

Market Study –

Arlington 425 Development (Proposed Construction)

Multifamily Property

225 W. Campbell, 33 S. Chestnut, 44 S. Highland
Arlington Heights, Cook County, Illinois 60005

Prepared For:

CCH LLC

Effective Date of the Market Study:

August, 2018

IRR - Chicago

File Number: 194-2018-1167





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Arlington Heights, Illinois



January 14, 2019

CCH LL
7458 N. Harlem Avenue
Chicago, IL 60631

SUBJECT: Market Study
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 Arlington Heights, Cook County, Illinois 60005
 IRR - Chicago File No. 194-2018-1167

Integra Realty Resources – Chicago is pleased to submit the accompanying market study of the referenced property as of August 2018. The market research was completed in August 2018 and has not been updated; however, the description of the proposed development has been updated to reflect the current design of the project.

Information for this report was researched and gathered from property inspections and conversations with brokers, developers, lenders, investors, managers, leasing agents, and sales agents involved in the Suburban Chicago apartment and condominium markets. On a quarterly basis since 2005, we have also researched the rental apartment market for Suburban Chicago. This ongoing work, along with our database going back 40+ years, well positions us to analyze and understand market trends specific to the proposed project.

Should you have any questions about this report or desire further consultations as you decide to move forward, please do not hesitate to call us directly. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Chicago



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General Information

Purpose of the Market Study

The purpose of this report is to provide:

- ***Rental Apartment Market pertaining to the three proposed buildings:***
 - Overview of the northwest Cook County rental apartment market.
 - Analysis of the market demand for new rental apartment units at this location.
 - Analysis of the projected renter profile.
 - Survey and overview of the primary rental apartment competition in the market in terms of current and proposed inventory, unit sizes and mix, amenities and finishes, parking, rent trends, occupancy levels, and absorption rates.
 - Critique regarding the proposed unit mix, unit sizes, unit finishes and project amenities for the proposed development.
 - Conclusions regarding market rent levels and absorption projections for the proposed units. The rent levels will be projected in current dollars (August 2018) and at the time of projected occupancy.
- ***Condominium Component pertaining to the Chestnut building which is being considered for condominium usage:***
 - Overview of the condominium market pertinent to the subject location, including both new construction and resale product.
 - Analysis of the market demand for new condominium units at this location.
 - Analysis of the projected condominium buyer profile.
 - Survey and overview of the primary condominium competition, including both new and resale product.
 - Critique of the mix of unit types, unit sizes, unit finishes, and project amenities for the proposed building.
 - Conclusions regarding the marketability of these units as condominiums.

Effective Date

The effective date of the analysis and conclusions is August 2018.

Intended Use and User

The addressee on the letter of transmittal is the client and the intended user of this report.

This report is prepared for exclusive use by the addressee for internal planning purposes.

Sources of Data / Extent of Research

An inspection of the subject site and neighborhood was completed along with a review of the architectural drawings which were provided for the subject property.

The following data sources were researched:

- Inspection of the site and a review of the architectural plans
- Visual inspection of the immediate neighborhood
- Ongoing discussions with brokers, developers, lenders and investors active in the suburban Chicago rental market and condominium market
- Inspection of the competing rental and condominium buildings in the market and discussions with management and leasing/sales agents
- Previous assignments where information was not confidential

The market research was completed in August 2018 and has not been updated; however, the description of the proposed development has been updated to reflect the current design of the project.

Applicable Requirements

This market study is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;

Report Format

This report is prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have not performed 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.

Inspection

Gail Lissner, SRA, CRE, conducted an inspection of the property in August, 2018.

Executive Summary and Conclusions



Architect's Rendering – Arlington 425

Location

The south side of W. Campbell between S. Highland Avenue and S. Chestnut Avenue with the specific addresses of 225 W. Campbell, 33 S. Chestnut and 44 S. Highland
Arlington Heights, Cook County, Illinois 60005

Concept

This vacant 3+ acre site is proposed for Arlington 425, a development with three residential buildings ranging in height from 4 to 12 stories. The buildings will range in size from 54 to 182 units, with a total of 361 units. The development plan, designed by Tinaglia Architects, is at an early stage of design and includes the following unit mix:

Proposed Unit Mix

	Studio	1BR	1BR+Den	2BR	2BR+Den	Total
HIGHLAND BUILDING						
SF Range	524-785	659- 1,088		1,035 - 1,170		
No. of Units	41	60		24		125
Total NRA SF	26,810	49,068		26,460		102,338
Avg Unit Size (SF)	654	818		1,103		819
Percentage	33%	48%		19%		100%
CHESTNUT BUILDING						
SF Range	515	815-827	976 - 1,162	899- 1,352	1,249-1,364	
No. of Units	4	12	8	22	8	54
Total NRA SF	2,060	9,888	8,063	26,937	10,452	57,400
Avg Unit Size (SF)	515	824	1,008	1,224	1,307	1,063
Percentage	7%	22%	15%	41%	15%	100%
CAMPBELL BUILDING						
SF Range	512-552	679- 853	974-990	914- 1,127		
No. of Units	42	77	21	42		182
Total NRA SF	22,428	59,094	20,601	42,203		144,326
Avg Unit Size (SF)	534	767	981	1005		793
Percentage	23%	42%	12%	23%		100%
TOTAL DEVELOPMENT						
SF Range	512-785	659-1,088	974-1,162	899-1,352	1,249-1,364	512-1,364
Total Units	87	149	29	88	8	361
Total NRA SF	51,298	118,050	28,664	95,600	10,452	304,064
Avg Unit Size (SF)	590	792	988	1,086	1,307	842
Percentage	24%	41%	8%	24%	2%	100%

Unit layouts have not yet been designed.

Conclusion

Based upon our analysis of the subject location, the proposed development plan, and the suburban rental apartment market, we believe that rental apartments will be marketable at this location.

We have provided rent projections based on the developer's proposed unit mix and unit sizes and concluded that net effective rents of approximately \$2.32 PSF should be achievable in 2018 dollars, along with garage parking at \$75 per space per month. Rents have been projected to increase at an annual rate of 2% until occupancy. The development of this project is currently planned to be phased. As a three-building development with individual buildings ranging in size from 54 units to 182 units, lease-up has been estimated at about 10 to 15 units per month.

Alternatively, we were also requested to critique the 33 South Chestnut building as a condominium. Overall, we believe that the subject property's strong location could support a condominium building. However, we suggest a building smaller in size (i.e. 25-35 units recommended) and with modifications

to the unit mix. The sales velocities being achieved in new developments both in the suburban market and in the city of Chicago are not supportive of such a large condominium development at the present time. Thus, until there is a strengthening in market demand, we believe that this building would be better suited to rental rather than condominium ownership.

Rental Analysis and Conclusions

Property Location

The subject property is located in Arlington Heights, a community of approximately 76,000 persons located northwest of O'Hare Airport in the northwest suburbs of Chicago. The location is 25 miles from Chicago's central business district ("The Loop") and 15 miles from O'Hare Airport. Specifically, the subject is located at the western end of the downtown core area and is bordered by single-family and vacant land on the west and south and commercial uses, a parking garage and mid-rise condominium buildings to the east and north. The village is bordered by Buffalo Grove on the north, Wheeling, Prospect Heights and Mount Prospect on the east, Elk Grove Village on the south and Rolling Meadows and Palatine on the west. Interstate 90 runs along portions of the southern border while Illinois Route 53 extends along portions of the western border. It is also served by the Metra Union Pacific/Northwest Line which has stops in downtown Arlington Heights and Arlington Park with train service to Ogilvie Transportation Center. The downtown Arlington Heights Metra station is within a very short walk from the subject site.

Overall, the subject property's location in downtown Arlington Heights is considered to be excellent. It is located on the south side of the train tracks which divides the downtown area; the subject property's neighborhood is where the majority of the retail and restaurant development has taken place in downtown Arlington Heights. With its vibrant streetscape, numerous restaurants with outdoor seating, and a good mix of retail tenants, downtown Arlington Heights is considered to be one of the most desirable downtowns in the north/northwest suburban market.

The 2018 average household income in a five mile radius of the subject property is estimated at \$87,102 according to Environics Analytics. Within the past 12 months, according to MRED LLC, 790 detached single-family homes in Arlington Heights sold at prices averaging \$416,156, with a median house price of \$372,000. Home sales ranged between \$132,000 and \$1,400,000. 503 condominium and townhome units also sold, with an average price of \$188,234 and a median price of \$156,000. Prices ranged between \$70,000 and \$745,000.

Unlike other areas in the suburban metropolitan area, there has been very limited large-scale rental apartment development in the Northwest suburbs and specifically in Arlington Heights. The lack of newer product has been more a function of the lack of the availability of sites suitable for development rather than the submarket economics. The only recent large-scale apartment project to date in Arlington Heights is One Arlington, a 214 unit adaptive reuse project which was completed in 2014. This project is situated west of Arlington Park. In 2018 the Parkview Apartment project, a 45-unit building, was built in the downtown area at the southwest corner of Dunton Avenue and Eastman. This project consists of a mix of one, two, and three bedroom units, including an affordable component. In July 2018, a 76-unit proposed apartment building at the northwest corner of Kensington and Hickory was approved for development. This site is located outside of downtown Arlington Heights but close to other retail including a Mariano's grocery. However, it lacks the subject

property's downtown ambience and other amenities. In addition, the phase II of the Arlington Downs development is also planned for development in 2019, adding another 263 Class A rental apartment units to Arlington Heights. However, neither of these properties will have a downtown Arlington Heights location.

Northwest Cook County Suburban Rental Market Conditions

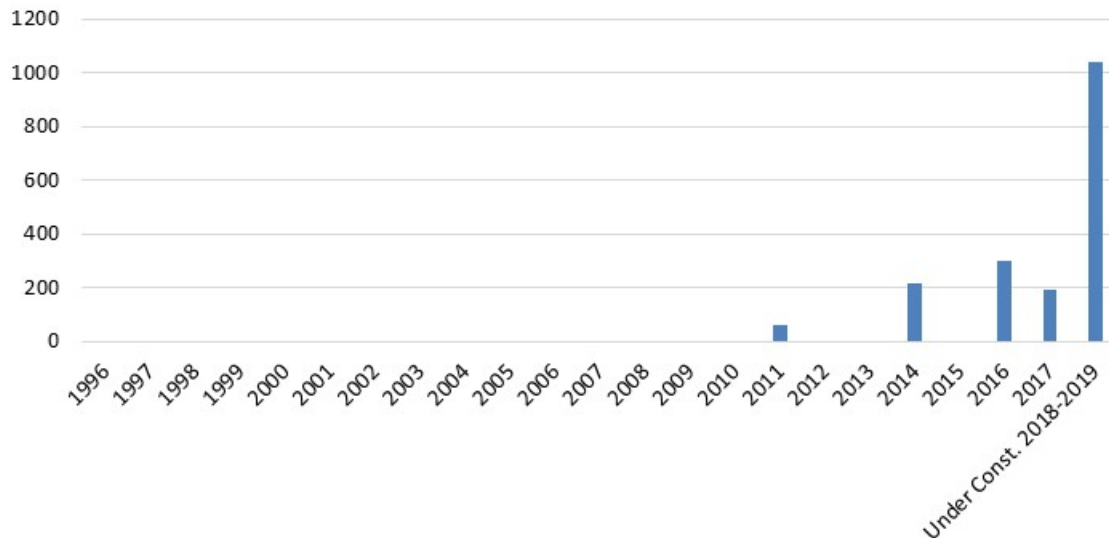
The Cook County Northwest submarket is defined as roughly Interstate 294 to the east, Lake County on the north, Route 59 on the west and DuPage County to the south. O'Hare International Airport is at the southeastern most part of the submarket. Cook County Northwest was one of the first submarkets to develop to a significant density in the suburban Chicago market area. The Integra Realty Resources - Chicago internal database for the Cook County Northwest submarket consists of 25,711 dwelling units which are tracked on a quarterly basis. The median unit size for the submarket is 877 square feet which is in-line with the overall suburban market. The median year built was 1975 compared to the overall suburban market having a median of 1986.

Cook County Northwest was one of the first submarkets to be develop in suburban Chicago to a significant density. However, no new apartment development took place in the 1990s or early 2000s. It was not until 60 units were constructed in Des Plaines in 2011 that there was any new rental product added to this submarket since the 1980s, and these 60 units actually began construction as condominiums but were completed as rental apartments during the downturn in the for-sale market. There have only been a few new projects added to this rather sizable market during the past few years, but development activity has increased with over 1,000 units currently under construction for delivery in 2018/2019. The lack of newer product in the Northwest Cook County submarket has been more a function of lack of sites suitable for development rather than submarket economics.

As shown on the following page, new rental apartment development did not occur in the Northwest Cook County submarket for many years and has only begun occurring in the past few years.

New Construction Apt Units Delivered in NW Cook Submarket: 1996-1997 and Under Construction for Delivery in 2018/2019

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Median net rent per square foot as of 2Q 2018 stands at \$1.52, a gain of 1.4 percent from a year ago. Rents in the Northwest Cook submarket are up 1.8 percent compared to the levels posted two years ago. One-bedrooms have a median rent of \$1,200 while two bedrooms have a median net rent of \$1,422. Occupancy is down 70 bps from 95.2 percent one year ago to the current level of 94.5 percent. The submarket remains relatively “full” with pricing therefore expected to remain stable.

Renter Profile

The subject’s location within downtown Arlington Heights will be appealing to persons with or without use of a car due to the abundance of restaurants, shops, and a grocery store within walking distance. The Metra station is also within walking distance. Thus, the location will appeal a wide variety of persons who are attracted to the urban/suburban nature of its location. Specifically, elderly empty nesters without a car will find this to be a very attractive location and younger, more mobile empty nesters who would want a walkable suburban downtown location will find this to be an excellent choice when down-sizing from a detached or townhouse residence in the area.

It is anticipated that the renter profile will also be comprised of persons who work in the area, commute via train or I-90, I-290, or I-294 or couples who work in different parts of the metropolitan area and require a location which is centralized for their individual commutes. With the proximity to the O’Hare and Schaumburg office markets along with a multitude of other employment opportunities available via the highway network, this is a rather central location for a person working in the northwest suburban market.

We also view the demand for this location to be generated by persons who have a connection to Arlington Heights. It is a location which could also appeal to persons in transition – i.e. moving locally

or transferees, persons in the process of obtaining a divorce, divorced parents wishing to remain close to their families in the Arlington Heights area, or active grandparents relocating to be closer to their adult children and grandchildren and desiring a new construction rental apartment. Thus, the property is expected to appeal to a rather wide renter profile.

Competition Overview

The subject will compete with other rental apartment developments also located within the Northwest Cook submarket and more specifically those located within Arlington Heights and the surrounding communities. While the survey focused on properties located in adjoining suburbs, we also placed particular weight on properties which offer a similar type of downtown location. At the present time, this is not available in many northwest suburbs, but apartment buildings have been developed in downtown locations in Glenview, Des Plaines, and Park Ridge with one under construction currently in Mt Prospect.

Sixteen large apartment properties comprising of 3,588 units were identified as providing potential competition to the subject units, either as primary or secondary competition. Of the 16 properties, two are older buildings which have been renovated and are located within downtown Arlington Heights and one is a newly developed property located close to Arlington Park, in the western section of Arlington Heights.

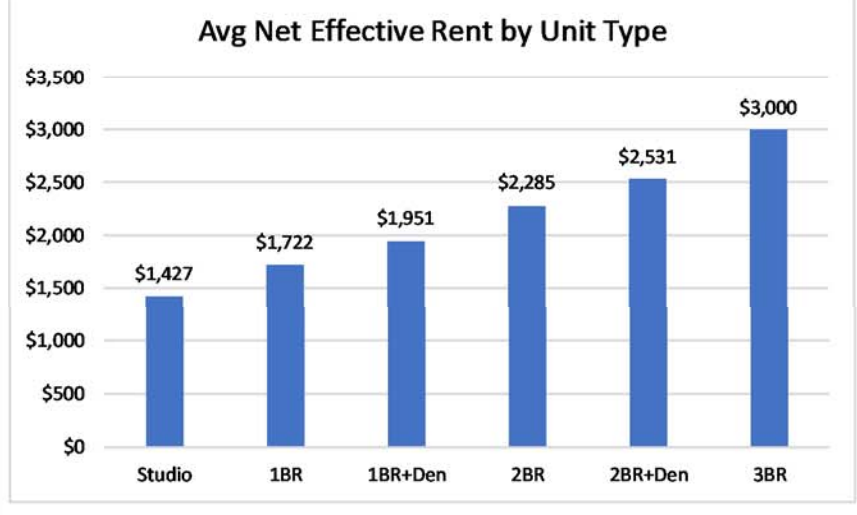
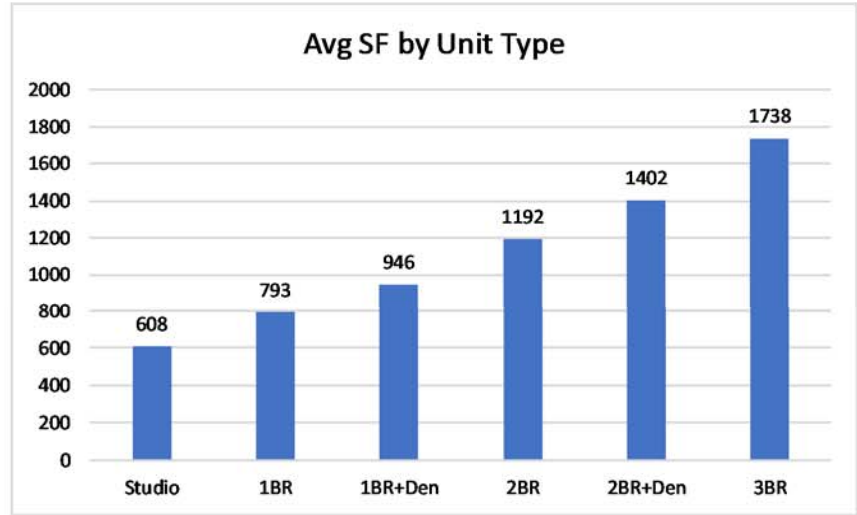
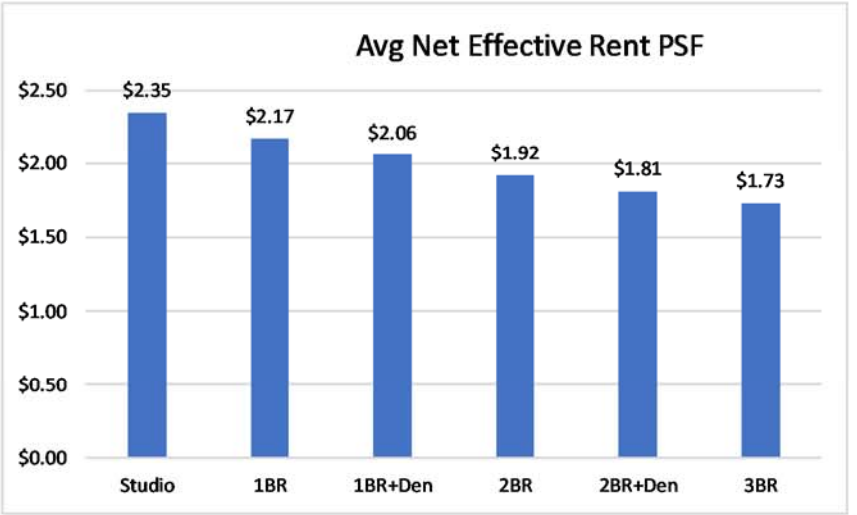
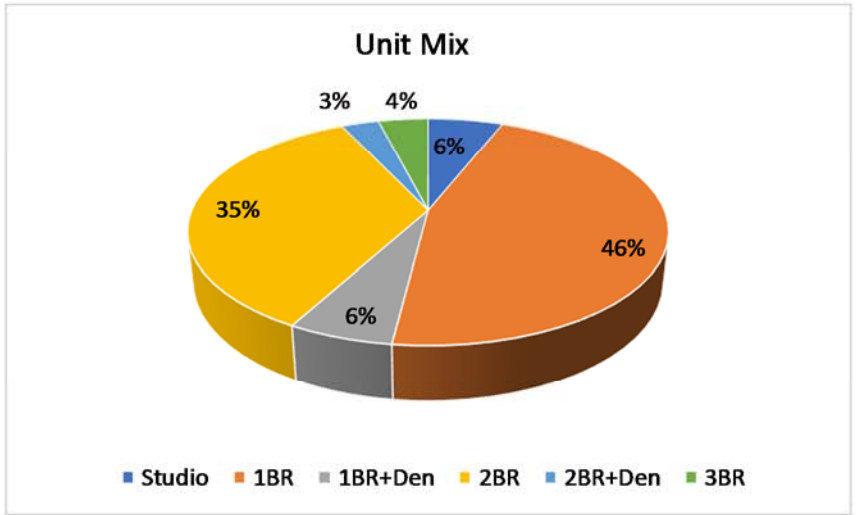
A summary of the data is presented on the following pages.

Apartment Rental Competition Overview

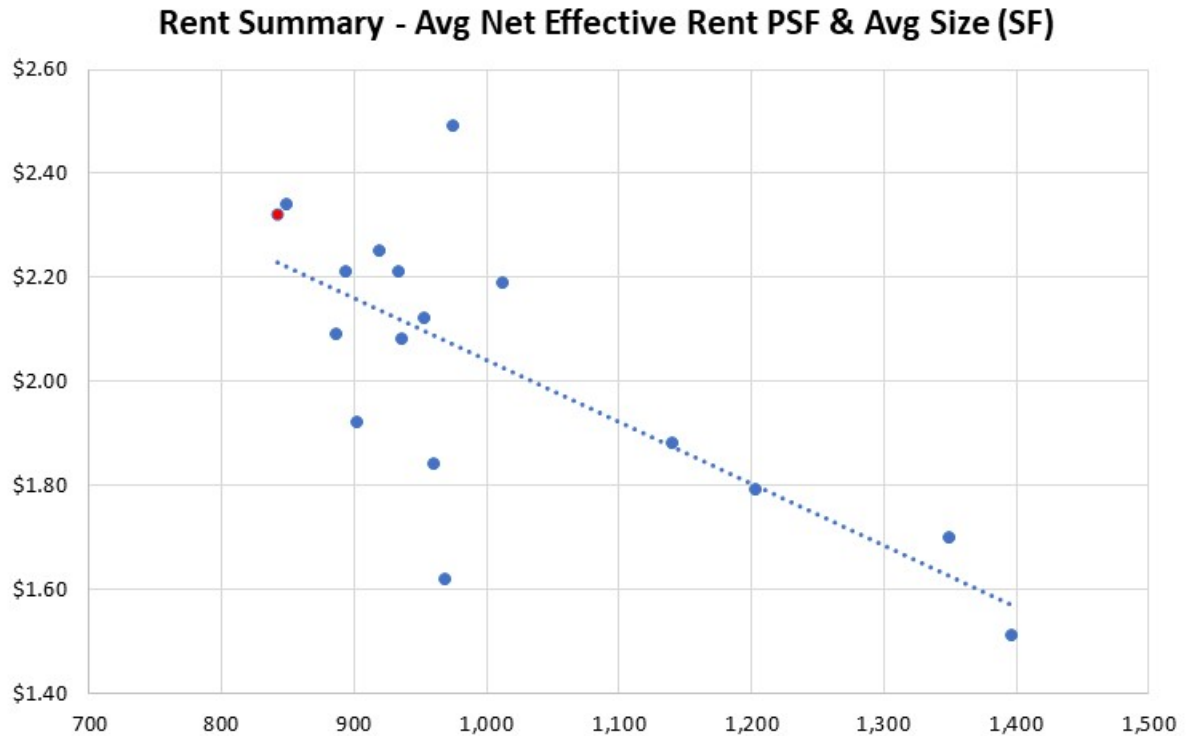
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Name	Address	Suburb	Total Units	Class	Date Built	Avg Size (SF)	Quoted Rent PSF	Net Rent PSF	Garage Fee	Occup.
Subject - Campbell		Arlington Heights	182	A	Proposed	793				
Subject - Highland		Arlington Heights	125	A	Proposed	819				
Subject - Chestnut		Arlington Heights	54	A	Proposed	1,063				
Subject - Total			361			842				
Dunton Tower	55 South Vail	Arlington Heights	216	B	1986	902	\$1.92	\$1.92	\$75	98.1%
Hancock Square	200 North Arlington Hts Rd	Arlington Heights	409	B	1988	849	\$2.34	\$2.34	\$75	96.3%
One Arlington	3400 W. Stonegate Blvd	Arlington Heights	214	A	2014	936	\$2.08	\$2.08	\$75	93.9%
North680	680 E. Algonquin Rd.	Schaumburg	180	A	2017	894	\$2.21	\$2.21	\$75 - \$120	87.8%
Buckingham Place	750 E. Northwest Hwy	Des Plaines	267	A	2018	961	\$1.94	\$1.84	\$75	In lease up
River 595	595 S. River Rd	Des Plaines	60	A	2011	1,397	\$1.63	\$1.51	\$100	93.3%
Kingston Pointe	1646 River St	Des Plaines	144	A	2009	1,203	\$1.79	\$1.79	\$50 - \$100	91.7%
Tapestry Glenview	2550 Waterview Dr	Glenview	290	A	2014	887	\$2.18	\$2.09	\$60	99.0%
Aloft at Glen Town Center	1991 Tower Drive	Glenview	181	A	2004	1,141	\$2.05	\$1.88	\$75 - \$125	89.5%
Midtown Square	998 Church St	Glenview	138	A	2014	920	\$2.40	\$2.25	\$135	94.9%
Reserve at Glenview	195 N. Waukegan Rd	Glenview	239	A	2015	1,013	\$2.28	\$2.19	\$75 - \$125	89.5%
Northgate Crossing	250 Northgate Pkwy	Wheeling	300	A	2016	969	\$1.83	\$1.62	\$145 - \$175	87.7%
Park 205	205 W. Touhy	Park Ridge	115	A	2015	975	\$2.49	\$2.49	\$125 - \$200	96.5%
The Res. At Hamilton Lakes	1133 N. Arlington Heights	Itasca	297	A	2015	934	\$2.24	\$2.21	\$125	In lease up
444 Social	444 Parkway Drive	Lincolnshire	302	A	2018	953	\$2.42	\$2.12	\$75 - \$150	In lease up
Deer Park Crossing	21599 W. Field Ct.	Deer Park	236	A	2018	1,350	\$1.98	\$1.70	\$150	In lease up
Total			3,588							

Market Survey Summary



In comparing the average rents per square foot and average unit sizes, the range of data for these 16 properties is shown below:



Subject projections shown in red

The Subject Property - Unit Mix

We have been provided with the unit mix and the unit sizes for the subject property but the individual unit layouts were not available. Thus, we were not able to refine our conclusions relative to the functional appeal of the individual unit layouts.

The current mix of units is proposed by the developer as follows:

Developer Unit Mix and Unit Sizes

	Studio	1BR	1BR+Den	2BR	2BR+Den	Total
HIGHLAND BUILDING						
SF Range	524-785	659- 1,088		1,035 - 1,170		
No. of Units	41	60		24		125
Total NRA SF	26,810	49,068		26,460		102,338
Avg Unit Size (SF)	654	818		1,103		819
Percentage	33%	48%		19%		100%
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Percentage	24%	41%	8%	24%	2%	100%

Based upon our review of the inventory in the market and how each building is performing, we conclude that the overall average unit size is marketable and oriented towards the demand in the market. However, since the unit layouts are not yet drawn, we cannot opine further on the functionality or marketability of the individual layouts. While the overall unit size is in line with the market, some of the individual units are oversized and may exhibit potential for some refinement.

Studio Units: The development will contain 87 studio units ranging in size from 512 to 785 SF. Thus, the studios comprise 24% of the total units in the development. This is a very large percentage of studio units for a development in the suburbs although it is consistent with the unit mix at One Arlington where studio units have been in strong demand. The studio units in the Campbell and Chestnut buildings fall at the lower end of the range from 512 to 552 SF, while the Highland building has a mix of studio unit sizes ranging from 524 to 785 SF. Based upon our conversations with leasing agents, it is clear that there is strong demand for new construction studio units in the suburban market. Typically, the newer buildings in the suburban market offer convertible units with a separate sleeping alcove. Because the floor plans for the subject units have not been developed or provided, we are not able to determine whether these studio units will have an alcove area. In addition, studio

units typically are not larger than 600 SF; thus, the studio units in the Highland building which become as large as 785 SF will be very oversized for the market. If these units can function as one bedroom units, they will be marketable. If they function only as studio units, their rents will be impacted on a rent per square foot basis. With few existing developments offering studio units and given the subject property's downtown location, this will be an excellent product type for inclusion in the project.

One Bedroom Units: The 149 one bedroom units (41% of the total units in the project) will range from 659 to 1,088 SF. The unit sizes in the Campbell and Chestnut buildings will range from 679 to 853 SF while the Highland building has some very oversized one bedroom units ranging as large as 1,088 SF. With such large sizes, these units will be marketable to renters but will not be able to maximize the rent on a per square foot basis for the owner. If these oversized one bedroom units are able to function as a one bedroom plus den unit, that will be beneficial.

One Bedroom Plus Den Units: Eight percent of the units in the development will be one bedroom plus den units, for a total of 29 units. Unit sizes range from 974 to 1,162 SF. The bulk of the one bedroom plus den units are located in the Campbell building and are under 1,000 SF while there are some oversized units in the Chestnut building. More typically, one bedroom plus den units should provide a bridge between one bedroom and two bedroom units; thus, their sizes should fall below the typical two bedroom sizes. When oversized and priced like two bedroom units, the market generally resists these units and they tend to lease more slowly and at rents below the market averages.

Two Bedroom Units: The property will contain a wide range of two bedroom unit sizes, ranging in size from 899 to 1,352 SF and comprising 24% of the units in the development. This is an extremely wide range and will provide diverse choices for the renters. However, we do note that when units are particularly large, it is difficult for ownership to maximize rent on a per square foot basis.

Two Bedroom plus Den Units: Rather than providing three bedroom units, the Chestnut building will have eight two bedroom plus den units, comprising 2% of the total units. These units will range in size from 1,249 to 1,364 SF and will be similar to the large two bedroom units in terms of overall size. We assume that these layouts will be versatile and that these units can function as three bedroom units, if desired by the resident.

Subject Property - Unit Finishes and Building Amenities

A list of unit finishes was not provided with this assignment. We assume that the unit finishes will be consistent with the new construction competition in the suburban market and will meet the expectation of tenants seeking modern homes with the latest design and features.

