



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

December 13, 2023

Ms. Marisa Button
Florida Housing Finance Corporation
Live/Local Multifamily Middle Market Certification
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Discussion Points-Middle Market Certification Market Rent Study

Dear Ms. Button,

Questions on the format and process for determining a market rent arose while working through the Market Rent Study for Middle Market Certifications. We are bringing to your attention questions that we hope can be clarified as the program evolves. We would welcome a conversation to discuss it in greater detail, but this letter summarizes important questions that arose. Attached to this letter are two market rent studies which we refer to as appropriate to illustrate how we addressed our questions.

We reached out to representatives within the Middle Market Certification team at FHFC asking some clarifying questions and if there are any standard forms or guidance for the market rent study. The answer was no. They further stated we should utilize our best professional judgment.

We based on market rent study on processes utilized by other federal agencies as well as the answers to frequently asked questions dated November 17, 2023. However, several questions remain unanswered.

Standardized Forms and Methodology

Every federal housing program utilizes standard rent grids to ensure there is consistency between appraisers and the methodology utilized adheres to acceptable appraisal standards. The review and acceptance of the market rent study by FHFC will be extremely difficult without standards. The lack of clarity could result in legal action against FHFC or the appraiser if an owner is not provided with the certification.

There will be extreme pressure placed on appraisers to ensure a property's rents will qualify for the program. A quick review of rent levels throughout the state by our firm suggests the limiting factor on rents may likely be the market and not the 80% or 120% AMI posted rents. The program states 90% of market rent or the AMI rent, whichever is LOWER. If our observations are correct, there will be extreme pressure applied on appraisers to ensure the property's existing rents are at or above 90% of the market threshold. Standard forms help to restrict aggressive approaches to establishing market rents.

The rent studies provided to this letter are sample grids. The grids are like those required for Rent Comparability Study for Housing and Urban Development's Section 8 program. Chapter 9 is the guidance that dictates how the forms must be completed and restrictions on the amount of adjustments allowed. While Chapter 9 places limitations on adjustments that FHFC may not want to impose, the format of the

grid is sufficient in detail and requires market support and evidence for adjustments. Without this requirement, FHFC could be exposed to legal liability if they reject a study and/or an adjustment. The argument will be FHFC's opinion versus an appraiser's opinion vs the owner's opinion.

If guidance is created including maximum adjustments similar to Chapter 9, then this clarity removes "opinions" from the process.

All appraisers who complete rental comparability studies for Housing and Urban Development are familiar with the form and the program requirements. Something like grids and guidance under the HUD Section 8 program could be considered by FHFC. There are sufficient providers for rent comparability studies to ensure the requirement of a standard form will not limit the number of appraisers who can complete market rent studies for the Middle Market Certification program.

Standardized Reviews

There does not appear to be a review process for market rent studies and/or how a review is conducted. HUD has a pool of third-party appraisers who will review Rent Comparability Studies. They are paid a fee collected by HUD from the owner. Errors and questions must be addressed by the provider of the study to the reviewer within an established time limit. If there are comments or issues that cannot be resolved, HUD will contract directly with another provider to complete an independent study. The purpose of the independent reviewer is to remove HUD from the liability of owners who could have rent studies rejected. This same benefit would be beneficial to FHFC.

A consistent review process is necessary to ensure providers adhere to the standards established for conducting and completing market rent studies.

Physical Inspections

Appraisers are not required to complete physical inspections of real estate under USPAP (Uniform Standards of Professional Appraisal Practice). HUD Rent Comparability Studies require an inspection, but it can be an assistant and not the licensed appraiser. With today's technology, virtual inspections are common. FHFC should provide additional guidance on inspection requirements. Allowing assistants to inspect and virtual inspections will reduce the cost of the market rent study to owners.

Market Rent

Market Rent will require a more robust definition. Unlike maximum allowable rents under affordable programs that are set by bedroom, market rents will vary significantly across the same floor plan. Owners often utilize daily pricing through revenue enhancement programs. Contained within a revenue enhancement program is a pricing matrix that includes fees for premium attributes and lease-duration penalties or incentives. Premium rent is mandatory, and a tenant cannot opt-out.

Premiums will generate significant revenue for a property; typically, 3% to 5% in additional rent. As such, the use of revenue enhancement programs and daily pricing is the industry norm.

Markets function with these premiums. Therefore, an appraiser should provide a market rent for each unit in a property including premiums, if applicable, and then calculate a *weighted* average for each bedroom type. A simple average will skew results.

Attached to this letter is a property that utilizes a revenue enhancement program. The details of the premiums within the rent are provided and illustrate the complexity that can occur. Premiums must be typical in the market, confirmed, and detailed by premium attribute by the appraiser.

As the study attached illustrates, a base rent is concluded for each floor plan. Premiums are then added to the base rent to conclude to the market rent for a specific apartment.

Will FHFC recognize premium rent and how should this be illustrated or communicated in the study?

Utilities and Fees

The current guidance states charges that are a “condition of occupancy” are to be included in the market rent analysis. This can be problematic. Market rent should be restricted to rent and utilities and not services regardless of their mandatory requirements for conditions of occupancy.

Common mandatory service fees are Valet Trash, Telecommunication packages for cable/WiFi, package locker access, fees to utilize amenities, and home security systems. Over the past few years owners have significantly increased fee charges. Services add significant costs to a tenant. But they are services and not housing.

The 80% and 120% AMI rents are maximum allowable. Maximum allowable includes all utilities. Deductions are made to the rent for any utility NOT provided to a tenant. Maximum allowable does not allow “services” to be deducted. Reliance is placed on Utility Allowance charts unless a specific utility audit is performed and approved. This keeps all affordable housing within a specific geographic area uniform in how their maximum and net rents are calculated.

FHFC current guidance states charges that are a “condition of occupancy” are to be included in the market rent analysis. This can be problematic. For example, if an owner has a set fee for water/sewer by floor plan, then this would be included. If the water/sewer is reimbursed via a RUG system, it is not allowed. The tenant is paying for water/sewer regardless of the methodology utilized by the owner to pass the cost on to the tenant. Why would one methodology allow inclusion and the other exclusion?

Trash collection is commonly a reimbursement at a set fee. The reimbursement should be based on standard utility allowances and not include the “premium” cost associated with “valet” services.

To be consistent with the maximum allowable rents by AMI that include utilities, market rents should be “grossed” up by the utilities. Utilities would be defined as electric, gas, water/sewer, trash and pest control. Establishing consistency among the adjustments and will remove “services” layered into reimbursements.

FHFC should reconsider its guidance on utilities and the acceptable source for quantifying adjustments.

Short versus long-term leases

Revenue enhancement programs will increase or decrease rents based on when a lease will roll. The purpose is to try to have leases expire during peak leasing seasons. Rents will have an incentive to encourage longer, or shorter lease terms based on the time of year. A 12-month lease is not always the best indicator of the market. Appraisers need to be very careful when selecting the appropriate rental rate to utilize in the analysis.

FHFC should be aware of this variation and consider providing guidance to the appraisers and/or reviewers if FHFC utilizes review appraisers for the market rent studies..

Cherry Picking Comparable Rents

Most properties will list their availability online. Other sources for rent include databases such as CoStar. Increasingly, leasing agents refer questions concerning rent to the web page. The rents listed could represent a floor plan that has limited availability, and the price is extremely high. Wide variation can occur in rent for the same floor plan.

Since prices may change daily, it is difficult to know what premiums or incentives are imbedded in posted rents. Confirmation with on-site management is necessary but often leasing agents only have access to the posted rents which are “bundled” with premiums.

FHFC and/or the review appraiser if one is utilized by the agency, should be aware of the challenges facing appraisers in obtaining comparable “base” rents. Standardized forms and methodologies can establish rail guards to counter the impact bundled rents can have on establishing market rent conclusions.

Average versus Weighted Average

FHFC guidance states the rental market study should provide the “average” market rent for the number of bedroom unit without differentiation. This should be the weighted average. A property could have one outlier unit that would greatly skew the results is an average is calculated. A weighted average reduces this problem.

This letter outlines discussion points that we believe are important to address as the Middle Market Certification process evolves. We appreciate your consideration of the items presented. We would welcome the opportunity to discuss these in greater detail with you.

We plan to attend the December 15th board meeting held at the Tampa Airport Marriot at 8:30 am. We would welcome the opportunity to meet you with the hope of establishing a continuing relationship.

Respectfully submitted,

VALUE TECH REALTY SERVICES, INC.



Kay C. Kauchick, MAI



Quintin Kauchick
President

Sample A

MARKET RENT STUDY

Sample A Apartments
2523 West Nine Mile Road
Pensacola, Florida 32526



Market Rent Study Date

November 29, 2023

Report Date

November 30, 2023

Prepared for

Mr. Justin Terry
The Sample A Company
223 West Gregory Street
Pensacola, FL 32502

File Number 2023-220

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Lutz, FL 33548

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November 30, 2023

Mr. Sample A
The Company
XYZ Sample Street
Pensacola, FL 32502

Florida Housing Finance Corporation
Live/Local Multifamily Middle Market Certification
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Internal File Number: XXXX

RE: Market Rent Study of Sample A Apartments, an 350-unit multifamily community located at 2523 West Nine Mile Road in Pensacola, Florida 32526.

Dear Mr. Sample A:

At your request, we prepared a complete, self-contained market rent study of the above-referenced property. The subject property is further described and identified by legal and narrative descriptions within the text of the following report. The purpose of this market rent study is to estimate the “As-Is” market rents that could be generated if no restrictions were in place.

The subject is an existing 350-unit apartment community located at 2523 West Nine Mile Road. The subject is in the western submarket of greater Pensacola, Florida. The structures are located on a 11.30-acre site. The subject was built in 2021.

Market rent was determined based on comparable analyses that align with proper appraisal methodologies. The conclusions provided represent a “base” rent. Premiums associated with special unit attributes such as views are not included in establishing market rent.

Live Local requires a property’s rents to be 90% of market or the maximum rent based on the AMI, whichever is less. A comparison is provided between market, the 90% threshold and the AMIs. The comparison is presented:

MARKET RENT COMPARISON TO AMI THRESHOLDS					
Bedroom	Bathroom	Monthly Rent	90% Market	80% AMI	120% AMI
0	1	\$1,556	\$1,401	\$1,146	\$1,719
0	1	\$1,580	\$1,422	\$1,146	\$1,719
0	1	\$1,641	\$1,476	\$1,146	\$1,719
1	1	\$1,721	\$1,549	\$1,228	\$1,842
1	1	\$1,747	\$1,572	\$1,228	\$1,842
1	1	\$1,772	\$1,595	\$1,228	\$1,842
1	1	\$1,760	\$1,584	\$1,228	\$1,842
1	1	\$1,737	\$1,563	\$1,228	\$1,842
1	1	\$1,784	\$1,606	\$1,228	\$1,842
1	1	\$1,715	\$1,543	\$1,228	\$1,842
1	1	\$1,745	\$1,570	\$1,228	\$1,842
2	1	\$2,155	\$1,939	\$1,474	\$2,211
2	2	\$2,215	\$1,993	\$1,474	\$2,211
3	2	\$2,789	\$2,511	\$1,702	\$2,553

MARKET RENT CONCLUSION BY BEDROOM TYPE	
<i>Unit Type</i>	<i>Rent Conclusion</i>
Studio	\$1,594
One-Bedroom	\$1,738
Two-Bedroom	\$2,194
Three-Bedroom	\$2,789

We appreciate this opportunity to provide market rent study services to The Sample A Company

Respectfully submitted,

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ADDENDA

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ASSUMPTIONS AND LIMITING CONDITIONS ADDENDUM B
ENGAGEMENT LETTER ADDENDUM C

Background Information and Scope of Work

Identification of the Subject

The subject is an existing 350-unit apartment community located at 2523 West Nine Mile Road within the City of Pensacola, Florida. The property consists of residential apartment buildings located on a 11.30-acre site.

Intended Use of the Market Rent Study

The purpose of this market rent study is to estimate the market rent for each floor plan defined within the subject.

Intended User of the Market Rent Study

The intended user of the report is The Sample A Company and for the program requirements of Florida Housing Finance Corporation's Live/Local Multifamily Middle Market Certification.

Pertinent Dates

The market rent study is dated on the last date market information was secured November 29, 2023. No physical inspection was completed for this assignment. Physical inspections of the subject have been conducted for previous assignments.

Scope of Work

The scope of work aligns with proper appraisal methodologies and standards common to other affordable programs such as Chapter 9 of the Section 8 Renewal Policy, HUD MAP program, and LIHTC programs utilized to determine market rent.

1. Dates, number, and types of inspections, how unit sizes were verified:

Appraiser A personally conducted a virtual inspection of the subject, market, and comparables. The inspection included the interior and exterior of the apartments and common areas.

An analysis was completed of rent levels and occupancy performance within the competitive set. The three approaches to value, highest and best use, and historical sales of the property have not been utilized or analyzed.

Unit sizes were verified based on discussions with the management company. The inspection was conducted of the property that included representative samples of each unit type, the common areas, recreational and unit amenities, services provided in basic rents, as well as interviews with property management and ownership.

2. How rent, condition and amenity data were collected and verified. The appraiser should also note all interviews completed, records reviewed, and internet sites used. The appraiser should indicate the period during which data was collected:

When preparing a market rent study, the appraiser restricted research and/or analysis to the data that was most pertinent to the property being evaluated. The Market Rent Study focused primarily on direct interviews with management and marketing personnel within the supply utilized. A complete market rent

study involved the use of all applicable analytical approaches to consider all available information. Rent, condition, and amenity data were collected during interview of the properties and verified using primarily these approaches. However, in addition, internet research and telephone interviews were also performed in which the relevant market properties were contacted to garner any further data or verify that which was already obtained. The property websites for each comparable were utilized. These are provided in the rent comparable profiles. This was done during the week of the inspection of the property.

3. Any data that was unobtainable or estimated and all efforts to obtain that data:

All subject and comparable data was verified with the properties, via phone interviews, as well as through the property website.

4. Any assistance from assistant appraisers:

None.

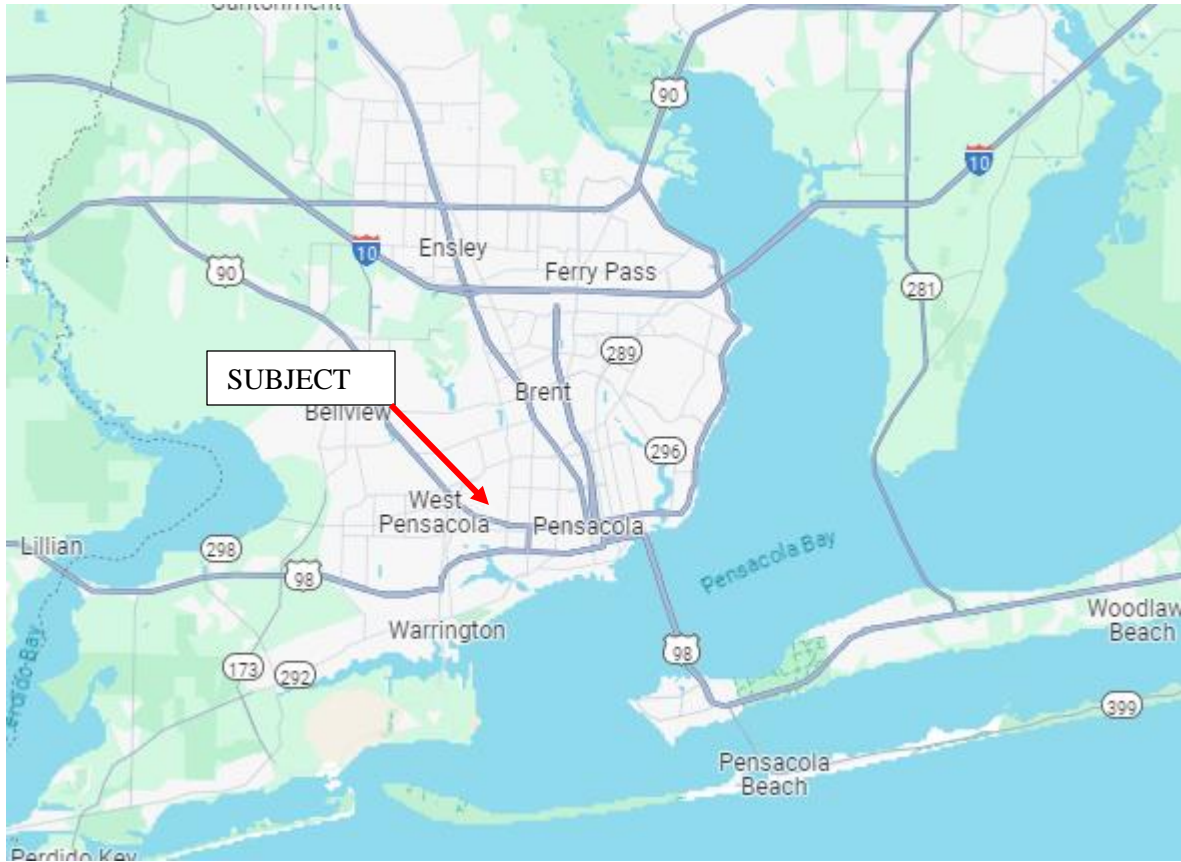
Competency

Appraiser A has 35+ years of experience preparing rent studies, market studies and appraisal assignments throughout the United States.

Ownership and History of the Subject

According to public records, the site size is 11.30 acres or 492,228 square feet. The property is owned by Sample A Company. No transactions have occurred with the subject over the past three years.

