked to provide an estimate of the Subject’s value under as restricted as well as hypothetical market rate operation.

The Income Capitalization Approach to value is based upon the premise that the value of an income-producing property is largely determined by the ability of the property to produce future economic benefits. The value of such a property to the prudent investor lies in anticipated annual cash flows and an eventual sale of the property. An estimate of the property’s market value is derived via the capitalization of these future income streams.

The Subject’s “as is” values were determined via the income capitalization approach.

INCOME ANALYSIS

Potential Gross Income

In our search for properties comparable to the Subject, we concentrated on obtaining information on those projects considered similar to the Subject improvements on the basis of location, size, age, condition, design, quality of construction and overall appeal. In our market analysis we provided the results of our research regarding properties considered generally comparable or similar to the Subject.

The potential gross income of the Subject is the total annual income capable of being generated by all sources, including rental revenue and other income sources. The Subject’s potential rental income for the restricted scenario is based upon the Subject’s achievable market rents, with the assumption that the Subject’s rents would be marked-up-to-market. The potential rental income in the hypothetical unrestricted scenario is also based upon achievable market rents as derived in the *Supply Section* of this report. The following tables illustrate the potential gross income as restricted and as unrestricted.

POTENTIAL GROSS RENTAL INCOME (RESTRICTED - AS IS)

Unit Type	Program	Number of Units	Unit Size (SF)	MUTM Contract Rent	Monthly Gross Rent	Annual Gross Rent
1BR / 1BA	Section 8	40	699	\$1,400	\$56,000	\$672,000
2BR / 1.5BA	Section 8	80	885	\$1,550	\$124,000	\$1,488,000
3BR / 2BA	Section 8	32	1,250	\$1,900	\$60,800	\$729,600
Total		152			\$240,800	\$2,889,600

POTENTIAL GROSS RENTAL INCOME (UNRESTRICTED - AS IS)

Unit Type	Program	Number of Units	Unit Size (SF)	Achievable Rent	Monthly Gross Rent	Annual Gross Rent
1BR / 1BA	Section 8	40	699	\$1,200	\$48,000	\$576,000
2BR / 1.5BA	Section 8	80	885	\$1,375	\$110,000	\$1,320,000
3BR / 2BA	Section 8	32	1,250	\$1,650	\$52,800	\$633,600
Total		152			\$210,800	\$2,529,600

Other Income

Miscellaneous income includes fees for late rent fees, damages and cleaning fees and other miscellaneous fees. The Subject reported other income of \$440 in 2021, with the majority coming from miscellaneous tenant charges. The 2022 data is \$51 per unit and the budgeted data is \$44 per unit, suggesting the 2021 data is elevated and an outlier. The comparables indicate other income ranging from \$385 to \$2,161 per unit. We concluded to other income of \$50 per unit. Our conclusion is below the comparable expense range, but appears reasonable based on the limited sources of other income at the Subject.

Vacancy and Collection Loss

As discussed in the Supply Analysis, we anticipate the Subject will maintain a vacancy and collection loss of three percent under the restricted scenario and five percent assuming unrestricted operations. We have estimated collection loss at two percent in the unrestricted scenario and negligible in the restricted scenario.

EXPLANATION OF EXPENSES

Typical deductions from the calculated Effective Gross Income fall into three categories on real property: fixed, variable, and non-operating expenses. Historical operating expenses of comparable properties were relied upon in estimating the Subject's operating expenses. The comparable data can be found on the following pages.

It is important to note that the projections of income and expenses are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted.

Comparable operating expense data was collected from a combination of affordable properties in the area. The following table provides additional information on each of the comparable expense properties.

COMPARABLE EXPENSES						
	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Year Built / Renovated	1979	1999	1986	1980	1985	1970 / 2001
Structure	Garden	Garden	Various	Garden	Garden	Garden
Tenancy	Family	Family	Family	Family	Family	Family
Rent Restrictions	Section 8	Market	Market	Section 8	Market	Section 8

The comparable data was compared to the 2021 and 2022 historical data for the Subject, as well as a post renovation budget, based on information supplied by the client. It should be noted that 2023 data was requested but not provided by the client.

HIGHLAND SQUARE APARTMENTS – GREENVILLE, SOUTH CAROLINA – APPRAISAL

Scenario Property Program Tenancy Statement Type Year City State Year Built / Renovated Number of Units	SUBJECT Novoco Estimate Restricted - As Is Highland Square Apartments LIHTC/ Section 8 Family Pro Forma - Greenville, SC 1979 / 2026 152		SUBJECT Novoco Estimate Unrestricted - As Is Highland Square Apartments LIHTC/ Section 8 Family Pro Forma - Greenville, SC 1979 / 2026 152		SUBJECT Budget Highland Square Apartments LIHTC/ Section 8 Family Post-rehab Budget 2025 Greenville, SC 1979 / 2026 152		SUBJECT Subject Historical Highland Square Apartments LIHTC/ Section 8 Family Actuals 2022 Greenville, SC 1979 / 2026 152		SUBJECT Subject Historical Highland Square Apartments LIHTC/ Section 8 Family Actuals 2021 Greenville, SC 1979 / 2026 152	
INCOME CATEGORY	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit
Rental Income	\$2,889,600	\$19,011	\$2,529,600	\$16,642	\$3,196,800	\$21,032	\$2,173,152	\$14,297	\$1,843,393	\$12,128
Other Income	\$7,600	\$50	\$7,600	\$50	\$6,620	\$44	\$7,706	\$51	\$66,898	\$440
Vacancy Loss	(\$86,916)	(\$572)	(\$177,604)	(\$1,168)	(\$159,840)	(\$1,052)	(\$57,433)	(\$378)	(\$32,002)	(\$211)
		-3.00%		-7.00%		-4.99%		-2.63%		-1.68%
SUBTOTAL	\$2,810,284	\$18,489	\$2,359,596	\$15,524	\$3,043,572	\$20,024	\$2,123,421	\$13,970	\$1,878,286	\$12,357
EXPENSE CATEGORY										
ADMINISTRATION										
Professional Fees	\$19,000	\$125	\$15,200	\$100	\$16,562	\$109	\$27,692	\$182	-	-
Other Administrative	\$64,600	\$425	\$57,000	\$375	\$80,522	\$530	\$32,221	\$212	-	-
Advertising/Marketing	\$3,800	\$25	\$7,600	\$50	\$474	\$3	\$998	\$7	-	-
SUBTOTAL	\$87,400	\$575	\$79,800	\$525	\$97,558	\$642	\$60,911	\$401	\$152,437	\$1,003
OPERATING, REPAIRS & MAINTENANCE										
Elevator	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pest Control	\$7,600	\$50	\$7,600	\$50	\$7,050	\$46	\$9,095	\$60	\$0	\$0
Repairs and Supplies	\$60,800	\$400	\$60,800	\$400	\$76,545	\$504	\$45,349	\$298	\$0	\$0
Painting & Decorating	\$22,800	\$150	\$22,800	\$150	\$0	\$0	\$28,449	\$187	\$0	\$0
Trash Removal	\$3,800	\$25	\$3,800	\$25	\$5,809	\$38	\$5,035	\$33	\$0	\$0
Security	\$45,600	\$300	\$45,600	\$300	\$0	\$0	\$58,330	\$384	\$0	\$0
Pool and Grounds	\$26,600	\$175	\$26,600	\$175	\$22,248	\$146	\$24,347	\$160	\$0	\$0
Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$4,358	\$29	\$0	\$0
SUBTOTAL	\$167,200	\$1,100	\$167,200	\$1,100	\$111,652	\$735	\$174,963	\$1,151	\$148,268	\$975
UTILITIES										
Heating & Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
Electricity	\$22,800	\$150	\$22,800	\$150	\$19,638	\$129	\$21,351	\$140	-	-
Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
Water & Sewer	\$129,200	\$850	\$129,200	\$850	\$115,226	\$758	\$135,356	\$891	-	-
Other Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
SUBTOTAL	\$152,000	\$1,000	\$152,000	\$1,000	\$134,864	\$887	\$156,707	\$1,031	\$151,400	\$996
PAYROLL										
Repair & Maintenance Payroll	\$100,000	\$658	\$100,000	\$658	\$165,585	\$1,089	\$132,856	\$874	-	-
Management Payroll	\$95,000	\$625	\$95,000	\$625	\$115,554	\$760	\$110,424	\$726	-	-
Service Coordinator	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
Staff Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
Benefits/Taxes	\$40,900	\$269	\$40,900	\$269	\$98,976	\$651	\$77,612	\$511	-	-
SUBTOTAL	\$235,900	\$1,552	\$235,900	\$1,552	\$380,115	\$2,501	\$320,892	\$2,111	\$319,365	\$2,101
TAXES AND INSURANCE										
Real Estate Taxes	\$0	\$0	\$412,265	\$2,712	\$0	\$0	\$142,300	\$936	\$222,282	\$1,462
Other Taxes/Direct Assessments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$83,600	\$550	\$83,600	\$550	\$86,733	\$571	\$78,749	\$518	\$0	\$0
SUBTOTAL	\$83,600	\$550	\$495,865	\$3,262	\$86,733	\$571	\$221,049	\$1,454	\$222,282	\$1,462
MANAGEMENT FEE	\$98,360	\$647	\$94,384	\$621	\$103,968	\$684	\$89,572	\$589	\$10,792	\$0
		3.50%		4.00%		3.42%		4.22%		0.00%
REPLACEMENT RESERVES	\$53,200	\$350	\$53,200	\$350	\$53,200	\$350	\$53,200	\$350	\$53,200	\$350
Total All Expenses	\$877,660	\$5,774	\$1,278,349	\$8,410	\$968,090	\$6,369	\$1,077,294	\$7,087	\$1,046,952	\$6,888
Total Expenses less TUR	\$672,460	\$4,424	\$660,884	\$4,348	\$780,026	\$5,132	\$725,087	\$4,770	\$620,070	\$4,079

HIGHLAND SQUARE APARTMENTS – GREENVILLE, SOUTH CAROLINA – APPRAISAL

	Comp 1		Comp 2		Comp 3		Comp 4		Comp 5	
Program	Confidential		Confidential		Confidential		Confidential		Confidential	
Tenancy	Market		Market		Section 8		Market		Section 8	
Statement Type	Family		Family		Family		Family		Family	
Year	Actuals		Audited		Audited		Actuals		Actuals	
City State	2023		2022		2022		2022		2021	
Year Built	Simpsonville, SC		Greenville, SC		Belton, SC		Greenville, SC		Greenville, SC	
Number of Units	1999		1986		1980		1985		1970 / 2001	
	116		216		64		320		200	
INCOME CATEGORY	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit
Rental Income	\$1,765,992	\$15,224	\$2,569,509	\$11,896	\$750,077	\$11,720	\$3,854,674	\$12,046	\$2,239,019	\$11,195
Other Income	\$73,418	\$633	\$252,722	\$1,170	\$138,310	\$2,161	\$316,911	\$990	\$76,954	\$385
Vacancy Loss	(\$302,923)	(\$2,611)	(\$113,853)	(\$527)	(\$12,973)	(\$203)	(\$0)	(\$696)	(\$0)	(\$459)
		-16.47%		-4.03%		-1.46%		-5.34%		-3.97%
SUBTOTAL	\$1,536,468	\$13,245	\$2,708,369	\$12,539	\$875,413	\$13,678	\$3,948,704	\$12,340	\$2,224,128	\$11,121
EXPENSE CATEGORY										
ADMINISTRATION										
Professional Fees	\$43,104	\$372	-	-	\$17,517	\$274	-	-	-	-
Other Administrative	\$0	\$0	-	-	\$29,652	\$463	-	-	-	-
Advertising/Marketing	\$7,485	\$65	-	-	\$386	\$6	-	-	-	-
SUBTOTAL	\$50,589	\$436	\$85,996	\$398	\$47,555	\$743	\$117,348	\$367	\$0	\$0
OPERATING, REPAIRS & MAINTENANCE										
Elevator	\$0	\$0	-	-	\$0	\$0	\$0	\$0	\$0	\$0
Pest Control	\$0	\$0	-	-	\$0	\$0	\$0	\$0	\$0	\$0
Other Repairs & Maintenance	\$248,766	\$2,145	-	-	\$8,772	\$137	\$0	\$0	\$97,827	\$489
Painting & Decorating	\$0	\$0	-	-	\$0	\$0	\$0	\$0	\$122,397	\$612
Trash Removal	\$0	\$0	-	-	\$5,816	\$91	\$0	\$0	\$34,826	\$174
Security	\$0	\$0	-	-	\$1,324	\$21	\$0	\$0	\$13,060	\$65
Pool and Grounds	\$0	\$0	-	-	\$0	\$0	\$0	\$0	\$28,590	\$143
Contract	\$7,333	\$63	-	-	\$100,605	\$1,572	\$0	\$0	\$0	\$0
SUBTOTAL	\$256,099	\$2,208	\$117,097	\$542	\$116,517	\$1,821	\$417,081	\$1,303	\$296,700	\$1,484
UTILITIES										
Heating & Fuel	-	-	-	-	\$0	\$0	-	-	\$0	\$0
Electricity	-	-	-	-	\$4,754	\$74	-	-	\$15,991	\$80
Gas	-	-	-	-	\$1,094	\$17	-	-	\$1,046	\$5
Water & Sewer	-	-	-	-	\$38,345	\$599	-	-	\$154,478	\$772
Other Utilities	-	-	-	-	\$0	\$0	-	-	\$0	\$0
SUBTOTAL	\$94,102	\$811	\$168,333	\$779	\$44,193	\$691	\$285,136	\$891	\$171,515	\$858
PAYROLL										
Repair & Maintenance Payroll	-	-	-	-	\$41,790	\$653	-	-	\$124,252	\$621
Management Payroll	-	-	-	-	\$48,969	\$765	-	-	\$96,010	\$480
Management/Leasing Professional Fees	-	-	-	-	\$0	\$0	-	-	\$0	\$0
Other Leasing Expenses/Staff Unit	-	-	-	-	\$0	\$0	-	-	\$0	\$0
Benefits/Taxes	-	-	-	-	\$24,303	\$380	-	-	\$75,865	\$379
SUBTOTAL	\$162,169	\$1,398	\$391,536	\$1,813	\$115,062	\$1,798	\$278,422	\$870	\$296,127	\$1,481
TAXES AND INSURANCE										
Real Estate Taxes	\$150,053	\$1,294	\$340,606	\$1,577	\$37,531	\$586	\$265,853	\$831	\$0	\$0
Other Taxes/Direct Assessments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$75,009	\$647	\$75,897	\$351	\$30,707	\$480	\$116,071	\$363	\$144,905	\$725
SUBTOTAL	\$225,062	\$1,940	\$416,503	\$1,928	\$68,238	\$1,066	\$381,924	\$1,194	\$144,905	\$725
MANAGEMENT FEE	\$61,458	\$530	\$81,251	\$376	\$39,328	\$615	\$138,205	\$432	\$83,917	\$420
		4.0%		3.0%		4.5%		3.5%		3.8%
REPLACEMENT RESERVES	\$40,600	\$350	\$75,600	\$350	\$22,400	\$350	\$112,000	\$350	\$70,000	\$350
Total All Expenses	\$890,079	\$7,673	\$1,336,316	\$6,187	\$453,293	\$7,083	\$1,730,116	\$5,407	\$1,063,164	\$5,316
Total Expenses less TUR	\$605,324	\$5,218	\$751,777	\$3,480	\$349,169	\$5,456	\$1,067,127	\$3,335	\$821,649	\$4,108

General Administrative and Marketing

The following table details the historical general administrative and marketing expenses at the Subject, in addition to the comparable figures and benchmarks. This category includes all professional fees for items such as legal, accounting, marketing, and office.

Administration													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Range (Comparables)			Range (Benchmarks)	
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals					
Year	2025	2022	2021	2023	2022	2022	2022	2021	Min	Max	Average	Region	Unit Size
Expense (\$)	\$642	\$401	\$1,003	\$436	\$398	\$743	\$367	\$0	\$367	\$743	\$486	\$521	\$636

We concluded to an administration expense of \$575 per unit for the restricted scenario, and \$525 per unit in the unrestricted scenario. Our conclusions are within the range of the historical and comparable data and the benchmark range. It should be noted that the management fee was not broken out as a line item in the 2021 data, and appears to be included in this category.

Operating, Repairs & Maintenance

The following table details the historical operating, repairs, and maintenance expenses at the Subject, in addition to the comparable figures and benchmarks. Included in this expense are normal costs of operating a multifamily property including unit turnover, painting/decorating, trash removal, ground expenses, and security costs, as well as normal items of repair and maintenance, cleaning contracts, and pest control.

Operating, Repairs, and Maintenance													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5					
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2022	2021	2023	2022	2022	2022	2021	Min	Max	Average	Region	Unit Size
Expense (\$)	\$735	\$1,151	\$975	\$2,208	\$542	\$1,821	\$1,303	\$1,484	\$542	\$2,208	\$1,471	\$939	\$986

We concluded to an operating, repairs and maintenance expense of \$1,100 per unit for the restricted and unrestricted scenarios. Our conclusion is within the range of the historical and comparable data. It should be noted that the budgeted amount reflected the Subject post renovation, and thus we placed less weight on this data.

Utilities

The Subject offers central air conditioning and electric cooking and heating. Water heating is gas-powered. Tenants are responsible for the cooking, hot water, heating, and electric expenses. The landlord is responsible for the cold water, sewer, and trash costs.

Utilities													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5					
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2022	2021	2023	2022	2022	2022	2021	Min	Max	Average	Region	Unit Size
Expense (\$)	\$887	\$1,031	\$996	\$811	\$779	\$691	\$891	\$858	\$691	\$891	\$806	\$608	\$831

Due to the fact that properties often vary in terms of utility responsibilities, comparisons are difficult. Therefore, we placed greater weight on the historical expenses. We concluded to a utility expense of \$1,000 per unit for the restricted and unrestricted scenarios. Our conclusion is above the comparable expense range, and within the Subject's historical range. It should be noted that the budgeted amount reflected the Subject post renovation, and thus we placed less weight on this data.

Payroll and Leasing Expenses

The following table details the historical payroll and leasing expenses at the Subject, in addition to the comparable figures and benchmarks. Payroll expenses are directly connected to the administration of the

complex, including office, maintenance and management salaries. In addition, employee benefits and employment related taxes are included in the category.

Payroll													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Range (Comparables)			Range (Benchmarks)	
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals	Min	Max	Average	Region	Unit Size
Year	2025	2022	2021	2023	2022	2022	2022	2021					
Expense (\$)	\$2,501	\$2,111	\$2,101	\$1,398	\$1,813	\$1,798	\$870	\$1,481	\$870	\$1,813	\$1,472	\$1,278	\$1,394

Overall, we typically find that properties the size of the Subject operate with a staff of one full-time manager, one part-time assistant manager, one full-time maintenance supervisor, and one full-time maintenance technician. Benefits for the Subject's employees are estimated at \$2,500 and \$5,000 for part and full-time employees, respectively. We concluded to a payroll expense of \$1,552 per unit for the restricted and unrestricted scenarios. Our conclusion is within the comparable expense range, and below the Subject's historical range.

PAYROLL

Type	Qty	Annual Salary	Full Cost
Manager	1	\$65,000	\$65,000
Assistant Manager (PT)	1	\$30,000	\$30,000
Maintenance Supervisor	1	\$60,000	\$60,000
Maintenance Technician	1	\$40,000	\$40,000
Subtotal			\$195,000
Payroll taxes at 12%			\$23,400
Benefits			\$17,500
Total Payroll			\$235,900
Total Per Unit			\$1,552

Taxes

Please refer to the real estate tax section of this report for further discussion and analysis.

Insurance

Insurance													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Range (Comparables)			Range (Benchmarks)	
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals	Min	Max	Average	Region	Unit Size
Year	2025	2022	2021	2023	2022	2022	2022	2021					
Expense (\$)	\$571	\$518	\$0	\$647	\$351	\$480	\$363	\$725	\$351	\$725	\$513	\$439	\$339

Overall, we concluded to insurance costs of \$550 per unit based primarily on the assumption that the 2022 data and the budget estimate an insurance quote for the Subject. Our conclusion is within the range of the historical and comparable data. It should be noted that the 2021 data included insurance expenses with taxes, and therefore it was not broken out.

Management Fees

Management Fee													
Subject				Comp 1	Comp 2	Comp 3	Comp 4	Comp 5					
Type	Budget	Actuals	Actuals	Actuals	Audited	Audited	Actuals	Actuals	Range (Comparables)			Range (Benchmarks)	
Year	2025	2022	2021	2023	2022	2022	2022	2021	Min	Max	Average	Region	Unit Size
Expense (\$)	\$684	\$589	\$0	\$530	\$376	\$615	\$432	\$420	\$376	\$615	\$474	\$502	\$603

We concluded to an management fee expense of 3.5 percent of EGI for the restricted scenario, and 4.0 percent of EGI per unit in the unrestricted scenario. Our conclusions are within the historical and comparable range. As previously discussed, a management fee was not broken out in the 2021 data.

Replacement Reserves

The reserve for replacement allowance is often considered a hidden expense of ownership not normally seen on an expense statement. Reserves must be set aside for future replacement of items such as the roof, HVAC systems, parking area, appliances and other capital items. It is difficult to ascertain market information for replacement reserves, as it is not a common practice in the marketplace for properties of the Subject's size and investment status. Underwriting requirements for replacement reserve for existing properties typically ranges from \$250 to \$350 per unit per year. New properties typically charge \$200 to \$250 for reserves. We used an expense of \$350 per unit based on the unit mix, tenancy, and condition of the Subject property.

Summary

Operating expenses were estimated based upon the historical expenses, comparable expenses, and the developer's budget. In the following tables, we compared historical operating expenses, budgeted operating expenses, comparables operating expenses, and concluded expenses per unit. We have also illustrated the expenses less taxes, utilities, and reserves.

TOTAL EXPENSES PER UNIT		TOTAL EXPENSES PER UNIT LESS TUR	
Subject Expenses		Subject Expenses	
2025 (Budget)	\$6,369	2025 (Budget)	\$5,132
2022 (Actuals)	\$7,087	2022 (Actuals)	\$4,770
2021 (Actuals)	\$6,888	2021 (Actuals)	\$4,079
Comparable Properties		Comparable Properties	
Comp 1	\$7,673	Comp 1	\$5,218
Comp 2	\$6,187	Comp 2	\$3,480
Comp 3	\$7,083	Comp 3	\$5,456
Comp 4	\$5,407	Comp 4	\$3,335
Comp 5	\$5,316	Comp 5	\$4,108
Subject Conclusions		Subject Conclusions	
Restricted - As Is	\$5,774	Restricted - As Is	\$4,424
Unrestricted - As Is	\$8,410	Unrestricted - As Is	\$4,348

Our total expense estimate, excluding taxes, utilities, and reserves, as restricted, is within the Subject's historical range, and within the range of the comparables. Overall, our estimates appear reasonable and will be utilized in our analysis.

DIRECT CAPITALIZATION

We have provided an estimate of the Subject's as is value for the restricted and unrestricted scenarios. To quantify the income potential of the Subject, a direct capitalization of a stabilized cash flow is employed. In this analytical method, we estimate the present values of future cash flow expectations by applying the appropriate overall capitalization rate to the forecast net operating income. In order to estimate the appropriate capitalization rate, we relied upon several methods, discussed below.

