

# Consulting Assignment

**Anita Coy West**

4810 Gonzales St  
Austin, Texas 78702

Prepared for: AISD Public Facility Corporation  
Date of Report: April 9, 2026  
CBRE File No.: CB26US013984-1



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Date of Report: April 9, 2026

Ms. Candace Hunter  
Board President  
AISD PUBLIC FACILITY CORPORATION  
4000 S. I-H 35 Frontage Road  
Austin, Texas 78704

RE: Consulting Report: Anita Coy West  
4810 Gonzales St  
Austin, Travis County, Texas 78702  
CBRE, Inc. File No. CB26US013984-1

Dear Ms. Hunter:

At your request and authorization, CBRE, Inc. has prepared an analysis of the referenced property. Our analysis is presented in the following Consulting Report.

The subject is a proposed 334-unit mid-rise property located at 4810 Gonzales St in Austin, Texas. The property will consist of a single five-story apartment building. The improvements will be constructed in 2026-2029 and are to be situated on a 5.42-acre site. The project will be owned by the AISD Public Facility Corporation (the "PFC") via a 99-year ground lease agreement. The PFC shall be responsible for obtaining a 100% property tax exemption for the subject, and in return, the subject will set aside or rent 10% of the units (35 units) to tenants whose income is not more than 60% of the area median income (AMI) and 40% of the units (136 units) to tenants whose income is not more than 80% of the AMI. The remaining units will be market rate.

Based on the analysis herein, CBRE has independently determined the proposed development costs are reasonable. CBRE has estimated the real estate tax burden and has projected permanent mortgage terms and analyzed the subject under two income scenarios, one without income and rent restrictions, and one with the restrictions as proposed and detailed above. The proposed operating expenses are also analyzed herein.

CBRE has calculated the debt coverage for the subject under three scenarios: 1) without rent restrictions and no abatement, 2) with rent restrictions and with the property tax abatement, and 3) with rental restrictions and without an abatement. **The only scenario that appears cost feasible and achieves a market-based debt coverage ratio is with rental restrictions and with a property tax abatement. The development does not appear to be feasible at the required low income set asides without the participation of the AISD Public Facility Corporation and the property tax exemption it brings to the development.**

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

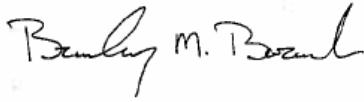
The following consulting report sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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First Vice President  
Texas Certification #1338837-CG

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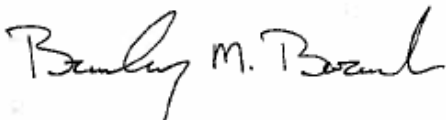
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# Certification

We certify to the best of our 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 are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Bradley Baroch, MAI and Grant Mueller, MAI have not provided 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.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this consulting report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Bradley Baroch, MAI has made a personal inspection of the property that is the subject of this report. Grant Mueller, MAI has not made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Bradley Baroch, MAI and Grant Mueller, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
14. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Texas.



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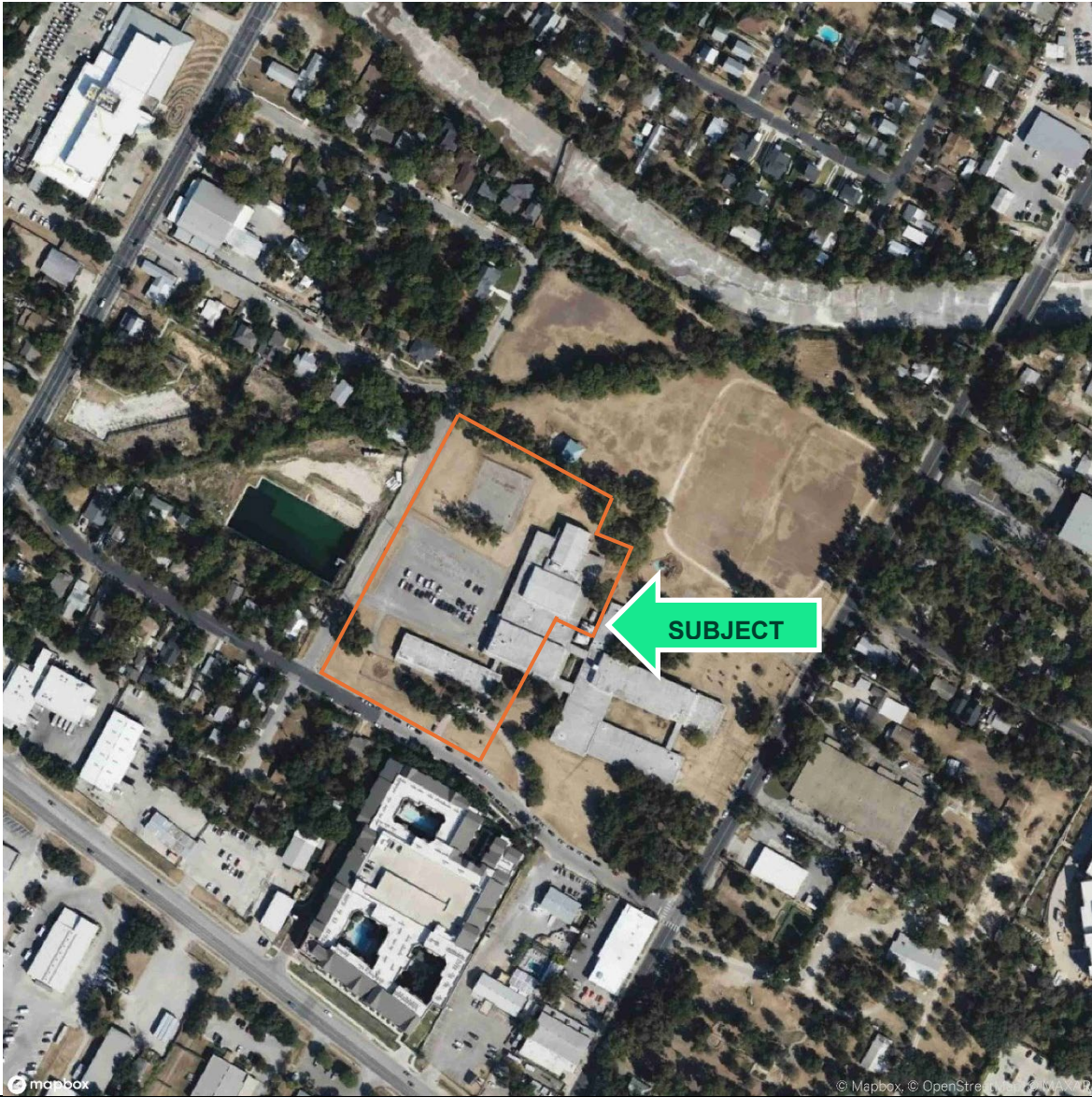
Bradley Baroch, MAI  
Texas Certification #1338837-cG



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Grant Mueller, MAI  
Texas Certification #1337145-cG

# Subject Photographs



Aerial View – Boundaries are Approximate (Source: Mapbox)

It is noted that this image and outline above are presented to merely assist the reader in visualizing the subject. It is not a legal representation or considered to represent a survey of the subject.



Gonzales St Frontage Facing West



Mansell Ave Frontage Facing North



Typical View of Subject



Typical View of Subject



Typical View of Subject



Typical View of Subject

# Executive Summary

<b>Property Name</b>	Anita Coy West	
<b>Location</b>	4810 Gonzales St Austin, Travis County, TX 78702	
<b>Parcel Number(s)</b>	Portion of 190007	
<b>Client</b>	AISD Public Facility Corporation	
<b>Date of Inspection</b>	March 31, 2026	
<b>Primary Land Area</b>	5.42 AC	236,095 SF
<b>Zoning</b>	CS-MU-V-CO-DB90-NP	
<b>Proposed Improvements</b>		<b>Comments</b>
Property Type	Multifamily	(Mid/High-Rise)
Number of Buildings	1	
Number of Stories	5	
Gross Building Area	389,735 SF	
Net Rentable Area	291,572 SF	
Number of Units	334	
Average Unit Size	873 SF	
Year Built	2029	
Condition upon Completion	Excellent	
<b>Financial Indicators</b>		
Stabilized Occupancy	94.0%	
Stabilized Credit Loss	0.5%	
<b>Pro Forma As Proposed Restricted, with Abatement</b>	<b>Total</b>	<b>Per Unit</b>
Effective Gross Income	\$8,305,508	\$24,867
Operating Expenses	\$2,435,750	\$7,293
Expense Ratio	29.33%	
Net Operating Income	\$5,869,757	\$17,574

Compiled by CBRE

## Market Volatility

Recent military action between an Israeli/U.S. coalition and Iran has heightened global economic uncertainty and risks. The situation remains extremely fluid with a variety of possible outcomes. Impacts on real estate are highly dependent on both the length and scope of the conflict. Beyond the duration and scope of the conflict, potential risks include the impact on energy infrastructure in the Gulf states and the transit of oil and gas through the Strait of Hormuz. There are implications for global supply chains, as well as the cost of capital and capital markets activity.

Amid increased uncertainty, the Fed will likely hold interest rates steady as it assesses the economic implications but will likely resume rate cutting if the economy materially deteriorates. At the long end of the yield curve, investors have remained more concerned about inflation than growth since the conflict began.

Long-term rates may drop if the Middle East conflict escalates and/or economic conditions worsen, which would likely drive more capital to safe havens.

Experience has shown that consumer and investor behavior can quickly change during periods of heightened volatility. Lending or investment decisions should consider the potential for a continuation of recent volatility, which may affect market conditions disproportionately, depending on asset class.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

## Extraordinary Assumptions

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” <sup>1</sup>

- This analysis assumes that the proposed improvements are constructed with good workmanship and high-quality build-out. Furthermore, this analysis assumes the proposed improvements are operated under proper management and leasing.
- This analysis assumes that the developer obtains all necessary permits and approvals from municipal authorities in order for this development to occur.

## Hypothetical Conditions

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis.” <sup>2</sup>

- None noted.

## Ownership and Property History

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<sup>1</sup> The Appraisal Foundation, *USPAP, 2024 Edition (Effective January 1, 2024)*

<sup>2</sup> The Appraisal Foundation, *USPAP, 2024 Edition (Effective January 1, 2024)*

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**OWNERSHIP SUMMARY**


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**Current Ownership**

Owner:	AISD PUBLIC FACILITY CORPORATION
Seller:	AUSTIN PUBLIC SCHOOLS
Purchase Price:	An unknown price
Transaction Date:	August 6, 2025
Sale in Last 3 Years?:	Yes
Legal Reference:	2025086773
County/Locality Name:	Travis

**Pending Sale**

Under Contract:	No
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**Current Listing**

Currently Listed For Sale:	No
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The subject is currently owned by AISD PUBLIC FACILITY CORPORATION, which acquired the subject as part of a larger 18.97-acre site on August 6, 2025, for “nominal consideration”, as recorded by Document No. 2025086773 of the Travis County Deed Records. The transaction was between related parties and was non-arm’s length.

CBRE is unaware of any arm’s length ownership transfers of the property within three years of the date of this report. Further, the property is not reportedly under contract or being offered for sale as of the current date outside of that described above.

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**ADDENDA**

- A Rent Comparables
- B Subject Property Data
- C Memorandum of Understanding
- D Qualifications



# Scope of Work

## Intended Use Of Report

This consulting assignment is to be used for underwriting analysis of the proposed subject PFC development in accordance with §303.0421 Local Government Code that was most recently revised by Texas H.B. 2071 of the 88<sup>th</sup> Legislature. No other use is permitted.

## Client

The client is AISD Public Facility Corporation.

## Intended User Of Report

This appraisal is to be used by AISD Public Facility Corporation. No other user(s) may rely on our report unless as specifically indicated in this report.

Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience.<sup>3</sup>

## Reliance Language

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

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<sup>3</sup> Appraisal Institute, The Appraisal of Real Estate, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

## Purpose of the Report

The purpose of this consulting assignment is to provide independent underwriting analysis of the referenced real estate in accordance with §303.0421 Local Government Code that was most recently revised by Texas H.B. 2071 of the 88<sup>th</sup> Legislature.

## Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

## Legal Description

Land Unit 2 of Anita F. Coy Land Condominiums, a land condominium project in Travis County, Texas created pursuant to that certain Declaration of Condominium Regime for Anita F. Coy Land Condominiums, recorded as Document No. 2025119417, in the Official Public Records of Travis County, Texas, as amended from time to time (collectively, the "Declaration"), together with an undivided interest in and to the Common Elements (as defined in the Declaration) appurtenant thereto.

## Extent to Which the Property is Inspected

Bradley Baroch, MAI inspected the subject site, as well as its surrounding environs. This inspection was considered adequate and is the basis for our findings. The subject site was not surveyed by our firm.

## Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- income and expense data
- comparable data

## Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology.

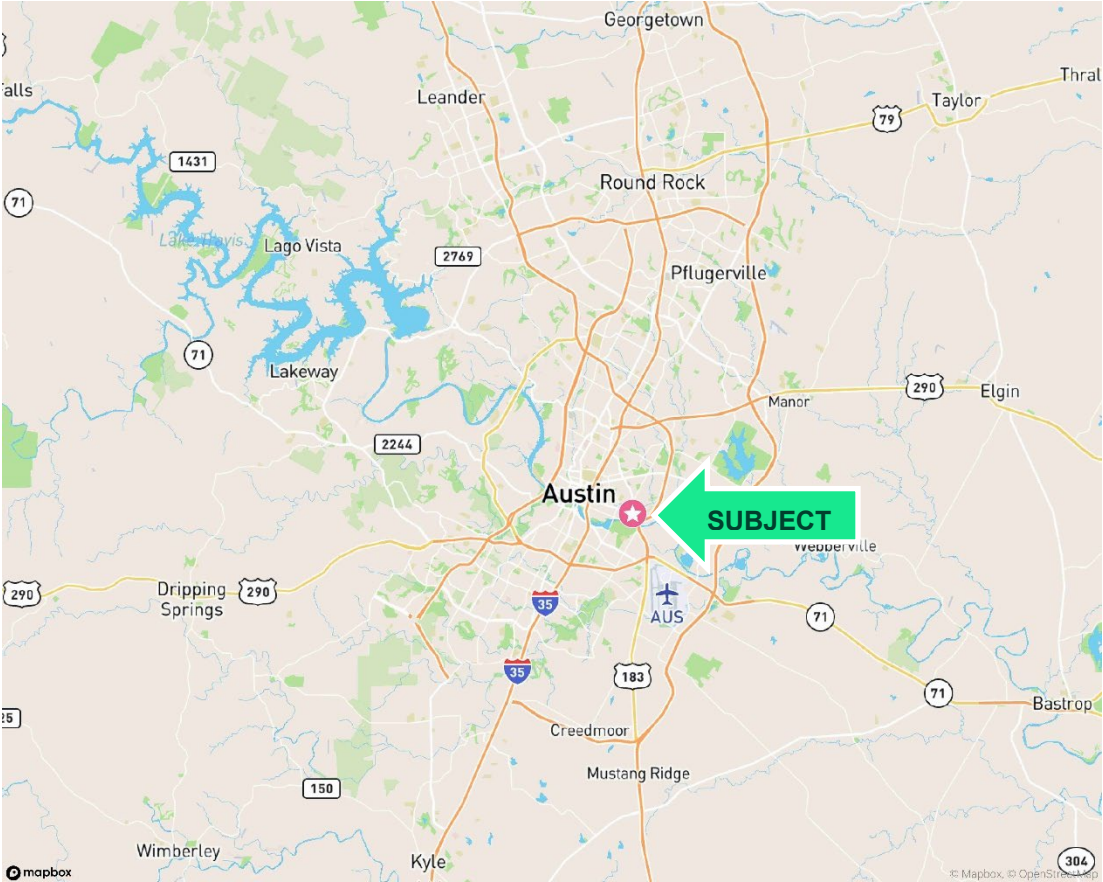
## Statement of Competency

The appraisers have the appropriate knowledge, education and experience to complete this assignment competently. The appraisers have experience in underwriting affordable multifamily residential developments.

## Data Resources Utilized in the Analysis

DATA SOURCES	
<i>Item:</i>	<i>Source(s):</i>
<b>Site Data</b>	
Size	Plat Map (Kimley Horn dated September 9, 2025)
<b>Improved Data</b>	
Building Area	NRP Development Model 3.27.26 / NRP Data Matrix
Area Breakdown/Use	NRP Development Model 3.27.26 / NRP Data Matrix
No. Bldgs.	Site Plan (hatch + ulland architechs dated January 23, 2026)
Parking Spaces	NRP Data Matrix
Year Built/Developed	Developer's Construction Schedule
<b>Economic Data</b>	
Deferred Maintenance:	Not Applicable
Building Costs:	NRP Development Model 3.27.26
Income Data:	NRP Development Model 3.27.26
Expense Data:	NRP Development Model 3.27.26
Compiled by CBRE	

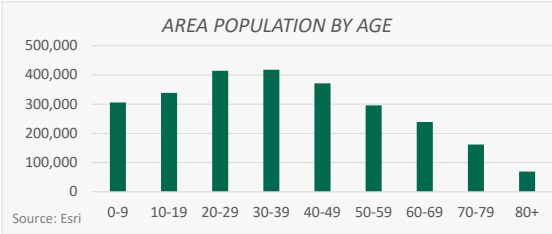
# Area Analysis



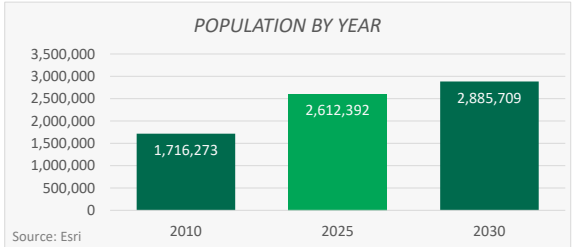
The subject is located in the Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area. Key information about the area is provided in the following tables.

## POPULATION

The area has a population of 2,612,392 and a median age of 36, with the largest population group in the 30-39 age range and the smallest population in 80+ age range.



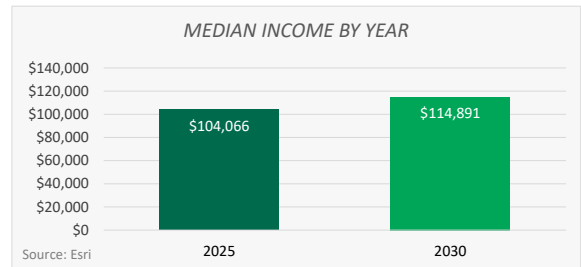
Population has increased by 896,119 since 2010, reflecting an annual increase of 2.8%. Population is projected to increase by 273,317 between 2025 and 2030, reflecting a 2.0% annual population growth.



Source: ESRI, downloaded on Mar, 30 2026

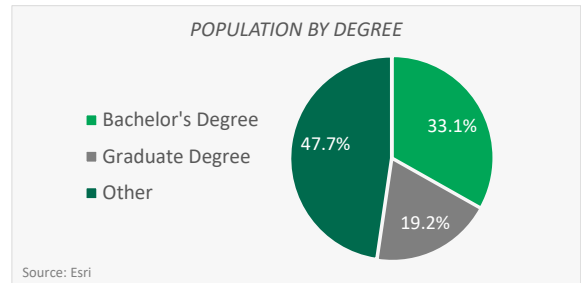
## INCOME

The area features an average household income of \$142,285 and a median household income of \$104,066. Over the next five years, median household income is expected to increase by 10.4%, or \$2,165 per annum.

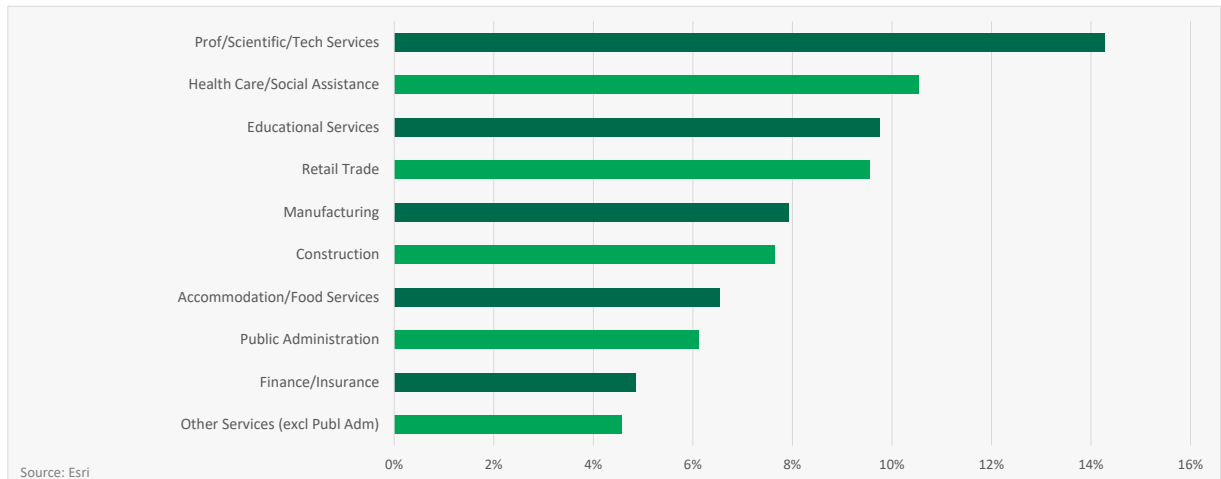


## EDUCATION

A total of 52.3% of individuals over the age of 24 have a college degree, with 33.1% holding a bachelor's degree and 19.2% holding a graduate degree.



## EMPLOYMENT



The area includes a total of 1,474,948 employees and has a 3.5% unemployment rate. The top three industries within the area are Prof/Scientific/Tech Services, Health Care/Social Assistance and Educational Services, which represent a combined total of 35% of the workforce.

Source: ESRI, downloaded on Mar 30, 2026; BLS.gov dated Nov 1, 2025 (preliminary)

## Austin Top Employers

The following chart lists the top employers in the Austin area according to the Austin Business Journal.

<b>Top Employers 2023</b>		
Rank	Company	# of Employees
1	H-E-B	22,955
2	Ascension Seton	14,842
3	Dell Technologies Inc.	13,000
4	Tesla	12,277
5	St Davids	11,484
6	Amazon	11,000
7	Walmart Inc.	7,550
8	Apple Inc.	7,000
9	IBM Corp.	6,000
10	Accenture	5,900
11	Baylor Scott & White Health	4,500
12	Samsung Austin Semiconductor LLC	4,500
13	Applied Materials	4,380
14	NXP Semiconductors	4,000
15	AMD Inc	3,680

Source: Austin Chamber of Commerce

## Apple Expansion

Apple, Inc. broke ground in 2019 on its new \$1 billion office campus in North Austin on a 133-acre tract of land near its existing corporate hub. In July 2022, Austin City council approved the annexation of 52.6 acres as an extension of Apple's campus. The new facility will employ approximately 15,000 people in the engineering, research and development, operations, finance, sales, and customer support fields. Apple currently employs 7,000 people in Central Texas, the most outside its headquarters in Cupertino, CA. This move is expected to make Apple the largest private employers in the region, surpassing Dell and H-E-B. In August 2022, plans were revealed to add 688,000 SF of office space to the campus; a 369,000 SF five story building, a 299,000 SF two story building, and a 1.2M SF parking garage. The new additions are expected to be completed by 2025.

## Tesla

In July, 2020, Tesla acquired approximately 2,100 acres in southeast Austin to construct a factory and assembly line for its Model Y truck. The site is located on the east side of State Highway 130 just north of US 71. Estimated at \$1.1 billion, the facility is nearing and is expected to bring 5,000 jobs to the area at an average salary near \$50,000/year. The workforce would consist of about 65% unskilled labor, and according to the Austin Business Journal, Tesla is considering workforce relationships with Austin Community College, Workforce Solutions Capital Area and Travis County Justice Planning for workers living in the county or exiting the criminal justice system. Once complete, the factory will be one of the largest economic development projects in the region and the only major automotive assembly plant in Austin. Tesla joins Toyota and Navistar as the third automobile plant in Central Texas. Although construction is still ongoing to complete the entire plant, Elon Musk announced in January 2022 that the assembly line for the Model Y truck began rolling out vehicles in December 2021.

## Samsung

While Samsung has maintained a presence in Austin for many years already, construction on a new semiconductor plant began in 2022 in Taylor, in the northeastern portion of the Austin MSA. The \$17B project is expected to deliver in November 2024 and consists of five buildings; a three story, 800,000 SF manufacturing plant, a three story, 1.2M SF fabrication plant, a two story, 443,000 SF “GCS building,” a six story, 350,000 SF office, and a six story, 300,000 SF parking garage. Samsung intends to invest \$192B in central Texas and is expected to receive \$1B in tax savings. Approximately 1,800 jobs will be created by the time the facility is complete.

## National Rankings

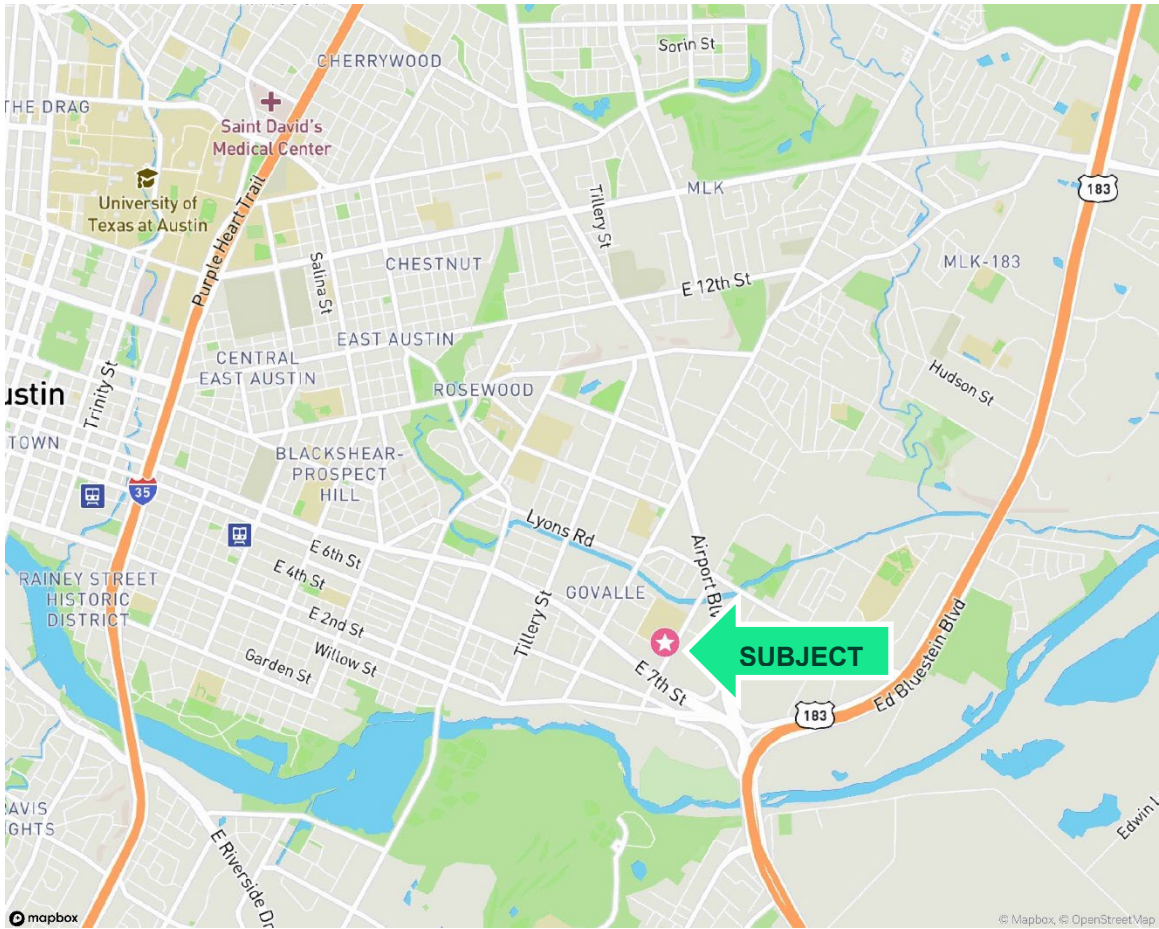
Austin has been ranked at or near the top of both local and national surveys ranging from the best place to live in the United States to the fastest growing local economy. As an increasingly popular alternative for tech companies to the more expensive San Jose and Seattle, Austin has a healthy and growing job market that has been able to meet the needs of the area’s growing population. The following chart outlines the top rankings Austin received in 2022 and 2021.

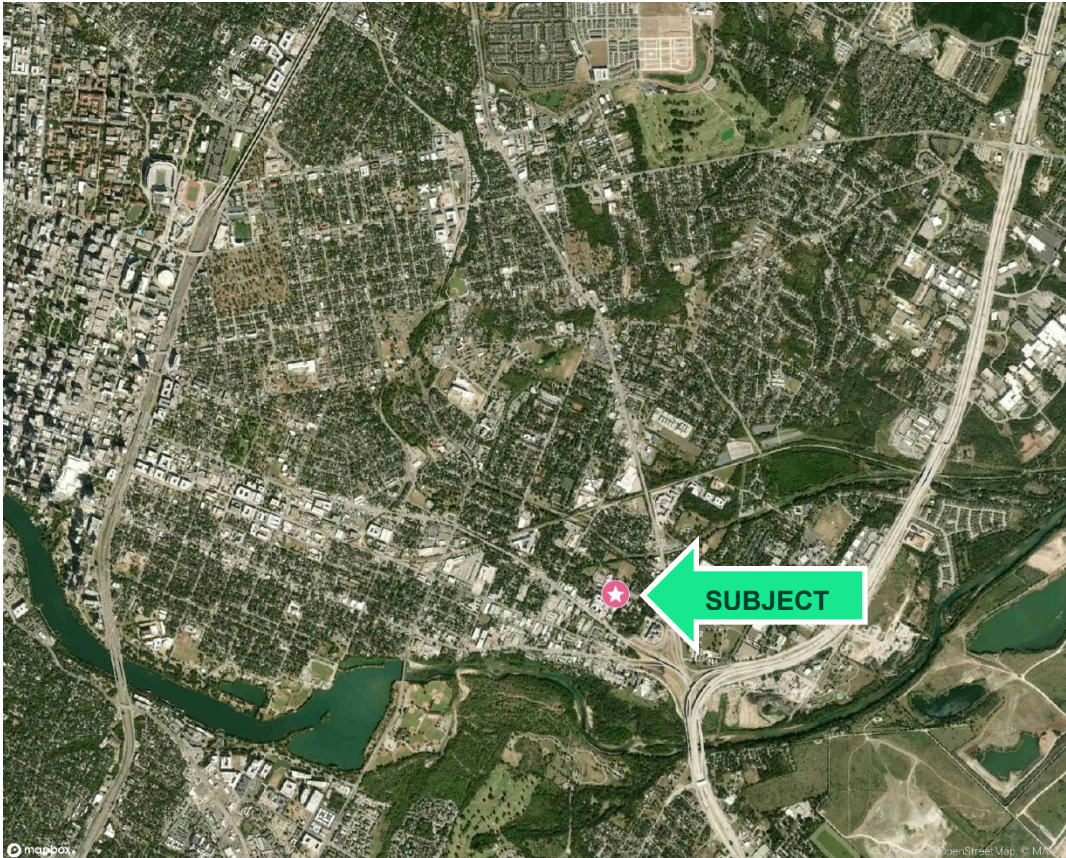
List	Publisher	Rank	Year
Best Market for Commercial Real Estate Investing	CrowdStreet	#1	2022
Best Housing Market for Growth and Stability	SmartAsset	#1	2022
Best State Capital for Safety	WalletHub	#1	2022
Best Housing Market for Millennials	Knock	#1	2022
Best Performing City	Milken Institute	#2	2022
Best Metro Areas for STEM Professionals	WalletHub	#2	2022
Tech Migration in the Past 12 Months	Bloomberg	#1	2021
Best Cities to Relocate to Around the World	Money	#1	2021
Most Attractive U.S. Market for Foreign Real Estate Investors	AFIRE	#1	2021
U.S. Metros With The Most Start-up Businesses	Cain Realty Group	#3	2021
Best Cities for Teleworking - Medium Metro Area	Best Places	#4	2021
Best Place to Live in the USA	U.S. News & World Report	#5	2021
Most Educated Cities in America	WalletHub	#9	2021
Best Real-Estate Market	WalletHub	#2	2021
Metro Areas Best Positioned to Lead the Economic Recovery	Economic Innovation Group	#3	2021

## Conclusion

The Austin-Round Rock MSA has an above average growth rate compared to similar markets in the State of Texas with a population growth average of 2.9% since 2010. The Austin area has a particularly well-educated labor force, with a high concentration of technology-oriented businesses, and a relatively low cost of doing business. Additionally, Austin is ranked as one of the best places to live in the United States by numerous publications. Given these factors, the Austin-Round Rock MSA is expected to continue its positive performance and continued growth.

