

**Eleven**

811 E 11th Street  
Austin, TX

Units: 257  
Rentable SF: 203,757  
Average Unit Size: 793  
Commercial SF: 0  
Date Acquired: 4/18/2016  
Year Built: 2014  
Occupancy 4/30/2019: 93.4%  
GAV 3/31/2019: \$69,000,000  
Value Per Unit: \$268,482  
Debt Balance: \$33,000,000  
NAV: \$36,000,000



Eleven by Windsor is a 257 unit mid-rise apartment building located in Austin, TX. The property was developed by Forestar in 2014 and acquired in April 2016. The Property has two courtyards, one featuring a resort style swimming pool and cabanas, while the other courtyard features bocce courts and BBQ grilling stations. The top floor of the Property features a Sky Lounge – an indoor/outdoor rooftop deck with downtown and Texas State Capitol views.

Property Trends	Actual		FY 2019 (1) v. FY 2018		Budget	2020 Budget v. 2019 Actual	
	FY 2018	FY 2019 (1)	Variance	Variance %	FY 2020	Variance	Variance %
Occupancy	95.2%	95.0%	-22 bps	-0.22%	95.2%	15 bps	0.15%
NER Per Unit	\$1,698	\$1,780	\$82	4.85%	\$1,855	\$75	4.20%
NER Per SF	\$2.14	\$2.25	\$0.10	4.85%	\$2.34	\$0.09	4.20%
NOI (000's)	\$2,543	\$2,856	\$313	12.30%	\$2,976	\$120	4.19%

(1) FY 2019 Actual consists of July 2018 - April 2019 Actual and May 2019 - June 2019 Updated Budget.

**FINANCIAL VARIANCE REPORT**

*Revenue*

- Total Income increased by 5.6% in FY 2019 driven by concessions substantially lower than budget (\$144k) and topline rent growth of 1.9%. Net Effective Rents benefitted as well with growth of 4.8%. Average Occupancy remained strong at 95%.
- While Austin continues to see new supply, the deliveries are spread throughout the overall market with the Downtown area deliveries low as a percentage of the total submarket. The Austin economy, job and population growth continue outperform the US making Austin an attractive long-term investment market.

*Expenses*

- Total Operating Expenses increased a nominal 0.2% over 2018 Actuals. A 6.5% reduction in Controllable Expenses was offset by a 4.5% increase in Real Estate Taxes. While the assessed value increases were appealed and are now under litigation, further increases in the property's assessed value are expected to continue.

*Net Operating Income*

- Net operating income increased 12.3% in FY 2019 driven by strong Total Income growth and flat expense growth.

*Capital Expenditures*

- Capital projects completed in FY 2019 include hallway painting, energy conservation program/LED lighting retrofit and landscaping improvements.

**FY 2019 BUSINESS PLAN OBJECTIVES**

*Revenue*

- Total income is projected to increase 2.7% driven by top line rent growth of 3.0% and Net Effective Rent increasing 4.2%. Occupancy will remain strong, averaging 95.2%.
- While the property continues to offer concessions, submarket new supply is slowing and concessions are expected to decline.

*Expenses*

- Total operating expenses are expected to increase 1.3% in FY 2019. A nominal increase of 0.7% in Total controllable expenses are forecasted as well as a 1.3% increase in property taxes.

*Net Operating Income*

- Net operating income is expected to increase by 4.2% in FY 2019 driven by strong Total Income growth and nominal expense growth.