Market Extraction

The following table summarizes the recent improved sales of the most comparable properties that were used in our market extraction analysis:

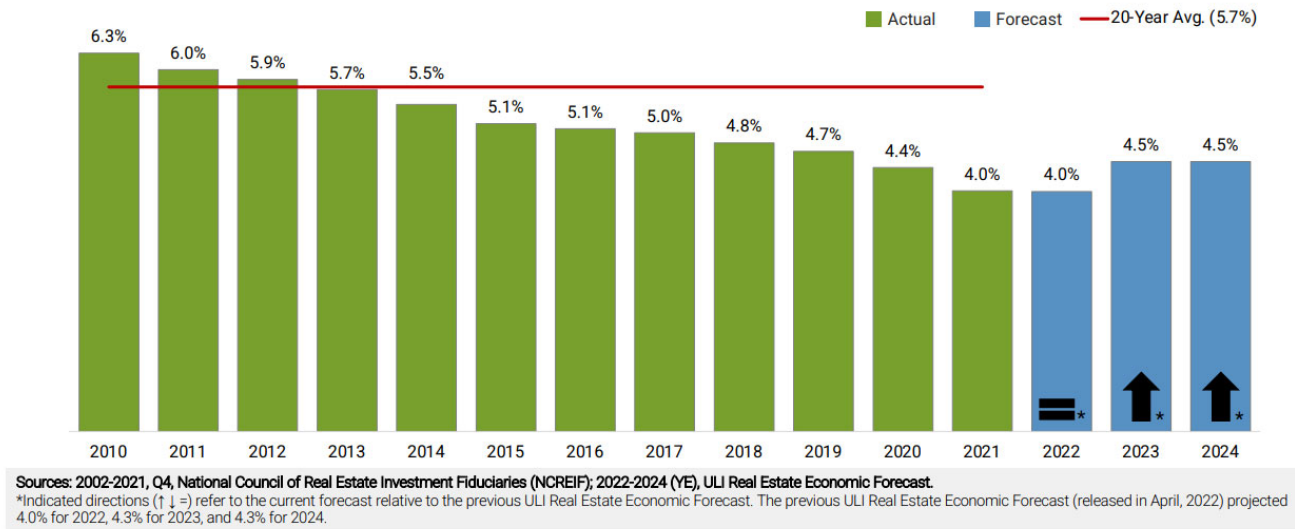
IMPROVED SALES COMPARISON										
#	Property Name	Location	Sale Date	Sale Price	Number of Units	Year Built	Year Renovated	Price / Unit	EGIM	Cap Rate
1	Walnut Ridge	Easley, SC	Jun/2024	\$3,760,000	24	2023	n/a	\$156,667	9.7	6.52%
2	The Farmhouse At Easley	Easley, SC	May/2023	\$40,350,000	224	2022	n/a	\$180,134	10.7	6.00%
3	The Springs	Boiling Springs, SC	Jan/2023	\$44,500,000	256	2020	n/a	\$173,828	10.5	5.50%
4	2950 North	Greenville, SC	Dec/2022	\$20,757,000	156	1984	2017	\$133,058	10.6	4.94%
5	Element At East North	Greenville, SC	Sep/2022	\$18,700,000	152	1967	2016	\$123,026	10.7	4.43%
Average					162			\$153,343	10.44	5.48%

We have selected comparable sales from the Subject's area. The sales illustrate a range of overall rates from 4.43 to 6.52 percent, with an average of 5.48 percent. All of the sales represent typical market transactions for multifamily market rate properties in the area. It should be noted that we searched for affordable, both LIHTC and Section 8, multifamily sales in the area and were unable to locate any. Therefore, we utilized five conventional market rate developments in our sales approach. We believe the improved sales we chose for our analysis represent the typical multifamily market in the Subject's area.

The primary factors that influence the selection of an overall rate is the Subject's condition, size, location, and market conditions. The Subject is considered similar to inferior to all of the sales in terms of condition. Further, the Subject is similar to slightly inferior to all of the sales in terms of location. The Subject is inferior to superior to the sales in terms of size, as the sales range from 24 to 256 units. In order to understand local market conditions, we analyzed CoStar market data regarding multifamily sales since September of 2022. According to Zillow, the median home value in Greenville is \$312,298, up 4.2 percent percent from one year ago. This indicates that, like many markets across the country, the supply of homes is constrained, and many families will begin to or continue to rent. As such, the demand for rental units is anticipated to continue, particularly for low income units such as the Subject's.

Our analyses of the apartment market lead us to believe that capitalization rates may trend upward in the next year, consistent with the Urban Land Institute's Real Estate Economic Forecast from October 2022, which predicts that capitalization rates will increase by 50 basis points in 2023 and plateau at that rate in 2024. According to the Fannie Mae 2022 Mid-Year Multifamily Market Outlook, the average multifamily capitalization rate is 4.7 percent as of July 2022, and the average capitalization rate is expected to increase to 5.0 percent by the end of 2022. According to CBRE, in Q1 2023, the average going-in cap rate, which is based on the first year of net operating income at the property purchase price, increased 23 basis points to 4.72%, "marking the first significant quarterly deceleration in cap rate expansion since the Fed began its latest round of rate hikes." The NCREIF chart below shows an increase in capitalization rates in 2023 of 25 to 50 basis points over 2022. Therefore, we believe an increase of 25 basis points in 2024 for capitalization rates, and a stabilization at that level, is reasonable.

» NCREIF Capitalization Rate



Overall, we have concluded to a capitalization rate of 5.75 percent based on the comparables that have transferred in the market area as well as market extraction and data from the Urban Land Institute's Real Estate Economic Forecast.

The PwC Real Estate Investor Survey

The *PwC Real Estate Investor Survey* tracks capitalization rates utilized by national investors in commercial and multifamily real estate. The following summarizes the information for the national multifamily housing market:

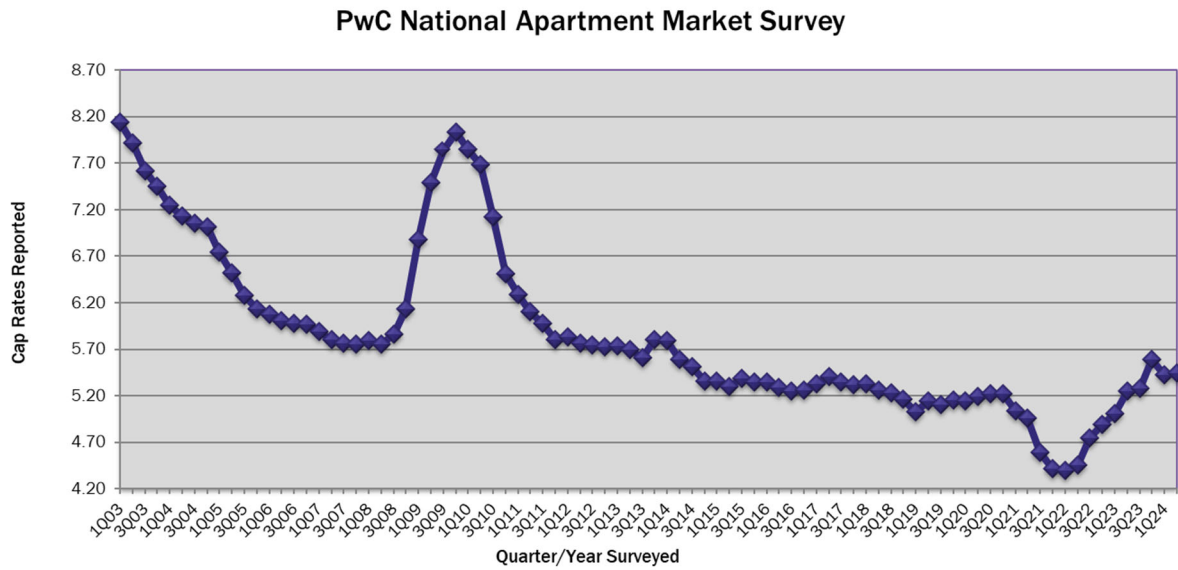
PwC REAL ESTATE INVESTOR SURVEY	
National Apartment Market	
Overall Capitalization Rate	
Range:	4.00% - 7.50%
Average:	5.44%
Institutional Grade Investments	
Range:	5.50% - 7.50%
Average:	6.50%
Non-Institutional Grade Investments	
Range:	7.00%-9.00%
Average:	8.00%

Source: PwC Real Estate Investor Survey, Q2 2024

The *PwC Real Estate Investor Survey* defines "Institutional – Grade" real estate as real property investments that are sought out by institutional buyers and have the capacity to meet generally prevalent institutional investment criteria⁴. Typical "Institutional – Grade" apartment properties are newly constructed, well amenitized, market-rate properties in urban or suburban locations. Rarely could subsidized properties, either new construction or acquisition/rehabilitation, be considered institutional grade real estate. Therefore, for our purpose, the Non-Institutional Grade capitalization rate is most relevant; this is currently 150 basis points

⁴ PwC Real Estate Investor Survey

higher than the Institutional Grade rate on average. However, local market conditions have significant weight when viewing capitalization rates.



PwC Real Estate Investor Survey - National Apartment Market								
Overall Capitalization Rate								
Quarter	Cap Rate	Change	Quarter	Cap Rate	Change	Quarter	Cap Rate	Change
1Q03	8.14	-	2Q10	7.68	-0.17	3Q17	5.35	-0.05
2Q03	7.92	-0.22	3Q10	7.12	-0.56	4Q17	5.32	-0.03
3Q03	7.61	-0.31	4Q10	6.51	-0.61	1Q18	5.33	0.01
4Q03	7.45	-0.16	1Q11	6.29	-0.22	2Q18	5.26	-0.07
1Q04	7.25	-0.20	2Q11	6.10	-0.19	3Q18	5.23	-0.03
2Q04	7.13	-0.12	3Q11	5.98	-0.12	4Q18	5.16	-0.07
3Q04	7.05	-0.08	4Q11	5.80	-0.18	1Q19	5.03	-0.13
4Q04	7.01	-0.04	1Q12	5.83	0.03	2Q19	5.14	0.11
1Q05	6.74	-0.27	2Q12	5.76	-0.07	3Q19	5.10	-0.04
2Q05	6.52	-0.22	3Q12	5.74	-0.02	4Q19	5.15	0.05
3Q05	6.28	-0.24	4Q12	5.72	-0.02	1Q20	5.14	-0.01
4Q05	6.13	-0.15	1Q13	5.73	0.01	2Q20	5.19	0.05
1Q06	6.07	-0.06	2Q13	5.70	-0.03	3Q20	5.22	0.03
2Q06	6.01	-0.06	3Q13	5.61	-0.09	4Q20	5.22	0.00
3Q06	5.98	-0.03	4Q13	5.80	0.19	1Q21	5.04	-0.18
4Q06	5.97	-0.01	1Q14	5.79	-0.01	2Q21	4.96	-0.08
1Q07	5.89	-0.08	2Q14	5.59	-0.20	3Q21	4.59	-0.37
2Q07	5.80	-0.09	3Q14	5.51	-0.08	4Q21	4.42	-0.17
3Q07	5.76	-0.04	4Q14	5.36	-0.15	1Q22	4.40	-0.02
4Q07	5.75	-0.01	1Q15	5.36	0.00	2Q22	4.45	0.05
1Q08	5.79	0.04	2Q15	5.30	-0.06	3Q22	4.75	0.30
2Q08	5.75	-0.04	3Q15	5.39	0.09	4Q22	4.89	0.14
3Q08	5.86	0.11	4Q15	5.35	-0.04	1Q23	5.01	0.12
4Q08	6.13	0.27	1Q16	5.35	0.00	2Q23	5.25	0.24
1Q09	6.88	0.75	2Q16	5.29	-0.06	3Q23	5.28	0.03
2Q09	7.49	0.61	3Q16	5.25	-0.04	4Q23	5.59	0.31
3Q09	7.84	0.35	4Q16	5.26	0.01	1Q24	5.42	-0.17
4Q09	8.03	0.19	1Q17	5.33	0.07	2Q24	5.44	0.02
1Q10	7.85	-0.18	2Q17	5.40	0.07			

Source: PwC Real Estate Investor Survey, Q2 2024

As the graph and table indicate, the overall national average capitalization rate decreased 100 basis points from the second quarter of 2017 to the first quarter of 2022 (5.40 percent to 4.40 percent). Over this period, the rate generally decreased quarter-over-quarter, with a few exceptions. However, the recent increases in interest rates appear to be directly impacting capitalization rates as the overall average national capitalization rate increased 0.43 percentage points since the first quarter of 2023. However, capitalization rates decreased for the first time in two years between fourth quarter 2023 and first quarter 2024, and while the capitalization rates increased slightly in second quarter 2024, they remain below the most recent peak. We have considered the current market conditions and we have estimated a capitalization rate of 5.75 percent.

Debt Coverage Ratio

The debt coverage ratio (DCR) is frequently used as a measure of risk by lenders wishing to measure the margin of safety and by purchasers analyzing leveraged property. It can be applied to test the reasonableness of a project in relation to lender loan specifications. Lenders typically use the debt coverage ratio as a quick test to determine project feasibility. The debt coverage ratio has two basic components: the properties net operating income and its annual debt service (represented by the mortgage constant).

The ratio used is:

$$\text{Net Operating Income} / \text{Annual Debt Service} = \text{Debt Coverage Ratio}$$

One procedure by which the debt coverage ratio can be used to estimate the overall capitalization rate is by multiplying the debt coverage ratio by the mortgage constant and the lender required loan-to-value ratio. The indicated formula is:

$$R_o = \text{D.C.R} \times R_M \times M$$

Where:

R_o = Overall Capitalization Rate
 D.C.R = Debt Coverage Ratio
 R_M = Mortgage Constant
 M = Loan-to-Value Ratio

Band of Investment

This method involves deriving the property's equity dividend rate from the improved comparable sales and applying it, at current mortgage rate and terms, to estimate the value of the income stream.

The formula is:

$$R_o = M \times R_M + (1-M) \times R_E$$

Where:

R_o = Overall Capitalization Rate
 M = Loan-to-Value Ratio
 R_M = Mortgage Constant
 R_E = Equity Dividend

The Mortgage Constant (R_M) is based upon the calculated interest rate from the ten-year treasury. The following table summarizes calculations for the two previously discussed methods of capitalization rate derivation. We will utilize a market-oriented interest rate of 6.5 percent. Based on our work files, the typical amortization period is 25 to 30 years and the loan to value ratio is 60 to 80 percent with interest rates between 6.0 and 7.0 percent. Therefore, we believe a 6.5 percent interest rate with a 30-year amortization period and a loan to value of 60 percent is reasonable. The following table summarizes calculations for the two previously discussed methods of capitalization rate derivation.

CAPITALIZATION RATE DERIVATION

Inputs and Assumptions		Interest Rate Calculations	
DCR	1.2	Treasury Bond Basis*	
Rm	0.0758	10 Year T Bond Rate (9/2024)	3.72%
Interest (per annum)*	6.50%	Interest rate spread	278
Amortization (years)	30	Interest Rate (per annum)	6.50%
M	0.6		
Re	5.00%		

Debt Coverage Ratio

Ro	=	DCR	X	Rm	X	M
5.46%	=	1.2	X	0.0758	X	60%

Band of Investment

Ro	=	(M	X	Rm)	+	((1-M)	X	Re)
6.55%		60%	X	0.0758	+	40%	X	5.00%

Source: Bloomberg.com 9/2024

Conclusion of Overall Rate Selection

CAPITALIZATION RATE SELECTION SUMMARY

Method	Indicated Rate
Market Extraction	5.75%
The PWC Investor Survey	5.75%
Debt Coverage Ratio	5.46%
Band of Investment	6.55%

The following issues impact the determination of a capitalization rate for the Subject:

- Current market health
- Existing competition
- Subject's construction type, tenancy and physical appeal
- The demand growth expected over the next three years
- Local market overall rates

The various approaches indicate a range from 5.46 to 6.55 percent. We reconciled to a 5.75 percent capitalization rate based primarily upon the market-extracted rate.

A summary of the direct capitalization analysis can be found on the following page.

DIRECT CAPITALIZATION ANALYSIS					
Operating Revenues					
Restricted - As Is			Unrestricted - As Is		
Apartment Rentals	Market Unit Mix	Average Rent (Monthly)	Total Revenue	Average Rent (Monthly)	Total Revenue
Total Potential Rental Income	152	\$1,584	\$2,889,600	\$1,387	\$2,529,600
Other Income					
Miscellaneous		\$50	\$7,600	\$50	\$7,600
Potential Revenue		\$19,061	\$2,897,200	\$16,692	\$2,537,200
Vacancy Loss		(\$572)	(\$86,916)	(\$1,168)	(\$177,604)
Vacancy Percentage			-3.0%		-7.0%
Effective Gross Income		\$18,489	\$2,810,284	\$15,524	\$2,359,596
Operating Expenses					
Restricted - As Is			Unrestricted - As Is		
Administration		\$575	\$87,400	\$525	\$79,800
Operating, Repairs & Maintenance		\$1,100	\$167,200	\$1,100	\$167,200
Utilities		\$1,000	\$152,000	\$1,000	\$152,000
Payroll		\$1,552	\$235,900	\$1,552	\$235,900
Real Estate Taxes		\$0	\$0	\$2,712	\$412,265
Other Taxes/Direct Assessments		\$0	\$0	\$0	\$0
Insurance		\$550	\$83,600	\$550	\$83,600
Management Fee		\$647	\$98,360	\$621	\$94,384
Ground Lease		\$0	\$0	\$0	\$0
Replacement Reserves		\$350	\$53,200	\$350	\$53,200
Total Operating Expenses		\$5,774	\$877,660	\$8,410	\$1,278,349
Expenses as a ratio of EGI			31.2%		54.2%
Valuation					
Restricted - As Is			Unrestricted - As Is		
Net Operating Income		\$12,715	\$1,932,624	\$7,113	\$1,081,247
Capitalization Rate			5.75%		5.75%
Indicated Value "rounded"		\$221,053	\$33,600,000	\$123,684	\$18,800,000

Conclusion

The following table summarizes the findings of the previously conducted direct capitalization analysis.

DIRECT CAPITALIZATION ANALYSIS - AS IS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)
Restricted - As Is	5.75%	\$1,932,624	\$33,600,000
Unrestricted - As Is	5.75%	\$1,081,247	\$18,800,000

As a result of our analysis of the Subject's restricted scenario, the fee simple market value "As Is", as of September 11, 2024, is:

THIRTY THREE MILLION SIX HUNDRED THOUSAND DOLLARS
(\$33,600,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "As Is", as of September 11, 2024, is:

EIGHTEEN MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$18,800,000)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

Please refer to the assumptions and limiting conditions regarding the valuation conclusions and hypothetical conditions.

X. SALES COMPARISON APPROACH

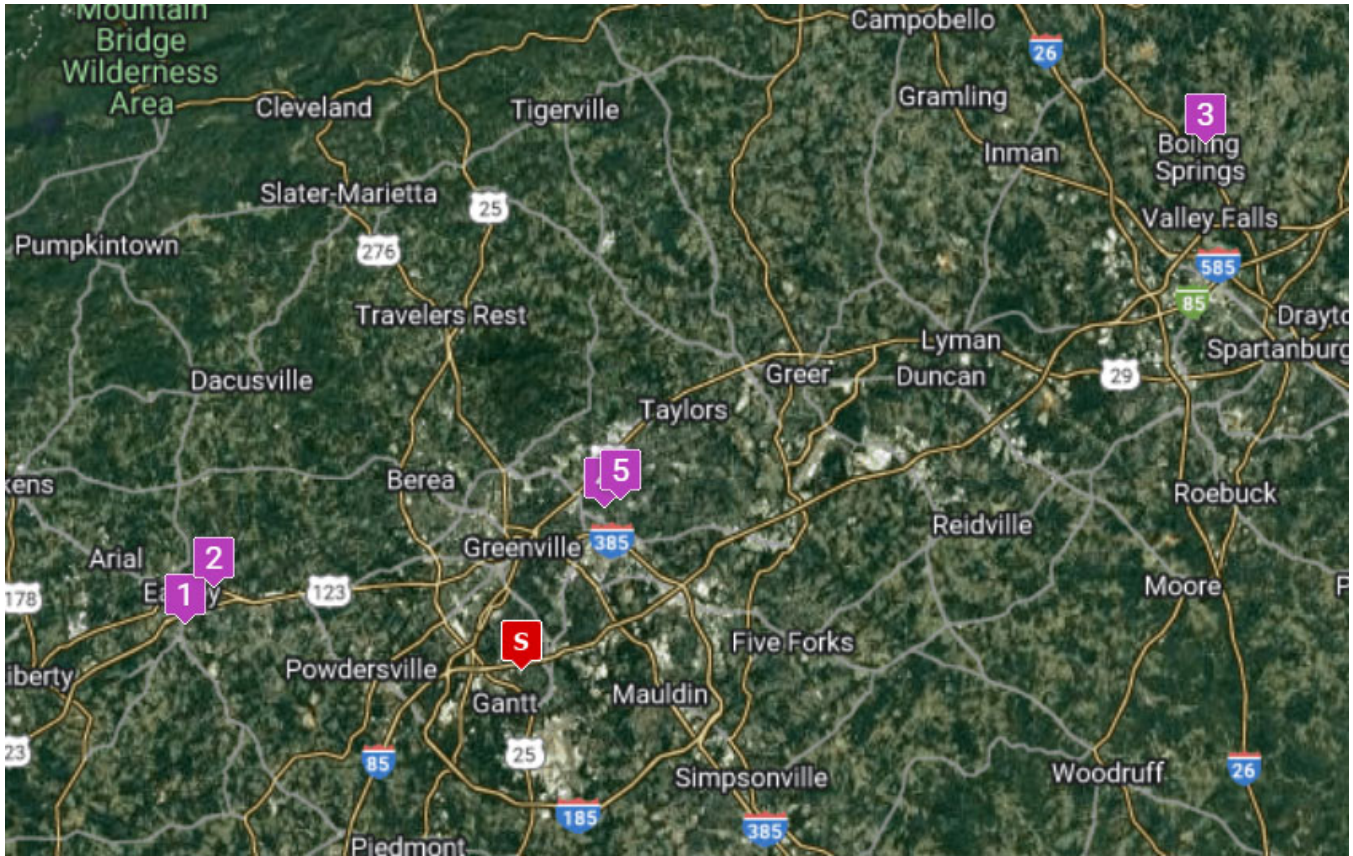
SALES COMPARISON APPROACH

The sales comparison approach to value is a process of comparing market data; that is, the price paid for similar properties, prices asked by owners, and offers made by hypothetical purchasers willing to buy or lease. It should be noted, the sales utilized represent the best sales available. Market data is good evidence of value because it represents the actions of users and investors. The sales comparison approach is based on the principle of substitution, which states that a prudent investor would not pay more to buy or rent a property than it will cost them to buy or rent a comparable substitute. The sales comparison approach recognizes that the typical buyer will compare asking prices and work through the most advantageous deal available. In the sales comparison approach, the appraisers are observers of the buyer's actions. The buyer is comparing those properties that constitute the market for a given type and class.