- Unit finishes should include 9' ceiling heights, full-size washer/dryer, walk-in closets, balconies, and window treatments (roller blinds). The market has moved away from carpeting and instead is using vinyl plank flooring (engineered hardwood used occasionally and only in higher end properties). Kitchens should be equipped with attractive cabinets, granite or quarter counters, full-height backsplash, and good quality stainless steel appliances. Gas cooktops are preferred in the market rather than electric.
- Currently, the subject property consists of three buildings and it appears that there will be some sharing of amenities. With a project this size, there is the opportunity to provide

amenities which are superior to the other rental alternatives in the Arlington Heights market. If the amenities are not shared, they will need to be more limited and scaled back.

- For a 361 unit development, we suggest that the following:
 - Fitness center with separate yoga or multi-purpose room
 - Residential lounge areas/clubrooms with places to socialize, areas with big screen TVs, informal co-working areas, conference rooms, and coffee bar. With the increasing number of people who work from home either on a full-time or occasional basis, it is important to provide informal areas which cater to their needs, including a few small conference rooms for meetings. We are seeing some developers omit formal business centers as much since the residents will typically own computers; however, residents frequently do not own a printer and when provided by a building, these are well used. A separate club room which can also be rented for private parties is also popular.
 - Wi-fi in all public areas
 - Rooftop sun decks with barbecue areas, dining areas, and seating areas. These types of spaces have become very resort-like in many developments and are not merely open decks with tables and chairs. When accessed from the residential lounge/club room areas, the market appeal of both the club area and the roof deck is enhanced.
 - Pets have become extremely important, leading to an increase in the number of dogs in rental apartment buildings. A pet spa (area to wash and groom a pet) and a partially covered dog walk area (particularly useful on bad weather days) are popular amenities.
 - With people shopping extensively on line, it is becoming very challenging for buildings to handle packages. There are package rooms and package systems such as Luxor and Amazon which can be utilized, as the number of package deliveries continues to grow. Thus, it is very important to design the building to efficiently accommodate the increasing number of packages that residents receive.
 - Bike storage areas
 - Individual storage lockers will also be important, particularly if the property caters to empty nesters. These can be leased for an additional monthly fee, depending upon the size of the locker. Typically, these spaces rent for \$25 to \$50 per month.
 - With 361 units, we would also suggest an outdoor swimming pool. Discussions with leasing agents confirm the desirability of this amenity and its importance in the leasing of the units.

The Subject Property - Parking Amenity

The subject property is being planned with a parking ratio of approximately 1.5:1. However, the location of the spaces is unusual in that the Campbell building will not have any parking spaces, with spaces in the Chestnut and Highland buildings. This will result in a bridge connecting the parking garage structure in the Highland building to the Campbell building. While bridges are less than ideal as they can result in longer walks and an additional elevator ride for the residents, they are rather common in downtown Arlington Heights where both Dunton and Hancock have bridges connecting to parking garages.

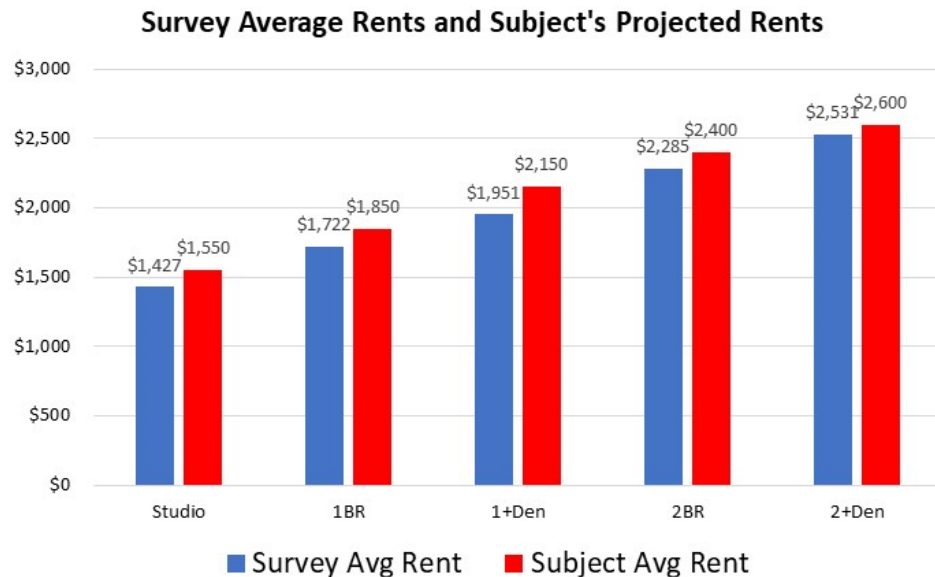
Given its downtown Arlington Heights location in close proximity to shopping, restaurants, and the Metra, we expect that parking demand will be more limited than in a non-downtown Arlington Heights location. In addition, with the anticipation that older empty nesters could be attracted to the development, this could also lessen demand. We have estimated a monthly parking fee of \$75 per month in current dollars which is consistent with other buildings in the downtown Arlington Heights market.

The Subject Property - Recommended Rents (average)

Based upon an analysis of the subject location and overall development scheme, we believe that rental apartment units will be marketable at this location. Assuming that the property will have well designed, functional unit layouts and high-end amenities and finishes which are comparable to the luxury, Class A new construction competition in the market, we have estimated general rent ranges for the units as follows:

Projected Rents (2018 dollars)

	Studio	1BR	1BR+Den	2BR	2BR+Den	Total
TOTAL DEVELOPMENT						
SF Range	512-785	659-1,088	974-1,162	899-1,352	1,249-1,364	512-1,364
Total Units	87	149	29	88	8	361
Total NRA SF	51,298	118,050	28,664	95,600	10,452	304,064
Avg Unit Size (SF)	590	792	988	1,086	1,307	842
Percentage	24%	41%	8%	24%	2%	100%
Est. Rent	\$1,550	\$1,850	\$2,150	\$2,400	\$2,600	
PSF	\$2.63	\$2.34	\$2.18	\$2.21	\$1.99	\$2.32



With the developer's unit mix, we have concluded that a net effective rent of \$2.32 PSF should be achievable in current dollars, with parking at \$75/space/month. We expect that rents will increase and have estimated an annual rate of about 2% per year.

The Subject Property - Estimated Absorption

As is typical of lease-up programs, lease-up can occur with a large spurt of activity at the beginning of the program, particularly if it is timed for the spring and summer leasing season, with the pace slowing as the program continues. In the Chicago MSA market, very little leasing activity takes place between November and February and the bulk of this winter activity is generated by need-based moves. In fact, most owners do not like to have leases come due during this winter period due to the lack of potential renter traffic at this time of year.

The subject units will be facing increasing competition in the overall market area as there are several projects which are under construction in communities such as Mount Prospect, Des Plaines, and Wheeling. While these downtowns may lack the cache of Arlington Heights, they are still considered to be potential alternatives. In addition, there is a growing pipeline of proposed projects which have not yet broken ground but which are in varying stages of the entitlement, design, and financing process. Thus, we expect that the market will be more competitive when the subject buildings begin offering units for occupancy.

Integra Realty Resources – Chicago has been surveying the lease-up pace in all of the new suburban apartment projects in the Chicago MSA. The detailed information is shown later in this report. Overall, since 2013, projects have been leasing up an average pace of 12 units per month. Overall, we are projecting a similar lease-up pace of approximately 10 to 15 units per month, assuming a phased lease-up.

Condominium Analysis and Conclusions

We have also been requested to explore the condominium potential for the 33 South Chestnut building as this building may instead be developed as a condominium rather than as a rental apartment building. The other two buildings are being planned for rental utilization.

As a first step, a survey of the condominium market was undertaken. The condominium competition survey is comprised of two components:

Resale product – existing condominium units in mid-rise and high-rise condominium building located in downtown Arlington Heights that were developed within the past 20 year. This survey provides current pricing for the alternatives currently existing in the downtown Arlington Heights market.

New product – proposed or newly constructed condominium buildings located in the suburbs in the Chicago Metropolitan Area, with a focus on locations in suburban downtowns. This survey provides insights into the types of units being developed in suburban downtowns throughout the MSA, the pricing of these units, and the sales absorption pace being achieved.

Condominium development halted abruptly 10 years ago with the market downturn. Projects which had been engaged in marketing at that time were either aborted (if pre-construction) or eventually finished if already under construction. Some of the buildings such as River 595 and Kingston Pointe in downtown Des Plaines were converted to rental utilization and are still operating as rental apartment buildings at the present time. Other buildings, such as the 119-unit Hamptons of Hinsdale townhome and condo project, were completed after sellout programs that lasted much longer than originally envisioned. In fact, the Hamptons of Hinsdale project was finally completed and sold out in 2017, 10 years after its marketing program had originally started.

Townhouse development has again been occurring throughout the Chicago MSA with several local and national builders actively and successfully developing townhouse projects. This is occurring in a wide variety of markets throughout the region. As townhomes frequently cater to a first-time buyer with product in the mid \$300,000 range and can be built in phases as units sell, this has been a popular for-sale product for both buyers and developers. Townhomes also don't require the long lead times that condominium buildings do, with the buyers being able to complete their sale without the delays that can occur with condominium development. Pre-sale requirements are not an issue in townhouse development similar to a large condominium building where it can take a developer one or two years to gather enough sales to break ground. Thus, the townhouse development has led the recovery, with condominium development still occurring on an extremely limited and sporadic basis.

On the following page is a summary of the resale pricing in downtown Arlington Heights along with a review of recent condominium development activity in the suburbs of Chicago. Geographically, the new condominium development is spread out across DuPage, Cook, Lake, and Kane Counties. None of this development activity has been occurring in the Northwest Cook submarket or on the North Shore, with the exception of Lake Forest. Even Evanston which had been such an active new

development condo market in the early 2000s and is currently undergoing extensive rental development currently has not experienced new condominium development in recent years. In addition, Naperville is a market where condominium development would have been expected given its highly popular and successful downtown district. While the 13 acres surrounding the Naperville Metra station are being planned by the Ryan Companies as a mixed-use development, the entitlement process has been lengthy and the plans for the residential component of the project have not been finalized. Thus, no new condominium product has been added to the Naperville market either.

The list of recent and proposed condominium projects in the suburban market is a rather short list as summarized below along with the resale activity in downtown Arlington Heights

Condominium Survey Overview

New Development Activity in the Suburban Chicago MSA and 2017/2018 Resales in Downtown Arlington Heights

Name of Development	Address	City	Type	Mktg Start	Year Delivered	Total # of Units	Units Sold	% Sold	# Mos. Mktg	Avg Price PSF
New Construction Condominiums Engaged in Marketing										
The Residences at Ashland	40 S. Ashland Ave	La Grange	New Construction	Oct-14	2017	17	14	82%	46	\$323
Marquis on Maple	940 Maple Ave	Downers Grove	New Construction	Jan-16	2017	55	20	36%	32	\$292
Kelmscott Park	1155 Kelmscott Way	Lake Forest	New Construction	Jul-16	2019	24	9	38%	25	\$415
District House	147 N. Euclid Ave	Oak Park	New Construction	Aug-16	2018	28	27	96%	24	\$414
Sterling Condos	10 W. Illinois St.	St. Charles	New Construction	Jan-17	2018	13	12	92%	18	\$178 shell
1101 Bonnie Brae	1101 Bonnie Brae	River Forest	New Construction	Early 2017	Proposed	15	0	0%	18	\$423
Foxford Station	4441 Wolf Road	Western Springs	New Construction	Mar-17	2019	28	9	32%	17	\$346
The Hill	105 S. Cottage Hill Ave.	Elmhurst	New Construction	Jun-18	Proposed	23	0	0%	2	\$424
One95 Elmhurst	195 N. Addison	Elmhurst	New Construction	Aug-18	Proposed	20		0%	n/a	n/a
New Construction Condominium Pipeline										
RF	Lake & Lathrop	River Forest	New Construction	TBD	Proposed	30				
One Winnetka	Elm and Lincoln	Winnetka	New Construction	TBD	Proposed	22				
The Butler	1900 Spring Road	Oak Brook	New Construction	TBD	Proposed	90				
Downtown Arlington Heights Resale Competition										
200 W. Campbell	200 W. Campbell	Arlington Hts	Resales		2000	91	91	100%		\$215
Metrolofts	10 S. Dunton	Arlington Hts	Resales		2007	55	55	100%		\$237
The Evergreen	77 S. Evergreen	Arlington Hts	Resales		2000	94	94	100%		\$207
Metropolis Place	1 S. Highland	Arlington Hts	Resales		2001	63	63	100%		\$208
44 N. Vail	44 N. Vail	Arlington Hts	Resales		2000	80	80	100%		\$230
201 N. Vail	201 N. Vail	Arlington Hts	Resales		1995	61	61	100%		\$178
Wing Street Residences	151 W. Wing	Arlington Hts	Resales		2003	61	61	100%		\$264

Condominium Survey Unit Sales Prices

New Development Activity in the Suburban Chicago MSA and 2017/2018 Resales in Downtown Arlington Heights

		One Bedroom			2BR/2BR+Den Range			Three Bedroom Range		
Name of Development	City	Price Range	SF Range	Price PSF Range	Price Range	SF Range	Price PSF Range	Price Range	SF Range	Price PSF Range
New Construction Condominiums Engaged in Marketing										
The Residences at Ashland	La Grange							\$839,000-\$869,000	2,650	\$317-\$328
Marquis on Maple	Downers Grove				\$330,000-\$425,000	1,205-1,498	\$274-\$284	\$500,000-\$565,000	1,715-1,884	\$292-\$300
Kelmscott Park	Lake Forest				\$650,000-\$735,000	1,528-1,772	\$415-\$425	\$825,000-\$975,000	1,967-2,565	\$380-\$419
District House	Oak Park							\$559,900-\$972,950	1,700-2,056	\$329-\$473
Sterling Condos	St. Charles									
1101 Bonnie Brae	River Forest							\$799,900-\$1,070,000	1,900-2,550	\$419-\$421
Foxford Station	Western Springs				\$599,000-\$739,000	1,770-2.115	\$338-\$349	\$664,000-\$1,099,000	1,978-3,034	\$336-\$362
The Hill	Elmhurst				\$579,900-\$689,900	1,352-1,418	\$429-\$487	\$699,900-\$839,900	1,968	\$356-\$427
One95 Elmhurst	Elmhurst							\$799,900-\$1,100,000		
New Construction Condominium Pipeline										
RF	River Forest									
One Winnetka	Winnetka									
The Butler	Oak Brook									
Downtown Arlington Heights Resale Competition										
200 W. Campbell	Arlington Hts	\$227,500	1,216	\$187	\$325,000-\$340,000	1,431-1,628	\$203-233			
Metrolofts	Arlington Hts	\$183,000-\$257,000	964-1,063	\$190-\$242	\$270,000-\$305,000	1,265	\$213-\$233			
The Evergreen	Arlington Hts				\$280,500-\$425,000	1,591-1,800	\$176-\$236	\$595,000	3,100	\$192
Metropolis Place	Arlington Hts	\$218,000-\$225,000	1,000	\$225	\$279,995-\$330,000	1,388-1,500	\$202-\$220			
44 N. Vail	Arlington Hts	\$240,000-\$332,000	1,130-1,333	\$212-\$249	\$452,500-\$555,000	2,076-2,164	\$218-\$237			
201 N. Vail	Arlington Hts	\$160,000	1,000	\$160	\$272,000-\$355,000	1,703-1,850	\$160-\$192			
Wing Street Residences	Arlington Hts	\$248,000-\$270,000	975-1,100	\$225-\$277	\$465,000-\$745,000	1,700-3,100	\$240-\$274			

Conclusions regarding the condominium potential of the 33 South Chestnut Building

Building Overview

The Chestnut building will include the following:

Chestnut Building Unit Mix

	Studio	1BR	1BR+Den	2BR	2BR+Den	Total
CHESTNUT BUILDING						
SF Range	515	815-827	976 - 1,162	899- 1,352	1,249-1,364	
No. of Units	4	12	8	22	8	54
Total NRA SF	2,060	9,888	8,063	26,937	10,452	57,400
Avg Unit Size (SF)	515	824	1,008	1,224	1,307	1,063
Percentage	7%	22%	15%	41%	15%	100%

As a condominium, a challenge will be its size with 54 units. The new construction condominium market is only in the initial stages of recovery since the recession 10 years ago. All of the new development taking place is modest in size in order to limit development risk. Smaller project sizes can reduce the time period needed to meet a lender's presale requirement and the time it will take to achieve a sellout of the project.

Rather than the proposed 54 units in the Chestnut building, if this were a 25 to 35 unit project, it could have the potential to be successful. However, with the current sales pace in the market, a condominium development of this size would be quite challenging. Even in the downtown Chicago market where there is more robust demand for housing, most of the developments are significantly smaller than 54 units and the sales absorption in the overall condo market still remains at a very modest pace.

Currently, studio units are not popular in the condominium market and would not be a recommended product type. This could be resolved by combining with the adjoining unit. The building also has a large component of one bedroom and one bedroom plus den units, comprising 37% of the units. These units will be less marketable as luxury condominium units since buyers of "smaller" units tend to be more price sensitive and may gravitate to the resale product in the market. Thus, it is difficult to design a building for either condominium or rental utilization as these are two distinct segments of the market with different preferences in terms of unit sizes.

Buyer Profile

Condominium buildings typically attract a broad range of buyers including first time buyers, move-up buyers, and move-down/empty nester buyers. Its location in downtown Arlington Heights will attract younger singles and couples who are employed in the northwest suburban market and desire a more urban/suburban experience than provided at the typical garden style or elevator complexes in the area. This location will also be very marketable to empty nester couples and single persons/widowed who will be attracted to the variety of amenities offered downtown. Proximity to the Metra will also

attract some buyers who either plan a daily commute downtown or like the convenience of being near the train for occasional use. Also, as residents age in place, this location would be very convenient as they would be less dependent upon a car for their daily activities.

The target market of buyers will also include divorced parents who want to stay close to their families who are living in Arlington Heights or a neighboring suburb along with grandparents who are relocating to be close to their grandchildren.

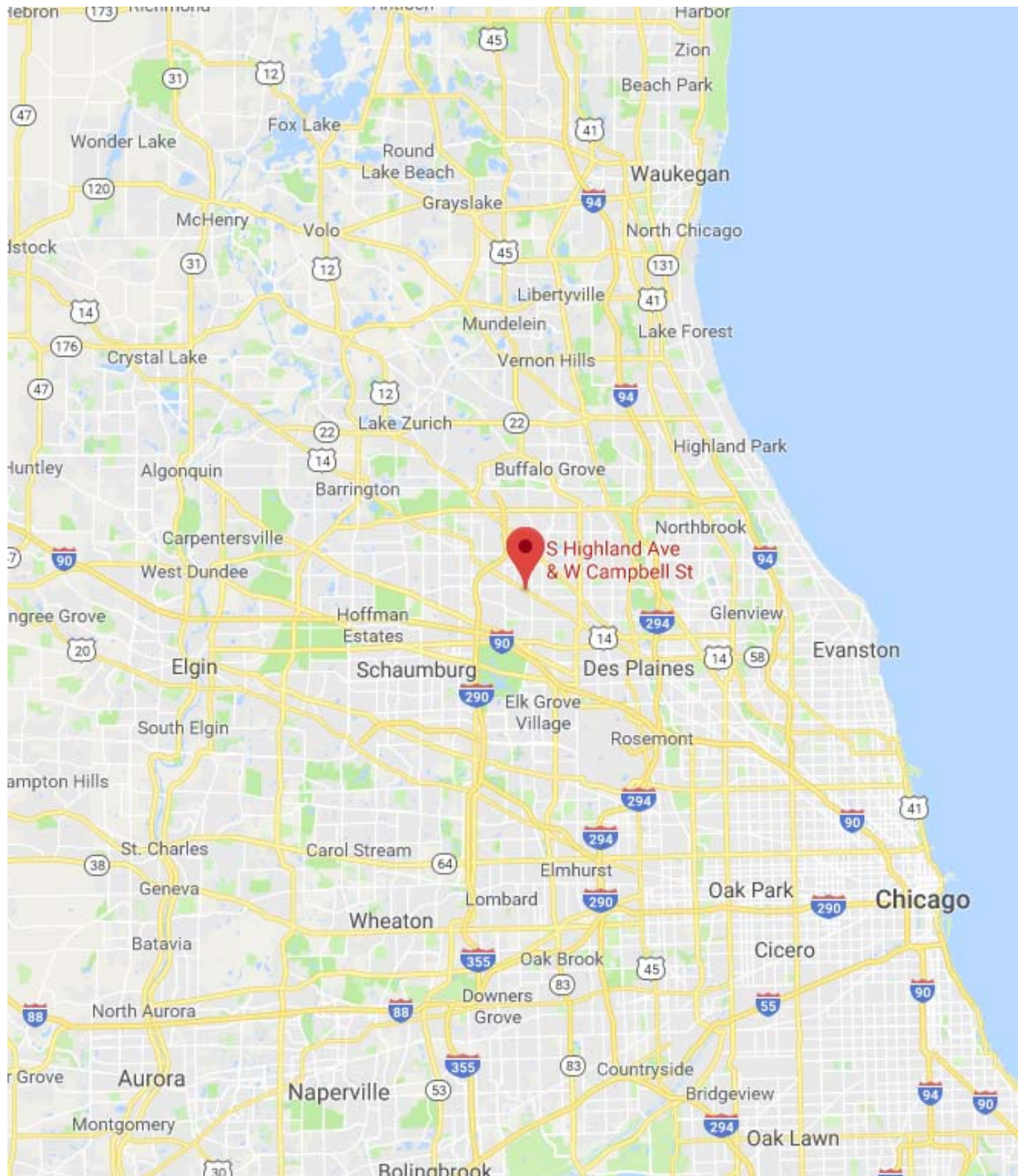
As new construction units, the subject property will need to attract buyers who are not price sensitive, while still staying in line with overall housing values in the Arlington Heights market. The target market of buyers for the subject units will have lower priced alternatives in the existing condominium buildings in downtown Arlington Heights. However, these buyers will need to be enticed to pay a price premium over the existing product by providing layouts, amenities, and finishes at the subject property which are superior to the existing resale product.

Conclusion

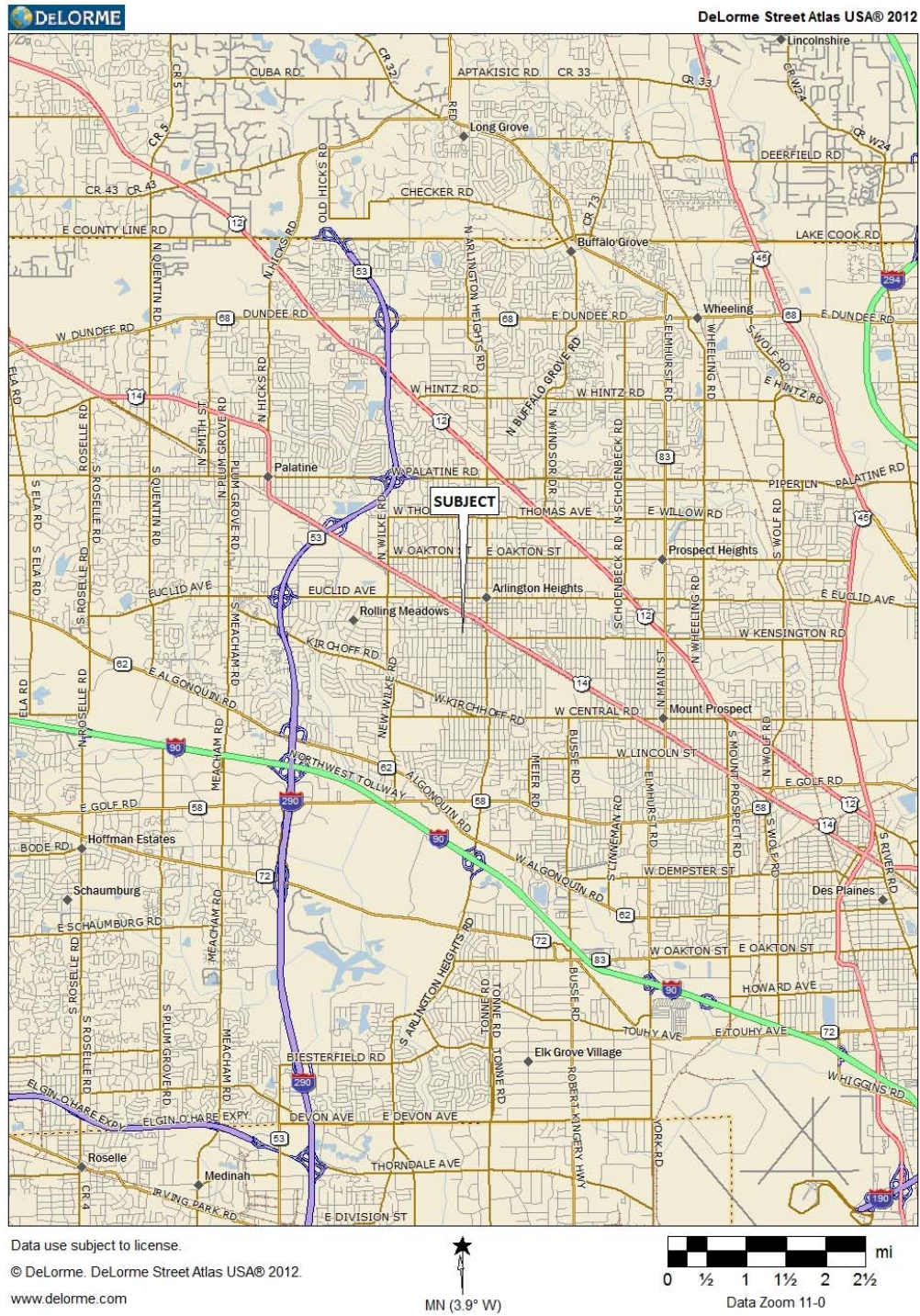
As shown by the survey of pricing in downtown Arlington Heights, the resale product in the market is selling at prices in the low to mid \$200s PSF. However, these units are 15 to 20 years old and the properties lack the amenities and up-to-date finishes found in new construction properties. The recent and new construction condominium developments in the suburban market have been targeted towards the more affluent empty nester buyers by providing large unit sizes. Most of these developments have been priced in the low \$400s PSF for properties in the higher priced suburbs, with the low end of the range being close to the \$300-\$350 PSF range. None of the new suburban condominium projects have included one bedroom units, instead focusing primarily on the three bedroom units, with a smaller number of two bedroom units. Similarly, in the Downtown Chicago and Lincoln Park submarkets, developers are currently not providing one bedroom units because these units tend to be purchased by more price-sensitive buyers. One building in Lincoln Park was designed with one bedroom units as 29% of its mix and has combined some of these units due lack of demand by buyers willing to pay the premiums required by new construction.

Overall, we believe that the subject property's strong location could support a condominium building. However, we suggest a building smaller in size than the 54 units which are currently proposed. Thus, as a 54 unit development, we believe that it will be better suited to rental rather than condominium ownership at the present time.