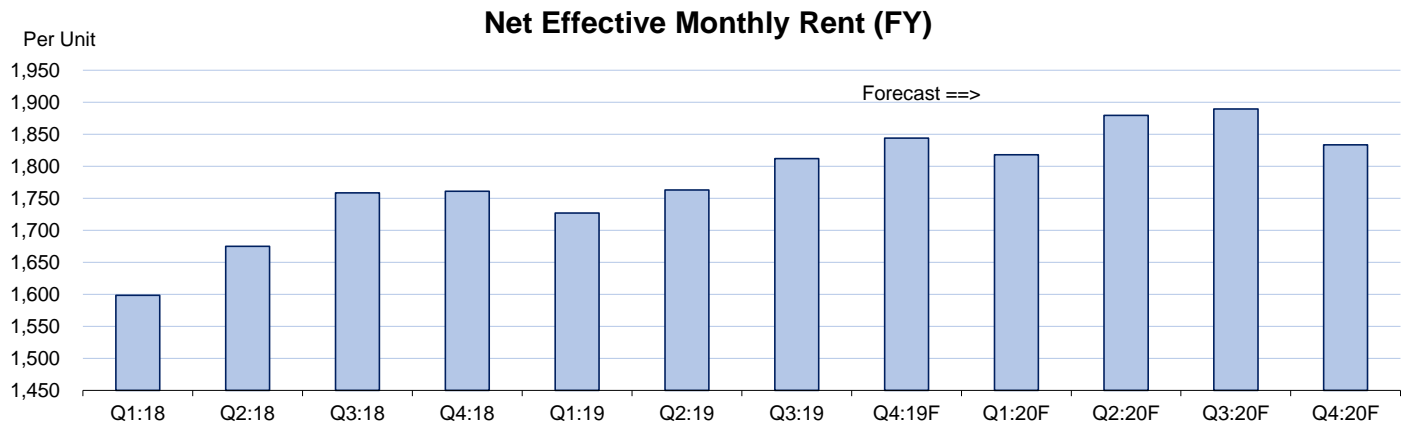
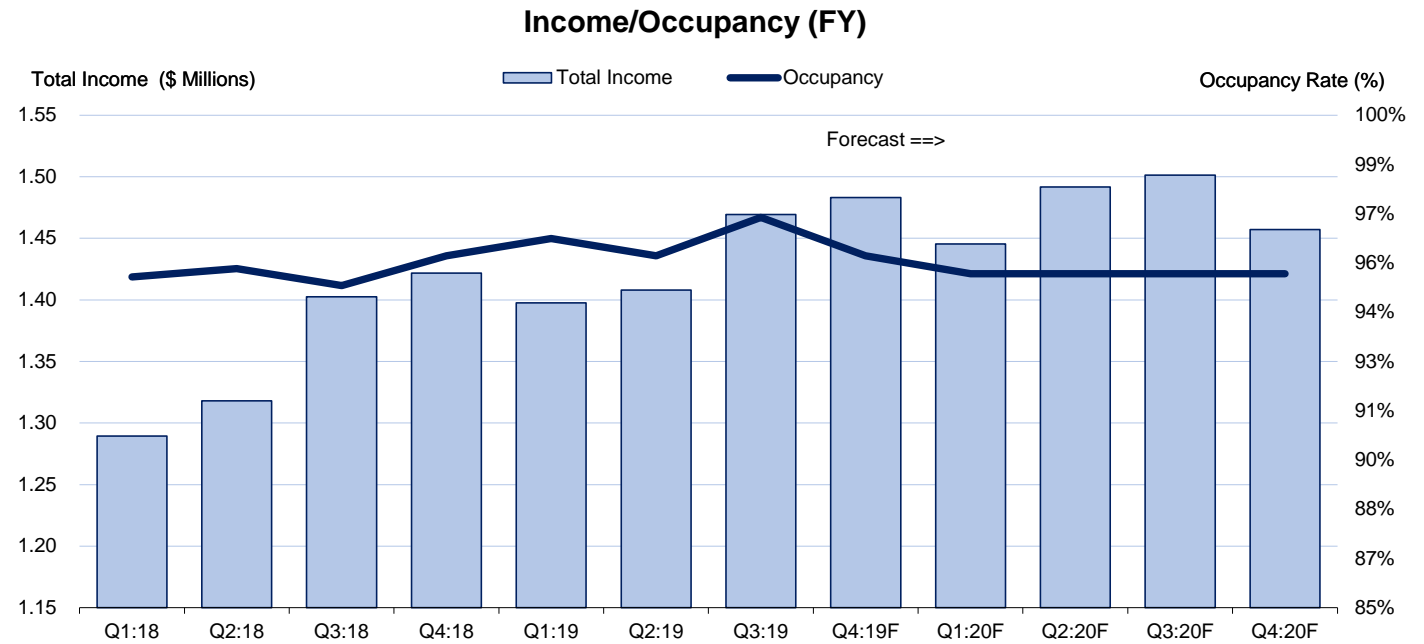
*Capital Expenditures*

- FY 2020 capital projects include pool resurfacing (\$45k), Dog Wash improvements (\$40k), FF&E improvement in the club room and typical mechanical replacements.

**HOLD SELL RECOMMENDATION**

- We recommend holding Eleven. The property is well located in a market with strong fundamentals, stable forecasted rent growth and a diverse economic base supported by above average employment and population growth.
- The subject' location proximate to the Town Lake and Downtown entertainment areas makes it an attractive housing option for its targeted renter demographic.