We searched for LIHTC multifamily sales in the area and were unable locate any. It should be noted that any potential sale of the Subject property would be constrained by the limitations and penalties of the LIHTC program, specifically the recapture/penalty provision upon transfer. Because of this, there are a limited number of properties that have sold nationwide that have the restrictions associated with Section 42 provisions. We believe the improved sales we have chosen for our analysis represents the typical multifamily market in the Subject's area. Therefore, we have utilized five conventional market rate developments in our sales approach.

The following pages supply the analyzed sale data and will conclude with a value estimate considered reasonable.

Improved Sales Map



Source: Google Earth, September 2024

IMPROVED SALES COMPARISON

#	Property Name	Location	Sale Date	Sale Price	Number of Units	Year Built	Year Renovated	Price / Unit	EGIM	Cap Rate
1	Walnut Ridge	Easley, SC	Jun/2024	\$3,760,000	24	2023	n/a	\$156,667	9.7	6.52%
2	The Farmhouse At Easley	Easley, SC	May/2023	\$40,350,000	224	2022	n/a	\$180,134	10.7	6.00%
3	The Springs	Boiling Springs, SC	Jan/2023	\$44,500,000	256	2020	n/a	\$173,828	10.5	5.50%
4	2950 North	Greenville, SC	Dec/2022	\$20,757,000	156	1984	2017	\$133,058	10.6	4.94%
5	Element At East North	Greenville, SC	Sep/2022	\$18,700,000	152	1967	2016	\$123,026	10.7	4.43%
Average					162			\$153,343	10.44	5.48%

Improved Sale: Walnut Ridge



Transaction

Name	Walnut Ridge	Sale Date	06/28/2024
Address	202 Walnut Hill Drive	Sale Price	\$ 3,760,000
City	Easley	Price Per Unit	\$ 156,667
State	SC	Sale Status	closed
Zip Code	29642	Sale Conditions	typical
County	Pickens	Financing	Conventional
Buyer	White Horse Plaza LLC	Confirmed With	CoStar, Public Records
Seller	JTS Development LLC		

Site and Improvements

No. of Units	24	Land Acres	0.49
Year Built	2023	Land Sq Ft	21,344
Year Renovated			

Financial Data

EGI	\$ 389,152	NOI	\$ 245,152
Total Expenses	\$ 144,000	Expense Ratio (%)	37.00 %
Cap Rate	6.52 %	EGIM (\$)	9.66

Remarks

This market rate development offers 24 two-bedroom units. The sale price, cap rate and occupancy at sale were confirmed by CoStar. Novogradac estimated expenses at \$6,000 per unit.

Improved Sale: The Farmhouse At Easley



Transaction

Name	The Farmhouse At Easley	Sale Date	05/03/2023
Address	105 Gettys Lane	Sale Price	\$ 40,350,000
City	Easley	Price Per Unit	\$ 180,134
State	SC	Sale Status	closed
Zip Code	29640	Sale Conditions	typical
County	Pickens	Financing	Conventional
Buyer	Gettys Middle Holdings LLC	Confirmed With	Costar, Buyer
Seller	HPI Easley LLC		

Site and Improvements

No. of Units	224	Land Acres	16.00
Year Built	2022	Land Sq Ft	696,960
Year Renovated			

Financial Data

EGI	\$ 3,765,000	NOI	\$ 2,421,000
Total Expenses	\$ 1,344,000	Expense Ratio (%)	35.70 %
Cap Rate	6.00 %	EGIM (\$)	10.72

Remarks

This market rate development offers 224 one, two, and three-bedroom units. The property was 62 percent occupied at the time of sale. Novoco estimated expenses at \$6,000 per unit.

Improved Sale: The Springs



Transaction

Name	The Springs	Sale Date	01/18/2023
Address	305 Concert Way	Sale Price	\$ 44,500,000
City	Boiling Springs	Price Per Unit	\$ 173,828
State	SC	Sale Status	closed
Zip Code	29316	Sale Conditions	typical
County	Spartanburg	Financing	Conventional
Buyer	Hamilton Point Investments	Confirmed With	CoStar, Public record
Seller	Eminent Capital		

Site and Improvements

No. of Units	256	Land Acres	21.60
Year Built	2020	Land Sq Ft	940,896
Year Renovated			

Financial Data

EGI	\$ 4,239,500	NOI	\$ 2,447,500
Total Expenses	\$ 1,792,000	Expense Ratio (%)	42.27 %
Cap Rate	5.50 %	EGIM (\$)	10.50

Remarks

This market rate development offers 116 one, 96 two, and 44 three-bedroom units. The information in this profile was confirmed via CoStar. Novoco estimated expenses at \$7,000 per unit.

Improved Sale: 2950 North



Transaction

Name	2950 North	Sale Date	12/08/2022
Address	2950 E North St	Sale Price	\$ 20,757,000
City	Greenville	Price Per Unit	\$ 133,058
State	SC	Sale Status	closed
Zip Code	29615	Sale Conditions	typical
County	Greenville	Financing	Conventional
Buyer	Morrison Avenue Capital Partners, LLC	Confirmed With	CoStar
Seller	Stonecutter Capital Management LLC		

Site and Improvements

No. of Units	156	Land Acres	11.30
Year Built	1984	Land Sq Ft	492,228
Year Renovated	2017		

Financial Data

EGI	\$ 1,961,396	NOI	\$ 1,025,396
Total Expenses	\$ 936,000	Expense Ratio (%)	47.72 %
Cap Rate	4.94 %	EGIM (\$)	10.58

Remarks

This market rate development offers 60 one and 96 two-bedroom units. The vacancy rate at the time of sale was not available. Novoco has estimated expenses at \$6,000 per unit.

Improved Sale: Element At East North



Transaction

Name	Element At East North	Sale Date	09/22/2022
Address	50 Glenwood Rd	Sale Price	\$ 18,700,000
City	Greenville	Price Per Unit	\$ 123,026
State	SC	Sale Status	closed
Zip Code	29615	Sale Conditions	typical
County	Greenville	Financing	Conventional
Buyer	Conserve Holdings LLC	Confirmed With	CoStar, Public Records
Seller	Quad Property Group		

Site and Improvements

No. of Units	152	Land Acres	6.91
Year Built	1967	Land Sq Ft	301,000
Year Renovated	2016		

Financial Data

EGI	\$ 1,740,410	NOI	\$ 828,410
Total Expenses	\$ 912,000	Expense Ratio (%)	52.40 %
Cap Rate	4.43 %	EGIM (\$)	10.74

Remarks

This market rate development offers 104 one and 48 two-bedroom units. Occupancy at the time of sale was unavailable. The details of this transaction were confirmed via CoStar. Novogradac estimated expenses at \$6,000 per unit.

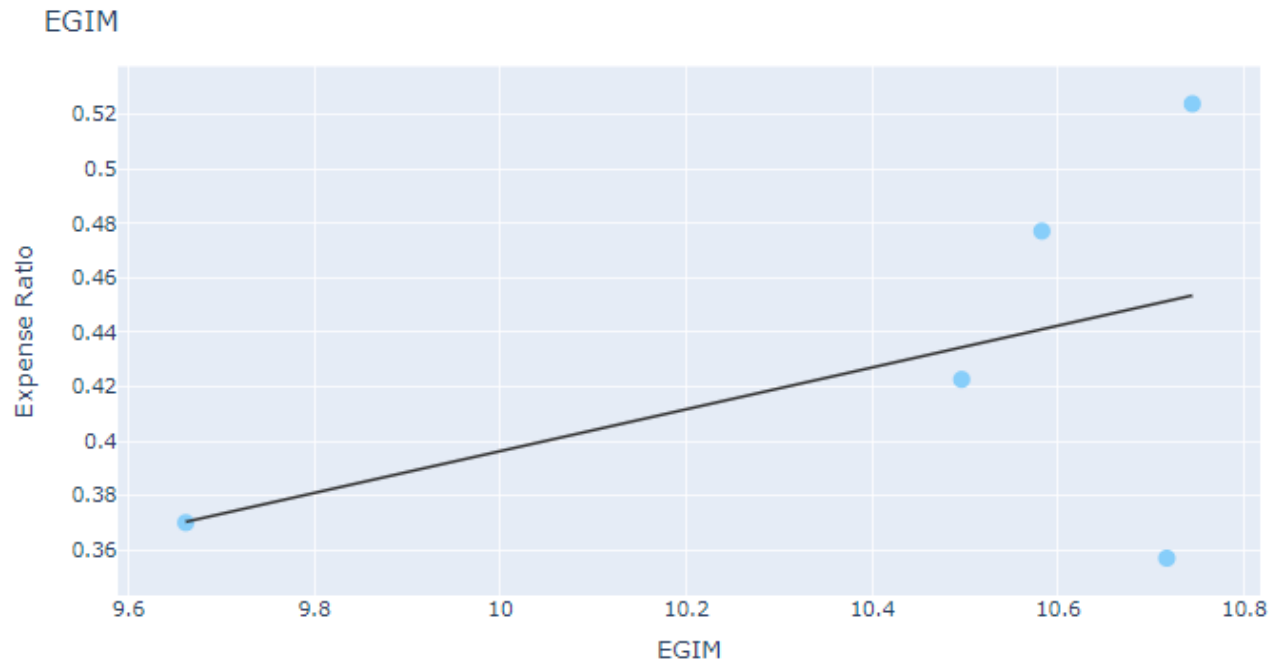
Valuation Analysis

The sales selected for this analysis are summarized in the following table.

IMPROVED SALES COMPARISON										
#	Property Name	Location	Sale Date	Sale Price	Number of Units	Year Built	Year Renovated	Price / Unit	EGIM	Cap Rate
1	Walnut Ridge	Easley, SC	Jun/2024	\$3,760,000	24	2023	n/a	\$156,667	9.7	6.52%
2	The Farmhouse At Easley	Easley, SC	May/2023	\$40,350,000	224	2022	n/a	\$180,134	10.7	6.00%
3	The Springs	Boiling Springs, SC	Jan/2023	\$44,500,000	256	2020	n/a	\$173,828	10.5	5.50%
4	2950 North	Greenville, SC	Dec/2022	\$20,757,000	156	1984	2017	\$133,058	10.6	4.94%
5	Element At East North	Greenville, SC	Sep/2022	\$18,700,000	152	1967	2016	\$123,026	10.7	4.43%
Average					162			\$153,343	10.44	5.48%

EGIM Analysis

We first estimate the Subject's value using the EGIM analysis. The EGIM compares the ratios of sales price to the annual gross income for the property, less a deduction for vacancy and collection loss. A reconciled multiplier for the Subject is then used to convert the Subject's anticipated effective gross income into an estimate of value. The following chart highlights the correlation between the EGIM and the expense ratios reported by the comparable sales utilized in our analysis.



Typically, the higher the operating expense ratio, the lower the EGIM. As summarized below, we have concluded to an EGIM of 10.5 percent for the restricted scenario and 7.5 percent for the unrestricted scenario.

EGIM

#	Property Name	Sale Price	EGI	Expense Ratio	Total Expenses	EGIM
1	Walnut Ridge	\$3,760,000	\$389,152	37.0%	\$144,000	9.7
2	The Farmhouse At Easley	\$40,350,000	\$3,765,000	35.7%	\$1,344,000	10.7
3	The Springs	\$44,500,000	\$4,239,500	42.3%	\$1,792,000	10.5
4	2950 North	\$20,757,000	\$1,961,396	47.7%	\$936,000	10.6
5	Element At East North	\$18,700,000	\$1,740,410	52.4%	\$912,000	10.7
	Restricted - As Is	\$33,700,000	\$2,810,284	31.2%	\$877,660	12.00
	Unrestricted - As Is	\$18,900,000	\$2,359,596	54.2%	\$1,278,349	8.00

EGIM ANALYSIS

Scenario	EGIM	Effective Gross Income	Indicated Value (Rounded)
Restricted - As Is	12.00	\$2,810,284	\$33,700,000
Unrestricted - As Is	8.0	\$2,359,596	\$18,900,000

NOI/UNIT ANALYSIS

The available sales data also permits the use of the NOI/Unit analysis. The NOI/Unit analysis examines the income potential of a property relative to the price paid per unit. The sales indicate that, in general, investors are willing to pay more for properties with greater income potential. Based on this premise, we are able to gauge the Subject's standing in our market survey group, thereby estimating a value on a price per unit applicable to the Subject. This analysis allows us to provide a quantitative adjustment process and avoids qualitative, speculative adjustments.

To estimate an appropriate price/unit for the Subject, we examined the change in NOI/Unit and how it affects the price/unit. By determining the percent variance of the comparable properties NOI/Unit to the Subject, we determine an adjusted price/unit for the Subject.

The table(s) below summarize the calculated adjustment factors and the indicated adjusted prices.

NOI/UNIT ANALYSIS

Restricted - As Is

No.	Subject's Stabilized NOI/Unit	/	Sale's NOI/Unit	=	Adjustment Factor	x	Unadjusted Price/Unit	=	Adjusted Price/Unit
1	\$12,715	/	\$10,215	=	1.245	x	\$156,667	=	\$195,010
2	\$12,715	/	\$10,808	=	1.176	x	\$180,134	=	\$211,911
3	\$12,715	/	\$9,561	=	1.330	x	\$173,828	=	\$231,175
4	\$12,715	/	\$6,573	=	1.934	x	\$133,058	=	\$257,381
5	\$12,715	/	\$5,450	=	2.333	x	\$123,026	=	\$287,012
	Average		\$8,521		1.604		\$153,343		\$236,498

NOI/UNIT ANALYSIS

Unrestricted - As Is

No.	Subject's Stabilized NOI/Unit	/	Sale's NOI/Unit	=	Adjustment Factor	x	Unadjusted Price/Unit	=	Adjusted Price/Unit
1	\$7,113	/	\$10,215	=	0.696	x	\$156,667	=	\$109,102
2	\$7,113	/	\$10,808	=	0.658	x	\$180,134	=	\$118,558
3	\$7,113	/	\$9,561	=	0.744	x	\$173,828	=	\$129,336
4	\$7,113	/	\$6,573	=	1.082	x	\$133,058	=	\$143,997
5	\$7,113	/	\$5,450	=	1.305	x	\$123,026	=	\$160,575
	Average		\$8,521		0.897		\$153,343		\$132,314

NOI/UNIT ANALYSIS

Scenario	Number of Units	Price per unit	Indicated Value (Rounded)
Restricted - As Is	152	\$225,000	\$34,200,000
Unrestricted - As Is	152	\$125,000	\$19,000,000

Conclusion

The Subject's fee simple market value market value - "as is restricted", as of September 11, 2024, via the Sales Comparison Approach is:

**THIRTY FOUR MILLION TWO HUNDRED THOUSAND DOLLARS
(\$34,200,000)**

The Subject's fee simple market value hypothetical market value "as is unrestricted", as of September 11, 2024, via the Sales Comparison Approach is:

**NINETEEN MILLION DOLLARS
(\$19,000,000)**

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

Please refer to the assumptions and limiting conditions regarding the valuation conclusions and hypothetical conditions.

XI. RECONCILIATION

RECONCILIATION

We considered the traditional approaches in the estimation of the Subject's value. The resulting value estimates are presented following:

LAND VALUE

Scenario	No. of Units	Price/Unit	Indicated Value (Rounded)
Land Value	152	\$22,500	\$3,400,000

DIRECT CAPITALIZATION ANALYSIS - AS IS

Scenario	Cap Rate	Net Operating Income	Indicated Value (Rounded)
Restricted - As Is	5.75%	\$1,932,624	\$33,600,000
Unrestricted - As Is	5.75%	\$1,081,247	\$18,800,000

NOI/UNIT ANALYSIS

Scenario	Number of Units	Price per unit	Indicated Value (Rounded)
Restricted - As Is	152	\$225,000	\$34,200,000
Unrestricted - As Is	152	\$125,000	\$19,000,000

The value indicated by the income capitalization approach is a reflection of a prudent investor's analysis of an income producing property. In this approach, income is analyzed in terms of quantity, quality, and durability. Due to the fact that the Subject is income producing in nature, this approach is the most applicable method of valuing the Subject property.

The sales comparison approach reflects an estimate of value as indicated by the sales market. In this approach, we searched the local market for transfers of similar type properties. These transfers were analyzed for comparative units of value based upon the most appropriate indices (i.e. \$/Unit, OAR, etc.). Our search revealed several sales over the past two years. While there was substantial information available on each sale, the sales varied in terms of location, quality of income stream, condition, etc. As a result, the appraisers used both an EGIM and a sales price/unit analysis. These analyses provide a good indication of the Subject's market value, but are somewhat inconsistent.

In the final analysis, we considered the influence of the two developed approaches in relation to one another and in relation to the Subject. Both are considered reasonable indications of value, but substantially more weight was placed on the income approach, given that the Subject is a federally subsidized, income generating multifamily development.

As a result of our analysis, the value of the Subject's underlying land, **"As If Vacant"**, of the fee simple interest, as of September 11, 2024, is:

THREE MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$3,400,000)

As a result of our analysis of the Subject's restricted scenario, the fee simple market value **"As Is"**, as of September 11, 2024, is:

THIRTY THREE MILLION SIX HUNDRED THOUSAND DOLLARS
(\$33,600,000)

As a result of our analysis of the Subject's hypothetical unrestricted scenario, the fee simple market value "As Is", as of September 11, 2024, is:

EIGHTEEN MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$18,800,000)

For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Please refer to the assumptions and limiting conditions regarding the valuation conclusions and hypothetical conditions

Reasonable Exposure Time:

Advisory Opinion 35 (AO-35), Appraisal Standards to USPAP notes that reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

It is defined as "an opinion, based on supporting market data, of the length of time that 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." Based on our read of the market, historical information provided by the PwC Investor Survey and recent sales of similar product, an exposure time of nine to 12 months appears reasonable.

Marketing Time Projection:

Marketing Time is defined as the period from the date of initial listing to the settlement date. The projected marketing time for the Subject property "As Is" will vary greatly, depending upon the aggressiveness of the marketing agent, the method of marketing, the market that is targeted, interest rates and the availability of credit at the time the property is marketed, the supply and demand of similar properties for sale or having been recently purchased, and the perceived risks at the time it is marketed.

Discussions with area Realtors indicate that a marketing period of nine to twelve months is reasonable for properties such as the Subject. This is supported by data obtained from several of the comparable sales and consistent with information obtained from the PwC Survey. This estimate assumes a strong advertising and marketing program during the marketing period.

ADDENDUM A

Assumptions and Limiting Conditions, Certification

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be True, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the development will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other appraisal or study and are invalid if so used.
11. A valuation estimate for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is nonstatic and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
12. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the

author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the consultant. Nor shall the consultant, firm, or professional organizations of which the consultant is a member be identified without written consent of the consultant.

13. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the consultant is affiliated.
14. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property Unless satisfactory additional arrangements are made prior to the need for such services.
15. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
16. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
17. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
18. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
19. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
20. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the consultant and contained in this report.
21. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
22. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
23. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
24. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The consultant reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
25. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

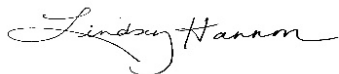
For the purposes of our unrestricted analysis, we have employed a hypothetical condition assuming unrestricted, conventional operations. We have made an extraordinary assumption that the Subject's contract rents would be marked up to market (MUTM), and have therefore utilized the achievable market rents from a rent comparability study, provided by the client, prepared by Renzi & Associates, effective September 23, 2024, in the as is restricted scenario. We were not provided with an environmental report. We did not observe environmental hazards during our site inspection; however, Novogradac is not an expert in this field and cannot opine further. It is an extraordinary assumption that there are no environmental issues that would impact the value of the Subject property. The Subject currently pays full real estate taxes. However, according to the client, the Subject is expected to benefit from a full real estate tax exemption after the sale as the buyer will have a non-profit entity as an equity partner. It is an extraordinary assumption that the Subject will benefit from such a full property tax exemption in the restricted scenario in accordance with South Carolina General Assembly Bill 207 of the 2019-2020 Legislative Session.

The use of extraordinary assumptions and/or hypothetical conditions may have an impact on assignment results.

Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

- 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 with respect to the parties involved;
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment; however, we are concurrently preparing an application market study for the Subject property;
- We have no bias with respect to any 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 analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice;
- K. David Adamescu has made a personal inspection of the property that is the subject of this report and comparable market data incorporated in this report and is competent to perform such analyses. Lindsey Hannon and Rachel Denton did not inspect the Subject, but are familiar with the market area. Erik Johnson provided significant professional assistance to the appraisers including conducting internet research, compiling and coalescing data, analyzing data trends, evaluating and analyzing comparable data, and drafting text and documents. No one other than those listed on this page provided any significant real property appraisal assistance;
- 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, Rachel B. Denton, MAI, has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.



Lindsey Hannon
Partner
Certified General Real Estate Appraiser
South Carolina License Number: 8720
Expiration Date: June 30, 2026
Lindsey.Hannon@novoco.com
512-349-3212



Rachel B. Denton, MAI
Partner
Certified General Real Estate Appraiser
South Carolina License Number: 8708
Expiration Date: June 30, 2026
Rachel.Denton@novoco.com
913-312-4612

ADDENDUM B

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS LINDSEY HANNON

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND AFFILIATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)

Certified General Real Estate Appraiser – State of Washington (1102489)

Certified General Real Estate Appraiser – State of Colorado (CG.200001730)

Candidate for Designation in the Appraisal Institute

Member – Commercial Real Estate Women (CREW) Network

EXPERIENCE

Novogradac & Company LLP, Partner

Novogradac & Company LLP, Principal

Novogradac & Company LLP, Manager

Novogradac & Company LLP, Real Estate Analyst

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Report Writing and Case Studies

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

Expert Witness for Commercial Appraisers

Commercial Appraisal Review

Real Estate Finance Statistics and Valuation Modeling

General Appraiser Income Approach Part II

General Appraiser Income Approach Part I

General Appraiser Market Analysis and Highest & Best Use

Basic Appraisal Procedures

Basic Appraisal Principles

Advanced Hotel Appraising – Full Service Hotels

Basic Hotel Appraising – Limited Service Hotels

Appraisal of Assisted Living Facilities

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Managed and completed hundreds of market studies and appraisals for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Complete agency and HUD appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include

partnership valuations and commercial land valuation.

- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.
- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Perform market studies and appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.
- Prepare valuations for unique redevelopment sites with mixed uses including a variety of commercial, multifamily, and recreational uses. Further, performing analysis and valuations for assisted living facilities for potential acquisition, hold or trade purposes.