Description of Subject Property



Site Description

Identification

Location	2523 West Nine Mile Road
Municipality	Pensacola
County	Escambia
State	Florida
Zip	32526
Parcel Number	10-1S-31-2310-000-001

Physical Features

Size	Approximately 11.30 acres, or 492,228 square feet
Density	31.25

Improvement Description



General

Design/Use	Multifamily
Number of Units	350
Number of Buildings	5
Number of Stories	4
Building Size	RSF: 263,589 square feet
Year Built	2021
Investment Class	A

Exterior/Structural

Construction Type	Class
Quality	Good
Building Condition	Good
Foundation Type	Concrete Slab
Roof Material	Shingle

Unit Mix – Type and Size

In total there are 350 units including handicapped accessible apartments. The total unit mix is as follows:

Estimated Market Rent					
		Size (SF)	No. of Units	Market Rent	
BR	BA			Monthly	Per SF
0	1	424	31	\$1,556	\$3.67
0	1	459	8	\$1,580	\$3.44
0	1	572	28	\$1,641	\$2.87
1	1	648	78	\$1,721	\$2.66
1	1	766	2	\$1,747	\$2.28
1	1	725	26	\$1,772	\$2.44
1	1	668	4	\$1,760	\$2.63
1	1	742	28	\$1,737	\$2.34
1	1	777	8	\$1,784	\$2.30
1	1	667	3	\$1,715	\$2.57
1	1	723	8	\$1,745	\$2.41
2	1	887	36	\$2,155	\$2.43
2	2	945	66	\$2,215	\$2.34
3	2	1,170	24	\$2,789	\$2.38
Totals		753	350	\$1,915	\$2.62

Apartment and Community Features

UNIT AMENITIES
Balcony/Patio
Ceiling Fan
Walk-In Closets
Stainless Steel Appliances
Refrigerator
Dishwasher
Garbage Disposal
Microwave
Washer/Dryer

PROPERTY AMENITIES
Clubhouse
Fitness Center
Pool
Pet Park
Pet Spa
Gated/Secure Access
Elevators
Rooftop Terrace

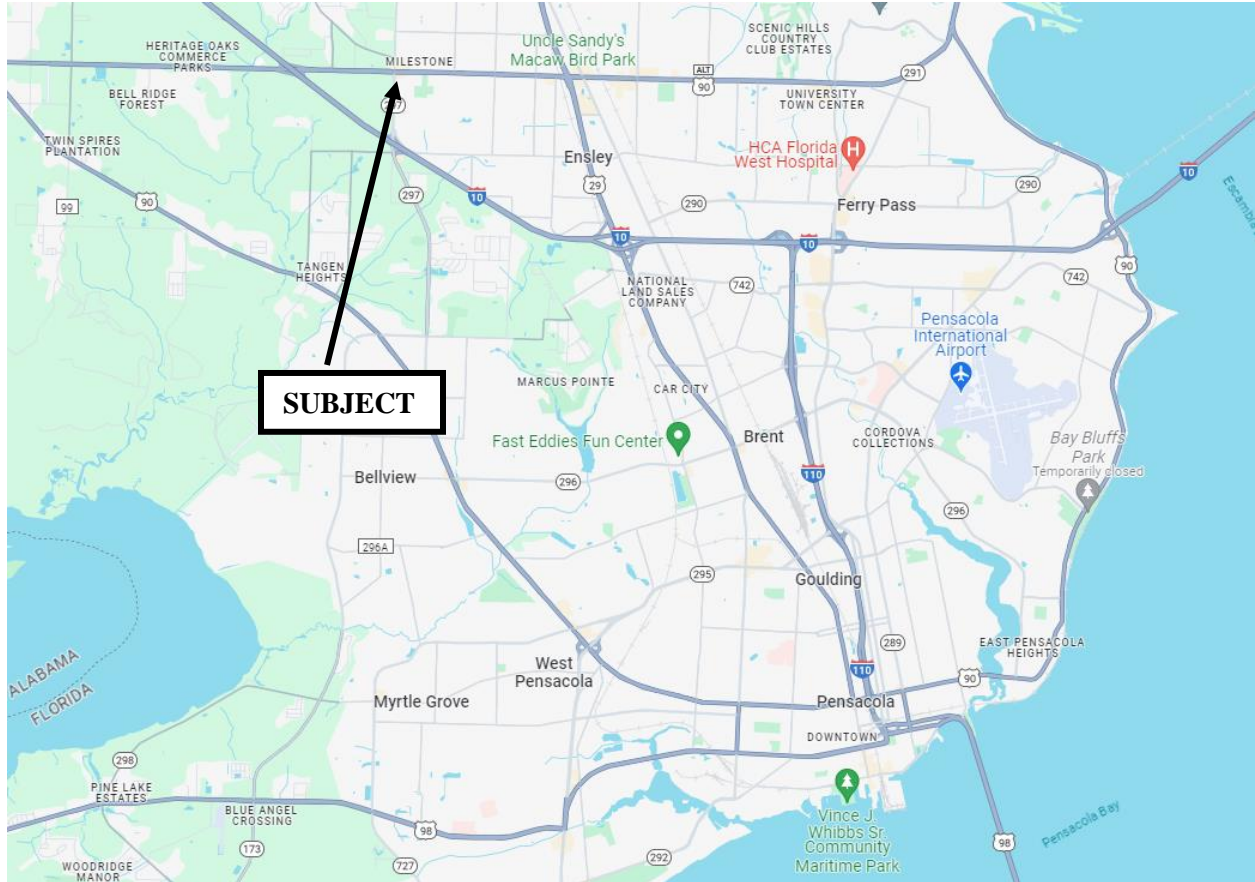
Utilities Included in Rent

UTILITIES INCLUDED IN RENT	
Utilities	Provided?
Heat (in rent?/ type)	N/Gas
Cooling (in rent?/ type)	N/Elec
Cooking (in rent?/ type)	N/Elec
Hot Water (in rent?/ type)	N/Gas
Other Electric	N
Water/ Sewer	N/N
Trash /Recycling	N

Trash, pest control, and an amenity fee are mandatory charges that total \$83 per month per unit.

Identification of Subject's Market Area

Primary interviews were conducted of the apartment communities in the surrounding market to obtain a summary of their geographic draw. The market area for the subject was defined as the western portion of Pensacola including the downtown sector.



Selection of Rent Comparables

Rent comparables were reviewed from the geographical area within close commuting distance to the subject's neighborhood. There were sufficient market-rate apartments in the neighborhood for the rent analysis.

Document the Search Process

The appraiser utilized several sources for comparable selection. This included CoStar's subscription database, web-based apartment listings, discussions with leasing agents within the market, the subject's management team's identification of comparable communities, and previous in-field inspections of the market area.

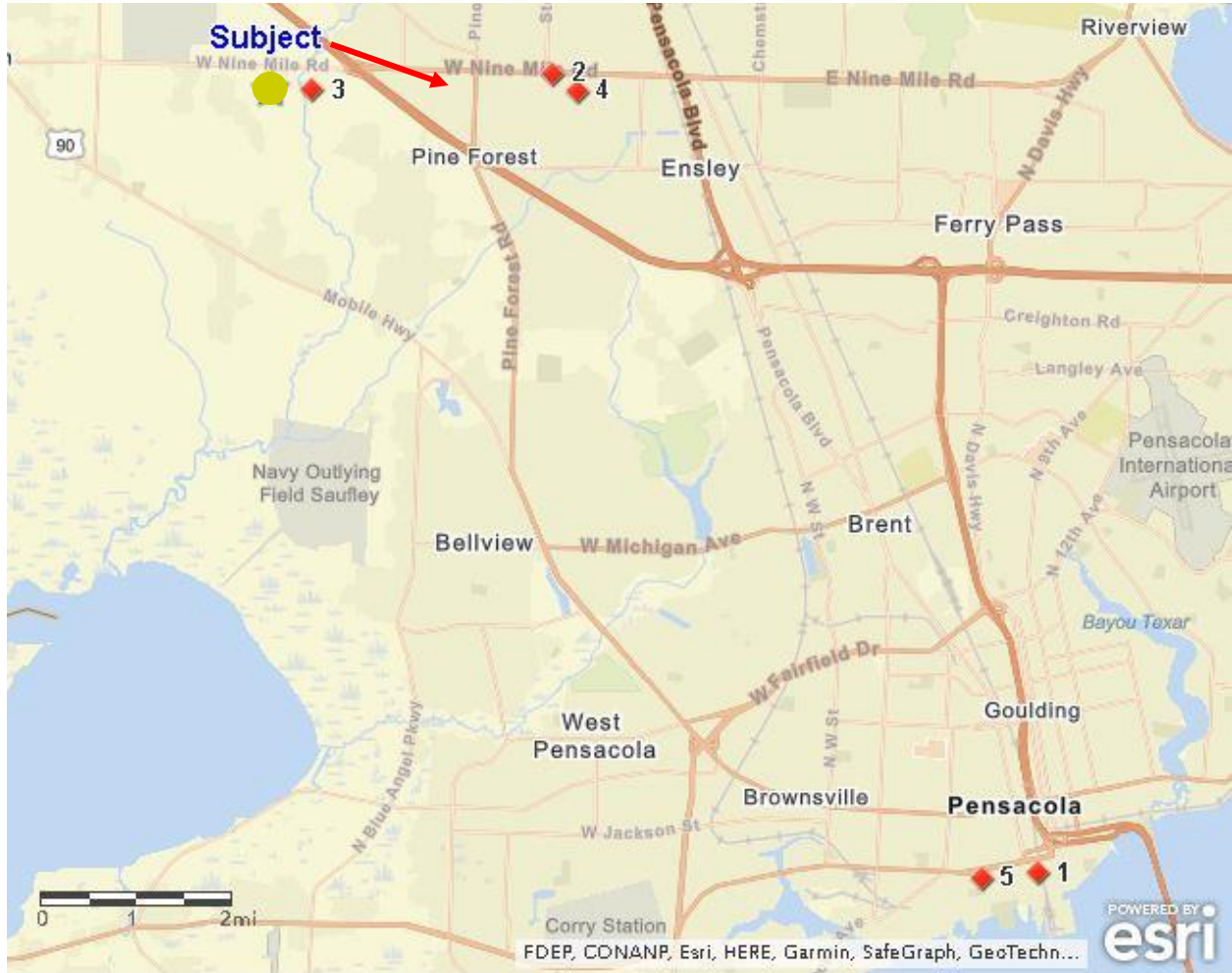
Apartment communities of at least 25 units were considered appropriate. The rent comparables included buildings that offered similar unit types. Apartment communities that were rent or income restricted were not utilized. Comparables were evaluated so that properties of similar quality to the subject were used. Properties that were poor quality were not utilized. Lastly, properties that did not provide sufficient confirmation on their unit size or features were also not relied on for the rent analysis.

The properties selected include the following:

Included Properties		
Property	Verification	Basis for Inclusion
Southtowne	In Person / Phone / Website	Generally similar floorplan, age, and quality
Palmilla Apartments	In Person / Phone / Website	Generally similar floorplan, age, and quality
The Tristan	In Person / Phone / Website	Generally similar floorplan, age, and quality
The Porte at Pathstone Apartments	In Person / Phone / Website	Generally similar floorplan, age, and quality
Evergreen 9 Mile	In Person / Phone / Website	Generally similar floorplan, age, and quality

Map of Subject and Comparables

Five properties were selected that are market-rate. None of the properties on the rent grids offer any rent restrictions. The locations of the properties are provided on the following map:



A brief summary of the apartment communities utilized in the rent grid analysis is provided in the following section.

Selected Properties

Southtowne (Lease No. 1)

Southtowne is a 258-unit apartment community built in 2018. It offers studio, one-, two-, and three-bedroom units ranging from 582 to 1,401 square feet. The community features a clubhouse, fitness center, pool, and barbecue/picnic area. Unit amenities include balcony/patio, ceiling fans, walk-in closets (select units), granite counters, carpet, blinds, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$25 and \$2 per month, respectively. Storage units are available for an additional fee of \$20- \$60 per month depending on the size of the unit. Studio and one-bedroom units are provided with one parking spot.

Two- and three bedroom units are provided with two parking spots. The property is offering a concession of \$1,000 off first month's rent. At the time of the survey, the property was 91.9% occupied.

Palmilla Apartments (Lease No. 2)

Palmilla Apartments is a 240-unit apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 588 to 1,229 square feet. The property features a clubhouse, pool, fitness center, business center, package lockers, pet spa, and gated/secure access.

No utilities are included in base rents. Trash removal is billed above base rents at a rate of \$25 per month. An amenity bundle that includes pest control, internet, and concierge package lockers is billed above base rents at a rate of \$80 per month. Storage units are available for an additional fee of \$65-\$135 depending on size. The property had their first move ins in January 2023. At the time of the survey, the property was 80% occupied.

The Tristan (Lease No. 3)

The Tristan is a 242-unit garden-style apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 505 to 1,473 square feet. The property features a clubhouse, pool, fitness center, business center, pet spa, BBQ/picnic area, and gated/secure access.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$30 and \$3 per month, respectively. There is a premium of \$30 for first floor units and corner units. The community is offering a concession of waived application and administration fees and December rent free. The property had their first move-ins in March 2023. At the time of the survey, the property was 37.2% occupied and 40.1% leased.

The Porte at Pathstone Apartments (Lease No. 4)

The Porte at Pathstone Apartments is a 336-unit multifamily apartment community built in 2021. It offers one-, two-, and three-bedroom units ranging from 819 to 1,400 square feet. The community features a clubhouse, barbeque/picnic area, business center, parcel lockers, fitness center, pool, carport, pet park, and pet spa. Each unit includes a balcony/patio, walk-in closets, ceiling fans, blinds, stainless steel appliances, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$25 and \$5, respectively. Internet is billed above base rents at a rate of \$65 per month. Storage units are available for an additional fee of \$25 or \$40 depending on the size of the unit. The community is offering a concession of \$1,000 off one bedroom units and one month free for two-bedroom units. The property opened in December 2021 and stabilized in October 2023. At the time of the survey, the property was 93% occupied and 96% leased.

Evergreen 9 Mile (Lease No. 5)


Evergreen 9 Mile is a 264-unit apartment complex that delivered units in February 2022. It features one-, two-, and three-bedroom units ranging from 739 to 1,267 square feet. The community is professionally managed and includes a clubhouse, fitness center, business center, pet park, pet washing station, pool, and barbeque area. Each unit includes stainless steel appliances, walk-in closets, granite countertops, balcony/patio, and washer/dryer appliances.

No utilities are included in base rent. Trash removal and pest control are billed above base rents at a rate of \$25 and \$5, respectively. Units with a pool view fetch a premium of \$75 per month. Units on the fourth floor fetch a premium of \$25 per month. Units on the first floor fetch a premium of \$10 per month. Storage units are available for an additional fee of \$75-\$105 per month depending on the size of the unit. Garages are available for an additional fee of \$150 per month. The property had their first move-ins April 2022. At the time of the survey, the property was 60.6% occupied.

Market Rent Grids

The rent grids for each primary unit type follow:

PRIMARY UNIT TYPE												
Rent Comparables Grid			Unit Type		Studio Unit							
Subject			Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
			Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile	
			101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave	
Pensacola			Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida	
Data on Subject			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged												
1	\$ Last Rent / Restricted?		\$1,553		\$1,556		\$1,435		\$1,578		\$1,575	
2	Date Last Leased (mo/yr)		Nov-23		Nov-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions		N		N		N		N		N	
4	Occupancy for Unit Type		92%		80%		37%		93%		61%	
5	Effective Rent & Rent/ sq.ft		\$1,553	\$2.61	\$1,556	\$2.65	\$1,435	\$2.84	\$1,578	\$1.93	\$1,575	\$2.13
B. Design, Location, Condition			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E/4	E/5	\$0	E/4	\$0	G/3	\$40	E/4	\$0	E/4	\$0
7	Yr. Built/Yr. Renovated	2021	2018	\$0	2023	\$0	2023	\$0	2021	\$0	2022	\$0
8	Condition /Street Appeal	G	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
9	Neighborhood	G	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
10	Same Market? Miles to Subject		Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
C. Unit Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	0	0		0		0		1	(\$100)	1	(\$100)
12	# Baths	1	1		1		1		1		1	
13	Unit Interior Sq. Ft.	424	594	(\$59.50)	588	(\$57.40)	505	(\$28.35)	819	(\$138.25)	739	(\$110.25)
14	Balcony/ Patio	Y	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
15	AC: Central/ Wall	C	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0
16	Range/ Refrigerator	RF	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0
17	Microwave/ Dishwasher	MD	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0
18	Washer/Dryer	WD	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0
19	Floor Coverings	V	Various	\$0	Various	\$0	Various	\$0	Various	\$0	Various	\$0
20	Window Coverings	B	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0
21	Cable/ Satellite/ Internet	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
22	Special Features	N	N	\$0	0%	\$0	N	\$0	N	\$0	N	\$0
23	Den	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
D. Site Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	G	\$0	L	\$0	L	\$0	L	\$0	L	\$0
25	Extra Storage In Rent	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
26	Security Gate / Guard	Y/N	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0
27	Clubhouse/ Meeting Rooms	C	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
28	Pool/ Recreation Areas/ Exercise	PRE	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0
29	Business Center/ Nhd Netwk	BC	N	\$5	BC	\$0	BC	\$0	BC	\$0	BC	\$0
30	Social Coordination	Y	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
31	Non-Shelter Services	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32	Neighborhood Networks	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32A	Beauty Parlor	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
E. Utilities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
34	Cooling (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
35	Cooking (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
37	Other Electric	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
38	Water/ Sewer	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0
39	Trash /Recycling	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
F. Adjustments Recap			Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		1	1	0	1	1	1	0	2	0	2
41	Sum Adjustments B to D		\$5	(\$60)	\$0	(\$57)	\$40	(\$28)	\$0	(\$238)	\$0	(\$210)
42	Sum Utility Adjustments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		(\$55)	\$65	(\$57)	\$57	\$12	\$68	(\$238)	\$238	(\$210)	\$210
G. Adjusted & Market Rents			Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (+- 43)		\$1,499		\$1,499		\$1,447		\$1,340		\$1,365	
45	Adj Rent/Last rent			96%		96%		101%		85%		87%
46	Estimated Market Rent	\$1,450	\$3.42		Estimated Market Rent/ Sq. Ft							



Appraiser's Signature

11/29/2023

Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form form HUD-92273-S8 (04/2002)

Rent Comparables Grid		PRIMARY UNIT TYPE										
		Unit Type		One Bed, One Bath								
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
		Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile		
		101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave		
Pensacola		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
A. Rents Charged												
1	\$ Last Rent / Restricted?	\$1,772		\$1,629		\$1,500		\$1,578		\$1,575		
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23		
3	Rent Concessions	N		N		N		N		N		
4	Occupancy for Unit Type	92%		80%		37%		93%		61%		
5	Effective Rent & Rent/ sq.ft	\$1,772	\$2.76	\$1,629	\$2.25	\$1,500	\$2.10	\$1,578	\$1.93	\$1,575	\$2.13	
B. Design, Location, Condition												
6	Structure / Stories	E/4		E/5		E/4		G/3		E/4		
7	Yr. Built/Yr. Renovated	2021	2018	\$0	2023	\$0	2023	\$0	2021	\$0	2022	
8	Condition /Street Appeal	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
10	Same Market? Miles to Subject	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
C. Unit Equipment/ Amenities												
11	# Bedrooms	1		1		1		1		1		
12	# Baths	1		1		1		1		1		
13	Unit Interior Sq. Ft.	648	641	\$0.00	724	(\$26.60)	715	(\$23.45)	819	(\$59.85)	739	(\$31.85)
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0	
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0	
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0	
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0	
19	Floor Coverings	V	Various	\$0	Various	\$0	Various	\$0	Various	\$0	Various	
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0	
21	Cable/ Satellite/Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
22	Special Features	N	\$0	0%	\$0	N	\$0	N	\$0	N	\$0	
23	Den	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
D. Site Equipment/ Amenities												
24	Parking (\$ Fee)	L	\$0	L	\$0	L	\$0	L	\$0	L	\$0	
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
26	Security Gate / Guard	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	
27	Clubhouse/ Meeting Rooms	C	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
28	Pool/ Recreation Areas/Exercise	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	
29	Bus/Social Ctr / Nhbhd Netwk	BC	\$5	BC	\$0	BC	\$0	BC	\$0	BC	\$0	
30	Social Coordination	Y	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
31	Non-Shelter Services	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
32	Neighborhood Networks	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
32A	Beauty Parlor	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
E. Utilities												
33	Heat (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	
34	Cooling (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	
35	Cooking (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	
37	Other Electric	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
38	Water/ Sewer	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	
39	Trash/ Recycling	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
F. Adjustments Recap												
40	# Adjustments B to D		1	0	1	1	1	0	1	0	1	
41	Sum Adjustments B to D		\$5	\$0	(\$27)	\$40	(\$23)	\$0	(\$60)	\$0	(\$32)	
42	Sum Utility Adjustments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Gross	
43	Net/ Gross Adjmts B to E		\$5	\$5	(\$27)	\$27	\$17	\$63	(\$60)	\$60	(\$32)	
G. Adjusted & Market Rents												
44	Adjusted Rent (5+ 43)		\$1,777		\$1,602		\$1,517		\$1,518		\$1,543	
45	Adj Rent/Last rent			100%		98%		101%		96%		
46	Estimated Market Rent	\$1,600	\$2.47		Estimated Market Rent/ Sq. Ft							