# Neighborhood Analysis





## Location

The subject is located in Austin's East Central Submarket. This neighborhood is considered an infill location, with the Austin CBD bordering the neighborhood to the west.

## Boundaries

The neighborhood boundaries are detailed as follows:

North:	East 51st St.
South:	Colorado River / Town Lake (a.k.a. Lady Bird Lake)
East:	Springdale Rd.
West:	Interstate Highway 35

## Land Use

Land uses within the subject neighborhood consist of a mix of commercial and residential uses. The immediate area surrounding the subject is development, with a combination of residential and supporting commercial uses. Most single-family residential properties within a one-mile radius of the subject were built in 2010 or later.

According to information obtained from ESRI, the majority of single-family residential development within a one-mile radius of the subject may be described as homes priced in the \$500,000 - \$749,999 and \$750,000 - \$999,999 ranges. The median household income within a one-mile radius of the subject is approximately

\$125,899 while the median owner-occupied home value within a one-mile radius is currently about \$735,134.

East Austin is characterized by a diverse array of land uses. The areas along its western boundary have been undergoing revitalization over the past five to ten years. Increased demand for downtown-style housing and strong price appreciation of existing residential areas has fueled demand for new development throughout central east Austin. Before revitalization occurred, much of the land near IH-35 was left in wide tracts and used for industrial purposes. Today, mid-rise and high-rise, mixed-use developments and apartments are rapidly replacing warehouses, factories and industrial lots.

East 11th and East 12th Streets were historically the main commercial areas of East Austin. Although business activity slowed for a time, there has been resurgence over the past several years, which recently culminated in the designation the East End IBIZ District. IBIZ, or Independent Business Investment Zone districts are part of an Austin Independent Business Alliance program to help locally owned neighborhood businesses work together and promote themselves through joint marketing and other projects.

To the south, the neighborhood is bounded by Lady Bird Lake, Festival Beach and the hike and bike trail. This area is an important cultural and creative hub and home to art studios, music venues, and trendy eateries. Each November, the East Austin Studio Tour, a self-guided walking and biking tour of creative spaces, showcases the work of hundreds of local artists and is concentrated in this neighborhood.

To the east, the neighborhood is characterized by older structures, lower-density, single-family residences, and affordable housing projects. The area is diverse and inconsistent, as intermittent industrial facilities, warehouses, vast parks and even an organic farm share the neighborhood. As revitalization occurs, the pressures of gentrification and increased competition for space have driven property values up. This has strained many low-income families that have traditionally inhabited the neighborhood. This scenario has put pressure on local leaders to generate more affordable housing options near the city center.

## Growth Patterns

To the north, the neighborhood is bounded by East 51<sup>st</sup> St. and the Mueller Redevelopment, a multi-faceted mixed-use community.

### **THE ROBERT MUELLER REDEVELOPMENT**

The Robert Mueller Municipal Airport Redevelopment is the most significant development in the area. Located three miles from downtown and two miles from The University of Texas, Mueller is an innovative master-planned community that embraces sustainable development and green urbanism. Conceived in 1999 after the City of Austin replaced and closed Mueller Airport, this 700-acre community includes single-family homes, class-A mid-rise offices, apartments, and a regional retail center. The retail center serves as the economic engine to fund community objectives such as green building and open space. Mueller also encompasses the Dell Children's Medical Center, Austin Film Studios, and an HEB grocery store.



### **PLAZA SALTILLO REDEVELOPMENT**

The Plaza Saltillo Redevelopment is a major project situated across E. 5<sup>th</sup> Street from the subject. The project is poised to become one of East Austin's most significant revitalization efforts. The local public transportation authority, Capital Metro, emphasizes the site's role as a transportation hub for the commuter rail line, and sees opportunities for infill development and smart growth. The 11-acre Saltillo District site sits within walking distance of downtown. The Capitol Metro Board selected a plan created by the Endeavor Group to redevelop the site. The development is to include the following:

- 800 residential units, 200 of which will be set aside for affordable and senior housing
- 140,000 SF of office space
- 110,000 SF of retail space
- A 1.4 acre public park space.

Capitol Metro hopes that by drawing businesses and residents close to the plaza, ridership will increase and dependence on automobiles will decrease. In anticipation of the development of Plaza Saltillo, several new projects and redevelopments have already occurred or are underway in the immediate vicinity. Among them is Corazon, a vertical mixed-use development bringing residential and retail to a full block between East 5<sup>th</sup> St. and East 6<sup>th</sup> St. Street. Corazon was in 2016.

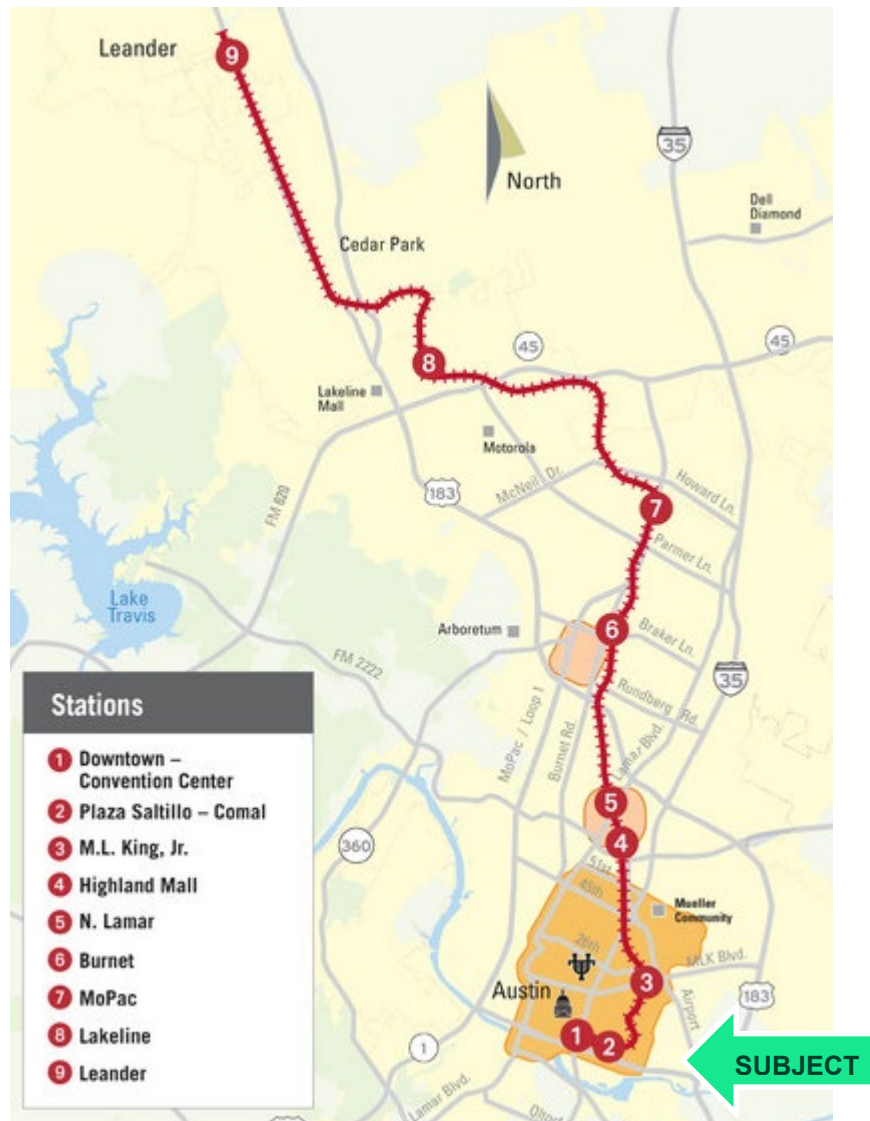


## ACCESS

Primary access to the subject neighborhood is provided by Interstate Highway 35 (IH-35), Highway 290, SH-130, and Highway 183. IH-35 is a six-lane, divided highway and is the major north-south traffic carrier in Texas and the Austin MSA, while Highway 290 provides access east to Houston. Highway 183 provides a partial exterior loop for the Austin area. The roadway traverses in a northwest/southeast direction, providing access south to the Austin-Bergstrom International Airport and north to Cedar Park and Leander. Secondary access is provided by Martin Luther King Jr. Boulevard, Manor Road, Airport Boulevard, and East 1<sup>st</sup> Street.

## AUSTIN METRORAIL

Austin's MetroRail runs from the City of Leander through the subject neighborhood and into the CBD. The rail gives fast, convenient access from east Austin to the CBD without the need for parking and presents a viable alternative to the automobile. The subject is situated adjacent the MLK Metrorail station. The Metrorail route is depicted in the following diagram:



The neighborhood is also accessible to cyclists and pedestrians at multiple crossings under the I-35 overpass. Additionally, the Lance Armstrong Bikeway and the hike and bike trail both offer recreational and commuter access to the neighborhood for cyclists and pedestrians.

## Demographics

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

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**SELECTED NEIGHBORHOOD DEMOGRAPHICS**


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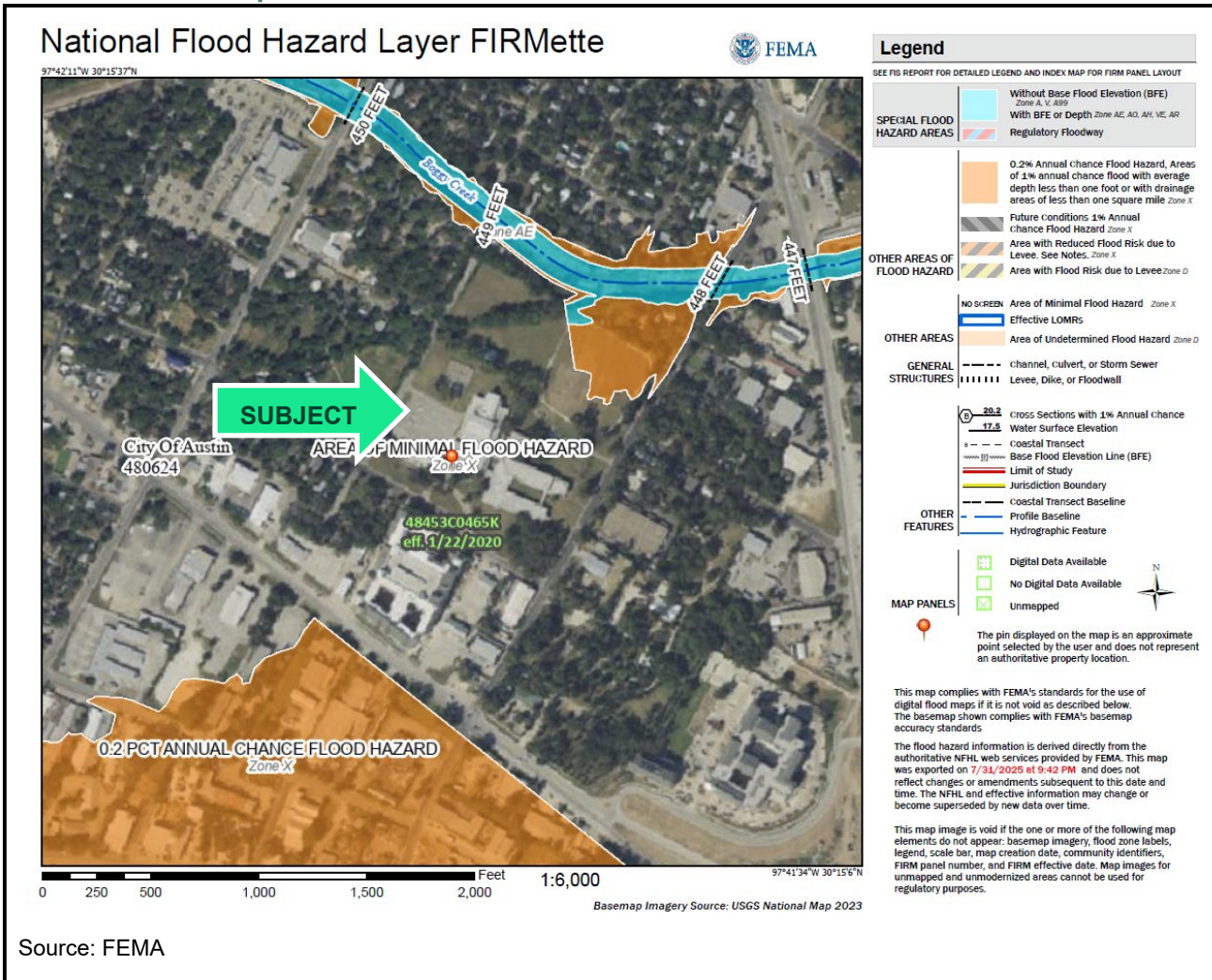
4810 Gonzales St Austin, TX 78702	1 Mile Radius	3 Mile Radius	5 Mile Radius	Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area
<b>Population</b>				
2030 Total Population	12,370	150,610	347,205	2,885,709
2025 Total Population	9,872	137,229	326,040	2,612,392
2010 Total Population	6,748	99,678	255,137	1,716,273
<i>Annual Growth 2025 - 2030</i>	<i>4.61%</i>	<i>1.88%</i>	<i>1.27%</i>	<i>2.01%</i>
<i>Annual Growth 2010 - 2025</i>	<i>2.57%</i>	<i>2.15%</i>	<i>1.65%</i>	<i>2.84%</i>
<b>Households</b>				
2030 Total Households	5,597	73,969	164,685	1,158,229
2025 Total Households	4,361	64,864	150,267	1,032,861
2010 Total Households	2,261	37,987	101,751	650,452
<i>Annual Growth 2025 - 2030</i>	<i>5.12%</i>	<i>2.66%</i>	<i>1.85%</i>	<i>2.32%</i>
<i>Annual Growth 2010 - 2025</i>	<i>4.48%</i>	<i>3.63%</i>	<i>2.63%</i>	<i>3.13%</i>
<b>Income</b>				
2025 Median Household Income	\$125,899	\$90,070	\$88,149	\$104,066
2025 Average Household Income	\$151,123	\$130,687	\$132,583	\$142,285
2025 Per Capita Income	\$68,133	\$61,564	\$61,343	\$56,329
2025 Pop 25+ College Graduates	3,942	57,041	133,987	921,789
Age 25+ Percent College Graduates - 2025	56.2%	60.3%	62.1%	52.3%

Source: ESRI

## Conclusion

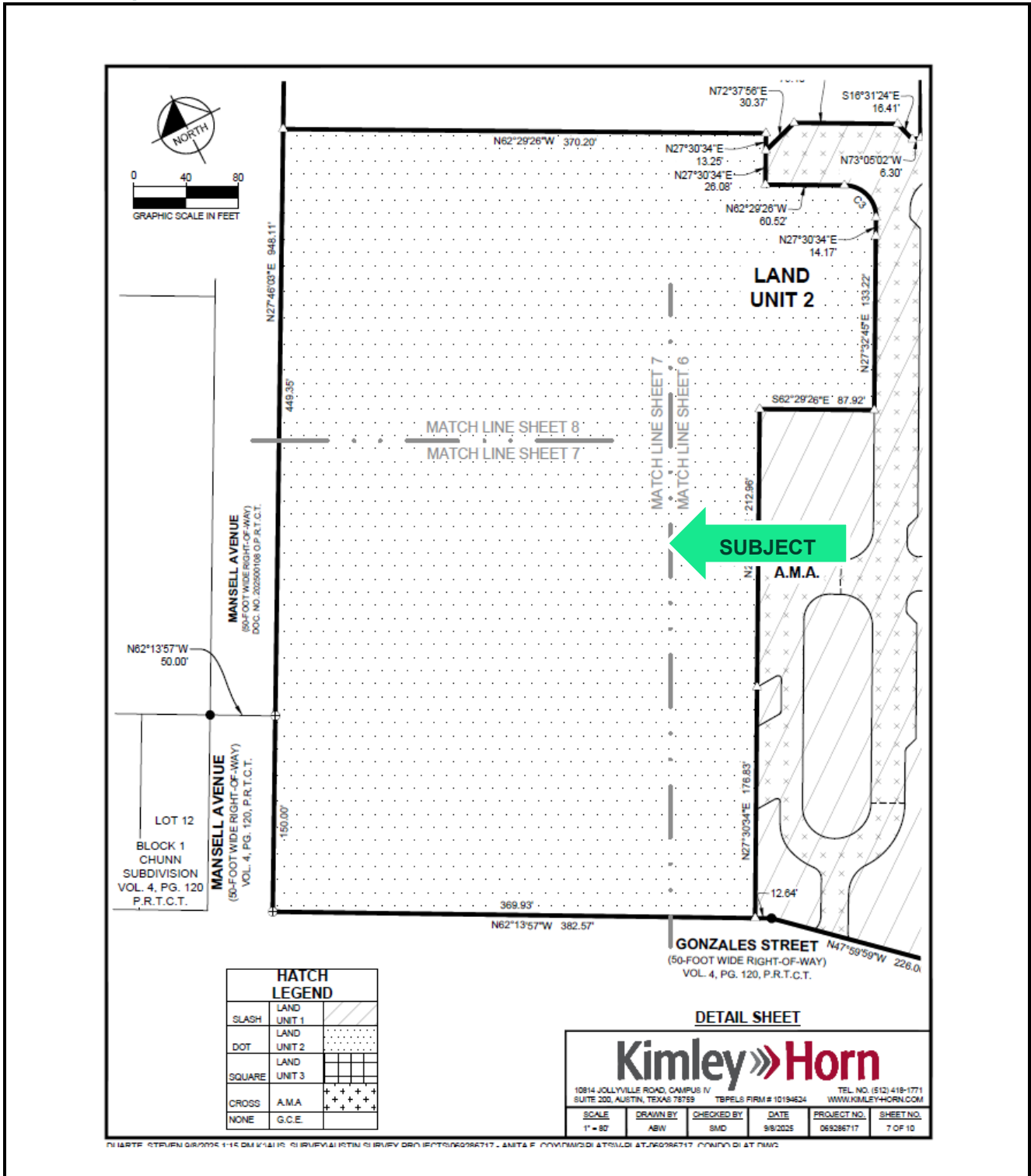
As shown above, the population within the subject neighborhood has shown relatively high levels of growth since 2000 and is projected to moderate over the next five years as the neighborhood becomes increasingly build-out. The neighborhood currently has an upper-income demographic profile, and the subject is situated in proximity to numerous infrastructures including schools, hospitals, commercial development and primary thoroughfares. The outlook for the neighborhood is for continued good performance over the next several years. As a result, the demand for proposed developments is expected to be good.

# Flood Plain Map



Source: FEMA

# Plat Map



# Site Analysis

The following chart summarizes the salient characteristics of the subject site.

<b>SITE SUMMARY AND ANALYSIS</b>			
<b>Physical Description</b>			
Gross Site Area	5.42 Acres	236,095 Sq. Ft.	
Net Site Area	5.42 Acres	236,095 Sq. Ft.	
Primary Road Frontage	Gonzales St	n/a	
Secondary Road Frontage	Mansell Ave	n/a	
Excess Land Area	None	n/a	
Surplus Land Area	None	n/a	
Shape	n/a		
Topography	Generally Level		
Parcel Number(s)	Portion of 190007		
Zoning District	CS-MU-V-CO-DB90-NP		
Flood Map Panel No. & Date	48453C0465K	22-Jan-20	
Flood Zone	Zone X (Unshaded)		
Adjacent Land Uses	Single-family Residential, Multifamily Residential, Light Industrial and Warehousing, Recreational uses		
<b>Comparative Analysis</b>		<b>Rating</b>	
Visibility	Typical for proposed use and location		
Functional Utility	Typical for proposed use and location		
Traffic Volume	Typical for proposed use and location		
Adequacy of Utilities	Assumed Adequate		
Landscaping	Typical for proposed use and location		
Drainage	Assumed Adequate		
<b>Utilities</b>	<b>Availability</b>	<b>Provider</b>	
Water	Yes	City of Austin	
Sewer	Yes	City of Austin	
Natural Gas	N/A	Texas Gas	
Electricity	Yes	Austin Energy	
Telephone	Yes	AT&T	
<b>Other</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>
Detrimental Easements			X
Encroachments			X
Deed Restrictions			X
Reciprocal Parking Rights			X
Various sources compiled by CBRE			

## Ingress/Egress

Ingress and egress to the site are available from curb cuts along the north side of Gonzales St and the east side of Mansell Ave.

## Easements and Encroachments

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

## Covenants, Conditions and Restrictions

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

## Utilities

The site includes all municipal services, including police, fire and refuse garbage collection. Public water, wastewater and electricity utilities are available to the site in adequate quality and quantity to service the highest and best use.

## Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this consulting report, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

## Adjacent Properties

The adjacent land uses are summarized as follows:

North:	Sports fields, Boggy Creek and Single-family Residential further
South:	Multifamily Residential, Single-family Residential
East:	Future Multi-family redevelopment of Anita Coy Facility (Anita Coy East)
West:	Single-family Residential, Abandoned development site

We do not anticipate that the surrounding properties will impact the marketability of the subject.

## Conclusion

The site will be afforded adequate access and visibility from roadway frontage. The size of the site is typical for the area and use, and there are no known detrimental uses in the immediate vicinity. There is no

floodplain on the site. Overall, there are no other known factors that are considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the proposed use of the site.

### Site Rendering



Source: Developer

## Artist Renderings



Source: Developer

# Improvements Analysis

The following chart shows a summary of the proposed improvements.

IMPROVEMENTS SUMMARY AND ANALYSIS		
Property Type	Multifamily	(Mid/High-Rise)
Number of Buildings	1	
Number of Stories	5	
Gross Building Area	389,735 SF	
Net Rentable Area	291,572 SF	
Number of Units	334	
Average Unit Size	873 SF	
Development Density	61.6 Units/Acre	
Subject Characteristics	Business Center, Clubhouse, Conference Room, Courtyard, Dog Grooming Station, Dog Park / Run, Fitness Center, Playground, Pool, Walking Trail, Elevators, Gated / Controlled Access, On-Site Management, Structured Parking, Plank Flooring, Quartz Countertops, Stainless Steel Appliances and Washer / Dryer	
Parking Improvements	Above Grade Structure	
Parking Spaces:	498	
Parking Ratio (spaces/unit)	1.49	
Year Built	2029	
Actual Age	0 Years	
Effective Age	0 Years	
Total Economic Life	55 Years	
Remaining Economic Life	55 Years	
Age/Life Depreciation	0.0%	
Functional Utility	Typical	

Source: Various sources compiled by CBRE

UNIT MIX						
Unit Mix/Type	Comments	Floor Plan	No. Units	Percent of Total	Unit Size (SF)	NRA (SF)
1BR/1BA - 60%	One Bedroom - 60% AMI	A0	18	5.4%	614	11,052
2BR/2BA - 60%	Two Bedroom - 60% AMI	B0	14	4.2%	977	13,678
3BR/2BA - 60%	Three Bedroom - 60% AMI	C1	3	0.9%	1,365	4,095
1BR/1BA - 80%	One Bedroom - 80% AMI	A0	28	8.4%	614	17,192
1BR/1BA - 80%	One Bedroom - 80% AMI	A1	44	13.2%	719	31,636
2BR/2BA - 80%	Two Bedroom - 80% AMI	B0	53	15.9%	974	51,622
3BR/2BA - 80%	Three Bedroom - 80% AMI	C1	11	3.3%	1,365	15,015
1BR/1BA	One Bedroom	A1	56	16.8%	719	40,264
1BR/1BA	One Bedroom	A2	20	6.0%	746	14,920
1BR/1BA	One Bedroom	A2.1	7	2.1%	760	5,320
1BR/1BA	One Bedroom	A4	5	1.5%	692	3,460
1BR/1BA	One Bedroom	B0	5	1.5%	974	4,870
2BR/2BA	Two Bedroom	B0.1	26	7.8%	988	25,688
2BR/2BA	Two Bedroom	B0.2	14	4.2%	1,003	14,042
2BR/2BA	Two Bedroom	B6	18	5.4%	1,241	22,338
3BR/2BA	Three Bedroom	C1	12	3.6%	1,365	16,380
<b>Total/Average:</b>			<b>334</b>	<b>100.0%</b>	<b>873</b>	<b>291,572</b>

Source: Various sources compiled by CBRE

The following illustrates the key features/components of the subject improvements.

## Year Built

The subject will be constructed/completed in 2026-2029.

## Construction Class

The building will feature mid-rise wrap construction around a central parking structure and will feature both concrete and wood construction components. The building construction class is as follows:

B - Reinforced concrete frames and concrete or masonry floors and roofs

D - Wood frame, floor and structure; considered combustible

The proposed construction components are assumed to be in working condition and adequate for the building.

The overall quality of the facility is considered to be average for the neighborhood and age. However, CBRE, Inc. is not qualified to determine structural integrity and it is recommended that the client/reader retain the services of a qualified, independent engineer or contractor to determine the structural integrity of the improvements prior to making a business decision.

## Foundation/Floor Structure

The proposed foundation is assumed to be of adequate load-bearing capacity to support the improvements. The floor structure is summarized as follows:

Ground Floor:	Concrete slab on compacted fill
Other Floors:	Plywood deck with light-weight concrete cover

## Exterior Walls

The exterior walls will exhibit masonry façade and fiber cement siding with metal accents. The building will have double-pane energy efficient windows.

## Roof Cover

The building will have a flat membrane roofing system as well as areas of sloped asphalt shingles.

## Elevator/Stair System

The subject will exhibit a 5-story structure with interior stairwells and elevators.

## HVAC

Upon completion, the HVAC is assumed to be in good working order and adequate for the buildings.

## Utilities

Each unit will be individually metered for electrical usage and will reimburse for water/sewer and trash through RUBS.

## Security

The subject will exhibit controlled entry.

## Life Safety and Fire Protection

It is assumed that the proposed improvements will have adequate fire alarm systems, fire exits, fire extinguishers, fire escapes and/or other fire protection measures to meet local fire marshal requirements. The improvements will be fire sprinklered. CBRE, Inc. is not qualified to determine adequate levels of safety & fire protection, whereby it is recommended that the client/reader review available permits, etc. prior to making a business decision.

## Project Amenities

The project will feature a dog park, pool courtyard, playground, parking garage, dog wash area, bike parking, mail and package room, co-working spaces, club lounge, fitness center, children's playroom, and outdoor kitchen. There will also be an open-to-the-public park (with bike parking) on the northern portion of the site.

## Unit Amenities

### Kitchens

Each unit will feature a full stainless appliance package including an electric range/oven, frost-free refrigerator, garbage disposal, dishwasher, and built-in microwave oven. Countertops will feature quartz surfaces with tile backsplashes and undermount kitchen sinks. Kitchens will further exhibit vinyl faux-wood plank floors and soft-close wood cabinets with pulls.

### Bathrooms

The bathrooms within each unit will feature combination showers and tubs with tile surrounds (stand-up showers in primary baths and/or select units). Additionally, each bathroom will feature built-in sinks and wall-mounted, framed vanity mirrors.

### Interior Features

Each unit will include ceiling fans in the living room and bedrooms. Other interior features include nine-foot ceilings, walk-in closets, two-inch custom blinds, and in-unit washers and dryers.

### Interior Lighting

Each unit will feature incandescent and LED lighting in appropriate interior and exterior locations with custom fixtures.

## Patios, Balconies and Storage

Each unit will exhibit a balcony or patio area. Select ground floor units will include fenced, private yard areas.

## Site Amenities

### Parking and Drives

The project will feature adequate open surface and structured garage parking. All parking spaces and vehicle drives will be concrete paved. Parking is included in the quoted rental rates. The proposed parking is summarized as follows:

<b>PARKING IMPROVEMENTS</b>		
Parking Type	Total Spaces	Rental Rate
Structured Garage	498	\$0
<b>Total</b>	<b>498</b>	
Compiled by CBRE		

### Landscaping

The proposed landscaping is assumed to be in excellent condition and well maintained upon completion.

### Functional Utility

All of the floor plans will feature functional layouts and the layout of the overall project is considered functional in utility. Therefore, the proposed unit mix is also functional and no conversion is warranted to the proposed improvements.

### ADA Compliance

The client/reader's attention is directed to the specific limiting conditions regarding ADA compliance.

### Furniture, Fixtures and Equipment

The apartment units will be rented on an unfurnished basis. However, miscellaneous maintenance tools, pool furniture, leasing office furniture, recreational room and clubhouse furniture, and various exercise machines are examples of personal property associated with and typically included in the sale of build-to-rent projects.

### Environmental Issues

The appraiser is not qualified to detect the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. The existence of such substances may affect the value of the property. For the purpose of this assignment, we have specifically assumed there are no hazardous materials that would cause a loss in value to the subject.

## Deferred Maintenance

As a new construction property, the subject will not suffer from deferred maintenance.

## Conclusion

The improvements will be in excellent overall condition upon completion. Overall, there are no known factors that adversely impact the marketability of the proposed improvements.

# Zoning

The following chart summarizes the subject's zoning requirements.

<b>ZONING SUMMARY</b>	
Current Zoning	CS-MU-V-CO-DB90-NP
Legally Conforming	Yes
Uses Permitted	See below
Zoning Change	Not likely
<b>Category</b>	<b>Zoning Requirement (CS Base District)</b>
Minimum Lot Size	5,750 Sq. Ft.
Minimum Lot Width	50 Feet
Maximum Height	60 Feet
Minimum Setbacks	
Front Yard	10 Feet
Street Side Yard	10 Feet
Interior Side Yard	n/a
Rear Yard	n/a
Maximum Bldg. Coverage	95%
Maximum FAR/Density	2.00 : 1
Subject's Actual FAR	1.65 : 1
Subject's Actual Density	61.6 Units/Acre
Source: Planning & Zoning Dept.	

**CS; General Commercial Services** - General Commercial Services district is intended predominately for commercial and industrial activities of a service nature having operating characteristics or traffic service requirements generally incompatible with residential environments.

**MU; Mixed Use Combining District** - Mixed Use combining district is intended for combination with selected base districts, in order to permit any combination of office, retail, commercial, and residential uses within a single development. Allows development of all types of residential uses, including single-family residential, multifamily residential, and townhomes.

**V/VO; Vertical Mixed Use Building Combining District** - The Vertical Mixed Use Building combining district may be applied in combination with any commercial base zoning district and allows for the combination of office, retail, commercial and residential uses with a vertical mixed use building.

**DB90; Density Bonus 90** – A combining district that encourages the development of affordable housing by providing incentives such as increased building height and modifications to site development regulations.

**NP; Neighborhood Plan Combining District** - The purpose of the Neighborhood Plan Combining District is to allow infill development by implementing a neighborhood plan that has been adopted by the council as an amendment to the comprehensive plan.

## Analysis and Conclusion

The proposed improvements represent a legally conforming use assuming site plan approval and, if damaged, may be restored without special permit application. Additional information may be obtained from the appropriate governmental authority. For purposes of this consulting report, CBRE has assumed the information obtained is correct.

## Zoning Map



# Tax and Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

AD VALOREM TAX INFORMATION					
Parcel	Assessor's Parcel No.	2025	Pro Forma As Proposed Restricted, without Abatement	Pro Forma As Proposed Restricted, with Abatement	Pro Forma
1	Portion of 190007	\$2,341,773			
	Subtotal	\$2,341,773	\$69,750,000	\$69,750,000	\$69,750,000
	% of Assessed Value	100%	100%	100%	100%
	Final Assessed Value	2,341,773	\$69,750,000	\$69,750,000	\$69,750,000
	General Tax Rate (per \$100 A.V.)	2.046485	2.046485	-	2.046485
	<b>Total Taxes</b>	<b>\$47,924</b>	<b>\$1,427,423</b>	<b>\$0</b>	<b>\$1,427,423</b>
	Taxes per Unit	\$143	\$4,274	\$0	\$4,274

Source: Assessor's Office

Under the Texas Property Tax Code, assessed value is supposed to represent 100% of market value via the use of all three approaches to value. However, this rarely happens. First, Texas is a non-disclosure state, and the sales price is not on any public document and does not have to be divulged. In addition, the owners of the subject property can protest the subject's valuation in any given tax year regardless of whether or not there is an increase.

The local Assessor's methodology for valuation is fee simple market value. Re-assessments are completed on an annual basis. Notifications of assessed value as of January 1<sup>st</sup> are mailed in March and April and the Appraisal District has to be notified of a value protest by May 15<sup>th</sup>. Tax rates, set by the individual taxing authorities, are not determined until November of that year.

Texas is a "non-trigger" state, and purchase of a property does not automatically trigger a reassessment. Further, Texas is a "non-disclosure" state, and buyers are not required to report purchase prices to the assessor's office. In Texas, properties are theoretically assessed at 100% of market value; however, property owners may appeal an assessment on the grounds that the property's assessment is inequitable in comparison with the assessment of similar properties.

## Delinquency

None noted.