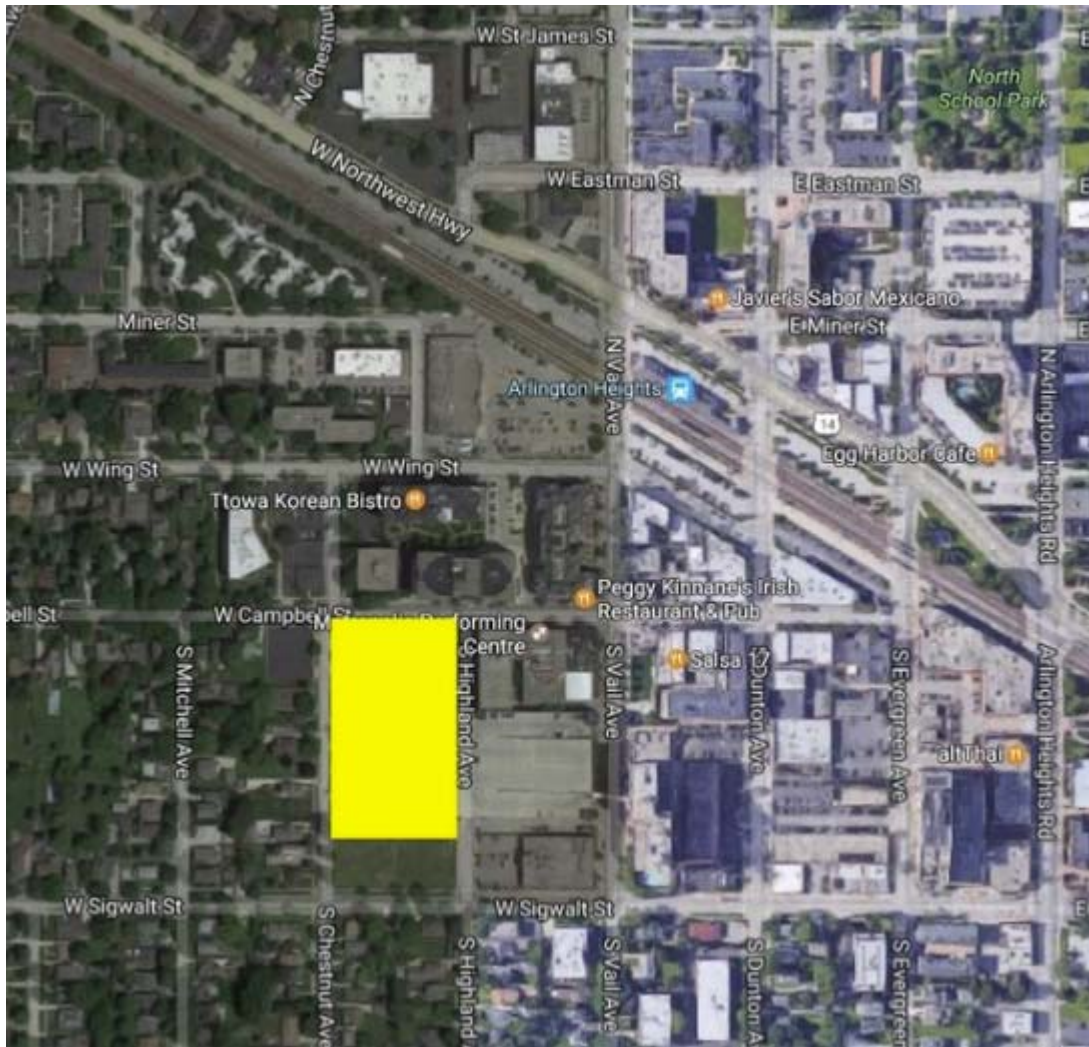
Surrounding Area Map



Location Map



Aerial View of Site





View north towards subject site from Sigwalt
(Photos Taken in August 2018)



View south at subject from Chestnut and Campbell



View of the south elevation of the public garage which
abuts subject on the east



View south on Highland towards Metropolis Place Condos
and public garage



View east of subject along Campbell towards condo
buildings



View southeast from Campbell and Chestnut towards
subject site



Campbell Building - rendering



Campbell and Chestnut Buildings - rendering



Highland Building - rendering



Highland Building - rendering

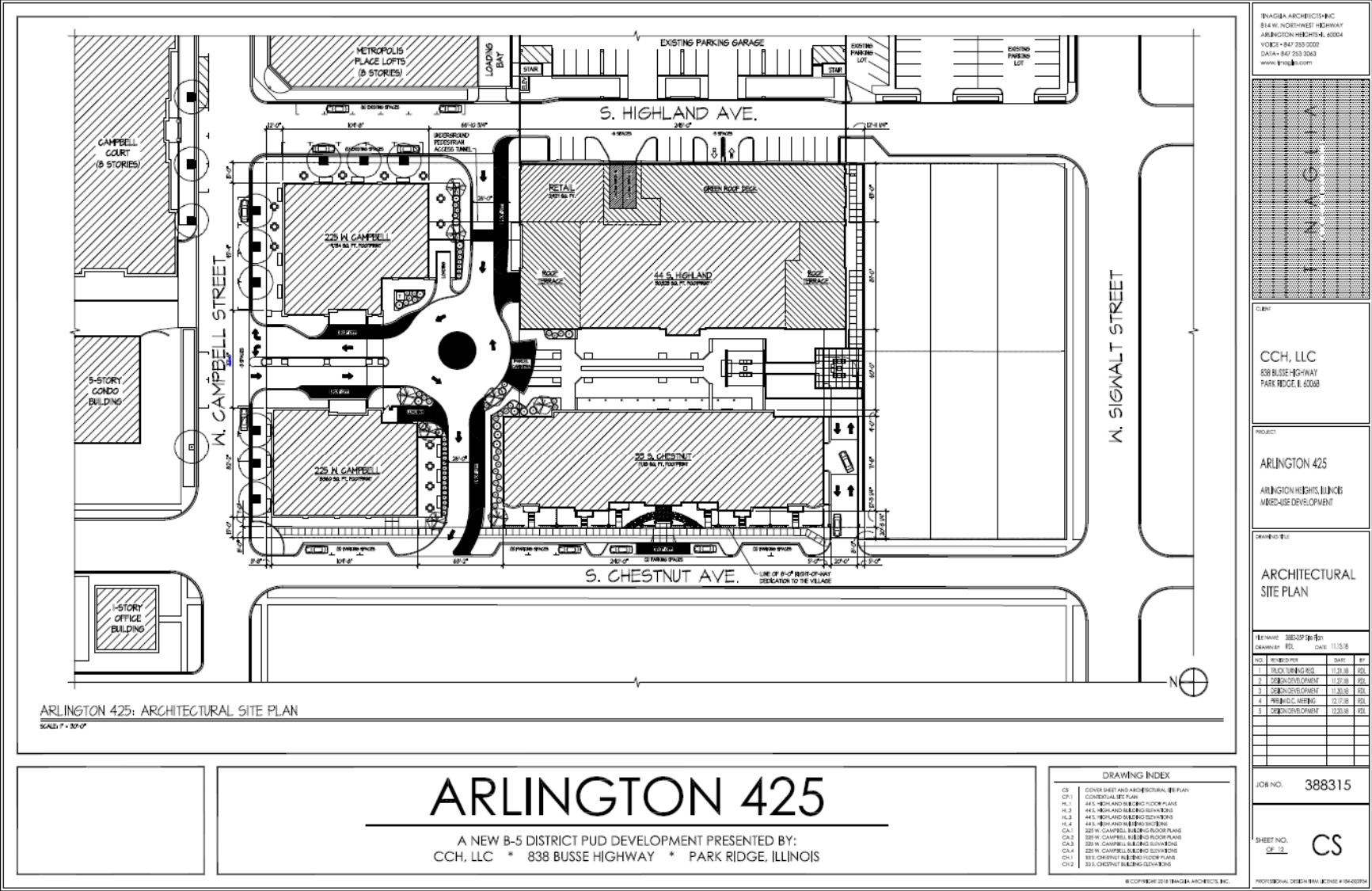


Rooftop view of the three buildings - rendering



View of the three buildings - rendering

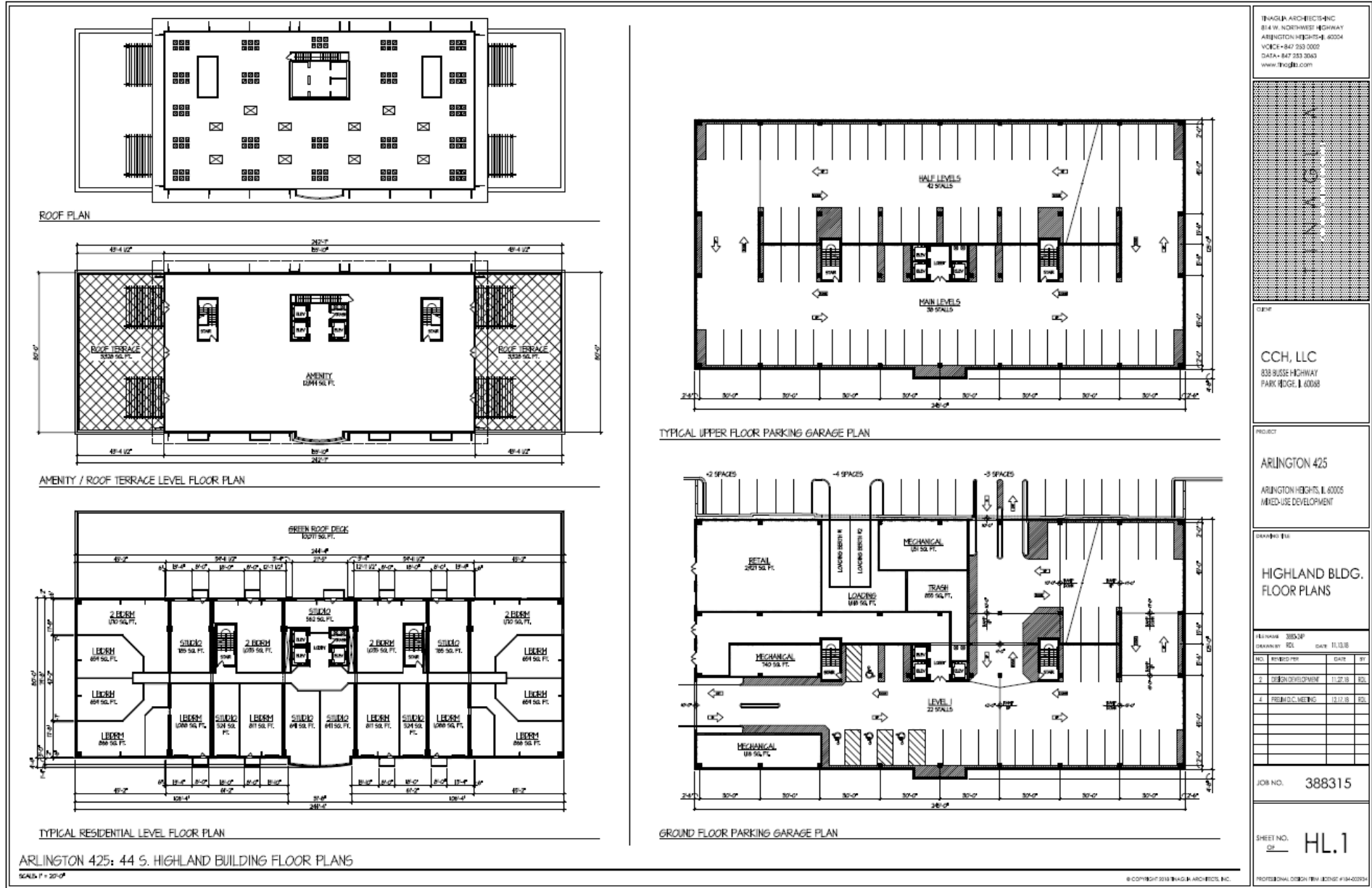
Site Plan



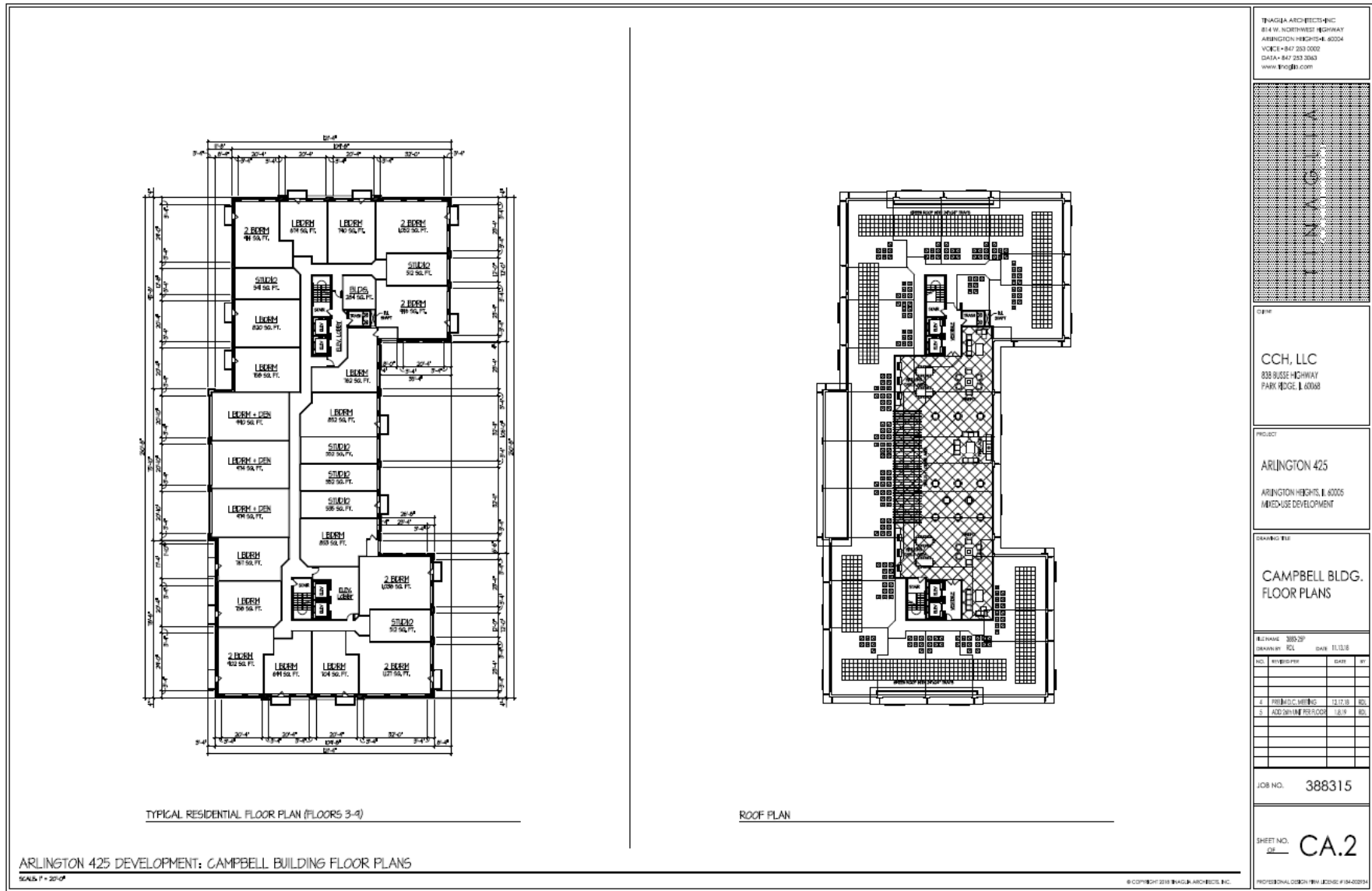
Arlington 425 Development (Proposed Construction)



44 South Highland Floor Plans



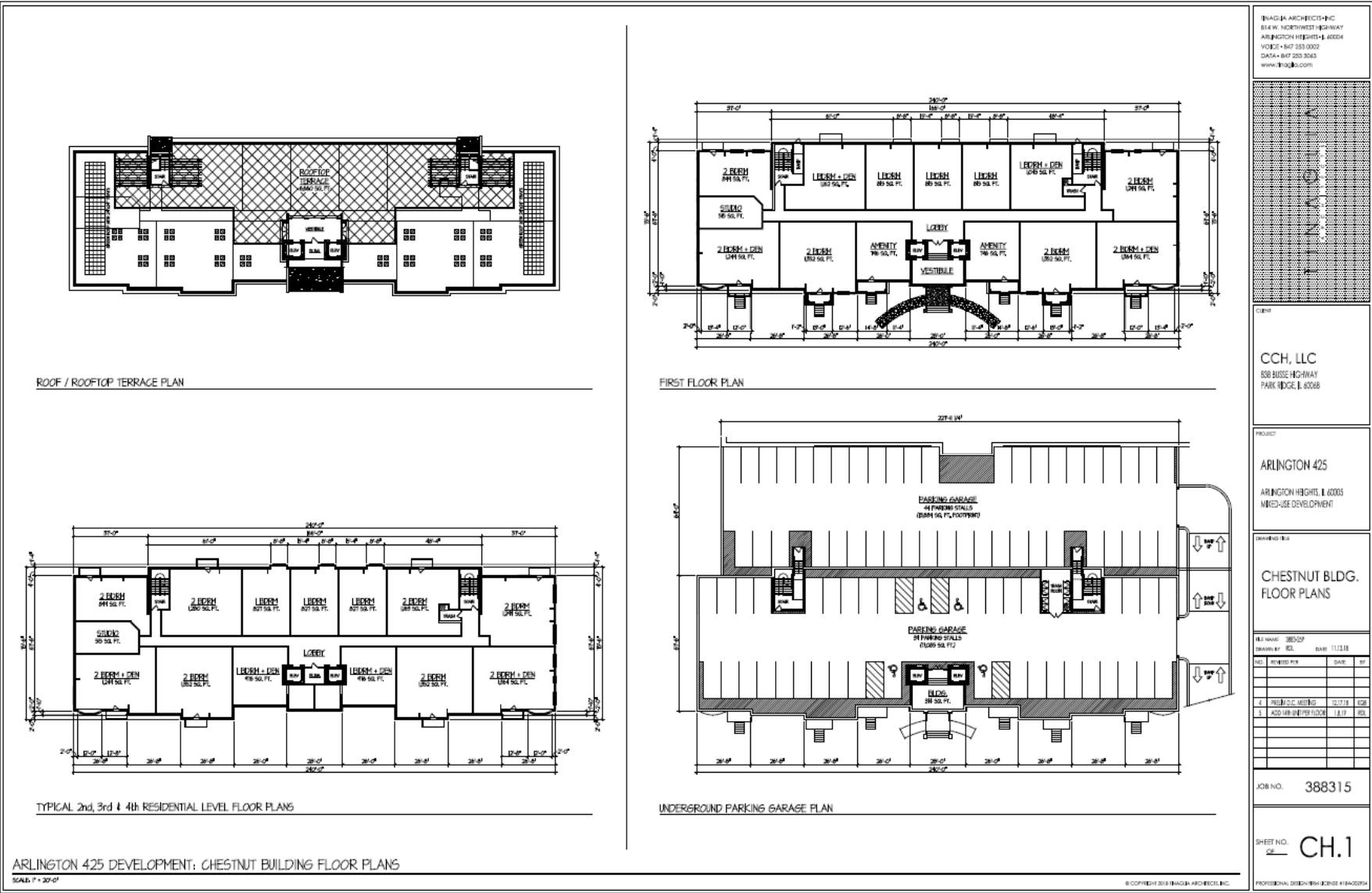
Campbell Building Floor Plans



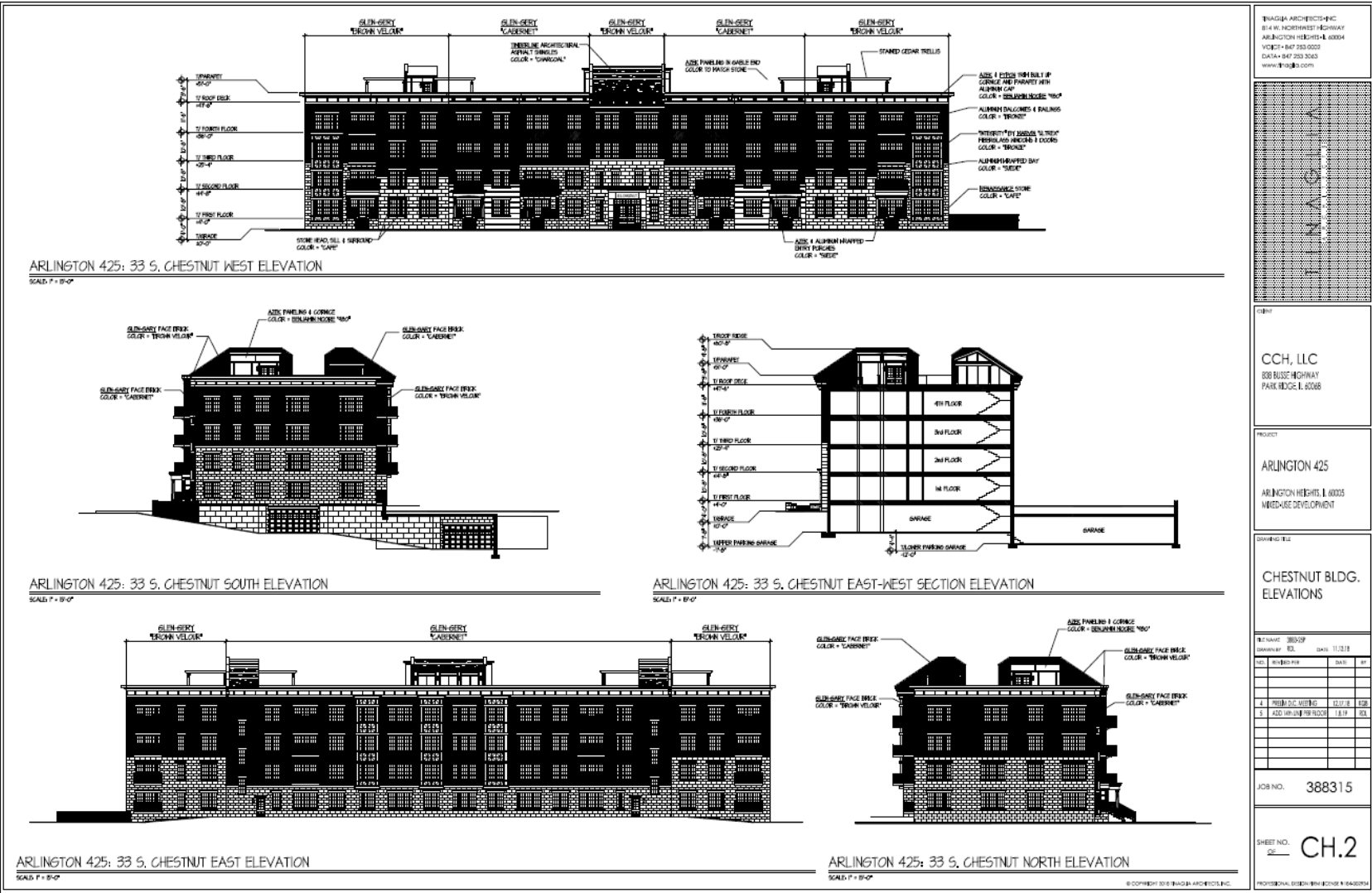
Arlington 425 Development (Proposed Construction)



Chestnut Building Floor Plans

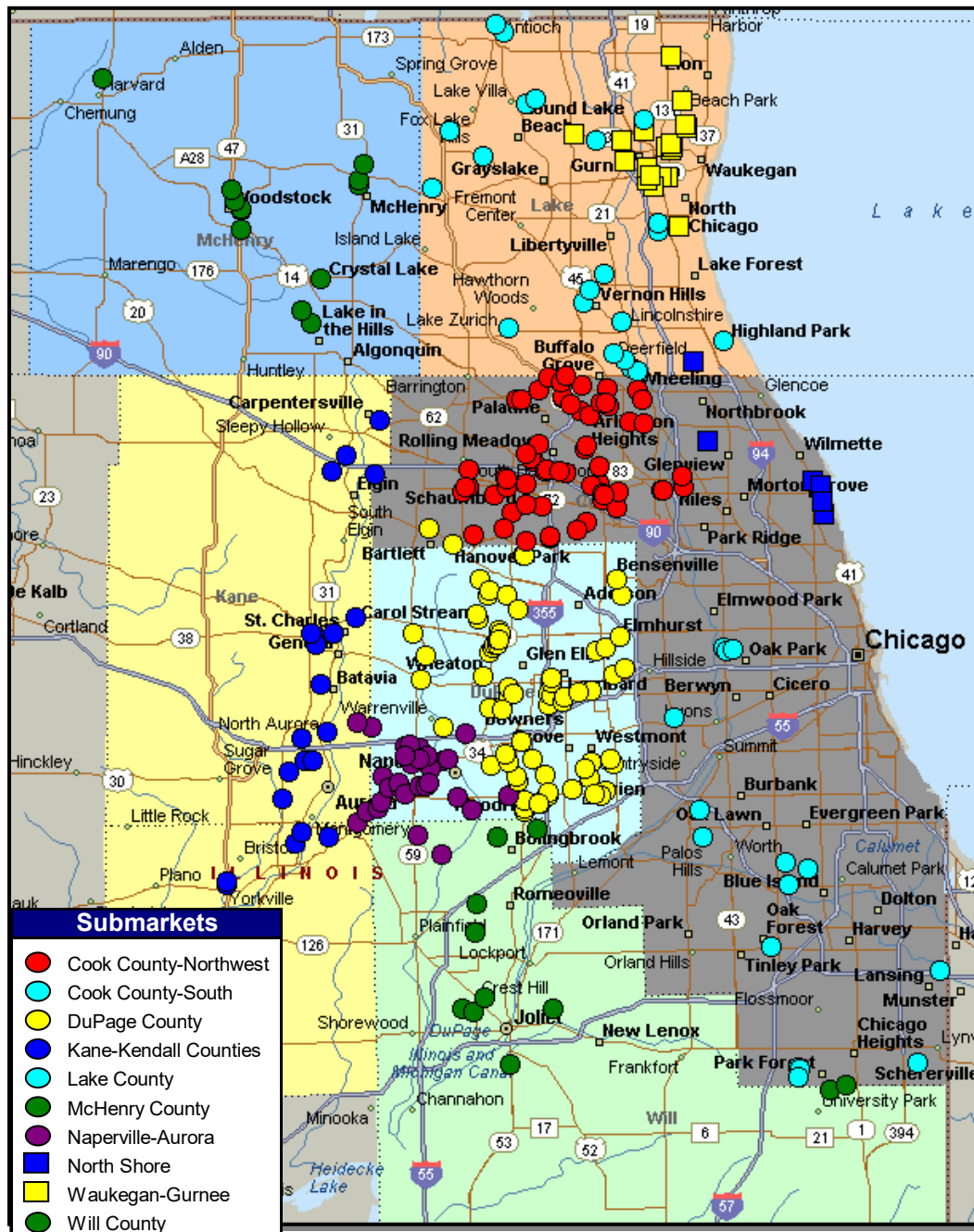


Chestnut Building North East Elevations



Suburban Chicago Apartment Market

Market area defined. The Suburban Chicago market is defined as including Cook, Lake, McHenry, Kane, Kendall, DuPage and Will counties. Properties located within the city of Chicago are of course excluded from the survey.



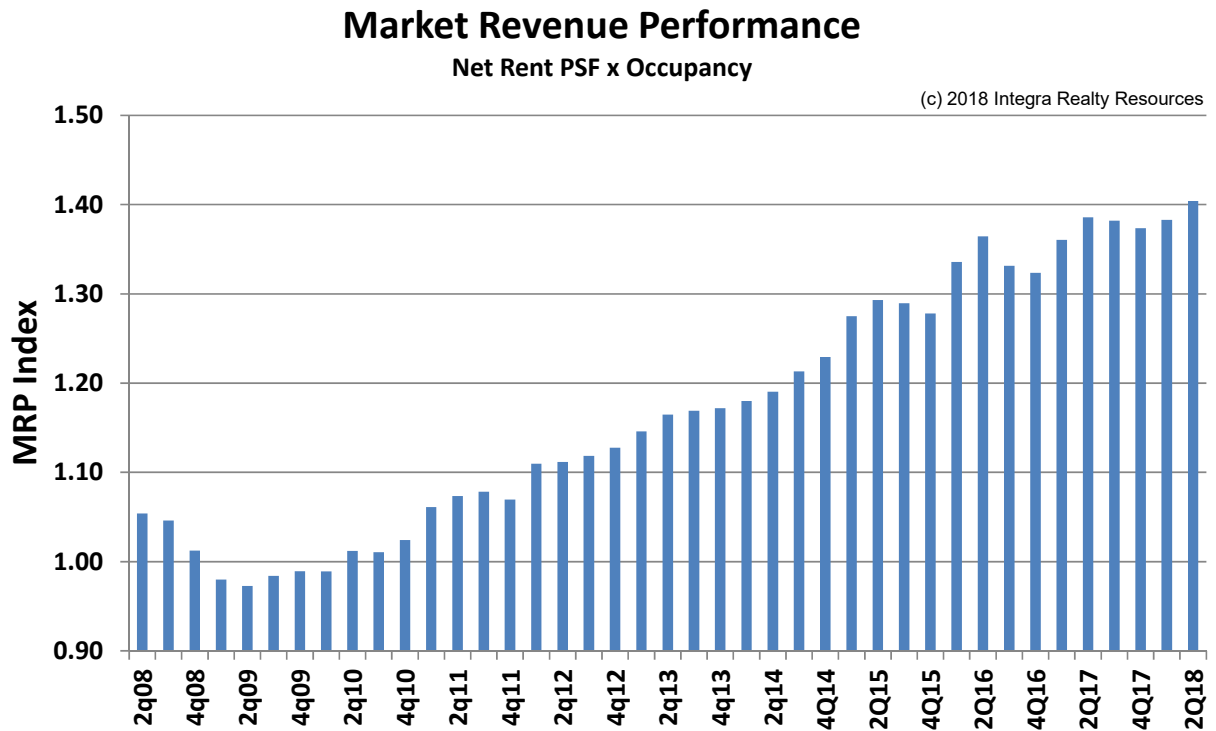
Survey property profile. The database for the Suburban Chicago survey includes 300+ complexes with a total of just under 100,000 dwelling units indicating an average development size of just over 300 units. Our survey includes virtually every major apartment community developed since 1995 plus older developments (primarily post-1970) throughout the MSA. The data was gathered by direct contact with on-site staff and/or ownership.

Rent Trends & Concessions. Median net rent per square foot is at \$1.47 which is up 1.2 percent from a year ago and accompanied by a rise in occupancy. One bedroom units have a median net rent of \$1,229 per month while two bedrooms are at \$1,433. Compared to two years ago, net rent growth has amounted to a positive 4.5 percent. We expect rent growth to be flat in the near term due to the softening job market, particularly in the suburbs.

Concessions are a marketing tool used to react to current demand without the need for continually adjusting “market” rents. The percent of complexes offering concessions is roughly 25 which is fairly steady to slightly rising over the last several quarters. The amount of the concession, currently offered at just under one month per lease year, has been relatively flat. Concessions are expected to remain in the market over the next year.

Occupancy. Physical occupancy is at 95.6 percent for the entire market – up 20 bps from a year ago but down 150 bps from two years ago. At 95+ percent occupancy, the suburban market overall is considered “full” indicating pricing has the potential to rise but is mitigated by the weakening job market. We expect occupancy to remain steady in the near term.

Market Revenue Performance. Market revenue performance is a function of the product of net rent and occupancy.



Market revenue performance for the overall suburban market remains strong. The modest downward trends in the last quarters of the year are seasonal.

New construction/Communities in Lease-up.

There are a number of projects under construction throughout the MSA. Details are presented in the Housing Supply section.

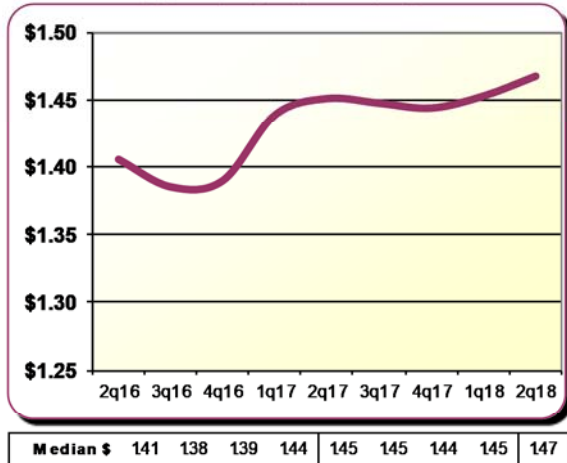
Several of the projects we are tracking are mid-rise buildings on in-fill sites rather than traditional walk up complexes. These have been favored in redeveloping downtown areas where transit-oriented development is needed but the all-in costs of construction at over \$300 per square foot or \$300,000+ per unit (wrap product) require fairly high rent levels for project feasibility. Walk up product cost is in the \$125,000-\$135,000 per unit range (not including soft costs or land).

In response to the inability to add new product to the market, owners are undertaking renovation projects in order to capitalize on demand for higher end product. Renovations often include replacing cabinetry, counters, fixtures and floor coverings.