## Quarterly Property Trends



**Eleven**

## Comparative Statement of Income and Cash Flow

257 units

Austin, TX

**NET POTENTIAL RENT**

	<b>5,767,298</b>	<b>5,877,293</b>	<b>6,052,913</b>	<b>109,995</b>	<b>1.9%</b>	<b>175,620</b>	<b>3.0%</b>
Vacancy	(315,276)	(254,580)	(291,940)	60,696	19.3%	(37,360)	14.7%
Staff Occupied	(45,821)	(29,306)	(31,620)	16,515	36.0%	(2,314)	7.9%
Model Expense	(21,720)	(23,218)	(23,506)	(1,498)	-6.9%	(288)	1.2%
Down Units	0	0	0	0	-	0	-

**APARTMENT RENTAL INCOME**

	<b>5,384,481</b>	<b>5,570,189</b>	<b>5,705,847</b>	<b>185,708</b>	<b>3.4%</b>	<b>135,659</b>	<b>2.4%</b>
Rent Concessions	(530,042)	(386,289)	(331,528)	143,753	27.1%	54,761	-14.2%
Bad Debts	(104)	(3,214)	(6,053)	(3,110)	-2990.5%	(2,839)	88.3%

**NET APARTMENT RENTAL INCOME**

	<b>4,854,335</b>	<b>5,180,686</b>	<b>5,368,266</b>	<b>326,350</b>	<b>6.7%</b>	<b>187,581</b>	<b>3.6%</b>
Other Rental Income	492,428	509,496	480,632	17,068	3.5%	(28,864)	-5.7%
Corporate Operations	44,549	8,068	7,400	(36,481)	-81.9%	(668)	-8.3%
Commercial Income	0	0	0	0	-	0	-
Other Income	40,304	40,227	39,276	(77)	-0.2%	(951)	-2.4%

**TOTAL INCOME****CONTROLLABLE EXPENSES**

	<b>5,431,615</b>	<b>5,738,476</b>	<b>5,895,574</b>	<b>306,861</b>	<b>5.6%</b>	<b>157,098</b>	<b>2.7%</b>
General & Administrative	105,517	97,809	104,475	7,709	7.3%	(6,666)	-6.8%
Marketing & Advertising	242,246	158,736	179,172	83,511	34.5%	(20,437)	-12.9%
Maintenance	262,841	229,444	220,581	33,396	12.7%	8,863	3.9%
Payroll	435,838	492,673	480,841	(56,835)	-13.0%	11,833	2.4%

**TOTAL CONTROLLABLE EXPENSES****CONTROLLABLE INCOME**

	<b>4,385,173</b>	<b>4,759,814</b>	<b>4,910,506</b>	<b>374,642</b>	<b>8.5%</b>	<b>150,691</b>	<b>3.2%</b>
Real Estate Taxes	1,373,706	1,435,030	1,454,188	(61,324)	-4.5%	(19,158)	-1.3%
Insurance	63,949	78,492	57,855	(14,544)	-22.7%	20,637	26.3%
Utilities	175,441	171,282	198,518	4,159	2.4%	(27,236)	-15.9%
Other Fees and Taxes	51,366	29,280	29,280	22,086	43.0%	0	0.0%
Management Fees	177,252	189,401	194,673	(12,150)	-6.9%	(5,271)	-2.8%

**TOTAL OPERATING EXPENSES**

	<b>2,888,155</b>	<b>2,882,148</b>	<b>2,919,583</b>	<b>6,007</b>	<b>0.2%</b>	<b>(37,435)</b>	<b>-1.3%</b>
Operating Expense Ratio	53.2%	50.2%	49.5%				

**NET OPERATING INCOME**

	<b>2,543,460</b>	<b>2,856,328</b>	<b>2,975,991</b>	<b>312,868</b>	<b>12.3%</b>	<b>119,663</b>	<b>4.2%</b>
Legal	4,868	1,775	5,000	3,092	63.5%	(3,225)	-181.6%
Audit	9,312	9,156	9,420	156	1.7%	(264)	-2.9%
Other Ownership Costs	538	100	1,182	438	81.4%	(1,082)	-1081.6%
Financial Costs	1,013,100	1,013,100	1,013,100	0	0.0%	0	0.0%
Capital Expenditures	379,526	355,426	514,200	24,100	6.3%	(158,774)	-44.7%
Rehab Expenditures	0	0	0	0	-	0	-
Broker Commissions	0	0	0	0	-	0	-
Asset Management Fee	227,153	209,328	226,914	17,824	7.8%	(17,585)	-8.4%

**NET CASH FLOW**

	<b>908,964</b>	<b>1,267,443</b>	<b>1,206,176</b>	<b>358,479</b>	<b>39.4%</b>	<b>(61,267)</b>	<b>-4.8%</b>
Average Net Effective Rent	1,698/unit	10,683/unit	1,855/unit				
Physical Occupancy Includes Staff and Model	95.2%	95.0%	95.2%				

(1) FY 2019 Actual consists of July 2018 - April 2019 Actual and May 2019 - June 2019 Updated Budget.