South Carolina Department of Labor, Licensing and Regulation
Real Estate Appraisers Board



CERTIFIES THAT:
LINDSEY PETRAS HANNON
IS AUTHORIZED TO PRACTICE
Certified General Appraiser

LICENSE NO.
AB .8720 CG

EXPIRATION DATE: 06/30/2026

To verify current license status, go to <http://verify.llronline.com/LicLookup/LookupMain.aspx>

STATEMENT OF PROFESSIONAL QUALIFICATIONS
RACHEL BARNES DENTON, MAI

I. EDUCATION

Cornell University, Ithaca, NY
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

Designated Member of the Appraisal Institute
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network
 2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter
 2013 Director of Communications and Board Member for Kansas City CREW
 2014 Secretary and Board Member for Kansas City CREW
 2015 and 2016 Treasurer and Board Member for Kansas City CREW

State of Arkansas Certified General Real Estate Appraiser No. CG3527
State of California Certified General Real Estate Appraiser No. AG044228
State of Colorado Certified General Real Estate Appraiser No. 100031319
State of Georgia Certified General Real Estate Appraiser No. 391113
State of Hawaii Certified General Real Estate Appraiser No. CGA1048
State of Illinois Certified General Real Estate Appraiser No. 553.002012
State of Kansas Certified General Real Estate Appraiser No. G-2501
State of Minnesota Certified General Real Estate Appraiser No. 40420897
State of Missouri Certified General Real Estate Appraiser No. 2007035992
State of Nebraska Certified General Real Estate Appraiser No. CG2017030R
State of New Mexico Certified General Real Estate Appraiser No. 03424-G
State of North Dakota Certified General Real Estate Appraiser No. CG-219110
State of Oklahoma Certified General Real Estate Appraiser No. 13085CGA
State of Oregon Certified General Real Estate Appraiser No. C000951
State of South Dakota Certified General Real Estate Appraiser No. 1488CG
State of Texas Certified General Real Estate Appraiser No. 1380396

III. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Partner
Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:
 Appraisal Principals, September 2004
 Basic Income Capitalization, April 2005
 Uniform Standards of Professional Appraisal Practice, various
 Advanced Income Capitalization, August 2006
 General Market Analysis and Highest & Best Use, July 2008
 Advanced Sales Comparison and Cost Approaches, June 2009
 Advanced Applications, June 2010
 General Appraiser Report Writing and Case Studies, July 2014
 Standards and Ethics (USPAP and Business Practices and Ethics)
 MAI Designation General Comprehensive Examination, January 2015
 MAI Demonstration of Knowledge Report, April 2016

Completed HUD MAP Training, Columbus, Ohio, May 2010

V. SPEAKING ENGAGEMENTS

Have presented and spoken at both national Novogradac conferences and other industry events, including the National Council of Housing Market Analysts (NCHMA) Annual Meetings and FHA Symposia, National Housing and Rehabilitation Association Conferences, Institute for Professional and Executive Development (IPED) conferences, and state housing conferences, such as Housing Colorado, Idaho Conference on Housing and Economic Development, and Missouri Workforce Housing Association.

VI. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Performed analyses of various real estate asset types subject to USDA 4279-B, Business and Industry Guaranteed Loans, Section 4279.150 guidelines.

Conducted various Highest and Best Use Analyses for proposed development sites nationwide. Completed an analysis of existing and proposed senior supply of all types of real estate, and conducted various demand and feasibility analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.

Performed various community-wide affordable housing market analyses and needs assessments for communities and counties throughout the Midwest and Western states. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing. Additional analyses included identification of housing gaps, potential funding sources, and determination of appropriate recommendations. These studies are typically used by local, state, and federal agencies in order to assist with housing development and potential financing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

Performed appraisals of LIHTC assets for Year 15 purposes; valuations of both the underlying real estate asset and partnership interests have been completed. These reports were utilized to assist in potential disposition options for the property, including sale of the asset, buyout of one or more partners, or potential conversion to market rate.

ADDENDUM C
Subject Photos

Photographs of Subject Site and Surrounding Uses



Subject signage



Subject exterior



Subject exterior



Subject leasing office



Subject exterior



Subject exterior



Subject exterior



Subject breezeway



Subject playground



Subject swimming pool



Subject mailboxes



Subject bar-b-que grill



Subject leasing office



Subject community room (not in use)



Subject computer lab (not in use)



Subject maintenance shed



Subject typical dumpster



Subject typical parking area



Subject central laundry facility



Subject central laundry facility



Subject sports court (not in use)



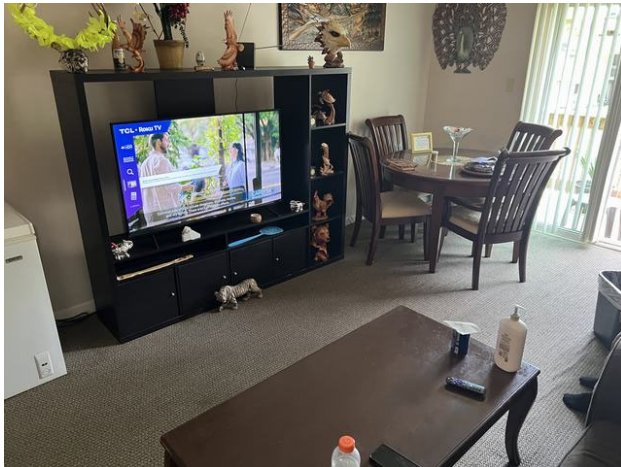
Typical Subject kitchen



Typical Subject kitchen



Typical Subject living room



Typical Subject living room



Typical Subject bathroom



Typical Subject bathroom



Typical Subject bedroom



Typical Subject bedroom closet



Typical Subject bedroom closet



Typical Subject bedroom closet



Typical Subject bedroom



Typical Subject dining area



Typical Subject patio



Typical Subject balcony



Typical Subject pantry



View north along Pine Creek Ct. Ext.



View south along Pine Creek Ct. Ext.



View north toward forested land



View east toward trees and single-family



View south toward forested land



View west toward forested land

ADDENDUM D
Rent Roll

PK Management, LLC - Highland Square

Affordable Rent Roll Detail/ GPR Report

07/01/2024 through 07/31/2024

Parameters: Property - ; Programs/Contract - All; Sort by - Unit; Report Type - Details + Summary; Includes - Summary by Bedroom

Unit	Floor plan	Program/Set-Aside	Name	Move in	Move out	Market/ Note Rate Rent	Lease Rent	Loss/Gain to Lease	Vacancy	Actual Rent Charge	Actual Subsidy Charge	Excess Income/ Overage	Utility Reimb	Conc	Write Offs	Rental Income
00-001	1BR 1BATH	SC16M000058	McKinney, Cynthia	02/05/2021		1,081.00	1,081.00	0.00	0.00	176.00	905.00	0.00	0.00	0.00	0.00	1,081.00
00-002	1BR 1BATH	SC16M000058	Mosley, Eric	02/03/2023		1,081.00	1,081.00	0.00	0.00	597.00	484.00	0.00	0.00	0.00	0.00	1,081.00
00-003	1BR 1BATH	SC16M000058	Campbell, Bennie	12/20/2017		1,081.00	1,081.00	0.00	0.00	189.00	892.00	0.00	0.00	0.00	0.00	1,081.00
00-004	1BR 1BATH	SC16M000058	Woods, Mary	08/31/2022		1,081.00	1,081.00	0.00	0.00	238.00	843.00	0.00	0.00	0.00	0.00	1,081.00
00-005	1BR 1BATH	SC16M000058	Arnold, James	10/30/2023		1,081.00	1,081.00	0.00	0.00	181.00	900.00	0.00	0.00	0.00	0.00	1,081.00
00-006	1BR 1BATH	SC16M000058	Drummond, Latoya	09/03/2008		1,081.00	1,081.00	0.00	0.00	199.00	882.00	0.00	0.00	0.00	0.00	1,081.00
00-007	1BR 1BATH	SC16M000058	Ellison, Angela	04/15/2022		1,081.00	1,081.00	0.00	0.00	215.00	866.00	0.00	0.00	0.00	0.00	1,081.00
00-008	1BR 1BATH	SC16M000058	Young, Keyosha	09/14/2018		1,081.00	1,081.00	0.00	0.00	570.00	511.00	0.00	0.00	0.00	0.00	1,081.00
00-009	1BR 1BATH	SC16M000058	BEASLEY, MARY	01/06/2022		1,081.00	1,081.00	0.00	0.00	472.00	609.00	0.00	0.00	0.00	0.00	1,081.00
00-010	1BR 1BATH	SC16M000058	Smith, Ira	09/01/2022		1,081.00	1,081.00	0.00	0.00	176.00	905.00	0.00	0.00	0.00	0.00	1,081.00
00-011	1BR 1BATH	SC16M000058	Robinson, Batista	04/05/2022		1,081.00	1,081.00	0.00	0.00	801.00	280.00	0.00	0.00	0.00	0.00	1,081.00
00-012	1BR 1BATH	SC16M000058	Martin, Kierra	04/10/2015		1,081.00	1,081.00	0.00	0.00	542.00	539.00	0.00	0.00	0.00	0.00	1,081.00
00-013	1BR 1BATH	SC16M000058	LEAKE, BOBBY	01/20/1989		1,081.00	1,081.00	0.00	0.00	209.00	872.00	0.00	0.00	0.00	0.00	1,081.00
00-014	1BR 1BATH	SC16M000058	Paul, Latasha	08/14/2023		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	60.00	0.00	0.00	1,081.00
00-015	1BR 1BATH	SC16M000058	OWENS, PATRICIA	03/01/2010		1,081.00	1,081.00	0.00	0.00	188.00	893.00	0.00	0.00	0.00	0.00	1,081.00
00-016	1BR 1BATH	SC16M000058	Johnson, Joann	12/14/2018		1,081.00	1,081.00	0.00	0.00	171.00	910.00	0.00	0.00	0.00	0.00	1,081.00
00-017	1BR 1BATH	SC16M000058	Hughes, Toniette	09/13/2021		1,081.00	1,081.00	0.00	0.00	162.00	919.00	0.00	0.00	0.00	0.00	1,081.00
00-018	1BR 1BATH	SC16M000058	Wilson, Mattie	02/03/2023		1,081.00	1,081.00	0.00	0.00	284.00	797.00	0.00	0.00	0.00	0.00	1,081.00
00-019	1BR 1BATH	SC16M000058	Boyd, Maria	07/22/2021		1,081.00	1,081.00	0.00	0.00	188.00	893.00	0.00	0.00	0.00	0.00	1,081.00
00-020	1BR 1BATH	SC16M000058	Sims, Kimm	06/23/2022		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	60.00	0.00	0.00	1,081.00
00-021	1BR 1BATH	SC16M000058	Sulivan, Tina	03/21/2023		1,081.00	1,081.00	0.00	0.00	188.00	893.00	0.00	0.00	0.00	0.00	1,081.00
00-022	1BR 1BATH	SC16M000058	Childress, John	07/02/2021		1,081.00	1,081.00	0.00	0.00	194.00	887.00	0.00	0.00	0.00	0.00	1,081.00
00-023	1BR 1BATH	SC16M000058	McCullough, Michelle	04/11/2022		1,081.00	1,081.00	0.00	0.00	188.00	893.00	0.00	0.00	0.00	0.00	1,081.00
00-024	1BR 1BATH	SC16M000058	Beasley, Mary	02/01/2024		1,081.00	1,081.00	0.00	0.00	660.00	421.00	0.00	0.00	0.00	0.00	1,081.00
00-025	1BR 1BATH	SC16M000058	Hellams, Lakendra	12/23/2014		1,081.00	1,081.00	0.00	0.00	641.00	440.00	0.00	0.00	0.00	0.00	1,081.00
00-026	1BR 1BATH	SC16M000058	CLEVELAND, JENNIE	06/01/1991		1,081.00	1,081.00	0.00	0.00	226.00	855.00	0.00	0.00	0.00	0.00	1,081.00
00-027	1BR 1BATH	SC16M000058	Whitner, Glenora	10/05/2012		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	60.00	0.00	0.00	1,081.00
00-028	1BR 1BATH	SC16M000058	MARTIN, PATRICK	08/17/2023		1,081.00	1,081.00	0.00	0.00	164.00	917.00	0.00	0.00	0.00	0.00	1,081.00
00-029	1BR 1BATH	SC16M000058	Evans, Subrina	06/05/2024		1,081.00	1,081.00	0.00	0.00	602.00	479.00	0.00	0.00	0.00	0.00	1,081.00
00-030	1BR 1BATH	SC16M000058	Durham, Darlene	10/05/2021		1,081.00	1,081.00	0.00	0.00	179.00	902.00	0.00	0.00	0.00	0.00	1,081.00
00-031	1BR 1BATH	SC16M000058	Johnson, Gerald	08/11/2017		1,081.00	1,081.00	0.00	0.00	253.00	828.00	0.00	0.00	0.00	0.00	1,081.00

OneSite Leasing & Rents Affordable
8/7/2024 01:06:34 PM

PK Management, LLC - Highland Square

Affordable Rent Roll Detail/ GPR Report

07/01/2024 through 07/31/2024

Parameters: Property - ; Programs/Contract - All; Sort by - Unit; Report Type - Details + Summary; Includes - Summary by Bedroom

00-032	1BR 1BATH	SC16M000058	Sullivan, Sheila	01/11/2019		1,081.00	1,081.00	0.00	0.00	243.00	838.00	0.00	0.00	0.00	0.00	1,081.00
00-033	1BR 1BATH	SC16M000058	Payton, Roy	08/05/2021		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	55.00	0.00	0.00	1,081.00
00-034	1BR 1BATH	SC16M000058	Johnson, Mary	09/07/2017		1,081.00	1,081.00	0.00	0.00	185.00	896.00	0.00	0.00	0.00	0.00	1,081.00
00-035	1BR 1BATH	SC16M000058	Dotson, Chris	02/08/2019		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	55.00	0.00	0.00	1,081.00
00-036	1BR 1BATH	SC16M000058	Arnold, Blanche	01/18/2024		1,081.00	1,081.00	0.00	0.00	278.00	803.00	0.00	0.00	0.00	0.00	1,081.00
00-037	1BR 1BATH	SC16M000058	Griffin, Demetrius	02/07/2022		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	60.00	0.00	0.00	1,081.00
00-038	1BR 1BATH	SC16M000058	HEYWARD, HORRINITA	06/10/2005		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	60.00	0.00	0.00	1,081.00
00-039	1BR 1BATH	SC16M000058	Culbertson, Virginia	11/01/2022		1,081.00	1,081.00	0.00	0.00	0.00	1,081.00	0.00	10.00	0.00	0.00	1,081.00
00-040	1BR 1BATH	SC16M000058	Miller, Rachel	10/05/2023		1,081.00	1,081.00	0.00	0.00	455.00	626.00	0.00	0.00	0.00	0.00	1,081.00
00-041	3BR 2BATH	SC16M000058	Fuller, Latisha	01/06/2015		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-042	3BR 2BATH	SC16M000058	Moore, Jane	10/13/2022		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	48.00	0.00	0.00	1,520.00
00-043	3BR 2BATH	SC16M000058	Porter, Stascia	11/14/2023		1,520.00	1,520.00	0.00	0.00	81.00	1,439.00	0.00	0.00	0.00	0.00	1,520.00
00-044	3BR 2BATH	SC16M000058	WASHINGTON, BRATAMNIA	02/01/2013		1,520.00	1,520.00	0.00	0.00	754.00	766.00	0.00	0.00	0.00	0.00	1,520.00
00-045	3BR 2BATH	SC16M000058	Baldwin, Alexis	12/08/2020		1,520.00	1,520.00	0.00	0.00	435.00	1,085.00	0.00	0.00	0.00	0.00	1,520.00
00-046	3BR 2BATH	SC16M000058	Clinkscales, Shankeira	10/13/2023		1,520.00	1,520.00	0.00	0.00	775.00	745.00	0.00	0.00	0.00	0.00	1,520.00
00-047	3BR 2BATH	SC16M000058	Covington, Mary	03/05/2021		1,520.00	1,520.00	0.00	0.00	311.00	1,209.00	0.00	0.00	0.00	0.00	1,520.00
00-048	3BR 2BATH	SC16M000058	Hargrove, Jacquera	08/21/2017		1,520.00	1,520.00	0.00	0.00	240.00	1,280.00	0.00	0.00	0.00	0.00	1,520.00
00-049	3BR 2BATH	SC16M000058	Terry, Alexis	09/20/2017		1,520.00	1,520.00	0.00	0.00	350.00	1,170.00	0.00	0.00	0.00	0.00	1,520.00
00-050	3BR 2BATH	SC16M000058	Justice, Meggan	08/01/2022		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-051	3BR 2BATH	SC16M000058	Crowley, Jeremy	06/19/2015		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	105.00	0.00	0.00	1,520.00
00-052	3BR 2BATH	SC16M000058	Williams, Sasha	10/03/2022		1,520.00	1,520.00	0.00	0.00	632.00	888.00	0.00	0.00	0.00	0.00	1,520.00
00-053	3BR 2BATH	SC16M000058	Fleming, Cherdricka	10/10/2023		1,520.00	1,520.00	0.00	0.00	525.00	995.00	0.00	0.00	0.00	0.00	1,520.00
00-054	3BR 2BATH	SC16M000058	Hairston, Jessica	02/10/2022		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-055	3BR 2BATH	SC16M000058	Porter, Brittany	01/15/2020		1,520.00	1,520.00	0.00	0.00	133.00	1,387.00	0.00	0.00	0.00	0.00	1,520.00
00-056	3BR 2BATH	SC16M000058	Bull, Taneisha	10/11/2022		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-057	2BR 1BATH	SC16M000058	Arnold, Donna	09/01/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-058	2BR 1BATH	SC16M000058	VACANT	06/11/2024		1,244.00	1,244.00	0.00	1,244.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-059	2BR 1BATH	SC16M000058	Rhodes, Nedria	05/13/2020		1,244.00	1,244.00	0.00	0.00	167.00	1,077.00	0.00	0.00	0.00	0.00	1,244.00
00-060	2BR 1BATH	SC16M000058	Sullivan- Blassingame, Kathy	03/07/2014		1,244.00	1,244.00	0.00	0.00	191.00	1,053.00	0.00	0.00	0.00	0.00	1,244.00
00-061	2BR 1BATH	SC16M000058	Holmes, Yolanda	03/01/2019		1,244.00	1,244.00	0.00	0.00	165.00	1,079.00	0.00	0.00	0.00	0.00	1,244.00
00-062	2BR 1BATH	SC16M000058	Leonard, Regina	01/22/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	64.00	0.00	0.00	1,244.00
00-063	2BR 1BATH	SC16M000058	Caldwell, Cornesia	11/01/2023		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	34.00	0.00	0.00	1,244.00

Affordable Rent Roll Detail/ GPR Report

07/01/2024 through 07/31/2024

Parameters: Property - ; Programs/Contract - All; Sort by - Unit; Report Type - Details + Summary; Includes - Summary by Bedroom

00-064	2BR 1BATH	SC16M000058	Lunsford, Tyquilla	05/20/2020		1,244.00	1,244.00	0.00	0.00	513.00	731.00	0.00	0.00	0.00	0.00	1,244.00
00-065	2BR 1BATH	SC16M000058	CLINKSCALES, Sabrina	08/21/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-066	2BR 1BATH	SC16M000058	Breazeale, Kaitlyn	02/08/2024		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-067	2BR 1BATH	SC16M000058	Sheppard, Janice	06/13/2011		1,244.00	1,244.00	0.00	0.00	155.00	1,089.00	0.00	0.00	0.00	0.00	1,244.00
00-068	2BR 1BATH	SC16M000058	Burton, Bobbie	01/22/2021		1,244.00	1,244.00	0.00	0.00	262.00	982.00	0.00	0.00	0.00	0.00	1,244.00
00-069	2BR 1BATH	SC16M000058	Cancio-Gonzalez, Lauren	02/16/2023		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-070	2BR 1BATH	SC16M000058	Tompkins, Yvette	04/29/2022		1,244.00	1,244.00	0.00	0.00	149.00	1,095.00	0.00	0.00	0.00	0.00	1,244.00
00-071	2BR 1BATH	SC16M000058	Amos, Avea	11/11/2016		1,244.00	1,244.00	0.00	0.00	138.00	1,106.00	0.00	0.00	0.00	0.00	1,244.00
00-072	2BR 1BATH	SC16M000058	Locklear, Tiandra	11/03/2014		1,244.00	1,244.00	0.00	0.00	593.00	651.00	0.00	0.00	0.00	0.00	1,244.00
00-073	2BR 1BATH	SC16M000058	Mertens, Lisa	01/25/2019		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	73.00	0.00	0.00	1,244.00
00-074	2BR 1BATH	SC16M000058	Williams-Austin, Qualashia	04/06/2015		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-075	2BR 1BATH	SC16M000058	Seaborn, Margaret	05/09/2024		1,244.00	1,244.00	0.00	0.00	429.00	815.00	0.00	0.00	0.00	0.00	1,244.00
00-076	2BR 1BATH	SC16M000058	Anderson, Kimiko	03/13/2017		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-077	2BR 1BATH	SC16M000058	Lindsey, Maggie	12/01/2017		1,244.00	1,244.00	0.00	0.00	109.00	1,135.00	0.00	0.00	0.00	0.00	1,244.00
00-078	2BR 1BATH	SC16M000058	Willis, Yashia	01/17/2023		1,244.00	1,244.00	0.00	0.00	180.00	1,064.00	0.00	0.00	0.00	0.00	1,244.00
00-079	2BR 1BATH	SC16M000058	Leach, Daniel	02/06/2018		1,244.00	1,244.00	0.00	0.00	149.00	1,095.00	0.00	0.00	0.00	0.00	1,244.00
00-080	2BR 1BATH	SC16M000058	Folston, Jessica	01/22/2020		1,244.00	1,244.00	0.00	0.00	246.00	998.00	0.00	0.00	0.00	0.00	1,244.00
00-081	2BR 1BATH	SC16M000058	Lindsay, Sandra	10/30/2017		1,244.00	1,244.00	0.00	0.00	127.00	1,117.00	0.00	0.00	0.00	0.00	1,244.00
00-082	2BR 1BATH	SC16M000058	Mosley, Brittani	09/21/2021		1,244.00	1,244.00	0.00	0.00	158.00	1,086.00	0.00	0.00	0.00	0.00	1,244.00
00-083	2BR 1BATH	SC16M000058	Sherman, Courtney	10/21/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	83.00	0.00	0.00	1,244.00
00-084	2BR 1BATH	SC16M000058	McMorris, Tykayla	07/27/2019		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-085	2BR 1BATH	SC16M000058	Cain, Kyanda	04/16/2024		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-086	2BR 1BATH	SC16M000058	Riley, Chatiera	10/13/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-087	2BR 1BATH	SC16M000058	Berry, Sarah	07/27/2018		1,244.00	1,244.00	0.00	0.00	211.00	1,033.00	0.00	0.00	0.00	0.00	1,244.00
00-088	2BR 1BATH	SC16M000058	Sullivan, Stephanie	09/13/2021		1,244.00	1,244.00	0.00	0.00	495.00	749.00	0.00	0.00	0.00	0.00	1,244.00
00-089	2BR 1BATH	SC16M000058	Wright, Maycoia	01/12/2017		1,244.00	1,244.00	0.00	0.00	277.00	967.00	0.00	0.00	0.00	0.00	1,244.00
00-090	2BR 1BATH	SC16M000058	Mayes, Marshall	03/12/2014		1,244.00	1,244.00	0.00	0.00	179.00	1,065.00	0.00	0.00	0.00	0.00	1,244.00
00-091	2BR 1BATH	SC16M000058	Blakely, Deasian	11/19/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-092	2BR 1BATH	SC16M000058	Billie, Linda	06/02/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-093	2BR 1BATH	SC16M000058	Smalls, Clarice	01/18/2019		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-094	2BR 1BATH	SC16M000058	Sullivan, Sammy	09/11/2015		1,244.00	1,244.00	0.00	0.00	328.00	916.00	0.00	0.00	0.00	0.00	1,244.00
00-095	2BR 1BATH	SC16M000058	Means, Amber	03/01/2019		1,244.00	1,244.00	0.00	0.00	136.00	1,108.00	0.00	0.00	0.00	0.00	1,244.00