Kay Hauckick
Appraiser's Signature


11/29/2023
Date

Attached are explanations of :

a. why & how each adjustment was made
b. how market rent was derived from adjusted rents
c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form form HUD-92273-S8 (04/2002)

Rent Comparables Grid		PRIMARY UNIT TYPE									
		Unit Type		One Bed, One Bath & Den							
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
		Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile	
		101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave	
Pensacola		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,772		\$1,629		\$1,500		\$1,578		\$1,575	
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	92%		80%		37%		93%		61%	
5	Effective Rent & Rent/ sq.ft	\$1,772	\$2.76	\$1,629	\$2.25	\$1,500	\$2.10	\$1,578	\$1.93	\$1,575	\$2.13
B. Design, Location, Condition											
6	Structure / Stories	E/4		E/5		E/4		G/3		E/4	
7	Yr. Built/Yr. Renovated	2021	2018	\$0	2023	\$0	2023	\$0	2021	\$0	2022
8	Condition /Street Appeal	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
10	Same Market? Miles to Subject	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
C. Unit Equipment/ Amenities											
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	725	641	\$29.40	724	\$0.00	715	\$3.50	819	(\$32.90)	739
14	Balcony/ Patio	Y	Y	\$0	Y	\$0	Y	\$0	Y	Y	\$0
15	AC: Central/ Wall	C	C	\$0	C	\$0	C	\$0	C	C	\$0
16	Range/ Refrigerator	RF	RF	\$0	RF	\$0	RF	\$0	RF	RF	\$0
17	Microwave/ Dishwasher	MD	MD	\$0	MD	\$0	MD	\$0	MD	MD	\$0
18	Washer/Dryer	WD	WD	\$0	WD	\$0	WD	\$0	WD	WD	\$0
19	Floor Coverings	V	Various	\$0	Various	\$0	Various	\$0	Various	Various	\$0
20	Window Coverings	B	B	\$0	B	\$0	B	\$0	B	B	\$0
21	Cable/ Satellite/Internet	N	N	\$0	N	\$0	N	\$0	N	N	\$0
22	Special Features	N	N	\$0	0%	\$0	N	\$0	N	N	\$0
23	Den	Y	N	\$50	N	\$50	N	\$50	N	N	\$50
D. Site Equipment/ Amenities											
24	Parking (\$ Fee)	L	G	\$0	L	\$0	L	\$0	L	L	\$0
25	Extra Storage In Rent	N	N	\$0	N	\$0	N	\$0	N	N	\$0
26	Security Gate / Guard	Y/N	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	Y/N	\$0
27	Clubhouse/ Meeting Rooms	C	Y	\$0	Y	\$0	Y	\$0	Y	Y	\$0
28	Pool/ Recreation Areas/Exercise	PRE	PRE	\$0	PRE	\$0	PRE	\$0	PRE	PRE	\$0
29	Bus/Social Ctr / Nhd Netwk	BC	N	\$5	BC	\$0	BC	\$0	BC	BC	\$0
30	Social Coordination	Y	N	\$0	N	\$0	N	\$0	N	N	\$0
31	Non-Shelter Services	N	N	\$0	N	\$0	N	\$0	N	N	\$0
32	Neighborhood Networks	N	N	\$0	N	\$0	N	\$0	N	N	\$0
32A	Beauty Parlor	N	N	\$0	N	\$0	N	\$0	N	N	\$0
E. Utilities											
33	Heat (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec
34	Cooling (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec
35	Cooking (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec
37	Other Electric	N	N	\$0	N	\$0	N	\$0	N	N	\$0
38	Water/ Sewer	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	N/N	\$0
39	Trash/ Recycling	N	N	\$0	N	\$0	N	\$0	N	N	\$0
F. Adjustments Recap											
40	# Adjustments B to D		3	0	1	0	3	0	1	1	1
41	Sum Adjustments B to D		\$84	\$0	\$50	\$0	\$94	\$0	\$50	(\$33)	\$50
42	Sum Utility Adjustments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Gross
43	Net/ Gross Adjmts B to E		\$84	\$84	\$50	\$50	\$94	\$94	\$17	\$83	\$45
G. Adjusted & Market Rents											
44	Adjusted Rent (5+ 43)		\$1,856		\$1,679		\$1,594		\$1,595		\$1,620
45	Adj Rent/Last rent			105%		103%		106%		101%	103%
46	Estimated Market Rent	\$1,600	\$2.21		Estimated Market Rent/ Sq. Ft						



Appraiser's Signature

11/29/2023

Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form form HUD-92273-S8 (04/2002)

Rent Comparables Grid		PRIMARY UNIT TYPE										
		Unit Type		Two Bed, One Bath								
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
		Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile		
		101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave		
Pensacola		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
1	\$ Last Rent / Restricted?	\$2,149		\$2,195		\$2,100		\$2,006		\$1,979		
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23		
3	Rent Concessions	N		N		N		N		N		
4	Occupancy for Unit Type	92%		80%		37%		93%		61%		
5	Effective Rent & Rent/ sq.ft	\$2,149	\$2.38	\$2,195	\$2.00	\$2,100	\$1.94	\$2,006	\$1.98	\$1,979	\$1.86	
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6	Structure / Stories	E/4		E/4		G/3		E/4		E/4		
7	Yr. Built/Yr. Renovated	2021	\$0	2023	\$0	2023	\$0	2021	\$0	2022	\$0	
8	Condition /Street Appeal	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
10	Same Market? Miles to Subject	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
11	# Bedrooms	2		2		2		2		2		
12	# Baths	1	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)	
13	Unit Interior Sq. Ft.	887	(\$5.25)	1098	(\$73.85)	1082	(\$68.25)	1012	(\$43.75)	1063	(\$61.60)	
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0	
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0	
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0	
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0	
19	Floor Coverings	V	Various	Various	\$0	Various	\$0	Various	\$0	Various	\$0	
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0	
21	Cable/ Satellite/Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
22	Special Features	N	\$0	0%	\$0	N	\$0	N	\$0	N	\$0	
23	Den	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24	Parking (\$ Fee)	L	\$0	L	\$0	L	\$0	L	\$0	L	\$0	
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
26	Security Gate / Guard	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	
27	Clubhouse/ Meeting Rooms	C	\$5	N	\$5	N	\$5	N	\$5	N	\$5	
28	Pool/ Recreation Areas/Exercise	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	
29	Bus/Social Ctr / Nhd Netwk	BC	\$5	BC	\$0	BC	\$0	BC	\$0	BC	\$0	
30	Social Coordination	Y	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
31	Non-Shelter Services	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
32	Neighborhood Networks	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
32A	Beauty Parlor	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33	Heat (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
34	Cooling (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
35	Cooking (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
37	Other Electric	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
38	Water/ Sewer	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0
39	Trash/ Recycling	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D	2	2	1	2	2	2	1	2	1	2	
41	Sum Adjustments B to D	\$10	(\$35)	\$5	(\$104)	\$45	(\$98)	\$5	(\$74)	\$5	(\$92)	
42	Sum Utility Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	
43	Net/ Gross Adjmts B to E	(\$25)	\$45	(\$99)	\$109	(\$53)	\$143	(\$69)	\$79	(\$87)	\$97	
G.	Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
44	Adjusted Rent (5+ 43)	\$2,124		\$2,096		\$2,047		\$1,937		\$1,892		
45	Adj Rent/Last rent		99%		95%		97%		97%		96%	
46	Estimated Market Rent	\$2,050	\$2.31	Estimated Market Rent/ Sq. Ft								

Kay Hauck
Appraiser's Signature


11/29/2023
Date

Attached are explanations of :

a. why & how each adjustment was made
b. how market rent was derived from adjusted rents
c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form **form HUD-92273-S8 (04/2002)**

Rent Comparables Grid		PRIMARY UNIT TYPE									
		Unit Type		Two Bed, Two Bath							
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
		Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile	
		101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave	
Pensacola		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$2,149		\$2,195		\$2,100		\$2,006		\$1,979	
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	92%		80%		37%		93%		61%	
5	Effective Rent & Rent/ sq. ft	\$2,149	\$2.38	\$2,195	\$2.00	\$2,100	\$1.94	\$2,006	\$1.98	\$1,979	\$1.86
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E/4		E/4		G/3		E/4		E/4	
7	Yr. Built/Yr. Renovated	2021	\$0	2023	\$0	2023	\$0	2021	\$0	2022	\$0
8	Condition /Street Appeal	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0
10	Same Market? Miles to Subject	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	945	\$15.05	1098	(\$53.55)	1082	(\$47.95)	1012	(\$23.45)	1063	(\$41.30)
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0
19	Floor Coverings	V	Various	Various	\$0	Various	\$0	Various	\$0	Various	\$0
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0
21	Cable/ Satellite/Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
22	Special Features	N	\$0	0%	\$0	N	\$0	N	\$0	N	\$0
23	Den	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	\$0	L	\$0	L	\$0	L	\$0	L	\$0
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
26	Security Gate / Guard	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0
27	Clubhouse/ Meeting Rooms	C	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
28	Pool/ Recreation Areas/Exercise	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0
29	Bus/Social Ctr / Nhd Netwk	BC	\$5	BC	\$0	BC	\$0	BC	\$0	BC	\$0
30	Social Coordination	Y	\$0	N	\$0	N	\$0	N	\$0	N	\$0
31	Non-Shelter Services	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32	Neighborhood Networks	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32A	Beauty Parlor	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/Gas	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
34	Cooling (in rent?/ type)	N/Elec	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
35	Cooking (in rent?/ type)	N/Elec	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
37	Other Electric	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
38	Water/ Sewer	N/N	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0
39	Trash/ Recycling	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	2	0	0	1	1	1	0	1	0	1
41	Sum Adjustments B to D	\$20	\$0	\$0	(\$54)	\$40	(\$48)	\$0	(\$23)	\$0	(\$41)
42	Sum Utility Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$20	\$20	(\$54)	\$54	(\$8)	\$88	(\$23)	\$23	(\$41)	\$41
G. Adjusted & Market Rents		Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent
44	Adjusted Rent (5+ 43)	\$2,169		\$2,141		\$2,092		\$1,983		\$1,938	
45	Adj Rent/Last rent		101%		98%		100%		99%		98%
46	Estimated Market Rent	\$1,600	\$1.69	Estimated Market Rent/ Sq. Ft							



Appraiser's Signature

11/29/2023

Date

Attached are explanations of :

a. why & how each adjustment was made

b. how market rent was derived from adjusted rents

c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form **form HUD-92273-S8 (04/2002)**

Rent Comparables Grid		PRIMARY UNIT TYPE										
		Unit Type		Three Bed, Two Bath								
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
		Southtowne		Palmilla Apartments		The Tristan		The Porte at Pathstone Apartments		Evergreen 9 Mile		
		101 East Romana Street		51 South Coyle Street		1559 W Nine Mile Rd		8801 Pathstone Blvd		9295 Ashland Ave		
Pensacola		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		Pensacola, Florida		
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
A. Rents Charged												
1	\$ Last Rent / Restricted?	\$3,199		\$2,889		\$2,680		\$2,542		\$2,249		
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23		
3	Rent Concessions	N		N		N		N		N		
4	Occupancy for Unit Type	92%		80%		37%		93%		61%		
5	Effective Rent & Rent/ sq. ft	\$3,199	\$2.30	\$2,889	\$2.04	\$2,680	\$1.84	\$2,542	\$1.82	\$2,249	\$1.78	
B. Design, Location, Condition												
6	Structure / Stories	E/4		E/4		G/3		E/4		E/4		
7	Yr. Built/Yr. Renovated	2021	2018	\$0	2023	\$0	2023	\$0	2021	\$0	2022	\$0
8	Condition /Street Appeal	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0	
10	Same Market? Miles to Subject	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
C. Unit Equipment/ Amenities												
11	# Bedrooms	3		3		3		3		3		
12	# Baths	2		2		2		2		2		
13	Unit Interior Sq. Ft.	1,170	1392 (\$77.70)	1415 (\$85.75)		1460 (\$101.50)		1400 (\$80.50)		1267 (\$33.95)		
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0	
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0	
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0	
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0	
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0	
19	Floor Coverings	V	Various	Various	\$0	Various	\$0	Various	\$0	Various	\$0	
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0	
21	Cable/ Satellite/Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
22	Special Features	N	\$0	0%	\$0	N	\$0	N	\$0	N	\$0	
23	Den	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
D. Site Equipment/ Amenities												
24	Parking (\$ Fee)	L	G	\$0	L	\$0	L	\$0	L	\$0	L	\$0
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0	
26	Security Gate / Guard	Y/N	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0	Y/N	\$0
27	Clubhouse/ Meeting Rooms	C	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
28	Pool/ Recreation Areas/Exercise	PRE	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0	PRE	\$0
29	Bus/Social Ctr / Nhd Netwk	BC	N	\$5	BC	\$0	BC	\$0	BC	\$0	BC	\$0
30	Social Coordination	Y	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
31	Non-Shelter Services	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32	Neighborhood Networks	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32A	Beauty Parlor	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
E. Utilities												
33	Heat (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
34	Cooling (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
35	Cooking (in rent?/ type)	N/Elec	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
36	Hot Water (in rent?/ type)	N/Gas	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
37	Other Electric	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
38	Water/ Sewer	N/N	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0
39	Trash/ Recycling	N	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
F. Adjustments Recap												
40	# Adjustments B to D		1	1	0	1	1	0	1	0	1	
41	Sum Adjustments B to D		\$5	(\$78)	\$0	(\$86)	\$40	(\$102)	\$0	(\$81)	\$0	(\$34)
42	Sum Utility Adjustments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjts B to E		(\$73)	\$83	(\$86)	\$86	(\$62)	\$142	(\$81)	\$81	(\$34)	\$34
G. Adjusted & Market Rents												
44	Adjusted Rent (5+ 43)		\$3,126		\$2,803		\$2,619		\$2,462		\$2,215	
45	Adj Rent/Last rent			98%		97%		98%		97%		98%
46	Estimated Market Rent	\$1,600	\$1.37		Estimated Market Rent/ Sq. Ft							

Kay Hauckick
Appraiser's Signature

11/29/2023
Date

Attached are explanations of :

a. why & how each adjustment was made
b. how market rent was derived from adjusted rents
c. how this analysis was used for a similar unit type

Explanation of Adjustments and Market Rent Conclusions

The market rent comparables discussed above were utilized in the creation of the rent grids for each *primary* Section 8-unit type. Primary unit types are those that make up a relative percentage of the total Section 8 units available at the property as well as those that are distinct in their square footages and layouts. Rent grids were created for primary unit types as outlined in the Section 8 Renewal Guide. The secondary unit types were adjusted based on square footage and/or layout. The following paragraphs provide a discussion of each of the line items that were considered as part of the analysis of each of these primary unit types. The rent sheets for the rent comparables are located after each section. The market was surveyed on November 29, 2023. All of the rent comparables were surveyed during the same time period. The following explanation is for the first primary unit type:

Rent Adjustments

Section A: Rents Charged at Properties

1. Last Rented/Restricted

The rents shown in the grid were obtained from representatives at comparable properties and were reflective of base rents for unit types similar to the subject's. In addition, none of the comparables are rent restricted so no adjustment is necessary.

2. Date Last Leased

The date last leased is the effective date of leases most recently signed for this unit type at each of the comparables. The market was surveyed in November 2023 and includes the most recently signed leases. As such, no adjustment was made for this category.

3. Rent Concessions

Concessions in the market are generally reflected in current market rents. Comparables in the market utilize concessions as a marketing tactic. As such, no adjustment was necessary for this line item.

4. Occupancy for the Unit Type

Occupancy presented are project-wide. The rental market is reporting strong occupancies and thus no adjustment was necessary.

5. Effective Rent & Rent/Square Feet

The rents shown in the grid were obtained from representatives at the comparable properties, and are reflective of the base rents. Effective rent/sq.ft. is calculated by taking the effective rent divided by the square footage of that floor plan.

Section B: Design, Location, Condition of Properties

6. Structure/Stories

The subject property is elevator serviced. The Tristan is a garden style community and was adjusted upward to reflect the increased marketability of an elevator serviced project.

Elevator Adjustment			
Property	Unit Type	Elevator	Rent
The Tristan	1x1	No E	\$1,407
Evergreen 9 Mile	1x1	E	\$1,365
	Difference		\$41.90
	Remainder is Elevator		\$41.90
Conclusion			\$40

7. Year Built/Year Renovated

The comparables were built between 2018 and 2023 and have been maintained to varying degrees. As such any adjustment for quality was captured in line item 8 and no adjustment was necessary for this line item.

8. Condition/Street Appeal

The subject and the comparables are professionally managed and maintained. As such, the subject and the rent comparables reflect similar condition/street appeal. No adjustment was necessary for this line item.

9. Neighborhood

The subject and the comparables are located within the same general neighborhood/market. No adjustment was required.

10. Market

The subject and the comparables are located within the western portion of Pensacola including downtown. No market adjustment was required.

Section C: Unit Equipment / Amenities Offered

11. Number of Bedrooms

A bedroom adjustment is made if the number of bedrooms in the subject is different from the rent comparables. The subject features studio units. Comparables without studio units were adjusted downward. The adjustment is as follows.

Bedroom Adjustment			
Property	Unit Type	SF	Rent
Southtowne	0x1	588	\$1,556
Southtowne	1x1	750	\$1,704
	Difference	162	\$148
	SF Adjustment		(\$57)
	Remainder is Bedroom		\$91.30
Bedroom Conclusion			\$100

12. Number of Baths

A bathroom adjustment is made if the number of bathrooms in the subject is different from the rent comparables.

