

Income Approach

Income Operating Statement

Income					
Gross Potential Annual Market Rent				\$114,612	
Laundry (Estimated)				3500	
Total Gross Potential Income - Annual				\$118,112	100.0%
Less Vacancy & Collection Loss			4.94%	-5,835	4.9%
Effective Gross Income - Annual				\$112,277	
Less Expenses					
	Expense Growth	Known Prior Year	Expected Market Next Year		
Real Estate Taxes	0.00%	\$0	\$7,452		6.3%
Insurance		0	4,500		
Management & Leasing	8.00%	0	6,737		
Gas	N/A	0	0		
Electricity	Owner Pays for Common Areas	0	1,032		
Water & Sewer	Owner Paid	0	15,600		
Trash Removal	Owner Paid	0	600		
Condo Assn Fees	N/A	0	0		
Repairs & Maintenance	Owner Paid	0	3,000		
Reserves		0	4,600		
Total Expenses		\$0	\$43,521	-43,521	36.8%
Net Operating Income (NOI) For The Fee Simple Estate				\$68,756	58.2%

2015
APPRAISAL

Value Indication

The adjusted data varies from \$31.64 to \$48.03 per sq. ft. Price per apartment unit ranges from \$22,009 to \$50,118. In regards to unit configuration comparable sale 1 is the most similar to the subject having an almost exact unit configuration. Comparable(s) 2, 3 and 4 are smaller apartment complexes ranging in size from 14 to 16 units. Overall comparable 1 is considered the most reflective of the subject property. After careful consideration of all factors pertaining to, and influencing the sales comparison approach, the following is selected as the most fitting value indication. Both the per-unit and lump sum value indications reflect the worth of the subject building, site improvements, and the land. Accordingly,

Subject's (23) Apartment Units	@	\$34,130	Per Unit =	\$784,990
<i>Indicated Market Value "As Is"</i> <i>Via Sales Comparison, Say</i>				\$785,000

2015
APPRAISAL

Heritage Village Apts. 2015

Deposits including 1099 = \$108,443.⁴⁰

Real Estate Taxes = \$7583.⁵⁰

\$108,443.⁴⁰

Water + Sewer = \$15,511.⁰⁵

- \$46,383.⁰⁵

Building Maintenance

Lawn Care and Snow Removal = \$7780.⁰⁰

\$62,060.³⁵

Cleaning and Carpet cleaning = \$500.⁰⁰

Advertising = \$150.⁰⁰

Insurance = \$5670.⁴⁰

Electric = \$3448.⁰⁰

Trash Removal = \$3850.¹⁰

Pest Control = \$1890.⁰⁰

Total = \$46,383.⁰⁵

HERITAGE Village Apt. 2014

Deposits = \$97,034.⁵⁰ Includes 1099

Real Estate TAXES = \$7,583.⁵⁰

Water + Sewer = \$16,352.¹¹

Building Maint.
- Lawn Care and Snow Removal = \$5181.⁵⁶

Cleaning and Carpet Cleaning = \$333.⁹⁰

Advertising = \$100.⁰⁰

Insurance = \$6,382.⁶⁵

Electric = \$3,760.⁸¹

Trash removal = \$477.³³

\$40,671.⁸⁶

\$97,034.⁵⁰
- 40,671.⁸⁶

\$56,362.⁶⁴