## Tax Comparables

As a crosscheck to the subject's applicable real estate taxes, CBRE, Inc. has reviewed the real estate tax information according to Travis County for comparable properties in the market area. The following table summarizes the comparables employed for this analysis:

AD VALOREM TAX COMPARABLES							
Comparable Rental	1909 Alexander Ave	2001 Ed Bluestein Boulevard	4910 E. 7th Street	2832 E Martin Luther King Jr Blvd	1120 Shady Lane	5100 Bolm Rd	Subject
Year Built	2024	2021	2021	2022	2020	2024	2029
No. Units	344	300	279	201	308	222	334
Tax Year	2025	2025	2023	2025	2023	2025	Pro Forma
<b>Assessor's Market Value</b>	\$94,857,086	\$63,297,516	\$72,618,054	\$41,955,778	\$60,653,680	\$65,745,587	\$69,750,000
<b>AV Per Unit</b>	\$275,747	\$210,992	\$260,280	\$208,735	\$196,928	\$296,151	\$208,832

Source: Assessor's Office

Our pro forma assessment is supported by the tax comparables shown above on a per unit basis.

It is also noted that the concluded assessed value results in an assessed value (AV) ratio of approximately 75% when compared to the replacement cost estimate provided by the developer, inclusive of developer's profit.

## Conclusion

Based on the foregoing, the total taxes for the subject have been estimated as \$1,427,423 for the base year of our analysis, based upon an assessed value of \$69,750,000 or \$208,832 per unit. This is above the current assessment but is considered a realistic scenario due to the comparable properties shown, along with the proposed development costs. For purposes of this analysis, CBRE, Inc. assumes that all real estate taxes are current.

# Market Analysis

## Metropolitan Austin-Round Rock-San Marcos, TX Apartment Market Overview

### Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Austin-Round Rock-San Marcos, TX apartment market, as reported by Axiometrics.

AUSTIN-ROUND ROCK-SAN MARCOS, TX APARTMENT MARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2015	216,517	9,575	205,778	95.0%	\$1,139	5.19%	8,664
2016	225,733	9,394	213,069	94.4%	\$1,183	1.96%	7,291
2017	234,500	9,590	219,750	93.7%	\$1,205	-0.64%	6,688
2018	242,939	8,577	230,015	94.7%	\$1,267	4.37%	10,270
2019	251,546	9,011	239,723	95.3%	\$1,321	3.97%	9,689
2020	261,853	10,442	245,775	93.9%	\$1,266	-4.93%	6,054
2021	273,940	12,087	265,968	97.1%	\$1,583	24.15%	20,195
2022	287,318	14,129	270,251	94.1%	\$1,669	4.34%	4,289
2023	301,824	14,506	279,278	92.5%	\$1,589	-6.04%	9,038
Q1 2024	306,761	5,269	283,140	92.3%	\$1,564	-1.47%	3,841
Q2 2024	314,621	7,860	290,143	92.2%	\$1,555	-0.72%	7,012
Q3 2024	324,028	9,562	299,143	92.3%	\$1,524	-2.09%	9,013
Q4 2024	331,573	7,545	307,733	92.8%	\$1,478	-3.05%	8,586
2024	331,573	30,236	307,733	92.8%	\$1,478	-7.36%	28,454
Q1 2025	337,088	5,515	313,930	93.1%	\$1,465	-1.13%	6,199
Q2 2025	<b>340,965</b>	<b>3,877</b>	<b>319,893</b>	<b>93.8%</b>	<b>\$1,455</b>	<b>-1.08%</b>	<b>5,959</b>
Q3 2025	344,773	3,808	322,328	93.5%	\$1,440	-2.11%	2,421
Q4 2025	348,537	3,764	322,083	92.4%	\$1,396	-3.31%	-230
2025	348,537	16,964	322,083	92.4%	\$1,396	-7.77%	14,349
2026*	358,690	10,153	341,473	95.2%	\$1,407	0.80%	19,425
2027*	366,418	7,728	349,196	95.3%	\$1,446	2.80%	7,723
2028*	374,085	7,667	355,755	95.1%	\$1,484	2.60%	6,558
2029*	381,458	7,373	361,241	94.7%	\$1,528	3.00%	5,486
2030*	388,569	7,111	367,586	94.6%	\$1,581	3.50%	6,346

\* Future Projected Data according to Axiometrics

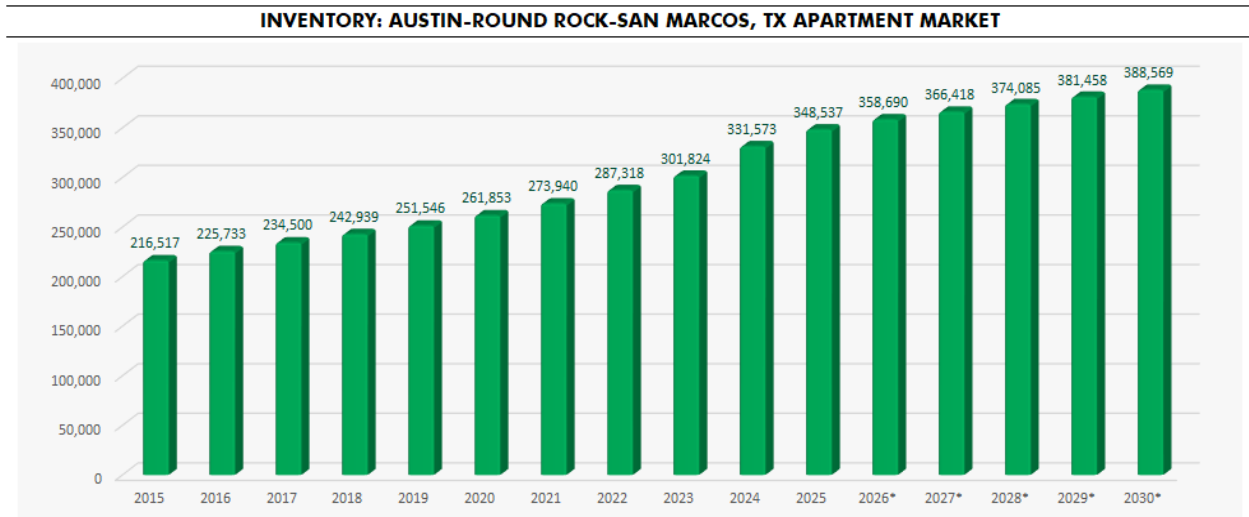
Source: Axiometrics, 4th Quarter 2025

The Austin-Round Rock-San Marcos, TX apartment market consists of approximately 348,537 units of apartment space. The following observations are noted from the table above:

- As of 4th Quarter 2025, there were approximately 322,083 units of occupied apartment space, resulting in an occupancy rate of 92.4% for the metro area. This reflects a decrease from the previous quarter's occupancy of 93.5%, and a small decrease from an occupancy rate of 92.8% from last year.
- The area experienced negative 230 units of net absorption for the current quarter. This indicates a decline from the previous quarter's positive 2,421 units of net absorption, and a decline from the positive 28,454 units of net absorption from last year.
- The area had completions of positive 3,764 units for the current quarter, which indicates a decrease from the previous quarter's completions of positive 3,808 units, and indicates a decline from completions of positive 30,236 units from last year.

- The area achieved average effective rent of \$1,396 per unit, which indicates a decrease from the previous quarter's effective rent of \$1,440 per unit, and a decrease from the effective rent of \$1,478 per unit from last year.

## Historical Inventory – Market

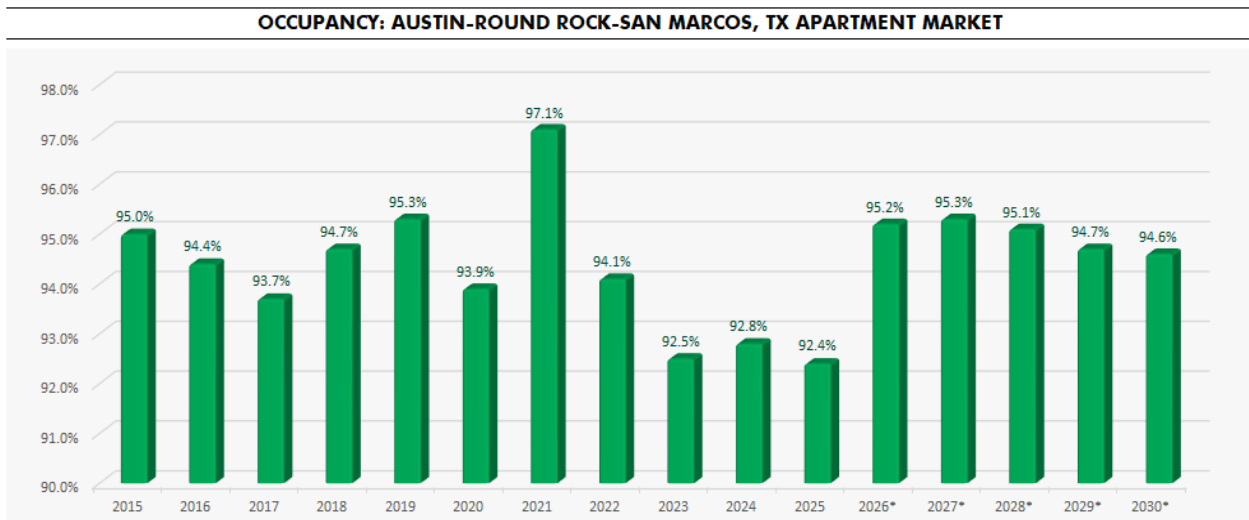


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

Inventory is projected to be 348,537 units at the end of the current year, which represents an increase from the previous year's inventory of 331,573 units. Inventory for next year is projected to be 358,690 units, reflecting an increase from the current year.

## Historical Occupancy - Market

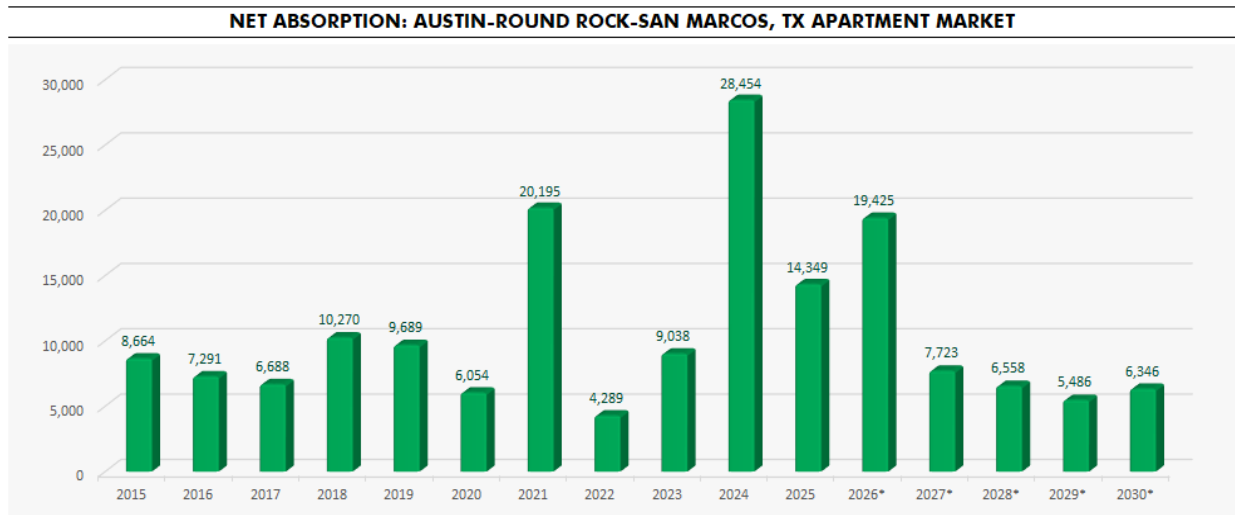


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

At the end of the current year, the occupancy rate is projected to be 92.4%, which reflects a decrease from the 92.8% occupancy rate at the end of last year. Occupancy for next year is projected to be 95.2%, reflecting an increase from the current year.

## Historical Net Absorption - Market

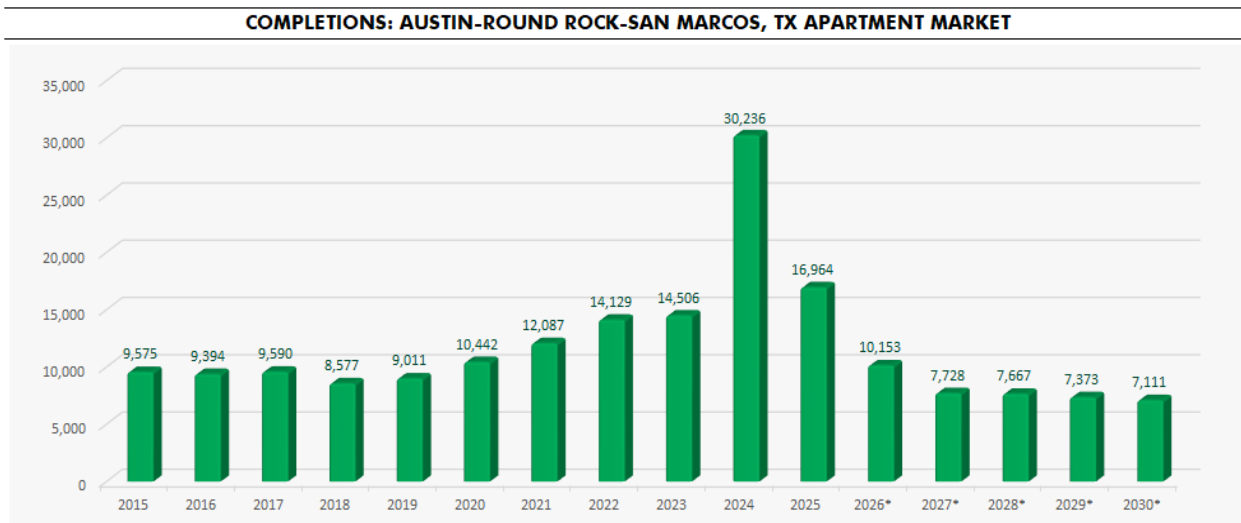


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

At the end of the current year, the area is projected to experience positive 14,349 units of net absorption, which indicates a decline from the positive 28,454 units of net absorption for the previous year. The area is projected to experience positive 19,425 units of net absorption as of the end of next year, which indicates an improvement from the current year.

## Historical Completions - Market

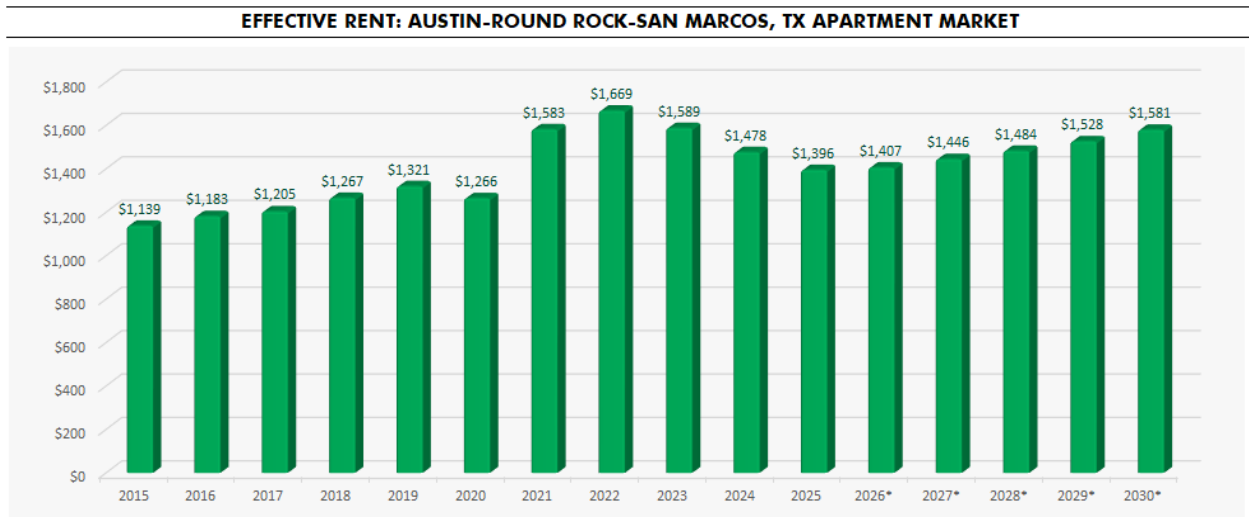


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

The area is projected to achieve completions of positive 16,964 units for the current year, which indicates a decline from the previous year's completions of positive 30,236 units. The area is projected to experience completions of positive 10,153 units as of the end of next year, which indicates a decline from the current year.

## Historical Effective Rent - Market



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

The area is projected to achieve average effective rent of \$1,396 per unit at the end of the current year, which indicates a decrease from the previous year's effective rent of \$1,478 per unit. The area is projected to achieve effective rent of \$1,407 per unit by the end of next year, indicating an increase from the current year.

## Submarket Snapshot

The following table summarizes the supply of apartment units for each submarket within the Austin-Round Rock-San Marcos, TX market as of 4th Quarter 2025.

SUBMARKET SNAPSHOT				
Submarket	Inventory (Units)	Completions* (Units)	Effective Rent (\$/Unit / Mo.)	Occupancy
Arboretum	10,835	0	\$1,218	92.0%
Cedar Park	25,308	1,983	\$1,291	92.5%
Downtown/University	24,869	1,160	\$2,769	93.7%
East Austin	33,174	3,349	\$1,579	91.6%
Far South Austin	20,913	919	\$1,287	92.7%
Far West Austin	11,217	373	\$1,275	92.2%
Near North Austin	16,270	298	\$1,427	93.5%
North Central Austin	36,982	1,250	\$1,317	92.0%
Northwest Austin	13,713	0	\$1,258	92.3%
Pflugerville/Wells Branch	21,119	1,042	\$1,207	91.6%
Riverside	24,462	225	\$1,316	92.1%
Round Rock/Georgetown	35,239	2,271	\$1,293	92.6%
San Marcos	23,654	1,534	\$1,235	91.2%
South Austin	15,654	301	\$1,726	93.9%
Southeast Austin	15,249	1,143	\$1,224	93.2%
Southwest Austin	19,879	1,116	\$1,526	93.2%

\*Completions include trailing 4 quarters

Source: Axiometrics, 4th Quarter 2025

## East Austin Submarket

Important characteristics of the East Austin apartment market are summarized below:

EAST AUSTIN APARTMENT SUBMARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2015	12,605	640	11,942	94.7%	\$1,138	4.63%	543
2016	13,205	600	12,538	95.0%	\$1,216	2.39%	597
2017	13,769	564	12,886	93.6%	\$1,254	1.67%	348
2018	14,637	868	13,896	94.9%	\$1,375	5.23%	1,010
2019	16,027	1,390	15,166	94.6%	\$1,467	5.55%	1,269
2020	16,875	848	15,552	92.2%	\$1,363	-8.53%	386
2021	19,573	2,698	18,876	96.4%	\$1,672	19.46%	3,325
2022	22,957	3,384	21,265	92.6%	\$1,763	7.04%	2,388
2023	24,854	1,897	22,702	91.3%	\$1,707	-5.07%	1,437
Q1 2024	25,100	546	22,906	91.3%	\$1,673	-1.80%	205
Q2 2024	26,374	1,274	24,182	91.7%	\$1,666	-0.44%	1,277
Q3 2024	28,252	1,878	25,935	91.8%	\$1,647	-1.52%	1,752
Q4 2024	29,825	1,573	27,525	92.3%	\$1,626	-2.33%	1,589
2024	29,825	5,271	27,525	92.3%	\$1,626	-6.00%	4,824
Q1 2025	30,701	876	28,426	92.6%	\$1,580	-3.11%	901
Q2 2025	31,176	475	29,097	93.3%	\$1,599	-0.50%	670
Q3 2025	32,251	1,075	30,119	93.4%	\$1,607	-0.30%	1,023
<b>Q4 2025</b>	<b>33,174</b>	<b>923</b>	<b>30,371</b>	<b>91.6%</b>	<b>\$1,579</b>	<b>-3.40%</b>	<b>252</b>
2025	33,174	3,349	30,371	91.6%	\$1,579	-7.46%	2,846
2026*	34,710	1,536	32,766	94.4%	\$1,572	-0.40%	2,389
2027*	35,933	1,223	33,957	94.5%	\$1,596	1.50%	1,220
2028*	37,405	1,472	35,273	94.3%	\$1,620	1.50%	1,312
2029*	38,835	1,430	36,466	93.9%	\$1,655	2.20%	1,187
2030*	40,130	1,295	37,642	93.8%	\$1,711	3.40%	1,177

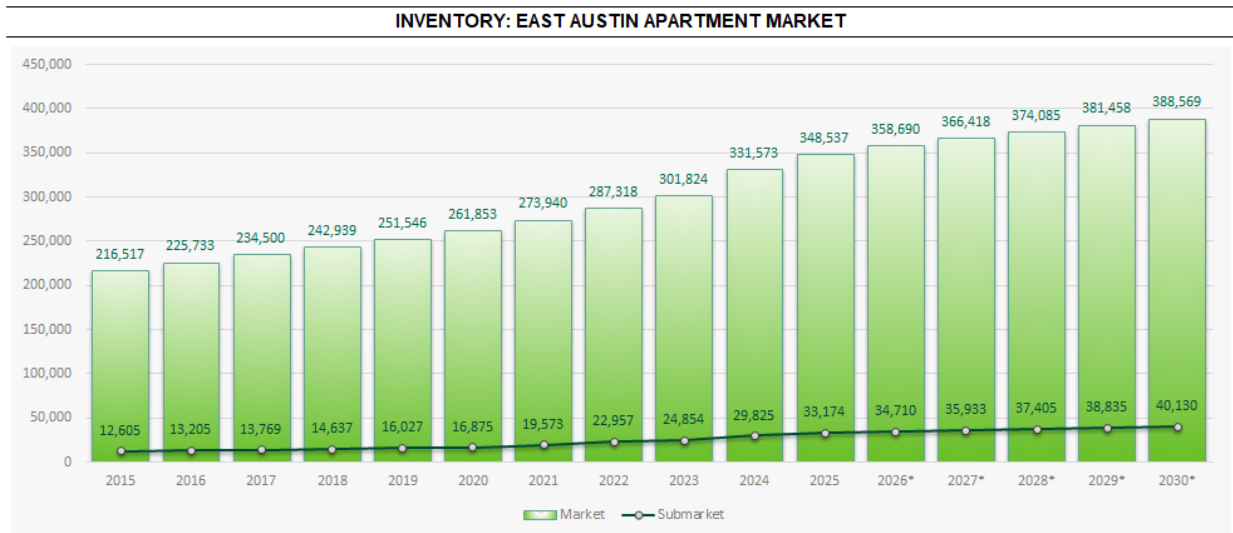
\*Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

The East Austin apartment submarket consists of approximately 33,174 units of apartment space. The current submarket inventory represents approximately 9.5% of the overall market inventory. The following observations were noted from the table above:

- As of 4th Quarter 2025, there were approximately 30,371 units of occupied apartment space, resulting in an occupancy rate of 91.6% for the submarket. This reflects a decrease from the previous quarter's occupancy of 93.4%, and a decrease from an occupancy rate of 92.3% from last year. The submarket occupancy is below the 92.4% market occupancy.
- The submarket experienced positive 252 units of net absorption for the current quarter. This indicates a decline from the previous quarter's positive 1,023 units of net absorption, and a decline from the positive 4,824 units of net absorption from a year ago. Overall, the submarket has experienced positive 2,846 units of net absorption for the current year-to-date period. The submarket's current net absorption of positive 252 units compares favorably with the overall market net absorption of negative 230 units.
- The submarket had completions of positive 923 units for the current quarter, which indicates a decrease from the previous quarter's completions of positive 1,075 units, and a decrease from the completions of positive 1,573 units from last year.
- The submarket achieved average effective rent of \$1,579 per unit, which indicates a decrease from the previous quarter's effective rent of \$1,607 per unit, and a decrease from the effective rent of \$1,626 per unit from last year. The submarket's current effective rent of \$1,579 per unit compares favorably with the overall market asking rent of \$1,396 per unit.

## Historical Inventory - Submarket

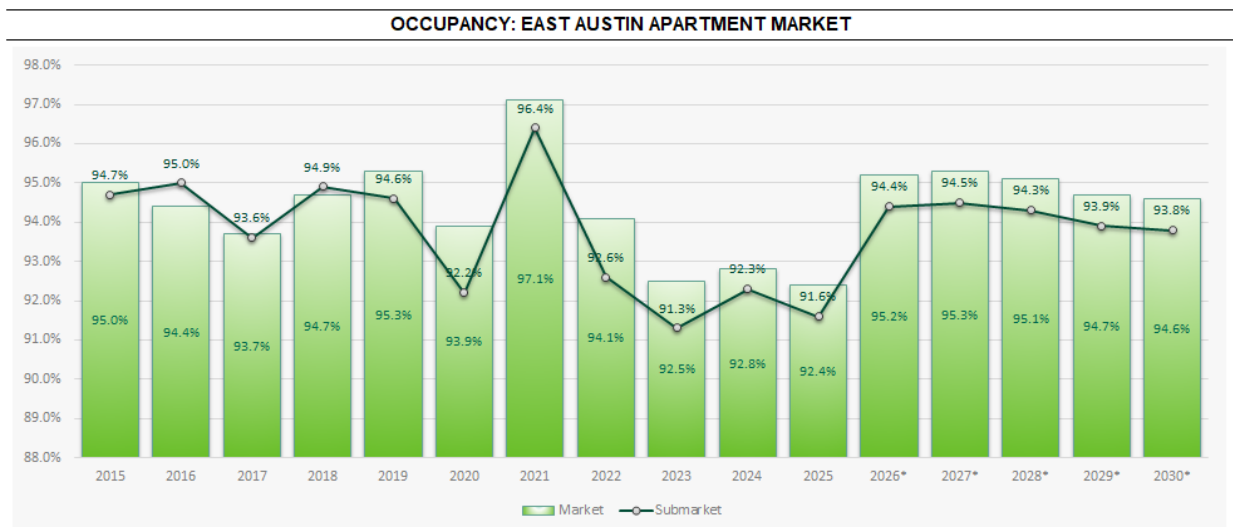


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

Submarket Inventory is projected to be 33,174 units at the end of the current year, which represents a small increase from the previous year’s submarket inventory of 29,825 units. Inventory for next year is projected to be 34,710 units, reflecting a small increase from the current year.

## Historical Occupancy - Submarket

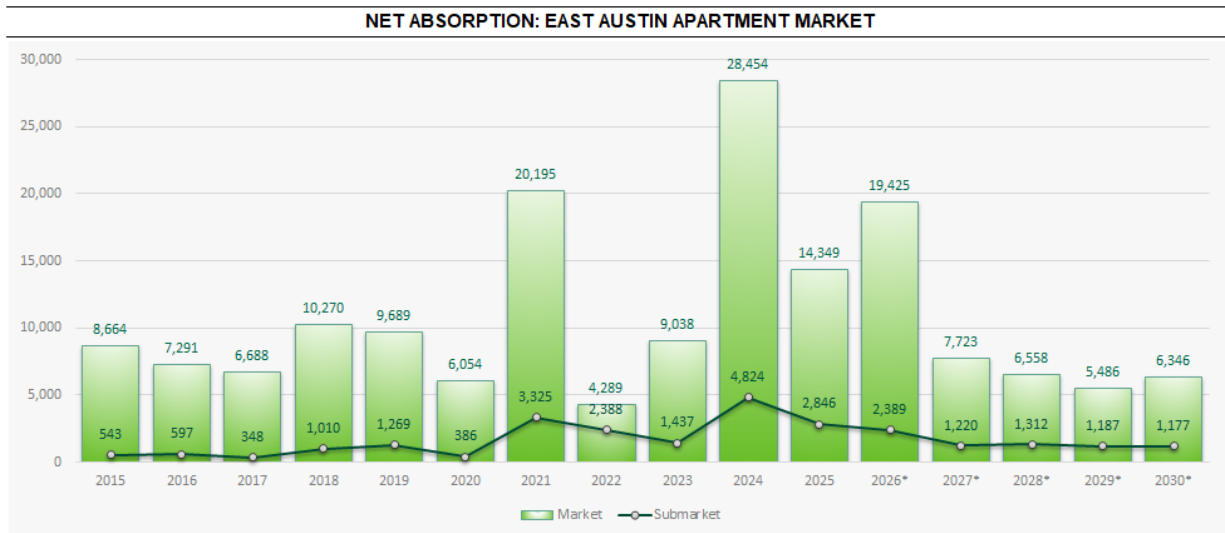


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

Submarket occupancy is projected to be 91.6% at the end of the current year, which represents a decrease from the previous year’s submarket occupancy of 92.3%. Submarket occupancy for next year is projected to be 94.4%, reflecting an increase from the current year.

## Historical Net Absorption - Submarket

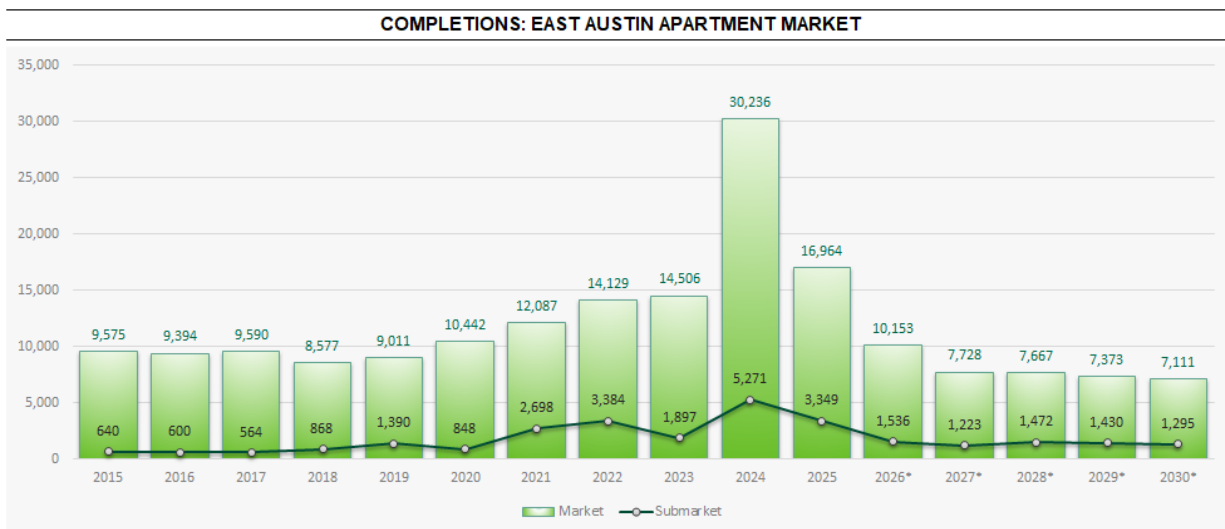


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

Net absorption in the submarket is projected to be positive 2,846 units at the end of the current year, reflecting a decline from the previous year’s net absorption of positive 4,824 units. Net absorption for next year is projected to be positive 2,389 units, indicating a decline from the current year.

## Historical Completions - Submarket

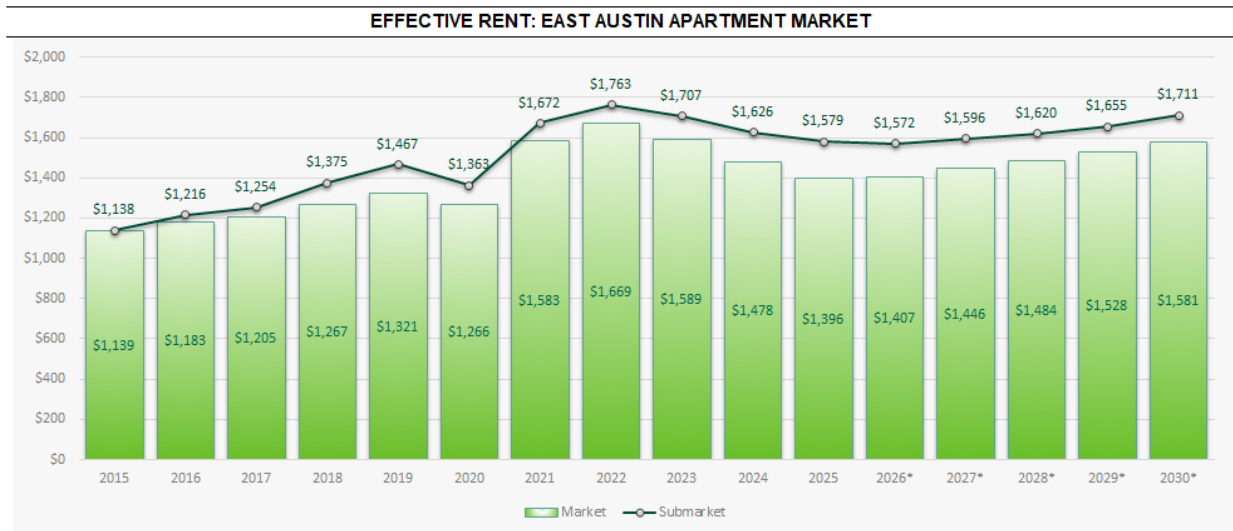


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

The submarket is projected to achieve completions of positive 3,349 units at the end of the current year, which indicates a decline from the previous year’s completions of positive 5,271 units. The submarket is projecting completions of positive 1,536 units for next year, which indicates a decline from the current year.