**CAPITAL EXPENDITURES \$100,000 AND GREATER FY2020**

**PROPERTY NAME:** Eleven  
**LOCATION:** Austin, TX

Budget Timing	Project	Total Budget	Budget Detail
September 2019	Common Area Improvements	\$144,700	Clubroom Renovation \$75,000 BBQ Grill Replacement \$8,000 Dog Pot Station \$1,200 Skylounge Mural \$5,000 Dog Wash Renovation \$40,000 Skylounge Blackout Shades \$3,000 Paint Stairwells and Doors \$12,500

# Multifamily Metro Trends Q4

## Austin-Round Rock, TX Metropolitan Statistical Area

## Analysis and Commentary

Analysis and Commentary	Rank of 34 Apartment Mkts	5-Yr F Rnt % # 1	NCREIF Mkt Cap # 11	5-Yr NCREIF Retls # 23	Metro Highlights

## Economic Outlook:

Austin-Round Rock's economy has accelerated in recent months, and job growth has been twice the national average over the past year. Most major industries have shared in the gains, with construction leading the way. However, federal and state payrolls have been flat, as workers left to take higher-paying jobs in the private sector. The unemployment rate has stabilized below 3%, below the national average, and the labor force is still growing strongly (Moody's Analytics Precis)

**Strengths:**

Strong population growth supports demographically driven consumer demand. Well-educated labor force attracts high-value-added tech businesses.

**Weaknesses:**

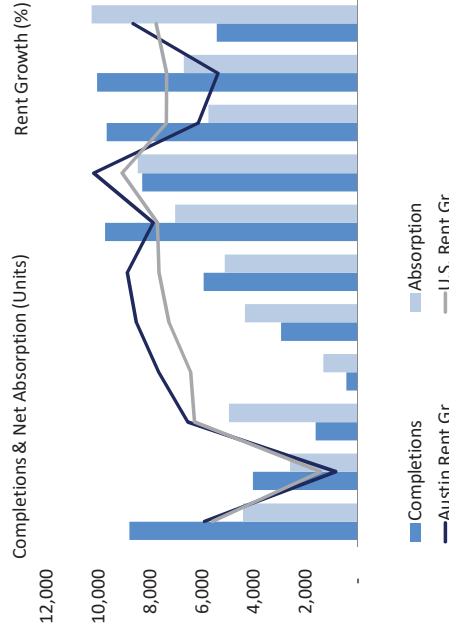
Competitive pressure of foreign high-tech manufacturing challenges local industry. Tech cycle adds to cyclical volatility of local economy. Cost of living is high for TX.

## Multifamily Operating & Investment Trends:

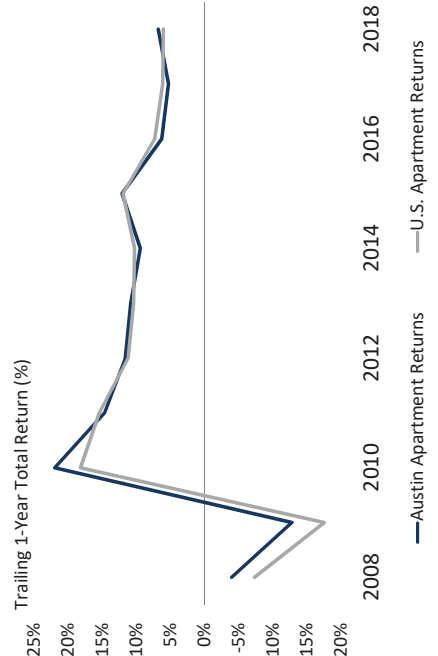
An impressive 2018 was capped off by Apple's big announcement of 5,000 new jobs in Northwest Austin. That exuberance characterized 2018, as fundamentals recovered from near-recessionary levels and rent growth had the best improvement of any market in the country. Much of that improvement was a result of slowing deliveries, which helped market-wide fundamentals. Absorption was also strong, thanks to continued strong job growth. Austin's fundamentals have been on a wild ride in recent years. Austin has been one of the most development-heavy markets in the country this cycle. And while it's been one of the best economies in the country, supply outpaced demand to the tune of nearly 35% of the inventory delivering since 2010, the second highest in the country. As a result, vacancies ticked up nearly 4.5%, approaching 10% as recently as the end of 2017.