Bathroom Adjustment			
Property	Unit Type	SF	Rent
Marcus Point Grande	2x1	1,118	\$1,459
Marcus Point Grande	2x2	1,434	\$1,598
	Difference	316	\$139.00
	SF Adjustment		(\$110.60)
	Remainder is Bathrooms (1.5 Bathrooms)		\$28.40
Bathroom Adjustment-Full			\$30

13. Unit Interior Square Feet

Unit interior square footage is comprised of all non-mechanical, livable space that is rentable. An adjustment is made for differences in size between the subject units and the comparable units. An analysis was conducted of similar unit types within the same complex to determine a quantifiable adjustment for differences in size.

The square foot adjustment was then applied to each of the comparables if they differed in size from the subject unit being compared. If a comparable was larger than the subject, then it was adjusted downward. If a comparable was smaller than the applicable subject unit then it was adjusted upward.

This adjustment was estimated as follows:

SF Adjustment			
Property	Unit Type	SF	Rent
Southtowne	1x1	641	\$1,913
Southtowne	1x1	765	\$1,959
	Difference	124	\$46
	Total Difference		\$46
	SF Adjustment		\$0.37
Conclusion			\$0.35

14. Balcony/Patio

The subject and the comparables offer a balcony/patio in units. As such, no adjustment was necessary for this line item.

15. AC: Central/Wall

The subject and the comparables offer central AC. As such, no adjustment was necessary for this line item.

16. Range/Refrigerator

The subject and comparables offer both a refrigerator and a range/oven in all unit types. As such, no adjustment was necessary for this line item.

17. Microwave/Dishwasher

The subject and the comparables offer a microwave and dishwasher in units. As such, no adjustment was necessary for this line item.

18. Washer Dryer

The subject and the comparables offer a washer/dryer in units. As such, no adjustment was necessary for this line item.

19. Floor Coverings

The subject and comparables offer a variety of floor coverings including carpet and vinyl flooring. As such, no adjustment was necessary for this line item.

20. Window Coverings

The subject and the comparables offer blinds as window coverings. As such, no adjustment was necessary for this line item.

21. Cable/Satellite/Internet

The subject and comparables do not offer cable, satellite, or internet included in rent. As such, no adjustment was necessary for this line item:

22. Special Features

The subject and the comparables do not offer special features. Special features include a fireplace, vaulted ceilings, and premium features. No adjustment was made to the comparables.

23. Den

The subject offers a one-bedroom unit type with a den. Comparables without a den were adjusted upward to reflect the increased marketability of a den in a one-bedroom unit. The adjustment is as follows:

Den Adjustment			
Property	Unit Type	SF	Rent
Crossings at Milestone	1xl	651	\$1,295
Crossings at Milestone	1xl (with Den)	789	\$1,385
	Difference	-138	\$90
	SF Adjustment		(\$48)
	Remainder is Den		\$42
Remainder is Den			\$40

Section D: Site Equipment / Amenities Offered**24. Parking**

The subject and comparables include parking in rent. Southtowne features a parking garage but does not charge an additional fee to residents. As such, no adjustment was necessary for this line item.

25. Extra Storage

The subject and comparables do not offer extra storage in rent. As such, no adjustment was necessary for this line item.

26. Security

The subject and the comparables features gated/secure access. As such, no adjustment was necessary for this line item.

27. Clubhouse/Social/Meeting Room/Dining Room

The subject and the comparables offer a clubhouse. As such, no adjustment was necessary for this line item.

28. Pool/Recreation Area/Exercise Room

The subject and the comparables offer a pool (P), recreational area (R), or exercise equipment (E). As such, no adjustment was necessary for this line item.

29. Business Center/Neighborhood Network

The subject and comparables offer a business center. No adjustment was necessary.

30. Service Coordination

The subject and comparables do not have a service coordinator. As such, no adjustment was necessary for this line item.

31. Non-Shelter Services

Non-shelter services include some of the following: Elderly Services, service coordination, and neighborhood networks. Elderly services may include emergency call systems, transportation, social or educational activities, meals, laundry, or housekeeping.

The subject and the comparables do not include any non-shelter services. As such, no adjustment was necessary for this line item.

32. Neighborhood Networks

The subject and the comparables do not offer social support programs. As such, no adjustment was necessary for this line item.

32. Beauty Parlor

The subject and comparables do not offer a beauty parlor. As such, no adjustment was necessary for this line item.

Section E: Utilities

The subject and the comparables do not include any utilities included in base rents. As such no adjustment was necessary for utilities.

33. Heat

Heat is provided through electric for the subject. Heat is not included in base rent for the subject or any comparables. No adjustment was necessary for this line item.

34. Cooling

Cooling is provided through electric for the subject. Cooling is not included in base rent for the subject or any comparables. No adjustment was necessary for this line item.

35. Cooking

The subject offers electric cooking appliances. Cooking is not included in base rent for the subject or any comparables. No adjustment was necessary for this line item.

36. Hot Water

Hot water is provided through electric for the subject. Hot water is not included in base rent for the subject or any comparables. No adjustment was necessary for this line item.

37. Other Electric

The subject and comparables do not include any electric. No adjustment was necessary for this line item.

38. Water/Sewer

Water/sewer are not included in subject base rents. All comparables exclude water/sewer in base rents. No Adjustment was necessary for this line item.

39. Trash/Recycling

Trash collection is an additional fee at the subject and comparables. No adjustment was necessary for this line item.

46. Conclusion of Market Rents

The rent grids provided conclude to the base rent of the primary unit types. The subject features units that differ from these primary unit types by square feet only. Unit types that were not analyzed in the rent grids were adjusted by the square footage adjustment provided:

SF Adjustment			
Property	Unit Type	SF	Rent
Southtowne	1x1	641	\$1,913
Southtowne	1x1	765	\$1,959
	Difference	124	\$46
	Total Difference		\$46
	SF Adjustment		\$0.37
Conclusion			\$0.35

The chart below shows the concluded market rents for all unit types. Unit A2 includes a den. The remaining one-bedroom units were adjusted upward from the A1 unit type for square footage. Unit B3 features one bathroom while unit B1 features two bathrooms.

MARKET RENT							
Unit Type	BR	BA	(SF)	# Units	Base Market Rent	Premium & Utility Fees	Market Rent Conclusion
STUDIO							
S1*	0	1	424	31	\$1,450	\$106	\$1,556
S1D	0	1	459	8	\$1,462	\$118	\$1,580
S2	0	1	572	28	\$1,502	\$139	\$1,641
ONE-BEDROOM							
A1*	1	1	648	78	\$1,600	\$121	\$1,721
A1D	1	1	766	2	\$1,641	\$106	\$1,747
A2*	1	1	725	26	\$1,640	\$132	\$1,772
A2E	1	1	668	4	\$1,607	\$153	\$1,760
A3	1	1	742	28	\$1,633	\$104	\$1,737
A3D	1	1	777	8	\$1,645	\$139	\$1,784
A4	1	1	667	3	\$1,607	\$108	\$1,715
A5	1	1	723	8	\$1,626	\$119	\$1,745
TWO BEDROOM							
B3*	2	1	887	36	\$2,050	\$105	\$2,155
B1*	2	2	945	66	\$2,110	\$105	\$2,215
THREE BEDROOM							
C1*	3	2	1170	24	\$2,650	\$139	\$2,789
Grid Units*							

Live Local requires a property’s rents to be 90% of market or the maximum rent based on the AMI, whichever is less. A comparison is provided between market, the 90% threshold and the AMIs. The comparison is presented:

Note: The general hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD release: 5/15/2023
 Effective: 5/15/2023
 Implement on/before: 6/28/2023

2023 Income Limits and Rent Limits
Florida Housing Finance Corporation
Multifamily Rental Programs and CWHIP Homeownership Program
NOTE: Does not pertain to CDBG-DR, HHRP, HOME, NHTF or SHIP

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Escambia County (Pensacola-Ferry Pass-Brent MSA)	20%	11,460	13,100	14,740	16,360	17,680	18,980	20,300	21,600	22,904	24,213	286	307	368	425	474	523
	25%	14,325	16,375	18,425	20,450	22,100	23,725	25,375	27,000	28,630	30,266	358	383	460	531	593	654
	28%	16,044	18,340	20,636	22,904	24,752	26,572	28,420	30,240	32,066	33,898	401	429	515	595	664	733
	30%	17,190	19,650	22,110	24,540	26,520	28,470	30,450	32,400	34,356	36,319	429	460	552	638	711	785
	33%	18,909	21,615	24,321	26,994	29,172	31,317	33,495	35,640	37,792	39,951	472	506	608	702	782	864
	35%	20,055	22,925	25,795	28,630	30,940	33,215	35,525	37,800	40,082	42,372	501	537	644	744	830	916
	40%	22,920	26,200	29,480	32,720	35,360	37,960	40,600	43,200	45,808	48,426	573	614	737	851	949	1,047
	45%	25,785	29,475	33,165	36,810	39,780	42,705	45,675	48,600	51,534	54,479	644	690	829	957	1,067	1,178
	50%	28,650	32,750	36,850	40,900	44,200	47,450	50,750	54,000	57,260	60,532	716	767	921	1,063	1,186	1,309
	60%	34,380	39,300	44,220	49,080	53,040	56,940	60,900	64,800	68,712	72,638	859	921	1,105	1,276	1,423	1,571
	70%	40,110	45,850	51,590	57,260	61,880	66,430	71,050	75,600	80,164	84,745	1,002	1,074	1,289	1,489	1,660	1,833
	80%	45,840	52,400	58,960	65,440	70,720	75,920	81,200	86,400	91,616	96,851	1,146	1,228	1,474	1,702	1,898	2,095
	120%	68,760	78,600	88,440	98,160	106,080	113,880	121,800	129,600	137,424	145,277	1,719	1,842	2,211	2,553	2,847	3,142
	140%	80,220	91,700	103,180	114,520	123,760	132,860	142,100	151,200	160,328	169,490	2,005	2,149	2,579	2,978	3,321	3,666
Median: 83,900																	

The comparison is presented:

MARKET RENT COMPARISON TO AMI THRESHOLDS					
Bedroom	Bathroom	Monthly Rent	90% Market	80% AMI	120% AMI
0	1	\$1,556	\$1,401	\$1,146	\$1,719
0	1	\$1,580	\$1,422	\$1,146	\$1,719
0	1	\$1,641	\$1,476	\$1,146	\$1,719
1	1	\$1,721	\$1,549	\$1,228	\$1,842
1	1	\$1,747	\$1,572	\$1,228	\$1,842
1	1	\$1,772	\$1,595	\$1,228	\$1,842
1	1	\$1,760	\$1,584	\$1,228	\$1,842
1	1	\$1,737	\$1,563	\$1,228	\$1,842
1	1	\$1,784	\$1,606	\$1,228	\$1,842
1	1	\$1,715	\$1,543	\$1,228	\$1,842
1	1	\$1,745	\$1,570	\$1,228	\$1,842
2	1	\$2,155	\$1,939	\$1,474	\$2,211
2	2	\$2,215	\$1,993	\$1,474	\$2,211
3	2	\$2,789	\$2,511	\$1,702	\$2,553

A weighted average of each bedroom type was conducted to conclude to market rents by bedroom type. The rental rate conclusions are presented below:

MARKET RENT CONCLUSION BY BEDROOM TYPE	
Unit Type	Rent Conclusion
Studio	\$1,594
One-Bedroom	\$1,738
Two-Bedroom	\$2,194
Three-Bedroom	\$2,789

Rent Comparable Profiles

Lease Comparable 1 Southtowne

Property Identification - 17087	
Property Name	Southtowne
Property Type	Mid, High-Rise Multifamily
Address	101 East Romana Street
City, State, Zip	Pensacola, Florida 32502
Occupancy	91.9%
Confirmed By	Max Perez
Confirmed With	Raina
Date of Confirmation	11-21-2023
Confirmation Phone	850-518-6455



Physical Data	
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Year Built	2018
Stories	5
Number of Units	258
Property Amenities	Clubhouse, Fitness Center, Pool, Barbecue/Picnic Area
Unit Amenities	Balcony/Patio, Ceiling Fans, Walk-In Closets (Select Units), Granite Counters, Wood Vinyl, Carpet, Blinds
Unit Appliances	Stainless Steel, Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer
Utilities with Rent	None

Unit Type	Units	Avg Unit SF	<u>Unit Mix</u>		Total Rent	Rent/SF	% of Total
			Total SF	Avg Rent/Mo			
0 Bd 1.0 Ba	20	582	11,640	\$1,469	\$29,380	\$2.52	8%
0 Bd 1.0 Ba	8	594	4,752	\$1,553	\$12,424	\$2.61	3%
1 Bd 1.0 Ba	16	633	10,128	\$1,761	\$28,176	\$2.78	6%
1 Bd 1.0 Ba	60	641	38,460	\$1,772	\$106,320	\$2.76	23%
1 Bd 1.0 Ba	7	669	4,683				3%
1 Bd 1.0 Ba	10	759	7,590	\$1,959	\$19,590	\$2.58	4%
1 Bd 1.0 Ba	5	825	4,125	\$2,099	\$10,495	\$2.54	2%
1 Bd 1.0 Ba	11	836	9,196				4%
2 Bd 1.5 Ba	26	912	23,712				10%
2 Bd 2.0 Ba	3	902	2,706	\$2,149	\$6,447	\$2.38	1%
2 Bd 2.0 Ba	15	944	14,160				6%
2 Bd 2.0 Ba	8	1,061	8,488	\$2,293	\$18,344	\$2.16	3%
2 Bd 2.0 Ba	4	1,134	4,536				2%
2 Bd 2.0 Ba	50	1,160	58,000				19%
2 Bd 2.0 Ba	3	1,189	3,567	\$2,395	\$7,185	\$2.01	1%
3 Bd 2.0 Ba	12	1,392	16,704	\$3,199	\$38,388	\$2.30	5%
* Totals *	258	862	222,447	\$1,073	\$276,749	\$1.24	100%

Remarks

Southtowne is a 258-unit apartment community built in 2018. It offers studio, one-, two-, and three-bedroom units ranging from 582 to 1,401 square feet. The community features a clubhouse, fitness center, pool, and barbecue/picnic area. Unit amenities include balcony/patio, ceiling fans, walk-in closets (select units), granite counters, carpet, blinds, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer. No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$25 and \$2 per month, respectively. Storage units are available for an additional fee of \$20- \$60 per month depending on the size of the unit. Studio and one-bedroom units are provided with one parking spot. Two- and three-bedroom units are provided with two parking spots. The property is offering a concession of \$1,000 off first month's rent. At the time of the survey, the property was 91.9% occupied.

**Lease Comparable 2
Palmilla Apartments**

Property Identification - 19352

Property Name	Palmilla Apartments
Property Type	Mid, High-Rise Multifamily
Address	51 South Coyle Street
City, State, Zip	Pensacola, Florida 32502
Occupancy	80.0%
Confirmed By	Max Perez
Confirmed With	Gabriel
Date of Confirmation	11-29-2023
Confirmation Phone	850-771-2722



Physical Data

Rentable Area	230,707
Year Built	2023
Stories	4
Number of Units	240
Building Condition	New
Property Amenities	Community room, swimming pool, fitness center, BBQ, secured buildings, parking garage
Unit Amenities	Refrigerator, oven/stove, garbage disposal, dishwasher, microwave, washer/dryer, balcony/patio
Unit Appliances	Refrigerator, oven/stove, garbage disposal, dishwasher, microwave, washer/dryer
Utilities with Rent	None

Unit Type	Units	Unit Mix		Total Rent	Rent/SF	% of Total
		Avg Unit SF	Avg Rent/Mo			
0 Bd 1.0 Ba	6	588	\$1,556	\$9,336	\$2.65	2%
1 Bd 1.0 Ba	24	742	\$1,654	\$39,696	\$2.23	10%
1 Bd 1.0 Ba	60	724	\$1,629	\$97,740	\$2.25	25%
1 Bd 1.0 Ba	32	752	\$1,669	\$53,408	\$2.22	13%
1 Bd 1.0 Ba	6	750	\$1,704	\$10,224	\$2.27	2%
2 Bd 2.0 Ba	50	1,083	\$2,061	\$103,050	\$1.90	21%
2 Bd 2.0 Ba	6	1,098	\$2,195	\$13,170	\$2.00	2%
2 Bd 2.0 Ba	8	1,169	\$2,149	\$17,192	\$1.84	3%
2 Bd 2.0 Ba	8	1,204	\$2,294	\$18,352	\$1.91	3%
2 Bd 2.0 Ba	7	1,256	\$2,425	\$16,975	\$1.93	3%
2 Bd 2.0 Ba	1	1,229	\$2,455	\$2,455	\$2.00	0%
2 Bd 2.0 Ba	8	1,618	\$3,476	\$27,808	\$2.15	3%
3 Bd 2.0 Ba	8	1,415	\$2,889	\$23,112	\$2.04	3%
3 Bd 2.0 Ba	16	1,460	\$2,925	\$46,800	\$2.00	7%
* Totals *	240	961	\$1,997	\$479,318	\$2.08	100%

Remarks

Palmilla Apartments is a 240-unit apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 588 to 1,229 square feet. The property features a clubhouse, pool, fitness center, business center, package lockers, pet spa, and gated/secure access. No utilities are included in base rents. Trash removal is billed above base rents at a rate of \$25 per month. An amenity bundle that includes pest control, internet, and concierge package lockers is billed above base rents at a rate of \$80 per month. Storage units are available for an additional fee of \$65-\$135 depending on size. The property had their first move ins in January 2023. At the time of the survey, the property was 80% occupied.