## Historical Effective Rent - Submarket



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 4th Quarter 2025

The submarket is projected to achieve average effective of \$1,579 per unit at the end of the current year, which represents a decrease from the previous year’s effective rent of \$1,626 per unit. The submarket is projected to achieve average effective rent of \$1,572 per unit, reflecting a decrease from the current year.

## Demographic Analysis

Demand for residential properties is a direct function of demographic characteristics analyzed on the following pages.

### Housing, Population and Household Formation

The following table illustrates the population and household changes for the subject neighborhood.

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**POPULATION AND HOUSEHOLD PROJECTIONS**


---

	1 Mile Radius	3 Mile Radius	5 Mile Radius	Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area
<b>Population</b>				
2030 Total Population	12,370	150,610	347,205	2,885,709
2025 Total Population	9,872	137,229	326,040	2,612,392
2010 Total Population	6,748	99,678	255,137	1,716,273
<i>Annual Growth 2025 - 2030</i>	<i>4.61%</i>	<i>1.88%</i>	<i>1.27%</i>	<i>2.01%</i>
<i>Annual Growth 2010 - 2025</i>	<i>2.57%</i>	<i>2.15%</i>	<i>1.65%</i>	<i>2.84%</i>
<b>Households</b>				
2030 Total Households	5,597	73,969	164,685	1,158,229
2025 Total Households	4,361	64,864	150,267	1,032,861
2010 Total Households	2,261	37,987	101,751	650,452
<i>Annual Growth 2025 - 2030</i>	<i>5.12%</i>	<i>2.66%</i>	<i>1.85%</i>	<i>2.32%</i>
<i>Annual Growth 2010 - 2025</i>	<i>4.48%</i>	<i>3.63%</i>	<i>2.63%</i>	<i>3.13%</i>

Source: ESRI

As shown, the subject's neighborhood is experiencing moderate increases in both population and households.

### Income Distributions

Household income available for expenditure on housing and other consumer items is a primary factor in determining the price/rent level of housing demand in a market area. In the case of this study, projections of household income, particularly for renters, identifies in gross terms the market from which the subject submarket draws. The following table illustrates estimated household income distribution for the subject neighborhood.

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**HOUSEHOLD INCOME DISTRIBUTION**


---

	1 Mile Radius	3 Mile Radius	5 Mile Radius	Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area
<b>Households by Income Distribution (2025)</b>				
<\$15,000	5.30%	9.36%	10.65%	5.81%
\$15,000 - \$24,999	4.59%	6.26%	5.74%	3.58%
\$25,000 - \$34,999	4.13%	4.57%	4.71%	3.91%
\$35,000 - \$49,999	6.88%	8.58%	8.90%	7.93%
\$50,000 - \$74,999	10.53%	13.87%	13.65%	14.59%
\$75,000 - \$99,999	10.73%	11.14%	10.81%	11.98%
\$100,000 - \$149,999	19.38%	16.71%	16.45%	19.39%
\$150,000 - \$199,999	16.60%	10.69%	10.13%	11.99%
\$200,000+	21.88%	18.83%	18.96%	20.83%

Source: ESRI

The following table illustrates the median and average household income levels for the subject neighborhood.

---

**HOUSEHOLD INCOME LEVELS**


---

Income	1 Mile Radius	3 Mile Radius	5 Mile Radius	Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area
	2025 Median Household Income	\$125,899	\$90,070	\$88,149
2025 Average Household Income	\$151,123	\$130,687	\$132,583	\$142,285
2025 Per Capita Income	\$68,133	\$61,564	\$61,343	\$56,329

Source: ESRI

## Employment

An employment breakdown typically indicates the working-class characteristics for a given market area. The specific employment population within the indicated radii of the subject is as follows:

---

**EMPLOYMENT BY INDUSTRY**


---

Occupation (2025)	1 Mile Radius	3 Mile Radius	5 Mile Radius	Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area
Agric/Forestry/Fishing/Hunting	0.00%	0.11%	0.24%	0.30%
Construction	14.12%	7.34%	6.95%	7.92%
Manufacturing	11.99%	6.06%	5.73%	8.22%
Wholesale Trade	1.89%	1.36%	1.44%	1.62%
Retail Trade	6.65%	8.70%	8.79%	9.90%
Transportation/Warehousing	1.48%	3.22%	2.84%	3.61%
Information	3.09%	4.03%	3.90%	2.86%
Finance/Insurance	3.28%	3.90%	3.83%	5.03%
Prof/Scientific/Tech Services	14.05%	19.18%	18.86%	14.80%
Mgmt of Companies/Enterprises	1.61%	0.21%	0.17%	0.14%
Admin/Support/Waste Mgmt Svcs	5.02%	4.73%	4.58%	4.67%
Educational Services	8.97%	10.87%	12.14%	10.11%
Health Care/Social Assistance	7.27%	8.40%	9.21%	10.92%
Arts/Entertainment/Recreation	3.05%	2.43%	2.84%	2.03%
Accommodation/Food Services	4.94%	9.40%	8.96%	6.79%
Other Services (excl Publ Adm)	4.20%	5.02%	4.60%	4.74%
Public Administration	8.39%	5.03%	4.90%	6.34%

Source: ESRI

The previous table illustrates the employment character of the submarket, with the majority of the population holding educational, health care and retail trade related jobs.

## Outlook

Based on this analysis, the immediate area surrounding the subject is projected to experience moderate growth relative to households and population into the near future. Given the area demographics, it appears that demand for both comparable surrounding area apartment units and the subject will continue to be favorable.

## Subject Analysis

### Occupancy

Based on the foregoing analysis, CBRE, Inc.'s conclusion of stabilized occupancy for the subject is illustrated in the following table. This estimate considers both the physical and economic factors of the market.

<b>OCCUPANCY CONCLUSIONS</b>	
Austin-Round Rock-San Marcos, TX Market	92.4%
East Austin Submarket	92.4%
Rent Comparables (Weighted Avg.)*	94.1%
<b>Subject's Stabilized Occupancy</b>	<b>94.0%</b>
Compiled by CBRE	

\*Excludes properties in initial lease-up

Our estimate is prior to 0.5% credit loss.

### Conclusion

The overall area has experienced a generally softening in occupancy and rent performance in the face of significant construction in recent years. However, the submarket area has been somewhat insulated from new construction and has exhibited relatively stable performance metrics over the past several quarters. The middle to long-term expectations for the local apartment market are for continued growth and redevelopment. With respect to the proposed subject, we believe the subject will be well located. The subject will include an appropriate interior amenity package to compete in the local market, including Class A amenities such as quartz or granite counters and stainless-steel appliances. Further, it will be in proximity to employment centers and major roadways, and the surrounding apartment developments are experiencing above average levels of demand. Based upon our analysis, the subject is expected to experience adequate market acceptance assuming rents are appropriately positioned.

# Cost Analysis

In estimating the replacement cost new for the subject, the following methods/data sources have been utilized (where available):

- the comparative unit method, utilizing the Marshall Valuation Service (MVS) cost guide, published by Marshall and Swift, LLC;
- the subject's actual construction costs (where available); and
- actual/budget construction cost figures available for comparable properties.

## Marshall Valuation Service

### Direct Cost

Salient details regarding the direct costs are summarized in the Cost Approach Conclusion at the end of this section. The MVS cost estimates include the following:

1. average architect's and engineer's fees for plans, plan check, building permits and survey(s) to establish building line;
2. normal interest in building funds during the period of construction plus a processing fee or service charge;
3. materials, sales taxes on materials, and labor costs;
4. normal site preparation including finish grading and excavation for foundation and backfill;
5. utilities from structure to lot line figured for typical setback;
6. contractor's overhead and profit, including job supervision, workmen's compensation, fire and liability insurance, unemployment insurance, equipment, temporary facilities, security, etc.;
7. site improvements (included as lump sum additions); and
8. initial tenant improvement costs are included in MVS cost estimate. However, additional lease-up costs such as advertising, marketing and leasing commissions are not included.

Base building costs (direct costs) are adjusted to reflect the physical characteristics of the subject. Making these adjustments, including the appropriate local and current cost multipliers, the direct building cost is indicated.

### Additions

Items not included in the direct building cost estimate include parking and walks, signage, landscaping, and miscellaneous site improvements. The cost for these items is estimated separately using the segregated cost sections of the MVS cost guide.

### Indirect Cost Items

Several indirect cost items are not included in the direct building cost figures derived through the MVS cost guide. These items include developer overhead (general and administrative costs), property taxes, legal and insurance costs, local development fees and contingencies, lease-up and marketing costs and miscellaneous costs.

### MVS Conclusion

The concluded direct and indirect building cost estimates obtained via the MVS cost guide are illustrated as follows:

<b>MARSHALL VALUATION SERVICE COST SCHEDULE</b>			
Primary Building Type:	Multifamily	Height per Story:	9'
Effective Age:	0 YRS	Number of Buildings:	1
Condition:	Excellent	Gross Building Area:	389,735 SF
Exterior Wall:	Masonry and fiber plank w/ metal accents	Net Rentable Area:	291,572 SF
Number of Units:	334	Average Unit Size:	873 SF
Number of Stories:	5	Average Floor Area:	22,271 SF
<b>MVS Sec/Page/Class</b>		14/34	11/18
<b>Quality/Class</b>		Good/B	Average/D
<b>Building Component</b>		Parking Structures	Apartments
<b>Component Sq. Ft.</b>		179,907 SF	389,735 SF
<b>Base Square Foot Cost</b>		\$102.00	\$135.00
<b>Square Foot Refinements</b>			
Heating and cooling		Included	Included
Sprinklers		\$3.00	\$3.00
Appliances (\$3,000 each)		\$0.00	\$2.57
Subtotal		\$107.57	\$140.57
<b>Height and Size Refinements</b>			
Number of Stories Multiplier		1.010	1.010
Height per Story Multiplier		1.000	1.000
Floor Area Multiplier		1.000	0.950
Subtotal		\$108.65	\$134.88
<b>Cost Multipliers</b>			
Current Cost Multiplier		0.97	1.01
Local Multiplier		0.88	0.87
<b>Final Square Foot Cost</b>		\$92.74	\$118.52
<b>Base Component Cost</b>		\$16,684,721	\$46,190,289
<b>Base Building Cost</b>	(via Marshall Valuation Service cost data)		\$62,875,010
<b>Additions</b>			
Signage, Landscaping & Misc. Site Improvements (not included above)			\$2,000,000
Surface Parking/Walks (not included above)			\$500,000
<b>Direct Building Cost</b>			\$65,375,010
<b>Indirect Costs</b>	20.0% of Direct Building Cost		\$13,075,002
<b>Direct and Indirect Building Cost</b>			\$78,450,012
<b>Rounded</b>			\$78,450,000
Compiled by CBRE			

## Budget Comparable Construction Costs

The subject's budget construction costs are illustrated in the following table, along with comparable cost information on a number of comparable properties. A detailed breakdown of the subject's cost estimate has been included in the Addenda. PFC structuring costs, developer's fee, and any developer's profit have been excluded from the Indirect Costs reported in the table below for like-to-like analysis to the comparables.

CONSTRUCTION COSTS					
Comparable:	1	2	3	Average	Subject
Property Type	Mid/High-Rise	Mid/High-Rise	Mid/High-Rise		Mid/High-Rise
Year of Cost Data	2025	2024	2024		2026
Cost Data Based Upon...	Budget	Budget	Budget		Budget
Number of Units:	339	255	137	244	334
Size (SF):	413,570	218,107	140,596	257,424	389,735
Cost Component					
Direct Cost	\$71,741,480	\$40,834,363	\$29,495,486	\$47,357,110	\$63,854,430
Indirect Cost	\$17,302,230	\$12,190,706	\$7,125,102	\$12,206,013	\$17,014,583
Total Direct, Indirect & Lease-up	\$89,043,710	\$53,025,069	\$36,620,588	\$59,563,122	\$80,869,013
Cost Per Unit	\$262,666	\$207,941	\$267,304	\$245,970	\$242,123
Cost Per SF	\$215.31	\$243.11	\$260.47	\$239.63	\$207.50

Compiled by CBRE

## Direct and Indirect cost conclusion

The indicated direct and indirect building costs for the subject are illustrated as follows:

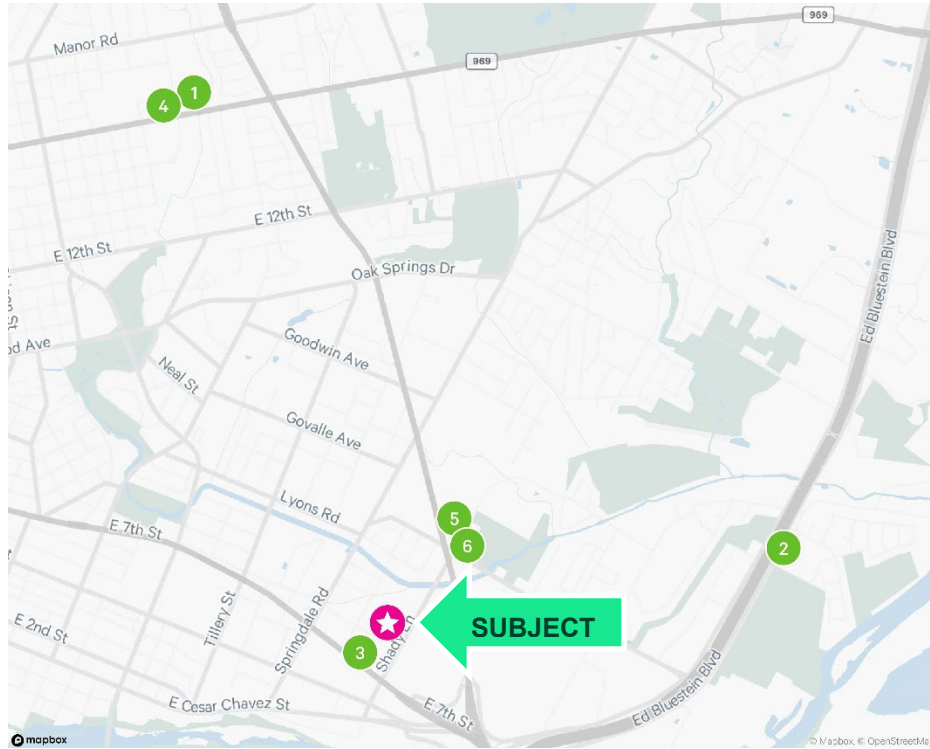
DIRECT AND INDIRECT COST CONCLUSION			
Source	Subject Estimate	Per Unit	Per SF
MVS Cost Guide	\$78,450,000	\$234,880	\$201.29
Cost Comparables (Avg.)	n/a	\$245,970	\$239.63
Subject's Budget Cost Est.	\$80,869,000	\$242,123	\$207.50
<b>CBRE Estimate</b>	<b>\$80,869,000</b>	<b>\$242,123</b>	<b>\$207.50</b>

Compiled by CBRE

The estimates derived via MVS represent replacement cost while the subject's budgeted figures represent reproduction costs. The subject's budgeted cost was given most consideration towards a cost conclusion for the subject. It is well supported by the cost guide and comparable data.

# Income & Debt Coverage Analysis

The following map and table summarize the primary comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE MULTIFAMILY RENTALS							
No.	Property Name	Location	YOC / Reno'd	Property Subtype	Occ.	No. Units	Avg. Rent Per Unit
1	The Blockyard	1909 Alexander Ave Austin, TX 78722	2024	Multi-unit Mid / High Rise	92%	344	\$1,984
2	Laurel	2001 Ed Bluestein Boulevard Austin, TX 78721	2021	Multi-unit Garden	96%	300	\$1,505
3	Lenox 7th	4910 E. 7th Street Austin, TX 78702	2021	Multi-unit Mid / High Rise	93%	279	\$1,926
4	MLK Highline	2832 E Martin Luther King Jr Blvd Austin, TX 78702	2022	Multi-unit Mid / High Rise	98%	201	\$1,599
5	Trailhead	1120 Shady Lane Austin, TX 78721	2020	Multi-unit Garden	93%	308	\$1,745
6	Trailhead East	5100 Bolm Rd Austin, TX 78721	2024	Multi-unit Mid / High Rise	78%	222	\$1,850
Subj.	Anita Coy West	4810 Gonzales St Austin, TX 78702	2029	Multifamily	0%	334	---

Compiled by CBRE

The rentals utilized represent the best data available for comparison with the subject. They were selected from our research of recently constructed Class A projects in an approximate 2-mile radius of the subject. These comparables were chosen based upon their similarities in condition, appeal, location, and unit size/type offering.

## Location Characteristics

The following supplemental data was collected.

MULTIFAMILY RENT LOCATION ADJUSTMENT ANALYSIS							
Comparable Number	Subject	1	2	3	4	5	6
Address	4810 Gonzales St	1909 Alexander Ave	2001 Ed Bluestein Boulevard	4910 E. 7th Street	2832 E Martin Luther King Jr Blvd	1120 Shady Lane	5100 Bolm Rd
Radius for Demographic Analysis	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius	3 Mile Radius
2025 Households	64,864	82,857	31,722	63,378	82,946	58,653	58,345
2025 Average Household Income	\$130,687	\$140,038	\$123,144	\$130,806	\$140,757	\$130,618	\$130,573
<i>AHI Relative to Subject</i>	---	7.2%	-5.8%	0.1%	7.7%	-0.1%	-0.1%
2025 Median Value of Owner Occupied Housing Units	\$678,162	\$710,427	\$602,941	\$683,210	\$716,803	\$662,947	\$662,929
2025 % Renter Occupied Housing Units	62.2%	59.8%	47.7%	62.4%	59.9%	60.0%	60.1%
2025 % College/Graduate Degree Age 25+	60.3%	69.9%	51.7%	59.7%	70.2%	59.6%	59.3%
2025 Median Age	32.1	30.6	33.4	32.2	30.6	32.1	32.1
Compiled by CBRE							

## Discussion/Analysis of Rent Comparables

### Rent Comparable One

The Blockyard is situated on the northeast corner of Alexander Ave and E MLK Jr Blvd in east Austin, Texas. The comparable represents a 344-unit, 5-story, mid-rise project that was constructed in 2024. It is considered to be a Class A property in this market and was in good condition at the date of survey. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums. Concessions of 6 weeks free were quoted as of the date of survey. Tenants pay all utilities. The property offers structured parking at no additional fee.

### Rent Comparable Two

Laurel is located along Ed Bluestein Boulevard/Highway 183 in east Austin, Texas. The comparable represents a 300-unit, four-story, garden-style complex that was constructed in 2021. It is considered to be a Class A property in this market and was in good condition at the date of survey. Units include quartz countertops, stainless steel appliances, and faux wood/carpet flooring. The project includes typical Class A community amenities. Rents are set by rent optimizing software and are inclusive of all concessions and premiums. Concessions of 8 weeks free were offered as of the date of survey. Tenants pay all utilities. Detached garages are available for \$150 per month and carports are available for \$50 per month.

### Rent Comparable Three

Lenox 7th is located along E. 7th Street approximately one-half mile west of its intersection with Highway 183 in east-central Austin, Texas. The comparable represents a 279-unit, five-story, mid-rise project that was constructed in 2021. 28 of the units are considered affordable units. It is considered to be a Class A property in this market and was in excellent condition at the date of survey. Units include quartz countertops with tile backsplashes, stainless appliances, and faux wood flooring. The project includes Class A community amenities including two pools, a clubhouse, private work rooms, fitness center, etc. Quoted

rents are indicative of average effective rents including any premiums. Concessions of 8 weeks free on 13 month+ leases were quoted. Tenants pay all utilities. The project features a structured parking garage with a parking fee of \$15 per space per month.

### Rent Comparable Four

MLK Highline is located at the northwest corner of E. Martin Luther King Jr Boulevard and Alexander Avenue in east central Austin, Texas. The comparable represents a 201-unit, five-story, mid-rise apartment complex that was constructed in 2022. The property also includes 9,680 SF of ground floor retail space. It is considered to be a Class A property in this market and was in excellent condition at the date of survey. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes a below average amenity package with a club room and sky deck. Rents are set by rent optimizing software and are inclusive all concessions and premiums. No concessions were offered as of the date of survey. It is noted that 10% of the GBA must be reserved for or leased to tenants whose income is no more than 60% AMI. Tenants pay all utilities.

### Rent Comparable Five

Trailhead Apartments are located along the east side of Decker Lane, just north of FM 969, in Austin, Texas. The comparable represents a 308-unit, garden-style complex that was constructed in 2020. Units include granite counters, stainless appliances and vinyl flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums. Concessions of four to eight weeks free are currently being offered. Tenants pay all utilities.

### Rent Comparable Six

Trailhead east is situated on the northeast corner of Bolm Rd and Shady Ln in east Austin, Texas. The comparable represents a 222-unit, 5-story, mid-rise complex that was constructed in 2024. It is considered to be a Class A property in this market and was in good condition at the date of survey. Note if recently renovated. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums but prior to lease-up concessions. Lease-up concessions of 10 weeks free were quoted as of the date of survey. Tenants pay all utilities. The property includes structured parking for no extra fee.

## Subject Rental Information

The following table shows the subject's unit mix and quoted rental rates. Only market rates were provided by the developer. CBRE has assumed either market rates or maximum allowable rates for the affordable units, whichever is lower.

<b>SUBJECT RENTAL INFORMATION</b>						
Type	No. of Units	Unit Size (SF)	Unit Occ.	Max Affordable \$/Unit	Avg. Quoted \$/Unit	Rent Per SF
1BR/1BA - 60%	18	614	0%	\$1,606	\$1,562	\$2.54
2BR/2BA - 60%	14	977	0%	\$1,807	\$1,758	\$1.80
3BR/2BA - 60%	3	1,365	0%	\$2,007	\$1,953	\$1.43
1BR/1BA - 80%	28	614	0%	\$2,142	\$1,750	\$2.85
1BR/1BA - 80%	44	719	0%	\$2,142	\$1,845	\$2.57
2BR/2BA - 80%	53	974	0%	\$2,410	\$2,195	\$2.25
3BR/2BA - 80%	11	1,365	0%	\$2,676	\$2,604	\$1.91
1BR/1BA	56	719	0%	n/a	\$1,875	\$2.61
1BR/1BA	20	746	0%	n/a	\$2,050	\$2.75
1BR/1BA	7	760	0%	n/a	\$2,000	\$2.63
1BR/1BA	5	692	0%	n/a	\$1,850	\$2.67
1BR/1BA	5	974	0%	n/a	\$2,275	\$2.34
2BR/2BA	26	988	0%	n/a	\$2,275	\$2.30
2BR/2BA	14	1,003	0%	n/a	\$2,275	\$2.27
2BR/2BA	18	1,241	0%	n/a	\$2,775	\$2.24
3BR/2BA	12	1,365	0%	n/a	\$3,300	\$2.42
<b>Total/Average:</b>	<b>334</b>	<b>873</b>	<b>0%</b>	<b>-----</b>	<b>\$2,081</b>	<b>\$2.38</b>
Compiled by CBRE						

The 60% AMI rents are quoted slightly below the 2025 maximum allowable level as they appear to be based on 2024 maximum levels. The 80% AMI rents are set somewhat below the concluded market rents as 1) the market rents are at or below the maximum allowable level, and 2) in order to drive traffic for / incentivize the 80% AMI affordable units vs. the market rate units.

## Program and Location Information

<b>Project Name</b>	Anita Coy West
<b>Affordable Housing Program</b>	Other Federal, State, or Local Program
<b>Year</b>	2025 (On or after 04-01-2025)
<b>State</b>	TX
<b>County</b>	Travis County
<b>MSA</b>	Austin-Round Rock-San Marcos, TX MSA
<b>Rent Calculation Based on</b>	Vli
<b>Persons/Bedroom</b>	1 Person/Bedroom
<b>4 Person AMI</b>	\$133,800
<b>HUD Published 50% National Non-Metropolitan Median Income</b>	\$41,150
<b>Placed in Service Date</b>	2025 (On or after 04-01-2025)
<b>Rent Floor Election</b>	2025 (On or after 04-01-2025)

## Income Limits for 2025

Persons	60%	80%
1 Persons	\$56,220	\$74,960
2 Persons	\$64,260	\$85,680
3 Persons	\$72,300	\$96,400
4 Persons	\$80,280	\$107,040
5 Persons	\$86,760	\$115,680
6 Persons	\$93,180	\$124,240
7 Persons	\$99,600	\$132,800
8 Persons	\$106,020	\$141,360
9 Persons	\$112,380	\$149,840
10 Persons	\$118,800	\$158,400
11 Persons	\$125,220	\$166,960
12 Persons	\$131,640	\$175,520

Based on 2025 VLI Income

## Rent Limits for 2025

Bedrooms (People)	60%	80%	FMR
1 Bedroom (2)	\$1,606	\$2,142	\$1,650
2 Bedrooms (3)	\$1,807	\$2,410	\$1,949
3 Bedrooms (4)	\$2,007	\$2,676	\$2,484

Based on 2025 VLI Income

Source: Novogradac.com

## One-Bedroom Units

SUMMARY OF COMPARABLE RENTALS ONE BEDROOM UNITS				
Comparable	Plan Type	Size (SF)	Rental Rates	
			\$/Mo.	\$/SF
Laurel	1BR/1BA	527 SF	\$1,093	\$2.07
Laurel	1BR/1BA	605 SF	\$1,293	\$2.14
Laurel	1BR/1BA	590 SF	\$1,300	\$2.20
Laurel	1BR/1BA	667-692 SF	\$1,285-\$1,336	\$1.93
Lenox 7th	1BR/1BA - AFF	528 SF	\$1,311	\$2.48
Laurel	1BR/1BA	636-653 SF	\$1,227-\$1,402	\$2.04
Laurel	1BR/1BA	745-772 SF	\$1,440-\$1,449	\$1.90
Laurel	1BR/1BA	726 SF	\$1,464	\$2.02
Trailhead	1BR/1BA	729-739 SF	\$1,439-\$1,521	\$2.02
Lenox 7th	1BR/1BA	528 SF	\$1,481	\$2.80
Trailhead	1BR/1BA	692 SF	\$1,500	\$2.17
Trailhead	1BR/1BA	703 SF	\$1,533	\$2.18
MLK Highline	1BR/1BA	692 SF	\$1,534	\$2.22
MLK Highline	1BR/1BA	713 SF	\$1,540	\$2.16
Trailhead	1BR/1BA	815-824 SF	\$1,464-\$1,651	\$1.90
Laurel	1BR/1BA	828-866 SF	\$1,506-\$1,610	\$1.84
Trailhead	1BR/1BA	632 SF	\$1,560	\$2.47
Trailhead	1BR/1BA	643 SF	\$1,560	\$2.43
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA - 60%</b>	<b>614 SF</b>	<b>\$1,562</b>	<b>\$2.54</b>
Trailhead	1BR/1BA	798 SF	\$1,569	\$1.97
Trailhead	1BR/1BA	761-777 SF	\$1,557-\$1,603	\$2.05
Trailhead	1BR/1BA	750 SF	\$1,584	\$2.11
Laurel	1BR/1BA	740 SF	\$1,586	\$2.14
The Blockyard	1BR/1BA	666 SF	\$1,594	\$2.39
Trailhead	1BR/1BA	748 SF	\$1,597	\$2.14
<b>Subject (Concluded)</b>	<b>1BR/1BA - 60%</b>	<b>614 SF</b>	<b>\$1,606</b>	<b>\$2.62</b>
MLK Highline	1BR/1BA	766 SF	\$1,669	\$2.18
Trailhead	1BR/1BA	842-850 SF	\$1,697-\$1,705	\$2.01
Trailhead East	1BR/1BA	748 SF	\$1,702	\$2.28
Laurel	1BR/1BA	979 SF	\$1,704	\$1.74
The Blockyard	1BR/1BA	673 SF	\$1,712	\$2.54
Trailhead	1BR/1BA	859 SF	\$1,719	\$2.00
Lenox 7th	1BR/1BA	672 SF	\$1,723	\$2.56
The Blockyard	1BR/1BA	701 SF	\$1,725	\$2.46
Lenox 7th	1BR/1BA	644 SF	\$1,729	\$2.68
The Blockyard	1BR/1BA	763 SF	\$1,743	\$2.28
Trailhead	1BR/1BA	879-884 SF	\$1,723-\$1,768	\$1.98
<b>Subject (Concluded)</b>	<b>1BR/1BA - 80%</b>	<b>614 SF</b>	<b>\$1,750</b>	<b>\$2.85</b>
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA - 80%</b>	<b>614 SF</b>	<b>\$1,750</b>	<b>\$2.85</b>
Trailhead	1BR/1BA	806 SF	\$1,757	\$2.18
MLK Highline	1BR/1BA	883 SF	\$1,776	\$2.01
Lenox 7th	1BR/1BA	728 SF	\$1,781	\$2.45
Trailhead East	1BR/1BA	644 SF	\$1,782	\$2.77
MLK Highline	1BR/1BA	788 SF	\$1,807	\$2.29
Trailhead East	1BR/1BA	746 SF	\$1,830	\$2.45
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA - 80%</b>	<b>719 SF</b>	<b>\$1,845</b>	<b>\$2.57</b>
<b>Subject (Concluded)</b>	<b>1BR/1BA - 80%</b>	<b>719 SF</b>	<b>\$1,845</b>	<b>\$2.57</b>

<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA</b>	<b>692 SF</b>	<b>\$1,850</b>	<b>\$2.67</b>
<b>Subject (Concluded)</b>	<b>1BR/1BA</b>	<b>692 SF</b>	<b>\$1,850</b>	<b>\$2.67</b>
Laurel	1BR/1BA	960 SF	\$1,861	\$1.94
<b>Subject (Concluded)</b>	<b>1BR/1BA</b>	<b>719 SF</b>	<b>\$1,875</b>	<b>\$2.61</b>
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA</b>	<b>719 SF</b>	<b>\$1,875</b>	<b>\$2.61</b>
Lenox 7th	1BR/1BA	766 SF	\$1,990	\$2.60
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA</b>	<b>760 SF</b>	<b>\$2,000</b>	<b>\$2.63</b>
<b>Subject (Concluded)</b>	<b>1BR/1BA</b>	<b>760 SF</b>	<b>\$2,000</b>	<b>\$2.63</b>
Lenox 7th	1BR/1BA	836 SF	\$2,045	\$2.45
<b>Subject (Concluded)</b>	<b>1BR/1BA</b>	<b>746 SF</b>	<b>\$2,050</b>	<b>\$2.75</b>
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA</b>	<b>746 SF</b>	<b>\$2,050</b>	<b>\$2.75</b>
The Blockyard	1BR/1BA	953 SF	\$2,073	\$2.18
Lenox 7th	1BR/1BA	885 SF	\$2,100	\$2.37
The Blockyard	1BR/1BA	777 SF	\$2,113	\$2.72
The Blockyard	1BR/1BA	813 SF	\$2,145	\$2.64
Lenox 7th	1BR/1BA	819 SF	\$2,182	\$2.66
Lenox 7th	1BR/1BA	903 SF	\$2,197	\$2.43
The Blockyard	1BR/1BA	827 SF	\$2,212	\$2.67
<b>Subject (Avg. Quoted)</b>	<b>1BR/1BA</b>	<b>974 SF</b>	<b>\$2,275</b>	<b>\$2.34</b>
<b>Subject (Concluded)</b>	<b>1BR/1BA</b>	<b>974 SF</b>	<b>\$2,275</b>	<b>\$2.34</b>
Trailhead East	1BR/1BA	931 SF	\$2,330	\$2.50
Lenox 7th	1BR/1.5BA - TH LW	1,057 SF	\$2,582	\$2.44
The Blockyard	1BR/2BA	1,166 SF	\$2,622	\$2.25
Lenox 7th	1BR/1BA	918 SF	\$2,678	\$2.92
Lenox 7th	1BR/1BA	921 SF	\$2,767	\$3.00
Lenox 7th	1BR/1BA - TH	818 SF	\$2,882	\$3.52
The Blockyard	1BR/1.5BA	1,155 SF	\$3,010	\$2.61
The Blockyard	1BR/1.5BA	1,378 SF	\$3,089	\$2.24
The Blockyard	1BR/1.5BA	1,652 SF	\$3,350	\$2.03
The Blockyard	1BR/1.5BA	1,608 SF	\$3,554	\$2.21

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Compiled by CBRE

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The subject's quoted market rental rates for the one-bedroom units are well supported by the comparable data.

The 60% AMI rents provide a significant advantage to the achievable market rents and are at the maximum allowable level. The 80% AMI rents do not provide an advantage to the achievable market rents; however, rent for the 80% AMI units has been concluded somewhat below the market rate units to drive traffic to / incentivize the affordable rate units.