Operating Trends	NCREIF Overview		Capital Market Trends
	Austin	Austin	Austin
	GID 34-Mkt Average	GID 34-Mkt Average	GID 34-Mkt Average

Market Inventory (Units)	211,052	309,925
Current Occupancy Rate	7.2%	5.9%
Current Rent Level	\$1,260	\$1,539
Rent Growth 2019 Forecast	3.7%	2.6%
5-Year Forecast Avg Rnt Gr	3.2%	1.5%
Completion Rate: 2019	2.8%	2.1%

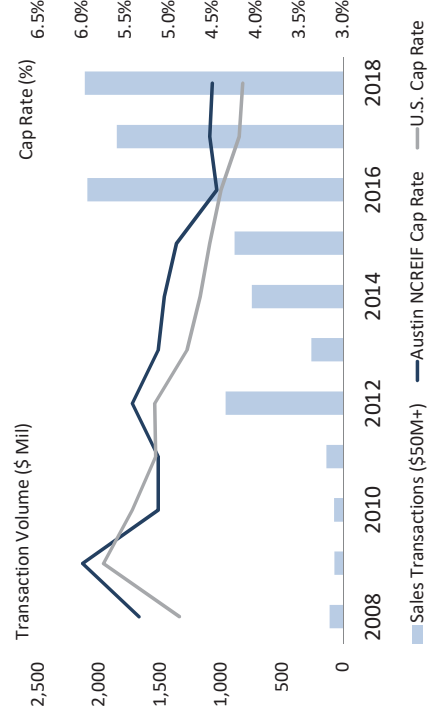


Total Return (Average Annual)			
1-Year	6.8%	7.4%	
3-Year	6.1%	7.6%	
5-Year	8.0%	9.4%	
# NCREIF Apartment Properties	68	1,507	
\$ Value (Millions)	\$4,622	\$141,406	
\$ Value (Mil) Average Property	\$68	\$94	




## Capital Market Trends

NCREIF Current Value Cap Rate	4.50%	4.09%
REIT Units (Same Store)	12,320	397,474
Transaction Volume \$50+ Million:		
2017-18 # Props	44	1,284
2017 -18 \$ Value	\$3,975	\$112,735
% of \$50M+ Transaction Volume	3.5%	



**Eleven**  
Austin, TX

**HOLD SELL ANALYSIS ASSUMPTIONS**

PROPERTY DATA					REVERSION ASSUMPTIONS			
Analysis Start Date	6/30/2019	Acquisition Date	4/18/2016		Sale Year	Yr 10.00	Sale Price Yr 10	\$86,697,381
Year Built	2014	Acquisition Price	\$60,150,000		Exit Cap Yr 10	5.00%	Sale Price/Unit	\$337,344
Date Acquired	4/18/2016	Per Unit	\$234,047	CalPERS Asset Ranking:	NOI (less reserves)	\$4,334,869	Cost of Sale: 1%	\$866,974
Units	257	Appraisal Date	3/31/2019	PERFORMANCE METRICS				
Total SF	203,757	Appraisal Value	\$69,000,000	Equilibrium Value	\$69,042,400	METRICS		
Avg SF/unit	793	Per Unit	\$268,482	Per Unit	\$268,647	Cash Flow	Reversion Value	
				Unlevered IRR	6.50%	Components of Benefit Stream	27.0%	73.0%
				Levered IRR	7.76%			Equilibrium Value
				Imputed Entry Cap	4.22%	Compounded Growth to Reversion		2.30%
				Equity Multiple	1.90x	COMMENTS/SCENARIO SUMMARY		
DEBT SNAPSHOT				Appraised Value	\$69,000,000			
	Loan	Ref 1	Ref 2	Per Unit	\$268,482			
Loan Amount	\$23,114,154			Unlevered IRR	6.51%			
LTV	35.0%			Levered IRR	7.77%			
Interest Only	Yes			Imputed Entry Cap	4.22%			
Interest Rate	3.60%			Equity Multiple	1.90x			
Prepayment	n/a							
Refinance	n/a							