All Suburban Apartments - 2q18

Showing median trend lines

Net Rent PSF - \$1.47

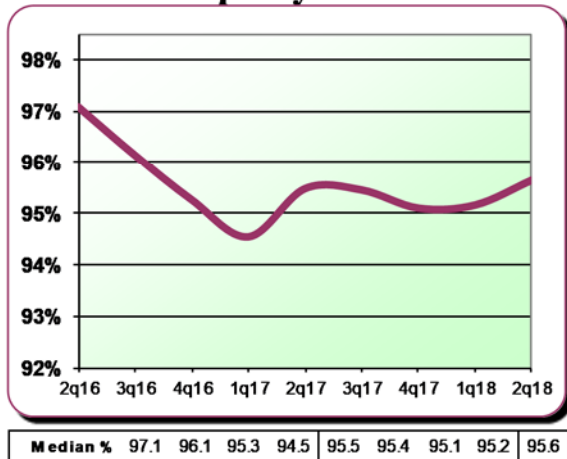


Snapshot & Trends

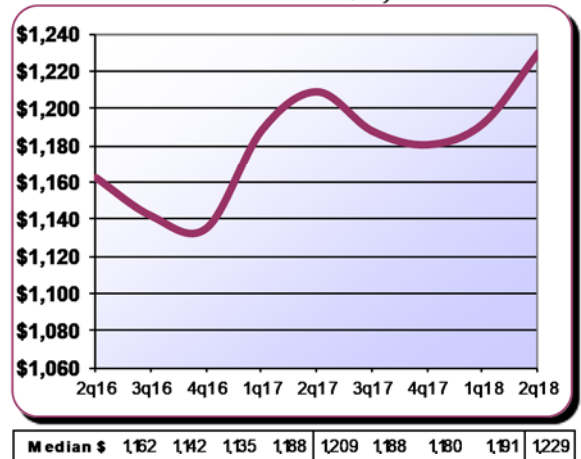
Suburban Metro

Complexes	327	
Units	98,560	
SF/unit	909	
Yr Built	1986	
Net PSF	\$1.47	→
Occupancy	95.6%	→
Pct W/concessions	29.1%	→
Concession Amt	7.7%	→
One Bdrm/Mo	\$1,229	↗
Two Bdrm/Mo	\$1,433	→

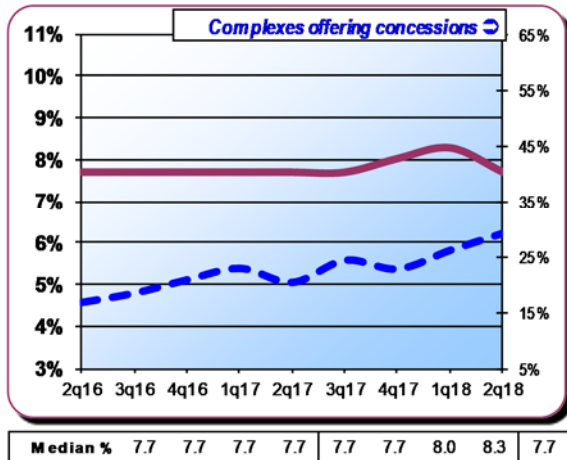
Occupancy - 95.6%



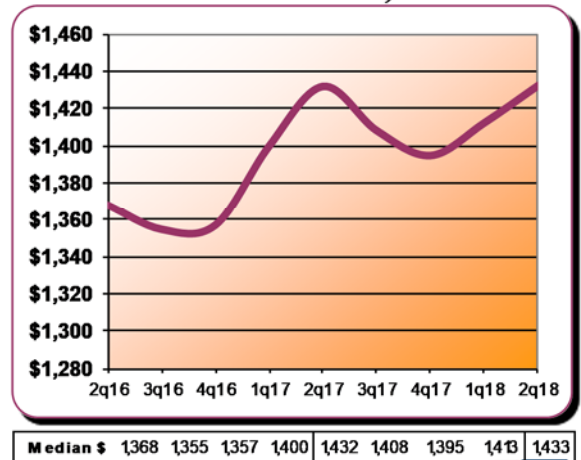
Net One Bdrm - \$1,229/mo



Concessions - 7.7% when offered



Net Two Bdrm - \$1,433/mo



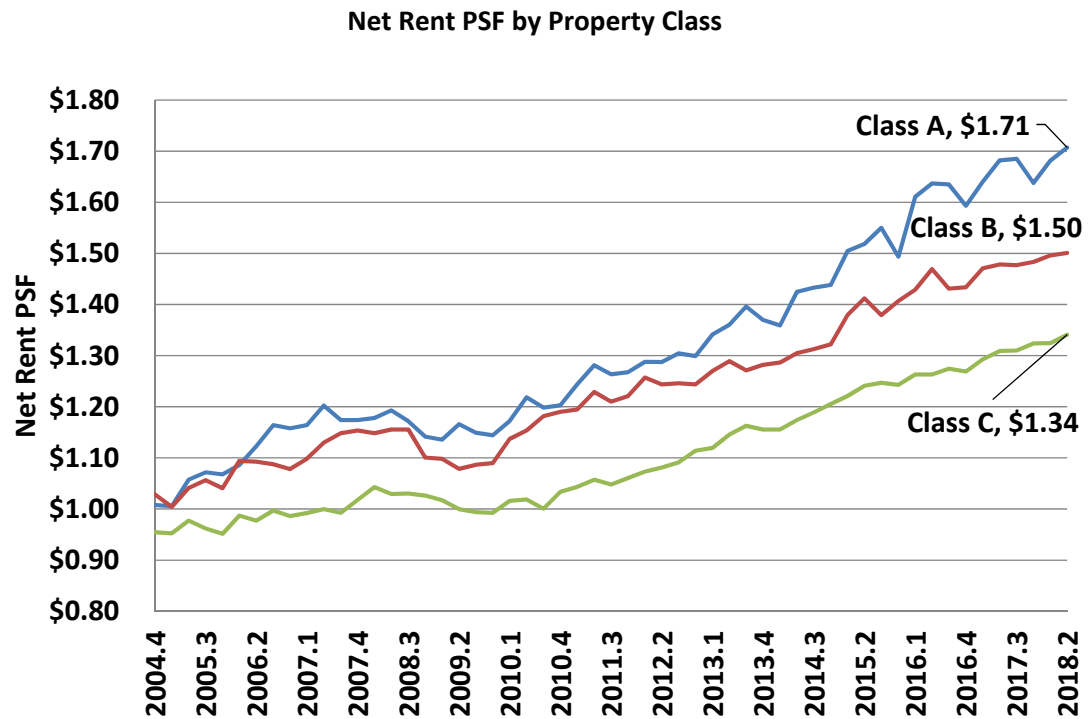
Performance by Property Class

The suburban survey dataset includes has the following characteristics:

	Class A	Class B	Class C
Distribution (units)	26%	35%	39%
Median Year Built	2009	1987	1972
Median Unit Size (sf)	979	882	839
Average Complex Size	252	341	311

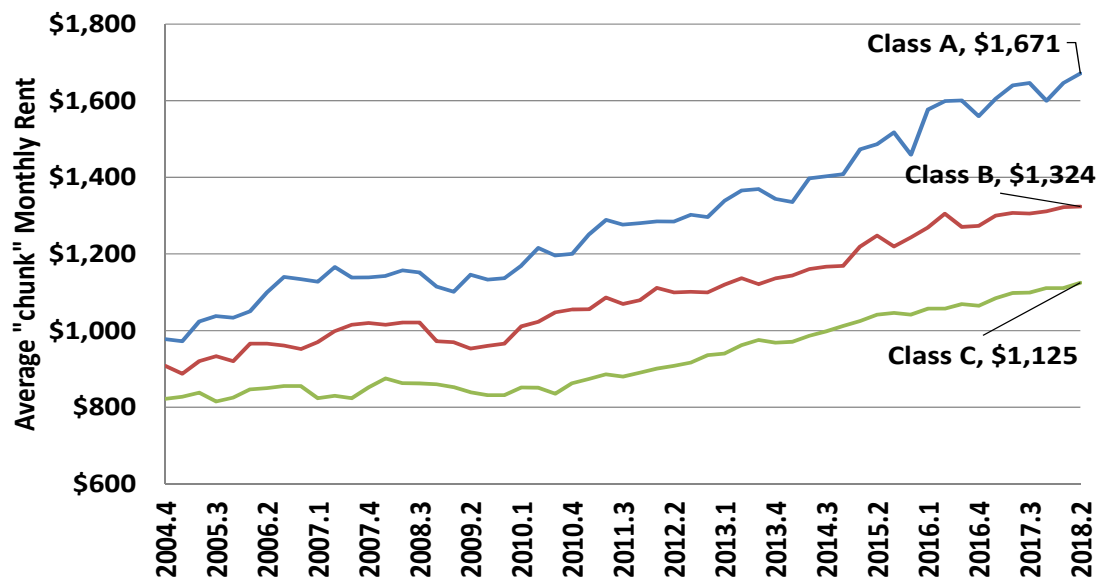
Property Classes are generally defined as follow:

- Class A - Newer properties that have generally been constructed since the early 1990s. Amenities often include open layout floor plans, 9-foot ceilings, in-unit washer and dryer, high quality cabinetry and potentially granite counters and stainless-steel appliances. Some communities have direct entry garages. The complex typically has a clubhouse, fitness center and swimming pool.
- Class B - Typically constructed in the 1980s but may include older product that has been significantly renovated. Amenities often include open layout floor plans, 8-foot ceilings, in-unit washer and dryer, good quality cabinetry and laminate counters. The complex typically has a clubhouse, fitness center and swimming pool.
- Class C - Typically constructed in the 1970s with limited renovations, if any. Units typically have older style floor plans (such as galley style, closed kitchens), average quality cabinetry and laminate counters. The complex may have a clubhouse and swimming pool but the quality is generally average. Laundry facilities are typically limited to a laundry room in the complex.



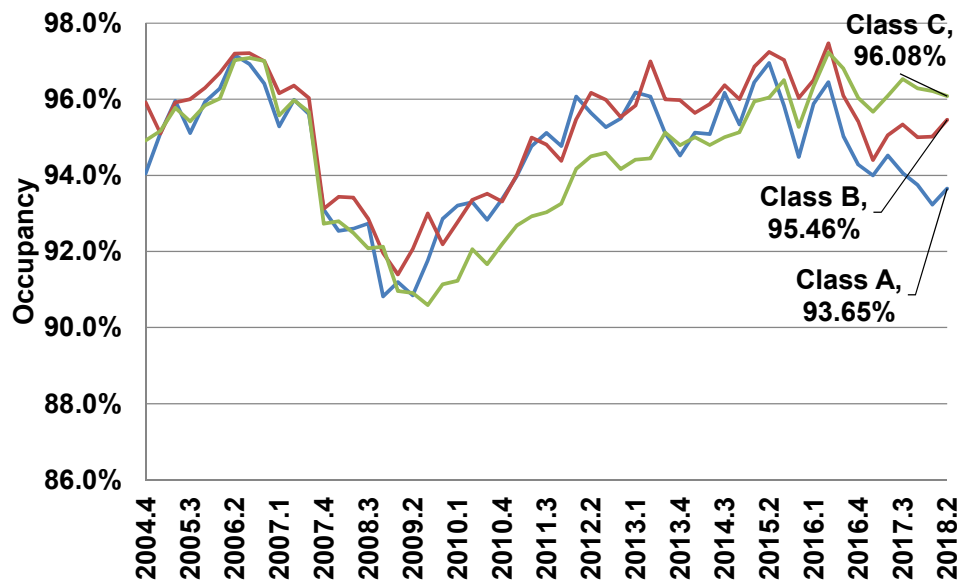
There was a clear bifurcation in performance by property class in 2010 with gains in net rent achieved primarily in the Class A and B markets while Class C properties lagged. The Class C market turned in 2011 with product gaining momentum primarily due to the rising cost of A and B product. On a year over year basis, rents psf increased 1.5%, 1.5% and 2.4% for A, B and C product respectively. The monthly “chunk” rent spread is shown below. Class A product chunk pricing averages a 26.2% premium over B and B product is 17.7% over C.

Monthly Median Rent by Property Class



After tracking fairly consistent for years, a 100-basis point spread in occupancy between A/B versus C product emerged in 2010 and continued through 2q13. Starting in 3q13 the spread moved back to traditional patterns. The 4Q17 results show a widening in the market. Occupancy for all classes typically declines in the fourth quarter due to seasonality of the rental market. The recent slide for Class A product is due to additions to supply in several markets.

Occupancy by Property Class



Summary of Rent, Occupancy & Concession Trends by Submarket

The following trends by submarket are based on our quarterly survey of just under 100,000 units.

Net Rent PSF by Submarket

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Y/Y Chng	2 Yr Chng
Cook NW	\$1.33	\$1.35	\$1.36	\$1.38	\$1.41	\$1.43	\$1.41	\$1.46	\$1.49	\$1.46	\$1.46	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.52	1.4%	1.8%
Cook South	\$1.17	\$1.20	\$1.21	\$1.21	\$1.23	\$1.23	\$1.19	\$1.22	\$1.27	\$1.27	\$1.25	\$1.29	\$1.30	\$1.30	\$1.29	\$1.31	\$1.35	3.9%	6.8%
DuPage	\$1.26	\$1.25	\$1.28	\$1.31	\$1.32	\$1.31	\$1.31	\$1.34	\$1.37	\$1.37	\$1.36	\$1.40	\$1.42	\$1.38	\$1.41	\$1.44	\$1.43	1.2%	4.9%
Kane/Kendall	\$1.17	\$1.17	\$1.18	\$1.20	\$1.22	\$1.22	\$1.23	\$1.26	\$1.27	\$1.29	\$1.27	\$1.29	\$1.29	\$1.30	\$1.26	\$1.32	\$1.34	3.6%	5.9%
Lake	\$1.34	\$1.39	\$1.36	\$1.40	\$1.49	\$1.46	\$1.45	\$1.44	\$1.48	\$1.47	\$1.43	\$1.48	\$1.54	\$1.53	\$1.52	\$1.56	\$1.56	0.9%	5.7%
McHenry	\$1.03	\$1.01	\$1.04	\$1.08	\$1.08	\$1.07	\$1.09	\$1.12	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13	\$1.14	\$1.14	\$1.19	5.5%	5.6%
Naperville/Aurora	\$1.28	\$1.29	\$1.30	\$1.35	\$1.35	\$1.35	\$1.38	\$1.41	\$1.44	\$1.41	\$1.43	\$1.47	\$1.49	\$1.46	\$1.43	\$1.46	\$1.46	-0.5%	1.7%
North Shore	\$2.20	\$2.19	\$2.19	\$2.16	\$2.16	\$2.17	\$2.13	\$2.18	\$2.19	\$2.27	\$2.22	\$2.20	\$2.40	\$2.31	\$2.20	\$2.23	\$2.25	-6.2%	3.0%
Waukegan/Gurnee	\$1.03	\$1.09	\$1.05	\$1.05	\$1.04	\$1.07	\$1.06	\$1.10	\$1.12	\$1.12	\$1.09	\$1.11	\$1.15	\$1.16	\$1.17	\$1.18	\$1.18	3.2%	5.8%
Will	\$1.15	\$1.15	\$1.20	\$1.22	\$1.25	\$1.27	\$1.20	\$1.23	\$1.23	\$1.28	\$1.28	\$1.30	\$1.34	\$1.32	\$1.35	\$1.40	\$1.39	4.3%	13.4%
All Suburban	\$1.25	\$1.27	\$1.29	\$1.32	\$1.34	\$1.33	\$1.34	\$1.39	\$1.41	\$1.38	\$1.39	\$1.44	\$1.45	\$1.45	\$1.44	\$1.45	\$1.47	1.2%	4.5%

Note: Quarterly net rent values are rounded for display purposes but not for Yr/Yr Change calculations.

One Bedroom Median Rent by Submarket

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Y/Y Chng	2 Yr Chng
Cook NW	\$1,086	\$1,093	\$1,098	\$1,125	\$1,131	\$1,127	\$1,131	\$1,183	\$1,207	\$1,150	\$1,187	\$1,211	\$1,212	\$1,191	\$1,180	\$1,176	\$1,200	-0.9%	-0.5%
Cook South	\$877	\$877	\$872	\$893	\$908	\$908	\$919	\$930	\$1,010	\$990	\$955	\$978	\$1,006	\$1,044	\$1,034	\$1,060	\$1,082	7.6%	7.2%
DuPage	\$1,020	\$1,027	\$1,013	\$1,039	\$1,059	\$1,037	\$1,036	\$1,089	\$1,105	\$1,100	\$1,086	\$1,111	\$1,148	\$1,124	\$1,146	\$1,180	\$1,158	0.9%	4.8%
Kane/Kendall	\$908	\$908	\$930	\$908	\$885	\$885	\$910	\$967	\$930	\$942	\$949	\$1,000	\$981	\$981	\$965	\$981	\$1,050	7.0%	12.9%
Lake	\$1,132	\$1,177	\$1,155	\$1,142	\$1,153	\$1,134	\$1,143	\$1,148	\$1,199	\$1,182	\$1,115	\$1,176	\$1,273	\$1,244	\$1,187	\$1,200	\$1,291	1.5%	7.7%
McHenry	\$804	\$794	\$818	\$831	\$835	\$835	\$866	\$877	\$885	\$885	\$885	\$884	\$874	\$890	\$884	\$871	\$929	6.3%	4.9%
Naperville/Aurora	\$1,136	\$1,123	\$1,151	\$1,162	\$1,203	\$1,203	\$1,188	\$1,251	\$1,249	\$1,240	\$1,259	\$1,252	\$1,283	\$1,320	\$1,289	\$1,258	\$1,298	1.2%	3.9%
North Shore	\$1,829	\$1,752	\$1,725	\$1,782	\$1,776	\$1,728	\$1,701	\$1,754	\$1,842	\$1,858	\$1,828	\$1,799	\$1,922	\$1,894	\$1,830	\$1,832	\$1,891	-1.6%	2.7%
Waukegan/Gurnee	\$823	\$843	\$839	\$854	\$812	\$825	\$823	\$820	\$845	\$812	\$790	\$798	\$810	\$825	\$845	\$845	\$845	4.3%	0.0%
Will	\$804	\$887	\$970	\$935	\$978	\$993	\$965	\$1,015	\$1,015	\$1,035	\$1,008	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050	\$1,095	4.3%	7.9%
All Suburban	\$1,033	\$1,040	\$1,049	\$1,085	\$1,104	\$1,100	\$1,084	\$1,131	\$1,162	\$1,142	\$1,135	\$1,188	\$1,209	\$1,185	\$1,180	\$1,191	\$1,229	1.7%	5.8%

Note: Quarterly net rent values are rounded for display purposes but not for Yr/Yr Change calculations.

Two Bedroom Median Rent by Submarket

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Y/Y Chng	2 Yr Chng
Cook NW	\$1,281	\$1,275	\$1,278	\$1,334	\$1,343	\$1,340	\$1,348	\$1,394	\$1,408	\$1,375	\$1,390	\$1,419	\$1,446	\$1,400	\$1,414	\$1,385	\$1,422	-1.7%	1.0%
Cook South	\$1,143	\$1,148	\$1,148	\$1,158	\$1,168	\$1,168	\$1,168	\$1,193	\$1,210	\$1,210	\$1,202	\$1,278	\$1,279	\$1,280	\$1,280	\$1,248	\$1,325	3.6%	9.5%
DuPage	\$1,276	\$1,230	\$1,278	\$1,293	\$1,278	\$1,309	\$1,305	\$1,340	\$1,374	\$1,355	\$1,315	\$1,385	\$1,430	\$1,396	\$1,378	\$1,438	\$1,410	-1.4%	2.6%
Kane/Kendall	\$1,089	\$1,116	\$1,184	\$1,185	\$1,225	\$1,250	\$1,183	\$1,270	\$1,363	\$1,246	\$1,246	\$1,288	\$1,345	\$1,337	\$1,321	\$1,369	\$1,440	7.1%	5.7%
Lake	\$1,273	\$1,308	\$1,416	\$1,292	\$1,441	\$1,405	\$1,406	\$1,420	\$1,412	\$1,381	\$1,396	\$1,404	\$1,441	\$1,466	\$1,418	\$1,475	\$1,530	6.2%	8.3%
McHenry	\$963	\$963	\$942	\$958	\$980	\$980	\$988	\$1,010	\$1,003	\$990	\$995	\$1,010	\$1,025	\$1,038	\$1,020	\$1,010	\$1,048	2.2%	4.5%
Naperville/Aurora	\$1,344	\$1,321	\$1,330	\$1,389	\$1,408	\$1,407	\$1,418	\$1,429	\$1,445	\$1,432	\$1,435	\$1,479	\$1,491	\$1,516	\$1,495	\$1,496	\$1,496	0.4%	3.5%
North Shore	\$2,657	\$2,405	\$2,518	\$2,603	\$2,625	\$2,522	\$2,441	\$2,603	\$2,533	\$2,481	\$2,446	\$2,465	\$2,675	\$2,623	\$2,623	\$2,540	\$2,447	-8.5%	-3.4%
Waukegan/Gurnee	\$988	\$1,007	\$1,015	\$988	\$990	\$988	\$1,003	\$1,008	\$1,035	\$1,040	\$1,000	\$1,030	\$1,063	\$1,084	\$1,090	\$1,045	\$1,050	-1.2%	1.4%
Will	\$986	\$993	\$1,034	\$1,080	\$1,099	\$1,155	\$1,099	\$1,125	\$1,116	\$1,180	\$1,185	\$1,200	\$1,206	\$1,181	\$1,258	\$1,296	\$1,279	6.0%	14.6%
All Suburban	\$1,225	\$1,230	\$1,261	\$1,306	\$1,318	\$1,321	\$1,314	\$1,364	\$1,368	\$1,355	\$1,357	\$1,400	\$1,432	\$1,407	\$1,395	\$1,413	\$1,433	0.0%	4.7%

Note: Quarterly net rent values are rounded for display purposes but not for Yr/Yr Change calculations.

Rent Spread - 1BR to 2BR

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Avg 1 yr	Avg 2 yr
Cook NW	\$195	\$183	\$181	\$209	\$212	\$213	\$216	\$211	\$201	\$225	\$203	\$208	\$235	\$210	\$234	\$209	\$222	-5.6%	10.2%
Cook South	\$266	\$271	\$276	\$265	\$260	\$260	\$249	\$263	\$201	\$221	\$247	\$300	\$273	\$236	\$246	\$188	\$243	-10.9%	21.2%
DuPage	\$256	\$203	\$265	\$253	\$219	\$272	\$269	\$251	\$269	\$255	\$229	\$275	\$283	\$271	\$232	\$258	\$253	-10.6%	-6.0%
Kane/Kendall	\$182	\$209	\$254	\$278	\$340	\$365	\$273	\$303	\$433	\$305	\$297	\$288	\$364	\$356	\$356	\$387	\$390	7.2%	-9.8%
Lake	\$141	\$131	\$261	\$150	\$288	\$271	\$264	\$272	\$214	\$199	\$281	\$229	\$169	\$222	\$231	\$275	\$239	41.5%	11.7%
McHenry	\$159	\$169	\$125	\$127	\$145	\$145	\$122	\$133	\$118	\$105	\$110	\$126	\$151	\$148	\$136	\$139	\$119	-21.5%	1.1%
Naperville/Aurora	\$208	\$198	\$179	\$227	\$205	\$205	\$230	\$178	\$196	\$192	\$176	\$228	\$208	\$196	\$206	\$238	\$198	-5.0%	0.9%
North Shore	\$828	\$654	\$793	\$820	\$849	\$794	\$740	\$849	\$691	\$623	\$618	\$667	\$753	\$728	\$793	\$708	\$555	-26.2%	-19.7%
Waukegan/Gurnee	\$165	\$163	\$177	\$134	\$178	\$163	\$180	\$188	\$190	\$228	\$210	\$232	\$253	\$259	\$245	\$200	\$205	-19.0%	7.9%
Will	\$182	\$106	\$64	\$145	\$122	\$163	\$134	\$110	\$101	\$145	\$178	\$150	\$156	\$131	\$208	\$246	\$184	17.9%	82.8%
All Suburban	\$192	\$190	\$212	\$221	\$215	\$221	\$230	\$234	\$206	\$214	\$222	\$212	\$224	\$222	\$215	\$221	\$203	-9.1%	-1.5%

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Occupancy by Submarket

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Y/Y Chng	2 Yr Chng
Cook NW	95.5	96.6	95.8	96.9	96.9	97.3	95.1	96.0	97.2	96.0	95.4	94.1	95.2	95.3	95.4	94.6	94.5	-0.7%	-2.8%
Cook South	94.5	95.3	95.0	95.1	96.4	96.5	95.5	96.1	96.9	96.9	95.9	94.9	95.8	96.3	95.7	94.2	95.4	-0.4%	-1.5%
DuPage	95.1	95.8	95.3	96.1	96.3	96.6	95.3	96.7	97.2	96.1	95.7	94.4	95.4	95.5	95.1	95.0	95.1	-0.3%	-2.1%
Kane/Kendall	94.6	95.2	95.0	96.3	95.7	95.8	96.0	96.7	97.6	96.4	95.2	95.1	96.2	96.1	95.3	96.3	96.9	0.7%	-0.7%
Lake	96.3	96.9	96.9	97.7	98.3	98.0	96.6	97.0	97.5	96.9	95.5	95.0	95.5	95.3	95.8	96.4	96.0	0.6%	-1.5%
McHenry	95.5	95.3	95.3	96.1	96.4	96.1	95.4	96.2	97.9	96.1	95.6	93.9	95.1	96.4	94.8	95.9	93.9	-1.3%	-4.1%
Naperville/Aurora	95.8	96.0	96.1	97.1	97.6	96.9	96.0	96.4	97.1	95.1	95.0	94.4	95.6	94.8	94.4	96.0	95.4	-0.2%	-1.7%
North Shore	91.9	94.8	95.3	96.8	96.4	96.1	94.2	95.4	95.7	95.4	93.8	92.9	94.6	93.8	91.9	92.7	95.2	0.7%	-0.5%
Waukegan/Gurnee	95.3	95.4	94.6	95.6	95.8	96.0	95.2	96.5	96.6	96.8	96.9	95.8	96.0	95.9	95.4	95.7	96.4	0.4%	-0.3%
Will	95.4	95.4	94.7	95.4	95.6	96.4	94.1	95.4	96.1	96.5	95.5	96.7	96.9	96.6	96.0	95.9	95.8	-1.1%	-0.3%
All Suburban	95.2	95.9	95.3	96.3	96.7	96.7	95.4	96.3	97.1	96.1	95.3	94.5	95.5	95.4	95.1	95.2	95.6	0.2%	-1.5%

Note: Quarterly occupancy values are rounded for display purposes but not for Yr/Yr Change calculations.

Concessions by Submarket

Submarket	2q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Y/Y Chng
Cook NW	4.0	4.5	5.4	6.1	6.0	2.5	5.9	7.7	6.2	6.3	7.7	5.6	7.7	7.7	7.7	8.0	6.1	-21.3%
Cook South	8.0	5.9	6.1	5.9	4.8	7.7	5.0	7.7	8.0	7.7	8.0	8.0	7.7	7.7	8.0	7.7	8.0	4.2%
DuPage	7.7	8.3	7.7	7.7	7.7	7.7	7.7	8.0	8.3	7.7	7.7	7.7	6.7	8.3	8.0	7.7	8.0	20.4%
Kane/Kendall	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	6.7	7.7	8.3	4.7	8.3	7.7	7.0	7.7	62.2%
Lake	8.3	7.2	7.2	8.3	5.6	2.8	8.0	7.1	7.2	8.3	7.6	7.6	6.2	6.2	3.5	10.7	8.3	34.1%
McHenry	8.3	6.2	5.0	6.0	0.0	0.0	0.0	5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Naperville/Aurora	8.3	1.7	8.6	4.2	7.5	8.0	5.5	3.5	4.3	6.0	8.3	3.2	6.3	5.4	6.9	8.3	8.3	31.4%
North Shore	8.3	8.3	6.0	4.2	8.3	4.7	8.3	8.3	8.3	8.2	8.0	7.7	8.3	7.4	8.0	8.3	7.7	-7.7%
Waukegan/Gurnee	5.6	8.3	8.3	8.3	8.3	8.3	7.3	5.5	8.3	6.0	7.5	8.3	8.3	8.2	8.3	8.3	5.6	-33.0%
Will	7.0	4.2	6.3	4.2	8.3	8.0	8.3	2.5	5.6	3.7	3.0	7.6	6.3	1.1	8.7	5.4	4.7	-25.5%
All Suburban	7.7	7.7	7.7	7.6	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	8.0	8.3	7.7	0.0%

Note: Numbers shown are percentages - 1 month free rent on 12 month lease equals 8.3%.

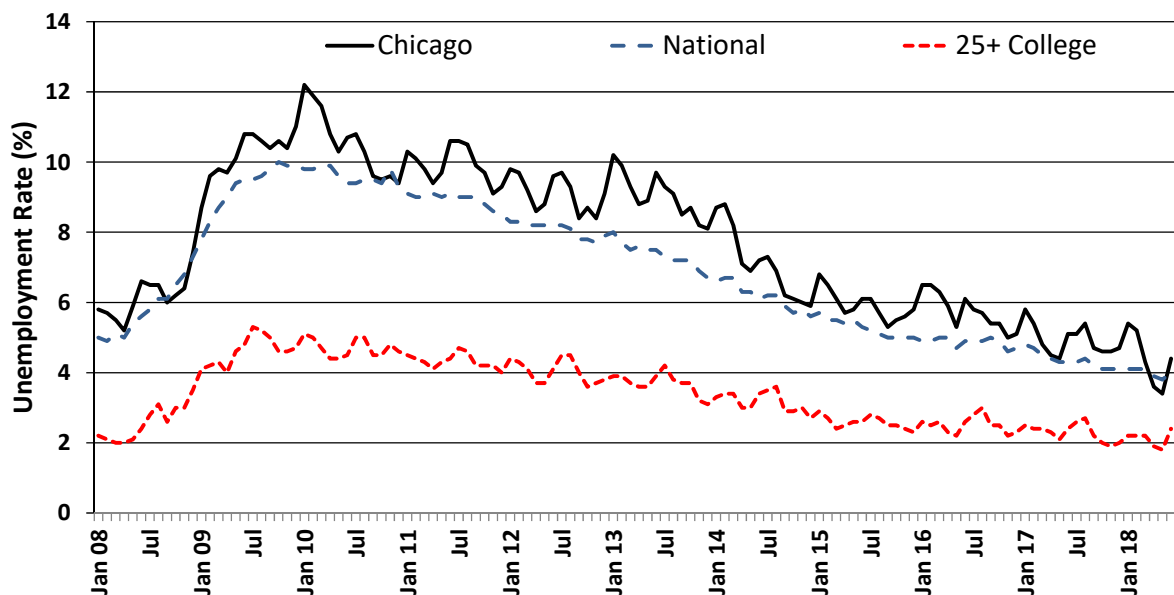
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Demand Generators

The apartment market is influenced by a number of factors including employment, homeownership trends and a desire to maintain flexibility.