## Two- &amp; Three-Bedroom Units

SUMMARY OF COMPARABLE RENTALS TWO & THREE BEDROOM UNITS				
Comparable	Plan Type	Size (SF)	Rental Rates	
			\$/Mo.	\$/SF
<b>Subject (Avg. Quoted)</b>	<b>2BR/2BA - 60%</b>	<b>977 SF</b>	<b>\$1,758</b>	<b>\$1.80</b>
<b>Subject (Concluded)</b>	<b>2BR/2BA - 60%</b>	<b>977 SF</b>	<b>\$1,807</b>	<b>\$1.85</b>
Laurel	2BR/2BA	1,084 SF	\$1,827	\$1.69
Laurel	2BR/2BA	1,101-1,103 SF	\$1,818-\$1,918	\$1.70
Laurel	2BR/2BA	1,236 SF	\$1,891	\$1.53
MLK Highline	2BR/2BA	947 SF	\$1,925	\$2.03
<b>Subject (Avg. Quoted)</b>	<b>3BR/2BA - 60%</b>	<b>1,365 SF</b>	<b>\$1,953</b>	<b>\$1.43</b>
<b>Subject (Concluded)</b>	<b>3BR/2BA - 60%</b>	<b>1,365 SF</b>	<b>\$2,007</b>	<b>\$1.47</b>
Laurel	2BR/2BA	1,218 SF	\$2,011	\$1.65
Laurel	2BR/2BA	1,504 SF	\$2,023	\$1.35
Laurel	2BR/2BA	1,239-1,294 SF	\$1,929-\$2,138	\$1.61
Laurel	2BR/2BA	1,187 SF	\$2,073	\$1.75
Laurel	2BR/2BA	1,176 SF	\$2,109	\$1.79
MLK Highline	2BR/2BA	1,104 SF	\$2,150	\$1.95
MLK Highline	2BR/2BA	1,076 SF	\$2,174	\$2.02
<b>Subject (Avg. Quoted)</b>	<b>2BR/2BA - 80%</b>	<b>974 SF</b>	<b>\$2,195</b>	<b>\$2.25</b>
<b>Subject (Concluded)</b>	<b>2BR/2BA - 80%</b>	<b>974 SF</b>	<b>\$2,195</b>	<b>\$2.25</b>
Laurel	2BR/2BA	1,337-1,388 SF	\$1,951-\$2,457	\$1.62
Laurel	3BR/2BA	1,412-1,446 SF	\$2,019-\$2,448	\$1.56
<b>Subject (Avg. Quoted)</b>	<b>2BR/2BA</b>	<b>988 SF</b>	<b>\$2,275</b>	<b>\$2.30</b>
<b>Subject (Avg. Quoted)</b>	<b>2BR/2BA</b>	<b>1,003 SF</b>	<b>\$2,275</b>	<b>\$2.27</b>
<b>Subject (Concluded)</b>	<b>2BR/2BA</b>	<b>988 SF</b>	<b>\$2,275</b>	<b>\$2.30</b>
<b>Subject (Concluded)</b>	<b>2BR/2BA</b>	<b>1,003 SF</b>	<b>\$2,275</b>	<b>\$2.27</b>
Trailhead	2BR/2BA	1,059-1,095 SF	\$2,389-\$2,476	\$2.26
Trailhead East	2BR/2BA	985 SF	\$2,455	\$2.49
Trailhead East	2BR/2BA	1,029 SF	\$2,455	\$2.39
Lenox 7th	2BR/2BA - LW	1,064 SF	\$2,476	\$2.33
Trailhead	2BR/2BA	1,146-1,168 SF	\$2,501-\$2,539	\$2.18
Trailhead	2BR/2BA	1,223-1,232 SF	\$2,387-\$2,758	\$2.10
Lenox 7th	2BR/2BA	1,157 SF	\$2,588	\$2.24
<b>Subject (Avg. Quoted)</b>	<b>3BR/2BA - 80%</b>	<b>1,365 SF</b>	<b>\$2,604</b>	<b>\$1.91</b>
Trailhead	2BR/2BA	1,304-1,350 SF	\$2,548-\$2,711	\$1.98
The Blockyard	2BR/2BA	1,081 SF	\$2,652	\$2.45
<b>Subject (Concluded)</b>	<b>3BR/2BA - 80%</b>	<b>1,365 SF</b>	<b>\$2,676</b>	<b>\$1.96</b>
Trailhead	3BR/2.5BA	1,426 SF	\$2,711	\$1.90
<b>Subject (Concluded)</b>	<b>2BR/2BA</b>	<b>1,241 SF</b>	<b>\$2,775</b>	<b>\$2.24</b>
<b>Subject (Avg. Quoted)</b>	<b>2BR/2BA</b>	<b>1,241 SF</b>	<b>\$2,775</b>	<b>\$2.24</b>
The Blockyard	2BR/2BA	1,260 SF	\$2,887	\$2.29
Trailhead East	2BR/2BA	1,158 SF	\$3,010	\$2.60
The Blockyard	2BR/2BA	1,332 SF	\$3,143	\$2.36
<b>Subject (Concluded)</b>	<b>3BR/2BA</b>	<b>1,365 SF</b>	<b>\$3,300</b>	<b>\$2.42</b>
<b>Subject (Avg. Quoted)</b>	<b>3BR/2BA</b>	<b>1,365 SF</b>	<b>\$3,300</b>	<b>\$2.42</b>
The Blockyard	2BR/2BA	1,454 SF	\$3,364	\$2.31

Compiled by CBRE

The subject's quoted market rental rates for the two and three-bedroom units are well supported by the comparable data.

The 60% AMI rents provide a significant advantage to the achievable market rents and are at the maximum allowable level. The 80% AMI rents do not provide an advantage to the achievable market rents; however, rent for the 80% AMI units has been concluded somewhat below the market rate units to drive traffic to / incentivize the affordable rate units.

## Rent Conclusions

The following chart shows the rent conclusions for the subject:

RENT CONCLUSIONS - AS RESTRICTED									
No. Units	Unit Type	Unit Size (SF)	Total SF	Monthly Rent			Annual Rent		Annual Total
				\$/Unit	\$/SF	PRI	\$/Unit	\$/SF	
18	1BR/1BA - 60%	614	11,052	\$1,606	\$2.62	\$28,908	\$19,272	\$31.39	\$346,896
14	2BR/2BA - 60%	977	13,678	\$1,807	\$1.85	\$25,298	\$21,684	\$22.19	\$303,576
3	3BR/2BA - 60%	1,365	4,095	\$2,007	\$1.47	\$6,021	\$24,084	\$17.64	\$72,252
28	1BR/1BA - 80%	614	17,192	\$1,750	\$2.85	\$49,000	\$21,000	\$34.20	\$588,000
44	1BR/1BA - 80%	719	31,636	\$1,845	\$2.57	\$81,180	\$22,140	\$30.79	\$974,160
53	2BR/2BA - 80%	974	51,622	\$2,195	\$2.25	\$116,335	\$26,340	\$27.04	\$1,396,020
11	3BR/2BA - 80%	1,365	15,015	\$2,676	\$1.96	\$29,436	\$32,112	\$23.53	\$353,232
56	1BR/1BA	719	40,264	\$1,875	\$2.61	\$105,000	\$22,500	\$31.29	\$1,260,000
20	1BR/1BA	746	14,920	\$2,050	\$2.75	\$41,000	\$24,600	\$32.98	\$492,000
7	1BR/1BA	760	5,320	\$2,000	\$2.63	\$14,000	\$24,000	\$31.58	\$168,000
5	1BR/1BA	692	3,460	\$1,850	\$2.67	\$9,250	\$22,200	\$32.08	\$111,000
5	1BR/1BA	974	4,870	\$2,275	\$2.34	\$11,375	\$27,300	\$28.03	\$136,500
26	2BR/2BA	988	25,688	\$2,275	\$2.30	\$59,150	\$27,300	\$27.63	\$709,800
14	2BR/2BA	1,003	14,042	\$2,275	\$2.27	\$31,850	\$27,300	\$27.22	\$382,200
18	2BR/2BA	1,241	22,338	\$2,775	\$2.24	\$49,950	\$33,300	\$26.83	\$599,400
12	3BR/2BA	1,365	16,380	\$3,300	\$2.42	\$39,600	\$39,600	\$29.01	\$475,200
334		873	291,572	\$2,088	\$2.39	\$697,353	\$25,055	\$28.70	\$8,368,236

Compiled by CBRE

RENT CONCLUSIONS - AT MARKET RATE									
No. Units	Unit Type	Unit Size	Total SF	Monthly Rent			Annual Rent		Annual Total
				\$/Unit	\$/SF	PRI	\$/Unit	\$/SF	
18	1BR/1BA - 60%	614	11,052	\$1,750	\$2.85	\$31,500	\$21,000	\$34.20	\$378,000
14	2BR/2BA - 60%	977	13,678	\$2,275	\$2.33	\$31,850	\$27,300	\$27.94	\$382,200
3	3BR/2BA - 60%	1,365	4,095	\$3,300	\$2.42	\$9,900	\$39,600	\$29.01	\$118,800
28	1BR/1BA - 80%	614	17,192	\$1,750	\$2.85	\$49,000	\$21,000	\$34.20	\$588,000
44	1BR/1BA - 80%	719	31,636	\$1,875	\$2.61	\$82,500	\$22,500	\$31.29	\$990,000
53	2BR/2BA - 80%	974	51,622	\$2,275	\$2.34	\$120,575	\$27,300	\$28.03	\$1,446,900
11	3BR/2BA - 80%	1,365	15,015	\$3,300	\$2.42	\$36,300	\$39,600	\$29.01	\$435,600
56	1BR/1BA	719	40,264	\$1,875	\$2.61	\$105,000	\$22,500	\$31.29	\$1,260,000
20	1BR/1BA	746	14,920	\$2,050	\$2.75	\$41,000	\$24,600	\$32.98	\$492,000
7	1BR/1BA	760	5,320	\$2,000	\$2.63	\$14,000	\$24,000	\$31.58	\$168,000
5	1BR/1BA	692	3,460	\$1,850	\$2.67	\$9,250	\$22,200	\$32.08	\$111,000
5	1BR/1BA	974	4,870	\$2,275	\$2.34	\$11,375	\$27,300	\$28.03	\$136,500
26	2BR/2BA	988	25,688	\$2,275	\$2.30	\$59,150	\$27,300	\$27.63	\$709,800
14	2BR/2BA	1,003	14,042	\$2,275	\$2.27	\$31,850	\$27,300	\$27.22	\$382,200
18	2BR/2BA	1,241	22,338	\$2,775	\$2.24	\$49,950	\$33,300	\$26.83	\$599,400
12	3BR/2BA	1,365	16,380	\$3,300	\$2.42	\$39,600	\$39,600	\$29.01	\$475,200
334		873	291,572	\$2,164	\$2.48	\$722,800	\$25,969	\$29.75	\$8,673,600

Compiled by CBRE

## Potential Rental Income Conclusion

POTENTIAL RENTAL INCOME		
Year	Total	\$/Unit/Yr
Developer's Budget	\$8,339,052	\$24,967
Expense Comparable 1	---	\$21,466
Expense Comparable 2	---	\$24,863
Expense Comparable 3	---	\$23,872
Expense Comparable 4	---	\$23,801
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$8,368,236</b>	<b>\$25,055</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$8,368,236</b>	<b>\$25,055</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$8,673,600</b>	<b>\$25,969</b>
Compiled by CBRE		

## Operating History

The following table presents available budget data for the subject.

<b>OPERATING HISTORY</b>				
<b>Year-Occupancy</b>	<b>Developer's</b>		<b>Pro Forma</b>	
	<b>Budget</b>	<b>93.8%</b>	<b>93.5%</b>	
	<b>Total</b>	<b>\$/Unit</b>	<b>Total</b>	<b>\$/Unit</b>
<b>INCOME</b>				
Potential Rental Income	\$8,339,052	\$24,967	\$8,368,236	\$25,055
Loss to Lease	-	-	-	-
Concessions	-	-	(83,682)	(251)
<b>Adjusted Rental Income</b>	<b>\$8,339,052</b>	<b>\$24,967</b>	<b>\$8,284,554</b>	<b>\$24,804</b>
Vacancy	(431,515)	(1,292)	(497,073)	(1,488)
Credit Loss	(86,303)	(258)	(41,423)	(124)
<b>Net Rental Income</b>	<b>\$7,821,234</b>	<b>\$23,417</b>	<b>\$7,746,058</b>	<b>\$23,192</b>
Other Income	291,240	872	292,250	875
Parking Income	-	-	-	-
RUBS/Utility Income	-	-	267,200	800
<b>Effective Gross Income</b>	<b>\$8,112,474</b>	<b>\$24,289</b>	<b>\$8,305,508</b>	<b>\$24,867</b>
<b>EXPENSE</b>				
Real Estate Taxes	-	\$0	\$1,427,423	\$4,274
Property Insurance	306,946	919	307,280	920
Utilities	148,630	445	417,500	1,250
Administrative & General	108,550	325	108,550	325
Repairs & Maintenance	348,028	1,042	350,700	1,050
Management Fee	202,812	607	207,638	622
Payroll	552,770	1,655	551,100	1,650
Non-Revenue Units	-	-	50,100	150
Advertising & Leasing	116,900	350	116,900	350
Gross Sales Receipts Tax	26,852	80	27,491	82
Other	-	-	25,000	75
Ground Rent	224,464	672	206,691	619
Replacement Reserves	66,800	200	66,800	200
<b>Total Operating Expenses</b>	<b>\$2,102,752</b>	<b>\$6,296</b>	<b>\$3,863,174</b>	<b>\$11,566</b>
<b>Net Operating Income</b>	<b>\$6,009,722</b>	<b>\$17,993</b>	<b>\$4,442,334</b>	<b>\$13,300</b>
Management Fee % of EGI)	2.5%		2.5%	

Source: Operating statements

## Loss to Lease

Within the local market, buyers and sellers typically recognize a reduction in potential rental income due to the difference between market and contract rental rates. In this market, lease rates are typically flat and are anticipated to roll to market every 12 months on average. As a result, actual collections typically lag

behind market rates by approximately six to nine months. As a new construction property, loss to lease is not estimated herein.

## Concessions

There is significant new project in the market area and rent concessions are currently quoted in the local market. While concessions are common for properties in lease-up, lesser seasonal and spot-concessions are regularly seen for stabilized properties. Therefore, a concession factor of 1.00% has been concluded for the subject as stabilized.

## Vacancy

The subject's estimated stabilized occupancy rate was previously discussed in the market analysis. The subject's vacancy is detailed as follows:

<b>VACANCY</b>		
Year	Total	% of ARI
Developer's Budget	(\$431,515)	5.2%
Expense Comparable 1	---	4.1%
Expense Comparable 2	---	3.5%
Expense Comparable 3	---	6.1%
Expense Comparable 4	---	8.1%
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>(\$497,073)</b>	<b>6.0%</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>(\$497,073)</b>	<b>6.0%</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>(\$515,212)</b>	<b>6.0%</b>
Compiled by CBRE		

## Credit Loss

The credit loss estimate is an allowance for nonpayment of rent or other income. The subject's credit loss is detailed as follows:

<b>CREDIT LOSS</b>		
Year	Total	% of ARI
Developer's Budget	(\$86,303)	1.0%
Expense Comparable 1	---	0.1%
Expense Comparable 2	---	0.1%
Expense Comparable 3	---	0.2%
Expense Comparable 4	---	0.3%
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>(\$41,423)</b>	<b>0.5%</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>(\$41,423)</b>	<b>0.5%</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>(\$42,934)</b>	<b>0.5%</b>
Compiled by CBRE		

## Parking Income

The subject will exhibit surface and above grade surface parking; however, no significant parking income is anticipated.

## Other Income

Other income is supplemental to that derived from leasing of the improvements. This includes categories such as forfeited deposits, vending machines, late charges, etc. The subject's income is detailed as follows:

<b>OTHER INCOME</b>		
Year	Total	\$/Unit/Yr
Developer's Budget	\$291,240	\$872
Expense Comparable 1	---	\$661
Expense Comparable 2	---	\$803
Expense Comparable 3	---	\$679
Expense Comparable 4	---	\$1,022
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$292,250</b>	<b>\$875</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$292,250</b>	<b>\$875</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$292,250</b>	<b>\$875</b>
Compiled by CBRE		

We have concluded \$875 per unit for the subject's other income, which is within the range of the expense comparables. The conclusion is somewhat above the developer's budget which is below the range of the comparable data.

## RUBS Income

The subject includes a RUBS program (Ratio Utility Billing System), whereby a portion of the utility expense is shared by tenants and reimbursed to the landlord on a pro rata basis. The subject's RUBS income is detailed as follows:

<b>RUBS/UTILITY INCOME</b>		
Year	Total	\$/Unit/Yr
Developer's Budget	\$0	\$0
Expense Comparable 1	---	\$878
Expense Comparable 2	---	\$764
Expense Comparable 3	---	\$940
Expense Comparable 4	---	\$747
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$267,200</b>	<b>\$800</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$267,200</b>	<b>\$800</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$267,200</b>	<b>\$800</b>
Compiled by CBRE		

We have concluded \$800 per unit for the subject's rubs/utility income, which is within the range of the expense comparables. The developer's budget includes a utilities expense net of RUBS.

## Effective Gross Income

The subject's effective gross income is detailed as follows:

<b>EFFECTIVE GROSS INCOME</b>		
Year	Total	\$/Unit/Yr
Developer's Budget	\$8,112,474	\$24,289
Expense Comparable 1	---	\$22,071
Expense Comparable 2	---	\$24,578
Expense Comparable 3	---	\$23,992
Expense Comparable 4	---	\$24,019
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$8,305,508</b>	<b>\$24,867</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$8,305,508</b>	<b>\$24,867</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$8,588,168</b>	<b>\$25,713</b>
Compiled by CBRE		

The concluded EGI as restricted with an abatement is within 2.5% of the developer's budget.

## Operating Expense Analysis

### Expense Comparables

The following chart summarizes expenses obtained from comparable properties.

EXPENSE COMPARABLES					
Comparable Number	1	2	3	4	Subject
Location	Austin, TX	Austin, TX	Austin, TX	Austin, TX	Austin, TX
Units	251	274	328	433	334
Year Built	2014	2020	2023	2008	2029
Type	Mid-Rise	Mid-Rise	Mid-Rise	Mid-Rise	Mid/High-Rise
Period	T12 to 7/25	T12 to 7/25	T12 thru 7/25	T12 to 8/24	Pro Forma
<b>Revenues</b>	<b>\$/Unit</b>	<b>\$/Unit</b>	<b>\$/Unit</b>	<b>\$/Unit</b>	<b>\$/Unit</b>
Potential Rental Income	\$21,466	\$24,863	\$23,872	\$23,801	\$25,055
Loss to Lease	104	(885)	1,046	697	-
Concessions	(225)	(102)	(1,033)	(797)	(251)
<b>Adjusted Rental Income</b>	<b>\$21,345</b>	<b>\$23,876</b>	<b>\$23,885</b>	<b>\$23,701</b>	<b>\$24,804</b>
Vacancy	(876)	(836)	(1,453)	(1,915)	(1,488)
Credit Loss	(25)	(28)	(59)	(69)	(124)
<b>Net Rental Income</b>	<b>\$20,443</b>	<b>\$23,011</b>	<b>\$22,373</b>	<b>\$21,717</b>	<b>\$23,192</b>
Other Income	\$661	\$803	\$679	\$1,022	\$875
Parking Income	\$88	\$0	\$0	\$534	\$0
RUBS/Utility Income	\$878	\$764	\$940	\$747	\$800
<b>Effective Gross Income</b>	<b>\$22,071</b>	<b>\$24,578</b>	<b>\$23,992</b>	<b>\$24,019</b>	<b>\$24,867</b>
<b>Expenses</b>					
Real Estate Taxes	\$4,742	\$4,433	\$5,074	\$5,358	\$4,274
Property Insurance	583	927	792	690	920
Utilities	930	1,138	1,472	1,249	1,250
Administrative & General	506	307	405	819	325
Repairs & Maintenance	1,003	1,106	1,311	829	1,050
Management Fee	497	527	740	727	622
Payroll	2,006	2,015	1,634	1,600	1,650
Non-Revenue Units	115	306	201	44	150
Advertising & Leasing	288	525	695	376	350
Gross Sales Receipts Tax	132	-	-	80	82
Ground Rent	-	-	-	-	619
Replacement Reserves	200	200	200	200	200
<b>Total Operating Expenses</b>	<b>\$11,003</b>	<b>\$11,484</b>	<b>\$12,523</b>	<b>\$11,973</b>	<b>\$11,492</b>
Operating Expenses Excluding Taxes	6,261	7,051	7,449	6,614	7,293
Operating Expense Ratio	49.9%	46.7%	52.2%	49.8%	46.2%
Management Fee (% of EGI)	2.25%	2.14%	3.09%	3.03%	2.50%

<sup>2</sup> The median total differs from the sum of the individual amounts.

Compiled by CBRE

The concluded expenses for each category are well supported by the comparable data.

### Ground Rent

As restricted, the subject will be subject to ground rent payments. The ground rent shall be based on the fair market rental value of the subject land as if vacant and available for development of uses permitted under the lease without any tax exemption or affordability requirement.

As the valuation of the subject's fee simple land value is outside the scope of this analysis, CBRE has alternatively estimated the ground rent based on the total cost of development x 80% of the applicable tax rate x 15%. This alternative method is commonly seen in calculating ground lease payments for PFC projects and is intended to result in market-based ground lease payments. This expense has been calculated as follows:

<b>GROUND RENT ESTIMATE</b>		
Total Cost of Development*		\$84,165,178
Multiplied x 80%		\$67,332,142
Multiplied x Tax rate of	2.0465 /\$100	\$1,377,942
<b>Multiplied x 15%</b>		<b>\$206,691</b>
<b>\$/Unit</b>		<b>\$619</b>
Compiled by CBRE		

\*Inclusive of all costs including any PFC structuring fees and developer fees as well as the developer's underwritten land cost.

The CBRE estimate is within 6% of the developer's projection and is deemed to be reasonable.

## Operating Expense Conclusion

The comparable data and projections for the subject are summarized as follows:

<b>TOTAL OPERATING EXPENSES</b>		
Year	Total	\$/Unit/Yr
Developer's Budget	\$2,102,752	\$6,296
Expense Comparable 1	---	\$11,003
Expense Comparable 2	---	\$11,484
Expense Comparable 3	---	\$12,523
Expense Comparable 4	---	\$11,973
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$3,863,174</b>	<b>\$11,566</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$2,435,750</b>	<b>\$7,293</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$3,638,549</b>	<b>\$10,894</b>
Compiled by CBRE		

<b>OPERATING EXPENSES EXCLUDING TAXES</b>		
Year	Total	\$/Unit/Yr
Developer's Budget	\$2,102,752	\$6,296
Expense Comparable 1	---	\$6,261
Expense Comparable 2	---	\$7,051
Expense Comparable 3	---	\$7,449
Expense Comparable 4	---	\$6,614
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$2,435,750</b>	<b>\$7,293</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$2,435,750</b>	<b>\$7,293</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$2,211,125</b>	<b>\$6,620</b>
Compiled by CBRE		

Excluding taxes, the conclusions are well supported by the comparable data. The As Proposed Restricted, with Abatement figure is higher than the developer's budget primarily due to CBRE's projection of a gross utilities expense (and inclusion of RUBS income) vs. the developer's projection of a net utilities expense.

## Net Operating Income Conclusion

The comparable data and projections for the subject are summarized as follows:

NET OPERATING INCOME		
Year	Total	\$/Unit/Yr
Developer's Budget	\$6,009,722	\$17,993
Expense Comparable 1	---	\$11,068
Expense Comparable 2	---	\$13,095
Expense Comparable 3	---	\$11,469
Expense Comparable 4	---	\$12,046
<b>CBRE Estimate - As Proposed Restricted, without Abatement</b>	<b>\$4,442,334</b>	<b>\$13,300</b>
<b>CBRE Estimate - As Proposed Restricted, with Abatement</b>	<b>\$5,869,757</b>	<b>\$17,574</b>
<b>CBRE Estimate - As Market Rate, Without Abatement</b>	<b>\$4,949,619</b>	<b>\$14,819</b>

Compiled by CBRE

## Summary of Conclusions

The following chart summarizes the subject's budget, along with expenses obtained from comparable properties. CBRE's conclusions are also included:

COMPARABLE EXPENSE ANALYSIS							
Period	Subject Operating	Comparables				Subject	
	Developer's Budget	Comp 1	Comp 2	Comp 3	Comp 4	Conclusion	
		Location	Austin, TX	Austin, TX	Austin, TX	Austin, TX	
		Units	251	274	328	433	
		Year Built	2014	2020	2023	2008	
		Period	T12 to 7/25	T12 to 7/25	T12 thru 7/25	T12 to 8/24	
<b>Range Names</b>	<b>\$/Unit/Yr</b>	<b>\$/Unit/Yr</b>	<b>\$/Unit/Yr</b>	<b>\$/Unit/Yr</b>	<b>\$/Unit/Yr</b>	<b>\$/Unit/Yr</b>	
Potential Rental Income	\$24,967	\$21,466	\$24,863	\$23,872	\$23,801	\$25,055	
Loss to Lease	-	104	(885)	1,046	697	-	0.00%
Concessions	-	(225)	(102)	(1,033)	(797)	(251)	1.00%
<b>Adjusted Rental Income</b>	<b>\$24,967</b>	<b>\$21,345</b>	<b>\$23,876</b>	<b>\$23,885</b>	<b>\$23,701</b>	<b>\$24,804</b>	
Vacancy	(1,292)	(876)	(836)	(1,453)	(1,915)	(1,488)	6.00%
Credit Loss	(258)	(25)	(28)	(59)	(69)	(124)	0.50%
<b>Net Rental Income</b>	<b>\$23,417</b>	<b>\$20,443</b>	<b>\$23,011</b>	<b>\$22,373</b>	<b>\$21,717</b>	<b>\$23,192</b>	
Other Income	872	661	803	679	1,022	875	
Parking Income	-	88	-	-	534	-	
RUBS/Utility Income	-	878	764	940	747	800	
<b>Effective Gross Income</b>	<b>\$24,289</b>	<b>\$22,071</b>	<b>\$24,578</b>	<b>\$23,992</b>	<b>\$24,019</b>	<b>\$24,867</b>	
<b>Expenses</b>							
Real Estate Taxes	\$0	\$4,742	\$4,433	\$5,074	\$5,358	\$4,274	
Property Insurance	919	583	927	792	690	920	
Utilities	445	930	1,138	1,472	1,249	1,250	
Administrative & General	325	506	307	405	819	325	
Repairs & Maintenance	1,042	1,003	1,106	1,311	829	1,050	
Management Fee	607	497	527	740	727	622	2.50%
Payroll	1,655	2,006	2,015	1,634	1,600	1,650	
Non-Revenue Units	-	115	306	201	44	150	
Advertising & Leasing	350	288	525	695	376	350	
Gross Sales Receipts Tax	80	132	-	-	80	82	
Ground Rent	672	-	-	-	-	619	
Replacement Reserves	200	200	200	200	200	200	
<b>Total Operating Expenses</b>	<b>\$6,296</b>	<b>\$11,003</b>	<b>\$11,484</b>	<b>\$12,523</b>	<b>\$11,973</b>	<b>\$11,492</b>	
Operating Expenses Excluding Taxes	\$6,296	\$6,261	\$7,051	\$7,449	\$6,614	\$7,218	
Operating Expense Ratio	25.9%	49.9%	46.7%	52.2%	49.8%	46.2%	
Management Fee	2.5%	2.3%	2.1%	3.1%	3.0%	2.5%	

Compiled by CBRE

## NOI Summary – As Proposed Restricted, Without Abatement

A summary of the estimated net operating income is illustrated in the following chart.

<b>DIRECT CAPITALIZATION SUMMARY - AS PROPOSED RESTRICTED, WITHOUT ABATEMENT</b>			
		\$/Unit/Yr	Total
<b>Income</b>			
Potential Rental Income		\$25,055	\$8,368,236
Loss to Lease	0.00%	0	-
Concessions	1.00%	(251)	(83,682)
<b>Adjusted Rental Income</b>		<b>\$24,804</b>	<b>\$8,284,554</b>
Vacancy	6.00%	(1,488)	(497,073)
Credit Loss	0.50%	(124)	(41,423)
<b>Net Rental Income</b>		<b>\$23,192</b>	<b>\$7,746,058</b>
Other Income		875	292,250
Parking Income		0	-
RUBS/Utility Income		800	267,200
<b>Effective Gross Income</b>		<b>\$24,867</b>	<b>\$8,305,508</b>
<b>Expenses</b>			
Real Estate Taxes		\$4,274	\$1,427,423
Property Insurance		920	307,280
Utilities		1,250	417,500
Administrative & General		325	108,550
Repairs & Maintenance		1,050	350,700
Management Fee	2.50%	622	207,638
Payroll		1,650	551,100
Non-Revenue Units		150	50,100
Advertising & Leasing		350	116,900
Gross Sales Receipts Tax	0.331%	82	27,491
Other		75	25,000
Ground Rent		619	206,691
Replacement Reserves		200	66,800
<b>Total Operating Expenses</b>		<b>\$11,566</b>	<b>\$3,863,174</b>
Operating Expenses Excluding Taxes		\$7,293	\$2,435,750
<b>Operating Expense Ratio</b>			46.51%
<b>Net Operating Income</b>		<b>\$13,300</b>	<b>\$4,442,334</b>

Compiled by CBRE

## Band of Investment

The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table. The cited mortgage rate and terms are derived from the weekly quoted CBRE Multifamily Finance Update and current rates as reported by Northmarq. The EDR represents the preferred returns currently being offered to potential investors. This information is obtained from investment memos issued by institutional advisors or private syndicators soliciting equity for similar assets. The typical range in the local market is currently 7.0% to 8.0%.

<b>BAND OF INVESTMENT</b>			
Mortgage Interest Rate		5.50%	
Mortgage Term (Amortization Period)		30 Years	
Mortgage Ratio (Loan-to-Value)		65%	
Mortgage Constant (monthly payments)		0.06813	
Equity Dividend Rate (EDR)		7.50%	
Mortgage Requirement	65%	x	0.06813 = 0.04429
Equity Requirement	35%	x	0.07500 = 0.02625
	100%		0.07054
<b>Indicated OAR:</b>			<b>7.10%</b>
Compiled by CBRE			

## Debt Coverage Ratio Method

The debt coverage ratio (DCR) is the ratio of net operating income to annual debt service and measures the ability of a given property to meet its debt service out of net operating income. Utilizing data obtained from knowledgeable mortgage finance professionals, the subject's projected NOI can be tested for reasonableness against the market's typical loan parameters to determine if the DCR is positive. This analysis is shown in the following table:

<b>DEBT COVERAGE RATIO ANALYSIS</b>	
Estimated Replacement Cost*	\$92,999,350
Mortgage Ratio (Loan-to-Value)	65%
Estimated Mortgage Loan Amount	\$60,449,578
Mortgage Interest Rate	5.50%
Mortgage Term (Amortization Period)	30 Years
Mortgage Constant (monthly payments)	0.06813
Annual Debt Service (monthly payments)	\$4,118,713
Estimated NOI - As Restricted without Abatement	\$4,442,334
Estimated Debt Coverage Ratio (DCR)	1.08
Market Debt DCR	1.25
Positive DCR? (Y or N)	No
Compiled by CBRE	
Concluded Direct & Indirect Cost + 15% Profit	

As Proposed Restricted, Without an Abatement, the indicated DCR is 1.08 – indicating the development is not feasible absent the abatement.

## NOI Summary – As Proposed Restricted, with Abatement

A summary of the estimated net operating income is illustrated in the following chart.

<b>DIRECT CAPITALIZATION SUMMARY - AS PROPOSED RESTRICTED, WITH ABATEMENT</b>			
		\$/Unit/Yr	Total
<b>Income</b>			
Potential Rental Income		\$25,055	\$8,368,236
Loss to Lease	0.00%	0	-
Concessions	1.00%	(251)	(83,682)
<b>Adjusted Rental Income</b>		<b>\$24,804</b>	<b>\$8,284,554</b>
Vacancy	6.00%	(1,488)	(497,073)
Credit Loss	0.50%	(124)	(41,423)
<b>Net Rental Income</b>		<b>\$23,192</b>	<b>\$7,746,058</b>
Other Income		875	292,250
Parking Income		0	-
RUBS/Utility Income		800	267,200
<b>Effective Gross Income</b>		<b>\$24,867</b>	<b>\$8,305,508</b>
<b>Expenses</b>			
Real Estate Taxes		\$0	\$0
Property Insurance		920	307,280
Utilities		1,250	417,500
Administrative & General		325	108,550
Repairs & Maintenance		1,050	350,700
Management Fee	2.50%	622	207,638
Payroll		1,650	551,100
Non-Revenue Units		150	50,100
Advertising & Leasing		350	116,900
Gross Sales Receipts Tax	0.331%	82	27,491
Other		75	25,000
Ground Rent		619	206,691
Replacement Reserves		200	66,800
<b>Total Operating Expenses</b>		<b>\$7,293</b>	<b>\$2,435,750</b>
<b>Operating Expense Ratio</b>			29.33%
<b>Net Operating Income</b>		<b>\$17,574</b>	<b>\$5,869,757</b>

Compiled by CBRE

## Band of Investment

The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table. The cited mortgage rate and terms are derived from the weekly quoted CBRE Multifamily Finance Update and current rates as reported by Northmarq. The EDR represents the preferred returns currently being offered to potential investors. This information is obtained from investment memos issued by institutional advisors or private syndicators soliciting equity for similar assets. The typical range in the local market is currently 7.0% to 8.0%.