**SENSITIVITY ANALYSIS OF UNLEVERED RETURNS - EQUILIBRIUM VALUE AND EXIT CAP RATE**

Imputed Entry Cap*	4.69%	4.56%	4.44%	4.33%	4.22%	4.11%	4.02%	3.92%	3.83%	4.22%
Exit Cap Rate	- 10.00%	- 7.50%	- 5.00%	- 2.50%	Equilibrium	+ 2.50%	+ 5.00%	+ 7.50%	+ 10.00%	Appraisal
	\$62,138,160	\$63,864,220	\$65,590,280	\$67,316,340	\$69,042,400	\$70,768,460	\$72,494,520	\$74,220,580	\$75,946,640	\$69,000,000
4.00%	9.77%	9.42%	9.07%	8.73%	8.41%	8.09%	7.79%	7.49%	7.20%	8.42%
4.25%	9.24%	8.89%	8.54%	8.20%	7.88%	7.56%	7.26%	6.96%	6.67%	7.89%
4.50%	8.75%	8.39%	8.05%	7.71%	7.39%	7.07%	6.77%	6.47%	6.18%	7.40%
4.75%	8.29%	7.93%	7.59%	7.25%	6.93%	6.61%	6.31%	6.01%	5.73%	6.94%
5.00%	7.86%	7.50%	7.16%	6.82%	6.50%	6.19%	5.88%	5.58%	5.30%	6.51%
5.25%	7.46%	7.10%	6.75%	6.42%	6.10%	5.78%	5.48%	5.18%	4.89%	6.10%
5.50%	7.08%	6.72%	6.37%	6.04%	5.72%	5.40%	5.10%	4.80%	4.51%	5.72%
5.75%	6.71%	6.36%	6.01%	5.68%	5.36%	5.04%	4.74%	4.44%	4.16%	5.36%
6.00%	6.37%	6.01%	5.67%	5.33%	5.01%	4.70%	4.39%	4.10%	3.81%	5.02%

\* Imputed entry cap based on forward 12 month (year 1) NOI (less reserves).

**SENSITIVITY ANALYSIS OF LEVERED RETURNS - EQUILIBRIUM VALUE AND EXIT CAP RATE**

Imputed Entry Cap*	4.69%	4.56%	4.44%	4.33%	4.22%	4.11%	4.02%	3.92%	3.83%	4.22%
Exit Cap Rate	- 10.00%	- 7.50%	- 5.00%	- 2.50%	Equilibrium	+ 2.50%	+ 5.00%	+ 7.50%	+ 10.00%	Appraisal
	\$62,138,160	\$63,864,220	\$65,590,280	\$67,316,340	\$69,042,400	\$70,768,460	\$72,494,520	\$74,220,580	\$75,946,640	\$69,000,000
4.00%	12.47%	11.88%	11.33%	10.80%	10.29%	9.81%	9.35%	8.91%	8.48%	10.30%
4.25%	11.78%	11.19%	10.64%	10.11%	9.60%	9.12%	8.66%	8.22%	7.80%	9.62%
4.50%	11.13%	10.54%	9.99%	9.46%	8.96%	8.48%	8.02%	7.58%	7.16%	8.97%
4.75%	10.51%	9.93%	9.37%	8.85%	8.34%	7.86%	7.41%	6.97%	6.54%	8.36%
5.00%	9.93%	9.35%	8.79%	8.26%	7.76%	7.28%	6.82%	6.39%	5.96%	7.77%
5.25%	9.37%	8.79%	8.23%	7.71%	7.21%	6.73%	6.27%	5.83%	5.41%	7.22%
5.50%	8.84%	8.26%	7.70%	7.18%	6.68%	6.20%	5.74%	5.30%	4.88%	6.69%
5.75%	8.33%	7.75%	7.20%	6.67%	6.17%	5.69%	5.23%	4.80%	4.38%	6.18%
6.00%	7.84%	7.26%	6.70%	6.18%	5.68%	5.20%	4.74%	4.31%	3.89%	5.69%

\* Imputed entry cap based on forward 12 month (year 1) NOI (less reserves).