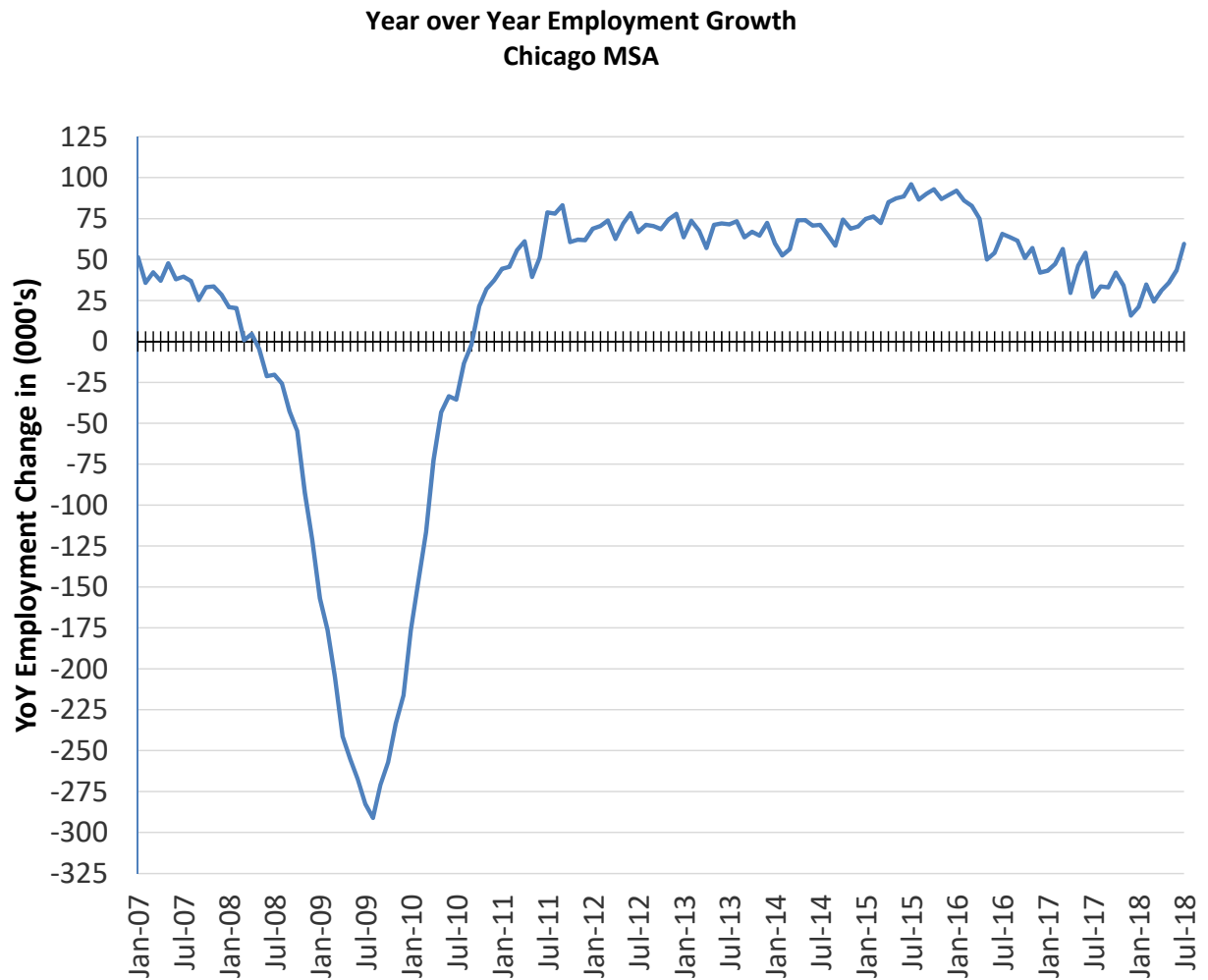
The unemployment rate for the Chicago MSA is 4.4 percent (National, 4.0 percent) as of June 2018. The national unemployment rate for 25+ year olds with a bachelor's degree is at 2.4 percent.

Chicago vs. National Unemployment Rate – BLS Data



The Chicago market generated an annual average of 75,000 new jobs from 1992-2000 – a trough to peak period. Employment declined from 2000-2003 with peak post-recession employment achieved in 2007 which did not even match the 2000 employment level. The 2016 employment level of 4.684M finally eclipsed the prior 2000 total employment peak of 4.631M.

By looking at the month over month comparisons to prior year employment, the trends in employment become more evident. The rate of growth in employment has declined precipitously over the past two years.



BLS numbers indicate a deceleration in employment growth as follows:

Chicago MSA Employment - Non Farm (000s)

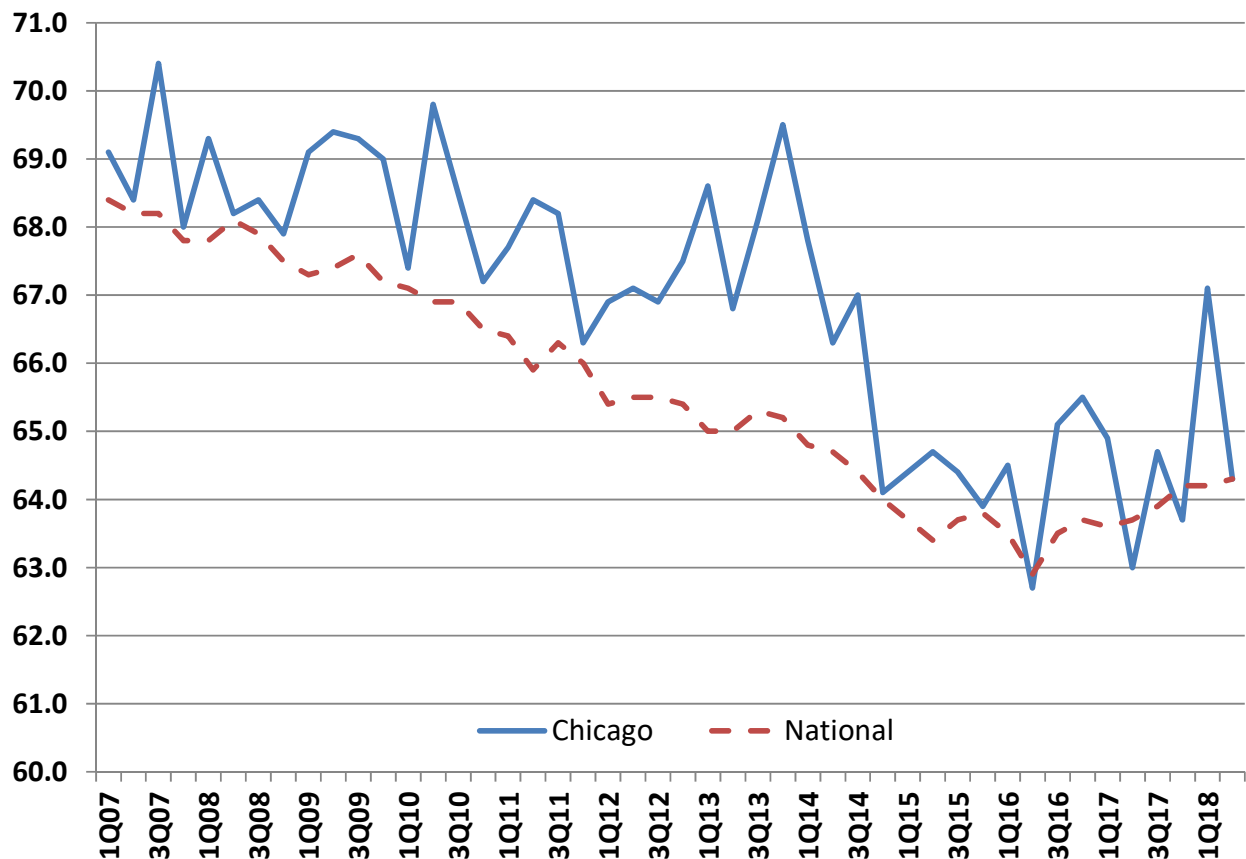
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Empl Chg
2006	4397.8	4411.7	4445.1	4492.2	4529.9	4572.7	4544.3	4547.6	4553.9	4555.2	4570.3	4573.1	
2007	4449.3	4447.5	4487.3	4529.2	4577.6	4610.6	4583.9	4584.5	4579.1	4588.4	4603.8	4601.7	37.425
2008	4470.2	4467.8	4488.1	4533.7	4572.9	4589.3	4563.5	4558.8	4536.4	4533.7	4511.4	4480.3	-28.067
2009	4313.2	4291.5	4283.1	4292.3	4317.7	4321.8	4280.9	4267.7	4265.4	4276.6	4278.0	4263.8	-237.842
2010	4136.8	4145.5	4166.6	4219.7	4274.4	4288.3	4245.4	4254.3	4263.5	4298.0	4310.1	4301.2	-45.683
2011	4181.2	4191.0	4222.4	4280.8	4313.8	4339.4	4324.2	4332.4	4346.7	4358.7	4372.3	4363.1	60.183
2012	4250.1	4261.5	4296.2	4343.4	4385.8	4417.8	4391.0	4403.6	4417.2	4427.3	4446.8	4441.0	71.308
2013	4313.7	4335.2	4363.9	4400.5	4457.0	4489.9	4462.5	4477.0	4480.8	4494.3	4511.5	4513.3	68.158
2014	4373.6	4387.8	4420.3	4474.4	4531.1	4560.6	4533.7	4541.9	4539.3	4568.7	4580.4	4583.5	66.308
2015	4448.4	4464.1	4492.7	4559.5	4618.5	4649.1	4629.7	4628.6	4629.4	4661.6	4667.4	4673.1	85.567
2016	4540.5	4550.0	4575.4	4634.5	4668.6	4703.2	4695.3	4692.4	4691.0	4712.5	4724.4	4715.1	65.067
2017	4583.7	4597.3	4631.8	4664.2	4714.9	4757.4	4722.5	4726.0	4724.0	4754.6	4758.6	4730.9	38.583
2018	4604.8	4632.0	4656.2	4695.1	4750.8	4800.9	4782.1						

Homeownership Trends

Rental demand is being driven by instability in the for-sale housing market, the inability to obtain a mortgage due lack of down payment, debt to income ratios (including the impact of student loans) and/or credit issues. Homeownership rates throughout the region had been on a decline through year end 2011 but rose through 2013 – seemingly pointing to a turn in the market. With the Dodd Frank lending rules starting in January 2014, obtaining a loan has become even more difficult due to increased underwriting requirements. The 2018 tax reform has a positive impact on rental housing due to a) capping the real estate and income tax deductions at \$10,000, b) eliminating interest deductions on home equity loans, c) increasing the exemption levels which eliminates the economic benefit of mortgage interest deductions for most households and d) reduction in the actual tax rates which decreases the value of deductions. In spite of these factors, homeownership spiked in 1Q18 as noted below. This appears to be an anomaly with a return to trend in 2Q18.

Nationally, the homeownership rate showed a decline through mid-2016 with a more recent upward trend. Each percentage point change equates to roughly 30,000 households in the Chicago MSA.

Homeownership Rate – Chicago MSA



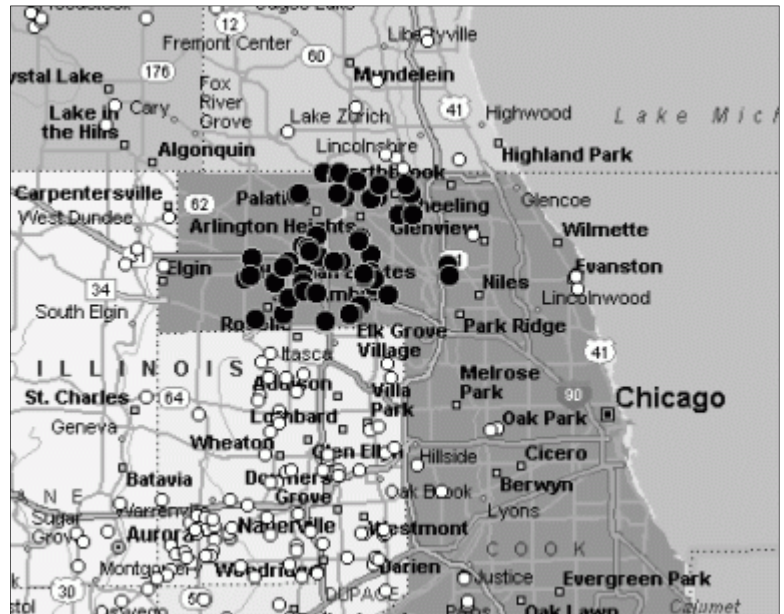
The rental market is most heavily influenced by demographic trends in the 25-35 age cohort. This age group is less concerned about owning a home than maintaining flexibility for potential job-related moves. The prospect of tying up funds for a down payment on a home and then worrying about the ability to “cash out” for a move in a timely manner (not to mention getting whole relative to the initial purchase) have weighed on the for-sale market. Renting provides options. While price levels of for sale product have been increasing, it has been overall at a modest rate. There has been pressure on interest rates which will motivate some to act on homeownership. There are few compelling reasons to act now on the purchase of a residence.

From a household formation standpoint, there is pent up demand in the 25-34-year-old cohort as many in this category remain living with parents.

Cook County – Northwest Apartment Submarket Overview

Market area defined. The Cook County Northwest sub market is defined as roughly 294 to the east, Lake County on the north, Route 59 on the west and DuPage County to the south. O'Hare International Airport is at the southeastern most part of the submarket.

Survey property profile. The database for the Cook County – Northwest survey consisted of 25,711 dwelling units. Median unit size for the submarket is 877 square feet which is in-line with the overall suburban market. The median year built was 1975 compared to the overall suburban market having a median of 1986. Cook County Northwest was one of the first submarkets to develop in suburban Chicago to a significant density. The lack of newer product has been more a function of lack of suitable sites for development rather than submarket economics.



Demand drivers. Significant housing demand is driven by the primary employment centers of O'Hare International Airport and its surrounding industrial base in the southeast quadrant, the Schaumburg office/retail market in the northwest and the I-88 office corridor to the south. The office market remains plagued by high vacancy.

Rent Trends & Concessions. Median net rent per square foot currently stands at \$1.52 – up 1.4% from a year ago. Rents in the Northwest Cook submarket are up 1.8 percent compared to the levels posted two years ago. One-bedrooms have a median rent of \$1,200 while two bedrooms have a median net rent of \$1,422.

The value of the concession stands at just under one month free rent. Concessions will remain in the market.

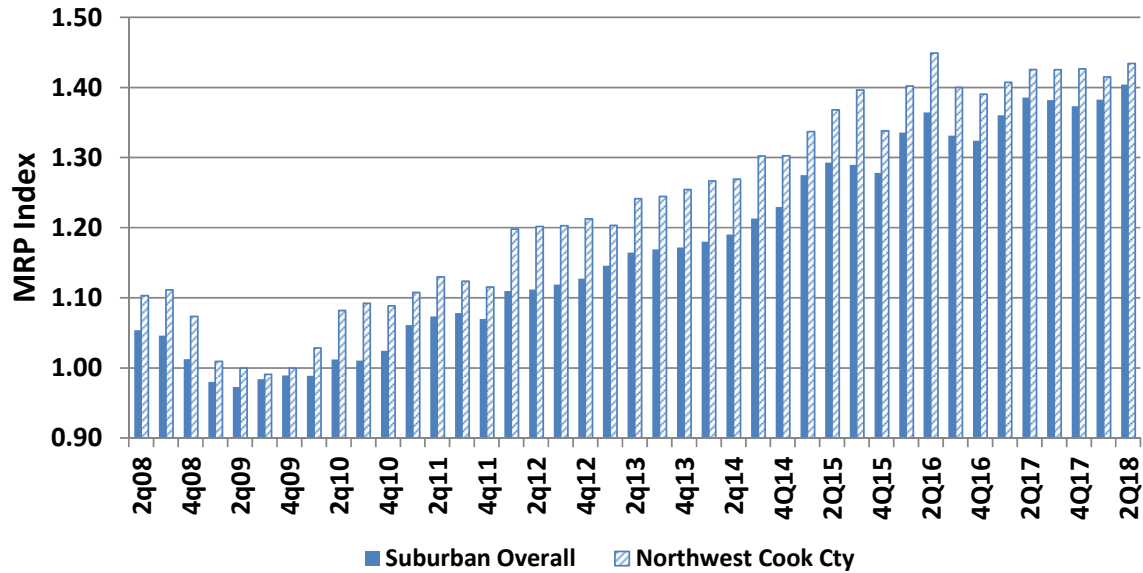
Occupancy. Occupancy is down 70 bps from 95.2 percent a year ago to the current level of 94.5 percent. The submarket remains relatively “full” with pricing therefore expected to remain stable.

Market Revenue Performance. Market performance is a function of the product of net rent and occupancy.

Market Revenue Performance

Net Rent PSF x Occupancy

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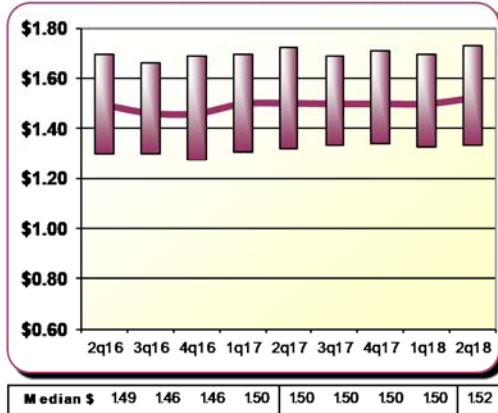


The Northwest Cook submarket has been tracking consistent with the overall suburban market. Performance leveled off in 2016 with a modest gain through the current quarter.

Cook County-Northwest Apartments - 2q18

Showing (a) median trend line and (b) middle 2/3rds surveyed (thick bars).

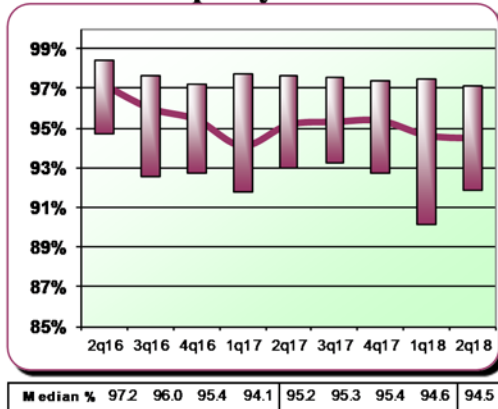
Net Rent PSF - \$1.52



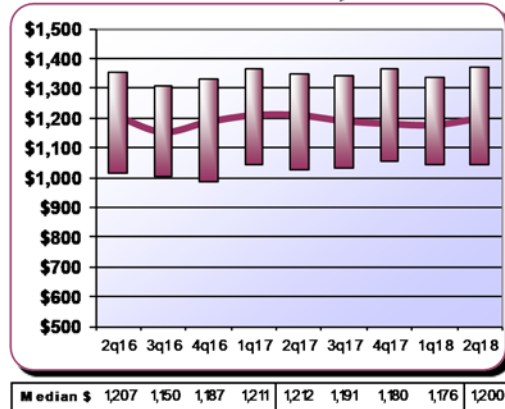
Snapshot & Trends

Cook Cnty NW		Suburban Metro
66	Complexes	327
25,711	Units	98,560
877	SF/unit	909
1975	Yr Built	1986
\$1.52 →	Net PSF	\$1.47 →
94.5% ↘	Occupancy	95.6% →
31.8% →	Pct W/concessions	29.1% →
6.1% →	Concession Amt	7.7% →
\$1,200 →	One Bdrm/Mo	\$1,229 ↗
\$1,422 →	Two Bdrm/Mo	\$1,433 →

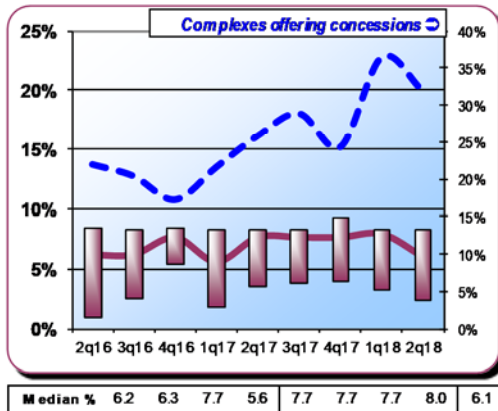
Occupancy - 94.5%



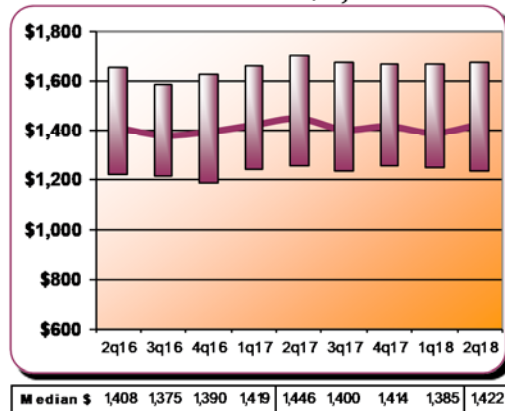
Net One Bdrm - \$1,200/mo



Concessions - 6.1% when offered

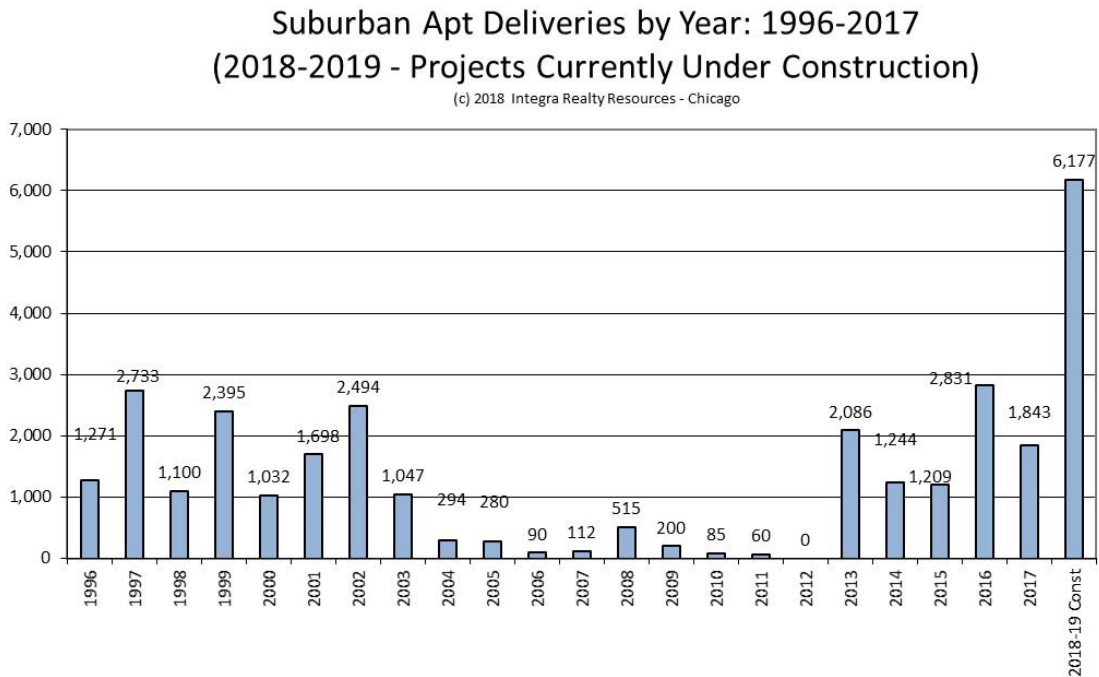


Net Two Bdrm - \$1,422/mo



Suburban Multi-Family Housing Supply

Integra Realty Resources - Chicago has been tracking rental apartment construction on an annual basis since 1996. Since that time, there have been over 24,600 units delivered to the suburban market plus an additional 6,177 which are currently under construction and delivering in 2018 and 2019.



Over the past ten years however, incredibly little product had been added to the market. This was driven by a few factors including:

- Poor economics due to job losses in the region creating vacancies and concessions, though performance has improved since late 2009
- Lower interest rate and low down payment environment driving demand for new condo unit construction which generated more immediate returns; however, the new construction condo market is now stalled.
- Resistance of communities to allow for new rental developments
- Few well located sites left in the region suitable for large scale development
- Rent levels not high enough to support construction costs at locations where sites can be acquired

With many communities welcoming rental development, combined with feasible rent levels supporting construction, development is once again occurring throughout the region.

While there was a large amount of development activity which occurred in the late 1990s through the very early 2000s, apartment development virtually ceased and did not begin again until 2013. Since that time, there has been a significant increase in the new apartment development activity. However, given the size of the suburban metropolitan area, the number of new apartments being added to the market is still quite small.

History of Recent Deliveries: 2016-2017 and 2018-2019

The most recent additions to the suburban market include the following buildings which delivered in 2016-2017 along with the buildings which are currently under construction for delivery in 2018-2019:

2016-2017 Deliveries

© 2018 Integra Realty Resources - Chicago

Property	Submarket	City	Developer	Status	Units	Delivered
500 Station Boulevard	Aurora - Naperville	Aurora	Goel/TCCI	Leasing	417	2016
Metro 59	Aurora - Naperville	Aurora	Next Gen/Avgeris	Leasing	232	2016
Northgate Crossing	Cook NW	Wheeling	Reva	Stabilized	300	2016
Wheaton Courthouse Square	DuPage	Wheaton	Focus	Stabilized	149	2016
Elmhurst 255	DuPage	Elmhurst	Morningside	Stabilized	192	2016
Apex 41	DuPage	Lombard	Glenstar	Leasing	181	2016
Walnut Ridge	McHenry	Woodstock	Cunat	Stabilized	108	2016
The Main	North Shore	Evanston	O'Donnell	Stabilized	112	2016
Northshore 770	North Shore	Northbrook	Morningside	Leasing	347	2016
Vantage Oak Park	South Cook	Oak Park	LSI/Golub/Wood	Stabilized	270	2016
Residences of Orland Park Crossing	South Cook	Orland Park	Reva	Stabilized	231	2016
Springs at Weber	Will	Romeoville	Continental Properties	Stabilized	292	2016
North 680	Cook NW	Schaumburg	UrbanStreet	Stabilized	192	2017
The Residences at Hamilton Lakes	DuPage	Itasca	M&R/Hamilton	Leasing	297	2017
Springs at Orchard Rd	Kane	North Aurora	Continental Properties	Leasing	300	2017
Centrum Evanston/Davis & Maple	North Shore	Evanston	Centrum	Stabilized	101	2017
McGovern House	North Shore	Highland Park	Merdingner	Stabilized	73	2017
The Residences of Wilmette/611 Green Bay	North Shore	Wilmette	M&R	Leasing	75	2017
Uptown LaGrange	South Cook	LaGrange	Opus	Leasing	254	2017
The Emerson/Lake/Westgate/North	South Cook	Oak Park	Clark Street/Lennar	Leasing	271	2017
The Brook on Janes	Will	Bolingbrook	Lennar	Stabilized	280	2017

2018-2019 Deliveries: Leasing & Under Construction

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Property	Submarket	City	Developer	Status	Units
One Apts/Wheeling Town Center	Cook NW	Wheeling	Lynmark/Urban R2	Construction	301
Parkview Apts, 212 N. Dunton	Cook NW	Arlington Heights	Cullen Davis	Leasing	45
Buckingham Place/Littelfuse site/800 E NW Hwy	Cook NW	Des Plaines	Dearborn-Buckingham	Leasing	270
Sim's Bowl/1555-65 Ellinwood	Cook NW	Des Plaines	Opus/Berkshire	Construction	113
20West/ 20 W Northwest Why	Cook NW	Mt Prospect	Nicholas & Assoc	Construction	73
Covington Lexington Woods/Golf & E River Rd	Cook NW	Des Plaines	Lexington	Construction	236
Marq on Main/Main St & Burlington	DuPage	Lisle	Marquette	Leasing	201
Overture Yorktown/Yorktown Mall (55+)	DuPage	Lombard	Greystar	Construction	175
Elan Yorktown/Yorktown Mall	DuPage	Lombard	Greystar	Construction	295
Lakeside Village/200 Royce	DuPage	Oak Brook Terr	Interforum	Construction	315
NWC Addison & First	DuPage	Elmhurst	Opus	Construction	164
Main & Maple	DuPage	Downers Grove	Trammel Crow	Construction	115
Burlington Station	DuPage	Downers Grove	Holladay	Construction	89
Springs at South Elgin/Gyorr Rd & Sterns	Kane	South Elgin	Continental Properties	Construction	300
Reserve at Grengs Park	Kane	Geneva	Shodeen	Leasing	42
Prairie Centre Phase I/St Charles Mall	Kane	St Charles	Shodeen	Construction	96
Prairie Winds of St Charles/NS Bricher	Kane	St Charles	Big Rock	Leasing	250
Watermark at the Grove/WS Randall	Kane	Elgin	Interstate Partners	Construction	282
Springs at Canterfield/ES Rt 31 N of I-90	Kane	West Dundee	Continental Properties	Leasing	260
The Atworth at Melody Farms/Milw & Town Ln	Lake	Vernon Hills	Focus	Leasing	260
444 Social/SWC Aptakistic & Pkwy/Regal site	Lake	Lincolnshire	ECD/Greenberg	Leasing	302
Deer Park Crossing/Field Pkwy	Lake	Deer Park	Reva	Leasing	236
101 West/101 W Liberty St	Lake	Barrington	Monroe Residential	Leasing	64
Kelmscott Park Apts/NWC Laurel & Western	North Shore	Lake Forest	Focus	Leasing	111
811 Emerson	North Shore	Evanston	CA & Focus	Construction	242
8000 North/NWC Lincoln & Oak	North Shore	Skokie	Greenspire/Pontarelli	Construction	153
Avidor Glenview/650 Waukegan (55+age)	North Shore	Glenview	Trammel Crow	Construction	168
1000 Skokie Blvd/Sunset Ridge	North Shore	Northbrook	Finger	Construction	304
SEC Harlem & South Blvd	South Cook	Oak Park	Lincoln	Construction	250
NWC Lake & Forest	South Cook	Oak Park	Albion	Construction	265
Grande Park Apts/SWC 127th & Ridge	Will	Plainfield	Wilmette RE	Construction	200
2018-2019 Deliveries					6,177

Deliveries by Submarket

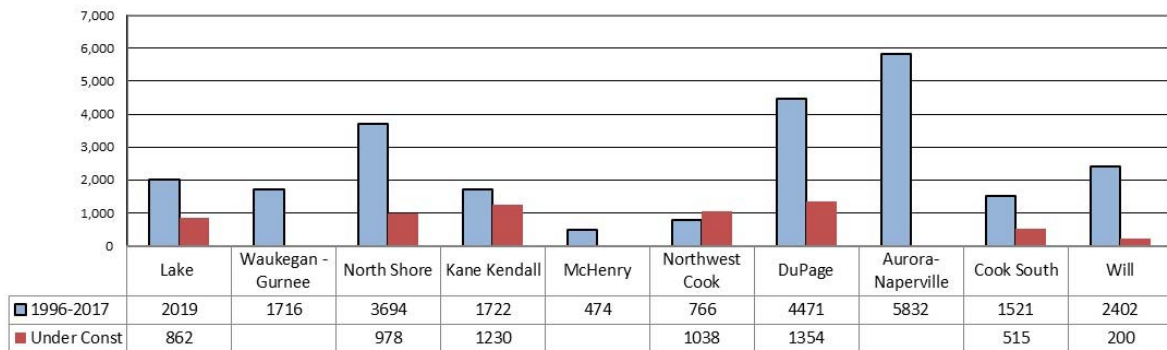
Since 2013, the North Shore submarket has seen the largest surge of activity. Given the size of the submarket, this has been a substantial increase in the base with absorption in the newer product slowing notably in the latter half of 2015. Concessions are now more prevalent in this market. The remaining submarkets have added relatively few units.