<b>BAND OF INVESTMENT</b>			
Mortgage Interest Rate		5.50%	
Mortgage Term (Amortization Period)		30 Years	
Mortgage Ratio (Loan-to-Value)		65%	
Mortgage Constant (monthly payments)		0.06813	
Equity Dividend Rate (EDR)		7.50%	
Mortgage Requirement	65%	x	0.06813 = 0.04429
Equity Requirement	35%	x	0.07500 = 0.02625
	100%		0.07054
<b>Indicated OAR:</b>			<b>7.10%</b>
Compiled by CBRE			

## Debt Coverage Ratio Method

The debt coverage ratio (DCR) is the ratio of net operating income to annual debt service and measures the ability of a given property to meet its debt service out of net operating income. Utilizing data obtained from knowledgeable mortgage finance professionals, the subject's projected NOI can be tested for reasonableness against the market's typical loan parameters to determine if the DCR is positive. This analysis is shown in the following table:

<b>DEBT COVERAGE RATIO ANALYSIS</b>	
Estimated Replacement Cost*	\$92,999,350
Mortgage Ratio (Loan-to-Value)	65%
Estimated Mortgage Loan Amount	\$60,449,578
Mortgage Interest Rate	5.50%
Mortgage Term (Amortization Period)	30 Years
Mortgage Constant (monthly payments)	0.06813
Annual Debt Service (monthly payments)	\$4,118,713
Estimated NOI - As Restricted with Abatement	\$5,869,757
Estimated Debt Coverage Ratio (DCR)	1.43
Market Debt DCR	1.25
Positive DCR? (Y or N)	Yes
Compiled by CBRE	
Concluded Direct & Indirect Cost + 15% Profit	

**As Proposed Restricted, With an Abatement, the indicated DCR is 1.43 – indicating the development is feasible as proposed.**

## NOI Summary – As Market Rate, Without Abatement

A summary of the estimated net operating income is illustrated in the following chart.

<b>DIRECT CAPITALIZATION SUMMARY - AS MARKET RATE, WITHOUT ABATEMENT</b>			
		\$/Unit/Yr	Total
<b>Income</b>			
Potential Rental Income		\$25,969	\$8,673,600
Loss to Lease	0.00%	0	-
Concessions	1.00%	(260)	(86,736)
<b>Adjusted Rental Income</b>		<b>\$25,709</b>	<b>\$8,586,864</b>
Vacancy	6.00%	(1,543)	(515,212)
Credit Loss	0.50%	(129)	(42,934)
<b>Net Rental Income</b>		<b>\$24,038</b>	<b>\$8,028,718</b>
Other Income		875	292,250
Parking Income		0	-
RUBS/Utility Income		800	267,200
<b>Effective Gross Income</b>		<b>\$25,713</b>	<b>\$8,588,168</b>
<b>Expenses</b>			
Real Estate Taxes		\$4,274	\$1,427,423
Property Insurance		920	307,280
Utilities		1,250	417,500
Administrative & General		325	108,550
Repairs & Maintenance		1,050	350,700
Management Fee	2.50%	643	214,704
Payroll		1,650	551,100
Non-Revenue Units		150	50,100
Advertising & Leasing		350	116,900
Gross Sales Receipts Tax	0.331%	82	27,491
Other		0	-
Ground Rent		0	-
Replacement Reserves		200	66,800
<b>Total Operating Expenses</b>		<b>\$10,894</b>	<b>\$3,638,549</b>
Operating Expenses Excluding Taxes		\$6,620	\$2,211,125
<b>Operating Expense Ratio</b>			42.37%
<b>Net Operating Income</b>		<b>\$14,819</b>	<b>\$4,949,619</b>
Compiled by CBRE			

## Band of Investment

The Mortgage Interest Rate and the Equity Dividend Rate (EDR) are based upon current market yields for similar investments. The analysis is shown in the following table. The cited mortgage rate and terms are derived from the weekly quoted CBRE Multifamily Finance Update and current rates as reported by Northmarq. The EDR represents the preferred returns currently being offered to potential investors. This information is obtained from investment memos issued by institutional advisors or private syndicators soliciting equity for similar assets. The typical range in the local market is currently 7.0% to 8.0%.

<b>BAND OF INVESTMENT</b>			
Mortgage Interest Rate		5.50%	
Mortgage Term (Amortization Period)		30 Years	
Mortgage Ratio (Loan-to-Value)		65%	
Mortgage Constant (monthly payments)		0.06813	
Equity Dividend Rate (EDR)		7.50%	
Mortgage Requirement	65%	x	0.06813 = 0.04429
Equity Requirement	35%	x	0.07500 = 0.02625
	100%		0.07054
<b>Indicated OAR:</b>			<b>7.10%</b>
Compiled by CBRE			

## Debt Coverage Ratio Method

The debt coverage ratio (DCR) is the ratio of net operating income to annual debt service and measures the ability of a given property to meet its debt service out of net operating income. Utilizing data obtained from knowledgeable mortgage finance professionals, the subject's projected NOI can be tested for reasonableness against the market's typical loan parameters to determine if the DCR is positive. This analysis is shown in the following table:

<b>DEBT COVERAGE RATIO ANALYSIS</b>	
Estimated Replacement Cost*	\$92,999,350
Mortgage Ratio (Loan-to-Value)	65%
Estimated Mortgage Loan Amount	\$60,449,578
Mortgage Interest Rate	5.50%
Mortgage Term (Amortization Period)	30 Years
Mortgage Constant (monthly payments)	0.06813
Annual Debt Service (monthly payments)	\$4,118,713
Estimated NOI - As Market Rate without Abatement	\$4,949,619
Estimated Debt Coverage Ratio (DCR)	1.20
Market Debt DCR	1.25
Positive DCR? (Y or N)	No
Compiled by CBRE	
Concluded Direct & Indirect Cost + 15% Profit	

As a market rate development, without an abatement and/or ground rent, the indicated DCR is 1.20 – indicating the development is not feasible.

# Community Benefit Analysis

At the request of the client, we have provided an analysis of the net community benefit of the proposed project over a 10-year period after stabilization. The analysis of both the 10-year community investment and benefits are presented on the following pages.

## Community Investment

The 10-year community investments in the form of property tax offsets and sales tax savings are analyzed in the following sections.

### Property Tax Offset

The subject project will receive a 100% property tax exemption by meeting the requirements of Texas Local Government Code Chapter 303. The projected 10-year tax savings/offset are based on the Year 1 taxes as if not exempt, increased by 3.0% annually.

10-YEAR PROPERTY TAX OFFSET	
Year	Amount
1	\$1,427,423
2	\$1,470,246
3	\$1,514,353
4	\$1,559,784
5	\$1,606,577
6	\$1,654,775
7	\$1,704,418
8	\$1,755,551
9	\$1,808,217
10	\$1,862,464
<b>Total</b>	<b>\$16,363,808</b>

Compiled by CBRE

### Sale Tax Savings

The sales tax savings of \$1,843,797 has been based on 35% of the developer's hard costs multiplied by the sales tax rate of 8.25%. CBRE's estimate is somewhat less than the developer's internal projection of \$2,048,409.

## Community Benefit

The 10-year community benefits in the form of the financial returns to the PFC and rental benefits to the subject's residents are analyzed in the following sections.

### Capital Event (Assumed Year 5 Sale)

As of an "Initial Sale Event", the subject PFC shall receive 1.0% of the gross sale price.

Based on instruction from the client, we have assumed a Year-5 Initial Sale Event. For the purposes of calculating the Community Benefit, CBRE has utilized the developer's projected reversionary Year-6 NOI.

The 5.00% exit capitalization is +/-25 bps above current market capitalization rates and is deemed to be reasonable. The reversionary NOI has been based on 3.0% annual growth applied to the 'As Proposed Restricted, With Abatement' NOI presented herein. The reversionary NOI has not otherwise been analyzed by CBRE and the calculated Gross Sale Price does not represent a prospective opinion of value. The Gross Sale Price has been presented only as an interim calculation within the Community Benefit Analysis.

The calculated net sale proceeds to the PFC are summarized in the table below.

<b>NET SALE PROCEEDS TO PFC (ASSUMED YEAR-5 SALE)</b>		
Yr. 6 projected NOI		\$6,804,658
Exit Cap Rate		5.00%
Calculated Gross Sale Price		\$136,093,152
<b>1% of Gross Sale Price</b>	<b>1.0%</b>	<b>\$1,360,932</b>
Compiled by CBRE		

### Miscellaneous Fees

The term sheet outlines \$496,161 in miscellaneous fees due by the developer.

### PFC Structuring Fee

The PFC origination fee is \$250,000.

### PFC Sales Tax Saving Fee

The developer is to pay the PFC 10% of the sales tax savings calculated previously.

### Ground Rent and Asset Management Fee

The Year 1 ground rent was previously concluded to be \$206,691 within the Feasibility Analysis section of this report. This figure has been grown at 3.0% per year. The asset management fee is \$25,000 and has also been grown at 3.0% per year.

<b>10-YEAR GROUND RENT &amp; ASSET MANAGEMENT FEE</b>		
Year	Ground Lease Amount	AM Fee Amount
1	\$206,691	\$25,000
2	\$212,892	\$25,750
3	\$219,279	\$26,523
4	\$225,857	\$27,318
5	\$232,633	\$28,138
6	\$239,612	\$28,982
7	\$246,800	\$29,851
8	\$254,204	\$30,747
9	\$261,830	\$31,669
10	\$269,685	\$32,619
<b>Total</b>	<b>\$2,369,484</b>	<b>\$286,597</b>
Compiled by CBRE		

## Reduced Rents

The 10-year reduced rents are based on the Year 1 Gross Potential Rent at 100% market rates less the Year 1 Gross Potential Rent inclusive of the affordability restrictions associated with the subject's ground lease. We have taken the following third-party rent growth projections into account in projecting the subject's market rent growth.

<b>RENT GROWTH PROJECTIONS - AUSTIN MULTIFAMILY</b>			
Year	Axiometrics	Costar	Econometric Advisors
1	0.8%	1.4%	0.9%
2	2.8%	2.0%	2.2%
3	2.6%	1.7%	3.7%
4	3.0%	1.8%	4.5%
5	3.1%	1.9%	5.1%
Average	2.5%	1.8%	3.3%

Compiled by CBRE

Based on the above survey data, market rents have been grown at 3.0% per annum over years 2 through 10. Restricted rents have also been grown at 3.0% per annum.

<b>10-YEAR REDUCED RENT SAVINGS</b>			
Year	Market Rent	Restricted Rent	Rents Savings
1	\$8,673,600	\$8,368,236	\$305,364
2	\$8,933,808	\$8,619,283	\$314,525
3	\$9,201,822	\$8,877,862	\$323,961
4	\$9,477,877	\$9,144,197	\$333,679
5	\$9,762,213	\$9,418,523	\$343,690
6	\$10,055,080	\$9,701,079	\$354,001
7	\$10,356,732	\$9,992,111	\$364,621
8	\$10,667,434	\$10,291,875	\$375,559
9	\$10,987,457	\$10,600,631	\$386,826
10	\$11,317,081	\$10,918,650	\$398,431
Total			\$3,500,656

Compiled by CBRE

## Community Benefit Summary

The 10-year total community investment and benefit are summarized in the following table. The indicated % return to the community over 10 years is \$8,448,210 or 46.4%.

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**COMMUNITY BENEFIT SUMMARY**


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**COMMUNITY INVESTMENT**

Est. 10-Year Property Tax Offset	\$16,363,808
Est. Sale Tax Savings	1,843,797
<b>10-Year Total Community Investment</b>	<b>\$18,207,605</b>

**COMMUNITY BENEFIT****Financial Return to PFC**

Capital Event (Assumed Yr. 5 Sale)	\$1,360,932
Miscellaneous Fees	496,161
PFC Asset Management Fee	286,597
PFC Structuring Fee	250,000
PFC Sales Tax Saving Fee (10% of Total Savings)	184,380
Ground Rent (10 Years)	2,369,484
Subtotal	\$4,947,554

**Rental Benefit to Residents**

10-Year Reduced Rents	\$3,500,656
<b>10-Year Total Community Benefit</b>	<b>\$8,448,210</b>
% Return to Community (10 Years)	46.4%

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 Compiled by CBRE
 

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# Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
  - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
  - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
  - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
  - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
  - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
  - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
  - (vii) 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 readily obtained or renewed for any use on which the Report is based.
  - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
  - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
  - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
  - (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

# Addenda

# Addendum A

## Rent Comparables

Property Name The Blockyard  
 Address 1909 Alexander Ave  
 Austin, TX 78722  
 United States

Government Tax Agency Travis  
 Govt./Tax ID 888296

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	10	3%	400	\$1,230	\$3.08
Studio	13	4%	438	\$1,276	\$2.91
Studio	16	5%	450	\$1,281	\$2.85
Studio	22	6%	489	\$1,379	\$2.82
1BR/1BA	30	9%	666	\$1,594	\$2.39
1BR/1BA	30	9%	673	\$1,712	\$2.54
1BR/1BA	20	6%	701	\$1,725	\$2.46
1BR/1BA	79	23%	763	\$1,743	\$2.28
1BR/1BA	9	3%	777	\$2,113	\$2.72
1BR/1BA	5	1%	813	\$2,145	\$2.64
1BR/1BA	5	1%	827	\$2,212	\$2.67
1BR/1BA	14	4%	953	\$2,073	\$2.18
2BR/2BA	31	9%	1,081	\$2,652	\$2.45
1BR/1.5BA	2	1%	1,155	\$3,010	\$2.61
1BR/2BA	10	3%	1,166	\$2,622	\$2.25
2BR/2BA	25	7%	1,260	\$2,887	\$2.29
2BR/2BA	5	1%	1,332	\$3,143	\$2.36
1BR/1.5BA	5	1%	1,378	\$3,089	\$2.24
2BR/2BA	11	3%	1,454	\$3,364	\$2.31
1BR/1.5BA	1	0%	1,608	\$3,554	\$2.21
1BR/1.5BA	1	0%	1,652	\$3,350	\$2.03
<b>Totals/Avg</b>	<b>344</b>			<b>\$1,984</b>	<b>\$2.42</b>

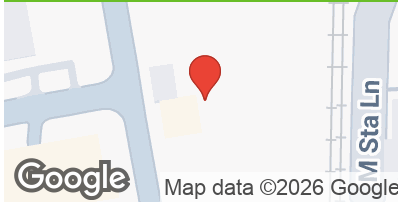


**Improvements**

Land Area	4.045 ac	Status	Existing
Net Rentable Area (NRA)	282,439 sf	Year Built	2024
Total # of Units	344 Unit	Year Renovated	N/A
Average Unit Size	821 sf	Condition	Excellent
Floor Count	5	Exterior Finish	Brick Veneer
Property Features	Elevators, On-Site Management, Structured Parking		
Project Amenities	Business Center, Clubhouse, Conference Room, Dog Grooming Station, Dog Park / Run, Fitness Center, Pool		
Unit Amenities	Quartz Countertops, Stainless Steel Appliances, Vinyl Flooring		

**Rental Survey**

Occupancy	92%	Utilities Included in Rent	None
Lease Term	12 - 15 Mo(s).	Rent Premiums	See comments
Tenant Profile	Professional	Concessions	50% Off Rent for the First 3 Months or 6 Weeks Free Upfront
Survey Date	03/2026	Owner	CBRE Investment Management
Survey Notes	None	Management	Willow Bridge

**Map & Comments**

The Blockyard is situated on the northeast corner of Alexander Ave and E MLK Jr Blvd in east Austin, Texas. The comparable represents a 344-unit, 5-story, mid-rise project that was constructed in 2024. It is considered to be a Class A property in this market and was in good condition at the date of survey. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums. Concessions of 6 weeks free were quoted as of the date of survey. Tenants pay all utilities. The property offers structured parking at no additional fee.

Property Name      Laurel  
 Address              2001 Ed Bluestein Boulevard  
                             Austin, TX 78721  
                             United States

Government Tax Agency      Travis  
 Govt./Tax ID                  476381

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	10	3%	527	\$1,093	\$2.07
1BR/1BA	17	6%	590	\$1,300	\$2.20
1BR/1BA	20	7%	605	\$1,293	\$2.14
1BR/1BA	60	20%	636-653	\$1,227-\$1,402	\$2.04
1BR/1BA	30	10%	667-692	\$1,285-\$1,336	\$1.93
1BR/1BA	30	10%	726	\$1,464	\$2.02
1BR/1BA	10	3%	740	\$1,586	\$2.14
1BR/1BA	26	9%	745-772	\$1,440-\$1,449	\$1.90
1BR/1BA	34	11%	828-866	\$1,506-\$1,610	\$1.84
1BR/1BA	5	2%	960	\$1,861	\$1.94
1BR/1BA	5	2%	979	\$1,704	\$1.74
2BR/2BA	5	2%	1,084	\$1,827	\$1.69
2BR/2BA	10	3%	1,101-1,103	\$1,818-\$1,918	\$1.70
2BR/2BA	7	2%	1,176	\$2,109	\$1.79
2BR/2BA	4	1%	1,187	\$2,073	\$1.75
2BR/2BA	11	4%	1,218	\$2,011	\$1.65
2BR/2BA	2	1%	1,236	\$1,891	\$1.53
2BR/2BA	7	2%	1,239-1,294	\$1,929-\$2,138	\$1.61
2BR/2BA	3	1%	1,337-1,388	\$1,951-\$2,457	\$1.62
3BR/2BA	3	1%	1,412-1,446	\$2,019-\$2,448	\$1.56
2BR/2BA	1	0%	1,504	\$2,023	\$1.35
<b>Totals/Avg</b>	<b>300</b>			<b>\$1,505</b>	<b>\$1.90</b>



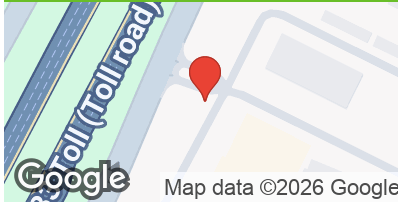
**Improvements**

Land Area	9.220 ac	Status	Existing
Net Rentable Area (NRA)	237,813 sf	Year Built	2021
Total # of Units	300 Unit	Year Renovated	N/A
Average Unit Size	793 sf	Condition	Good
Floor Count	4	Exterior Finish	Fiber Cement Board
Property Features	Carports, Detached Garages, Elevators, Surface Parking		
Project Amenities	Barbeque Area, Business Center, Clubhouse, Conference Room, Dog Park / Run, Fitness Center, Pool, Storage Units		
Unit Amenities	Carpeted Flooring, Dishwasher, Garbage Disposal, Microwave Oven, Plank Flooring, Quartz Countertops, Range / Oven, Refrigerator with Icemaker, Stainless Steel Appliances		

**Rental Survey**

Occupancy	96%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	See comments
Tenant Profile	Varies	Concessions	8 Weeks Free
Survey Date	03/2026	Owner	N/A
Survey Notes	See comments	Management	Greystar

Map & Comments



Laurel is located along Ed Bluestein Boulevard/Highway 183 in east Austin, Texas. The comparable represents a 300-unit, four-story, garden-style complex that was constructed in 2021. It is considered to be a Class A property in this market and was in good condition at the date of survey. Units include quartz countertops, stainless steel appliances, and faux wood/carpet flooring. The project includes typical Class A community amenities. Rents are set by rent optimizing software and are inclusive of all concessions and premiums. Concessions of 8 weeks free were offered as of the date of survey. Tenants pay all utilities. Detached garages are available for \$150 per month and carports are available for \$50 per month.

# Comparable

# Residential - Multi-unit Mid / High Rise

# No. 3

Property Name Lenox 7th  
 Address 4910 E. 7th Street  
 Austin, TX 78702  
 United States

Government Tax Agency Travis  
 Govt./Tax ID 190083

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	19	7%	528	\$1,481	\$2.80
1BR/1BA - AFF	28	10%	528	\$1,311	\$2.48
1BR/1BA	43	15%	644	\$1,729	\$2.68
1BR/1BA	40	14%	672	\$1,723	\$2.56
1BR/1BA	34	12%	728	\$1,781	\$2.45
1BR/1BA	25	9%	766	\$1,990	\$2.60
1BR/1BA - TH	1	0%	818	\$2,882	\$3.52
1BR/1BA	3	1%	819	\$2,182	\$2.66
1BR/1BA	14	5%	836	\$2,045	\$2.45
1BR/1BA	7	3%	885	\$2,100	\$2.37
1BR/1BA	6	2%	903	\$2,197	\$2.43
1BR/1BA	1	0%	918	\$2,678	\$2.92
1BR/1BA	6	2%	921	\$2,767	\$3.00
1BR/1.5BA - TH LW	3	1%	1,057	\$2,582	\$2.44
2BR/2BA - LW	13	5%	1,064	\$2,476	\$2.33
2BR/2BA	37	13%	1,157	\$2,588	\$2.24
<b>Totals/Avg</b>	<b>280</b>			<b>\$1,926</b>	<b>\$2.50</b>



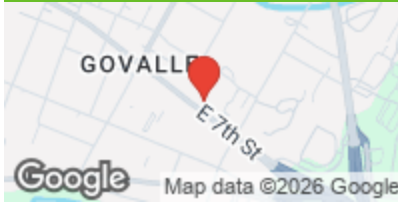
### Improvements

Land Area	4.086 ac	Status	Existing
Net Rentable Area (NRA)	215,606 sf	Year Built	2021
Total # of Units	279 Unit	Year Renovated	N/A
Average Unit Size	773 sf	Condition	Excellent
Floor Count	5	Exterior Finish	Brick
Property Features	Gated / Controlled Access, On-Site Management, Structured Parking		
Project Amenities	Barbeque Area, Business Center, Clubhouse, Conference Room, Courtyard, Dog Grooming Station, Dog Park / Run, Fitness Center, Game Room, Pool, Roof Deck / Terrace, Storage Units		
Unit Amenities	Keyless Entry, Plank Flooring, Quartz Countertops, Stainless Steel Appliances, Stand-up Shower, Tile Backsplash, Washer / Dryer		

### Rental Survey

Occupancy	93%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	See Comments
Tenant Profile	Young Professional	Concessions	8 weeks free on 13 months+ lease
Survey Date	03/2026	Owner	N/A
Survey Notes	None	Management	ZRS Management

## Map &amp; Comments



Lenox 7th is located along E. 7th Street approximately one-half mile west of its intersection with Highway 183 in east-central Austin, Texas. The comparable represents a 279-unit, five-story, mid-rise project that was constructed in 2021. 28 of the units are considered affordable units. It is considered to be a Class A property in this market and was in excellent condition at the date of survey. Units include quartz countertops with tile backsplashes, stainless appliances, and faux wood flooring. The project includes Class A community amenities including two pools, a clubhouse, private work rooms, fitness center, etc.. Quoted rents are indicative of average effective rents including any premiums. Concessions of 8 weeks free on 13 month+ leases were quoted. Tenants pay all utilities. The project features a structured parking garage with a parking fee of \$15 per space per month.

# Comparable

# Residential - Multi-unit Mid / High Rise

# No. 4

Property Name MLK Highline  
 Address 2832 E Martin Luther King Jr Blvd  
 Austin, TX 78702  
 United States

Government Tax Agency Travis  
 Govt./Tax ID 204249

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
EFF	1	1%	572	\$1,214	\$2.12
EFF - 60% AMI	31	15%	572	\$1,199	\$2.10
EFF	7	3%	633	\$1,424	\$2.25
EFF - 60% AMI	5	2%	633	\$1,199	\$1.89
1BR/1BA	20	10%	692	\$1,534	\$2.22
1BR/1BA	50	25%	713	\$1,540	\$2.16
EFF	16	8%	746	\$1,710	\$2.29
1BR/1BA	4	2%	766	\$1,669	\$2.18
1BR/1BA	24	12%	788	\$1,807	\$2.29
1BR/1BA	27	13%	883	\$1,776	\$2.01
2BR/2BA	2	1%	947	\$1,925	\$2.03
2BR/2BA	6	3%	1,076	\$2,174	\$2.02
2BR/2BA	8	4%	1,104	\$2,150	\$1.95
Totals/Avg	201			\$1,599	\$2.14



### Improvements

Land Area	2.163 ac	Status	Existing
Net Rentable Area (NRA)	150,325 sf	Year Built	2022
Total # of Units	201 Unit	Year Renovated	N/A
Average Unit Size	748 sf	Condition	Excellent
Floor Count	5	Exterior Finish	Vinyl Siding
Property Features	Elevators, Flat Roofs, On-Site Management, Surface Parking, Under-building Parking		
Project Amenities	Clubhouse, Roof Deck / Terrace		
Unit Amenities	Quartz Countertops, Stainless Steel Appliances, Tile Backsplash, Vinyl Flooring		

### Rental Survey

Occupancy	98%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	See comments
Tenant Profile	Varies	Concessions	None
Survey Date	03/2026	Owner	UG MLK LLC
Survey Notes	None	Management	Urban Genesis

## Map &amp; Comments



MLK Highline is located at the northwest corner of E. Martin Luther King Jr Boulevard and Alexander Avenue in east central Austin, Texas. The comparable represents a 201-unit, five-story, mid-rise apartment complex that was constructed in 2022. The property also includes 9,680 SF of ground floor retail space. It is considered to be a Class A property in this market and was in excellent condition at the date of survey. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes a below average amenity package with a club room and sky deck. Rents are set by rent optimizing software and are inclusive all concessions and premiums. No concessions were offered as of the date of survey. It is noted that 10% of the GBA must be reserved for or leased to tenants whose income is no more than 60% AMI. Tenants pay all utilities.

Property Name Trailhead  
 Address 1120 Shady Lane  
 Austin, TX 78721  
 United States

Government Tax Agency Travis  
 Govt./Tax ID 192460

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	21	7%	579	\$1,277	\$2.21
Studio	4	1%	585	\$1,285	\$2.20
Studio	2	1%	588	\$1,274	\$2.17
1BR/1BA	18	6%	632	\$1,560	\$2.47
1BR/1BA	6	2%	643	\$1,560	\$2.43
1BR/1BA	2	1%	692	\$1,500	\$2.17
1BR/1BA	43	14%	703	\$1,533	\$2.18
1BR/1BA	14	5%	729-739	\$1,439-\$1,521	\$2.02
1BR/1BA	22	7%	748	\$1,597	\$2.14
1BR/1BA	24	8%	750	\$1,584	\$2.11
1BR/1BA	8	3%	761-777	\$1,557-\$1,603	\$2.05
1BR/1BA	14	5%	798	\$1,569	\$1.97
1BR/1BA	12	4%	806	\$1,757	\$2.18
1BR/1BA	18	6%	815-824	\$1,464-\$1,651	\$1.90
1BR/1BA	20	6%	842-850	\$1,697-\$1,705	\$2.01
1BR/1BA	4	1%	859	\$1,719	\$2.00
1BR/1BA	20	6%	879-884	\$1,723-\$1,768	\$1.98
2BR/2BA	15	5%	1,059-1,095	\$2,389-\$2,476	\$2.26
2BR/2BA	12	4%	1,146-1,168	\$2,501-\$2,539	\$2.18
2BR/2BA	5	2%	1,223-1,232	\$2,387-\$2,758	\$2.10
2BR/2BA	18	6%	1,304-1,350	\$2,548-\$2,711	\$1.98
3BR/2.5BA	6	2%	1,426	\$2,711	\$1.90
<b>Totals/Avg</b>	<b>308</b>			<b>\$1,745</b>	<b>\$2.10</b>



**Improvements**

Land Area	9.788 ac	Status	Existing
Net Rentable Area (NRA)	256,008 sf	Year Built	2020
Total # of Units	308 Unit	Year Renovated	N/A
Average Unit Size	831 sf	Condition	Excellent
Floor Count	3	Exterior Finish	Masonry
Property Features	Carports, Gated / Controlled Access, On-Site Management, Surface Parking		
Project Amenities	Business Center, Clubhouse, Courtyard, Dog Grooming Station, Dog Park / Run, Fitness Center, Game Room, Pool, Walking Trail, Yoga / Spin Room		
Unit Amenities	Ceiling Fans, Plank Flooring, Private Patios / Balconies, Quartz Countertops, Stainless Steel Appliances, Washer / Dryer		

**Rental Survey**

Occupancy	93%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	See Comments
Tenant Profile	Mixed Tenancy	Concessions	4 to 8 weeks free
Survey Date	03/2026	Owner	N/A
Survey Notes	None	Management	Greystar

**Map & Comments**

Trailhead Apartments are located along the east side of Decker Lane, just north of FM 969, in Austin, Texas. The comparable represents a 308-unit, garden-style complex that was constructed in 2020. Units include granite counters, stainless appliances and vinyl flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums. Concessions of four to eight weeks free are currently being offered. Tenants pay all utilities.

# Comparable

# Residential - Multi-unit Mid / High Rise

No. 6

Property Name Trailhead East  
 Address 5100 Bolm Rd  
 Austin, TX 78721  
 United States

Government Tax Agency Travis  
 Govt./Tax ID 944105

### Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	42	19%	524	\$1,408	\$2.69
Studio	23	10%	558	\$1,637	\$2.93
1BR/1BA	51	23%	644	\$1,782	\$2.77
1BR/1BA	71	32%	746	\$1,830	\$2.45
1BR/1BA	3	1%	748	\$1,702	\$2.28
1BR/1BA	5	2%	931	\$2,330	\$2.50
2BR/2BA	5	2%	985	\$2,455	\$2.49
2BR/2BA	4	2%	1,029	\$2,455	\$2.39
2BR/2BA	18	8%	1,158	\$3,010	\$2.60
Totals/Avg	222			\$1,850	\$2.61



### Improvements

Land Area	2.542 ac	Status	Existing
Net Rentable Area (NRA)	362,492 sf	Year Built	2024
Total # of Units	222 Unit	Year Renovated	N/A
Average Unit Size	1,633 sf	Condition	Excellent
Floor Count	5	Exterior Finish	Fiber Cement Plank
Property Features	Elevators, On-Site Management, Structured Parking		
Project Amenities	Business Center, Clubhouse, Conference Room, Dog Grooming Station, Dog Park / Run, Fitness Center, Pool, Walking Trail		
Unit Amenities	Plank Flooring, Quartz Countertops, Stainless Steel Appliances		

### Rental Survey

Occupancy	78%	Utilities Included in Rent	None
Lease Term	12 - 15 Mo(s).	Rent Premiums	See comments
Tenant Profile	Young Professional	Concessions	Up to 10 weeks free lease-up concession
Survey Date	03/2026	Owner	SI4 Airport
Survey Notes	None	Management	N/A

**Map & Comments**

Trailhead east is situated on the northeast corner of Bolm Rd and Shady Ln in east Austin, Texas. The comparable represents a 222-unit, 5-story, mid-rise complex that was constructed in 2024. It is considered to be a Class A property in this market and was in good condition at the date of survey. Note if recently renovated. Units include quartz countertops, stainless appliances, and faux wood flooring. The project includes typical Class A community amenities. Quoted rents are indicative of average effective rents including any premiums but prior to lease-up concessions. Lease-up concessions of 10 weeks free were quoted as of the date of survey. Tenants pay all utilities. The property includes structured parking for no extra fee.