**SUMMARY OF RETURNS BY ANALYSIS TYPE**

		Sell Hold Returns		Inception to Date	
Analysis Type	Value	Unlevered Return	Levered Return	Unlevered Return	Levered Return
Appraised Value	\$ 69,000,000	6.51%	7.77%		
Equilibrium Value	\$ 69,042,400	6.50%	7.76%		

**Eleven**  
**Austin, TX**

**GROWTH RATES**

	10 Yr Avg	YR-1	YR-2	YR-3	YR-4	YR-5	YR-6	YR-7	YR-8	YR-9	YR-10	YR-11
Rent Growth	3.00%	2.99%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other Income Growth	2.15%	-5.46%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Commercial Income Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Vacancy Rate	4.98%	4.82%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Bad Debt Rate	0.10%	0.11%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Concession Rate	0.88%	5.81%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General Expenses Growth	2.81%	1.06%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Real Estate Taxes Growth	2.83%	1.34%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Property Management Fee	3.26%	3.30%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%

**OPERATING PROJECTIONS**

	Trailing-24	Trailing-12	Trailing-3	7/1/2019 YR-1	7/1/2020 YR-2	7/1/2021 YR-3	7/1/2022 YR-4	7/1/2023 YR-5	7/1/2024 YR-6	7/1/2025 YR-7	7/1/2026 YR-8	7/1/2027 YR-9	7/1/2028 YR-10	7/1/2029 YR-11
<b>NET POTENTIAL INCOME</b>	<b>5,767,298</b>	<b>5,877,293</b>	<b>5,948,091</b>	<b>6,052,913</b>	<b>6,234,500</b>	<b>6,421,535</b>	<b>6,614,181</b>	<b>6,812,607</b>	<b>7,016,985</b>	<b>7,227,494</b>	<b>7,444,319</b>	<b>7,667,649</b>	<b>7,897,678</b>	<b>8,134,609</b>
<b>Net Potential Income Growth</b>				2.99%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	2.99%	2.99%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Vacancy	(315,276)	(254,580)	(335,047)	(291,940)	(311,725)	(321,077)	(330,709)	(340,630)	(350,849)	(361,375)	(372,216)	(383,382)	(394,884)	(406,730)
Rent Concessions	(530,042)	(386,289)	(336,811)	(331,528)	(175,980)	-	-	-	-	-	-	-	-	-
Bad Debts	(104)	(3,214)	(3,976)	(6,053)	(5,866)	(6,042)	(6,223)	(6,410)	(6,602)	(6,800)	(7,004)	(7,214)	(7,431)	(7,654)
<b>NET APARTMENT RENTAL INCOME</b>	<b>4,854,335</b>	<b>5,180,686</b>	<b>5,215,690</b>	<b>5,368,266</b>	<b>5,684,150</b>	<b>6,035,934</b>	<b>6,217,012</b>	<b>6,403,522</b>	<b>6,595,628</b>	<b>6,793,497</b>	<b>6,997,301</b>	<b>7,207,221</b>	<b>7,423,437</b>	<b>7,646,140</b>
<b>Net Apartment Rental Income Growth</b>				3.62%	5.88%	6.19%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	3.62%	4.75%	5.23%	4.67%	4.34%	4.12%	3.96%	3.84%	3.74%	3.67%	
Total Other Income	577,280	557,791	638,935	527,308	543,127	559,421	576,204	593,490	611,294	629,633	648,522	667,978	688,017	708,658
<b>TOTAL INCOME</b>	<b>5,431,615</b>	<b>5,738,476</b>	<b>5,854,625</b>	<b>5,895,574</b>	<b>6,227,277</b>	<b>6,595,355</b>	<b>6,793,215</b>	<b>6,997,012</b>	<b>7,206,922</b>	<b>7,423,130</b>	<b>7,645,824</b>	<b>7,875,199</b>	<b>8,111,454</b>	<b>8,354,798</b>
<b>Total Income Growth</b>				2.74%	5.63%	5.91%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	2.74%	4.18%	4.76%	4.32%	4.05%	3.88%	3.75%	3.66%	3.59%	3.53%	
<b>TOTAL CONTROLLABLE EXPENSES</b>	<b>1,046,443</b>	<b>978,662</b>	<b>1,050,681</b>	<b>985,069</b>	<b>1,014,621</b>	<b>1,045,059</b>	<b>1,076,411</b>	<b>1,108,703</b>	<b>1,141,964</b>	<b>1,176,223</b>	<b>1,211,510</b>	<b>1,247,855</b>	<b>1,285,291</b>	<b>1,323,850</b>