Of particular note is the small amount of new development activity which had occurred in the Northwest Cook submarket until very recently. This market has a high concentration of Class B and C buildings with pent up demand for Class A product and developers are now pursuing an increasing number of new developments in the Northwest Cook submarket.

Following is a delivery distribution by submarket for the developments which will have delivered through 2017, along with the buildings which are currently under construction/being delivered in 2018 and 2019.

Suburban Apt Deliveries by Submarket: 1996-2017 Projects Currently Under Construction - Delivering 2018-2019

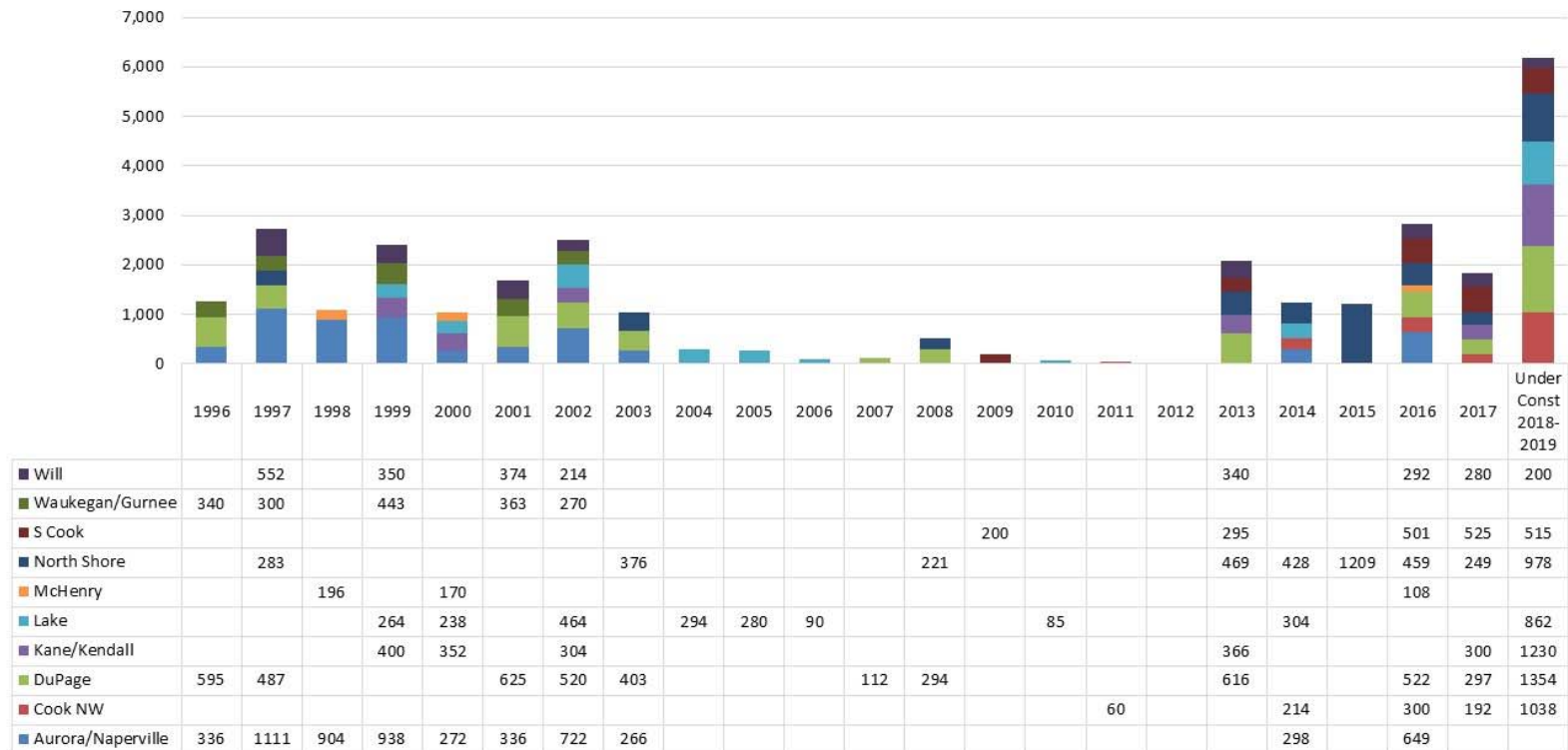
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Suburban Apt Deliveries by Submarket: 1996-2017

Projects Currently Under Construction - Delivering 2018-2019

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Current Status - Selected Projects/Sites

We are tracking many development sites where new product is being proposed. Locations range from the North Shore markets out to Kane and the South Cook submarkets. A few sites have been approved for development by the local municipalities; however, several projects have not moved forward either due to rents not being high enough to support construction costs or the inability to obtain either the equity or a construction loan. Some projects classified as “confidential” are consulting assignments for which we have been retained but are not yet public.

The proposed projects are typically 150 to 300 units and are widely distributed throughout the region. There are numerous additional sites in the region proposed for multi-family.

Rental Apartment Pipeline/Projects in Planning

Property	Submarket	City	Developer	Status	Units
North Shore					
1450 Sherman	North Shore	Evanston	Albion	Planning	286
1727 Oak (55+ age restricted)	North Shore	Evanston	Trammel Crow	Planning	169
The Legacy/1621 Chicago	North Shore	Evanston	Horizon	Planning	215
1555 Oak - adaptive reuse	North Shore	Evanston	Cameel Halim	Planning	80-90
Karger Center property/1850 Green Bay Rd	North Shore	Highland Park	Albion	Planning	171
One Winnetka/Elm & Lincoln	North Shore	Winnetka	Stonestreet/Trandel	Planning	36
87 Hundred/8700 Waukegan	North Shore	Morton Grove	Equibase/Heartland	Planning	184
Bess Hardware site/1850 Glenview Rd	North Shore	Glenview	Drake	Planning	72
Deerbrook Center site/SWC Lake&Waukegan	North Shore	Deerfield	Reva	Planning	248
Confidential	North Shore	Confidential	Confidential	Planning	TBD
Lake County					
Station Square/Trimm Property	Lake	Libertyville	Swanson	Planning	92
Former Kmart/225 S Rand	Lake	Lake Zurich	Garden Homes	Planning	162
NWC Rt 22 & Old Rand Rd	Lake	Lake Zurich	MBR Properties	Planning	100
Confidential	Lake	Confidential	Confidential	Planning	TBD
Cook County NW					
Uptown 500/501 W Dundee	Cook NW	Wheeling	DAC/Atlas	Planning	321
Ellinwood Apts/SEC Ellinwood & Graceland	Cook NW	Des Plaines	Bayview-Compasspoint	Planning	212
Maple St Lofts/215-225 E Prospect	Cook NW	Mt Prospect	Nicholas & Assoc	Planning	300
Veridian/Motorola site	Cook NW	Schaumburg	UrbanStreet	Planning	TBD
Plum Farms/NWC Rts 59 & 72	Cook NW	Hoffman Estates	Iatarola	Planning	253
AT&T Campus/Hoffman Estates	Cook NW	Hoffman Estates	Somerseset	Planning	379
NWC Lake & Church	Cook NW	Hanover Park	Monroe Residential	Planning	131
Hickory Apartments, NWC Hickory & Kensington	Cook NW	Arlington Heights	Neri	Planning	76
Arlington Downs - multiple phases	Cook NW	Arlington Heights	Springbank/Trandel	Planning	263
Arlington Downs - multiple phases	Cook NW	Arlington Heights	Springbank/Trandel	Planning	360
Northwest Hwy & Walnut	Cook NW	Arlington Heights	Brian Properties	Planning	106
Kane County					
Vistas of Mill Creek	Kane	Geneva	Shodeen	Planning	268
Charlestown Mall site/E of K NS E Main	Kane	St Charles	Krausz Companies	Planning	256
Confidential	Kane	Confidential	Confidential	Planning	220
One Washington Place/NWC Wash. & Wilson	Kane	Batavia	Shodeen	Planning	190
Reserve at Hudson Crossing/Frmr Alexdr Lumber	Kane	Oswego	Shodeen	Planning	176
Springs at Oswego	Kane	Oswego	Continental Properties	Planning	280
Randall Oaks/WS Randall N of Randall Comm	Kane	North Aurora	Shodeen	Planning	261
McHenry County					
Grove Residences/Rt 14 near Illinois	McHenry	Fox River Grove	Gart Partners	Planning	300
DuPage County					
SEC Main & Ogden	DuPage	Lisle	Flaherty & Collins	Planning	164
Woodmoor on Finley Road/frmr Ken-Loch	DuPage	Uninc/Lombard	UrbanStreet/Atlas	Planning	388
McChesney & Miller site	DuPage	Glen Ellyn	Springbank/Trandel	Planning	245
Duane/Melrose	DuPage	Glen Ellyn	Reva	Planning	48
Geische Shoes/NWC Main & Hillside	DuPage	Glen Ellyn	GSP - Debb/Kosich	Planning	107
Cantera Residences/Ferry W of Winfield Rd	DuPage	Warrenville	Interforum	Planning	364
Vanguard Cantera/Regal Theatre site/Diehl Rd	DuPage	Warrenville	Covington Realty	Planning	242
Everton Reserve/M/I Homes site - ES Rt 59	DuPage	Warrenville	Atlantic Realty Partners	Planning	259
Downers Grove Civic Center site	DuPage	Downers Grove	Next Gen	Planning	234
One North Cass / Cass & Burlington	DuPage	Westmont	Gammonley	Planning	208
Confidential	DuPage	Confidential	Confidential	Planning	TBD
Aurora Naperville					
5th Avenue	Aurora/Naperville	Naperville	Ryan	Planning	400
South Cook					
Residence at Brookside Glen/SW 191st & 80th	South Cook	Tinley Park	Mayher/DJM	Planning	144
Will County					
Highland Ridge Apts/143rd & W of 355	Will	Lockport	Equibase/Heartland	Planning	240
Cedarlake Village/WS Wallin NS Lockport St	Will	Plainfield	Buckingham	Planning	280
Village Place Apts/Normantown E of Brunswick	Will	Romeoville	Rose/S.R. Jacobsen	Planning	216
Highpoint Town Square	Will	Romeoville	HPTS	Planning	72

Conclusions

With an average delivery of roughly 1,100 units per year in the suburban market since 1996, the addition to overall supply has been minimal. Combined with the number of condo conversions that occurred in the market in the early 2000s, the supply of rental units has actually seen a decline. While certain submarkets are adequately supplied with rental units at this time, we believe opportunities exist to create additional rental product. The diverse employment base for the MSA and our direct surveys of buildings in the market indicates a strong long-term picture for multi-family rental product.

Difficulties remain however in securing large enough sites suitable for development and obtaining the necessary zoning approvals in light of general community opposition to rental development. As shown, these factors are contributing to a shift in development to more high-density sites – potentially in redeveloping downtown markets as transit-oriented developments. The costs of construction remain high (\$250+/- psf) for these mid-rise structures (concrete construction) and while demand may certainly exist, the feasible rent levels will be catering to the upper end of the market. While adding supply of substance appears improbable at this point in the MSA overall, we note a significant increase in new construction activity.

Economic Analysis

Chicago MSA Area Analysis

The subject is located in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area, hereinafter called the Chicago MSA, as defined by the U.S. Office of Management and Budget. The Chicago MSA is 7,197 square miles in size, and is the third most populous metropolitan area in the nation.

Population

The Chicago MSA has an estimated 2018 population of 9,504,650, which represents an average annual 0.1% increase over the 2010 census of 9,461,105. The Chicago MSA added an average of 5,443 residents per year over the 2010-2018 period, and its growth in population contrasts with the State of Illinois which had a 0.1% average annual decrease in population over this time.

Looking forward, the Chicago MSA's population is projected to increase at a 0.1% annual rate from 2018-2023, equivalent to the addition of an average of 5,403 residents per year. The Chicago MSA's population growth differs from Illinois, which is projected to have little or no change in population during this time.

Population Trends

	Population			Compound Ann. % Chng	
	2010 Census	2018 Estimate	2023 Projection	2010 - 2018	2018 - 2023
Chicago-Naperville-Elgin, IL-IN-WI (Metro)	9,461,105	9,504,650	9,531,666	0.1%	0.1%
Illinois	12,830,632	12,768,442	12,745,779	-0.1%	0.0%

Source: Environics Analytics

Employment

Total employment in the Chicago MSA is currently estimated at 4,683,800 jobs. Between year-end 2006 and the present, employment rose by 110,700 jobs, equivalent to a 2.4% increase over the entire period. There were gains in employment in eight out of the past ten years despite the national economic downturn and slow recovery. The Chicago MSA's rate of employment growth over the last decade surpassed that of Illinois, which experienced an increase in employment of 0.9% or 53,600 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Chicago MSA has had a 7.5% average unemployment rate, which is the same as the rate for Illinois. The two areas are performing similarly according to this measure.

Recent data shows that the Chicago MSA unemployment rate is 4.1% in comparison to a 4.7% rate for Illinois, a positive sign that is consistent with the fact that the Chicago MSA has outperformed Illinois in the rate of job growth over the past two years.

Employment Trends

Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Chicago MSA	% Change	Illinois	% Change	Chicago MSA	Illinois
2006	4,573,100		6,000,000		4.2%	4.2%
2007	4,601,700	0.6%	6,034,200	0.6%	4.9%	5.0%
2008	4,480,100	-2.6%	5,897,800	-2.3%	6.1%	6.3%
2009	4,264,100	-4.8%	5,628,000	-4.6%	10.2%	10.2%
2010	4,302,400	0.9%	5,686,100	1.0%	10.6%	10.4%
2011	4,363,000	1.4%	5,745,800	1.0%	9.9%	9.7%
2012	4,440,700	1.8%	5,823,400	1.4%	9.1%	9.0%
2013	4,513,200	1.6%	5,880,000	1.0%	9.1%	9.1%
2014	4,583,400	1.6%	5,969,300	1.5%	7.1%	7.1%
2015	4,674,100	2.0%	6,052,600	1.4%	5.9%	6.0%
2016	4,683,800	0.2%	6,053,600	0.0%	5.8%	5.9%
Overall Change 2006-2016	110,700	2.4%	53,600	0.9%		
Avg Unemp. Rate 2006-2016					7.5%	7.5%
Unemployment Rate - December 2017					4.1%	4.7%

Source: Bureau of Labor Statistics and Economy.com. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Major employers in the Chicago MSA are shown in the following table.

Major Employers - Chicago-Naperville-Elgin, IL-IN-WI (Metro)

	Name	Number of Employees
1	U.S. Government	42,887
2	Chicago Public Schools	27,406
3	City of Chicago	30,276
4	Cook County	21,795
5	Advocate Healthcare	18,308
6	University of Chicago	16,197
7	Northwestern Memorial Healthcare	15,317
8	State of Illinois	15,136
9	JP Morgan Chase & Co	14,158
10	United Continental Holdings, Inc.	14,000
11	Health Care Service Corp.	13,006
12	Walgreens Boots Alliance, Inc.	13,006
13	Presence Health	10,500
14	Abbott Laboratories	10,000
15	Northwestern University	9,708
16	Jewel-Osco	9,660
17	Chicago Transit Authority	9,510
18	University of Illinois at Chicago	9,212
19	American Airlines Group, Inc.	8,900
20	Rush University Medical Center	8,273
21	AT&T Inc.	8,000
22	Allstate Corp.	7,800
23	Walmart Stores, Inc.	7,700
24	Employco USA Inc.	7,409
25	Aon PLC	7,335

Source: Crain's Chicago Business

Date: January 18, 2017

Gross Domestic Product

The Chicago MSA is the third largest metropolitan area economy in the nation based on Gross Domestic Product (GDP).

Economic growth, as measured by annual changes in GDP, has been somewhat higher in the Chicago MSA than Illinois overall during the past eight years. The Chicago MSA has grown at a 1.4% average annual rate while Illinois has grown at a 1.2% rate. As the national economy improves, the Chicago MSA has recently performed similarly to Illinois. GDP for the Chicago MSA rose by 0.9% in 2016 while Illinois's GDP rose by 0.9%.

The Chicago MSA has a per capita GDP of \$59,810, which is 11% greater than Illinois's GDP of \$54,091. This means that Chicago MSA industries and employers are adding relatively more value to the economy than their counterparts in Illinois.

Gross Domestic Product

Year	(\$ Mil) Chicago MSA	% Change	(\$ Mil) Illinois	% Change
2009	516,764		638,032	
2010	522,484	1.1%	645,983	1.2%
2011	529,860	1.4%	658,411	1.9%
2012	545,392	2.9%	671,493	2.0%
2013	543,676	-0.3%	669,261	-0.3%
2014	552,758	1.7%	679,343	1.5%
2015	563,789	2.0%	686,010	1.0%
2016	568,969	0.9%	692,453	0.9%
Compound % Chg (2009-2016)		1.4%		1.2%
GDP Per Capita 2016	\$59,810		\$54,091	

Source: Bureau of Economic Analysis and Economy.com; data released September 2016. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2009 dollars.

Income, Education and Age

The Chicago MSA has a higher level of household income than Illinois. Median household income for the Chicago MSA is \$69,412, which is 8.3% greater than the corresponding figure for Illinois.

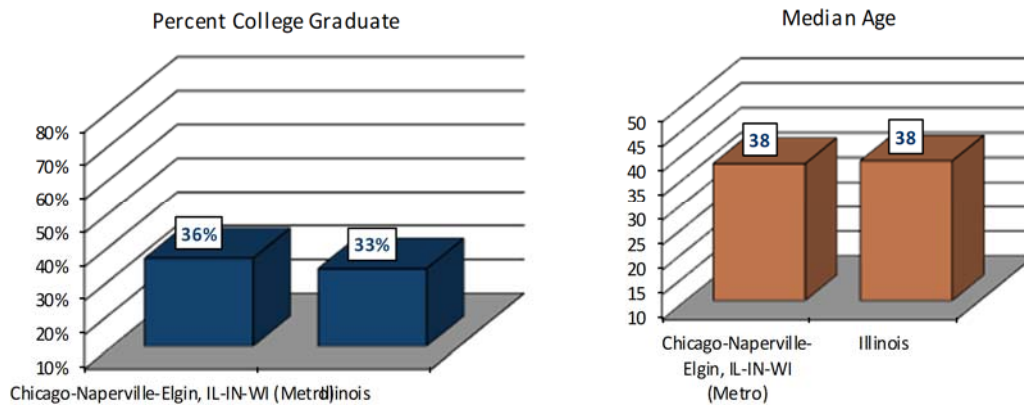
Median Household Income - 2018

	Median
Chicago-Naperville-Elgin, IL-IN-WI (Metro)	\$69,412
Illinois	\$64,068
Comparison of Chicago-Naperville-Elgin, IL-IN-WI (Metro) to Illinois	+ 8.3%

Source: Environics Analytics

Residents of the Chicago MSA have a higher level of educational attainment than those of Illinois. An estimated 36% of Chicago MSA residents are college graduates with four-year degrees, versus 33% of Illinois residents. People in the Chicago MSA are similar in age to their Illinois counterparts. The median age of both the Chicago MSA and Illinois is 38 years.

Education & Age - 2018



Source: Environics Analytics

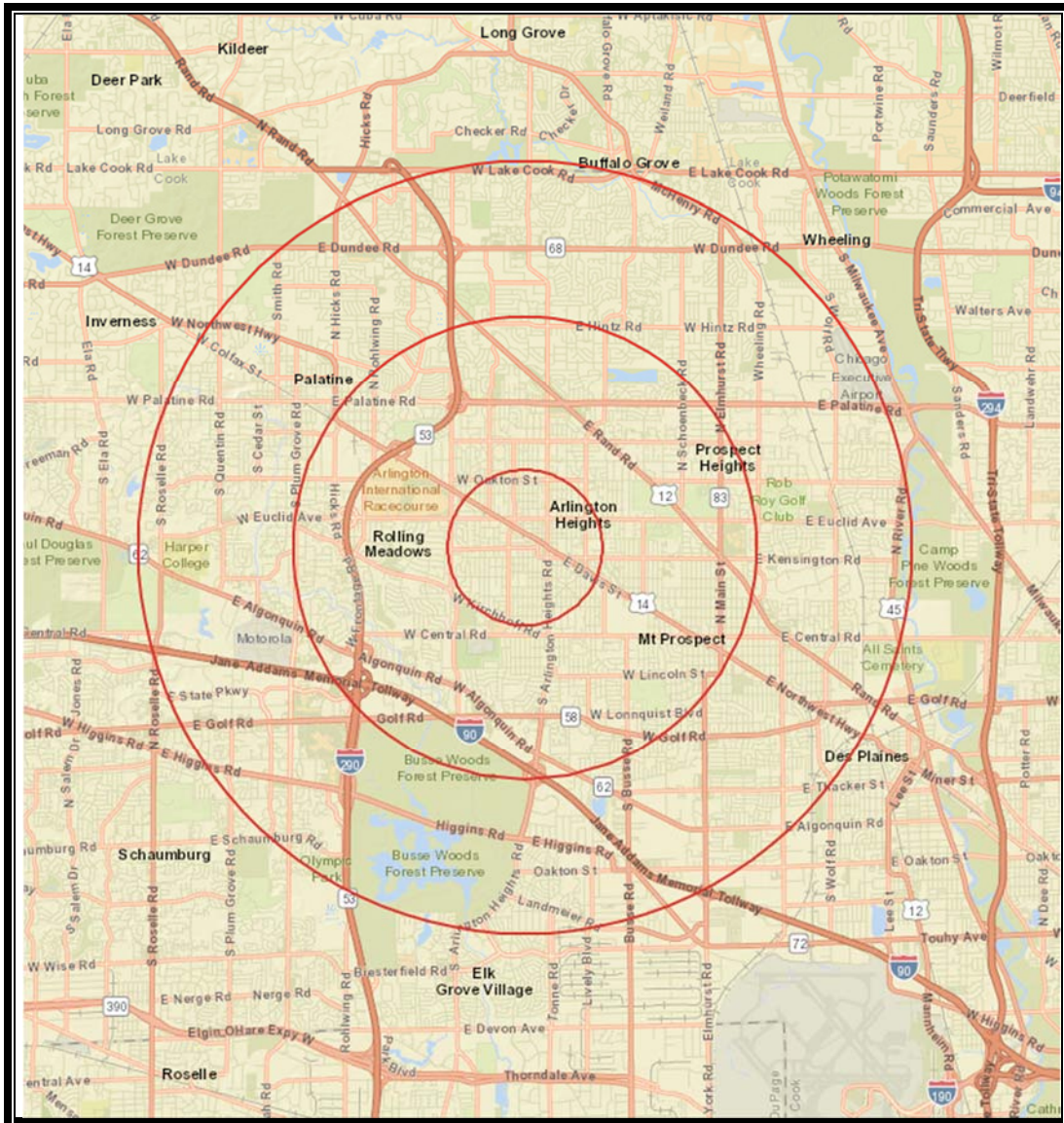
Conclusion

The Chicago MSA economy will benefit from a stable to slightly growing population base and higher income and education levels. The Chicago MSA experienced growth in the number of jobs over the past decade, and it is reasonable to assume that employment growth will occur in the future. Moreover, the Chicago MSA gains strength from being the third most populous metropolitan area in the country and having both a higher rate of GDP growth and a higher level of GDP per capita than Illinois overall. We anticipate that the Chicago MSA economy will improve and employment will grow, strengthening the demand for real estate.

Demographic Trends – 2018 Statistics

In researching the demographics of the target market area, we have provided data from EnviroNics Analytics for the demographics of the residents located within the one, three and five mile radii of the subject property. This includes information relating to the 2000 U.S. Census, 2018 estimates (based upon the 2010 census), and 2023 projections for the area.

We fully recognize that while the demographics provide insights on the existing population, demand for the subject units will come from both the immediate market area and from outside this market area.



Location Map – Arlington Heights One, Three and Five Mile Radii

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2018 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Chicago-Naperville-Elgin, IL-IN-WI (Metro)	Illinois
Population 2010	18,530	120,480	309,970	9,461,105	12,830,632
Population 2018	18,445	118,813	309,435	9,504,650	12,768,442
Population 2023	18,362	117,837	308,862	9,531,666	12,745,779
Compound % Change 2010-2018	-0.1%	-0.2%	0.0%	0.1%	-0.1%
Compound % Change 2018-2023	-0.1%	-0.2%	0.0%	0.1%	0.0%
Households 2010	7,676	48,116	121,847	3,475,726	4,836,972
Households 2018	7,757	48,034	122,983	3,528,983	4,859,251
Households 2023	7,772	47,863	123,266	3,553,670	4,868,017
Compound % Change 2010-2018	0.1%	0.0%	0.1%	0.2%	0.1%
Compound % Change 2018-2023	0.0%	-0.1%	0.0%	0.1%	0.0%
Median Household Income 2018	\$105,836	\$87,102	\$81,939	\$69,412	\$64,068
Average Household Size	2.4	2.5	2.5	2.7	2.6
College Graduate %	56%	47%	45%	36%	33%
Median Age	43	43	41	38	38
Owner Occupied %	74%	79%	73%	66%	67%
Renter Occupied %	26%	21%	27%	34%	33%
Median Owner Occupied Housing Value	\$377,458	\$324,608	\$310,486	\$242,814	\$196,422
Median Year Structure Built	1964	1969	1973	1969	1969
Avg. Travel Time to Work in Min.	34	32	31	35	32

Source: Envirionics Analytics

As shown above, the current population within a 3-mile radius of the subject is 118,813, and the average household size is 2.5. Population in the area has declined since the 2010 census, and this trend is projected to continue over the next five years. This is in contrast to the population of the Chicago MSA, which is projected to grow slightly.

Median household income is \$87,102, which is higher than the household income for the Chicago MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Chicago MSA, and median owner-occupied home values are also considerably higher.

Renter and Owner Household Demographics

In addition, we have provided information from Ribbon Demographics which analyzes the individual household segments in the five mile radius, showing the information separately for the renter and owner households.