OneSite Leasing & Rents Affordable
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PK Management, LLC - Highland Square

Affordable Rent Roll Detail/ GPR Report

07/01/2024 through 07/31/2024

Parameters: Property - ; Programs/Contract - All; Sort by - Unit; Report Type - Details + Summary; Includes - Summary by Bedroom

00-096	2BR 1BATH	SC16M000058	Jackson, Demetrius	11/27/2023		1,244.00	1,244.00	0.00	0.00	777.00	467.00	0.00	0.00	0.00	0.00	1,244.00
00-097	3BR 2BATH	SC16M000058	Williams, Jessica	08/25/2021		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	29.00	0.00	0.00	1,520.00
00-098	3BR 2BATH	SC16M000058	Sullivan, Jasmine	01/13/2020		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-099	3BR 2BATH	SC16M000058	Akpotanor, Brandy	07/02/2024		1,520.00	1,520.00	0.00	0.00	391.00	1,080.00	0.00	0.00	0.00	0.00	1,471.00
00-099	3BR 2BATH	SC16M000058	VACANT	05/14/2024	07/01/2024			0.00	49.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-100	3BR 2BATH	SC16M000058	Riser, Renada	01/11/2019		1,520.00	1,520.00	0.00	0.00	706.00	814.00	0.00	0.00	0.00	0.00	1,520.00
00-101	3BR 2BATH	SC16M000058	Jones, Marjorie	09/03/2021		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-102	3BR 2BATH	SC16M000058	Massey, Chenora	04/10/2023		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-103	3BR 2BATH	SC16M000058	Powell, Sheila	05/20/2022		1,520.00	1,520.00	0.00	0.00	522.00	998.00	0.00	0.00	0.00	0.00	1,520.00
00-104	3BR 2BATH	SC16M000058	McGee, Donje	01/03/2023		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-105	3BR 2BATH	SC16M000058	Jones, Alice	09/20/2017		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-106	3BR 2BATH	SC16M000058	Durham, Tiara	12/18/2023		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	24.00	0.00	0.00	1,520.00
00-107	3BR 2BATH	SC16M000058	Rice-Brannon, Mikieal	03/05/2021		1,520.00	1,520.00	0.00	0.00	429.00	1,091.00	0.00	0.00	0.00	0.00	1,520.00
00-108	3BR 2BATH	SC16M000058	Vanhoose, Katelyn	08/26/2019		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-109	3BR 2BATH	SC16M000058	Jones, Datona	07/24/2020		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	18.00	0.00	0.00	1,520.00
00-110	3BR 2BATH	SC16M000058	Gipson, Eva	09/18/2015		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	102.00	0.00	0.00	1,520.00
00-111	3BR 2BATH	SC16M000058	Sullivan, Jerica	01/13/2016		1,520.00	1,520.00	0.00	0.00	0.00	1,520.00	0.00	113.00	0.00	0.00	1,520.00
00-112	3BR 2BATH	SC16M000058	Boyd, Kerita	07/19/2024		1,520.00	1,520.00	0.00	0.00	0.00	637.00	0.00	47.00	0.00	0.00	637.00
00-112	3BR 2BATH	SC16M000058	VACANT	06/01/2024	07/18/2024			0.00	883.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-113	2BR 1BATH	SC16M000058	Rogers, Kelli	03/16/2023		1,244.00	1,244.00	0.00	0.00	149.00	1,095.00	0.00	0.00	0.00	0.00	1,244.00
00-114	2BR 1BATH	SC16M000058	Clark, Auriel	10/30/2023		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	0.00	0.00	0.00	1,244.00
00-115	2BR 1BATH	SC16M000058	Sullivan, Jessica	02/24/2018		1,244.00	1,244.00	0.00	0.00	159.00	1,085.00	0.00	0.00	0.00	0.00	1,244.00
00-116	2BR 1BATH	SC16M000058	Young, Ashley	04/15/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-117	2BR 1BATH	SC16M000058	Wornex, Leenisha	03/11/2019		1,244.00	1,244.00	0.00	0.00	261.00	983.00	0.00	0.00	0.00	0.00	1,244.00
00-118	2BR 1BATH	SC16M000058	Walker, Angelia	11/18/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-119	2BR 1BATH	SC16M000058	Connor, Yoka	10/17/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-120	2BR 1BATH	SC16M000058	Sheppard, Ada	07/22/2024		1,244.00	1,244.00	0.00	0.00	0.00	401.00	0.00	28.00	0.00	0.00	401.00
00-120	2BR 1BATH	SC16M000058	VACANT	06/29/2024	07/21/2024			0.00	843.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-121	2BR 1BATH	SC16M000058	Brooks, Denise	09/14/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-122	2BR 1BATH	SC16M000058	Barnard, Alexis	02/09/2023		1,244.00	1,244.00	0.00	0.00	150.00	1,094.00	0.00	0.00	0.00	0.00	1,244.00
00-123	2BR 1BATH	SC16M000058	VACANT	07/01/2024		1,244.00	1,244.00	0.00	1,244.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-124	2BR 1BATH	SC16M000058	Sweeney, Sydney	01/19/2024		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00

OneSite Leasing & Rents Affordable
8/7/2024 01:06:34 PM

PK Management, LLC - Highland Square

Affordable Rent Roll Detail/ GPR Report

07/01/2024 through 07/31/2024

Parameters: Property - ; Programs/Contract - All; Sort by - Unit; Report Type - Details + Summary; Includes - Summary by Bedroom

00-125	2BR 1BATH	SC16M000058	Jackson, Quindacia	09/10/2021		1,244.00	1,244.00	0.00	0.00	359.00	885.00	0.00	0.00	0.00	0.00	1,244.00
00-126	2BR 1BATH	SC16M000058	Craig, Ca/Tanelous	12/21/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-127	2BR 1BATH	SC16M000058	Scott, Whitney	04/17/2018		1,244.00	1,244.00	0.00	0.00	515.00	729.00	0.00	0.00	0.00	0.00	1,244.00
00-128	2BR 1BATH	SC16M000058	Mcilwain, Surina	09/03/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-129	2BR 1BATH	SC16M000058	Mullen, Jada	04/09/2024		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-130	2BR 1BATH	SC16M000058	Paden, Porsha	01/16/2024		1,244.00	1,244.00	0.00	0.00	435.00	809.00	0.00	0.00	0.00	0.00	1,244.00
00-131	2BR 1BATH	SC16M000058	Martin, Lastasha	01/26/2016		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-132	2BR 1BATH	SC16M000058	Rollinson, Jasmine	09/20/2021		1,244.00	1,244.00	0.00	0.00	481.00	763.00	0.00	0.00	0.00	0.00	1,244.00
00-133	2BR 1BATH	SC16M000058	Young, Kenya	05/06/2022		1,244.00	1,244.00	0.00	0.00	245.00	999.00	0.00	0.00	0.00	0.00	1,244.00
00-134	2BR 1BATH	SC16M000058	Johnson, Niya	11/01/2022		1,244.00	1,244.00	0.00	0.00	72.00	1,172.00	0.00	0.00	0.00	0.00	1,244.00
00-135	2BR 1BATH	SC16M000058	Bell, Christian	10/03/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-136	2BR 1BATH	SC16M000058	Todd, Patricia	05/02/2018		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-137	2BR 1BATH	SC16M000058	Wright, Kowanika	04/28/2022		1,244.00	1,244.00	0.00	0.00	393.00	851.00	0.00	0.00	0.00	0.00	1,244.00
00-138	2BR 1BATH	SC16M000058	Mullen, Sherri	09/04/2014		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-139	2BR 1BATH	SC16M000058	Mulwee, Shontai	10/04/2023		1,244.00	1,244.00	0.00	0.00	150.00	1,094.00	0.00	0.00	0.00	0.00	1,244.00
00-140	2BR 1BATH	SC16M000058	Harris, Belinda	03/24/2022		1,244.00	1,244.00	0.00	0.00	3.00	1,241.00	0.00	0.00	0.00	0.00	1,244.00
00-141	2BR 1BATH	SC16M000058	Cowan, Truemilla	09/01/2017		1,244.00	1,244.00	0.00	0.00	559.00	685.00	0.00	0.00	0.00	0.00	1,244.00
00-142	2BR 1BATH	SC16M000058	Jones, Samuel	11/12/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-143	2BR 1BATH	SC16M000058	Peace, Lilandra	11/06/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-144	2BR 1BATH	SC16M000058	Arnold, Ashley	02/10/2020		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	64.00	0.00	0.00	1,244.00
00-145	2BR 1BATH	SC16M000058	Clinkscales, Lacretria	05/13/2019		1,244.00	1,244.00	0.00	0.00	739.00	505.00	0.00	0.00	0.00	0.00	1,244.00
00-146	2BR 1BATH	SC16M000058	Anderson, Natisha	07/22/2024		1,244.00	1,244.00	0.00	0.00	0.00	401.00	0.00	28.00	0.00	0.00	401.00
00-146	2BR 1BATH	SC16M000058	VACANT	06/05/2024	07/21/2024			0.00	843.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00-147	2BR 1BATH	SC16M000058	Lee, Alexis	06/07/2024		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-148	2BR 1BATH	SC16M000058	Ware-Sullivan, Pamela	11/10/2022		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
00-149	2BR 1BATH	SC16M000058	Wilborn, Miriam	01/19/2018		1,244.00	1,244.00	0.00	0.00	11.00	1,233.00	0.00	0.00	0.00	0.00	1,244.00
00-150	2BR 1BATH	SC16M000058	Anderson, Andrea	05/26/2016		1,244.00	1,244.00	0.00	0.00	159.00	1,085.00	0.00	0.00	0.00	0.00	1,244.00
00-151	2BR 1BATH	SC16M000058	Massey, James	11/23/2022		1,244.00	1,244.00	0.00	0.00	724.00	520.00	0.00	0.00	0.00	0.00	1,244.00
00-152	2BR 1BATH	SC16M000058	Griggs, Teresa	05/12/2021		1,244.00	1,244.00	0.00	0.00	0.00	1,244.00	0.00	87.00	0.00	0.00	1,244.00
Totals						191,400.00	191,400.00	0.00	5,106.00	27,996.00	158,298.00	0.00	4,933.00	0.00	0.00	186,294.00

ADDENDUM E

Financials

Highland Square
Operating Statement Summary

As of Date:

12/31/2022

Location:

Highland Square--Highland Square

	Month Ending 12/31/2022		Budget vs	Year To Date 12/31/2022		Budget vs	Prior YTD 12/31/2021	Cur vs Prior YTD 12/31/2022	Year Ending 12/31/2022
	Actuals	Budget	Actuals	Actuals	Budget	Actuals	Actuals		Budget
FINANCIAL ECONOMIC OCCUPANCY (%)	97.50 %	97.93 %	(0.43) %	97.36 %	97.93 %	(0.57) %	98.26 %		97.93 %
RENTAL REVENUE									
GROSS POTENTIAL	185,232	184,520	712	2,173,152	2,172,440	712	1,843,393	329,759	2,172,440
VACANCY	(4,226)	(3,642)	(584)	(50,630)	(42,879)	(7,751)	(29,296)	(21,334)	(42,879)
BAD DEBT	(396)	(171)	(225)	(6,803)	(2,052)	(4,751)	(2,706)	(4,097)	(2,052)
RENTAL REVENUE	180,610	180,707	(97)	2,115,719	2,127,509	(11,790)	1,811,391	304,328	2,127,509
OTHER REVENUE									
FINANCIAL REVENUE	46	0	46	193	0	193	65	128	0
LAUNDRY & VENDING	100	83	16	1,853	1,000	853	690	1,163	1,000
TENANT CHARGES	50	125	(75)	2,810	1,500	1,310	63,273	(60,462)	1,500
OTHER RENTAL INCOME	237	238	0	2,850	2,856	(6)	2,870	(20)	2,856
OTHER REVENUE	433	446	(13)	7,706	5,356	2,350	66,898	(59,191)	5,356
REVENUE	181,043	181,153	(110)	2,123,425	2,132,865	(9,440)	1,878,289	245,137	2,132,865
ADMINISTRATIVE EXPENSES	26,350	11,180	(15,170)	150,483	140,589	(9,894)	152,437	1,954	140,589
PAYROLL EXPENSES	27,205	38,022	10,817	325,250	351,370	26,120	319,365	(5,886)	351,370
UTILITY EXPENSES	21,787	9,940	(11,847)	156,707	119,277	(37,430)	151,400	(5,307)	119,277
OPERATING & MAINTENANCE	15,376	12,579	(2,797)	170,605	166,092	(4,513)	148,268	(22,337)	166,092
TAXES & INSURANCE	32,080	20,160	(11,920)	221,049	238,378	17,329	222,282	1,233	238,378
CONTROLLABLE EXPENSES	122,798	91,881	(30,917)	1,024,094	1,015,706	(8,388)	993,752	(30,342)	1,015,706
NET OPERATING INCOME	58,245	89,272	(31,027)	1,099,331	1,117,159	(17,828)	884,537	214,794	1,117,159
DEBT SERVICE	86,442	60,866	(25,576)	1,118,933	521,777	(597,156)	405,670	(713,263)	521,777
CAPITAL EXPENSES	9,829	1,555	(8,274)	225,143	62,760	(162,383)	140,551	(84,593)	62,760
RESERVE FUNDING	0	0	0	554,839	29,562	525,277	270,576	284,263	29,562
OPERATING CASH FLOW	(38,026)	26,851	(64,877)	310,094	562,184	(252,090)	608,892	(298,798)	562,184
CORP ENTITY	690,669	30,917	659,752	810,856	283,012	527,844	0		283,012
CASH FLOW AFTER CORP	(728,695)	(4,066)	(724,629)	(500,762)	279,172	(779,934)	608,892		279,172
OPERATING MARGINS (%)	32.17 %	49.28 %	(17.11) %	51.77 %	52.38 %	(0.61) %	47.09 %		52.38 %
DEBT COVERAGE RATIO	0.66	1.51	(0.85)	1.99	2.28	(0.29)	2.59		2.28

Highland Square

Operating Statement Details

As of Date:

12/31/2022

Location:

Highland Square--Highland Square

	Month Ending 12/31/2022		Budget vs	Year To Date 12/31/2022		Budget vs
	Actuals	Budget	Actuals Monthly BVA Notes	Actuals	Budget	Actuals YTD BVA Notes
FINANCIAL PHYSICAL OCCUPANCY (%)	97.72 %	98.03 %	(0.31) %	97.67 %	98.03 %	(0.36) %
FINANCIAL ECONOMIC OCCUPANCY (%)	97.50 %	97.93 %	(0.43) %	97.36 %	97.93 %	(0.57) %
RENTAL REVENUE						
512000 - Tenant Rental Income	24,077	55,356	(31,279)	255,556	651,732	(396,176)
512100 - Tenant Asst Pmts	161,155	129,164	31,991	1,917,596	1,520,708	396,888
Total GROSS POTENTIAL	185,232	184,520	712	2,173,152	2,172,440	712
522000 - Vacancy	(4,226)	(3,642)	(584)	(50,630)	(42,879)	(7,751)
Total VACANCY	(4,226)	(3,642)	(584)	(50,630)	(42,879)	(7,751)
637000 - Bad Debts	(396)	(171)	(225)	(6,803)	(2,052)	(4,751)
Total BAD DEBT	(396)	(171)	(225)	(6,803)	(2,052)	(4,751)
RENTAL REVENUE	180,610	180,707	(97)	2,115,719	2,127,509	(11,790)
OTHER REVENUE						
541000 - Interest Income Security Deposit	46	0	46	193	0	193
Total FINANCIAL REVENUE	46	0	46	193	0	193
535000 - Laundry Machine	100	83	16	1,853	1,000	853
Total LAUNDRY & VENDING	100	83	16	1,853	1,000	853
519310 - Special Claims Cares Act	0	0	0	1,461	0	1,461
592002 - Nsf Charges	50	0	50	50	0	50
592003 - Clean & Dmg Chrgrs	0	100	(100)	1,169	1,200	(31)
592004 - Locks, Keys, Lockouts	0	25	(25)	0	300	(300)
592005 - Legal Fees Charges	0	0	0	130	0	130
Total TENANT CHARGES	50	125	(75)	2,810	1,500	1,310
598004 - Cable Deferred Rev Amortization	237	238	0	2,850	2,856	(6)
Total OTHER RENTAL INCOME	237	238	0	2,850	2,856	(6)
OTHER REVENUE	433	446	(13)	7,706	5,356	2,350
REVENUE	181,043	181,153	(110)	2,123,425	2,132,865	(9,440)
ADMINISTRATIVE EXPENSES						
631800 - Seminars & Training	46	62	16	682	1,619	937
634200 - Consulting Fees	0	0	0	199	3,740	3,541
Total CONVENTIONS & MEETINGS	46	62	16	881	5,359	4,478
621000 - Advertising	0	20	20	1	240	239
621003 - Employment Advertising	101	79	(22)	997	948	(49)
Total ADVERTISING & MARKETING	101	99	(2)	998	1,188	190

12-2022 Write off tenant balances unit 39-Harris, Unit 4-Jk

621005 - Resident Services	250	46	(204)		818	852	34
624000 - Credit Investigation	(155)	136	291		583	1,632	1,049
Total OTHER RENTING SERVICES	95	182	87		1,401	2,484	1,083
621100 - Employee Apparel	7	0	(7)		286	630	344
622400 - Printing & Reproduction	0	1	1		44	12	(32)
622600 - Meals/Entertainment	0	35	35		355	420	65
631100 - Office Supplies	604	250	(354)		4,202	3,879	(323)
631101 - Copier Lease	361	25	(336)		1,858	300	(1,558)
631400 - Postage	204	81	(123)		416	972	556
631700 - Dues & Subscriptions	9	66	57		148	792	644
636000 - Telephone	114	529	415		1,817	6,348	4,531
636001 - Cell Phone	0	100	100		1,546	1,200	(346)
636002 - Answering Service	97	50	(47)		352	600	248
636003 - Internet	172	0	(172)		2,152	0	(2,152)
638600 - Comp Softwr & Suppl	926	908	(19)		6,483	10,896	4,413
638700 - Computer Hardware	0	0	0		676	0	(676)
638800 - Computer Support	383	200	(183)		3,297	2,400	(897)
Total OFFICE SUPPLIES	2,877	2,245	(633)		23,632	28,449	4,817
632000 - Management Fee Expense	13,772	6,536	(7,236)	Adjustment recorded at year	89,572	78,432	(11,140)
Total MANAGEMENT FEE	13,772	6,536	(7,236)		89,572	78,432	(11,140)
634000 - Legal	496	0	(496)		631	0	(631)
634002 - Legal Evictions	0	80	80		380	960	580
Total LEGAL EXPENSES	496	80	(416)		1,011	960	(51)
635000 - Audit/Tax Fees	8,005	609	(7,395)	Adjustment recorded at year	13,913	7,313	(6,600)
Total AUDIT FEES	8,005	609	(7,395)		13,913	7,313	(6,600)
635900 - Accounting Services	1,064	1,064	0		12,768	12,768	0
Total ACCOUNTING FEES	1,064	1,064	0		12,768	12,768	0
622500 - Travel Expense	0	50	50		3,280	600	(2,680)
631102 - Bank Charges	55	39	(16)		1,117	468	(649)
639000 - Misc Admin	0	30	30		25	360	335
639004 - Payroll Processing Fees	194	49	(145)		1,202	588	(614)
639011 - Nwp Disbursements	(355)	115	470		33	1,380	1,347
639100 - Employee Recognition	0	20	20		650	240	(410)
Total MISC ADMIN EXPENSES	(106)	303	409		6,307	3,636	(2,671)
Total ADMINISTRATIVE EXPENSES	26,350	11,180	(15,170)		150,483	140,589	(9,894)
PAYROLL EXPENSES							
649000 - Office Salaries	5,764	4,320	(1,444)		37,989	37,440	(549)
649100 - Property Manager	7,130	6,893	(237)		61,563	59,736	(1,827)
649001 - Leasing Overtime	445	0	(444)		5,812	0	(5,811)
649200 - Bonus Admin	811	449	(362)		5,060	3,888	(1,172)
Total OFFICE SALARIES	14,150	11,662	(2,487)		110,424	101,064	(9,359)
643000 - Maintenance Supervisor	7,703	6,555	(1,149)		58,464	56,810	(1,655)

643100 - Maintenance Salaries	(1,130)	10,362	11,492	48,363	89,814	41,451	
643101 - Maintenance Overtime	0	0	0	4,098	0	(4,098)	12-2022 Overtime is due to needed work for the REAC
643200 - Bonus Maint	(4,086)	676	4,762	1,100	5,862	4,762	
643300 - Maint Temp	1,767	0	(1,767)	20,831	0	(20,831)	12-2022 AAA Temp Service
649007 - Frontline Office Security	728	0	(728)	1,404	0	(1,404)	
649008 - Frontline Office Facilities	1,316	0	(1,316)	2,954	0	(2,954)	
Total MAINTENANCE SALARIES	6,298	17,593	11,294	137,214	152,486	15,271	
671800 - Social Security Tax	503	1,260	757	12,527	15,120	2,594	
671801 - Medicare	316	295	(21)	3,328	3,540	211	
671802 - Futa	0	30	30	210	360	150	
671803 - Suta	0	0	0	162	2,556	2,394	
Total PAYROLL TAX	819	1,585	766	16,227	21,576	5,349	
671900 - Workers Comp	2,422	2,422	0	20,994	20,994	0	
Total WORKERS COMP	2,422	2,422	0	20,994	20,994	0	
672200 - Health Insurance	2,148	4,088	1,940	31,066	49,056	17,990	
672300 - Dental	55	75	20	767	900	133	
672400 - Life/Ltd/Add	324	35	(289)	910	420	(490)	
672500 - Vision	(2)	0	2	54	0	(54)	
672601 - 401K	991	562	(429)	7,594	4,874	(2,720)	
Total BENEFITS	3,516	4,760	1,244	40,391	55,250	14,859	
Total PAYROLL EXPENSES	27,205	38,022	10,817	325,250	351,370	26,120	
UTILITY EXPENSES							
645000 - Electricity Expense	1,756	1,358	(398)	15,687	16,293	606	
645001 - Electric Vacant	198	200	2	5,664	2,400	(3,264)	
645100 - Water Expense	4,082	2,548	(1,534)	32,674	30,576	(2,098)	
645300 - Sewer Expense	15,751	5,834	(9,917)	102,682	70,008	(32,674)	12-2022 There was a significant leak in front of the B bulc
Total UTILITY EXPENSES	21,787	9,940	(11,847)	156,707	119,277	(37,430)	
OPERATING & MAINTENANCE							
651501 - Janitorial Supplies	94	179	85	1,743	2,150	407	
651502 - Repair Supplies	539	250	(289)	2,606	3,000	394	
651503 - Painting Supplies	768	250	(518)	3,973	3,000	(973)	
651504 - Exterminating Supplies	0	10	10	143	120	(23)	
651505 - Window Treatment	389	100	(289)	5,096	1,200	(3,897)	12-2022 Blind Replacements
651506 - Appliance Supplies	0	150	150	2,202	1,800	(401)	
651507 - Electrical Supplies	112	125	13	1,842	1,500	(342)	
651508 - Cabinet Hardware Supplies	0	10	10	0	120	120	
651509 - Plumbing Supplies	551	250	(301)	2,682	3,000	318	
651510 - Landscaping Supplies	0	0	0	784	1,200	415	
651511 - Cabinet Door Supplies	0	10	10	0	120	120	
651514 - Pool Supplies	0	0	0	633	1,191	559	
651516 - Bathtub Refinishing	0	100	100	850	1,200	350	
651519 - Fences, Enclosures & Gates	1,468	0	(1,468)	2,523	0	(2,522)	
651520 - Sheetrock Repairs	950	150	(800)	1,813	1,800	(14)	
651522 - Roof Repairs	0	0	0	1,250	1,200	(50)	
651526 - Door Hardware	1,137	100	(1,037)	2,103	1,200	(903)	
651527 - Window Repair Supplies	0	10	10	0	120	120	