<b>Total Controllable Expense Growth</b>				0.65%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	0.65%	1.83%	2.22%	2.41%	2.53%	2.61%	2.66%	2.71%	2.74%	2.77%	
<b>TOTAL OPERATING EXPENSES</b>	<b>2,888,155</b>	<b>2,882,148</b>	<b>2,918,768</b>	<b>2,919,583</b>	<b>3,009,044</b>	<b>3,105,206</b>	<b>3,198,362</b>	<b>3,294,313</b>	<b>3,393,143</b>	<b>3,494,937</b>	<b>3,599,785</b>	<b>3,707,779</b>	<b>3,819,012</b>	<b>3,933,582</b>
<b>Total Operating Expense Growth</b>				1.30%	3.06%	3.20%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	1.30%	2.18%	2.52%	2.64%	2.71%	2.76%	2.79%	2.82%	2.84%	2.86%	
			<i>Total Operating Expense Ratio</i>	49.52%	48.32%	47.08%	47.08%	47.08%	47.08%	47.08%	47.08%	47.08%	47.08%	
<b>NET OPERATING INCOME</b>	<b>2,543,460</b>	<b>2,856,328</b>	<b>2,935,856</b>	<b>2,975,991</b>	<b>3,218,233</b>	<b>3,490,148</b>	<b>3,594,853</b>	<b>3,702,699</b>	<b>3,813,779</b>	<b>3,928,193</b>	<b>4,046,039</b>	<b>4,167,420</b>	<b>4,292,442</b>	<b>4,421,216</b>
<b>NOI Growth</b>				4.19%	8.14%	8.45%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
			<i>Running Average</i>	4.19%	6.16%	6.93%	5.94%	5.36%	4.96%	4.68%	4.47%	4.31%	4.18%	
7 Year Capex Value				514,200	340,200	291,700	365,200	196,700	190,700	257,000	264,710	311,628	320,977	-
Asset Management Fee				246,383	250,717	255,164	259,727	264,408	269,210	274,135	279,187	284,367	292,898	-
Replacement Reserves (Per Unit)				250	258	265	273	281	290	299	307	317	326	336
<b>CASHFLOW AFTER CAPITAL &amp; FEES</b>	<b>2,215,408</b>	<b>2,627,316</b>	<b>2,943,284</b>	<b>2,215,408</b>	<b>2,627,316</b>	<b>2,943,284</b>	<b>2,969,926</b>	<b>3,241,590</b>	<b>3,353,869</b>	<b>3,397,057</b>	<b>3,502,142</b>	<b>3,571,425</b>	<b>3,678,567</b>	-
Debt Service	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	832,110	-
Debt Service Coverage Ratio Average	3.58x	3.87x	4.19x	4.32x	4.45x	4.58x	4.72x	4.86x	5.01x	5.16x	5.31x	5.46x	5.61x	-
<b>CASHFLOW AFTER DEBT SERVICE</b>	<b>1,383,299</b>	<b>1,795,207</b>	<b>2,111,175</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,409,481</b>	<b>2,521,760</b>	<b>2,564,948</b>	<b>2,670,032</b>	<b>2,739,315</b>	<b>2,846,458</b>	-
<b>Exit Cap</b>	<b>4.50%</b>	<b>4.56%</b>	<b>4.61%</b>	<b>4.67%</b>	<b>4.72%</b>	<b>4.78%</b>	<b>4.83%</b>	<b>4.88%</b>	<b>4.93%</b>	<b>4.98%</b>	<b>5.03%</b>	<b>5.08%</b>	<b>5.13%</b>	<b>5.18%</b>
Refinance Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	86,697,381	-
Less Cost of Sale	-	-	-	-	-	-	-	-	-	-	-	-	(866,974)	-
Less Outstanding Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	(23,114,154)	-
<b>NET PROCEEDS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,716,253</b>	-
<b>Unlevered IRR Cash Flow</b>	<b>2,215,408</b>	<b>2,627,316</b>	<b>2,943,284</b>	<b>2,969,926</b>	<b>3,241,590</b>	<b>3,353,869</b>	<b>3,397,057</b>	<b>3,502,142</b>	<b>3,571,425</b>	<b>3,678,567</b>	<b>3,789,719</b>	<b>3,900,871</b>	<b>4,011,923</b>	<b>-</b>
<b>Levered IRR Cash Flow</b>	<b>1,383,299</b>	<b>1,795,207</b>	<b>2,111,175</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,137,816</b>	<b>2,409,481</b>	<b>2,521,760</b>	<b>2,564,948</b>	<b>2,670,032</b>	<b>2,739,315</b>	<b>2,846,458</b>	<b>-</b>