Arlington 425 Development (Proposed Construction)

Renter Household Demographics – 5 mile radius from Subject Property



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Renter Households						
Age 15 to 54 Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	406	197	229	185	74	1,091
\$10,000-20,000	381	330	161	128	230	1,230
\$20,000-30,000	1,037	504	343	328	233	2,445
\$30,000-40,000	865	467	371	418	512	2,633
\$40,000-50,000	1,081	516	438	384	423	2,842
\$50,000-60,000	1,386	643	288	280	165	2,762
\$60,000-75,000	1,324	927	800	362	179	3,592
\$75,000-100,000	1,018	1,318	780	483	235	3,834
\$100,000-125,000	880	755	330	364	234	2,563
\$125,000-150,000	245	474	226	116	111	1,172
\$150,000-200,000	169	277	292	102	60	900
\$200,000+	275	233	182	208	42	940
Total	9,067	6,641	4,440	3,358	2,498	26,004

Renter Households						
Aged 55+ Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	776	97	17	18	20	928
\$10,000-20,000	1,299	359	29	42	24	1,753
\$20,000-30,000	1,031	273	59	28	50	1,441
\$30,000-40,000	582	233	65	31	31	942
\$40,000-50,000	477	248	51	55	50	881
\$50,000-60,000	363	241	57	26	40	727
\$60,000-75,000	422	286	73	111	29	921
\$75,000-100,000	442	308	140	37	14	941
\$100,000-125,000	223	118	58	33	107	539
\$125,000-150,000	242	214	28	101	48	633
\$150,000-200,000	220	89	28	26	7	370
\$200,000+	255	162	94	17	14	542
Total	6,332	2,628	699	525	434	10,618

Renter Households						
All Age Groups						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	1,182	294	246	203	94	2,019
\$10,000-20,000	1,680	689	190	170	254	2,983
\$20,000-30,000	2,068	777	402	356	283	3,886
\$30,000-40,000	1,447	700	436	449	543	3,575
\$40,000-50,000	1,558	764	489	439	473	3,723
\$50,000-60,000	1,749	884	345	306	205	3,489
\$60,000-75,000	1,746	1,213	873	473	208	4,513
\$75,000-100,000	1,460	1,626	920	520	249	4,775
\$100,000-125,000	1,103	873	388	397	341	3,102
\$125,000-150,000	487	688	254	217	159	1,805
\$150,000-200,000	389	366	320	128	67	1,270
\$200,000+	530	395	276	225	56	1,482
Total	15,399	9,269	5,139	3,883	2,932	36,622



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Percent Renter Households						
Age 15 to 54 Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	1.6%	0.8%	0.9%	0.7%	0.3%	4.2%
\$10,000-20,000	1.5%	1.3%	0.6%	0.5%	0.9%	4.7%
\$20,000-30,000	4.0%	1.9%	1.3%	1.3%	0.9%	9.4%
\$30,000-40,000	3.3%	1.8%	1.4%	1.6%	2.0%	10.1%
\$40,000-50,000	4.2%	2.0%	1.7%	1.5%	1.6%	10.9%
\$50,000-60,000	5.3%	2.5%	1.1%	1.1%	0.6%	10.6%
\$60,000-75,000	5.1%	3.6%	3.1%	1.4%	0.7%	13.8%
\$75,000-100,000	3.9%	5.1%	3.0%	1.9%	0.9%	14.7%
\$100,000-125,000	3.4%	2.9%	1.3%	1.4%	0.9%	9.9%
\$125,000-150,000	0.9%	1.8%	0.9%	0.4%	0.4%	4.5%
\$150,000-200,000	0.6%	1.1%	1.1%	0.4%	0.2%	3.5%
\$200,000+	1.1%	0.9%	0.7%	0.8%	0.2%	3.6%
Total	34.9%	25.5%	17.1%	12.9%	9.6%	100.0%

Percent Renter Households						
Aged 55+ Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	7.3%	0.9%	0.2%	0.2%	0.2%	8.7%
\$10,000-20,000	12.2%	3.4%	0.3%	0.4%	0.2%	16.5%
\$20,000-30,000	9.7%	2.6%	0.6%	0.3%	0.5%	13.6%
\$30,000-40,000	5.5%	2.2%	0.6%	0.3%	0.3%	8.9%
\$40,000-50,000	4.5%	2.3%	0.5%	0.5%	0.5%	8.3%
\$50,000-60,000	3.4%	2.3%	0.5%	0.2%	0.4%	6.8%
\$60,000-75,000	4.0%	2.7%	0.7%	1.0%	0.3%	8.7%
\$75,000-100,000	4.2%	2.9%	1.3%	0.3%	0.1%	8.9%
\$100,000-125,000	2.1%	1.1%	0.5%	0.3%	1.0%	5.1%
\$125,000-150,000	2.3%	2.0%	0.3%	1.0%	0.5%	6.0%
\$150,000-200,000	2.1%	0.8%	0.3%	0.2%	0.1%	3.5%
\$200,000+	2.4%	1.5%	0.9%	0.2%	0.1%	5.1%
Total	59.6%	24.8%	6.6%	4.9%	4.1%	100.0%

Percent Renter Households						
All Age Groups						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	3.2%	0.8%	0.7%	0.6%	0.3%	5.5%
\$10,000-20,000	4.6%	1.9%	0.5%	0.5%	0.7%	8.1%
\$20,000-30,000	5.6%	2.1%	1.1%	1.0%	0.8%	10.6%
\$30,000-40,000	4.0%	1.9%	1.2%	1.2%	1.5%	9.8%
\$40,000-50,000	4.3%	2.1%	1.3%	1.2%	1.3%	10.2%
\$50,000-60,000	4.8%	2.4%	0.9%	0.8%	0.6%	9.5%
\$60,000-75,000	4.8%	3.3%	2.4%	1.3%	0.6%	12.3%
\$75,000-100,000	4.0%	4.4%	2.5%	1.4%	0.7%	13.0%
\$100,000-125,000	3.0%	2.4%	1.1%	1.1%	0.9%	8.5%
\$125,000-150,000	1.3%	1.9%	0.7%	0.6%	0.4%	4.9%
\$150,000-200,000	1.1%	1.0%	0.9%	0.3%	0.2%	3.5%
\$200,000+	1.4%	1.1%	0.8%	0.6%	0.2%	4.0%
Total	42.0%	25.3%	14.0%	10.6%	8.0%	100.0%

Owner Household Demographics – 5 mile radius from Subject Property



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Owner Households						
Age 15 to 54 Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	348	87	64	51	104	654
\$10,000-20,000	200	100	76	66	49	491
\$20,000-30,000	312	122	285	143	305	1,167
\$30,000-40,000	362	240	227	186	347	1,362
\$40,000-50,000	700	376	419	383	439	2,317
\$50,000-60,000	409	370	322	360	511	1,972
\$60,000-75,000	810	708	671	832	493	3,514
\$75,000-100,000	1,089	1,453	1,559	1,414	779	6,294
\$100,000-125,000	550	1,300	1,478	1,910	1,053	6,291
\$125,000-150,000	210	1,149	1,141	1,780	1,096	5,376
\$150,000-200,000	191	1,278	1,218	2,276	1,797	6,760
\$200,000+	516	1,224	1,701	2,638	1,557	7,636
Total	5,697	8,407	9,161	12,039	8,530	43,834

Owner Households						
Aged 55+ Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	922	530	128	47	46	1,673
\$10,000-20,000	2,340	606	108	29	19	3,102
\$20,000-30,000	2,939	1,456	243	88	39	4,765
\$30,000-40,000	1,965	2,040	292	57	42	4,396
\$40,000-50,000	1,730	1,811	267	94	91	3,993
\$50,000-60,000	1,242	1,631	381	99	83	3,436
\$60,000-75,000	1,569	2,447	574	206	50	4,846
\$75,000-100,000	1,529	3,898	1,034	326	276	7,063
\$100,000-125,000	1,052	2,807	1,084	488	189	5,620
\$125,000-150,000	618	2,020	892	327	78	3,935
\$150,000-200,000	454	2,055	1,195	324	202	4,230
\$200,000+	699	2,846	1,208	636	402	5,791
Total	17,059	24,147	7,406	2,721	1,517	52,850

Owner Households						
All Age Groups						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	1,270	617	192	98	150	2,327
\$10,000-20,000	2,540	706	184	95	68	3,593
\$20,000-30,000	3,251	1,578	528	231	344	5,932
\$30,000-40,000	2,327	2,280	519	243	389	5,758
\$40,000-50,000	2,430	2,187	686	477	530	6,310
\$50,000-60,000	1,651	2,001	703	459	594	5,408
\$60,000-75,000	2,379	3,155	1,245	1,038	543	8,360
\$75,000-100,000	2,618	5,351	2,593	1,740	1,055	13,357
\$100,000-125,000	1,602	4,107	2,562	2,398	1,242	11,911
\$125,000-150,000	828	3,169	2,033	2,107	1,174	9,311
\$150,000-200,000	645	3,333	2,413	2,600	1,999	10,990
\$200,000+	1,215	4,070	2,909	3,274	1,959	13,427
Total	22,756	32,554	16,567	14,760	10,047	96,684



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Percent Owner Households						
Age 15 to 54 Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	0.8%	0.2%	0.1%	0.1%	0.2%	1.5%
\$10,000-20,000	0.5%	0.2%	0.2%	0.2%	0.1%	1.1%
\$20,000-30,000	0.7%	0.3%	0.7%	0.3%	0.7%	2.7%
\$30,000-40,000	0.8%	0.5%	0.5%	0.4%	0.8%	3.1%
\$40,000-50,000	1.6%	0.9%	1.0%	0.9%	1.0%	5.3%
\$50,000-60,000	0.9%	0.8%	0.7%	0.8%	1.2%	4.5%
\$60,000-75,000	1.8%	1.6%	1.5%	1.9%	1.1%	8.0%
\$75,000-100,000	2.5%	3.3%	3.6%	3.2%	1.8%	14.4%
\$100,000-125,000	1.3%	3.0%	3.4%	4.4%	2.4%	14.4%
\$125,000-150,000	0.5%	2.6%	2.6%	4.1%	2.5%	12.3%
\$150,000-200,000	0.4%	2.9%	2.8%	5.2%	4.1%	15.4%
\$200,000+	1.2%	2.8%	3.9%	6.0%	3.6%	17.4%
Total	13.0%	19.2%	20.9%	27.5%	19.5%	100.0%

Percent Owner Households						
Aged 55+ Years						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	1.7%	1.0%	0.2%	0.1%	0.1%	3.2%
\$10,000-20,000	4.4%	1.1%	0.2%	0.1%	0.0%	5.9%
\$20,000-30,000	5.6%	2.8%	0.5%	0.2%	0.1%	9.0%
\$30,000-40,000	3.7%	3.9%	0.6%	0.1%	0.1%	8.3%
\$40,000-50,000	3.3%	3.4%	0.5%	0.2%	0.2%	7.6%
\$50,000-60,000	2.4%	3.1%	0.7%	0.2%	0.2%	6.5%
\$60,000-75,000	3.0%	4.6%	1.1%	0.4%	0.1%	9.2%
\$75,000-100,000	2.9%	7.4%	2.0%	0.6%	0.5%	13.4%
\$100,000-125,000	2.0%	5.3%	2.1%	0.9%	0.4%	10.6%
\$125,000-150,000	1.2%	3.8%	1.7%	0.6%	0.1%	7.4%
\$150,000-200,000	0.9%	3.9%	2.3%	0.6%	0.4%	8.0%
\$200,000+	1.3%	5.4%	2.3%	1.2%	0.8%	11.0%
Total	32.3%	45.7%	14.0%	5.1%	2.9%	100.0%

Percent Owner Households						
All Age Groups						
Year 2018 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	1.3%	0.6%	0.2%	0.1%	0.2%	2.4%
\$10,000-20,000	2.6%	0.7%	0.2%	0.1%	0.1%	3.7%
\$20,000-30,000	3.4%	1.6%	0.5%	0.2%	0.4%	6.1%
\$30,000-40,000	2.4%	2.4%	0.5%	0.3%	0.4%	6.0%
\$40,000-50,000	2.5%	2.3%	0.7%	0.5%	0.5%	6.5%
\$50,000-60,000	1.7%	2.1%	0.7%	0.5%	0.6%	5.6%
\$60,000-75,000	2.5%	3.3%	1.3%	1.1%	0.6%	8.6%
\$75,000-100,000	2.7%	5.5%	2.7%	1.8%	1.1%	13.8%
\$100,000-125,000	1.7%	4.2%	2.6%	2.5%	1.3%	12.3%
\$125,000-150,000	0.9%	3.3%	2.1%	2.2%	1.2%	9.6%
\$150,000-200,000	0.7%	3.4%	2.5%	2.7%	2.1%	11.4%
\$200,000+	1.3%	4.2%	3.0%	3.4%	2.0%	13.9%
Total	23.5%	33.7%	17.1%	15.3%	10.4%	100.0%

There is a large component of small households in the area, which is the target market for multi-family housing. According to Ribbon Demographics, single person households comprise about 42% of the renter households and 23.5% of the owner households within a five mile radius of the subject property, with two person households comprising another 25% of the renter households and 34% of the owner households within the five mile radius. Thus, the one and two person households comprise 67% of the renter households and 57% of the owner households in this market area.

According to the Ribbon Demographics statistics, one and two person renter households with incomes over \$60,000 total 10,876 households, or approximately 30% of all renter households. One and two person owner households with incomes over \$60,000 total 32,472 household, or approximately 33.5% of all owner households. As already discussed, the subject property will draw prospective renters from an area that is much wider than these geographic boundaries. Additional renter demand will be generated from persons from outside the area due to job relocations or other reasons.

Qualifying Income

Our recommendations for the subject units result in average monthly rents as shown below, along with the minimum income to qualify, utilizing a 30% to 35% rent/income ratio:

	Studio	1BR	1BR+Den	2BR	2BR+Den
Monthly Rent	\$1,550	\$1,850	\$2,150	\$2,400	\$2,600
12 months	12	12	12	12	12
Annual Rent	\$18,600	\$22,200	\$25,800	\$28,800	\$31,200
Rent/Income Ratio	30%	30%	30%	30%	30%
Minimum Income	\$62,000	\$74,000	\$86,000	\$96,000	\$104,000

	Studio	1BR	1BR+Den	2BR	2BR+Den
Monthly Rent	\$1,550	\$1,850	\$2,150	\$2,400	\$2,600
12 months	12	12	12	12	12
Annual Rent	\$18,600	\$22,200	\$25,800	\$28,800	\$31,200
Rent/Income Ratio	35%	35%	35%	35%	35%
Minimum Income	\$53,143	\$63,429	\$73,714	\$82,286	\$89,143

Residents living within a five -mile radius of the subject property have a median household income of \$87,102. With 10,876 one and two person renter households within the subject's market area with income over \$60,000 as a primary target market along with 23,185 one and two person owner households with \$60,000+ incomes who may wish to downsize into rental apartments, the subject property will have a large pool of income-qualified residents within a five mile ring who may wish to move to the subject property. With 361 units, the subject property would need to capture a very small share of this target market. In reality, the property will be drawing from a larger radius than quoted herein, which would reduce the required capture rate even further.

Rental Competition Survey

Existing Competition

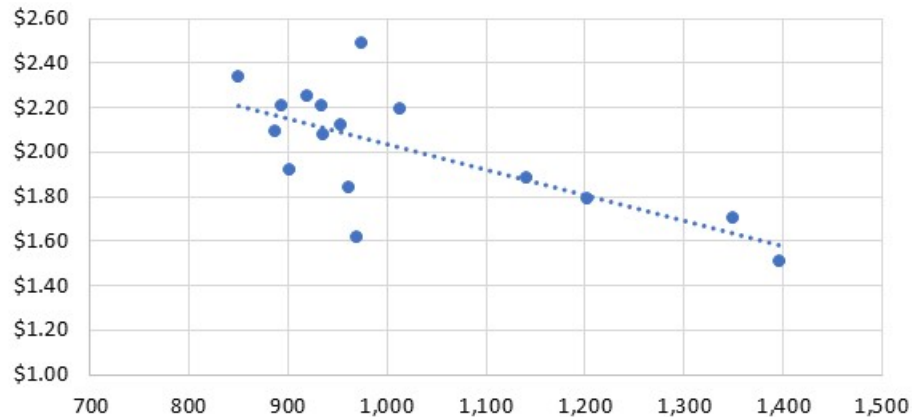
Due to the lack of new construction, large-scale rental apartment buildings in downtown Arlington Heights, the competition for the subject units will be located in a broader market area and therefore our market survey includes 16 properties with nearly 3,600 units. As a new construction development, the subject buildings will be competing with other properties which were built within the past several years and which are located in surrounding communities along with older properties in its immediate area. Of particular importance are apartment buildings located in suburban downtowns; however, with the limited number of such projects, we have also included developments in non-suburban downtown locations.

The buildings in the competitive survey are currently reporting rents ranging from \$1.51 to \$2.49 PSF with average unit sizes ranging from 849 to 1,397 SF. Parking prices are ranging from \$60 to \$175 per month. The following is a summary of this survey data followed by a discussion of the buildings which comprise the primary and secondary competition for the subject property.

Apartment Competition Survey – By Unit Type

Unit Type	No. Units	%	Avg SF	Avg Quoted Rent Per Unit	Avg Quoted Rent PSF	Avg Net Effective Rent Per Unit	Avg Net Effective Rent PSF
Studio	199	6%	608	\$1,466	\$2.41	\$1,427	\$2.35
1BR	1,668	46%	793	\$1,800	\$2.27	\$1,722	\$2.17
1BR+Den	222	6%	946	\$1,999	\$2.11	\$1,951	\$2.06
2BR	1,252	35%	1,192	\$2,412	\$2.02	\$2,285	\$1.92
2BR+Den	117	3%	1,402	\$2,799	\$2.00	\$2,531	\$1.81
3BR	130	4%	1,738	\$3,331	\$1.92	\$3,000	\$1.73
Total	3,588	100%	986	\$2,095	\$2.13	\$1,989	\$2.02

**Rent Summary - Avg Net Effective Rent PSF &
Avg Unit Size (SF)**



One Arlington, Dunton Tower and Hancock Square are located in Arlington Heights. Dunton Tower and Hancock Square are located close to the subject property within downtown Arlington Heights and offer locations very similar to the subject property. Both properties are within walking distance of the Metra station as well as shops and restaurants, like the subject property. The units have been updated with granite and some wood-look flooring in the kitchens but Dunton Tower lacks in-unit washers and dryers which are now standard in new construction projects. Both properties are high-rise elevator buildings. While these properties have updated finishes, they are not new construction and therefore are not able to command the new construction rent premiums. Also in downtown Arlington Heights is **Parkview**, a small rental building which was recently constructed and leased up. Its total unit count was only 45 units including an affordable component.

One Arlington is located next to the Arlington International Racecourse and just east of Route 53. It is northwest of the downtown area and part of the Arlington Downs master planned development. The property was originally built as a hotel in 1969 and had been vacant since 2009. The conversion of the hotel building was completed in 2014 and the former water slide park is now being renovated into First Ascent/Funtopia, a climbing wall/fitness/entertainment complex. As a future phase, there will be retail, hotel, restaurants, and additional multifamily units developed on adjoining sites. The location is within walking distance to a Metra station but not within the downtown area. The finishes are consistent with the Class A new construction rental product. This 12-story building offers excellent views and extensive amenities including a roof top sundeck, clubroom, fitness center, along with other amenities such as a golf driving range.

North680 is the newest addition to the rental market in Schaumburg. This development began delivering units in 2017 and is stabilized. It has a suburban location on Algonquin Road, west of Route 53. Thus, it lacks the suburban downtown location which the subject property offers. Des Plaines has two existing rental apartment buildings located in its downtown area which could be alternatives to the subject property: **Kingston Pointe** and **River 595** were originally designed and constructed as condominium buildings but delivered in the recession and were converted to rental

utilization. Both buildings have similar locations in the downtown area and are walking distance to shops, restaurants and the Metra station. The unit mix at both of these building is geared toward larger units since the buildings were originally planned to be condominiums. These larger unit sizes result in rents on a per square foot basis at the lower end of the comparable data set. The finishes are typical of new construction alternatives in the market but the amenity package is limited at Kingston Pointe and reflective of the smaller building size at River 595. With the larger average unit sizes, inferior amenities, and a less vibrant downtown ambience, these rents will fall below the levels indicated for the subject units.

Buckingham Place is the newest addition to the Des Plaines market. Situated on Northwest Highway close to a mile outside of the downtown area, this 267-unit property began offering occupancy in mid-August, with construction still underway. It is a wrap-style elevator property offering amenities similar to other new properties in the market. Its location is within walking distance of a secondary Metra station in Des Plaines but it lacks the subject property's proximity to downtown-type retail and restaurant amenities. Thus, its rent levels fall below what would be indicated for the subject property.

There are four developments located in Glenview which were included in the survey. Three of these developments were built within the last couple years. Of these properties, only **Midtown Square** is located in walking distance to both the Metra and downtown retail and restaurants; this is reflected in its rent levels which surpass its Glenview competition on a rent per square foot basis. **The Reserve** is adjacent to the Golf Metra station and a Mariano's anchored shopping center but lacks the walkable downtown location that many renters now desire. **Tapestry** is situated in a retail center also anchored by Mariano's, overlooking I-294 at the four-way interchange with Willow Road. This location lacks a suburban ambience but provides excellent auto access to the metropolitan area.

Aloft at Glen Town Center is part of the larger planned development known as The Glen Town Center. The location is within walking proximity to many retail and restaurants amenities but is a longer "hike" to the Glen/North Glenview Metra station. Completed in 2004, Aloft lacks the newest design features seen in the newer buildings.

Park 205 has an excellent location in downtown Park Ridge adjacent to a Whole Foods and within walking distance of the Metra station. With only 115 units, Park 205 offers a swimming pool, club room and fitness center and has been able to generate strong rents. With its downtown location, proximity to Metra, and lack of comparable competing units in its downtown area, Park 205 is generating rents at the top end of the survey properties.

Northgate Crossing is located in Wheeling, just north of Dundee Road. It is a heavily car dependent, suburban location. While it is within walking distance of a Metra station, the Metra service to this station is not as frequent as at the Arlington Heights station. This development includes several buildings with garages built into the first floor. Some of the units include attached garages while others require tenants to exit the unit in order to access the garage. This provides for private garages but can be less desirable if a tenant has to walk outside to access the garage. The amenities are located in a separate clubhouse rather than attached to the building. Give the location in Wheeling and the inferior building design, the rents are considered to fall below what would be achievable at the subject.

The Residences at Hamilton Lakes in Itasca was also included at the southern edge of the survey. Unlike the subject property, it is located in an office park rather than a suburban downtown and would likely not provide primary competition. Two other 2018 deliveries to the market were also included in the survey to reflect the current development trends in the area. **Deer Park Crossing** is a 236 unit development in Deer Park, a Lake County community to the north. In general, its unit sizes are larger and its average unit size is skewed upward by its significant townhouse component. While not in a suburban downtown, it is situated within a larger planned mixed-use development which includes extensive retail and restaurant amenities. However, as a non-downtown location, it lacks subject's walkability and Metra proximity. **444 Social** in Lincolnshire also is engaged in lease-up, with occupancy starting in the fall. This property also has proximity to other retail/restaurant amenities but lacks the walkability and Metra proximity of the subject location.

Future Competition

Although the Northwest Cook submarket has had very few new deliveries in the past 20 years, developers have become increasingly interested in this submarket. At the present time, there are four projects under construction ranging from a 73 unit development in downtown Mount Prospect to 301 units which are being developed in a mixed-use development in Wheeling. In addition, there are numerous projects which are being proposed but which have not yet broken ground. Thus, the timing and actual construction of these other proposed deals is still uncertain.



In July 2018, Arlington Heights trustees approved the plans for a five story, 76 units apartment building which will be developed east of the downtown area at the northwest corner of Kensington Road and Hickory Avenue. This project, being developed by Guido Neri, will contain a mix of studio, one bedroom, and two bedroom units.

To summarize, these are the projects which are being proposed or currently under construction in the Northwest Cook submarket:

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Under Construction / Planning

Property	Submarket	City	Developer	Status	Units
Northshore					
Northwest Cook County					
One Apts/Wheeling Town Center	Cook NW	Wheeling	Lynmark/Urban R2	Construction	301
Uptown 500/501 W Dundee	Cook NW	Wheeling	DAC/Atlas	Planning	321
Buckingham Place/Littelfuse site/800 E NW Hwy	Cook NW	Des Plaines	Dearborn-Buckingham	Construction	270
Sim's Bowl site/1555-65 Ellinwood	Cook NW	Des Plaines	Opus/Bersshire	Construction	113
Covington Lexington Woods/Golf & E River Rd	Cook NW	Des Plaines	Lexington	Construction	236
Ellinwood Apts/SEC Ellinwood & Graceland	Cook NW	Des Plaines	Bayview-Compasspoint	Planning	212
20West/20 W Northwest Hwy	Cook NW	Mt Prospect	Nicholas & Assoc	Construction	73
Maple St Lofts/215-225 E Prospect	Cook NW	Mt Prospect	Nicholas & Assoc	Planning	300
Veridian/Motorola site	Cook NW	Schaumburg	UrbanStreet	Planning	TBD
Plum Farms/NWC Rts 59 & 72	Cook NW	Hoffman Estates	Iatarola	Planning	253
AT&T Campus/Hoffman Estates	Cook NW	Hoffman Estates	Somerset	Planning	379
NWC Lake & Church	Cook NW	Hanover Park	Monroe Residential	Planning	131
Hickory Apartments, NWC Hickory & Kensington	Cook NW	Arlington Heights	Neri	Planning	76
Arlington Downs - multiple phases	Cook NW	Arlington Heights	Springbank/Trandel	Planning	263
Arlington Downs - multiple phases	Cook NW	Arlington Heights	Springbank/Trandel	Planning	360
Northwest Hwy & Walnut	Cook NW	Arlington Heights	Brian Properties	Planning	106

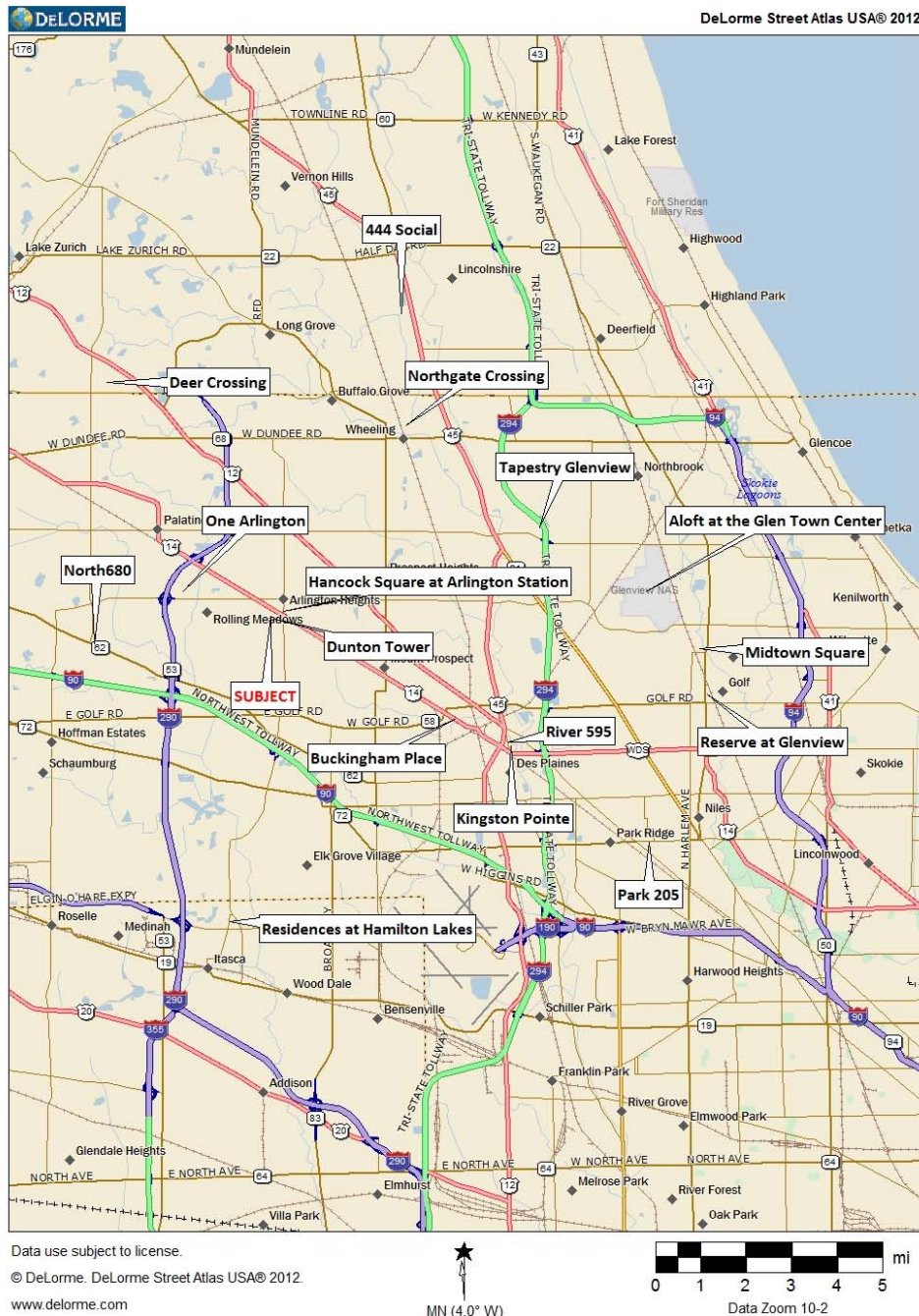
Of these projects which are currently under construction, subject's downtown Arlington Heights location is expected to command a premium which will be reflected in its rents and lease-up.

Market Survey Details

On the following pages is a summary of the market survey along with the individual project summary sheets for each development.