**Lease Comparable 3
The Tristan**

Property Identification - 23271

Property Name	The Tristan
Property Type	Multifamily
Address	1559 W Nine Mile Rd
City, State, Zip	Pensacola, Florida 32534-5376
Occupancy	37.2%
Confirmed By	Max Perez
Confirmed With	Ivana
Date of Confirmation	11-21-2023
Confirmation Phone	850-756-7544



Physical Data

Year Built	2023
Stories	3
Number of Units	242
Property Amenities	Air Conditioning, Business Center, Fitness Center, Pool, Breakfast/Coffee Concierge, Car Wash Area, Grill, Lounge, Pet Care, Pet Washing Station, Patio

Unit Mix

Unit Type	Units	Avg Unit SF	Total SF	Avg Rent/Mo	Total Rent	Rent/SF	% of Total
0 Bd 1.0 Ba	4	505	2,020	\$1,435	\$5,740	\$2.84	2%
1 Bd 1.0 Ba	4	715	2,860	\$1,500	\$6,000	\$2.10	2%
1 Bd 1.0 Ba	10	722	7,220	\$1,527	\$15,270	\$2.11	4%
1 Bd 1.0 Ba	6	730	4,380				2%
1 Bd 1.0 Ba	14	732	10,248	\$1,558	\$21,812	\$2.13	6%
1 Bd 1.0 Ba	10	766	7,660	\$1,585	\$15,850	\$2.07	4%
1 Bd 1.0 Ba	2	808	1,616				1%
1 Bd 1.0 Ba	10	932	9,320	\$2,000	\$20,000	\$2.15	4%
2 Bd 2.0 Ba	50	1,082	54,100	\$2,100	\$105,000	\$1.94	21%
2 Bd 2.0 Ba	10	1,099	10,990	\$2,110	\$21,100	\$1.92	4%
2 Bd 2.0 Ba	24	1,113	26,712	\$2,165	\$51,960	\$1.95	10%
2 Bd 2.0 Ba	10	1,117	11,170	\$2,215	\$22,150	\$1.98	4%
2 Bd 2.0 Ba	17	1,123	19,091	\$2,142	\$36,414	\$1.91	7%
2 Bd 2.0 Ba	8	1,268	10,144	\$2,290	\$18,320	\$1.81	3%
2 Bd 2.0 Ba	6	1,272	7,632	\$2,293	\$13,758	\$1.80	2%
2 Bd 2.0 Ba	2	1,273	2,546	\$2,295	\$4,590	\$1.80	1%
2 Bd 2.0 Ba	15	1,279	19,185	\$2,240	\$33,600	\$1.75	6%
2 Bd 2.0 Ba	22	1,283	28,226	\$2,250	\$49,500	\$1.75	9%
2 Bd 2.0 Ba	15	1,284	19,260	\$2,260	\$33,900	\$1.76	6%
3 Bd 2.0 Ba	2	1,460	2,920	\$2,680	\$5,360	\$1.84	1%
3 Bd 2.0 Ba	1	1,473	1,473	\$2,765	\$2,765	\$1.88	0%
* Totals *	242	1,069	258,773	\$1,996	\$483,089	\$1.87	100%

Remarks

The Tristan is a 242-unit garden-style apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 505 to 1,473 square feet. The property features a clubhouse, pool, fitness center, business center, pet spa, BBQ/picnic area, and gated/secure access.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$30 and \$3 per month, respectively. There is a premium of \$30 for first floor units and corner units. The community is offering a concession of waived application and administration fees and December rent free. The property had their first move-ins in March 2023. At the time of the survey, the property was 37.2% occupied and 40.1% leased.

**Lease Comparable 4
The Porte at Pathstone Apartments**

Property Identification - 22090

Property Name	The Porte at Pathstone Apartments
Property Type	Multifamily
Address	8801 Pathstone Blvd
City, State, Zip	Pensacola, Florida 32526
Occupancy	93.0%
Confirmed By	Max Perez
Confirmed With	Jennifer
Date of Confirmation	11-21-2023
Confirmation Phone	850-781-9984



Physical Data

Year Built	2021
Stories	4
Number of Units	336
Property Amenities	Clubhouse, Barbeque/Picnic Area, Business Center, Parcel Lockers, Fitness Center, Pool, Carport, Pet Park, Pet Spa
Unit Amenities	Balcony/Patio, Walk-In Closets, Ceiling Fans, Blinds, Wood Vinyl Flooring, Quartz Countertop
Unit Appliances	Stainless Steel Appliances, Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
1B	1 Bd 1.0 Ba	192	819	157,248	\$1,578	\$302,976	\$1.93	57%
2C	2 Bd 2.0 Ba	16	1,012	16,192	\$2,006	\$32,096	\$1.98	5%
2D	2 Bd 2.0 Ba	112	1,165	130,480	\$1,922	\$215,264	\$1.65	33%
3B	3 Bd 2.0 Ba	16	1,400	22,400	\$2,542	\$40,672	\$1.82	5%
* Totals *		336	971	326,320	\$1,759	\$591,008	\$1.81	100%

Remarks

The Porte at Pathstone Apartments is a 336-unit multifamily apartment community built in 2021. It offers one-, two-, and three-bedroom units ranging from 819 to 1,400 square feet. The community features a clubhouse, barbeque/picnic area, business center, parcel lockers, fitness center, pool, carport, pet park, and pet spa. Each unit includes a balcony/patio, walk-in closets, ceiling fans, blinds, stainless steel appliances, refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$25 and \$5, respectively. Internet is billed above base rents at a rate of \$65 per month. Storage units are available for an additional fee of \$25 or \$40 depending on the size of the unit. The community is offering a concession of \$1,000 off one-bedroom units and one month free for two-bedroom units. The property opened in December 2021 and stabilized in October 2023. At the time of the survey, the property was 93% occupied and 96% leased.

**Lease Comparable 5
Evergreen 9 Mile**

Property Identification - 22045

Property Name	Evergreen 9 Mile
Property Type	Multifamily
Address	9295 Ashland Ave
City, State, Zip	Pensacola, Florida 32534
Occupancy	60.6%
Confirmed By	Max Perez
Confirmed With	Valerie
Date of Confirmation	11-27-2023
Confirmation Phone	850-809-9678



Physical Data

Year Built	2022
Stories	4
Number of Units	264
Building Condition	New
Property Amenities	24 Hour Access
Unit Amenities	Quartz Countertop, Wood Vinyl Floors

Unit Description	Unit Type	Units	Unit Mix		Avg Rent/Mo	Total Rent	Rent/SF	% of Total
			Avg Unit SF	Total SF				
A1	1 Bd 1.0 Ba	40	739	29,560	\$1,575	\$63,000	\$2.13	15%
A2	1 Bd 1.0 Ba	3	765	2,295				1%
A3	1 Bd 1.0 Ba	55	778	42,790	\$1,599	\$87,945	\$2.06	21%
B1	2 Bd 2.0 Ba	75	1,017	76,275	\$1,799	\$134,925	\$1.77	28%
B2	2 Bd 2.0 Ba	45	1,063	47,835	\$1,979	\$89,055	\$1.86	17%
B3	2 Bd 2.0 Ba	26	1,070	27,820				10%
C1	3 Bd 2.0 Ba	20	1,267	25,340	\$2,249	\$44,980	\$1.78	8%
* Totals *		264	954	251,915	\$1,591	\$419,905	\$1.67	100%

Remarks

Evergreen 9 Mile is a 264-unit apartment complex that delivered units in February 2022. It features one-, two-, and three-bedroom units ranging from 739 to 1,267 square feet. The community is professionally managed and includes a clubhouse, fitness center, business center, pet park, pet washing station, pool, and barbeque area. Each unit includes stainless steel appliances, walk-in closets, granite countertops, balcony/patio, and washer/dryer appliances.

No utilities are included in base rent. Trash removal and pest control are billed above base rents at a rate of \$25 and \$5, respectively. Units with a pool view fetch a premium of \$75 per month. Units on the fourth floor fetch a premium of \$25 per month. Units on the first floor fetch a premium of \$10 per month. Storage units are available for an additional fee of \$75-\$105 per month depending on the size of the unit. Garages are available for an additional fee of \$150 per month. The property had their first move-ins April 2022. At the time of the survey, the property was 60.6% occupied.

Certificate of Appraisal

Project Name: Sample A Apartments

By my signature below, I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions, and conclusions;
3. We have no present or prospective financial interest in the above project, its ownership or management agent entity, or the principals of those entities. We are not an employee of those principals or entities, and We have no business or close personal/family interest with those parties that commonly would be perceived to create bias or a conflict of interest. We have not performed any 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 unless listed here:
4. We have no personal interest or bias with respect to the subject of this report or to the ownership or management parties involved with this assignment;
5. Our engagement in and compensation for this assignment were and are not contingent upon the reporting of a predetermined rent or direction in rent. Our fee is our only compensation for this rent study assignment. There are no other side agreements or considerations;
6. Our analyses, opinions, and conclusions were developed, and this report prepared in conformity with the Uniform Standards of Professional Appraisal Practice;
7. Appraiser State-Certified General Real Estate Appraiser RZ***, conducted a detailed prior physical inspection of the comparables and market area. A physical inspection was not conducted for this assignment.
8. No one provided significant professional assistance to the persons signing the report except the persons listed here. If anyone is listed here, his/her contribution is identified in the Scope of Work section of this report.
9. Appraiser State-Certified General Real Estate Appraiser RZ***, are certified general appraisers, licensed and in good standing with the state appraiser regulatory agency where the subject property is located and have meet all of the appraiser qualifications;
10. As of the date of this report Appraiser State-Certified General Real Estate Appraiser RZ***, has completed the Standards and Ethics education requirements for Candidates of the Appraisal Institute;
11. Appraiser State-Certified General Real Estate Appraiser RZ***, have not been debarred or suspended from doing business with the Federal Government. Appraiser State-Certified General Real Estate Appraiser RZ***, are not under a Limited Denial of Participation (LDP) imposed by the HUD Multifamily HUB or Program Center having jurisdiction over the project. There are no LDPs in effect now or in the past three years.

Warning: If you knowingly make a false statement on this form, you may be subject to civil penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000.00 for each violation.

Respectfully submitted,

Appraiser Qualifications and License

ADDENDUM A

DEFINITIONS

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

The Uniform Standards of Professional Appraisal Practice (USPAP);

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

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

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

Effective Date of the Market Rent Study

The date at which the market conclusion applies, which may or may not be the date of inspection; the date of the market conditions that provide the context for the market opinion. Current market rent study occurs when the effective date of the market rent study is contemporaneous with the date of the report.

Gross Building Area (GBA)

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

Marketing Period

The date at which the market conclusion applies, which may or may not be the date of inspection; the date of the market conditions that provide the context for the market opinion. Current market rent study occurs when the effective date of the market rent study is contemporaneous with the date of the report.

Market Rent Study

A comprehensive evaluation of market rents and occupancies for a specific property within a defined market area.

ADDENDUM B

ASSUMPTIONS AND LIMITING CONDITIONS

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

General Assumptions

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

- The Americans with Disabilities Act (ADA) became effective January 26, 1992. Noncompliance with the ADA could cause a loss in value. Unless otherwise stated in this report***** has made the assumption that the subject is in conformance with all applicable ADA requirements.

It is our assumption that the property has been designed in compliance with ADA as required.

General Limiting Conditions

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

Specific Assumptions and Limiting Conditions

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

- We assume that the project has no significant deferred maintenance issues impacting the marketability or use of the units;
- We assume that the subject will be maintained in a quality condition; and,
- We assume that the subject will be aggressively marketed and professionally managed.

ADDENDUM C
ENGAGEMENT LETTER

SAMPLE

MARKET RENT STUDY

Sample B Apartments
9100 Sample Road
Jacksonville, Florida 32063



Market Rent Study Date
November 29, 2023

Report Date
December 8, 2023

Prepared for
Mr. Brenton Franklin
X Capital
1301 Riverplace Blvd. Suite 800
Jacksonville, FL 32207

File Number

December 8, 2023

Mr. Sample B
Sample Capital
Address
Ocala, FL 32207

Florida Housing Finance Corporation
Live/Local Multifamily Middle Market Certification
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Market Rent Study of Sample B Apartments, an 80-unit multifamily community located at 9100 Sample Road in Jacksonville, Florida 5.

Dear Mr. Franklin:

At your request, we prepared a complete, self-contained market rent study of the above-referenced property. The subject property is further described and identified by legal and narrative descriptions within the text of the following report. The purpose of this market rent study is to estimate the “As-Is” market rents that could be generated if no restrictions were in place.

The subject is an existing 80-unit apartment community located at 9100 Sample Road. The subject is within the western submarket of greater Jacksonville. The complex consists of 2-story walk-up buildings. The structures are located on a 9.51-acre site. The project was built in 2023

Market rent was determined based on comparable analyses that align with proper appraisal methodologies. The conclusions provided represent a “base” rent. Premiums associated with special unit attributes such as views are not included in establishing market rent.

Live Local requires a property’s rents to be 90% or market or the maximum rent based on the AMI, whichever is less. The 80% and 120% AMI rents are “maximum allowable” that includes utilities. According to guidance provided by FHFC on rental charges and fees on November 29, 2023, any fee that is a condition of occupancy and may not opt out of the fee by the resident if considered a condition of occupancy and should be included in the maximum rental allowance. Utilities that are charged through a billing system or other submetering for electricity, gas and water are not included in the maximum rental allowance. Unit premiums, amenity fees and mandatory technology packages are not opt-in and are included in the maximum allowable rental allowance.

Additional guidance noted the rental market study should provide the highest rental rate for the average market rent by bedroom unit without differentiation. Notwithstanding, any differentiation is subject to the rent being the lesser of the market rent or the rent outlined in the chart posted on the Florida Housing website.

A comparison is provided between market, the 90% threshold and the AMIs. The comparison is presented:

MARKET RENT COMPARISON TO AMI THRESHOLDS					
Bedroom	Bathroom	Monthly Market Rent	90% Market	80% AMI	120% AMI
2	2	\$1,825	\$1,643	\$1,548	\$2,322
3	2	\$2,050	\$1,845	\$1,789	\$2,683

We appreciate this opportunity to provide market rent study services to X Capital.

Respectfully submitted,

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Background Information and Scope of Work

Identification of the Subject

The subject is an existing 80-unit apartment community located at 9100 Sample Road within the City of Jacksonville, Florida. The property consists of 2-story walk-up residential apartment building located on a 9.51-acre site.

Intended Use of the Market Rent Study

The purpose of this market rent study is to estimate the market rent for each floor plan defined within the subject.

Intended User of the Market Rent Study

The intended user of the report is Sample Capital and for the program requirements of Florida Housing Finance Corporation's Live/Local Multifamily Middle Market Certification.

Pertinent Dates

The market rent study is dated on the last date market information was secured and a virtual inspection conducted; November 29, 2023.

Scope of Work

The scope of work aligns with proper appraisal methodologies and standards common to other affordable programs such as Chapter 9 of the Section 8 Renewal Policy, HUD MAP program, and LIHTC programs utilized to determine market rent.

1. Dates, number, and types of inspections, how unit sizes were verified:

Appraiser State-Certified General Real Estate Appraiser RZ***, personally conducted a virtual inspection of the subject, market, and comparables. The inspection included the interior and exterior of the apartments and common areas.

An analysis was completed of rent levels and occupancy performance within the competitive set. The three approaches to value, highest and best use, and historical sales of the property have not been utilized or analyzed.

Unit sizes were verified based on discussions with the management company. The inspection was conducted of the property that included representative samples of each unit type, the common areas, recreational and unit amenities, services provided in basic rents, as well as interviews with property management and ownership.

2. How rent, condition and amenity data were collected and verified. The appraiser should also note all interviews completed, records reviewed, and internet sites used. The appraiser should indicate the period during which data was collected:

When preparing a market rent study, the appraiser restricted research and/or analysis to the data that was most pertinent to the property being evaluated. The Market Rent Study focused primarily on direct interviews with management and marketing personnel within the supply utilized. A complete market rent

study involved the use of all applicable analytical approaches to consider all available information. Rent, condition, and amenity data were collected during interview of the properties and verified using primarily these approaches. However, in addition, internet research and telephone interviews were also performed in which the relevant market properties were contacted to garner any further data or verify that which was already obtained. The property websites for each comparable were utilized. These are provided in the rent comparable profiles. This was done during the week of the inspection of the property.

3. Any data that was unobtainable or estimated and all efforts to obtain that data:

All subject and comparable data was verified with the properties, via phone interviews, as well as through the property website.

4. Any assistance from assistant appraisers:

None.

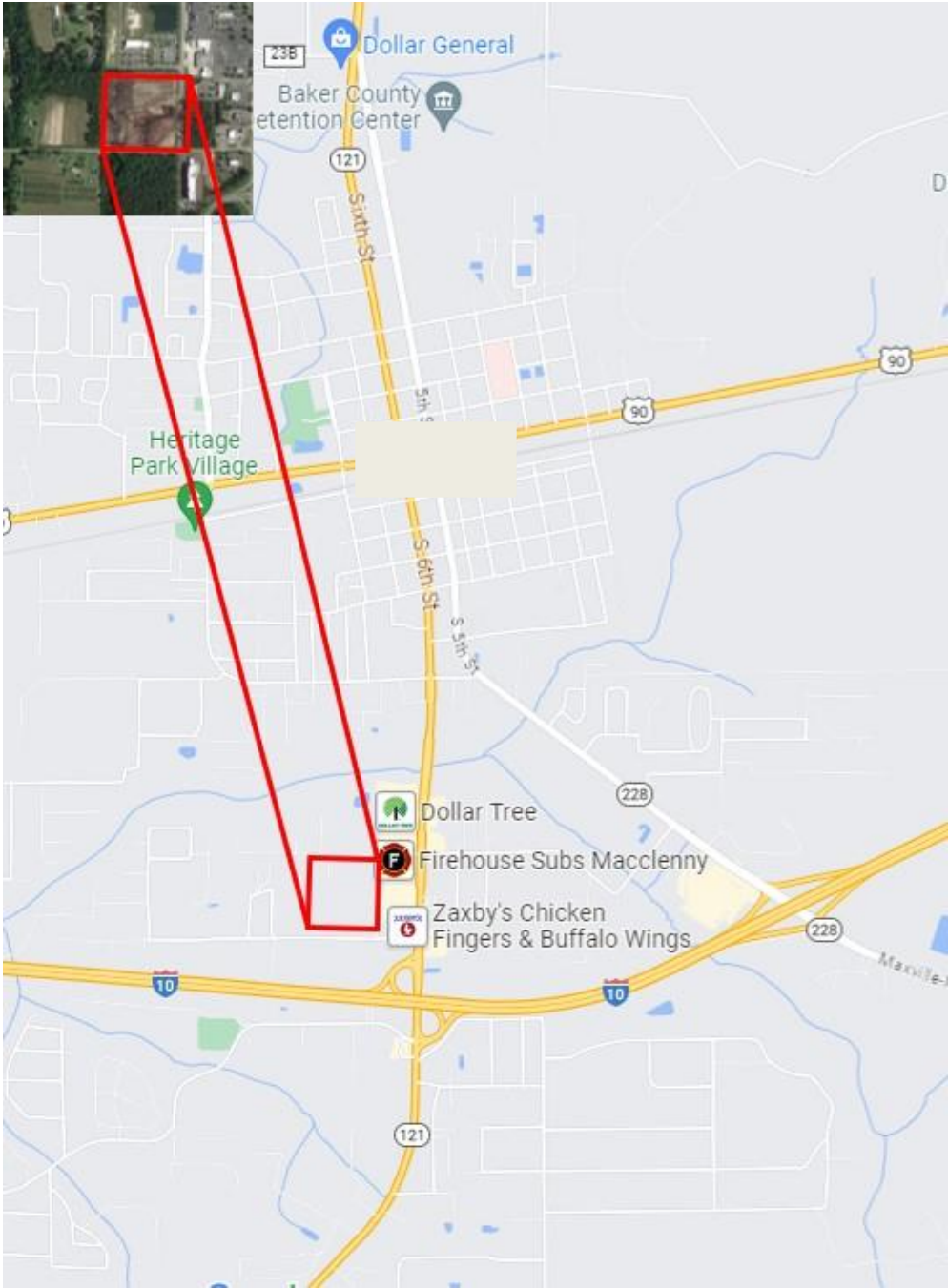
Competency

Appraiser has 35+ years of experience preparing rent studies, market studies and appraisal assignments throughout the United States.