655101 - Hvac Supplies	389	600	211		7,568	7,200	(368)	
Total SUPPLIES	6,397	2,294	(4,103)		37,811	31,121	(6,690)	
652001 - Landscaping Contract	1,400	1,464	64		16,347	24,875	8,528	
652002 - Exterminating Contract	805	775	(30)		4,745	3,100	(1,645)	
652003 - Repairs/Maint Contract	0	300	300		2,945	3,600	655	
652006 - Cleaning Unit Contract	1,334	600	(734)		15,759	7,200	(8,559)	12-2022 Cleaning for vacant units 007,028,023,070,137,5
652007 - Painting Contract Unit	685	600	(85)		12,690	7,200	(5,490)	12-2022 Unit paintings for # 52,50,59,148,135,4,119,118,1
652011 - Pool Contract	0	0	0		8,000	9,000	1,000	
652014 - Plumbing Contract	0	328	328		3,767	7,836	4,069	
652015 - Exterminating Bed Bugs	0	775	775		4,350	9,300	4,950	
Total CONTRACTS	4,224	4,842	618		68,603	72,111	3,508	
647000 - Refuse Contract	915	338	(577)		5,035	4,056	(979)	
Total TRASH REMOVAL	915	338	(577)		5,035	4,056	(979)	
651100 - Security Contract	3,840	4,000	160		49,818	48,000	(1,818)	
651300 - Fire Alarm System Contract	0	750	750		0	750	750	
651301 - Fire Alarm System Supplies	0	60	60		8,512	7,864	(648)	
Total SECURITY	3,840	4,810	970		58,330	56,614	(1,716)	
652501 - Snow Removal Supplies	0	150	150		0	450	450	
Total SNOW REMOVAL	0	150	150		0	450	450	
657000 - Motor Vehicle Repairs	0	125	125		826	1,500	674	
657500 - Maintenance Equipment	0	20	20		0	240	240	
Total VEHICLE & MAINT	0	145	145		826	1,740	914	
Total OPERATING & MAINTENANCE	15,376	12,579	(2,797)		170,605	166,092	(4,513)	
TAXES & INSURANCE								
671000 - Real Estate Tax	16,774	12,046	(4,729)	Adjustment recorded at year	142,300	144,550	2,250	
Total REAL ESTATE TAXES	16,774	12,046	(4,729)		142,300	144,550	2,250	
672000 - Insurance Expense	15,306	8,114	(7,191)	Adjustment recorded at year	77,652	93,678	16,026	
672004 - EPL / EO Ins	0	0	0		1,097	0	(1,097)	
672100 - Fidelity Bond	0	0	0		0	150	150	
Total PROPERTY & LIABILITY INS	15,306	8,114	(7,191)		78,749	93,828	15,079	
Total TAXES & INSURANCE	32,080	20,160	(11,920)		221,049	238,378	17,329	
CONTROLLABLE EXPENSES	122,798	91,881	(30,917)		1,024,094	1,015,706	(8,388)	
NET OPERATING INCOME	58,245	89,272	(31,027)		1,099,331	1,117,159	(17,828)	
812000 - Reserve Deposits	4,931	4,927	(4)		51,040	55,935	4,895	
813000 - Int Rate Cap Reserve	1,156	0	(1,156)		9,250	0	(9,249)	
832000 - Interest Expense	80,355	55,939	(24,416)		526,000	465,842	(60,159)	
686000 - Loan Fees	0	0	0		532,643	0	(532,643)	12-2022 As the result of the 3/23/2022 Refinance transact
Total DEBT SERVICE	86,442	60,866	(25,576)		1,118,933	521,777	(597,156)	
840000 - Capital Expenses	158,378	0	(158,378)	Reclass capital expenses to	158,378	0	(158,378)	12-2022 Reclass capital expenses to fixed assets

654300 - Extraordinary General	(23,610)	0	23,610
654307 - Extraordinary Meals	(62)	0	62
654340 - Extraordinary Appliance	(17,311)	460	17,771
654341 - Extraordinary Carpet	(24,451)	579	25,030
654342 - Extraordinary Plumbing	(22,565)	0	22,565
654346 - Extraordinary Cabinets	0	0	0
654348 - Extraordinary Park & Sidewalk	(47,500)	0	47,500
654350 - Extraordinary Windows	0	0	0
654351 - Extraordinary Hvac	(13,112)	0	13,112
654353 - Extraordinary Doors	0	416	416
654380 - COVID 19 Supplies	0	100	100
654388 - Extraordinary Reac Mor Expenses	62	0	(62)
Total CAP EX	9,829	1,555	(8,274)

850000 - Reserve Reimbur	0	0	0
865000 - Reimbur Other	0	0	0
Total RESERVE FUNDING	0	0	0

OPERATING CASH FLOW	(38,026)	26,851	(64,877)
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720000 - Interest Expense Contingent	1,433	1,698	(265)
720100 - Interest Expense Non Contingent	151,941	23,774	128,167
722000 - Asset Management Fee Related	537,295	5,445	531,850
CORP ENTITY	690,669	30,917	659,752
CASH FLOW AFTER CORP	(728,695)	(4,066)	(724,629)

OPERATING MARGINS (%)	32.17 %	49.28 %	(17.11) %
DEBT COVERAGE RATIO	0.66	1.51	(0.85)

0	19,100	19,100
0	0	0
0	5,520	5,520
0	6,948	6,948
0	0	0
2,287	0	(2,287)
0	0	0
2,600	0	(2,600)
0	0	0
724	4,992	4,268
69	1,200	1,131
61,085	25,000	(36,085)
225,143	62,760	(162,383)

22,339	29,562	(7,223)
532,500	0	532,500
554,839	29,562	525,277

310,094	562,184	(252,090)
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15,290	15,555	(265)
214,059	217,800	(3,741)
581,507	49,657	531,850
810,856	283,012	527,844
(500,762)	279,172	(779,934)

51.77 %	52.38 %	(0.61) %
1.99	2.28	(0.29)

12-2022 REAC expenses include prep, travel, meals, tree

ADDENDUM F

Floor Plans

ADDENDUM G
Purchase and Sale Agreement, LURA, Etc.
(As Applicable)

PURCHASE OPTION AGREEMENT
(Highland Square)

PURCHASE OPTION AGREEMENT (the “Agreement”) is made and entered into as of March 23, 2022 (the “Effective Date”), between HS INVESTORS LLC, a Delaware limited liability company (the “Owner”), and JAVELIN 2022, LLC, a Delaware limited liability company (the “Optionee”).

Recitals

A. The Owner is governed by that certain Amended and Restated Limited Liability Company Agreement dated as of the date hereof (the “Ownership Agreement”), and is engaged in the ownership and operation of an apartment project located in Greenville, South Carolina and commonly known as “Highland Square” (the “Project”). The real property comprising the Project is legally defined on Exhibit A.

B. The Optionee desires to have the right to acquire the Project together with the fixtures, personal property and agreements associated therewith (the “Property”) subject to the terms and conditions set forth in this Agreement.

C. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ownership Agreement. Each of Owner and Optionee are sometimes referred to herein as a “Party” and collectively as the “Parties.”

NOW, THEREFORE, in consideration of the execution and delivery of the Ownership Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. Grant of Option

Owner hereby grants to the Optionee an option (the “Option”) to purchase the Property for a period (the “Option Period”) commencing on Effective Date and ending on March 31, 2032 on the terms and conditions set forth in this Agreement, including without limitation the terms and conditions set forth on Exhibit B attached hereto (the “Governing Terms”) and subject to the conditions precedent to the exercise of the Option specified herein. If Optionee does not exercise the Option during the Option Period, the Option will expire and be of no further force or effect.

Section 2. Option Consideration; Purchase Price Under Option

A. On or about the date hereof, Optionee has paid \$100 in exchange for the Option.

B. The purchase price for the Property pursuant to the Option (the “Option Price”) shall be an amount equal to the greater of: (i) 25,000,000.00 and (ii) the sum of: (x) the outstanding principal, accrued interest, any prepayment penalty and any other amounts due under all mortgage documents relating to the Property described on Exhibit A less Property net cash, reserves and escrow balances and (y) ten percent (10%) of the amount in clause (i).

Section 3. Exercise of Option

The Option may be exercised by the Optionee by: (a) giving written notice of its intent to exercise the Option to the Owner during the Option Period (the “Option Exercise Notice” and the date such Option Exercise Notice is given, the “Option Exercise Date”), and (b) complying with the Governing Terms. After delivery of the Option Exercise Notice and prior to Closing, Optionee may designate an entity of Optionee’s choosing to take title to the Property.

Section 4. Closing

From and after the giving of the Option Exercise Date, for a period of five hundred and fifty (550) days, Optionee will have the right to set a date of Closing pursuant to this Agreement on not less than ninety (90) days prior written notice to Owner which in no event may be prior to January 1, 2027 (the “Closing Date”). On the Closing Date, in exchange for the Option Price, Owner will convey the Property to Optionee or its designee in accordance with and subject to the terms of this Agreement, including, without limitation, the Governing Terms. In the event that the Closing Date has not occurred within seven hundred and thirty (730) days of the date the Option Exercise Notice is given, then unless extended by agreement of the Parties, this Agreement shall terminate.

Section 5. Purchase Agreement at Optionee’ s Request

This Agreement and the right of the Optionee to acquire the Property in accordance with the Governing Terms is specifically enforceable by Optionee. Notwithstanding the foregoing but without derogation of any rights granted to Optionee hereunder, Either Party, upon request of the Other Party, will execute: (i) an estoppel letter confirming Optionee’ s acquisition rights with respect to the Property or (ii) a form purchase and sale agreement in substance identical to the terms of the Agreement, in each case in form reasonably acceptable to Owner and Optionee for the purpose of permitting Optionee to demonstrate “site control” with respect to the Property to one or more third parties.

Section 6. Alternative Purchase of Ownership Interests

Notwithstanding the foregoing, Optionee may, by written notice to Owner given no later than ninety (90) days prior to the Option Closing Date, acquire the ownership interests in Owner in lieu of a direct acquisition of the Property pursuant to the Option but otherwise subject to the Governing Terms.

Section 7. Notices

Any notice, consent, or approval required or permitted to be given hereunder must be sent: (i) via email to all of the email addresses specified below for a party; or (ii) in writing to the physical address(es) set forth below via commercial or US Postal Service for overnight delivery; or by hand:

If to Owner:	c/o Related Affordable, LLC
	330 W 30th Street
	New York, NY 10001
	Attention: Matthew Finkle

Email: MFinkle@related.com

WITH A COPY TO:

c/o Related Affordable, LLC
330 W 30th Street
New York, NY 10001
Attention: Richard O'Toole
Email: ROtoole@related.com

AND TO:

Holland & Knight LLP
10 St. James Avenue
Boston, MA 02116
Attention: John P. O'Neill
Email: john.oneill@hkllaw.com

AND TO:

c/o GHC Housing Partners
15301 Ventura Boulevard Suite B-570
Sherman Oaks, California 91403
Attention: Gregory F. Perlman
Email: greg@ghchousing.com

WITH A COPY TO:

c/o GHC Housing Partners LLC
15301 Ventura Blvd. Building B Suite 570
Sherman Oaks, California 91403
Attention: Clarice F. Silva, Esq.
Email: clarice@ghchousing.com

IF TO OPTIONEE:

c/o Related Affordable, LLC
330 W 30th Street
New York, NY 10001
Attention: Matthew Finkle
Email: MFinkle@related.com

WITH A COPY TO:

c/o Related Affordable, LLC
330 W 30th Street
New York, NY 10001
Attention: Richard O'Toole
Email: ROtoole@related.com

Holland & Knight LLP
10 St. James Avenue
Boston, MA 02116
Attention: John P. O'Neill
Email: john.oneill@hkllaw.com

or, in each case, to such other address or persons as may designated by a party hereto in a written notice to the other parties hereto in a manner provided for in this Section. A notice shall be deemed to have been given under this Section: (i) in the case of electronic mail, upon the earlier of: (x) the time which the sender receives a "return receipt" or other evidence of delivery from the intended recipients email system and (y) an electronic mail from recipient acknowledging its receipt of the original communication; (ii) in the case of hand delivery, upon delivery to the specified physical address; (iii) in the case delivery by overnight mail, the day the same is delivered as evidenced by a confirmation of delivery by such overnight delivery service in such service's customary form. Notice hereunder may be given by counsel acting on behalf of a party. A party may change its address or add one or more addresses and/or addressees for notice from time to time by delivery of at least ten (10) days prior written notice of such change to the other party hereto in the manner prescribed in this Section.

Section 8. Entire Agreement. This Agreement and the other agreements referred to herein constitute all of the agreements among the parties relating to the matters set forth herein and supersede all other prior or concurrent oral or written letters, agreements or understandings with respect to the matters set forth herein.

Section 9. Electronic Signatures; Counterparts. This Agreement shall be valid, binding, and enforceable against a party when executed and delivered by an authorized individual on behalf of the party by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including any relevant provisions of the uniform commercial code (collectively, "Signature Law"), in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or other electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute one and the same instrument. For the avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under Signature Law due to the character or intended character of the writings. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

Section 10. Severability. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

Section 11. Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

Section 12. Construction. As used herein, the words “include”, “including”, and similar terms shall be construed as if followed by the phrase “without limitation.”

Section 13. No Third Party Beneficiary. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary.

Section 14. Waiver of Jury Trial. To the extent permitted by applicable law, Borrowers and Related knowingly, voluntarily and irrevocably waive any right they may have to trial by jury in any action or proceeding among or between the Borrowers, and Related in connection with or arising out of this Term Sheet and the Transactions.

Section 15. Governing Law.

This Agreement shall be construed and enforced in accordance with the laws of South Carolina (the “State”), without regard to principles of conflicts of law.

Section 16. Memorandum of Option

Owner and Optionee shall execute a Memorandum of Option with respect to Optionee’s rights under this Agreement in the form attached hereto as Exhibit C (the “Memorandum”). Optionee shall have the right to record the Memorandum at any time prior to the expiration of the Option Period.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this document as of the date first set forth hereinabove.

OWNER:

HS INVESTORS LLC, a Delaware limited liability company

By: Javelin RA 2022 Manager, LLC, a Delaware limited liability company, its non-member manager

By: 

Matthew Finkle
Vice President

[signatures continue on following page]

[signatures continued from previous page]

OPTIONEE:

JAVELIN 2022, LLC, a Delaware limited liability company

By: _____

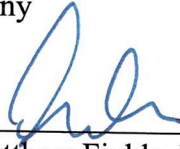

Matthew Finkle, Vice President

EXHIBIT A

LEGAL DESCRIPTION

[TO BE INSERTED]

EXHIBIT B

GOVERNING TERMS

Section 1. Purchase and Sale.

A. Purchased Property:

(a) the land legally described in **Exhibit A** attached hereto and all easements and rights appurtenant thereto (the “**Land**”),

(a) all buildings, fixtures, structures, and improvements on the Land (the “**Improvements**”),

(b) all personal property owned by Owner and located upon the Land or within the Improvements, including, without limitation, all furniture, appliances, equipment, machinery, drapes, carpeting, tools and supplies used in connection with the operation of the Property, all data and records related to or used in the operation of the Property, including tenant lists, rent rolls, maintenance logs, service and warranty records, equipment logs, operating guides and manuals, and financial and accounting records, but excluding all computer hardware and software (the “**Personal Property**”),

(c) all of Owner’s right, title and interest in and to the leases and other agreements under which tenants occupy all or any portion of the Land and Improvements, including, without limitation, any residential leases (“**Tenant Leases**”) and all accounts and security deposits or other deposits collected from tenants, together with any interest required by law to be paid (collectively, the “**Deposits**”),

(d) all of Owner’s right, title and interest, if any, in and to all assignable service, equipment lease and utility agreements relating to the operation of the Property, to the extent assignable (the “**Service Contracts**”),

(e) all of Owner’s right, title and interest, if any, in and to all plans, specifications, building permits, certificates of occupancy, signs, maintenance supplies, utilities, and other similar items for the Property, all assignable warranties, permits and approvals associated with the Land, Improvements, Personal Property, Tenant Leases, and Service Contracts, and leasing records, assignable licenses and franchises, and Owner’s rights, if any, but without warranty, to use the Property Name and all variations thereof and any other trade names, trademarks, logos and symbols associated with or used in connection with the Property, and telephone and facsimile numbers and advertising materials used in connection with the Property including without limitation all domain names, URLs, and website content with any existing transferrable licenses necessary to utilize the same in e-commerce, social media accounts, and logo, photo, video and e-brochure files (collectively, the “**Intangibles**”), and

(f) all of Owner’s right, title and interest, in and to the Housing Assistance Payments Agreement (“**HAP Contract**”) with the U.S. Department of Housing and Urban Development (“**HUD**”) and Contract Administrator, if applicable, and Owner’s rights in any subsidy, grant or similar agreements.

B. The Property. The Land, the Improvements, the Personal Property, the Tenant Leases, the Deposits, the Service Contracts, the Intangibles and the HAP Contract are collectively referred to as the “**Property.**”

Section 2. Review of Property.

A. [Intentionally Deleted]

B. [Intentionally Deleted]

C. Access. Upon reasonable prior notice to Owner, Optionee shall be entitled to access the Property and to review all of the books and records of the Property in Owner’s actual possession or control (collectively, the “Review Materials”) and to conduct such investigations, tests, surveys and other analyses as Optionee determines is necessary, provided (a) Optionee shall not do any invasive observations, testing, sampling or drilling at the Property without Owner’s prior written consent which may be given in Owner’s sole discretion, (b) Optionee shall conduct such tests or investigations so as not to interfere materially with current activities or tenants on the Property, (c) Optionee shall promptly restore the Property to substantially the same condition which existed immediately prior to any such investigations, tests, surveys and other analyses, at Optionee’s sole cost and expense (other than that arising from the discovery by Optionee of preexisting conditions), and (d) Optionee (or its third party consultants) shall maintain general liability insurance coverage of at least \$1,000,000 covering loss or damage arising from its activities on the Property. Owner shall, at its sole cost and expense, be entitled to have a representative present at all times while Optionee or its representatives or agents are physically on the Property. Notwithstanding the foregoing, Optionee shall be entitled to access occupied units only upon advance notice to tenants in accordance with applicable law.

D. Inspection Indemnity. Optionee agrees to indemnify, defend, and hold Owner, their respective partners, members, managers, affiliates, and their respective agents, contractors, officers, directors and employees harmless from and against claims for damages or injuries to the extent arising out of or resulting from the investigation of the Property by Optionee and its agents and/or the performance of the tests and investigations conducted by Optionee on the Property but in any event not including any such damages or injuries resulting from Optionee’s discovery of a pre-existing condition. Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 2D shall survive the termination, expiration or consummation of this Agreement.

Section 3. Required Approvals. From and after the Option Exercise Date, Owner and Optionee shall use best efforts to diligently and in good faith seek to obtain written approval from HUD, pursuant to the requirements applicable to the HAP Contract, and from any required federal, state and local authorities, to transfer the Property to Optionee (collectively, the “**Required Approvals**”). With the cooperation of Owner, Optionee will file all initial applications and other submissions required to obtain the Required Approvals within thirty (30) calendar days after the Option Exercise Date. Owner shall reasonably cooperate with Optionee’s efforts to obtain the Required Approvals, at no material cost or expense to Owner. Obtaining the Required Approvals shall be a condition precedent to the Closing and Optionee shall provide regular status updates to Owner regarding Optionee’s progress with the Required Approvals and, in connection with

Optionee's request for the Required Approvals, Optionee will provide Owner copies of any and all material correspondence with HUD, the applicable federal, state and local authorities.

Section 4. Closing.

A. Time and Place of Closing. Closing shall occur in the office of a nationally recognized title company or an agent thereof selected by Optionee (such party, the "**Escrow Agent**"), or at Optionee or Owner's option, may be conducted as a "mail-away" closing without requiring the personal attendance of Owner or Optionee, on the Closing Date. Optionee and Owner shall deposit in escrow with Escrow Agent all instruments and documents necessary to complete the transaction in accordance with this Agreement and agree that the Escrow Agent shall be the reporting person to the extent required under any laws applicable to the transaction. As used herein, "Closing", "Closing Date" or "date of Closing" means the date on which all appropriate documents have been delivered to Escrow Agent and the proceeds of sale are available for disbursement to Owner.

B. Closing Costs; Fees.

(i) Closing Costs. At Closing, Optionee will pay all costs and premiums for the Title Policy, fees charged by title and escrow, closing costs and mortgage recording fees, taxes, and costs. Transfer taxes will be allocated between Optionee and Owner in accordance with the customs in the county and state where the Property is located.

(ii) Legal and Consultant Fees. Notwithstanding the foregoing, each party shall be responsible for its own legal, accounting and consultant fees.

(iii) Payoff of Indebtedness. Concurrently with Closing, Owner shall use the sales proceeds from the Closing to pay off the existing indebtedness encumbering the Property

(iv) Notwithstanding anything to the contrary contained herein, the proceeds paid to the Owner shall not be less than ten percent (10%) of the Going-In-Value less the transfer taxes allocated to the Owner.

C. Prorations. All income and expenses in connection with the operation of the Property shall be apportioned as of 12:01 a.m. on the day following Closing, as if Optionee were vested with title to the Property during the entire date for the day following Closing, such that Optionee shall have the benefit of the income and the burden of expenses for the day following Closing. Such prorated items shall include, without limitation, the following: real property taxes and assessments, utilities, payments under the Service Contracts, collected rents under the Tenant Leases (provided, however, that uncollected or delinquent rent owed to Owner, debt service, insurance premiums, management fees, and employee salaries or benefits shall not be prorated). Any rental delinquencies paid after Closing shall be applied first to current delinquent rents owed to Optionee, then to current rents owed to Optionee, and then to delinquent rent owed to Owner for the period prior to Closing. All refundable security deposits and prepaid items applicable to the period from and after the Closing Date shall be transferred to Optionee in cash at Closing or credited against the Purchase Price. Optionee has no obligation hereunder to file an action to collect, incur any material cost or expense or otherwise enforce payment of the delinquent rent.

Any revenue or expense amount which cannot be ascertained with certainty as of Closing shall be prorated based upon the parties' reasonable estimation, and shall be reconciled within thirty (30) days of Closing or as soon thereafter as the precise amounts can be ascertained. The provisions of this Section C shall survive Closing.