# Addendum B

## Subject Property Data



## Development Budget

	Total	Closing	Start Month	Duration
<b>Acquisition/Offsite Costs</b>				
Land	-	-	1	1
Non-Negotiated Extension	-	-	1	1
Stearns Land Closing Costs (If Taken Down Early)	-	-	1	1
Closing Extension	-	-	1	1
Off-Site Improvements	-	-	1	1
Environmental Remediation	-	-	1	1
Other	-	-	1	1
Other	-	-	1	1
Other	-	-	1	1
<b>Total Acquisition/Offsite Costs</b>	-	-		
<b>Construction</b>				
Contingency (3.00%)	1,739,812	-	2	26
Site Work	5,311,900	-	1	7
New Construction	49,658,390	-	5	23
General Conditions	3,023,448	-	1	27
Other	-	-	1	7
Other	-	-	2	26
Other	-	-	2	26
Other	-	-	2	26
General Insurance & Overhead	1,134,202	-	2	26
<b>Per Unit Contractor Fee (5.00%)</b>	<b>2,986,678</b>	-	<b>2</b>	<b>26</b>
<b>191,181 Total Construction</b>	<b>63,854,430</b>	-		
<b>Pre-Development Costs</b>				
Environmental Site Assessment: Phase I & Phase I Update	3,000	3,000	1	1
Environmental Site Assessment: Phase II	4,750	4,750	1	1
Demolition Study - Asbestos, Haz Waste, Cost, Sequencing	280,370	280,370	1	1
Wetlands And Waters Of The Us Assessment	4,500	4,500	1	1
Wetlands Delineation And Permitting	-	-	1	1
Threatened And Endangered Species Assessment	-	-	1	1
Archaeological / Historical Survey	-	-	1	1
Noise Study	-	-	1	1
Traffic Impact Analysis	5,340	5,340	1	1
Floodplain/ Wetland Study	-	-	1	1
Architectural And Engineering Inspection (Phased Existing C	-	-	1	1
Geotechnical Engineering Services	31,900	31,900	1	1
Property Survey	59,750	59,750	1	1
Civil Engineering-Platting	20,000	20,000	1	1
Fiscal Impact / Tax Analysis	14,500	14,500	1	1
Market Study	20,000	20,000	1	1
Comprehensive / Master Plan Amendment	-	-	1	1
Rezoning, Use Variance, Waiver	-	-	1	1
Development Consultant	-	-	1	1
Engineering Due Diligence / Feasibility Study	314,250	314,250	1	1
Architect Conceptual Design	32,950	32,950	1	1
Landscape Architect Conceptual Design	18,160	18,160	1	1
Civil Engineering / Site Planning Conceptual Design	2,500	2,500	1	1
Concrete & Soil & Other Testing Outside Construction Cont	175,000	175,000	1	1
Radon Testing	7,000	7,000	1	1
Pitch Book	600	600	1	1
Other	-	-	1	6
<b>Total Pre-Development Costs</b>	<b>994,570</b>	<b>994,570</b>		
<b>Architect/Engineering</b>				
Architectural Design	872,900	872,900	1	1
Architect - Construction Administration	225,800	225,800	1	27
Reimbursable Expenses - Architect	7,000	7,000	1	1
Civil Engineering Services	421,376	421,376	1	1
Retaining Wall Design	10,000	10,000	1	1
Reimbursable Expenses - Engineer	4,000	4,000	1	1
Civil Engineer - Construction Administration	23,000	23,000	1	27
Landscape Architectural Design	127,750	127,750	1	1
Landscape Architectural-Reimbursements	2,000	2,000	1	1
Landscape Additional Services	2,500	2,500	1	27
Landscape Architectural - Construction Administration	18,000	18,000	1	1
Pool Design	48,608	48,608	1	1
Structural Engineering Services	125,000	125,000	1	1
Mep Engineering Services	5,995	5,995	1	1
Interior Design Fee	142,500	142,500	1	1
Low-Voltage	25,500	25,500	1	1
Environmental Graphic Design Consultant	-	-	1	1
Energy/ Green Design Consultant	-	-	1	1
Acoustic Consultant	-	-	1	1
Water Proofing Consultant	95,000	95,000	1	1
Fire Sprinkler/ Alarm Consultant	43,300	43,300	1	1
Demolition Design Drawings	-	-	1	1
Accessibility Consultant	37,900	37,900	1	1
Other	-	-	1	1
<b>Total Architect/Engineering</b>	<b>2,238,129</b>	<b>2,238,129</b>		

Permits & Impact Fees				
Application Fees	–	–	1	1
Bonds	600	600	1	1
Impact Fees	627,021	627,021	1	1
Inspection Fees	–	–	1	1
License Fees	–	–	1	1
Permits Fees	455,950	455,950	1	1
Review Fees	18,000	18,000	1	1
Tap Fees	24,356	24,356	1	1
Utility Fees	394,163	394,163	1	1
Other Permits And Fees	50,000	50,000	1	1
<b>Total Permits &amp; Impact Fees</b>	<b>1,570,090</b>	<b>1,570,090</b>		
Furniture, Fixtures & Equipment				
Clubhouse Furnishings / Installation / Shipping/ Design Serv.	350,000	–	8	3
Model Furnishings	85,000	–	8	3
Clubhouse Specialties	55,000	–	8	3
Fitness Equipment	–	–	8	1
Office Equipment & Furnishings	225,000	–	8	1
Pool Furnishings	200,000	–	8	3
Vehicles (Golf Carts)	–	–	8	1
Maintenance Equipment	25,000	–	8	3
Signage Production	–	–	8	1
Temp Leasing Office	25,500	–	8	1
Unit Furnishings	–	–	8	1
<b>Total Furniture, Fixtures &amp; Equipment</b>	<b>965,500</b>	<b>–</b>		
Marketing				
Logo Design	110,000	–	12	1
Paid Media	30,000	–	21	1
Events & Promotional Items	5,409	–	18	1
Signage	40,000	–	18	1
Lease Up & Marketing	–	–	18	6
Other Marketing/Leasing	–	–	18	6
Marketing Technology	–	–	18	1
Management Set Up Fee	25,000	–	18	1
Other Marketing	108,000	–	18	19
Management Lease-up Fee	100,000	–	36	1
<b>Total Marketing</b>	<b>418,409</b>	<b>–</b>		
Legal & Professional Services				
Appraisal	6,500	6,500	1	1
Accounting	250,000	250,000	1	1
Senior Lenders Counsel	125,000	125,000	1	1
Owners Counsel	600,000	600,000	1	1
Investors Counsel	200,000	200,000	1	1
Title/Recording/Closing Fees	285,035	285,035	1	1
Inspecting Architect	100,000	100,000	1	1
PFC Structuring Fee	250,000	250,000	1	1
Lender Due Diligence	15,000	15,000	1	1
Organizational / Pre-Development Interest	101,467	101,467	1	1
PFC Legal	200,000	200,000	1	1
Investor Due Diligence	33,450	–	36	1
<b>Total Legal &amp; Professional Services</b>	<b>2,166,452</b>	<b>2,133,002</b>		
Other Development Costs				
Builders Risk	849,205	849,205	1	1
Project Security	8,500	8,500	1	1
PFC GC Management Fee	217,988	108,994	27	1
<b>Total Other Development Costs</b>	<b>1,075,692</b>	<b>966,698</b>		
Development Fee	2,846,165	569,233		
Soft Cost Contingency	1,650,298	–	1	27
Interest & Operating Reserves				
Construction Interest	1,840,763	–		
Land Broker - Cushman & Wakefield	296,161	–	1	1
Property Taxes	–	–		
Construction Loan Origination	441,867	441,867	1	1
Other Reserve	–	–	1	1
Owner Change Order Contingency	2,068,957	–	1	27
Operating Deficit	1,737,695	–		
Blank	–	–	14	7
<b>Total Reserves &amp; Other</b>	<b>6,385,443</b>	<b>441,867</b>		
<b>Total Development Costs</b>	<b>84,165,178</b>			

# Addendum C

## Memorandum of Understanding

**TERM SHEET FOR THE DEVELOPMENT OF  
ANITA COY APARTMENTS (WEST)**

**IN TRAVIS COUNTY, TEXAS**

**November 23, 2024**

This Term Sheet addresses the terms for the development and financing of the Project (hereafter defined). This Term Sheet is not meant to be an exhaustive document and will be replaced and superseded by definitive documentation, including but not limited to a Lease Agreement, a Development Agreement and a Regulatory Agreement. No legally binding obligations on either party will be created, implied or inferred until documents in final form are executed and delivered by all parties in a form acceptable to each party, in each party's sole and absolute discretion. This Term Sheet replaces all previous understandings and agreements, written or oral, with respect to the Project.

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The Project will be owned by Austin Independent School District Public Facility Corporation, a public facility corporation formed by Austin Independent School District (said public facility corporation referred to herein as "**AUSTIN ISD PFC**"). The Land is owned by Austin Independent School District ("**AISD**") and will be conveyed to AUSTIN ISD PFC for nominal consideration. AUSTIN ISD PFC will at Closing simultaneously enter into a lease with the Tenant. Tenant will be responsible for the development and construction of the Improvements and the costs associated therewith. The Land and Improvements will be leased to Tenant pursuant to a long-term lease. An NRP affiliate will be a limited partner of Tenant.

The Board of Directors of AUSTIN ISD PFC authorized AISD as the Administrator of AUSTIN ISD PFC to negotiate and execute this Term Sheet for the Project pursuant to Agenda Item 4.4 on October 10, 2024 (the "**Inducement Date**"), indicating the Board's preliminary approval of the Project subject to the negotiation of a Lease Agreement, a Development Agreement and a Regulatory Agreement and any other documents required for the development of the Project.

**Ad Valorem**

**Tax Exemption:** AUSTIN ISD PFC shall be responsible for obtaining a 100% property tax exemption for the Project for an initial 60-year period (the "**Initial Exemption Period**"), excluding any taxes imposed by a conservation and reclamation district created under Section 52, Article III or Section 59, Article XVI of the Texas Constitution. Within a reasonable time after Closing, AUSTIN ISD PFC will submit closing documents to the appraisal district, subject to NRP's delivery to AUSTIN ISD PFC of any information or documents. Pursuant to the Lease, if the ad valorem tax exemption with respect to the Project is lost ("**Loss of Tax Status Event**") for any reason, including the expiration of the tax exemption at sixty (60) years pursuant to Texas Local Government Code Chapter 303, excluding the failure of the Tenant to meet the requirements of Texas Local Government Code Chapter 303, then AUSTIN ISD PFC, as Landlord, will convey any right, title or interest of the AUSTIN ISD PFC in the Project to Tenant, but expressly excluding the Land which will be retained by the AUSTIN ISD PFC and the Lease will convert to a traditional ground lease

and the affordability requirements and tax exemption will terminate, and from and after such conveyance, Tenant shall pay to AUSTIN ISD PFC the Ground Rent in lieu of Capital Event Rent and Annual Rent as such terms are hereinafter defined (collectively, the “**PFC Rents**”). Notwithstanding the foregoing Ground Rent shall not be payable in the event that the Loss of Tax Status Event arises out of the fraud, willful misconduct or a breach of the Lease by Landlord as determined by a court of competent jurisdiction. In the event of a Loss of Tax Status Event, prior to the transfers described in the preceding sentence, AUSTIN ISD PFC and Tenant shall use reasonable efforts to modify the structure to allow the ad valorem tax exemption to continue, but in no event shall AUSTIN ISD PFC be required to relinquish its fee simple ownership of the Land.

No later than three (3) years prior to the expiration of the Initial Exemption Period AUSTIN ISD PFC shall reasonably cooperate to seek approval for the extension of the exemption following the end of the Initial Exemption Period as allowed pursuant to Texas Local Government Code Chapter 303.

As used herein “**Ground Rent**” means the annual rent payable by Tenant to AUSTIN ISD PFC, as Landlord, for the use and occupancy of the Land, expressly excluding the value of any improvements on the Land constructed by Tenant. Ground Rent shall be based solely on the fair market rental value of the unimproved Land as if vacant and available for development for the uses permitted under the Lease without any tax exemption or affordability requirements, all of which would be terminated Upon a Loss of Tax Status Event.

The Ground Rent shall be determined as follows:

a. Negotiation Period: For a period thirty (30) days following the date that the Lease converts to a ground lease as herein provided, Landlord and Tenant shall negotiate in good faith to agree upon the Ground Rent for the upcoming renewal term.

b. Baseball Arbitration: If Landlord and Tenant fail to reach an agreement on the Ground Rent during the negotiation period, the Ground Rent shall be determined through a baseball arbitration process as follows:

- i. Appointment of Appraisers: Within ten (10) days after the expiration of the negotiation period, each party shall appoint a qualified, independent real estate appraiser with at least fifteen (15) years of experience in appraising similar properties in the Austin, Texas area.
- ii. Submission of Appraisals: Within 30 days of their appointment, each appraiser shall conduct an independent appraisal of the fair market rental value of the unimproved Land, considering its permitted use under the Lease, but expressly excluding the value of any improvements

constructed by Tenant. Each appraiser shall submit their appraisal to both Landlord and Tenant.

iii. Determination of Ground Rent:

A. If the two appraisals are within 10% of each other, the Ground Rent shall be the average of the two appraisals.

B. If the two appraisals differ by more than 10%, Landlord and Tenant shall, within ten (10) business days, jointly appoint a third similarly qualified appraiser.

C. The third appraiser shall, within 30 days of appointment, review the two existing appraisals and select one of them as the Ground Rent. The third appraiser may not average the two appraisals or select any figure other than one of the two original appraisals.

**Capital Event:** The proposed sale of the entire Project (including any proposed assignment of the entire Lease) to a third party for consideration or a sale or assignment of greater than a 50% interest in Tenant or an entity that controls greater than a 50% interest in Tenant (excluding assignment to affiliates or transfers pursuant to or for estate planning purposes) to a third party for consideration. The first Capital Event shall be subject to the ROFO set forth herein.

**Capital Event Rent:** For any Refinancing Event that occurs before the initial sale, the PFC shall receive 15% of the refinancing proceeds, if any, after payment of all debt, closing costs, establishment of reserves, return of all equity capital and the 10% return to the Equity Partner and payment of any and all fees owed to Developer or its affiliates, including but not limited to the deferred developer fee, repayment of all Partner loans, and reimbursement for any amounts paid as a result of guaranteed obligations. On any sale, the PFC shall receive 1% of the gross sale price. Notwithstanding the foregoing, nothing herein shall limit the amount of preferred return actually paid to the Equity Partner, provided that the Capital Event Rent paid to the PFC is calculated upon a 10% return to the Equity Partner.

**Closing Date:** The date of closing for all financing for the Project.

**Community Engagement:** NRP shall collaborate and consult with AUSTIN ISD PFC in any community engagement efforts and shall coordinate any response to media inquiries and/or public opposition to the Project

**Compliance:** NRP will provide annual compliance audits as required under Section 303.0426, Texas Local Government Code (the “Code”).

**Construction:** Tenant will contract with AUSTIN ISD PFC (or a non-profit affiliate thereof), as General Contractor, to construct the Improvements; and AUSTIN ISD PFC

will enter into a Master Sub-Contract with NRP Contractors II LLC, an affiliate of NRP (“**NRP Contractors**”), to construct the Improvements, which shall be in a form reasonably approved by AUSTIN ISD PFC. NRP Contractors will receive a Contractor Fee of 5%, and any construction contract with NRP Contractors will also include a contractor’s contingency of 3% solely for the use of NRP Contractors. NRP Contractors will provide construction completion guarantees necessary to satisfy any lenders and Equity Contribution Partners for the Project on terms acceptable to NRP Contractors in its sole discretion. AUSTIN ISD PFC, as General Contractor, shall be indemnified to the fullest extent permitted by applicable law by NRP Contractors, and the indemnification shall be reflected in the construction contract documentation.

**Developer:** NRP Lone Star Development LLC, or another affiliate of NRP.

**Development Agreement:** Developer and Tenant will enter into a development agreement (“**Development Agreement**”) in a form acceptable to the parties of the contract, in accordance with the terms set forth herein.

**Developer Fee:** Developer is to receive a Developer Fee in connection with the development of the Project in an amount equal to three and one half percent (3.50%) of the total development costs of the Project. It is anticipated thirty percent (30%) of the Developer Fee will be earned and paid at the construction loan closing. Fifty percent (50%) of the Developer Fee will be earned and paid monthly out of the loan proceeds as part of the monthly construction loan process and the final twenty percent (20%) will be earned and paid upon issuance of the final certificate of occupancy for the Project. The timing and amount of the payment shall be subject to the lender and Equity Partner’s consent.

**Equity Contribution Partners:** The entity or entities which are selected by NRP to contribute common equity (cash or property) to the Equity Partner and to be admitted as a limited partner to the Equity Partner, one of which will be NRP Partner. Such interest may receive a preferred return for all or a portion of its equity contribution.

**Equity Partner:** A Texas limited partnership, the sole general partner of which will be NRP Manager, and whose limited partners will be NRP Partner (which will contribute some cash in accordance with the Project Budget) and the Equity Contribution Partners (which will contribute cash in accordance with the Project Budget).

**Governing Law:** State of Texas.

**Guarantees:** Certain financial obligations will be guaranteed by NRP Contractors or an affiliate on terms to be negotiated by NRP and lenders and the Equity Contribution Partners. AUSTIN ISD PFC will not be required to provide all guaranties with respect to the Project.

**Improvements:** Approximately 335 units of multifamily residential housing, together with all onsite infrastructure improvements for the Project, pursuant to Plans and Specifications developed by Developer, and will include a pool, fitness center, clubhouse, internet café, and other Class-A multifamily amenities.

**Lease:** Lease between AUSTIN ISD PFC, as landlord, and Tenant, pursuant to which AUSTIN ISD PFC leases the Property and the Project to the Tenant for a term of 99 years (the “Lease”). So long as Tenant is not in default under the Lease, Tenant will be permitted under the Lease to collaterally assign its interest in the Lease without the requirement of any consent from Landlord. Landlord will not be permitted to assign its interests under the Lease in any manner which jeopardizes the availability of exemption of the Project from ad valorem taxation.

The Lease will require compliance with the Code and will provide that Tenant will set aside for rent 10% of the units to tenants whose income is not more than 60% of the AMI and 40% of the units to tenants whose income is not more than 80% of the AMI (the “Affordable Units”). The income and rent limits of the Affordable Units will be adjusted for family size and bedroom size and rent shall be calculated (the “Affordability Requirement”) as required by the Code. The Affordable Units at each AMI level will be spread pro-rata with the overall unit mix between one, two, and three-bedroom units. The provisions of Sections 303.0425 and 303.0426 will be incorporated into the Lease and Regulatory Agreement.

The Lease will require the Tenant to maintain the Project as a Class A residential project and will require renovations to the extent financially feasible, to the extent necessary to maintain the Project as a Class A residential project. Tenant will cause the Project to be insured and will set aside an amount per door per year as determined by lenders as a reserve for replacements. Tenant will provide indemnities to Landlord to the fullest extent of the law, excluding any indemnities for Landlord’s gross negligence and/or willful misconduct. Provisions will be negotiated to help the PFC assure that the Project remains a Class A residential project throughout the Term of the Lease, including conducting periodic needs assessments by an engineer experienced in such assessments at seven-year intervals, prior to a capital event, and at any point in time when there is a decrease in occupancy below the 85% level that is not due to larger market conditions as demonstrated by occupancy at comparable projects within the geographic area of the Project. For avoidance of doubt, the parties agree that maintaining the Project as a Class A apartment project means keeping the Project as originally designed and constructed in appropriate condition to compete with other Class A residential projects of the same age as the Project, but does not mean adding amenities, making structural or other changes to the exterior or interior of the Project to make it consistent with newly constructed Class A apartment projects at a future date; provided that Tenant shall not be required to expend funds in excess of those generated by the Project and shall not be required to make a capital call or take on additional debt to fund such expenditures.

The Project shall be managed by a Qualified Property Manager. “Qualified Property Manager” means a person which (i) is a multi-family project management organization with experience in the management of multi-family projects with an aggregate of at least one thousand units, at least two (2) of which contain at least two hundred units or more; (ii) at the time of such manager’s engagement, has, or will following such engagement, have an office or employees in the State of Texas; (iii) is duly licensed in the State of Texas to act as the property manager of the Project, if required by applicable law; (iv) is not be the subject of a bankruptcy or similar insolvency proceeding; and (v) is approved or does not require approval by the Lender pursuant to the terms of any Loan Documents then in effect or to be in effect concurrent with the engagement of such manager. The Qualified Property Manager shall be required to meet with AUSTIN ISD PFC staff and/or board of directors no less than annually to discuss the performance of the Project. Notwithstanding anything to the contrary herein, if the payments due to AUSTIN ISD PFC hereunder are not actually paid, AUSTIN ISD PFC shall have the ability to remove the then-acting Qualified Property Manager and Tenant shall work with AUSTIN ISD PFC to identify and engage a replacement Qualified Property Manager, subject to the approval by the Equity Partner.

Tenant shall have the option to convert the Lease to a ground lease (and Ground Rent shall be established and paid from such time) at any time after the first forty (40) years and before sixty (60) years of the Term (the “**Termination Option**”) upon payment to AUSTIN ISD PFC, as Landlord, a fee in the amount of to the Fair Market Value of the Project (excluding the Land) as a taxable project times a percentage equal to the net present value of \$1.00 paid at the end of the lease term discounted to the date of the notice of termination with a discount rate of 8% (e.g. a notice of termination in year 40 of the lease term would result in 7%); provided that in the event of a sale of the Project to an unrelated third party is contemplated at the time of the proposed termination, the fair market value shall equal the sales price. As an example, at year 40, if the fair market value of the property is \$100,000,000, the termination fee will equal \$7,000,000 (net present value of \$1 in 35 years at 8% discount is \$0.07 or 7% of the fair market value). Likewise, if, at year 50, the fair market value of the property is \$120,000,000, the termination fee will equal \$18,000,000 (net present value of \$1 in 25 years at 8% discount is \$0.32 or 32% of the fair market value). If elected, the Lease will be converted to a ground Lease, and the affordability requirements and tax exemption will terminate, and from and after such conversion to a ground lease, Tenant shall pay to AUSTIN ISD PFC the Ground Rent in lieu of the PFC Rents.

**Management:**

NRP Management LLC, an affiliate of NRP Group (“**NRP Manager**”), will be designated the property manager for the Project and will manage the leasing and operations of the Project. NRP Management will receive a base Management Fee as follows:

Commencing with the end of the first complete calendar month after the first employee of NRP or any affiliate commences work on site at the Project (provided such date is typical for when a management company would

commence work on promotional and/or leasing activities at similar project), the greater of (i) \$35 per unit per month or (ii) \$11,000 per month; and Commencing with substantial completion of the first residential building, the greater of (i) \$35 per unit per month or (ii) 3.5% multiplied by the effective gross income of the Project as outlined in the Management Agreement; but in no event less than \$11,000 per month.

NRP Manager shall further receive a Twenty-Five Thousand and no/100 Dollars (\$25,000) property set up fee, payable no later than the first (1<sup>st</sup>) annual anniversary of the Closing Date.

NRP Manager shall further receive a One Hundred Thousand and no/100 Dollars (\$100,000) property lease up fee, payable upon stabilization of the project.

**Marketing:**

Developer agrees to comply with the disclosure and marketing provisions of Section 303.0425 of the Code, including in all public marketing materials and websites for the Project a reference to the affordability provisions and voucher acceptance. Additionally, Developer agrees to include a “Preferred Employer” program for employees of AISD in connection with the Project’s marketing plan, which shall include at a minimum the exclusive pre-marketing units in the Project to AISD employees (i) upon the completion of the Project, for a period of no less than thirty (30) days prior to general initial marketing and (ii) to the extent not in violation of fair housing laws (as may be amended from time to time), upon Tenant’s or Property Manager’s knowledge of any imminent vacancy of a unit, Tenant shall use commercially reasonable efforts to notify AISD employees of such vacancy, which shall be accomplished via an AISD employee contact/wait list maintained by AISD. Any AISD employee applying to live in the Project shall pay no application or background check fees (such fees being waived by any Qualified Property Manager). To the extent not in violation of fair housing laws (as may be amended from time to time), Qualified Property Manager shall use commercially reasonable efforts to identify a process that AISD employees may undertake to become prequalified for units while on the AISD waiting list.

**Miscellaneous Expenses:**

Tenant will be responsible for and will include in the Project Budget all legal fees for Bracewell LLP which will be in the amount of \$200,000 and the fees payable to Cushman and Wakefield in the amount of \$296,160.83, plus all reasonable out-of- pocket expenses.

**M/WBE:**

Developer shall make a good faith effort to achieve the AISD’s Minority and Women Business Enterprises construction goals in accordance with AISD’s business inclusion policy for the Project to reach a minimum of 20% participation by M/WBE for the entire Project.

**NRP:**

NRP Properties LLC, an Ohio limited liability company, or its affiliates.

**NRP Partner:** An affiliate of NRP, which will be a limited partner of the Equity Partner, which in turn will be a limited partner of the Tenant.

**Other Terms:** Tenant's organization documents will contain such usual and customary terms for limited partnership formed for the acquisition, financing, ownership, development, management, leasing and sale of the Project, including, without limitation, provisions for limitation on transfer of partnership interests, delivery of periodic financial and other reports necessary for securities laws disclaimers, accredited investor representations and compliance under the Development Agreement.

#### **PFC Asset**

**Management Fee:** AUSTIN ISD PFC, or one of its affiliates, will receive an asset management fee equal to Twenty-Five Thousand Dollars (\$25,000) on an annual basis commencing six months after the Project stabilizes, which is defined as reaching 90% physical occupancy, which shall be the start of Year 1.

#### **PFC Structuring**

**Fee:** AUSTIN ISD PFC will receive a structuring fee equal to Two Hundred Fifty Thousand Dollars (\$250,000) on the Closing Date.

#### **Plans and**

**Specifications:** AUSTIN ISD PFC, Tenant, Lenders, and Equity Contribution Partner will have the right to review and approve the Plans and Specifications for Project once they are materially completed, the approval of which will not be unreasonably withheld or delayed. PFC's failure to either approve or reject the Plans and Specification within fifteen (15) business days from receipt shall be deemed the approval of PFC. Once they have approved the conceptual and/or schematic design for the Project, it may not object to such design Plans and Specifications, unless the subsequent Plans and Specifications materially and adversely affects the design character or value of the Project.

#### **Preferred Equity**

##### **Contribution**

**Partner:** The entity selected by NRP to provide the limited partner capital for the Project in the form of preferred equity and to be admitted as a limited partner to the Equity Partner or another entity in the chain of ownership.

**Preferred Return:** The preferred return to be used for purposes of calculating Capital Event Rent, which, which shall be no more than 10% on the then unreturned balance of capital contributions of the Equity Contribution Partners (including NRP Partner). Notwithstanding the foregoing, any preferred return actually paid to the Equity Contribution Partners may exceed 10%, provided that the amount used for purposes of calculating the Capital Event Rent is no more than 10%.

**Project:** The Project will be leasehold interests in the land located at approximately 4900 Gonzales Street, Austin, Texas 78702 (the "**Land**") and Improvements, to be developed by Developer.

**Project Budget:** An initial Project Budget is attached hereto as Exhibit B. The Project Budget will be finalized and approved by all parties to the transaction prior to Closing, and will include the proposed sources of funds that will be needed to develop, construct and operate the Project, and the uses on which the funds will be spent. Sources of revenue include, without limitation, rental income, capital contributions and other revenues. Project uses include all reasonable and necessary direct and hard costs incurred in connection with the Project.

**Project Financing:** AUSTIN ISD PFC will provide the leasehold estate for the Project to the Tenant pursuant to a Lease Agreement. The Lease Agreement will be prepared once the Lenders are identified and will include commercially reasonable provisions required by the Lenders. Any security interests of Lessee's lenders shall be subordinated to AUSTIN ISD PFC's interest in the Lease; provided, however, the Lease shall provide any lender with certain rights upon foreclosure as further set forth in the Lease, which shall include, without limitation, the ability at lender's option, to either assume the Lease with its affordability requirements and tax exemption benefits, or to convert to a traditional ground Lease at the Ground Rent and to terminate the affordability requirements and tax exemption. If the lender elects to convert to a ground lease the Ground Rent payment shall be paid in lieu of the PFC Rents. Notwithstanding the foregoing Ground Rent shall not be payable in the event that the foreclosure event arises out of the fraud, willful misconduct or a breach of the Lease by Landlord as determined by a court of competent jurisdiction.

#### Loans

For the Project, Developer will obtain a senior loan from a senior lender to the Tenant for approximately the amount shown in the Project Budget for development of the Project to be secured by a first-lien deed of trust on the Tenant's interest in the Project, provided that in no event shall a lien on AUSTIN ISD PFC's fee interest in the Project be required by any lender. Developer may also obtain subordinated loans (which may be structured as mezzanine financing) from a subordinate lender for approximately the amount shown in the Project Budget which may be secured by a second-lien deed of trust on the Tenant Leasehold interest, a lien on the interest of Equity Contribution Partner in the Project, provided that in no event shall a lien on AUSTIN ISD PFC's fee interest in the Project be required by any lender.

All initial financings and guarantees must be acceptable to AUSTIN ISD PFC, Developer and the Tenant in their sole and absolute discretion, provided, however, that AUSTIN ISD PFC shall not have approval rights with respect to subsequent financings of the Project, whether in connection with a Capital Event or otherwise.

The parties acknowledge and agree that, subject to the requirement of AUSTIN ISD PFC that its fee interest in the Project shall not be pledged, the Lease is intended to comply with the underwriting requirements of the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") (collectively, the "GSEs") for the financing of

leasehold interests in leases, as such requirements exist as of the effective date of the Lease.

b. Without limiting the generality of the foregoing, the parties specifically agree that:

i. The term of the Lease shall not be less than the term of any Leasehold Mortgage plus ten (10) years.

ii. The Tenant's leasehold interest is mortgageable and assignable as set forth in this Lease.

iii. The Lease contains provisions for notice and cure rights for the benefit of Leasehold Mortgagees.

iv. The Lease includes provisions for a new lease to the Leasehold Mortgagee or its designee in the event of termination of the Lease.

v. Insurance proceeds and condemnation awards with respect to the improvements are applied as required by the Leasehold Mortgagee, subject to the terms of the Lease.

Future Cooperation:

a. The parties acknowledge that the GSE's underwriting requirements may change from time to time. In the event that, during the term of this Lease, either:

i. The GSEs modify their underwriting requirements for leases, or

ii. A Leasehold Mortgagee or potential Leasehold Mortgagee identifies any provision of this Lease that does not comply with then-current GSE underwriting requirements,

the parties agree to cooperate in good faith to amend this Lease as necessary to comply with such requirements, subject to the requirement that no AUSTIN ISD PFC shall not be required to pledge its fee interest in the Project, and subject further to the limitations set forth below.

b. Process for Amendment:

i. Either party may initiate the amendment process by providing written notice to the other party, specifying the GSE requirement(s) necessitating the amendment and proposing specific changes to the Lease.

ii. The parties shall meet (in person or virtually) within thirty (30) days of such notice to discuss the proposed amendments.

iii. The parties shall work diligently and in good faith to agree upon and execute an amendment to this Lease within sixty (60) days of the initial notice.

## Equity

Developer will obtain one or more Equity Contribution Partners who will invest approximately the amount shown in the Project Budget. One of the Equity Contribution Partners will be NRP Partner (which will make a contribution of cash as provided for in the Project Budget). Contributions from the Equity Contribution Partners will be contributed to the Equity Partner, (which will be contributed by the Equity Partner to the Tenant for approximately the amounts shown in the Project Budget). The Equity Partner will be paid from Cash Flow and such payment will at all times be subordinate to the Loans. For purposes of establishing Capital Event Rent only (and not as a limit on the amount actually paid with respect thereto), the Equity Contribution Partners and NRP will receive a Preferred Return of no more than 10% on their contributions; provided that NRP and the Equity Contribution Partner will be repaid their investment and Preferred Return (which may be higher than 10%) from a Capital Event before any payment of the Capital Event Rent. Cash Flow splits will adjust after the payment of Preferred Returns, but payment of any fees to AUSTIN ISD PFC shall not be affected by any such adjustment.

**Project Term:** The “**Project Term**” is from commencement of Project for a period of 99 years after closing and all interest in the Project shall revert to AUSTIN ISD PFC at the end of the Project Term, subject to any encumbrances that have been consent to by AUSTIN ISD PFC.

**Property:** Approximately 6.33 +/- acres for the Project located at 4900 Gonzales Street, Austin, Texas 78702 to be built and operated as proposed by this Term Sheet, Travis County, Texas, and shown on the parcel map attached as Exhibit A hereto. The Property will be conveyed to AUSTIN ISD PFC and AUSTIN ISD PFC in turn will lease the Property to Tenant.

**Regulatory Agreement:** In addition to and in conjunction with the Lease, AUSTIN ISD PFC and Tenant will enter into a Regulatory Agreement and Declaration of Restrictive Covenants that will provide and address the income restrictions as set forth herein, as well as other requirements of AUSTIN ISD PFC and as set forth in the Code.

**Reporting:** Tenant shall, upon request of AUSTIN ISD PFC, provide customary information regarding the Project, including without limitation, the following information: number of units occupied by AISD employees, the rental rates and term of occupancy of such units, resident satisfaction surveys (if conducted), vacancy, rental rate growth, revenue, operating expenses, net operating income and any bad debt write-offs.