Ownership and History of the Subject

According to public records, the site size is 9.51 acres or 414,256 square feet. The property is owned by Sample. No transactions have occurred with the property within the past three years.

Description of Subject Property



Site and Improvement Description

Identification

Location	9100 Sample Road
Municipality	Jacksonville
County	Duval
State	Florida
Zip	32063
Parcel Number	3

Physical Features

Size	Approximately 9.51 acres, or 414,256 square feet
Density	8.41

Improvement Description



General

Design/Use	Multifamily
Number of Units	80
Number of Buildings	7
Number of Stories	2
Building Size	RSF: 92,000 square feet
Year Built	2023
Investment Class	A

Exterior/Structural

Construction Type	Class D - Wood Frame
Quality	New
Building Condition	New
Foundation Type	Concrete slab
Roof Material	Asphalt Shingle

Unit Mix – Type and Size

In total there are 80 units including handicapped accessible apartments. The total unit mix is as follows:

Estimated Market Rent					
		Size (SF)	No. of Units	Market Rent	
BR	BA			Monthly	Per SF
2	2	1,050	40	\$1,825	\$1.74
3	2	1,250	40	\$2,050	\$1.64
Totals		1,150	80	\$1,938	\$1.68

Apartment and Community Features

UNIT AMENITIES
Refrigerator
Oven/Stove
Dishwasher
Disposal
Washer/Dryer
Balcony/Patio

PROPERTY AMENITIES
Clubhouse
Community Gazbo
On-site Management
Surface Parking

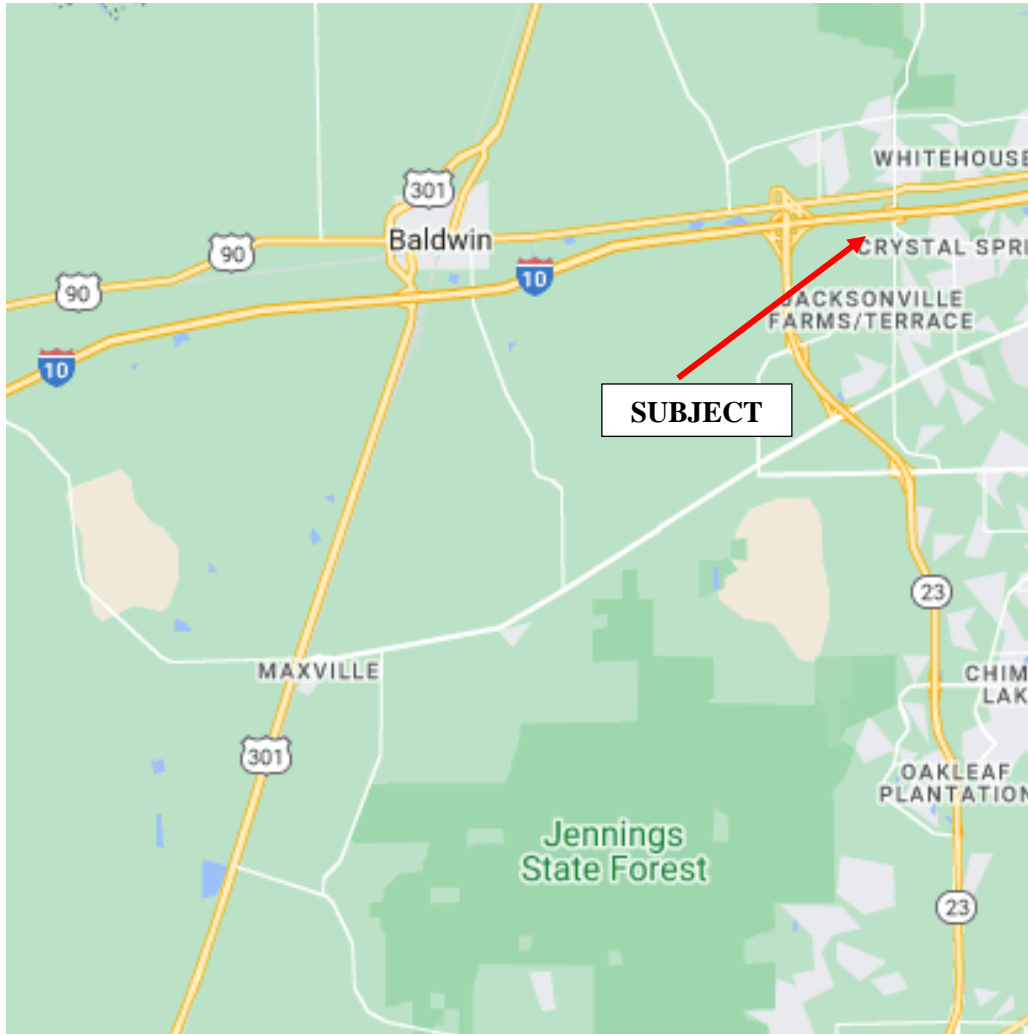
Utilities Included in Rent

UTILITIES INCLUDED IN RENT	
Utilities	Provided?
Heat (in rent?/ type)	N/Elec
Cooling (in rent?/ type)	N/Elec
Cooking (in rent?/ type)	N/Elec
Hot Water (in rent?/ type)	N/Elec
Other Electric	N
Water/ Sewer	N/N
Trash /Recycling	Y/Y

The subject also provides pest control in rent.

Identification of Subject's Market Area

Primary interviews were conducted of the apartment communities in the surrounding market to obtain a summary of their geographic draw. The market area for the subject was defined as the western area of greater Jacksonville generally along the major traffic arterials that include Interstate 10 and Highway 23. These are the two principal commuter routes utilized in the western region of Jacksonville.



Selection of Rent Comparables

Rent comparables were reviewed from the geographical area within close commuting distance to the subject’s neighborhood. There were sufficient market-rate apartments in the neighborhood for the rent analysis.

Document the Search Process

The appraiser utilized several sources for comparable selection. This included CoStar’s subscription database, web-based apartment listings, discussions with leasing agents within the market, the subject’s management team’s identification of comparable communities, and previous in-field inspections of the market area.

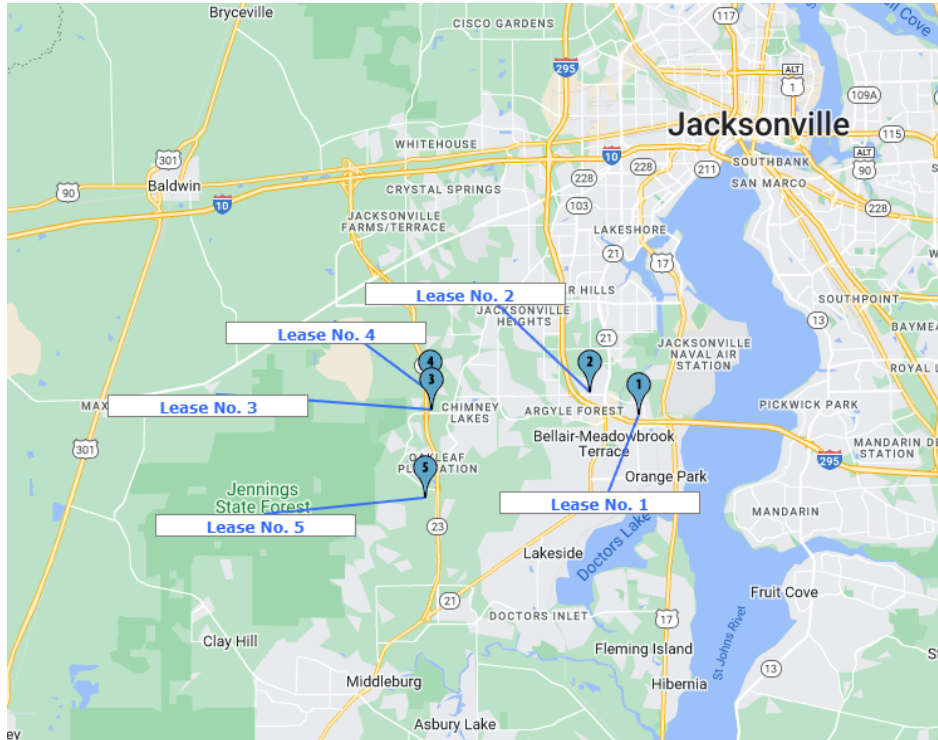
Apartment communities of at least 25 units were considered appropriate. The rent comparables included buildings that offered similar unit types. Apartment communities that were rent or income restricted were not utilized. Comparables were evaluated so that properties of similar quality to the subject were used. Properties that were poor quality were not utilized. Lastly, properties that did not provide sufficient confirmation on their unit size or features were also not relied on for the rent analysis.

The properties selected include the following:

Included Properties		
Property	Verification	Basis for Inclusion
Collins Preserve	In Person / Phone / Website	Generally similar floor plans
Tapestry Westland Village	In Person / Phone / Website	Generally similar floor plans
Argyle Lake at Oakleaf Town Center	In Person / Phone / Website	Generally similar floor plans
The Vantage	In Person / Phone / Website	Generally similar floor plans
Integra Park At Oakleaf	In Person / Phone / Website	Generally similar floor plans

Map of Subject and Comparables

Five properties were selected that are market-rate. None of the properties on the rent grids offer any rent restrictions. The locations of the properties are provided on the following map:



A brief summary of the apartment communities utilized in the rent grid analysis is provided in the following section.

Selected Properties

Collins Preserve (Lease No. 1)

Collins Preserve is a 330-unit apartment building built in 2023. It features one-, two-, and three-bedroom units ranging from 786 to 1,248 square feet. The property features a clubhouse, pool, fitness center, business center, recreational area, pet park, playground, and gated/secure access.

No utilities are included in base rents. Trash removal, pest control, internet, and community fees are billed above base rents at a rate of \$25, \$5, \$75, and \$23 per month, respectively. Storage units are available for an additional fee of \$75 per month. The property had their first move ins in May 2023. Management is offering a concession of one month free on 12 month leases and two months free on 13-15 month leases. At the time of the survey, the property was 36.9% occupied and 44.2% pre-leased.

Tapestry Westland Village (Lease No. 2)

Tapestry Westland Village is a 266-unit apartment community built in 2020. It features studio-, one-, two-, and three-bedroom units ranging from 725 to 1,324 square feet. The property features a clubhouse, pool, business center, fitness center, pet park, BBQ/fitness center, recreational area, and gated/secure access.

No utilities are included in base rents. Trash removal, pest control, and package locker fees are billed above base rents at a bundled rate of \$60 per month. At the time of the survey, the property was occupied at 95.9%.

Argyle Lake at Oakleaf Town Center (Lease No. 3)

Argyle Lake at Oakleaf Town Center is a 270-unit multifamily facility built in 2020. It offers one-, two-, and three-bedroom units ranging from 816 to 1,310 square feet. The community features a clubhouse, pool, fitness center, barbecue/picnic area, and pet park. Unit amenities include balcony/patio (select units), blinds, carpeting, walk-in (select units), refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer.

No utilities are included in base rents. Trash removal, pest control, and package locker fees are billed above base rents at a rate of \$35, \$7, and \$5 per month, respectively. Detached garages are available for an additional fee of \$175 per month. The property had their first move-ins in October 2020 and stabilized in July 2021. At the time of survey, the property was 94.4% occupied.

The Vantage (Lease No. 4)

The Vantage is a 312-unit apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 660 to 1,311 square feet. The property features a clubhouse, pool, fitness center, business center, recreational area, pet park, pet spa, BBQ/picnic area, and gated/secure access.

No utilities are included in base rents. Trash removal, pest control, internet, and smart home features are billed above base rents at a rate of \$125 per month. The community is offering a concession of one month free on all 13-15 month leases. Garages are available for an additional fee of \$175 per month. The property had their first move-ins in February 2023. At the time of this survey, the property was 43.6% occupied.

Integra Park At Oakleaf (Lease No. 5)

Integra Park at Oakleaf is a 249-unit apartment community built in 2021. It features one-, two-, and three-bedroom units ranging from 706 to 1,431 square feet. The property features a clubhouse, pool, fitness center, business center, pet park, pet spa, recreational area, BBQ/picnic area, and gated/secure access.

No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$30 and \$5 per month, respectively. The community is offering a concession of six weeks free on two-bedroom units and four weeks free on select units. The property had their first move-ins in November 2021 and stabilized in September 2022. At the time of this survey, the property was 92.4% occupied.

Market Rent Grids

The rent grids for each primary unit type follow:

Rent Comparables Grid		PRIMARY UNIT TYPE									
		Unit Type		Two Bed/Two Bath							
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Maccleddy		Collins Preserve		Tapestry Westland Village		Argyle Lake at Oakleaf Town Center		The Vantage		Integra Park At Oakleaf	
		5258 Collins Preserve Ln		6505 Collins Rd		9849 Crosshill Blvd		7960 Merchants Way		824 Integra Park Dr	
		Jacksonville, Florida		Jacksonville, Florida		Jacksonville, Florida		Jacksonville, Florida		Middleburg, Florida	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,810		\$1,705		\$1,695		\$1,675		\$1,869	
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23	
3	Rent Concessions	N		N		N		N		N	
4	Occupancy for Unit Type	37%		96%		94%		44%		92%	
5	Effective Rent & Rent / sq. ft	\$1,810	\$1.55	\$1,705	\$1.43	\$1,695	\$1.38	\$1,675	\$1.56	\$1,869	\$1.60
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	G/2		G/3	\$0	G/3	\$0	G/3	\$0	E/4	(\$45)
7	Yr. Built/Yr. Renovated	2023		2023	\$0	2020	\$105	2020	\$105	2021	\$70
8	Condition / Street Appeal	E		E	\$0	G	\$35	G	\$35	E	\$0
9	Neighborhood	G		G	\$0	G	\$0	G	\$0	G	\$0
10	Same Market? Miles to Subject	Y/~32.6	\$0	Y/~30.4	\$0	Y/~24	\$0	Y/~25	\$0	Y/~27	\$0
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1,050		1,164	(\$22.80)	1,191	(\$28.20)	1,224	(\$34.80)	1,074	(\$4.80)
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0
19	Floor Coverings	V		Various	\$0	Various	\$0	Various	\$0	Various	\$0
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0
21	Cable/ Satellite/ Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
22	Special Features	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
23											
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	\$0	L	\$0	L	\$0	L	\$0	L	\$0
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
26	Security Gate / Guard	N/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)
27	Clubhouse/ Meeting Rooms	C	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0
28	Pool/ Recreation Areas/ Exercise	N	(\$15)	PRE	(\$15)	PE	(\$10)	PRE	(\$15)	PRE	(\$15)
29	Business Center/ Nhdw Netwk	N	(\$5)	BC	(\$5)	BC	(\$5)	N	\$0	BC	(\$5)
30	Social Coordination	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
31	Non-Shelter Services	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32	Neighborhood Networks	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
32A	Beauty Parlor	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
34	Cooling (in rent? / type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
35	Cooking (in rent? / type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
36	Hot Water (in rent? / type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0
37	Other Electric	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0
38	Water/ Sewer	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0
39	Trash/Pest Control	Y/Y	\$25	N	\$25	N	\$25	N	\$25	N	\$25
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	0	4	2	4	2	3	0	4	2	5
41	Sum Adjustments B to D	\$0	(\$45)	\$140	(\$45)	\$140	(\$52)	\$0	(\$27)	\$105	(\$91)
42	Sum Utility Adjustments	\$25	\$0	\$25	\$0	\$25	\$0	\$25	\$0	\$25	\$0
43	Net/ Gross Adjmts B to E	(\$20)	\$70	\$120	\$210	\$113	\$217	(\$2)	\$52	\$39	\$221
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,790		\$1,825		\$1,808		\$1,673		\$1,908	
45	Adj Rent/Last rent		99%		107%		107%		100%		102%
46	Estimated Market Rent	\$1,825	\$1.74	Estimated Market Rent/ Sq. Ft							

Kay Hawchick
Appraiser's Signature

11/29/2023
Date

Attached are explanations of:

a. why & how each adjustment was made
b. how market rent was derived from adjusted rents
c. how this analysis was used for a similar unit type

Rent Comparables Grid		PRIMARY UNIT TYPE											
		Unit Type		Three Bed/Two Bath									
Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5			
		Collins Preserve		Tapestry Westland Village		Argyle Lake at Oakleaf Town Center		The Vantage		Integra Park At Oakleaf			
		5258 Collins Preserve Ln		6505 Collins Rd		9849 Crosshill Blvd		7960 Merchants Way		824 Integra Park Dr			
Maccleenny		Jacksonville, Florida		Jacksonville, Florida		Jacksonville, Florida		Jacksonville, Florida		Middleburg, Florida			
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj		
A. Rents Charged													
1	\$ Last Rent / Restricted?	\$2,075		\$2,045		\$1,750		\$1,825		\$2,320			
2	Date Last Leased (mo/yr)	Nov-23		Nov-23		Nov-23		Nov-23		Nov-23			
3	Rent Concessions	N		N		N		N		N			
4	Occupancy for Unit Type	37%		96%		94%		44%		92%			
5	Effective Rent & Rent/ sq.ft	\$2,075	\$1.66	\$2,045	\$1.54	\$1,750	\$1.34	\$1,825	\$1.39	\$2,320	\$1.67		
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj		
6	Structure / Stories	G/2		G/3		G/3		G/3		E/4	(\$45)		
7	Yr. Built/Yr. Renovated	2023	\$0	2020	\$105	2020	\$105	2023	\$0	2021	\$70		
8	Condition /Street Appeal	E	\$0	G	\$35	G	\$35	E	\$0	G	\$35		
9	Neighborhood	G	\$0	G	\$0	G	\$0	G	\$0	G	\$0		
10	Same Market? Miles to Subject	Y/-32.6	\$0	Y/-30.4	\$0	Y/-24	\$0	Y/-25	\$0	Y/-27	\$0		
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj		
11	# Bedrooms	3		3		3		3		3			
12	# Baths	2		2		2		2		2			
13	Unit Interior Sq. Ft.	1,250	\$0.00	1,324	(\$14.80)	1,310	(\$12.00)	1,311	(\$12.20)	1,388	(\$27.60)		
14	Balcony/ Patio	Y	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0		
15	AC: Central/ Wall	C	\$0	C	\$0	C	\$0	C	\$0	C	\$0		
16	Range/ Refrigerator	RF	\$0	RF	\$0	RF	\$0	RF	\$0	RF	\$0		
17	Microwave/ Dishwasher	MD	\$0	MD	\$0	MD	\$0	MD	\$0	MD	\$0		
18	Washer/Dryer	WD	\$0	WD	\$0	WD	\$0	WD	\$0	WD	\$0		
19	Floor Coverings	V	Various	Various	\$0	Various	\$0	Various	\$0	Various	\$0		
20	Window Coverings	B	\$0	B	\$0	B	\$0	B	\$0	B	\$0		
21	Cable/ Satellite/Internet	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
22	Special Features	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
23													
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj		
24	Parking (\$ Fee)	L	\$0	L	\$0	L	\$0	L	\$0	L	\$0		
25	Extra Storage In Rent	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
26	Security Gate / Guard	N/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)	Y/N	(\$2)		
27	Clubhouse/ Meeting Rooms	C	\$0	Y	\$0	Y	\$0	Y	\$0	Y	\$0		
28	Pool/ Recreation Areas/Exercise	N	PRE (\$15)	PE	(\$10)	PRE	(\$15)	PRE	(\$15)	PRE	(\$15)		
29	Bus/Social Ctr / Nhbhd Netwk	N	BC (\$5)	BC	(\$5)	N	\$0	BC	(\$5)	BC	(\$5)		
30	Social Coordination	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
31	Non-Shelter Services	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
32	Neighborhood Networks	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
32A	Beauty Parlor	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj		
33	Gross Up Utilities	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0		
34	Cooling (in rent?/ type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0		
35	Cooking (in rent?/ type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0		
36	Hot Water (in rent?/ type)	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0	N/Elec	\$0		
37	Other Electric	N	\$0	N	\$0	N	\$0	N	\$0	N	\$0		
38	Water/ Sewer	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0	N/N	\$0		
39	Trash/Pest Control	Y/Y	N \$25	N	\$25	N	\$25	N	\$25	N	\$25		
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg		
40	# Adjustments B to D	0	3	2	4	2	3	0	4	2	5		
41	Sum Adjustments B to D	\$0	(\$22)	\$140	(\$32)	\$140	(\$29)	\$0	(\$34)	\$105	(\$95)		
42	Sum Utility Adjustments	\$25	\$0	\$25	\$0	\$25	\$0	\$25	\$0	\$25	\$0		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross		
43	Net/ Gross Adjmts B to E	\$3	\$47	\$133	\$197	\$136	\$194	(\$9)	\$59	\$35	\$225		
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent			
44	Adjusted Rent (5+ 43)	\$2,078		\$2,178		\$1,886		\$1,816		\$2,355			
45	Adj Rent/Last rent		100%		107%		108%		99%		102%		
46	Estimated Market Rent	\$2,050	\$1.64	Estimated Market Rent/ Sq. Ft									