D. Tenant Deposits and Payments. All tenant security deposits collected under the Tenant Leases and not applied by Owner (and interest thereon if required by law or contract), all refundable pet, key and other similar deposits collected under Tenant Leases existing at the Closing shall be transferred or credited to Optionee at Closing. As of the Closing, Optionee shall assume Owner's obligations related to tenant and licensee security and other deposits, but only to the extent they are credited or transferred to Optionee.

E. Leasing Commissions. Commissions of leasing and rental agents for any Lease entered into before the Closing Date and with a commencement date prior to the Closing Date shall be paid exclusively by Owner at, or prior to Closing, pursuant to the terms relating to such payment. Commissions of leasing and rental agents for any Lease entered into on or after the 90th day prior to the Closing Date and before the Closing Date and with a commencement date on or after the Closing Date shall be paid exclusively by Optionee. All such rights and obligations under this Section E shall survive the Closing.

Section 5. Deliveries at or before Closing.

A. Owner's Delivery. At or before Closing, Owner shall have delivered to Optionee or shall deliver into escrow the following with respect to its Property:

(i) A deed with covenants against grantor's acts, in form attached hereto as **Exhibit B**, conveying title to the Land and Improvements to Optionee, subject to the Exceptions pursuant to Section 6.D below (the "**Deed**");

(ii) Bill of Sale, in form attached hereto as **Exhibit C**, conveying title to the Personal Property to Optionee free and clear of liens or other encumbrances;

(iii) Assignment and Assumption of Leases, in form attached hereto as **Exhibit D**, transferring the Tenant Leases to Optionee;

(iv) Assignment and Assumption of Service Contracts and Intangibles, in form attached hereto as **Exhibit E** transferring the Service Contracts to Optionee;

(v) To the extent required, an Assignment and Assumption Agreement in the form customarily required by the applicable regulatory authority, and evidencing the consent and approval of such applicable regulatory authority to the transfer of the Property to Optionee and assumption by Optionee of the applicable documents, in such form as may be required by the applicable regulatory authority and reasonably acceptable to the Optionee and Owner (whether in one or more documents, the "**Transfer Agreement**");

(vi) Any declaration or other statement that may be required to be submitted by the Owner to the local assessor in connection with the sale of the Property;

(vii) a FIRPTA Affidavit, from Owner, in a form reasonably acceptable to the Optionee to evidence that the Owner, is not subject to income tax withholding under the Foreign Investment in Real Property Tax Act and any similar forms required under analogous state laws;

(viii) Certified Rent Roll;

(ix) A notice signed by Owner notifying the tenants under the Tenant Leases of the sale of the Property to Optionee;

(x) All prepaid rents and refundable security deposits under the Tenant Leases (unless credited against the Purchase Price);

(xi) All books, records and documents relating to the Tenant Leases, maintenance, and/or management of the Property, as well as all keys and access codes;

(xii) All electronic data and records related to or used in the operation of the Property shall be delivered to Optionee or otherwise made available to the Optionee; provided, however, that Optionee shall be responsible for procuring and maintaining, at its sole cost and expense, any application software required to receive or access such data and records;

(xiii) A final closing statement, prepared by Escrow Agent and agreed to by Owner and Optionee (the “**Closing Statement**”);

(xiv) A valid and effective pay-off statement and prepayment approval for any and all mortgages and other similar liens on the Property not assumed by Optionee and sufficient to enable the Title Company to issue title policies to Optionee and its lender at Closing without taking exception for any mortgage or other monetary lien;

(xv) Any title clearing documents and instruments as may be required to deliver title to the Optionee as required hereunder;

(xvi) One or more affidavits and/or indemnities in favor of the Title Company as necessary for the Title Company to remove standard exceptions and complete a so-called gap closing;

(xvii) A certificate confirming that Owner’s representations and warranties contained herein remain true and correct as of the Closing Date;

(xviii) An Assignment, Assumption and Amendment of Section 8 Housing Assistance Contract in substantially the form attached as **Exhibit F (“HAP Contract Assignment”)** or in such form as may be required by HUD and reasonably acceptable to the Optionee and Owner;

(xix) Notification letters to all tenants in form and substance reasonably acceptable to Owner and Optionee prepared and executed by Optionee and Owner (“**Tenant Notification Letters**”), which shall be delivered to all tenants by Optionee immediately after Closing; and

(xx) Any transfer tax forms, reports or returns required under applicable law (**“Transfer Tax Forms”**).

B. **Optionee’s Delivery.** At Closing, Optionee shall deliver the following:

(i) Cash in the amount of the Purchase Price (subject to adjustments and pro-rations as set forth herein).

(ii) A counterpart of the Assignment and Assumption of Leases.

(iii) A counterpart of the Assignment and Assumption of Service Contracts.

(iv) To the extent required, a counterpart of the Transfer Agreement.

(v) A counterpart of the Closing Statement;

(vi) The HAP Contract Assignment;

(vii) A certificate confirming that Optionee’s representations and warranties contained herein remain true and correct as of the Closing Date;

(viii) Such evidence as the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of Optionee;

(ix) Any declaration or other statement that may be required to be submitted to the Optionee to the local assessor in connection with the sale of the Property;

(x) Tenant Notification Letters executed by Optionee; and

(xi) Any Transfer Tax Forms required to be executed by Optionee.

Section 6. **Optionee’s Closing Conditions.** The obligations of Optionee under this Agreement are contingent upon each of the following conditions:

A. On the Closing Date, each of the representations and warranties of Owner in this Agreement shall be true and correct in all material respects as if the same were made on the Closing Date, subject to Owner’s right to update such representations and warranties as provided in this Agreement.

B. By the Closing Date, Owner shall have performed all covenants and obligations in all material respects and complied with all material conditions required by this Agreement to be performed or complied with by Owner.

C. Receipt of the Required Approvals (which may be conditioned on Closing) pursuant to **Section 3** above.

D. At Closing, Owner shall deliver the Property substantially in the same manner and physical condition as of the Option Exercise Date, pursuant to its normal course of

business, subject to reasonable wear and tear and further subject to any destruction by casualty or taking by eminent domain in accordance with Section 9 below.

E. The Title Company shall be prepared to issue to Optionee at Closing a standard policy of title insurance (the “**Title Policy**”), insuring Optionee’s title subject to all of the following, all of which shall be deemed to be “**Exceptions**”, but shall contain no additional exceptions: (1) all matters shown in a Commitment for Title Insurance, issued by the Title Company for the Property (“**Title Commitment**”), including, without limitation, any standard exceptions not customarily removed by a title affidavit; (2) the rights and interests of parties claiming under Leases; (3) the lien to secure taxes and assessments not yet due and payable; (4) zoning ordinances and regulations and other laws or regulations governing use or enjoyment of the Property; (5) such state of facts as may be shown on a survey of the Property; (6) matters affecting title created by, on behalf of, or with the consent of Optionee; and (7) the HAP Contract; and (8) the LURAs not listed in the Commitment listed on Schedule 6.4 attached hereto and made a part hereof. Notwithstanding the foregoing provisions of Section D, Owner shall cause any monetary encumbrance, mechanic’s lien or judgment lien against the Property, other than liens or encumbrances created by, on behalf of, or with the consent of Optionee, to be removed as exceptions to the Title Policy on or before the Closing Date.

If any conditions in Section 6, have not been satisfied on or before the applicable date set forth in Section 6 with respect to each condition, and Owner does not elect to cure such failed condition (Owner having the right, but not the obligation, to do so) after Optionee’s written notice thereof to Owner, then Optionee may, by written notice to Owner, as its sole remedy, terminate this Agreement solely with respect to the Property affected by such failure of a condition, in which case neither party shall have any further liability with respect to such Property except for those obligations that survive termination hereunder. If Optionee proceeds to Closing despite failure of a condition, time being of the essence, then Optionee is deemed to have waived that condition. The conditions in this Section 6 are specifically stated and for the sole benefit of Optionee. Optionee in its discretion may unilaterally waive (conditionally or absolutely) the fulfillment of any one or more of the conditions, or any part thereof, by notice to Owner.

Section 7. Owner’s Closing Conditions. The obligations of Owner under this Agreement are contingent upon each of the following conditions:

A. On the Closing Date, each of the representations and warranties of Optionee in Section 10 shall be true and correct in all material respects as if the same were made on the Closing Date, subject to Optionee’s right to update such representations and warranties as provided in this Agreement.

B. By the Closing Date, Optionee shall have performed all covenants and obligations in all material respects and complied with all material conditions required by this Agreement to be performed or complied with by Optionee.

C. Receipt of the Required Approvals (which may be conditioned on Closing) pursuant to Section 3 above.

If the conditions in Section 7 have not been satisfied on or before the applicable date set forth in Section 7 with respect to each condition, then Owner may, as its sole remedy, terminate this

Agreement by providing written notice to Optionee on or before the applicable date, in which event neither party shall have any further liability except for those obligations that survive termination hereof. If Owner does not timely and properly terminate this Agreement by the applicable date or proceeds to Closing despite failure of a condition known to Owner at the time, time being of the essence, then Owner is deemed to have waived that condition. The conditions in this Section 7 are specifically stated and for the sole benefit of Owner. Owner in its discretion may unilaterally waive (conditionally or absolutely) the fulfillment of any one or more of the conditions, or any part thereof, by notice to Optionee.

Section 8. Operations Pending Closing. From the date of this Agreement until Closing, Owner agrees to manage and operate the Property free from waste and neglect and consistent with current management practices. Owner further agrees: (i) to maintain or cause to be maintained the Property in its current condition and repair (normal wear and tear and casualty loss excepted); (ii) to maintain the existing property and casualty insurance on the Property; (iii) to perform or cause to be performed all of its material obligations under any existing licenses, permits, LURAs, Tenant Leases, Service Contracts and any other documents and approvals applicable to the Property; (iv) to not lease, rent or otherwise permit any person or persons to occupy any portion of the Property other than pursuant to tenant leases executed in the ordinary course of business consistent with Owner's current policies and practices, and each new lease entered into after the Option Exercise Date must be on Owner's standard form, without material amendment or deletion, except as may be approved by Optionee; (v) to not enter into any new contracts which are not terminable on thirty (30) days' notice without the approval of Optionee, which approval shall not be unreasonably withheld, conditioned or delayed, (vi) to not cause or allow to continue any mechanics or materialman's or other liens to attach to the Property; and (vii) to not cause or permit any encumbrance to be placed on the record title to the Property not consented to by Optionee or not otherwise removed at or prior to Closing.

Section 9. Destruction/Condemnation of Property. If, after the Option Exercise Date, but prior to the Closing Date, the Property or any portion thereof is damaged or destroyed by a casualty or Owner receives a written offer to acquire the Property or any portion thereof from any governmental agency pursuant to the powers of eminent domain, Owner shall notify Optionee of such event or offer. Owner shall have no obligation to repair or replace any such damage, destruction or taken property. Owner shall, upon consummation of the transaction herein provided, assign to Optionee all claims of Owner respecting any condemnation or casualty insurance coverage, as applicable, and all condemnation proceeds or proceeds from any such casualty insurance received by Owner on account of any casualty or condemnation, less any portion of such proceeds paid or to be paid to Owner on account of the loss of rents, loss of use or other items applicable to any period prior to the Closing Date and reasonable costs and expenses of collection and repairs. In connection with any assignment of insurance proceeds hereunder, Owner shall credit Optionee with an amount equal to the applicable deductible amount under Owner's insurance (but not more than the amount by which (x) the cost as of the Closing Date to repair the damage is greater than (y) the insurance proceeds and coverage to be assigned to Optionee). Notwithstanding the foregoing, in the event that either of Wells Fargo Bank, N.A., a national banking association, or Fannie Mae, or any successor or assignee thereof, does not make insurance or condemnation proceeds available to Owner that result from damage or destruction to the Property or proposed taking of the Property (or portion thereof), (or in the event of an uninsured casualty, Owner does not elect, in its sole and absolute discretion to credit Optionee at closing an

amount equal to the cost to repair such uninsured casualty), then either Optionee or Owner may, at its option, terminate this Agreement by notice to the other, given on or before the Closing Date, whereupon no party hereto shall have any further obligation in connection herewith except under those provisions that expressly survive a termination of this Agreement. To the extent that Owner elects to commence any repairs prior to Closing, then Owner shall be entitled to receive and apply available insurance proceeds to any portion of such repairs completed or installed prior to Closing, with Optionee being responsible for completion of such repairs after Closing, provided that Optionee will have the right to review and approve the proposed repairs and any contracts entered into in connection therewith in Optionee's reasonable judgment, not to be unreasonably withheld, delayed or conditioned. To the extent that any repairs have been commenced prior to Closing, then the Service Contracts shall include, and Optionee shall assume at Closing, all construction and other contracts entered into by Owner in connection with such repairs and Owner shall assign to Optionee at Closing, all warranties and guarantees that Owner has received in connection with the work performed for such repairs to the extent transferrable. The provisions of this Section 9 shall survive the Closing and delivery of the Deed to Optionee.

Section 10. Optionee's Representations and Warranties. Optionee represents and warrants to Owner that as of the Option Exercise Date and as of the Closing Date:

A. Authority; Organization; No Conflict. This Agreement has been duly authorized, executed and delivered by Optionee and is a valid and binding obligation of Optionee. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will: (a) be in violation of Optionee's organizational documents; (b) to Optionee's best knowledge, conflict with or result in a breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Optionee; or (c) constitute a breach of any agreement to which Optionee is a party or by which Optionee is bound.

B. No Violation of Anti-Terrorism Laws. Optionee and each and every person affiliated with Optionee or that to Optionee's knowledge has an economic interest in Optionee is: (a) not a "blocked" person listed in the Annex to Executive Order Nos. 12947, 13099 and 13224 and all modifications thereto or thereof (as used in this Section only, the "Annex"); (b) in full compliance with the requirements of the Patriot Act and all other requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury (as used in this Section only, "OFAC"); (c) operated under policies, procedures and practices, if any, that are in compliance with the Patriot Act and available to Owner for Owner's review and inspection during normal business hours and upon reasonable prior notice; (d) not in receipt of any notice from the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or possible violation of the Patriot Act; (e) not listed as a "Specially Designated Terrorist" or as a "blocked" person on any lists maintained by the OFAC pursuant to the Patriot Act or any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of the OFAC issued pursuant to the Patriot Act or on any other list of terrorists or terrorist organizations maintained pursuant to the Patriot Act; (f) not a person who has been determined by competent authority to be subject to any of the prohibitions contained in the Patriot Act; and (g) not owned or controlled by or now acting and or will in the future act for or on behalf of any person named in the Annex or any other list promulgated under the Patriot Act or any other person who has been determined to be subject to

the prohibitions contained in the Patriot Act. Optionee covenants and agrees that in the event Optionee receives any notice that Optionee (or any of Optionee's beneficial owners or affiliates) has become listed on the Annex or any other list promulgated under the Patriot Act or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, Optionee shall immediately notify Owner. All capitalized words and phrases and all defined terms used in the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) and in other statutes and all orders, rules and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including Executive Order 13224 effective September 24, 2001 (collectively referred to in this Section only as the "**Patriot Act**") and are incorporated into this Section.

Section 11. Owner's Representations and Warranties. Owner represents and warrants to Optionee, that as of the of the Option Exercise Date and as of the Closing Date:

A. Authority; Organization; No Conflict. Owner is organized and validly existing under the laws of the State of its formation and is authorized to do business in the state where the Property is located. Owner has obtained all necessary third party consents to this Agreement, other than the Required Approvals. Owner is fully authorized to own and operate the Property in the manner in which the Property is currently operated. This Agreement has been duly authorized, executed and delivered by Owner and is a valid and binding obligation of Owner. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will: (a) be in violation of Owner's organizational documents, or (b) constitute a breach of any agreement to which Owner is a party, or by which Owner is bound.

B. United States Persons. Owner and all persons or entities having beneficial interests in the Property are "United States Persons," as defined in Section 1445(f)(3) and Section 7701(g) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the purchase of the Property by Optionee as contemplated herein will not be subject to the withholding requirements of Section 1445(a) of the Code.

C. Bankruptcy; Insolvency. None of the following has occurred with respect to the Owner: (a) the commencement of a case under any federal or state bankruptcy, insolvency or similar law; (b) the appointment of a trustee or receiver of any property interest; (c) an assignment for the benefit of creditors; (d) an attachment, execution or other judicial seizure of a substantial property interest; (e) the taking of, failure to take, or submission to any action indicating an inability to meet its financial obligations as they accrue; or (f) admitted in writing its inability to pay its debts as they become due.

D. Rent Roll. As of the date set forth thereon, the Rent Roll attached hereto as **Exhibit H** (the "**Rent Roll**") is true, correct and complete in all material respects, and the Rent Roll delivered at Closing, shall be correct and complete in all material respects as of the Closing Date.

E. Compliance with the LURAs. To Owner's knowledge, it is in compliance in material respects with the term and conditions of the LURAs.

F. No Violation of Anti-Terrorism Laws. Owner and each and every person affiliated with Owner, or that, to Owner's knowledge, has an economic interest in Owner is: (a) not

a “blocked” person listed in the Annex to Executive Order Nos. 12947, 13099 and 13224 and all modifications thereto or thereof (as used in this Section only, the “**Annex**”); (b) in full compliance with the requirements of the Patriot Act and all other requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury (as used in this Section only, “**OFAC**”); (c) operated under policies, procedures and practices, if any, that are in compliance with the Patriot Act and available to Optionee for Optionee’s review and inspection during normal business hours and upon reasonable prior notice; (d) not in receipt of any notice from the Secretary of State or the Attorney General of the United States or any other department, agency or office of the United States claiming a violation or possible violation of the Patriot Act; (e) not listed as a “Specially Designated Terrorist” or as a “blocked” person on any lists maintained by the OFAC pursuant to the Patriot Act or any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of the OFAC issued pursuant to the Patriot Act or on any other list of terrorists or terrorist organizations maintained pursuant to the Patriot Act; (f) not a person who has been determined by competent authority to be subject to any of the prohibitions contained in the Patriot Act; and (g) not owned or controlled by or now acting and or will in the future act for or on behalf of any person named in the Annex or any other list promulgated under the Patriot Act or any other person who has been determined to be subject to the prohibitions contained in the Patriot Act. Owner covenants and agrees that in the event Owner receives any notice that Owner (or any of Owner’s beneficial owners or affiliates) has become listed on the Annex or any other list promulgated under the Patriot Act or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, Owner shall immediately notify Optionee. All capitalized words and phrases and all defined terms used in the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) and in other statutes and all orders, rules and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including Executive Order 13224 effective September 24, 2001 (collectively referred to in this Section only as the “**Patriot Act**”) and are incorporated into this Section.

G. HAP Contract. The HAP Contract is in full force and effect.

H. Employees. All persons or entities presently employed in connection with the operation and maintenance of the Property are not employed by the Owner, and shall be terminated as of the day prior to the Closing Date. No proration of management fees, salaries or benefits shall be made with respect to Owner’s property management agent or any of such employees.

Section 12. As-Is Purchase. OPTIONEE IS PURCHASING THE PROPERTY “AS IS WHERE IS” IN ITS PRESENT CONDITION EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH HEREIN. OPTIONEE HAS HAD THE OPPORTUNITY TO INSPECT THE PROPERTY AND DOCUMENTATION IN OWNER’S POSSESSION AS PROVIDED HEREIN. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF OWNER EXPRESSLY SET FORTH HEREIN AND IN THE DEED AND THE OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING, OWNER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO, HEREBY DISCLAIMS AND SHALL HAVE NO LIABILITY FOR: (A) THE CONDITION OF THE PROPERTY OR ANY BUILDINGS, STRUCTURE OR IMPROVEMENTS THEREON OR THE ROOFS, STRUCTURAL COMPONENTS, OR HEATING, VENTILATING, AIR CONDITIONING,

MECHANICAL, PLUMBING, ELECTRICAL, OR FIRE AND LIFE SAFETY SYSTEMS THEREON OR THEREIN OR THE SUITABILITY OF THE PROPERTY FOR HABITATION OR FOR OPTIONEE'S INTENDED USE; (B) ANY APPLICABLE BUILDING, ZONING OR FIRE LAWS OR REGULATIONS OR WITH RESPECT TO COMPLIANCE THEREWITH OR WITH RESPECT TO THE EXISTENCE OF OR COMPLIANCE WITH ANY REQUIRED PERMITS, IF ANY, OF ANY GOVERNMENTAL AGENCY; (C) THE AVAILABILITY OR EXISTENCE OF ANY WATER, SEWER OR UTILITIES, ANY RIGHTS THERETO, OR ANY WATER, SEWER OR UTILITY DISTRICTS; (D) ACCESS TO ANY PUBLIC OR PRIVATE SANITARY SEWER OR DRAINAGE SYSTEM; OR (E) THE PRESENCE OF ANY HAZARDOUS SUBSTANCES AT THE PROPERTY OR IN ANY IMPROVEMENTS ON THE PROPERTY, INCLUDING WITHOUT LIMITATION ASBESTOS OR UREA-FORMALDEHYDE, OR THE PRESENCE OF ANY ENVIRONMENTALLY HAZARDOUS WASTES OR MATERIALS ON OR UNDER THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN THE DEED AND THE OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING, OWNER SHALL HAVE NO LIABILITY WITH RESPECT TO THE CONDITION OF THE PROPERTY UNDER COMMON LAW, OR ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION, INCLUDING BUT NOT LIMITED TO THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980 AS AMENDED, 42 U.S.C.A. SECTIONS 9601 ET SEQ., OR APPLICABLE STATE LAW, AND EXCEPT FOR ANY CLAIMS ARISING UNDER THIS AGREEMENT, THE DEED, OR ANY OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING, OPTIONEE HEREBY RELEASES AND WAIVES ANY AND ALL CLAIMS WHICH THE OPTIONEE HAS OR MAY HAVE AGAINST OWNER WITH RESPECT TO THE CONDITION OF THE PROPERTY. OPTIONEE ACKNOWLEDGES THAT OPTIONEE IS GIVEN THE OPPORTUNITY UNDER THIS AGREEMENT TO FULLY INSPECT THE PROPERTY AND OPTIONEE ASSUMES THE RESPONSIBILITY AND RISKS OF ALL DEFECTS AND CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUCH DEFECTS AND CONDITIONS, IF ANY, THAT CANNOT BE OBSERVED BY CASUAL INSPECTION, EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN THE DEED AND THE OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING.