**Right of First Offer:** Upon the initial sale of Tenant’s leasehold interest (including any proposed assignment of the Lease) or upon Tenant’s Exercise of the Termination Option, (a “**Proposed Transfer**”), then Tenant shall notify AUSTIN ISD PFC before so offering the leasehold estate to the market or before entering into negotiations

with any third party offeree (an “**Offeree**”) desiring to acquire the leasehold estate, AUSTIN ISD PFC shall have a right of first offer (“**Right of First Offer**”) to acquire the Tenant's leasehold estate and Tenant shall not market its leasehold estate or negotiate the terms of any sale of the leasehold estate with any Offeree unless Tenant shall have first delivered to AUSTIN ISD PFC a notice (the “**Offer Notice**”) setting forth the sale price that Tenant would be willing to accept (subject to applicable prorations, the “**Purchase Terms**”). AUSTIN ISD PFC shall, for the thirty (30) day period commencing upon its receipt of such First Offer Notice (the “**ROFO Response Period**”), have the exclusive right to purchase the leasehold estate on the Purchase Terms as set forth in such First Offer Notice, exercisable by so notifying Tenant before 5pm CST on the last day of the ROFO Response Period, whereupon AUSTIN ISD PFC shall be bound to purchase from Tenant, and Tenant shall be bound to sell to Landlord, the leasehold estate on the Purchase Terms within ninety (90) days following the expiration of the ROFO Response Period. AUSTIN ISD PFC and Tenant shall promptly thereafter execute a purchase and sale agreement to sell the Tenant's leasehold estate to AUSTIN ISD PFC in accordance with the Purchase Terms and upon such terms typical to commercial real estate transactions in Travis County, Texas. If AUSTIN ISD PFC fails to deliver written notice of its exercise of its Right of First Offer prior to the expiration of the ROFO Response Period or if AUSTIN ISD PFC rejects the Purchase Terms set forth in the First Offer Notice during the ROFO Response Period, then Tenant shall be free, for a period of one hundred eighty (180) days from the end of the ROFO Response Period, to market the leasehold estate and to complete the Proposed Transfer substantially upon the Purchase Terms; provided, however, Tenant may not complete a Proposed Transfer for a price that is less than ninety-five percent (95%) of the Purchase Terms and, in any event, Tenant may not consummate a Proposed Transfer if it occurs more than 180 days after the expiration of the ROFO Response Period. If, however, either: (i) Tenant does not complete the Proposed Transfer within 180 days from the end of the ROFO Response Period; or (ii) Tenant agrees to complete the Proposed Transfer on the Purchase Terms that include a purchase price of less than ninety-five percent (95%) of the purchase price stated in the Offer Notice, then AUSTIN ISD PFC's shall have a right of first refusal and Tenant shall not complete such Proposed Transfer without first giving an Offer Notice to AUSTIN ISD PFC in compliance with the terms of this Section except that AUSTIN ISD PFC's ROFO Response Period shall be ten (10) days.

**Annual Rent:**

Tenant will pay PFC annual rent equal to the total cost of the development (“**TDC**”) x 80% x the applicable tax rate if the Project was taxable x 15%) commencing six months after the Project stabilizes, which is defined as reaching 90% physical occupancy, which shall be the start of Year 1. Thereafter payments shall increase by 3.0% per year. Annual Rent will be paid annually, in full, on the first of the month following six months after stabilization and every 12 months thereafter. A sample calculation based on TDC is attached hereto as Exhibit C and incorporated herein.

**Sales Tax:**

The AUSTIN ISD PFC (or its affiliate) will, as General Contractor (which it will subcontract to NRP Contractors), be responsible for the purchase of

materials for the construction of the Improvements so that the purchases will be exempt from all sales and use taxes pursuant to Applicable Law. Tenant will pay AUSTIN ISD PFC 10% of the Sales Tax Savings on all construction materials, half of which shall be paid at Closing (based upon the Project Budget) and the remaining half paid at final certificate of occupancy (as a true-up based upon the final total Sales Tax Savings).

**AUSTIN ISD**

**PFC:**

AUSTIN INDEPENDENT SCHOOL DISTRICT PUBLIC FACILITY CORPORATION, a Texas public facility corporation.

**Tenant:**


Anita Coy West Apartments LP, will be a single purpose Delaware or Texas limited partnership, the sole General Partner of which will be NRP Manager, LLC, a Florida limited liability company (or an affiliate), and the Limited Partners of which will be the Equity Partner.

This instrument may be executed in several counterparts, each of which will be deemed an original and all of which will constitute one and the same instrument, and will become effective when counterparts have been signed by each of the parties and delivered to the other party; it being understood that all parties need not sign the same counterpart. The exchange of copies hereof and of signature pages by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, will constitute effective execution and delivery hereof as to the parties and may be used in lieu of the original document for all purposes. Signatures of the parties transmitted by any of the foregoing methods will be deemed to be their original signatures for all purposes.

*Signature Pages Follow*


**NRP:**

NRP Properties LLC, an Ohio limited liability company

By:   
Name: Noam Magence  
Title: Secretary

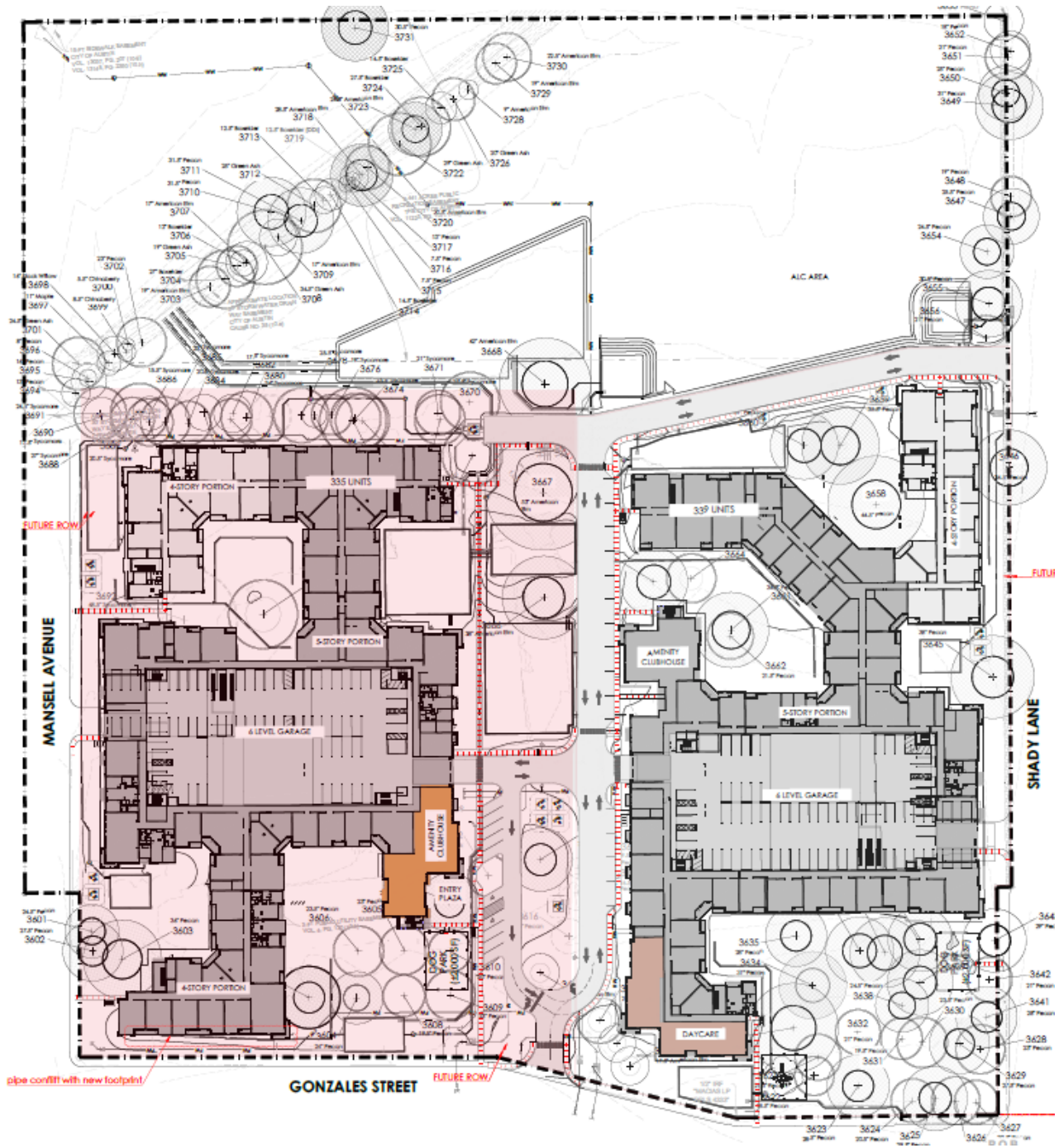
**AUSTIN ISD PFC:**

AUSTIN INDEPENDENT SCHOOL DISTRICT PUBLIC FACILITY CORPORATION, a Texas public facility corporation

Signed by:   
By: 716FA4771B814B7  
Name: Candace Hunter  
Title: Board President

DS  


# EXHIBIT A PROPERTY



**EXHIBIT B**  
INITIAL PROJECT BUDGET

## Anita Coy West - Executive Summary

Project Details										
Project Name	Anita Coy West									
City, State	Austin, TX									
Number of Units	335									
Construction Type	Wrap	4 & 5								
Parking Levels	5									
Timing										
Land Takedown	0	Oct-26								
Financial Closing Date	0	Oct-26								
Initial Occupancy	22	Aug-28								
Months to Final Construction Completion	27	Jan-29								
Months to Stabilization	38	Dec-29								
Development Budget										
<b>Units</b>	<b>Per Unit</b>									
Acquisition/Offsite Costs	-	\$0								
Construction	70,296,038	209,839								
Pre-Development Costs	1,037,450	3,097								
Architect/Engineering	2,146,718	6,408								
Permits & Impact Fees	1,174,843	3,507								
Furniture, Fixtures & Equipment	985,500	2,942								
Marketing	418,409	1,249								
Legal & Professional Services	1,672,500	4,993								
Other Development Costs	1,523,990	4,549								
Development Fee	3.50%	3,060,755	9,137							
Development Contingency		4,383,070	13,084							
Interest, Taxes & Operating Reserves		3,811,616	11,378							
Other		-	-							
Total Development Costs		\$90,510,890	\$270,182							
Land Cost % of TDC			0.00%							
Hard Cost % of TDC			77.67%							
Soft Cost % of TDC			22.33%							
Operating Pro Forma (Untrended)										
<b>Revenue:</b>	<i>Per Sq. Ft.</i>	<i>Monthly Ave.</i>	Annual	Per Unit						
Gross Potential Rent	\$2.37	\$2,084	\$8,378,352	\$25,010						
Other Income			289,500	864						
Total Rental Income			8,667,852	25,874						
Vacancy Loss			(433,393)	(5.0%)						
Delinquency Loss			(86,679)	(1.0%)						
Total Revenue			8,147,781	24,322						
<b>Operating Expenses:</b>										
Controllable Expenses			1,278,695	3,817						
Franchise Tax			26,969	81						
PFC Ground Lease & AM Fee			239,502	715						
Insurance			244,550	730						
Management Fees			203,695	2,50%						
Total Operating Expenses			1,993,411	5,950						
Replacement Reserves		<i>Expense Ratio</i>	67,000	200						
Total Opex and Reserves		25.29%	2,060,411	6,150						
Net Operating Income			6,087,370	18,171						
<b>Untrended Development Yield</b>				<b>6.73%</b>						
<b>Value Creation</b>				<b>22.28%</b>						
Returns and Sensitivities										
<b>Exit Month by Exit Cap</b>										
Month	5.00%	5.25%	5.50%	5.75%	6.00%					
38	35.4% / 2.28x	31.1% / 2.09x	26.9% / 1.91x	22.9% / 1.75x	19.1% / 1.60x					
40	34.1% / 2.33x	30.1% / 2.13x	26.3% / 1.96x	22.6% / 1.80x	19.0% / 1.65x					
42	32.9% / 2.37x	29.2% / 2.18x	25.7% / 2.00x	22.3% / 1.84x	19.0% / 1.69x					
<b>Rent by Exit Cap</b>										
Rent	5.00%	5.25%	5.50%	5.75%	6.00%					
5%	39.2% / 2.60x	35.3% / 2.39x	31.6% / 2.20x	28.0% / 2.03x	24.5% / 1.88x					
0%	34.1% / 2.33x	30.1% / 2.13x	26.3% / 1.96x	22.6% / 1.80x	19.0% / 1.65x					
-5%	28.5% / 2.06x	24.5% / 1.88x	20.6% / 1.71x	16.8% / 1.56x	13.1% / 1.42x					
Rental Comps										
<b>Distance to Site</b>	<b>Property Name</b>	<b>Submarket</b>	<b>Year Built</b>	<b>Units</b>	<b>Level</b>	<b>Area</b>	<b>GRPU</b>	<b>GRPSF</b>	<b>Occ</b>	
0.5 mi	The Guthrie	East Austin	2019	322	4	735	\$2,015	\$2.74	94.7%	
0.1 mi	Lenox 7th	East Austin	2021	279	4	774	\$2,088	\$2.70	90.0%	
0.9 mi	Broadstone East End	East Austin	2023	307	4	754	\$1,942	\$2.58	0.0%	
0.4 mi	Trailhead	East Austin	2021	308	4	832	\$2,012	\$2.42	92.9%	
<b>Subject Property</b>	<b>Anita Coy West</b>	<b>East Austin</b>	<b>2024</b>	<b>335</b>	<b>4 &amp; 5</b>	<b>878</b>	<b>\$2,084</b>	<b>\$2.37</b>	<b>94.0%</b>	<b>*Lease-Up</b>
<b>Subject Property</b>	<b>Anita Coy East</b>	<b>East Austin</b>	<b>2024</b>	<b>339</b>	<b>4 &amp; 5</b>	<b>872</b>	<b>\$2,066</b>	<b>\$2.37</b>	<b>94.0%</b>	
0.3 mi	Nexus East	East Austin	2021	352	4	771	\$1,653	\$2.14	96.9%	
<b>Average</b>			<b>2021</b>	<b>314</b>	<b>4</b>	<b>773</b>	<b>\$1,942</b>	<b>\$2.52</b>	<b>93.6%</b>	
Sales Comps										
<b>Buyer</b>	<b>Property Name</b>	<b>Submarket</b>	<b>Year Built</b>	<b>Units</b>	<b>Cap</b>	<b>Price</b>	<b>Price/Unit</b>	<b>Price/SF</b>	<b>Sale Date</b>	<b>Distance from Subject</b>
AEW Capital Manag	Alexan E6	East Austin	2018	208	5.00%	\$61,750,000	\$296,875	\$360	May-19	1.3
BlackRock	The Guthrie	East Austin	2019	322	N/A	\$81,100,000	\$251,863	\$343	Jun-19	0.5
Goldrich & Kest	Corazon	East Austin	2015	256	4.50%	\$75,000,000	\$292,969	\$344	Aug-19	2.4
ICONIQ Capital	Candela	East Austin	2019	119	N/A	\$38,300,000	\$321,849	\$350	Mar-20	1.9
ICONIQ Capital	Indie	East Austin	2018	139	N/A	\$30,700,000	\$220,863	\$421	Mar-20	1.8
Mill Creek Residenti	Eastside Station	East Austin	2016	330	3.75%	\$87,000,000	\$263,636	\$340	Nov-20	2
Equity Residential	The Weaver	East Austin	2021	250	N/A	\$95,000,000	\$380,000	\$509	Dec-21	2.7
Treeline Partners	Nexus East	East Austin	2021	352	4.00%	\$106,304,000	\$302,000	\$393	Dec-21	0.7
LivCor (Blackstone)	Eastside Station	East Austin	2016	330	3.15%	\$122,500,000	\$371,212	\$479	Apr-22	2
<b>Virtus</b>	<b>The Martingale (PFC)</b>	<b>South Austin</b>	<b>2021</b>	<b>270</b>	<b>5.06%</b>	<b>\$80,000,000</b>	<b>\$296,296</b>	<b>\$326</b>	<b>Jun-23</b>	<b>9.1</b>
ParkProperty Capital	Trailhead	East Austin	2021	308	N/A	\$79,000,000	\$256,494	\$309	Oct-23	0.8
Aquila	District at SoCo	South Austin	2012	215	5.25%	\$46,225,000	\$215,000	\$235	Mar-24	4.8
<b>Average</b>			<b>2018</b>	<b>258</b>	<b>4.39%</b>	<b>\$75,239,917</b>	<b>\$289,088</b>	<b>\$367</b>	<b>May-21</b>	<b>2.5</b>
<b>Adjustment to Spot Cap Rate (5.00%)</b>					<b>0.61%</b>					
<b>Market Expansion</b>					<b>0.25%</b>					
<b>PFC Expansion</b>					<b>0.25%</b>					
<b>Subject Property</b>	<b>Anita Coy West</b>	<b>Austin, TX</b>	<b>2024</b>	<b>335</b>	<b>5.50%</b>	<b>\$119,771,693</b>	<b>\$357,527</b>	<b>\$407</b>	<b>Feb-30</b>	
<b>Anita Coy West - Full Taxes</b>					<b>5.25%</b>	<b>\$92,440,074</b>	<b>\$275,941</b>	<b>\$314</b>		
The analysis contained herein is preliminary and based on information gathered from sources that have not been independently verified. This analysis is not a commitment by The NRP Group, LLC to provide any specific financial results or specific financing execution. This analysis is confidential and cannot be released to any other party without the written consent of The NRP Group, LLC. The assumptions used herein are subject to change without notice.										



**Development Budget**

	<b>Total</b>	<b>Closing</b>	<b>Start Month</b>	<b>Duration</b>
<b>Acquisition/Offsite Costs</b>				
Land	-	-	1	1
Non-Negotiated Extension	-	-	1	1
Stearns Land Closing Costs (If Taken Down Early	-	-	1	1
Closing Extension	-	-	1	1
Off-Site Improvements	-	-	1	1
Environmental Remediation	-	-	1	1
Other	-	-	1	1
Other	-	-	1	1
Other	-	-	1	1
<b>Total Acquisition/Offsite Costs</b>	-	-		
<b>Construction</b>				
Contingency (3.00%)	1,872,649	-	2	26
Site Work	6,375,920	-	1	7
New Construction	52,791,496	-	5	23
General Conditions	3,254,208	-	1	27
Shared Site Work	1,566,250	1,566,250	1	7
Fence	-	-	2	26
Trash	-	-	2	26
Added Masonry	-	-	2	26
General Insurance & Overhead	1,220,801	-	2	26
<b>Per Unit Contractor Fee (5.00%)</b>	<b>3,214,714</b>	-	<b>2</b>	<b>26</b>
<b>209,839 Total Construction</b>	<b>70,296,038</b>	<b>1,566,250</b>		
<b>Pre-Development Costs</b>				
Environmental Site Assessment: Phase I & Phase	3,000	3,000	1	1
Environmental Site Assessment: Phase II	15,000	15,000	1	1
Demolition Study - Asbestos, Haz Waste, Cost, Se	309,000	309,000	1	1
Wetlands And Waters Of The Us Assessment	4,500	4,500	1	1
Wetlands Delineation And Permitting	-	-	1	1
Threatened And Endangered Species Assessment	-	-	1	1
Archaeological / Historical Survey	-	-	1	1
Noise Study	-	-	1	1
Traffic Impact Analysis	25,000	25,000	1	1
Floodplain/ Wetland Study	-	-	1	1
Architectural And Engineering Inspection (Phased	-	-	1	1
Geotechnical Engineering Services	35,000	35,000	1	1
Property Survey	59,750	59,750	1	1
Civil Engineering-Platting	20,000	20,000	1	1
Fiscal Impact / Tax Analysis	1,500	1,500	1	1
Market Study	11,000	11,000	1	1
Comprehensive / Master Plan Amendment	-	-	1	1
Rezoning, Use Variance, Waiver	-	-	1	1
Development Consultant	-	-	1	1
Engineering Due Diligence / Feasibility Study	299,250	299,250	1	1
Architect Conceptual Design	30,000	30,000	1	1
Landscape Architect Conceptual Design	31,350	31,350	1	1
Civil Engineering / Site Planning Conceptual Desi	2,500	2,500	1	1
Concrete & Soil & Other Testing Outside Constru	175,000	175,000	1	1
Radon Testing	15,000	15,000	1	1
Pitch Book	600	600	1	1
Other	-	-	1	6
<b>Total Pre-Development Costs</b>	<b>1,037,450</b>	<b>1,037,450</b>		
<b>Architect/Engineering</b>				
Architectural Design	855,000	855,000	1	1
Architect - Construction Administration	170,000	170,000	1	27
Reimbursable Expenses - Architect	7,000	7,000	1	1
Civil Engineering Services	348,875	348,875	1	1
Retaining Wall Design	10,000	10,000	1	1
Reimbursable Expenses - Engineer	4,000	4,000	1	1
Civil Engineer - Construction Administration	18,500	18,500	1	27
Landscape Architectural Design	128,100	128,100	1	1
Landscape Architectural-Reimbursements	2,000	2,000	1	1
Landscape Additional Services	2,500	2,500	1	27
Landscape Architectural - Construction Administr	18,000	18,000	1	1
Pool Design	58,513	58,513	1	1
Structural Engineering Services	150,000	150,000	1	1
Mep Engineering Services	5,995	5,995	1	1
Interior Design Fee	169,500	169,500	1	1
Low-Voltage	22,535	22,535	1	1
Environmental Graphic Design Consultant	-	-	1	1
Energy/ Green Design Consultant	-	-	1	1
Acoustic Consultant	-	-	1	1
Water Proofing Consultant	95,000	95,000	1	1
Fire Sprinkler/ Alarm Consultant	43,300	43,300	1	1
Demolition Design Drawings	-	-	1	1
Accessibility Consultant	37,900	37,900	1	1
Other	-	-	1	1
<b>Total Architect/Engineering</b>	<b>2,146,718</b>	<b>2,146,718</b>		

<b>Permits &amp; Impact Fees</b>				
Application Fees	–	–	1	1
Bonds	600	600	1	1
Impact Fees	675,724	675,724	1	1
Inspection Fees	–	–	1	1
License Fees	–	–	1	1
Permits Fees	15,000	15,000	1	1
Review Fees	15,000	15,000	1	1
Tap Fees	24,356	24,356	1	1
Utility Fees	394,163	394,163	1	1
Other Permits And Fees	50,000	50,000	1	1
<b>Total Permits &amp; Impact Fees</b>	<b>1,174,843</b>	<b>1,174,843</b>		
<b>Furniture, Fixtures &amp; Equipment</b>				
Clubhouse Furnishings / Installation / Shipping/ D	350,000	–	8	3
Model Furnishings	85,000	–	8	3
Clubhouse Specialties	75,000	–	8	3
Fitness Equipment	–	–	8	1
Office Equipment & Furnishings	225,000	–	8	1
Pool Furnishings	200,000	–	8	3
Vehicles (Golf Carts)	–	–	8	1
Maintenance Equipment	25,000	–	8	3
Signage Production	–	–	8	1
Temp Leasing Office	25,500	–	8	1
Unit Furnishings	–	–	8	1
<b>Total Furniture, Fixtures &amp; Equipment</b>	<b>985,500</b>	<b>–</b>		
<b>Marketing</b>				
Logo Design	110,000	–	12	1
Paid Media	30,000	–	22	1
Events & Promotional Items	5,409	–	19	1
Signage	40,000	–	19	1
Lease Up & Marketing	–	–	19	6
Other Marketing/Leasing	–	–	19	6
Marketing Technology	–	–	19	1
Management Set Up Fee	25,000	–	19	1
Other Marketing	108,000	–	19	19
Management Lease-up Fee	100,000	–	38	1
<b>Total Marketing</b>	<b>418,409</b>	<b>–</b>		
<b>Legal &amp; Professional Services</b>				
Appraisal	6,500	6,500	1	1
Accounting	30,000	30,000	1	1
Senior Lenders Counsel	125,000	125,000	1	1
Owners Counsel	450,000	450,000	1	1
Investors Counsel	125,000	125,000	1	1
Title/Recording/Closing Fees	262,500	262,500	1	1
Inspecting Architect	100,000	100,000	1	1
PFC Structuring Fee	250,000	250,000	1	1
Lender Due Diligence	15,000	15,000	1	1
Organizational / Pre-Development Interest	100,000	100,000	1	1
PFC Legal	200,000	200,000	1	1
Project Security	8,500	–	36	1
<b>Total Legal &amp; Professional Services</b>	<b>1,672,500</b>	<b>1,664,000</b>		
<b>Other Development Costs</b>				
Builders Risk	849,205	849,205	1	1
Other	–	–	1	1
PFC GC Management Fee	233,545	116,773	27	1
<b>Total Other Development Costs</b>	<b>1,082,750</b>	<b>965,977</b>		
Development Fee	3,060,755	612,151		
Soft Cost Contingency	1,774,723	–	1	27
<b>Interest &amp; Operating Reserves</b>				
Construction Interest	1,934,055	–		
Land Broker - Cushman & Wakefield	260,000	–	1	1
Property Taxes	–	–		
Construction Loan Origination	441,241	441,241	1	1
Other Reserve	–	–	1	1
Owner Change Order Contingency	2,348,347	–	1	27
Operating Deficit	1,877,561	–		
Blank	–	–	14	7
<b>Total Reserves &amp; Other</b>	<b>6,861,204</b>	<b>441,241</b>		
<b>Total Development Costs</b>	<b>90,510,890</b>			

## Construction Completion & Leasing Schedule

Month	Date	Construction Completion	Units Completed	Leasing Velocity	Units Leased	Lease-up Percentage
Closing	Oct-26					
1	Nov-26	3.7%	-	0	-	0.0%
2	Dec-26	5.2%	-	-	-	0.0%
3	Jan-27	6.8%	-	-	-	0.0%
4	Feb-27	8.4%	-	-	-	0.0%
5	Mar-27	10.1%	-	-	-	0.0%
6	Apr-27	11.8%	-	-	-	0.0%
7	May-27	13.6%	-	-	-	0.0%
8	Jun-27	14.3%	-	-	-	0.0%
9	Jul-27	15.4%	-	-	-	0.0%
10	Aug-27	17.3%	-	-	-	0.0%
11	Sep-27	20.4%	-	-	-	0.0%
12	Oct-27	25.2%	-	-	-	0.0%
13	Nov-27	32.1%	-	-	-	0.0%
14	Dec-27	41.0%	-	-	-	0.0%
15	Jan-28	51.4%	-	-	-	0.0%
16	Feb-28	62.4%	-	-	-	0.0%
17	Mar-28	72.8%	-	-	-	0.0%
18	Apr-28	81.6%	-	-	-	0.0%
19	May-28	88.4%	-	-	-	0.0%
20	Jun-28	93.1%	-	-	-	0.0%
21	Jul-28	96.1%	-	-	-	0.0%
22	Aug-28	97.9%	24	24	24	7.7%
23	Sep-28	98.9%	93	22	46	14.7%
24	Oct-28	99.4%	149	20	66	21.2%
25	Nov-28	99.8%	207	16	82	26.3%
26	Dec-28	100.0%	287	12	94	30.1%
27	Jan-29	100.1%	335	12	106	34.0%
28	Feb-29	100.1%	335	16	122	39.1%
29	Mar-29	100.1%	335	20	142	45.5%
30	Apr-29	100.1%	335	26	168	53.8%
31	May-29	100.1%	335	26	194	62.2%
32	Jun-29	100.1%	335	26	220	70.5%
33	Jul-29	100.1%	335	26	246	78.8%
34	Aug-29	100.1%	335	26	272	87.2%
35	Sep-29	100.1%	335	20	292	93.6%
36	Oct-29	100.1%	335	20	312	100.0%
37	Nov-29	100.1%	335	16	328	105.1%
38	Dec-29	100.1%	335	7	335	107.4%
39	Jan-30	100.1%	335	-	335	107.4%
40	Feb-30	100.1%	335	-	335	107.4%
41	Mar-30	100.1%	335	-	335	107.4%
42	Apr-30	100.1%	335	-	335	107.4%
43	May-30	100.1%	335	-	335	107.4%
44	Jun-30	100.1%	335	-	335	107.4%
45	Jul-30	100.1%	335	-	335	107.4%
46	Aug-30	100.1%	335	-	335	107.4%
47	Sep-30	100.1%	335	-	335	107.4%
48	Oct-30	100.1%	335	-	335	107.4%
49	Nov-30	100.1%	335	-	335	107.4%
50	Dec-30	100.1%	335	-	335	107.4%
51	Jan-31	100.1%	335	-	335	107.4%
52	Feb-31	100.1%	335	-	335	107.4%
53	Mar-31	100.1%	335	-	335	107.4%
54	Apr-31	100.1%	335	-	335	107.4%
55	May-31	100.1%	335	-	335	107.4%
56	Jun-31	100.1%	335	-	335	107.4%
57	Jul-31	100.1%	335	-	335	107.4%
58	Aug-31	100.1%	335	-	335	107.4%
59	Sep-31	100.1%	335	-	335	107.4%
60	Oct-31	100.1%	335	-	335	107.4%

# Addendum D

## Qualifications



VALUATION & ADVISORY SERVICES / CENTRAL TEXAS

## Brad Baroch, MAI

First Vice President | Austin-San Antonio Multifamily Practice Leader

T +1 512 499 4935

M +1 512 906 5522

E brad.baroch@cbre.com

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### Clients Represented

#### *Representative/Partial List*

- All Major US Banks
- Berkadia
- Colliers
- IBC Bank
- Lument
- PGIM
- Walker & Dunlop

### Education

- Baylor University, Waco, Texas
  - B.B.A. Economics
- Appraisal Institute and Other Professional Courses

### Professional Experience

Brad Baroch, MAI, serves as First Vice President within CBRE's Valuation & Advisory Services group and holds the MAI designation from the Appraisal Institute. He began his career in real estate appraisal with CBRE in 2006, following his studies at Baylor University.

Mr. Baroch leads CBRE's Central and South Texas Multifamily Team, which focuses on the Austin, San Antonio, and Rio Grande Valley markets. His team specializes in appraising multifamily residential assets, including conventional and affordable housing developments, built-to-rent communities, and for-sale residential condominiums and townhomes. He also brings deep expertise in valuing residential subdivisions, having previously served as CBRE's subdivision specialist for Central Texas.

In addition to multifamily and residential work, Mr. Baroch's appraisal experience spans a broad spectrum of property types, such as office, retail, industrial, and special-use facilities. His capabilities extend beyond traditional valuation to include market studies, rent analysis, cash flow modeling, and a range of consulting assignments.

### Professional Affiliations

#### APPRAISAL INSTITUTE

- Appraisal Institute, Associate Member
- 

### Accreditations

#### CERTIFIED GENERAL REAL ESTATE APPRAISER

- State of Texas, No. TX 1338837 CG
-



## **Certified General Real Estate Appraiser**

**Appraiser: BRADLEY MICHAEL BAROCH**

**License #: 1338837-CG**

**License Expires: 08/31/2026**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

A handwritten signature in blue ink, which appears to read 'Chelsea Buchholtz', is located in the bottom right area of the document.

**Chelsea Buchholtz  
Executive Director**

# PROFILES

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VALUATION & ADVISORY SERVICES / CENTRAL DIVISION

## Grant Mueller, MAI

**Senior Managing Director, Texas**

**T** +1 512 499 4909

**M** +1 512 501 9444

**E** grant.mueller@cbre.com

### Clients Represented

- Amegy Bank
- Bank OZK
- BancorpSouth
- Capital One
- First United Bank
- Frost Bank
- Moody National Bank
- Prosperity Bank
- PlainsCapital Bank
- US Bank
- Washington Federal
- ABC Bank

### Pro Affiliations / Accreditations

- Appraisal Institute
- Certified General Real Estate Appraiser, State of Texas

### Education

- University of Texas, Austin,  
Bachelor of Arts in Liberal Arts

### Professional Experience

Grant Mueller, MAI, serves as Senior Managing Director within the Valuation & Advisory Services Group, based in the Austin office of the South Region. With over two decades of expertise in real estate appraisal and consulting, he brings deep market insight across Central Texas—including Austin, San Antonio, and the Dallas-Fort Worth metroplex—as well as West Texas (El Paso) and Oklahoma.

A designated member of the Appraisal Institute, Mr. Mueller has spent more than ten years specializing in the valuation of office, industrial, and self-storage assets. He actively contributes to the Office Valuation Group, Medical Office Valuation Group, and Industrial Valuation Group.

His appraisal experience spans a broad spectrum of commercial property types, including single- and multi-tenant office buildings, medical offices, industrial complexes, multifamily developments, mixed-use projects, self-storage facilities, retail properties, land developments, and specialized-use structures. Mr. Mueller provides a comprehensive suite of services, including valuation and appraisal, market analysis, rent studies, income and expense evaluations, and cash flow forecasting.

### Pro Affiliations

#### APPRAISAL INSTITUTE

- Designated Member (MAI)
- RECA Member

### Accreditations

#### CERTIFIED GENERAL REAL ESTATE APPRAISER

- State of Texas, No. TX-1337145-CG
- State of Oklahoma, No. 13679CGA
- State of Arkansas, No. CG-4990

# PROFILES

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## Education

- University of Texas, Austin, Bachelor of Arts in Liberal Arts
- Appraisal Institute, Various Appraisal Courses
  - USPAP
  - Business Practices and Ethics
  - Eminent Domain and Condemnation
  - Green Buildings: Principals & Concepts
  - Subdivision Valuation
  - Analyzing Operating Expenses
  - Small Hotel / Motel Valuation
  - Forecasting Revenue
  - Advanced Applications
  - Report Writing and Valuation Analysis
  - Market Analysis and Highest & Best Use
  - Advanced Sales Comparison & Cost Approaches
  - Advanced Income Capitalization
  - Appraisal Procedures
  - General Applications

GRANTBRANDEN MUELLER  
500 W 2ND ST STE 1700  
AUSTIN, TX 78701



## **Certified General Real Estate Appraiser**

**Appraiser: GRANT BRANDEN MUELLER**

**License #: 1337145-CG**

**License Expires: 07/31/2027**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title:  
Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at [www.talcb.texas.gov](http://www.talcb.texas.gov).

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**Chelsea Buchholtz  
Executive Director**