Kay Faulstich
Appraiser's Signature

11/29/2023
Date

Attached are explanations of :

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Explanation of Adjustments and Market Rent Conclusions

The market rent comparables discussed above were utilized in the creation of the rent grids for each *primary* unit type. Primary unit types are those that make up a relative percentage of the total units available at the property as well as those that are distinct in their square footages and/or layouts. Secondary unit types were adjusted based on square footage and/or layout. The following paragraphs provide a discussion of each of the line items that were considered as part of the analysis of each of these primary unit types. The market was surveyed on November 29, 2023. All rent comparables were surveyed during the same time period. The following explanation is provided on the adjustments.

Rent Adjustments

Section A: Rents Charged at Properties

1. Last Rented/Restricted

The rents shown in the grid were obtained from representatives at comparable properties and were reflective of base rents for one-bedroom unit types similar to the subject's. In addition, none of the comparables are rent restricted so no adjustment is necessary.

2. Date Last Leased

The date last leased is the effective date of leases most recently signed for this unit type at each of the comparables. The market was surveyed on November 29, 2023 and includes the most recently signed leases. As such, no adjustment was made for this category.

3. Rent Concessions

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

At the time of our survey, the subject property and comparable properties were not offering any concessions. No adjustment was necessary.

4. Occupancy for the Unit Type

Occupancy presented are project-wide. The rental market is reporting strong occupancies and thus no adjustment was necessary.

5. Effective Rent & Rent/Square Feet

The rents shown in the grid were obtained from representatives at the comparable properties, and are reflective of the base rents. Effective rent/sq.ft. is calculated by taking the effective rent divided by the square footage of that floor plan.

Section B: Design, Location, Condition of Properties6. Structure/Stories

The subject property is not elevator serviced. Some comparables are elevator serviced and were adjusted downward to reflect the increased marketability of an elevator serviced project. The elevator adjustment is provided:

Elevator Adjustment	
NW Florida	\$65
Conclusion	\$45

7. Year Built/Year Renovated

Comparables that were built during and slightly different time periods were adjusted upward. Quality differences are considered in 8. Condition/Street Appeal. The age adjustment is concluded between the indicators and is presented:

Year Built Adjustment			
Property	Unit Type	Year Built	Adjusted Rent
Collins Preserve	2x2	2023	\$1,790
Tapestry Westland	2x2	2020	\$1,685
	Difference	3	\$105
	Adjustment per Year		\$35.13
Conclusion, Per Year			\$35.00

The conclusion is about 2%. Operators indicated they target 3% to 6% annual rent increases. The conclusion is slightly below the targeted increase. However, a quality adjustment is also made to reflect the difference between a “new” property and one that is slightly older. The difference is slightly below 2% as presented below in number 8. Combined, the age and condition/street appeal represents about 4% increase. This is within the targeted annual increases in rent sought by market properties.

8. Condition/Street Appeal

Quality differences exist between the subject and some comparables. The subject is new and in excellent condition. The adjustment is based on \$35 per level of quality difference, slightly below the indication. The level of quality are Excellent (E), Good (G), Average(A), Fair (F), or Poor (P).

Quality Adjustment		
Property	Quality	Adjusted Rent
The Vantage	E	\$1,816
Argyle Lake at Oakleaf Town Center	G	\$1,851
	Gross Rent Difference	\$35.20
	Difference	1
	Difference per Tier of Quality	\$35.20
Conclusion, Per Tier		\$35.00

9. Neighborhood

The subject and the comparables are located within the same general neighborhood/market. No adjustment was required.

10. Market

The subject and the comparables are in the western submarket of Jacksonville and not adjusted.

Section C: Unit Equipment / Amenities Offered

11. Number of Bedrooms

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

12. Number of Baths

A bathroom adjustment is made if the number of bathrooms in the subject is different from the rent comparables. All comparables had similar bathrooms and not adjusted.

13. Unit Interior Square Feet

Unit interior square footage is comprised of all non-mechanical, livable space that is rentable. An adjustment is made for differences in size between the subject units and the comparable units. An analysis was conducted of similar unit types within the same complex to determine a quantifiable adjustment for differences in size.

The square foot adjustment was then applied to each of the comparables if they differed in size from the subject unit being compared. If a comparable was larger than the subject, then it was adjusted downward. If a comparable was smaller than the applicable subject unit then it was adjusted upward. This adjustment was estimated as follows:

SF Adjustment			
Property	Unit Type	SF	Rent
Tapestry Westland Village	1 x 1	862	\$1,460
Tapestry Westland Village	1 x 1	774	\$1,445
	Difference	-88	(\$15)
	SF Adjustment		\$0.17
Conclusion			\$0.20

Leasing agents noted some of their smaller units lease for higher rents than larger apartments. This is due in part to the cost of utilities and furnishings necessary in a larger apartment.

14. Balcony/Patio

The subject offers a balcony/patio in units. Comparables that do not offer this feature were adjusted downward \$2. All comparables offer this feature and were not adjusted.

15. AC: Central/Wall

The subject offers central units. All comparables offer central or wall AC units in all units; therefore, no adjustment was required for this line item.

16. Range/Refrigerator

The subject and comparables offer both a refrigerator and a range/oven in all unit type. No adjustment was necessary for this line item.

17. Microwave/Dishwasher

The subject includes a microwave and dishwasher in units. An adjustment of \$2 was estimated for each of these items. Comparables were adjusted accordingly.

18. Washer Dryer

The subject provides a washer/dryer. The comparables are similar. No adjustment is made between the subject and comparables

19. Floor Coverings

The subject and comparables offer a variety of floor coverings including carpet and vinyl flooring. No adjustments were made for this line item.

20. Window Coverings

The subject and all the comparables offer blinds as window coverings. Thus, no adjustment was made for this line item.

21. Cable/Satellite/Internet

The subject and comparables do not offer cable, satellite, or internet. No adjustment was necessary for this line item:

22. Special Features

The subject does not offer special features. Special features include a fireplace, vaulted ceilings, and premium features. No adjustment is made to the comparables.

23. Blank

The subject does not offer any additional special features that would significantly impact rent.

Section D: Site Equipment / Amenities offered

24. Parking

The subject and comparables offer sufficient surface parking on property. No adjustment was necessary for this line item.

25. Extra Storage

The subject and comparables do not offer extra storage. No adjustment was necessary for this line item.

26. Security

The subject has does not provided gated access. Comparables that do include this feature were adjusted downward by \$2.00.

27. Clubhouse/Social/Meeting Room/Dining Room

The subject offers a clubhouse/community room. Discussions with leasing agents indicated that a clubhouse/community room would be an equivalent adjustment as a pool, recreational area, or exercise room; therefore, a \$5 adjustment per amenity was applied if appropriate.

28. Pool/Recreation Area/Exercise Room

The subject property does not offer a pool (P) or exercise equipment (E) or recreational amenities (R). Some of the comparables offer a variety of these amenities. Comparables that included a pool or exercise room or recreational amenities were adjusted downward by \$5 per amenity.

29. Business Center/Neighborhood Network

The subject does not offer a business center. Comparables that offer this amenity were adjusted downward by \$5.

30. Service Coordination

The subject and comparables do not have a service coordinator. No adjustment was needed for this line item.

31. Non-Shelter Services

Non-shelter services include some of the following: Elderly Services, service coordination, and neighborhood networks. Elderly services may include emergency call systems, transportation, social or educational activities, meals, laundry, or housekeeping.

The subject property and the comparables do not offer Non-Shelter Services and no adjustment was made.

32. Neighborhood Networks

The subject does not offer social support programs. No adjustment was required.

32. Beauty Parlor

The subject and comparables do not offer a beauty parlor. No adjustment was made for this line item.

Section E: Utilities

Adjustments were made for differences in utilities and services provided in rent.

33. Heat

Heat is provided through electric for the subject. Heat is not included in base rent for the subject or any comparables.

34. Cooling

Cooling is provided through electric for the subject. Cooling is not included in base rent for the subject or any comparables.

35. Cooking

The subject offers electric cooking appliances. Cooking is not included in base rent for the subject or any comparables.

36. Hot Water

Hot water is provided through electricity for the subject. Hot water is not included in base rent for the subject or any comparables.

37. Other Electric

The subject and comparables do not include any electric.

38. Water/Sewer

Water/sewer are not included in subject base rents. All comparables exclude water/sewer in base rents.

Utility Adjustments

The Utility Allowance for the County was the basis for the utility adjustments. The allowance is provided:

UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE					
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR
HEATING						
a. Natural Gas	N/A	N/A	N/A	N/A	N/A	N/A
b. Electric	\$12	\$13	\$16	\$18	\$22	\$24
c. Heat Pump	\$7	\$8	\$9	\$11	\$13	\$14
d. Fuel Oil	\$19	\$21	\$24	\$26	\$29	\$31
e. Propane	\$46	\$51	\$58	\$63	\$71	\$76
AIR CONDITIONING	\$15	\$19	\$24	\$31	\$39	\$45
COOKING						
a. Natural Gas	N/A	N/A	N/A	N/A	N/A	N/A
b. Electric	\$9	\$9	\$11	\$12	\$13	\$13
c. Propane	\$44	\$46	\$55	\$59	\$65	\$66
OTHER ELECTRIC	\$25	\$27	\$30	\$35	\$39	\$45
WATER HEATING						
a. Natural Gas	N/A	N/A	N/A	N/A	N/A	N/A
b. Electric	\$9	\$15	\$21	\$34	\$47	\$60
c. Fuel Oil	\$14	\$19	\$24	\$34	\$45	\$55
d. Propane	\$40	\$54	\$68	\$96	\$126	\$156
WATER						
a. City of Macclenny	\$14	\$16	\$17	\$21	\$25	\$30
SEWER						
a. City of Macclenny	\$20	\$24	\$27	\$37	\$47	\$59
TRASH COLLECTION						
a. Inside Macclenny	\$20	\$20	\$20	\$20	\$20	\$20
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5
RANGE	\$4	\$4	\$4	\$4	\$4	\$4
OTHER:	\$0	\$0	\$0	\$0	\$0	\$0

A summary of the utility adjustments is provided:

UTILITY ALLOWANCE			
Utility/Service	Opt-In or Mandatory	Two Bedrooms	Three Bedrooms
Heating Electric	Opt-In	\$16	\$18
Air Conditioning	Opt-In	\$24	\$31
Cooking Electric	Opt-In	\$11	\$12
Water Heating Electric	Opt-In	\$21	\$34
Other Electric	Opt-In	\$30	\$35
Water	Opt-In	\$17	\$21
Sewer	Opt-In	\$27	\$37
Trash Removal	Mandatory	\$20	\$20
Pest Control	Mandatory	\$5	\$5
Source: Housing Authority			

39. Pest Control

The subject includes pest control in rent. Adjustments made are based on the following:

Pest Control	
Argyle Lake at Oakleaf Town Center	\$5
Conclusion	\$5

46. Conclusion of Market Rents

The concluded market rents are summarized:

Estimated Market Rent					
		Size (SF)	No. of Units	Market Rent	
BR	BA			Monthly	Per SF
2	2	1,050	40	\$1,825	\$1.74
3	2	1,250	40	\$2,050	\$1.64
Totals		1,150	80	\$1,938	\$1.68

Live Local requires a property’s rents to be 90% or market or the maximum rent based on the AMI, whichever is less. A comparison is provided between market, the 90% threshold and the AMIs. Rents under the AMIs is presented:

Note: The general hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD release: 5/15/2023
 Effective: 5/15/2023
 Implement on/before: 6/28/2023

2023 Income Limits and Rent Limits
Florida Housing Finance Corporation
Multifamily Rental Programs and CWHIP Homeownership Program
NOTE: Does not pertain to CDBG-DR, HHRP, HOME, NHTF or SHIP

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Baker County (Baker County HMFA)	20%	12,040	13,760	15,480	17,200	18,580	19,960	21,340	22,720	24,080	25,456	301	322	387	447	499	550
	25%	15,050	17,200	19,350	21,500	23,225	24,950	26,675	28,400	30,100	31,820	376	403	483	559	623	688
	28%	16,856	19,264	21,672	24,080	26,012	27,944	29,876	31,808	33,712	35,638	421	451	541	626	698	771
	30%	18,060	20,640	23,220	25,800	27,870	29,940	32,010	34,080	36,120	38,184	451	483	580	670	748	826
	33%	19,866	22,704	25,542	28,380	30,657	32,934	35,211	37,488	39,732	42,002	496	532	638	737	823	908
	35%	21,070	24,080	27,090	30,100	32,515	34,930	37,345	39,760	42,140	44,548	526	564	677	782	873	963
	40%	24,080	27,520	30,960	34,400	37,160	39,920	42,680	45,440	48,160	50,912	602	645	774	894	998	1,101
	45%	27,090	30,960	34,830	38,700	41,805	44,910	48,015	51,120	54,180	57,276	677	725	870	1,006	1,122	1,239
	50%	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800	60,200	63,640	752	806	967	1,118	1,247	1,376
	60%	36,120	41,280	46,440	51,600	55,740	59,880	64,020	68,160	72,240	76,368	903	967	1,161	1,341	1,497	1,652
	70%	42,140	48,160	54,180	60,200	65,030	69,860	74,690	79,520	84,280	89,096	1,053	1,128	1,354	1,565	1,746	1,927
	80%	48,160	55,040	61,920	68,800	74,320	79,840	85,360	90,880	96,320	101,824	1,204	1,290	1,548	1,789	1,996	2,203
	120%	72,240	82,560	92,880	103,200	111,480	119,760	128,040	136,320	144,480	152,736	1,806	1,935	2,322	2,683	2,994	3,304
	140%	84,280	96,320	108,360	120,400	130,060	139,720	149,380	159,040	168,560	178,192	2,107	2,257	2,709	3,130	3,493	3,855
HERA Special Limits per Section 142(d)(2)(E) (est. 2023)	25% - HS	15,075	17,225	19,375	21,525	23,250	24,975	26,700	28,425	30,135	31,857	376	403	484	559	624	689
	28% - HS	16,884	19,292	21,700	24,108	26,040	27,972	29,904	31,836	33,751	35,680	422	452	542	626	699	771
	30% - HS	18,090	20,670	23,250	25,830	27,900	29,970	32,040	34,110	36,162	38,228	452	484	581	671	749	826
For use by projects that placed in service at least one building on or before 12/31/2008	33% - HS	19,899	22,737	25,575	28,413	30,690	32,967	35,244	37,521	39,778	42,051	497	532	639	738	824	909
	35% - HS	21,105	24,115	27,125	30,135	32,550	34,965	37,380	39,795	42,189	44,600	527	565	678	783	874	964
	40% - HS	24,120	27,560	31,000	34,440	37,200	39,960	42,720	45,480	48,216	50,971	603	646	775	895	999	1,102
	45% - HS	27,135	31,005	34,875	38,745	41,850	44,955	48,060	51,165	54,243	57,343	678	726	871	1,007	1,123	1,240
	50% - HS	30,150	34,450	38,750	43,050	46,500	49,950	53,400	56,850	60,270	63,714	753	807	968	1,119	1,248	1,378
	60% - HS	36,180	41,340	46,500	51,660	55,800	59,940	64,080	68,220	72,324	76,457	904	969	1,162	1,343	1,498	1,653

The comparison is presented:

MARKET RENT COMPARISON TO AMI THRESHOLDS					
Bedroom	Bathroom	Monthly Market Rent	90% Market	80% AMI	120% AMI
2	2	\$1,825	\$1,643	\$1,548	\$2,322
3	2	\$2,050	\$1,845	\$1,789	\$2,683

ADDENDUM A
FHFC GUIDELINES

FHFC RENT STUDY GUIDANCE

The following guidance was utilized in the preparation of the rent grids.

Eligible Rent and Income Questions

- 1) **If an owner would like to receive this exemption, what date do rents and tenants need to comply with statutory requirements by?**

Eligible rents and income-eligible tenants must be in place effective January 1 for the year in which the exemption is sought. For example, an owner wishing to receive an exemption in 2024 must have rents adjusted to reflect current Florida Housing posted rates, or 90% of found RMS rates, whichever is less, and income-eligible tenants in place no later than January 1, 2024.

- 2) **What rental charges or fees are to be included within the maximum rental allowance?**

Any charge or fee (or tax) that is a condition of occupancy is included in the maximum allowable rent.

- 3) **How will Florida Housing determine if a unit is qualified under the 80% or 120% AMI?**

Florida Housing will not determine what level of exemption a unit qualifies for. Florida Housing will ask what planned income category the owner is serving as of January 1, but the local property appraiser will determine what exemption a unit is eligible for.