IF OWNER PROVIDES OR HAS PROVIDED ANY DOCUMENTS, SUMMARIES, OPINIONS OR WORK PRODUCT OF CONSULTANTS, SURVEYORS, ARCHITECTS, ENGINEERS, TITLE COMPANIES, GOVERNMENTAL AUTHORITIES OR ANY OTHER PERSON OR ENTITY WITH RESPECT TO THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE OFFERING PREPARED BY BROKER, OPTIONEE AND OWNER AGREE THAT OWNER HAS DONE SO OR SHALL DO SO ONLY FOR THE CONVENIENCE OF BOTH PARTIES, EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN THE DEED AND THE OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING, OPTIONEE SHALL NOT RELY THEREON AND THE RELIANCE BY OPTIONEE UPON ANY SUCH DOCUMENTS, SUMMARIES, OPINIONS OR WORK PRODUCT SHALL NOT CREATE OR GIVE RISE TO ANY LIABILITY OF OR AGAINST OWNER'S INDEMNIFIED PARTIES. OPTIONEE ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN THE DEED AND THE OTHER DOCUMENTS DELIVERED TO OPTIONEE AT CLOSING, NO REPRESENTATION HAS BEEN MADE AND NO RESPONSIBILITY IS ASSUMED BY OWNER WITH RESPECT

TO CURRENT AND FUTURE APPLICABLE ZONING OR BUILDING CODE REQUIREMENTS OR THE COMPLIANCE OF THE PROPERTY WITH ANY OTHER LAWS, RULES, ORDINANCES OR REGULATIONS, THE FINANCIAL EARNING CAPACITY OR EXPENSE HISTORY OF THE PROPERTY, THE CONTINUATION OF AGREEMENTS, CONTINUED OCCUPANCY LEVELS OF THE PROPERTY, OR ANY PART THEREOF, OR THE CONTINUED OCCUPANCY BY TENANTS OF ANY LEASES OR, WITHOUT LIMITING ANY OF THE FOREGOING, OCCUPANCY AT CLOSING. OPTIONEE IS SOLELY RESPONSIBLE FOR OBTAINING ANY CERTIFICATE OF OCCUPANCY, OCCUPANCY PERMIT OR ANY OTHER APPROVAL OR PERMIT NECESSARY FOR THE TRANSFER OR OCCUPANCY OF THE PROPERTY AND FOR ANY REPAIRS OR ALTERATIONS NECESSARY TO OBTAIN THE SAME, ALL AT OPTIONEE'S SOLE COST AND EXPENSE. OPTIONEE AGREES THAT THERE IS NO OBLIGATION ON THE PART OF OWNER TO MAKE ANY CHANGES, ALTERATIONS OR REPAIRS TO THE PROPERTY, INCLUDING, WITHOUT LIMITATION, TO CURE ANY VIOLATIONS OF ANY FEDERAL, STATE, COUNTY OR MUNICIPAL LAW, ORDINANCE, ORDER, REGULATION OR REQUIREMENT AFFECTING THE PROPERTY, COMPLY WITH THE REQUIREMENTS OF ANY INSURER OR OTHERWISE. PRIOR TO CLOSING, OWNER SHALL HAVE THE RIGHT, BUT NOT THE OBLIGATION, TO ENFORCE ITS RIGHTS AGAINST ANY AND ALL PROPERTY OCCUPANTS, GUESTS OR TENANTS IN THE ORDINARY COURSE OF BUSINESS. OPTIONEE AGREES THAT THE DEPARTURE OR REMOVAL, PRIOR TO CLOSING, OF ANY OF SUCH GUESTS, OCCUPANTS OR TENANTS SHALL NOT BE THE BASIS FOR, NOR SHALL IT GIVE RISE TO, ANY CLAIM ON THE PART OF OPTIONEE, NOR SHALL IT AFFECT THE OBLIGATIONS OF OPTIONEE UNDER THIS AGREEMENT IN ANY MANNER WHATSOEVER; AND OPTIONEE SHALL CLOSE TITLE AND ACCEPT DELIVERY OF THE DEED WITH OR WITHOUT SUCH TENANTS IN POSSESSION AND WITHOUT ANY ALLOWANCE OR REDUCTION IN THE PURCHASE PRICE UNDER THIS AGREEMENT EXCEPT AS EXPRESSLY SET FORTH HEREIN. OPTIONEE HEREBY RELEASES OWNER FROM ANY AND ALL CLAIMS AND LIABILITIES RELATING TO MATTERS WAIVED ABOVE. THE DISCLAIMERS, RELEASES AND LIMITATIONS OF LIABILITY SET FORTH IN THIS Section 12 AND ELSEWHERE IN THIS AGREEMENT FOR THE BENEFIT OF OWNER ARE INTENDED TO APPLY TO AND BE BINDING ON OPTIONEE AND ALL PARTIES CLAIMING BY OR THROUGH OPTIONEE, DIRECTLY OR INDIRECTLY, AND INCLUDING ANY ASSIGNEE OR SUCCESSOR OF OPTIONEE'S RIGHTS, CLAIMS OR CAUSES OF ACTION UNDER THIS AGREEMENT.

THE PROVISIONS OF THIS Section 12 SHALL SURVIVE THE CLOSING.

Section 13. Negotiation and Construction. This Agreement and each of the terms and provisions hereof are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either party.

Section 14. Brokers and Finders. Optionee and Owner each represents and warrants to the other that no broker is representing either party in this transaction. In the event of a claim for broker's fee, finder's fee, commission or other similar compensation in connection with this Agreement, Optionee, if such claim is based upon any agreement alleged to have been made by Optionee,

hereby agrees to indemnify Owner against any and all damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and costs) which Owner may sustain or incur by reason of such claim. Owner, if such claim is based upon any agreement alleged to have been made by Owner, hereby agrees to indemnify Optionee against any and all damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and costs) which Optionee may sustain or incur by reason of such claim. Notwithstanding anything to the contrary herein, the provisions of this Section 14 shall survive the termination of this Agreement or the Closing.

Section 15. Possession. Optionee shall be entitled to possession of the Property on the date of Closing, subject only to the Tenant Leases.

Section 16. [INTENTIONALLY OMITTED].

Section 17. Default and Remedies.

A. Default by Optionee. If this Agreement is not terminated on or before the end of the Review Period or if Optionee fails without legal excuse, including, without limitation, the failure of a condition precedent, to complete the purchase of the Property in accordance with the terms of this Agreement, Owner may terminate this Agreement as the sole and exclusive remedy available to Owner for such failure. Owner expressly waives all other remedies, including, but not limited to the right of specific performance. The foregoing limitation of remedies shall not apply to Optionee's indemnification obligations under this Agreement.

B. Default by Owner. If Owner fails without legal excuse including, without limitation, the failure of a condition precedent, to complete the sale of the Property in accordance with the terms of this Agreement, Optionee may elect one of the following remedies (Optionee hereby waiving any and all other remedies): (a) Optionee may seek specific performance of this Agreement, provided an action thereon is commenced with thirty (30) calendar days of such Owner's failure to perform, or (b) rescind this Agreement and neither party shall have any further obligation or liability to the other (other than those obligations that expressly survive a termination of this Agreement), or (c) waive the default and proceed to Closing.

Section 18. Survival. All provisions of this Agreement which involve obligations, duties or rights to be performed after the date of Closing or the recording of the Deed, and all representations, and warranties made in or to be made pursuant to this Agreement shall survive the date of Closing and/or the recording of the Deed only to the extent expressly provided herein.

Section 19. Time. Time is of the essence of this Agreement and each and every provision hereof. Any extension of time granted for the performance of any duty under this Agreement shall not be considered as an extension of time for the performance of any other duty under this Agreement. As used in this Agreement, "business day" refers to any day which is not a Saturday, Sunday or a holiday in the State of New York or the state in which the Property is located. In the event the time for performance of any obligation hereunder shall fall on a Saturday, Sunday or a holiday, such time for performance shall be extended to the next business day.

Section 20. [INTENTIONALLY OMITTED].

Section 21. Limitation of Liability. Notice is hereby given that all persons dealing with Owner or the Optionee shall look to the assets of Owner or Optionee, respectively, for the enforcement of any claim against Owner or Optionee. None of the trustees, officers, directors, employees, members, owners, partners or shareholders of Owner or Optionee shall have any personal liability for any of the liability or obligations of Owner or Optionee.

Section 22. Lead Based Paint Disclosure. Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women.

Section 23. ADA Disclosure. Optionee acknowledges that the Property may be subject to the federal Americans With Disabilities Act, 42 U.S.C.A. §§ 12101-12213 (as amended from time to time, the “**ADA**”) and the federal Fair Housing Act, 42 U.S.C.A. §§ 3601-3619, 3631 (as amended from time to time, the “**FHA**”). The ADA requires, among other matters, that tenants and/or owners of “public accommodations” remove barriers in order to make the Property accessible to disabled persons and provide auxiliary aids and services for hearing, vision or speech impaired persons. Owner makes no warranty, representation or guarantee of any type or kind with respect to the Property’s compliance with the ADA or the FHA (or any similar state or local law), and Owner expressly disclaims any such representation.

Section 24. Radon Notice. RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN THE STATE WHERE THE PROPERTY IS LOCATED. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY PUBLIC HEALTH UNIT.

Section 25. Intentionally Omitted.

Section 26. Tax Deferred Exchange. Each party shall cooperate with the other party in the event a party hereto elects to close the sale of the Property as part of a tax-deferred exchange under and pursuant to Section 1031 of the Internal Revenue Code, as amended and restated; provided, that, (i) such exchange shall not impose upon the non-exchanging party any additional liability or financial obligation related to or arising from the exchanging party’s exchange and the exchanging party shall hold the non-exchanging party harmless from any liability arising from such exchange, and (ii) the consummation of a tax-deferred exchange shall not be a condition precedent to the exchanging party’s obligations hereunder.

List of Exhibits, Schedules and Addendums

Exhibit A – Legal Description for Land

Exhibit B – Deed

Exhibit C – Bill of Sale

Exhibit D – Assignment and Assumption of Leases

Exhibit E – Assignment and Assumption of Service Contracts and Intangibles

Exhibit F - HAP Contract Assignment

Exhibit G – Rent Roll

Schedule 6.4 – LURAs

Exhibit A

Legal Description of Land

Exhibit B

[TO BE PROVIDED IN CONNECTION WITH OPTION EXERCISE]

Exhibit C

FORM OF BILL OF SALE

THIS BILL OF SALE is executed as of the _____ day of _____, 20__, by HS INVESTORS LLC (“**Owner**”):

FOR VALUE RECEIVED, receipt of which is hereby acknowledged, Owner does hereby grant, bargain, sell, convey, assign, transfer, and set over unto JAVELIN 2022, LLC (“**Optionee**”) all of Owner’s right, title and interest in and to the Personal Property, as such term is defined in that certain Purchase Option Agreement, dated _____, by and between the Owner and Optionee (as amended and assigned, the “**Contract**”) with respect to the sale of certain Land described therein and Improvements located thereon. Any term with its initial letter capitalized and not otherwise defined herein shall have the meaning set forth in the Contract.

Owner does hereby covenant that it will forever warrant and defend the Personal Property against all persons whomsoever claiming by, through or under Owner or its predecessors in interest, but not otherwise. In all other respects, the Personal Property is being transferred in its “as is, where is” condition, and without representation or warranty, except as set forth in Section _____ of the Contract.

IN WITNESS WHEREOF, Owner has executed and delivered this Bill of Sale as of the day and year first above written.

OWNER: _____

Exhibit D

FORM OF ASSIGNMENT AND ASSUMPTION OF LEASES AND SECURITY DEPOSITS

This Assignment and Assumption of Leases and Security Deposits (this "Assignment"), effective as of the ____ day of _____, 20__, is made by and between HS INVESTORS LLC ("Assignor"), [_____] ("Assignee"):

In consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Property.** The "Property" means the real property located in Greenville, Greenville County, South Carolina, commonly known as the Highland Square, together with the building, structures and other improvements located thereon.

1. **Leases.** The "Leases" means the leases affecting the Property, more particularly described in the rent roll attached hereto as Exhibit B, which Assignor hereby certifies to be true, accurate and complete as of the date hereof.

2. **Security Deposits.** "Security Deposits" means the refundable security and other refundable deposits held by or for Assignor on account of tenants under the Leases with respect to which Assignee received a credit at the closing of the transaction pursuant to this Assignment. The Security Deposits are also set forth in the Exhibit B.

3. **Assignment.** Assignor hereby grants, transfers and assigns to Assignee the entire right, title and interest of Assignor in and to the Leases and the Security Deposits.

4. **Assumption.** Assignee hereby assumes the covenants, agreements and obligations of Assignor as landlord or lessor under the Leases which are applicable to the period and required to be performed from and after the date of this Assignment, but not otherwise, and Assignee further assumes all liability of Assignor for the proper refund or return of the Security Deposits if, when and as required by the Leases. No person or entity, other than Assignor shall be deemed a beneficiary of the provisions of this Section 5.

5. **Indemnification.** Assignor shall indemnify and hold Assignee harmless from and against all obligations of the "lessor" or "landlord" under the Leases to the extent such obligations were applicable to the period and required to be performed prior to the date of this Assignment. Assignee shall indemnify and hold Assignor harmless from and against all obligations of the "lessor" or the "landlord" under the Leases to the extent that such obligations are applicable to the period and required to be performed from and after the date of this Assignment.

6. **Legal Expenses.** If either party to this Assignment brings suit or otherwise becomes involved in any legal proceedings seeking to enforce the terms of this Assignment, or to recover damages for their breach, the prevailing party shall be entitled to recover its costs and expenses (including fees of attorneys, expert witnesses, accountants, court reporters and others) incurred in connection therewith including all such costs and expenses incurred in: (a) in trial and appellate

court proceedings, (b) in connection with any and all counterclaims asserted by one party to this Assignment against another whether or not such counterclaims arise out of or are otherwise related to this Assignment, (c) in bankruptcy or other insolvency proceedings, and (d) in post-judgment collection proceedings.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

8. Power and Authority. Each party represents and warrants to the other that it is fully empowered and authorized to execute and deliver this Assignment, and the individual signing this Assignment on behalf of such party represents and warrants to the other party that he or she is fully empowered and authorized to do so.

9. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original, but all of, which shall constitute one agreement, binding on all parties.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the date first written above.

ASSIGNOR: _____

ASSIGNEE: _____

Exhibits

Exhibit A: Legal Description

Exhibit B: Certified Rent Roll

Exhibit E

FORM OF ASSIGNMENT AND ASSUMPTION OF SERVICE CONTRACTS AND INTANGIBLES

THIS ASSIGNMENT AND ASSUMPTION OF SERVICE CONTRACTS AND INTANGIBLES (this "Assignment") is entered into as of the ____ day of ____, 20__, by and between HS INVESTORS LLC ("Assignor"), and [____] ("Assignee"), who agree as follows:

1. **Property.** The "Property" means the real property located in Greenville, Greenville County, South Carolina, commonly known as Highland Square, together with the building, structures and other improvements located thereon.

2. **Service Contracts.** "Service Contracts" means those maintenance, supply and service agreements, equipment leases, and utility agreements relating to the Property as listed on Exhibit B attached to this Assignment.

3. **Intangibles.** "Intangibles" shall have the meaning set forth in that certain Purchase Option Agreement, dated _____, by and between the Owner and Optionee, as amended and assigned, with respect to the sale of certain Land described therein and Improvements located thereon.

4. **Assignment.** For good and valuable consideration received by Assignor, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby grants, transfers and assigns to Assignee the entire right, title and interest of Assignor in and to the Service Contracts and the Intangibles. Assignor shall continue to be responsible for and shall perform and satisfy its obligations under the Service Contracts insofar as such obligations relate to the period on or before the date of this Assignment.

5. **Assumption.** Assignee hereby assumes the covenants, agreements and obligations of Assignor under the Service Contracts which are applicable to the period and required to be performed from and after the date of this Assignment, but not otherwise. No person or entity other than Assignor shall be deemed a beneficiary of the provisions of this Section 5.

6. **Indemnification.** Assignor shall indemnify and hold harmless Assignee from and against all obligations of the Assignor under the Service Contracts to the extent such obligations were applicable to the period and required to be performed prior to the date of this Assignment. Assignee shall indemnify and hold harmless Assignor from and against all obligations assumed by the Assignee under the Service Contracts to the extent that such obligations are applicable to the period and required to be performed from and after the date of this Assignment.

7. **Legal Expenses.** If either party to this Assignment brings suit or otherwise becomes involved in any legal proceedings seeking to enforce the terms of this Assignment, or to recover damages for their breach, the substantially prevailing party shall be entitled to recover its costs and expenses (including fees of attorneys, expert witnesses, accountants, court reporters and others) incurred in connection therewith including all such costs and expenses incurred: (a) in trial and appellate court proceedings, (b) in connection with any and all counterclaims asserted by one party to this Assignment against another whether or not such counterclaims arise out of or are otherwise

related to this Assignment, (c) in bankruptcy or other insolvency proceedings, and (d) in post-judgment collection proceedings.

8. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

9. Power and Authority. Each party represents and warrants to the other that it is fully empowered and authorized to execute and deliver this Assignment, and the individual signing this Assignment on behalf of such party represents and warrants to the other party that he or she is fully empowered and authorized to do so.

10. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original, but all of, which shall constitute one agreement, binding on all parties.

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the day and year first above written.

ASSIGNOR: _____

ASSIGNEE: _____

Exhibit A: Legal Description

Exhibit B: Service Contracts

Exhibit F

ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT SECTION 8 HOUSING ASSISTANCE PAYMENTS CONTRACT (UNINSURED PROJECT)

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF SECTION 8 HOUSING ASSISTANCE CONTRACT (herein called the "Agreement") is made this _____ day of _____, 20__, by the United States of America, acting through the (herein called "the Contract Administrator"), insert name of Owner (current ownership entity), a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor (herein called "the Owner"), and insert name of Optionee, a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor. (herein called "the Optionee").

WHEREAS, the Contract Administrator and insert name of prior owner or the Owner, pursuant to Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437(f), entered into a Section 8 Housing Assistance Payments Contract (herein called the "HAP Contract") identified as HAP Contract Number _____ - _____ for units in the insert project name (herein called "the Property"), a copy of which is attached hereto as "Exhibit A". insert or delete following as applicable: Said HAP Contract, executed by the Prior Owner by an assignment of HAP Contract, executed by Prior Owner and approved by HUD, dated _____.

WHEREAS, the Owner, and the Optionee have entered onto a Real Estate Purchase and Sale Agreement, dated as of insert date and month, 200__, wherein the Owner agrees to sell the Property and the Optionee agrees to purchase the Property, including, without limitation, the improvements situated thereon, and has agreed to accept the assignment of and assume all obligations under the HAP Contract;

WHEREAS, the Optionee has submitted to the Secretary of HUD (herein called "the Secretary") an Application and documents in support thereof (herein collectively referred to as the "Application") requesting the Secretary's approval of the proposed assignment of the HAP Contract to the Optionee as set forth in the aforesaid Real Estate Purchase and Sale Agreement; and

WHEREAS, the Owner and the Optionee mutually desire to assign the HAP Contract; and it is necessary to and the Contract Administrator and the Optionee mutually desire to amend the HAP Contract to allow for physical inspections in accordance with 24 CFR Part 5 Subpart G and require financial reporting in accordance with 24 CFR Part 5 Subpart H;

NOW, THEREFORE, in consideration of the foregoing, the sum of Ten Dollars (\$10.00) in hand paid and other good consideration, the receipt of which is hereby acknowledged, and in order to comply with the requirements of the Secretary, the National Housing Act of 1937, and the regulations adopted pursuant thereto, the parties hereto agree as follows:

1. The Owner hereby irrevocably assigns HAP Contract to the Optionee together with all rights and obligations in and under said contract;
1. Effective as of the date of this Agreement the Optionee agrees to assume and to be bound by said HAP Contract as modified herein, and is responsible for filing the Annual Financial Statement (AFS) from the date of this Agreement through the end of the Optionee's fiscal year.
2. Effective as of the date of this Agreement, the Owner is released from any future obligations under the HAP Contract, excepting that the Owner shall remain responsible for filing the AFS through the day before this Agreement if said HAP Contract includes an AFS filing requirement. Nothing in this Agreement shall waive, compromise, impair, or prejudice any right HUD may have against the Owner for any violation of the HAP Contract that may have occurred prior to the date of this Agreement.
3. Part II of the HAP Contract shall be amended as follows to include the following provisions:

Physical Conditions Standards and Inspection Requirements. The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related Directives. This obligation shall apply both during the current term of the HAP contract and during each successive renewal term.

Financial Reporting Standards. The Owner shall comply with the Uniform Financial Reporting Standards of 24 CFR Part 5, Subpart H, including any changes in the regulation and related Directives. This obligation shall apply during the current term of the HAP contract and for each successive renewal term.

4. This Agreement shall be construed under the laws of the State of *insert project location* and to the extent inconsistent with the laws of the State of *insert project location*, the laws of the United States of America. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
5. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.
6. The Secretary, by the signature of his authorized representative below, consents to assignment made hereby. Said consent shall be void ab initio if the Secretary determines that Optionee, or any principal or interested party of the Optionee, is debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

NOTHING in this Agreement shall in anyway impair the HAP Contract or alter, waive, annul, vary or affect any provision, condition, covenant therein, except as herein specifically provided, or affect or impair any rights, powers, or remedies under the HAP Contract, it being the intent of the parties hereto that the terms and conditions of the HAP Contract shall continue in full force and effect except as amended hereby.

IN WITNESS WHEREOF, the Owner, the Optionee and the Contract Administrator have caused this agreement to be executed.

OWNER

Name of Owner (Print)

By _____
Signature of authorized representative

Name and title (Print)

OPTIONEE

Name of Optionee (Print)

By _____
Signature of authorized representative

CONTRACT ADMINISTRATOR (HUD or PHA)

Name and title (Print)

Name of Contract Administrator (Print)

By _____
Signature of authorized representative

Name and title (Print)

Exhibit H

Rent Roll

(attached hereto)

Schedule 6.4

LURAs

EXHIBIT C
MEMORANDUM OF OPTION

MEMORANDUM OF PURCHASE OPTION AGREEMENT

(Highland Square)

NOTICE IS HEREBY GIVEN that a PURCHASE OPTION AGREEMENT dated as of _____, 2022 (the “Memorandum”) has been entered into by and among HS INVESTORS LLC, a Delaware limited liability company (the “Owner”), and JAVELIN 2022, LLC, a Delaware limited liability company (the “Optionee”).

Owner and Optionee are parties to that certain Purchase Option Agreement dated as of the date hereof (the “Agreement”).

Pursuant to the Agreement, the Owner has granted to Optionee the right, on the terms and conditions stated in the Agreement, to purchase the Property (as defined in the Agreement); said Property being located on the land in Greenville, South Carolina more fully described in Exhibit A attached hereto.

The purchase option commencing on the Effective Date (as defined in the Agreement) and ending on March 31, 2032 on the terms and conditions set forth in the Agreement and subject to the conditions precedent to exercise of the purchase option specified therein.

Owner and Optionee acknowledge and agree that the Agreement and by extension this Memorandum are subordinate in all respects to the rights of the holders of any indebtedness of Owner secured by the Property and the terms of any documents evidencing the same, including but not limited to indebtedness in favor of Wells Fargo Bank National Association together with its successors and/or assigns, including, without limitation Fannie Mae.

This Memorandum incorporates by this reference all the terms and provisions of the Agreement as though fully set forth herein.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend, or supplement the Agreement, of which this is a memorandum.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has executed this Memorandum of Purchase Option Agreement as of the date first hereinabove written.

OWNER
HS INVESTORS LLC

By _____
Signature of authorized representative

NOTARIZED

STATE OF _____
COUNTY OF _____

By _____

IN WITNESS WHEREOF, the undersigned has executed this Memorandum of Purchase Option Agreement as of the date first hereinabove written.

OPTIONEE:

JAVELIN 2022, LLC, a Delaware limited liability company

By: _____
Matthew Finkle, Vice President

STATE OF NEW YORK

)
) ss:
)

On the ____ of March, 2022, before me, the undersigned, personally appeared Matthew Finkle, as Vice President of Javelin 2022, LLC, a Delaware limited liability company, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public
Printed Name:
My Commission Expires:

EXHIBIT A- LEGAL DESCRIPTION