- 4) **When determining the maximum rent for each unit, is the amount set at the 80% rental limit (or 120% rental limit, depending on the level of exemption sought) or at the household AMI level?**

Rental limits should not exceed the 80% and 120% rental limits identified in s. 196.1978(2)(d)(1), F.S. and s. 196.1978(2)(d)(2), F.S.

- 5) **What rental charges or fees are to be included within the maximum rental allowance?**

Any charge or fee (or tax) that is a condition of occupancy is included in the maximum allowable rent. Charges that are a "condition of occupancy" are a fact-specific analysis for each development. If a resident is required to pay a certain fee as a condition of occupancy and may not opt out of the fee, such a fee would be considered a condition of occupancy and would be

considered included in the maximum rental allowance. For example, if the owner charges a fee for pest control that the resident may not opt out of, such a fee is included in the maximum rent allowance. Alternatively, if the owner charges a fee for parking that the resident may opt out of, the fee (whether the resident opts to pay or not) is not included in the maximum rental allowance. Fees for access to common areas of the development (that are separate from any other voluntary amenity or service) are included within the maximum rental allowance. Furthermore, ratio utility billing systems (RUBS) or other submetering for electricity, gas, and water are not included within the maximum rental allowance. While those billing systems are mandatory, the resident has control over the amount of utilities used and therefore can be considered to opt-in to whatever cost of utility is charged.

6) Is the maximum amount of rent charged to a resident required to include a utility allowance?

No.

7) Can there be a differentiation in the maximum rent allowable for different types of bedroom units. For example, if there are different floor plans for 3-bedroom apartments, can the market study reflect different rents for the different types of floor plans?

The rental market study should provide the average market rent for the number of bedroom unit without differentiation. Provide the rental rates found within your rental market study in the yellow column. If you have multiple rental rates for a bedroom number enter the highest rate found. Notwithstanding, any differentiation is subject to the rent being the lesser of the market rent or the rent outlined in the chart posted on the Florida Housing website.

8) How should an owner assess the income of tenants who are full-time students?

Income should be assessed for the members of the household, regardless of the tenant's occupation.

9) What is the income-qualifying process? What documentation do we need to provide FL Housing in order to ensure residents in our affordable units do in fact income-qualify?

It is the owner's responsibility to maintain and verify documentation regarding tenant income and their eligibility. Florida Housing will require that owners verify their rents and households are in place as of January 1st between Jan. 1 – Jan 15. This verification to Florida Housing will occur via attestation and no additional documentation will be required by Florida Housing. The owner may be required to provide substantiating documentation of the verification at the property appraiser's request.

5) **Is there any suggested guidance for what should be included in a rental market study?**

Florida Housing recommends that the owner relies on the professional judgment of the certified general appraiser, but has provided some suggested guidance regarding rental market study elements to include:

Each rental market study should include the following:

- *A statement from the certified general appraiser confirming independence from the owner*
- *Date rental market study was performed*
- *Description of subject property (site and improvements)*
- *Photographs of the subject property*
- *Definition and description of subject's market area (as determined by appraiser) and map*
- *Inspection of the exterior, common areas, and interior of units of the subject property*
- *Comparable apartment rental activity in the subject's immediate market and competing location*
- *Inspection of the exterior of each comparable property*
- *Map of rent comparables*
- *Description and photograph of rent comparables*
- *Rent Comparability Grid*
- *Estimate of the Market Rents for all unit types*

ADDENDUM B
RENT COMPARABLES

**Lease Comparable 1
Collins Preserve**

Property Identification - 23295

Property Name Collins Preserve
Property Type Multifamily
Address 5258 Collins Preserve Ln
City, State, Zip Jacksonville, Florida
 32244-5635
Occupancy 36.9%
Confirmed By Max Perez
Confirmed With Margaret
Date of Confirmation 12-07-2023
Confirmation Phone 904-342-6940



Physical Data

Year Built 2023
Stories 3
Number of Units 330

Property Amenities Business Center, Clubhouse, Fitness Center, Picnic Area, Pool, Pet Play Area, Grill, Island Kitchen, Linen Closet, Pantry, Patio

Unit Type	Units	Avg Unit SF	Unit Mix		Total Rent	Rent/SF	% of Total
			Total SF	Avg Rent/Mo			
1 Bd 1.0 Ba	66	786	51,876	\$1,580	\$104,280	\$2.01	20%
1 Bd 1.0 Ba	66	816	53,856	\$1,494	\$98,604	\$1.83	20%
2 Bd 2.0 Ba	66	1,164	76,824	\$1,810	\$119,460	\$1.55	20%
2 Bd 2.0 Ba	99	1,176	116,424	\$1,810	\$179,190	\$1.54	30%
3 Bd 2.0 Ba	33	1,248	41,184	\$2,075	\$68,475	\$1.66	10%
* Totals	330	1,031	340,164	\$1,727	\$570,009	\$1.68	100%

Remarks

Collins Preserve is a 330-unit apartment building built in 2023. It features one-, two-, and three-bedroom units ranging from 786 to 1,248 square feet. The property features a clubhouse, pool, fitness center, business center, recreational area, pet park, playground, and gated/secure access.

No utilities are included in base rents. Trash removal, pest control, internet, and community fees are billed above base rents at a rate of \$25, \$5, \$75, and \$23 per month, respectively. Storage units are available for an additional fee of \$75 per month. The property had their first move ins in May 2023. Management is offering a concession of one month free on 12 month leases and two months free on 13-15 month leases. At the time of the survey, the property was 36.9% occupied and 44.2% pre-leased.

**Lease Comparable 2
Tapestry Westland Village**

Property Identification - 23294

Property Name Tapestry Westland Village
Property Type Multifamily
Address 6505 Collins Rd
City, State, Zip Jacksonville, Florida 32244
Occupancy 95.9%
Confirmed By Max Perez
Confirmed With Stephani
Date of Confirmation 12-07-2023
Confirmation Phone 904-420-8033



Physical Data

Year Built 2020
Stories 3
Number of Units 266

Property Amenities 24 Hour Access, Business Center, Clubhouse, Fitness Center, Pool, Pet Play Area, Wi-Fi, Online Services, Pond, Patio

Unit Type	Units	Avg Unit SF	Unit Mix		Total Rent	Rent/SF	% of Total
			Total SF	Avg Rent/Mo			
0 Bd 1.0 Ba	24	725	17,400				9%
1 Bd 1.0 Ba	21	748	15,708				8%
1 Bd 1.0 Ba	24	774	18,576	\$1,445	\$34,680	\$1.87	9%
1 Bd 1.0 Ba	31	862	26,722	\$1,460	\$45,260	\$1.69	12%
2 Bd 2.0 Ba	46	1,108	50,968	\$1,640	\$75,440	\$1.48	17%
2 Bd 2.0 Ba	66	1,191	78,606	\$1,705	\$112,530	\$1.43	25%
2 Bd 2.0 Ba	24	1,216	29,184				9%
3 Bd 2.0 Ba	30	1,324	39,720	\$2,045	\$61,350	\$1.54	11%
* Totals	266	1,041	276,884				100%

Remarks

Tapestry Westland Village is a 266-unit apartment community built in 2020. It features studio-, one-, two-, and three-bedroom units ranging from 725 to 1,324 square feet. The property features a clubhouse, pool, business center, fitness center, pet park, BBQ/fitness center, recreational area, and gated/secure access. No utilities are included in base rents. Trash removal, pest control, and package locker fees are billed above base rents at a bundled rate of \$60 per month. At the time of the survey, the property was occupied at 95.9%.

Lease Comparable 3
Argyle Lake at Oakleaf Town Center

Property Identification - 18179

Property Name Argyle Lake at Oakleaf Town Center
Property Type Multifamily
Address 9849 Crosshill Blvd
City, State, Zip Jacksonville, Florida 32222
Occupancy 94.4%
Confirmed By Max Perez
Confirmed With Amber
Date of Confirmation 11-21-2023
Confirmation Phone 904-830-6859



Physical Data

Year Built 2020
Stories 3
Number of Units 270

Property Amenities Clubhouse, Pool, Fitness Center, Barbecue/Picnic Area, Pet Park
Unit Amenities Balcony/Patio (Select Units), Blinds, Carpeting, Walk-In (Select Units)
Unit Appliances Refrigerator, Range/Oven, Dishwasher, Garbage Disposal, Microwave, Washer/Dryer
Utilities with Rent Pest Control

Unit Description	Unit Type	Avg Unit SF	Avg Rent/Mo	Rent/SF
Ashbury	1 Bd 1.0 Ba	816	\$1,470	\$1.80
Oakleaf	1 Bd 1.0 Ba	816		
Ortega	2 Bd 2.0 Ba	1,224	\$1,695	\$1.38
Kingsley	2 Bd 2.0 Ba	1,237	\$1,675	\$1.35
St. Johns	3 Bd 2.0 Ba	1,310	\$1,750	\$1.34

Remarks

Argyle Lake at Oakleaf Town Center is a 270-unit multifamily facility built in 2020. It offers one-, two-, and three-bedroom units ranging from 816 to 1,310 square feet. The community features a clubhouse, pool, fitness center, barbecue/picnic area, and pet park. Unit amenities include balcony/patio (select units), blinds, carpeting, walk-in (select units), refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer. No utilities are included in base rents. Trash removal, pest control, and package locker fees are billed above base rents at a rate of \$35, \$7, and \$5 per month, respectively. Detached garages are available for an additional fee of \$175 per month. The property had their first move-ins in October 2020 and stabilized in July 2021. At the time of survey, the property was 94.4% occupied.

**Lease Comparable 4
The Vantage**

Property Identification - 23233

Property Name The Vantage
Property Type Multifamily
Address 7960 Merchants Way
City, State, Zip Jacksonville, Florida 32222-2925
Occupancy 43.6%
Confirmed By Max Perez
Confirmed With Fendito
Date of Confirmation 11-27-2023
Confirmation Phone 904-530-2040



Physical Data

Year Built 2023
Stories 3
Number of Units 312

Property Amenities 24 Hour Access, Air Conditioning, Business Center, Clubhouse, Fitness Center, Pool, Gameroom, Grill, Pet Play Area, Wi-Fi, Lounge, Pet Washing Station

Unit Type	Units	Avg Unit SF	Unit Mix		Total Rent	Rent/SF	% of Total
			Total SF	Avg Rent/Mo			
0 Bd 1.0 Ba	30	660	19,800	\$1,600	\$48,000	\$2.42	10%
1 Bd 1.0 Ba	38	756	28,728	\$1,687	\$64,106	\$2.23	12%
1 Bd 1.0 Ba	46	809	37,214	\$1,607	\$73,922	\$1.99	15%
1 Bd 1.0 Ba	30	837	25,110	\$1,501	\$45,030	\$1.79	10%
2 Bd 2.0 Ba	24	1,074	25,776	\$1,675	\$40,200	\$1.56	8%
2 Bd 2.0 Ba	70	1,119	78,330	\$1,696	\$118,720	\$1.52	22%
2 Bd 2.0 Ba	36	1,250	45,000	\$1,767	\$63,612	\$1.41	12%
3 Bd 2.0 Ba	38	1,311	49,818	\$1,825	\$69,350	\$1.39	12%
* Totals *	312	993	309,776	\$1,676	\$522,940	\$1.69	100%

Remarks

The Vantage is a 312-unit apartment community built in 2023. It features studio-, one-, two-, and three-bedroom units ranging from 660 to 1,311 square feet. The property features a clubhouse, pool, fitness center, business center, recreational area, pet park, pet spa, BBQ/picnic area, and gated/secure access. No utilities are included in base rents. Trash removal, pest control, internet, and smart home features are billed above base rents at a rate of \$125 per month. The community is offering a concession of one month free on all 13-15 month leases. Garages are available for an additional fee of \$175 per month. The property had their first move-ins in February 2023. At the time of this survey, the property was 43.6% occupied.

**Lease Comparable 5
Integra Park At Oakleaf**

Property Identification - 23232

Property Name Integra Park At Oakleaf
Property Type Multifamily
Address 824 Integra Park Dr
City, State, Zip Middleburg, Florida 32068
Occupancy 92.4%
Confirmed By Max Perez
Confirmed With Bri
Date of Confirmation 11-27-2023
Confirmation Phone 904-822-3489



Physical Data

Year Built 2021
Stories 1
Number of Units 249

Property Amenities Air Conditioning, Business Center, Controlled Access, Clubhouse, Courtyard, Fitness Center, Pool, Gated, Car Wash Area, Furnished Units Available, Gameroom, Grill, Media Center/Movie Theatre, Package Service, Pet Play Area, Renters Insurance Program, Tra

Unit Type	Units	Avg Unit SF	Unit Mix		Total Rent	Rent/SF	% of Total
			Total SF	Avg Rent/Mo			
1 Bd 1.0 Ba	25	706	17,650	\$1,590	\$39,750	\$2.25	10%
1 Bd 1.0 Ba	25	746	18,650	\$1,545	\$38,625	\$2.07	10%
1 Bd 1.0 Ba	17	752	12,784				7%
1 Bd 1.0 Ba	16	816	13,056	\$1,755	\$28,080	\$2.15	6%
1 Bd 1.0 Ba	20	893	17,860	\$1,670	\$33,400	\$1.87	8%
2 Bd 2.0 Ba	30	1,169	35,070	\$1,869	\$56,070	\$1.60	12%
2 Bd 2.0 Ba	32	1,252	40,064	\$1,920	\$61,440	\$1.53	13%
2 Bd 2.0 Ba	24	1,255	30,120	\$1,970	\$47,280	\$1.57	10%
2 Bd 2.0 Ba	30	1,268	38,040				12%
3 Bd 2.0 Ba	16	1,388	22,208	\$2,320	\$37,120	\$1.67	6%
3 Bd 2.0 Ba	14	1,431	20,034	\$2,340	\$32,760	\$1.64	6%
* Totals *	249	1,066	265,536	\$1,504	\$374,525	\$1.41	100%

Remarks

Integra Park at Oakleaf is a 249-unit apartment community built in 2021. It features one-, two-, and three-bedroom units ranging from 706 to 1,431 square feet. The property features a clubhouse, pool, fitness center, business center, pet park, pet spa, recreational area, BBQ/picnic area, and gated/secure access. No utilities are included in base rents. Trash removal and pest control are billed above base rents at a rate of \$30 and \$5 per month, respectively. The community is offering a concession of six weeks free on two-bedroom units and four weeks free on select units. The property had their first move-ins in November 2021 and stabilized in September 2022. At the time of this survey, the property was 92.4% occupied

ADDENDUM C

***CERTIFICATION
QUALIFICATIONS AND LICENSES***

Certificate of Appraisal

Project Name: Sample B Apartments

By my signature below, I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions, and conclusions;
3. We have no present or prospective financial interest in the above project, its ownership or management agent entity, or the principals of those entities. We are not an employee of those principals or entities, and We have no business or close personal/family interest with those parties that commonly would be perceived to create bias or a conflict of interest. We have not performed any 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 unless listed here:
4. We have no personal interest or bias with respect to the subject of this report or to the ownership or management parties involved with this assignment;
5. Our engagement in and compensation for this assignment were and are not contingent upon the reporting of a predetermined rent or direction in rent. Our fee is our only compensation for this rent study assignment. There are no other side agreements or considerations;
6. Our analyses, opinions, and conclusions were developed, and this report prepared in conformity with the Uniform Standards of Professional Appraisal Practice;
7. Appraiser State-Certified General Real Estate Appraiser RZ***, conducted a detailed virtual inspection of the comparables and market area.
8. No one provided significant professional assistance to the person signing the report except the persons listed here. If anyone is listed here, his/her contribution is identified in the Scope of Work section of this report.
9. Appraiser State-Certified General Real Estate Appraiser RZ***, is a certified general appraiser, licensed and in good standing with the state appraiser regulatory agency where the subject property is located and has meet all of the appraiser qualifications;
10. Appraiser State-Certified General Real Estate Appraiser RZ***, has not been debarred or suspended from doing business with the Federal Government. K Appraiser State-Certified General Real Estate Appraiser RZ***, MAI is not under a Limited Denial of Participation (LDP) imposed by the HUD Multifamily HUB or Program Center having jurisdiction over the project. There are no LDPs in effect now or in the past three years.

Warning: If you knowingly make a false statement on this form, you may be subject to civil penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000.00 for each violation.

Respectfully submitted,

Appraiser Qualifications and License



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

Kay Kauchick, MAI

Chairman

Value Tech Realty Services, Inc.

240 Crystal Grove Boulevard

Lutz, FL 33548

813.948.0545 Phone

813.909.9338 Fax

Certifications

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

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

- Alabama – G00706
- Arizona – 32204
- Arkansas – CG 4260
- Florida – RZ2066
- Georgia – 251355
- Indiana – CG40700410
- Iowa – CG03490
- Kentucky – 003868
- Louisiana – G4460
- Maryland – 32466
- Mississippi – GA-813
- New Jersey – 42RG00194800
- North Carolina – A6711
- Ohio – 2006006410
- Pennsylvania – GA004330
- South Dakota – 1403CG
- Tennessee – 5891
- Texas – TX-1336610-G
- Virginia – 4001-015705

Education

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

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

Professional Experience

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

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

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



Ron DeSantis, Governor

Melanie S. Griffin, Secretary



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD

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

KAUCHICK, KAY C

19711 KELL ESTATES LANE
LUTZ FL 33549

LICENSE NUMBER: RZ2066

EXPIRATION DATE: NOVEMBER 30, 2024

Always verify licenses online at MyFloridaLicense.com



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ADDENDUM D

DEFINITIONS

Definitions

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

The Uniform Standards of Professional Appraisal Practice (USPAP);

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

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

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

Effective Date of the Market Rent Study

The date at which the market conclusion applies, which may or may not be the date of inspection; the date of the market conditions that provide the context for the market opinion. Current market rent study occurs when the effective date of the market rent study is contemporaneous with the date of the report.

Gross Building Area (GBA)

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

Marketing Period

The date at which the market conclusion applies, which may or may not be the date of inspection; the date of the market conditions that provide the context for the market opinion. Current market rent study occurs when the effective date of the market rent study is contemporaneous with the date of the report.

Market Rent Study

A comprehensive evaluation of market rents and occupancies for a specific property within a defined market area.

ADDENDUM E

ASSUMPTIONS AND LIMITING CONDITIONS

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

General Assumptions

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

- The Americans with Disabilities Act (ADA) became effective January 26, 1992. Noncompliance with the ADA could cause a loss in value. Unless otherwise stated in this report, ***. has made the assumption that the subject is in conformance with all applicable ADA requirements.

It is our assumption that the property has been designed in compliance with ADA as required.

General Limiting Conditions

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

Specific Assumptions and Limiting Conditions

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

- We assume that the project has no significant deferred maintenance issues impacting the marketability or use of the units;
- We assume that the subject will be maintained in a quality condition; and,
- We assume that the subject will be aggressively marketed and professionally managed.

ADDENDUM F
ENGAGEMENT LETTER