Rental Competition Summary and Details

Apartment Competition Map



Apartment Rental Competition Overview

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Name	Address	Suburb	Total Units	Class	Date Built	Avg Size (SF)	Quoted Rent PSF	Net Rent PSF	Garage Fee	Occup.
Subject - Campbell		Arlington Heights	182	A	Proposed	793				
Subject - Highland		Arlington Heights	125	A	Proposed	819				
Subject - Chestnut		Arlington Heights	54	A	Proposed	1,063				
Subject - Total			361			842				
Dunton Tower	55 South Vail	Arlington Heights	216	B	1986	902	\$1.92	\$1.92	\$75	98.1%
Hancock Square	200 North Arlington Hts Rd	Arlington Heights	409	B	1988	849	\$2.34	\$2.34	\$75	96.3%
One Arlington	3400 W. Stonegate Blvd	Arlington Heights	214	A	2014	936	\$2.08	\$2.08	\$75	93.9%
North680	680 E. Algonquin Rd.	Schaumburg	180	A	2017	894	\$2.21	\$2.21	\$75 - \$120	87.8%
Buckingham Place	750 E. Northwest Hwy	Des Plaines	267	A	2018	961	\$1.94	\$1.84	\$75	In lease up
River 595	595 S. River Rd	Des Plaines	60	A	2011	1,397	\$1.63	\$1.51	\$100	93.3%
Kingston Pointe	1646 River St	Des Plaines	144	A	2009	1,203	\$1.79	\$1.79	\$50 - \$100	91.7%
Tapestry Glenview	2550 Waterview Dr	Glenview	290	A	2014	887	\$2.18	\$2.09	\$60	99.0%
Aloft at Glen Town Center	1991 Tower Drive	Glenview	181	A	2004	1,141	\$2.05	\$1.88	\$75 - \$125	89.5%
Midtown Square	998 Church St	Glenview	138	A	2014	920	\$2.40	\$2.25	\$135	94.9%
Reserve at Glenview	195 N. Waukegan Rd	Glenview	239	A	2015	1,013	\$2.28	\$2.19	\$75 - \$125	89.5%
Northgate Crossing	250 Northgate Pkwy	Wheeling	300	A	2016	969	\$1.83	\$1.62	\$145 - \$175	87.7%
Park 205	205 W. Touhy	Park Ridge	115	A	2015	975	\$2.49	\$2.49	\$125 - \$200	96.5%
The Res. At Hamilton Lakes	1133 N. Arlington Heights	Itasca	297	A	2015	934	\$2.24	\$2.21	\$125	In lease up
444 Social	444 Parkway Drive	Lincolnshire	302	A	2018	953	\$2.42	\$2.12	\$75 - \$150	In lease up
Deer Park Crossing	21599 W. Field Ct.	Deer Park	236	A	2018	1,350	\$1.98	\$1.70	\$150	In lease up
Total			3,588							

Apartment Rental Competition Unit Mix (Number of Units & Percentage)

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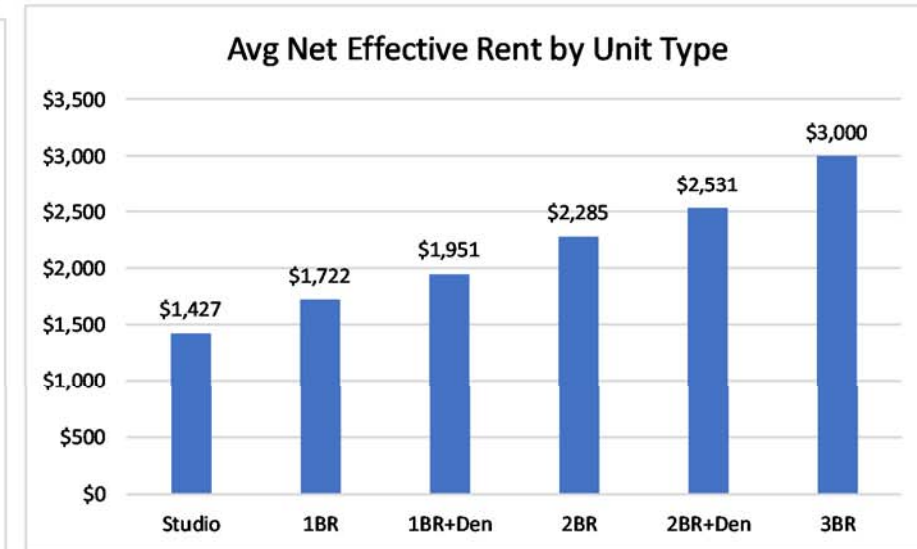
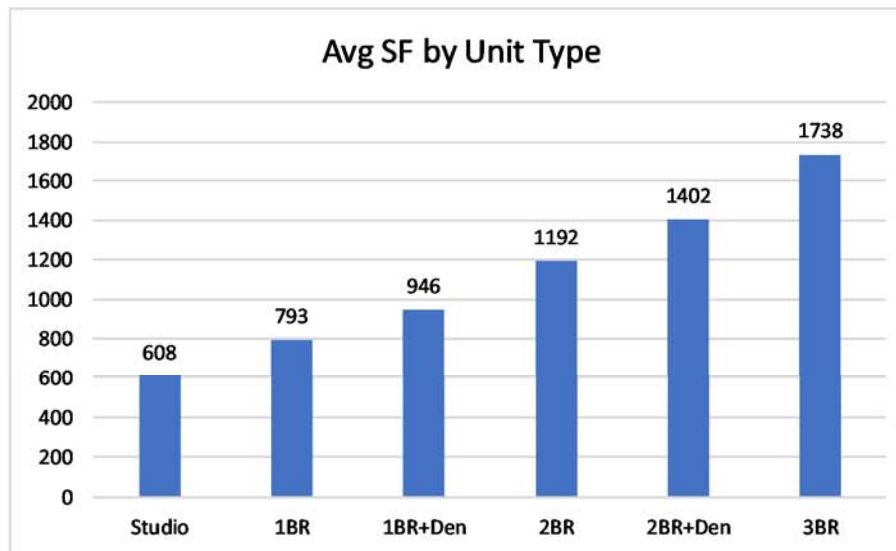
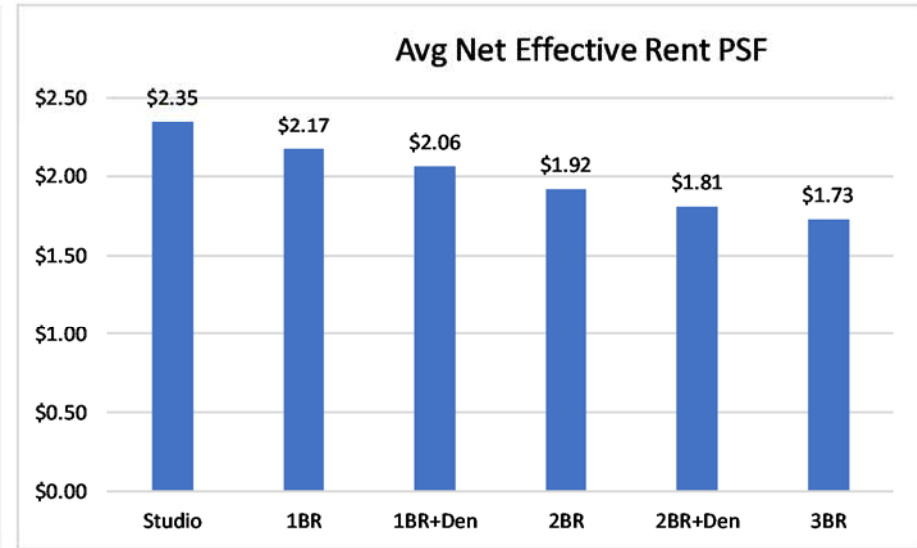
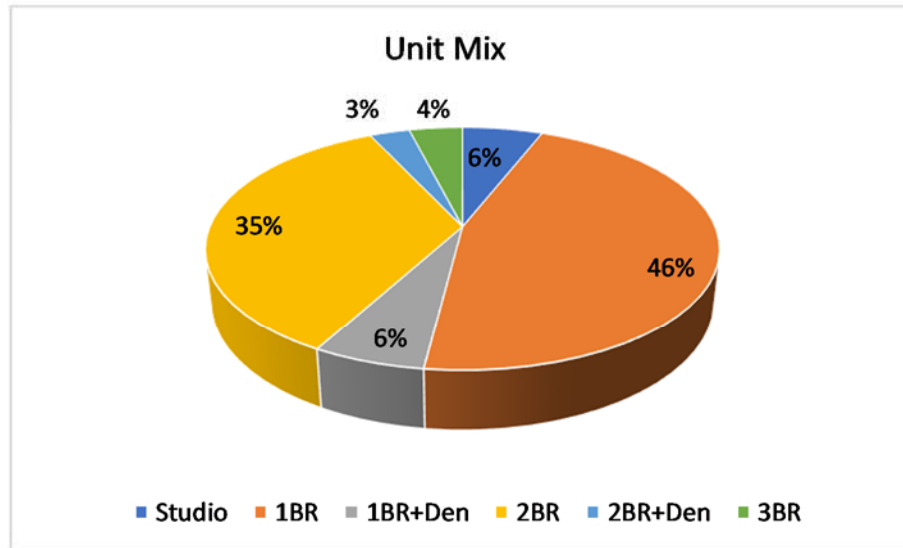
Name	Address	Suburb	Total Units	Class	Date Built	Avg Size (SF)	Studio		1BR		1BR+Den		2BR		2BR+Den		3BR	
							Units	%	Units	%	Units	%	Units	%	Units	%	Units	%
Subject - Campbell		Arlington Heights	182	A	Proposed	793	42	23%	77	42%	21	12%	42	23%		0%		
Subject - Highland		Arlington Heights	125	A	Proposed	819	41	33%	60	48%			24	19%				
Subject - Chestnut		Arlington Heights	54	A	Proposed	1,063	4	7%	12	22%	8	15%	22	41%	8	15%		
Subject - Total			361			842	87	24%	149	41%	29	8%	88	24%	8	2%		
Dunton Tower	55 South Vail	Arlington Heights	216	B	1986	902	27	12%	108	50%			81	38%				
Hancock Square	200 North Arlington Hts Rd	Arlington Heights	409	B	1988	849	30	7%	143	35%	89	22%	147	36%				
One Arlington	3400 W. Stonegate Blvd	Arlington Heights	214	A	2014	936	51	24%	113	53%			50	23%				
North680	680 E. Algonquin Rd.	Schaumburg	180	A	2017	894			104	58%	24	13%	52	29%				
Buckingham Place	750 E. Northwest Hwy	Des Plaines	267	A	2018	961	19	7%	130	49%			113	42%			5	2%
River 595	595 S. River Rd	Des Plaines	60	A	2011	1,397			5	8%			5	8%	50	83%		
Kingston Pointe	1646 River St	Des Plaines	144	A	2009	1,203			34	24%	28	19%	72	50%	7	5%	3	2%
Tapestry Glenview	2550 Waterview Dr	Glenview	290	A	2014	887	29	10%	136	47%	12	4%	113	39%				
Aloft at Glen Town Center	1991 Tower Drive	Glenview	181	A	2004	1,141			81	45%	8	4%	90	50%	2	1%		
Midtown Square	998 Church St	Glenview	138	A	2014	920			99	72%			39	28%				
Reserve at Glenview	195 N. Waukegan Rd	Glenview	239	A	2015	1,013	6	3%	103	43%	18	8%	76	32%			36	15%
Northgate Crossing	250 Northgate Pkwy	Wheeling	300	A	2016	969			162	54%	20	7%	106	35%			12	4%
Park 205	205 W. Touhy	Park Ridge	115	A	2015	975			57	50%	7	6%	45	39%	3	3%	3	3%
The Res. At Hamilton Lakes	1133 N. Arlington Heights	Itasca	297	A	2015	934	3	1.00%	186	63%			96	32%			12	4%
444 Social	444 Parkway Drive	Lincolnshire	302	A	2018	953	34	11%	111	37%	16	5%	71	24%	55	18%	15	5%
Deer Park Crossing	21599 W. Field Ct.	Deer Park	236	A	2018	1,350			96	41%			96	41%			44	19%
Total			3,588				199	6%	1,668	46%	222	6%	1,252	35%	117	3%	130	4%

Apartment Rental Competition Unit Sizes – Square Footage Range

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Name	Address	Suburb	Total Units	Class	Date Built	Avg Size (SF)	Studio SF	1BR SF	1BR+Den SF	2BR SF	2BR+Den SF	3BR SF
Subject - Campbell		Arlington Heights	182	A	Proposed	793	512 - 552	679 - 853	974 - 990	914 - 1,127		
Subject - Highland		Arlington Heights	125	A	Proposed	819	524 - 785	659 - 1,088		1,035 - 1,170		
Subject - Chestnut		Arlington Heights	54	A	Proposed	1,063	515	815 - 827	976 - 1,162	8,899 - 1,352	1,249 - 1,364	
Subject - Total			361			842						
Dunton Tower	55 South Vail	Arlington Heights	216	B	1986	902	600	785 - 800		1,100 - 1,200		
Hancock Square	200 North Arlington Hts Rd	Arlington Heights	409	B	1988	849	608	677	850 - 925	975 - 1,128		
One Arlington	3400 W. Stonegate Blvd	Arlington Heights	214	A	2014	936	549 - 769	803 - 1012		1,193 - 1,521		
North680	680 E. Algonquin Rd.	Schaumburg	180	A	2017	894		665 - 785	1,039	1,130 - 1,588		
Buckingham Place	750 E. Northwest Hwy	Des Plaines	267	A	2018	961	603	743 - 960		951 - 1,271		1,786
River 595	595 S. River Rd	Des Plaines	60	A	2011	1,397		860		1,325	1,390 - 1,660	
Kingston Pointe	1646 River St	Des Plaines	144	A	2009	1,203		820 - 1005	971 - 1,089	1,207 - 1,448	1,769	1,725 - 1,924
Tapestry Glenview	2550 Waterview Dr	Glenview	290	A	2014	887	599	715 - 822	1,019	1,064 - 1,212		
Aloft at Glen Town Center	1991 Tower Drive	Glenview	181	A	2004	1,141		775 - 1000	1,050 - 1,325	1,100 - 1,600	1,800	
Midtown Square	998 Church St	Glenview	138	A	2014	920		763 - 909		923 - 1,341		
Reserve at Glenview	195 N. Waukegan Rd	Glenview	239	A	2015	1,013	630	750 - 810	964	1,105 - 1,271		1,385 - 1,407
Northgate Crossing	250 Northgate Pkwy	Wheeling	300	A	2016	969		696 - 873	883	1,190 - 1,212		1,971 - 2005
Park 205	205 W. Touhy	Park Ridge	115	A	2015	975		606 - 881	942 - 1,064	1,080 - 1,345	1,316	1,387 - 1423
The Res. At Hamilton Lakes	1133 N. Arlington Heights	Itasca	297	A	2015	934	472	655 - 859		1,146 - 1,299		1,480
444 Social	444 Parkway Drive	Lincolnshire	302	A	2018	953	475 - 636	698 - 822	841 - 847	940 - 1,224	1,137	1,397 - 1,544
Deer Park Crossing	21599 W. Field Ct.	Deer Park	236	A	2018	1,350		806 - 927		1,312 - 1,647		1,965 - 2,283
Total			3,588									

Market Survey Summary



Rent Survey Summary and Detailed Project Summary Sheets

On the following pages are the summaries of the current rents for the competing properties.

Studio/Convertible Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
Studio	34	11.3%	475	\$1,300	\$2.74	\$2.61	12.5%	\$1,138	\$2.39	\$2.28
1.0 Bath			636	\$1,575	\$2.48			\$1,378	\$2.17	
Buckingham Place										
Studio	19	7.1%	603	\$1,437	\$2.38	\$2.40	5.6%	\$1,357	\$2.25	\$2.26
1.0 Bath			603	\$1,452	\$2.41			\$1,371	\$2.27	
Dunton Tower										
Studio	27	12.5%	600	\$1,270	\$2.12	\$2.13	0.0%	\$1,270	\$2.12	\$2.13
1.0 Bath			600	\$1,289	\$2.15			\$1,289	\$2.15	
Hancock Square At Arlington Station										
Studio	30	7.3%	608	\$1,358	\$2.23	\$2.41	0.0%	\$1,358	\$2.23	\$2.41
1.0 Bath			608	\$1,570	\$2.58			\$1,570	\$2.58	
One Arlington										
Studio	51	23.8%	549	\$1,449	\$2.64	\$2.33	0.0%	\$1,449	\$2.64	\$2.33
1.0 Bath			769	\$1,549	\$2.01			\$1,549	\$2.01	
Reserve at Glenview										
Studio	6	2.5%	630	\$1,650	\$2.62	\$2.62	0.0%	\$1,650	\$2.62	\$2.62
1.0 Bath			630	\$1,650	\$2.62			\$1,650	\$2.62	
Tapestry Glenview										
Studio	29	10.0%	599	\$1,499	\$2.50	\$2.56	0.0%	\$1,499	\$2.50	\$2.56
1.0 Bath			599	\$1,569	\$2.62			\$1,569	\$2.62	
The Residences at Hamilton Lakes										
Studio	3	1.0%	472	\$1,340	\$2.84	\$2.84	0.0%	\$1,340	\$2.84	\$2.84
1.0 Bath			472	\$1,340	\$2.84			\$1,340	\$2.84	
Total/Weighted Avg	199		608	\$1,466		\$2.41		\$1,427		\$2.35

One Bedroom Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
One Bedroom	88	29.1%	698	\$1,665	\$2.39	\$2.39	12.5%	\$1,457	\$2.09	\$2.09
1.0 Bath			811	\$1,940	\$2.39			\$1,698	\$2.09	
444 Social										
One Bedroom	23	7.6%	822	\$1,945	\$2.37	\$2.38	12.5%	\$1,702	\$2.07	\$2.08
1.0 Bath			822	\$1,970	\$2.40			\$1,724	\$2.10	
Aloft at Glen Town Center										
One Bedroom	81	44.8%	775	\$1,600	\$2.06	\$2.21	8.3%	\$1,467	\$1.89	\$2.02
1.0 Bath			1,000	\$2,350	\$2.35			\$2,154	\$2.15	
Buckingham Place										
One Bedroom	130	48.7%	743	\$1,661	\$2.24	\$2.05	5.6%	\$1,569	\$2.11	\$1.93
1.0 Bath			960	\$1,783	\$1.86			\$1,684	\$1.75	
Deer Park Crossing										
One Bedroom	96	40.7%	806	\$1,699	\$2.11	\$2.30	14.3%	\$1,456	\$1.81	\$1.97
1.0 Bath			927	\$2,307	\$2.49			\$1,977	\$2.13	
Dunton Tower										
One Bedroom	108	50.0%	785	\$1,639	\$2.09	\$2.14	0.0%	\$1,639	\$2.09	\$2.14
1.0 Bath			800	\$1,754	\$2.19			\$1,754	\$2.19	
Hancock Square At Arlington Station										
One Bedroom	143	35.0%	677	\$1,682	\$2.48	\$2.56	0.0%	\$1,682	\$2.48	\$2.56
1.0 Bath			677	\$1,781	\$2.63			\$1,781	\$2.63	
Kingston Pointe										
One Bedroom	34	23.6%	820	\$1,625	\$1.98	\$1.90	0.0%	\$1,625	\$1.98	\$1.90
1.0 Bath			1,005	\$1,835	\$1.83			\$1,835	\$1.83	
Midtown Square										
One Bedroom	99	71.7%	763	\$1,758	\$2.30	\$2.42	6.2%	\$1,650	\$2.16	\$2.27
1.0 Bath			909	\$2,304	\$2.53			\$2,162	\$2.38	
North680										
One Bedroom	104	57.8%	665	\$1,629	\$2.45	\$2.42	0.0%	\$1,629	\$2.45	\$2.42
1.0 Bath			785	\$1,869	\$2.38			\$1,869	\$2.38	
Northgate Crossing										
One Bedroom	162	54.0%	696	\$1,535	\$2.21	\$2.12	11.5%	\$1,358	\$1.95	\$1.87
1.0 Bath			873	\$1,770	\$2.03			\$1,566	\$1.79	
One Arlington										
One Bedroom	113	52.8%	803	\$1,599	\$1.99	\$1.97	0.0%	\$1,599	\$1.99	\$1.97
1.0 Bath			1,012	\$1,965	\$1.94			\$1,965	\$1.94	
Park 205 Apartments										
One Bedroom	57	49.6%	606	\$1,725	\$2.85	\$2.56	0.0%	\$1,725	\$2.85	\$2.56
1.0 Bath			881	\$2,000	\$2.27			\$2,000	\$2.27	
Reserve at Glenview										
One Bedroom	103	43.1%	750	\$1,800	\$2.40	\$2.40	2.2%	\$1,760	\$2.35	\$2.35
1.0 Bath			810	\$1,950	\$2.41			\$1,907	\$2.35	

One Bedroom Apartment Comparables Continued

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
River 595										
One Bedroom	5	8.3%	860	\$1,829	\$2.13	\$2.18	7.7%	\$1,688	\$1.96	\$2.02
1.0 Bath			860	\$1,929	\$2.24			\$1,781	\$2.07	
Tapestry Glenview										
One Bedroom	80	27.6%	715	\$1,699	\$2.38	\$2.38	0.0%	\$1,699	\$2.38	\$2.38
1.0 Bath			715	\$1,699	\$2.38			\$1,699	\$2.38	
Tapestry Glenview										
One Bedroom	56	19.3%	822	\$1,810	\$2.20	\$2.20	0.0%	\$1,810	\$2.20	\$2.20
1.0 Bath			822	\$1,810	\$2.20			\$1,810	\$2.20	
The Residences at Hamilton Lakes										
One Bedroom	186	62.6%	655	\$1,530	\$2.34	\$2.36	1.4%	\$1,509	\$2.30	\$2.33
1.0 Bath			859	\$2,045	\$2.38			\$2,016	\$2.35	
Total/Weighted Avg	1,668		793	\$1,800		\$2.27		\$1,722		\$2.17

One Bedroom +Den Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
One Bedroom + Den	16	5.3%	841	\$2,025	\$2.41	\$2.42	12.5%	\$1,772	\$2.11	\$2.12
1.0 Bath			847	\$2,060	\$2.43			\$1,803	\$2.13	
Aloft at Glen Town Center										
One Bedroom + Den	8	4.4%	1,050	\$2,350	\$2.24	\$2.07	8.3%	\$2,154	\$2.05	\$1.90
1.0-2.0 Bath			1,325	\$2,520	\$1.90			\$2,310	\$1.74	
Hancock Square At Arlington Station										
One Bedroom + Den	89	21.8%	850	\$1,869	\$2.20	\$2.16	0.0%	\$1,869	\$2.20	\$2.16
1.0 Bath			925	\$1,964	\$2.12			\$1,964	\$2.12	
Kingston Pointe										
One Bedroom + Den	28	19.4%	971	\$1,847	\$1.90	\$1.85	0.0%	\$1,847	\$1.90	\$1.85
1.0 Bath			1,089	\$1,950	\$1.79			\$1,950	\$1.79	
North680										
One Bedroom + Den	24	13.3%	1,039	\$2,119	\$2.04	\$2.10	0.0%	\$2,119	\$2.04	\$2.10
1.0 Bath			1,039	\$2,250	\$2.17			\$2,250	\$2.17	
Northgate Crossing										
One Bedroom + Den	20	6.7%	883	\$1,750	\$1.98	\$2.01	11.5%	\$1,548	\$1.75	\$1.78
1.0 Bath			883	\$1,800	\$2.04			\$1,592	\$1.80	
Park 205 Apartments										
One Bedroom + Den	7	6.1%	942	\$2,360	\$2.51	\$2.38	0.0%	\$2,360	\$2.51	\$2.38
1.0 Bath			1,064	\$2,400	\$2.26			\$2,400	\$2.26	
Reserve at Glenview										
One Bedroom + Den	18	7.5%	964	\$2,080	\$2.16	\$2.20	2.0%	\$2,039	\$2.12	\$2.16
1.0 Bath			964	\$2,160	\$2.24			\$2,118	\$2.20	
Tapestry Glenview										
One Bedroom + Den	12	4.1%	1,019	\$2,049	\$2.01	\$2.01	0.0%	\$2,049	\$2.01	\$2.01
1.0 Bath			1,019	\$2,049	\$2.01			\$2,049	\$2.01	
Total/Weighted Avg	222		946	\$1,999		\$2.11		\$1,951		\$2.06

Two Bedroom Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
Two Bedroom	71	23.5%	940	\$2,260	\$2.40	\$2.42	12.5%	\$1,978	\$2.10	\$2.11
1.0-2.0 Bath			1,224	\$2,970	\$2.43			\$2,599	\$2.12	
Aloft at Glen Town Center										
Two Bedroom	90	49.7%	1,100	\$2,155	\$1.96	\$1.95	8.3%	\$1,975	\$1.80	\$1.78
2.0 Bath			1,600	\$3,090	\$1.93			\$2,833	\$1.77	
Buckingham Place										
Two Bedroom	113	42.3%	951	\$1,916	\$2.01	\$1.88	5.6%	\$1,810	\$1.90	\$1.78
2.0 Bath			1,271	\$2,220	\$1.75			\$2,097	\$1.65	
Deer Park Crossing										
Two Bedroom	96	40.7%	1,312	\$2,569	\$1.96	\$1.93	14.3%	\$2,202	\$1.68	\$1.65
2.0 Bath			1,647	\$3,127	\$1.90			\$2,680	\$1.63	
Dunton Tower										
Two Bedroom	81	37.5%	1,100	\$1,854	\$1.69	\$1.68	0.0%	\$1,854	\$1.69	\$1.68
2.0 Bath			1,200	\$1,999	\$1.67			\$1,999	\$1.67	
Hancock Square At Arlington Station										
Two Bedroom	87	21.3%	975	\$2,227	\$2.28	\$2.32	0.0%	\$2,227	\$2.28	\$2.32
2.0 Bath			991	\$2,343	\$2.36			\$2,343	\$2.36	
Hancock Square At Arlington Station										
Two Bedroom	60	14.7%	1,128	\$2,500	\$2.22	\$2.24	0.0%	\$2,500	\$2.22	\$2.24
2.0 Bath			1,128	\$2,546	\$2.26			\$2,546	\$2.26	
Kingston Pointe										
Two Bedroom	72	50.0%	1,207	\$2,099	\$1.74	\$1.78	0.0%	\$2,099	\$1.74	\$1.78
2.0 Bath			1,448	\$2,650	\$1.83			\$2,650	\$1.83	
Midtown Square										
Two Bedroom	39	28.3%	923	\$2,467	\$2.67	\$2.40	6.3%	\$2,312	\$2.51	\$2.25
2.0 Bath			1,341	\$2,843	\$2.12			\$2,665	\$1.99	
North680										
Two Bedroom	48	26.7%	1,130	\$2,229	\$1.97	\$1.99	0.0%	\$2,229	\$1.97	\$1.99
2.0 Bath			1,130	\$2,279	\$2.02			\$2,279	\$2.02	
North680										
Two Bedroom	4	2.2%	1,588	\$3,409	\$2.15	\$2.15	0.0%	\$3,409	\$2.15	\$2.15
2.0 Bath			1,588	\$3,409	\$2.15			\$3,409	\$2.15	
Northgate Crossing										
Two Bedroom	16	5.3%	883	\$1,670	\$1.89	\$1.97	11.5%	\$1,477	\$1.67	\$1.75
1.0 Bath			883	\$1,815	\$2.06			\$1,606	\$1.82	
Northgate Crossing										
Two Bedroom	90	30.0%	1,190	\$1,645	\$1.38	\$1.57	11.5%	\$1,455	\$1.22	\$1.39
2.0 Bath			1,212	\$2,125	\$1.75			\$1,880	\$1.55	

Two Bedroom Apartment Comparables Continued

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
One Arlington										
Two Bedroom	36	16.8%	1,193	\$2,499	\$2.09	\$2.10	0.0%	\$2,499	\$2.09	\$2.10
2.0 Bath			1,273	\$2,669	\$2.10			\$2,669	\$2.10	
One Arlington										
Two Bedroom	14	6.5%	1,303	\$3,245	\$2.49	\$2.31	0.0%	\$3,245	\$2.49	\$2.31
2.0 Bath			1,521	\$3,245	\$2.13			\$3,245	\$2.13	
Park 205 Apartments										
Two Bedroom	45	39.1%	1,080	\$2,695	\$2.50	\$2.47	0.0%	\$2,695	\$2.50	\$2.47
2.0 Bath			1,345	\$3,280	\$2.44			\$3,280	\$2.44	
Reserve at Glenview										
Two Bedroom	76	31.8%	1,105	\$2,340	\$2.12	\$2.24	4.7%	\$2,230	\$2.02	\$2.13
2.0 Bath			1,271	\$2,990	\$2.35			\$2,850	\$2.24	
River 595										
Two Bedroom	5	8.3%	1,325	\$2,159	\$1.63	\$1.66	7.7%	\$1,993	\$1.50	\$1.54
2.0 Bath			1,325	\$2,249	\$1.70			\$2,076	\$1.57	
Tapestry Glenview										
Two Bedroom	84	29.0%	1,064	\$2,099	\$1.97	\$1.97	8.3%	\$1,924	\$1.81	\$1.81
2.0 Bath			1,064	\$2,099	\$1.97			\$1,924	\$1.81	
Tapestry Glenview										
Two Bedroom	29	10.0%	1,212	\$2,669	\$2.20	\$2.20	8.3%	\$2,447	\$2.02	\$2.02
2.0 Bath			1,212	\$2,669	\$2.20			\$2,447	\$2.02	
The Residences at Hamilton Lakes										
Two Bedroom	96	32.3%	1,146	\$2,425	\$2.12	\$2.10	1.3%	\$2,393	\$2.09	\$2.07
2.0 Bath			1,299	\$2,705	\$2.08			\$2,670	\$2.06	
Total/Weighted Avg	1,252		1,192	\$2,412		\$2.02		\$2,285		\$1.92

Two Bedroom + Den Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
Two Bedroom + Den	55	18.2%	1,137	\$2,755	\$2.42	\$2.43	12.5%	\$2,411	\$2.12	\$2.13
2.0 Bath			1,452	\$3,550	\$2.44			\$3,106	\$2.14	
Aloft at Glen Town Center										
Two Bedroom + Den	2	1.1%	1,800	\$3,810	\$2.12	\$2.45	8.3%	\$3,493	\$1.94	\$2.24
2.0 Bath			1,800	\$5,000	\$2.78			\$4,583	\$2.55	
Kingston Pointe										
Two Bedroom + Den	7	4.9%	1,769	\$2,650	\$1.50	\$1.50	0.0%	\$2,650	\$1.50	\$1.50
2.5 Bath			1,769	\$2,650	\$1.50			\$2,650	\$1.50	
Park 205 Apartments										
Two Bedroom + Den	3	2.6%	1,316	\$3,415	\$2.60	\$2.60	0.0%	\$3,415	\$2.60	\$2.60
2.0 Bath			1,316	\$3,415	\$2.60			\$3,415	\$2.60	
River 595										
Two Bedroom + Den	30	50.0%	1,390	\$2,120	\$1.53	\$1.59	7.7%	\$1,957	\$1.41	\$1.47
2.0 Bath			1,390	\$2,300	\$1.65			\$2,123	\$1.53	
River 595										
Two Bedroom + Den	10	16.7%	1,480	\$2,389	\$1.61	\$1.62	7.7%	\$2,205	\$1.49	\$1.49
2.0 Bath			1,480	\$2,400	\$1.62			\$2,215	\$1.50	
River 595										
Two Bedroom + Den	5	8.3%	1,620	\$2,569	\$1.59	\$1.60	7.7%	\$2,371	\$1.46	\$1.48
2.0 Bath			1,620	\$2,609	\$1.61			\$2,408	\$1.49	
River 595										
Two Bedroom + Den	5	8.3%	1,660	\$2,649	\$1.60	\$1.61	7.7%	\$2,445	\$1.47	\$1.48
2.0 Bath			1,660	\$2,689	\$1.62			\$2,482	\$1.50	
Total/Weighted Avg	117		1,402	\$2,799		\$2.00		\$2,531		\$1.81

Three Bedroom Apartment Comparables

Unit Description	Units	Pct	Sq Ft	Quoted Rent			Concession	Net Effective Rent		
				Rent	PSF	Avg		Rent	PSF	Avg
444 Social										
Three Bedroom	15	5.0%	1,397	\$3,385	\$2.42	\$2.41	12.5%	\$2,962	\$2.12	\$2.11
2.0 Bath			1,544	\$3,695	\$2.39			\$3,233	\$2.09	
Buckingham Place										
Three Bedroom	5	1.9%	1,786	\$2,748	\$1.54	\$1.55	5.6%	\$2,595	\$1.45	\$1.47
2.0 Bath			1,786	\$2,798	\$1.57			\$2,643	\$1.48	
Deer Park Crossing										
Three Bedroom	44	18.6%	1,965	\$3,414	\$1.74	\$1.78	14.3%	\$2,926	\$1.49	\$1.53
2.5 Bath			2,283	\$4,160	\$1.82			\$3,566	\$1.56	
Kingston Pointe										
Three Bedroom	3	2.1%	1,725	\$3,142	\$1.82	\$1.73	0.0%	\$3,142	\$1.82	\$1.73
3.0 Bath & up			1,924	\$3,142	\$1.63			\$3,142	\$1.63	
Northgate Crossing										
Three Bedroom	12	4.0%	1,971	\$2,690	\$1.36	\$1.36	11.5%	\$2,380	\$1.21	\$1.21
2.0 Bath			2,005	\$2,730	\$1.36			\$2,415	\$1.20	
Park 205 Apartments										
Three Bedroom	3	2.6%	1,387	\$3,785	\$2.73	\$2.70	0.0%	\$3,785	\$2.73	\$2.70
2.0 Bath			1,423	\$3,795	\$2.67			\$3,795	\$2.67	
Reserve at Glenview										
Three Bedroom	36	15.1%	1,385	\$2,925	\$2.11	\$2.15	6.9%	\$2,722	\$1.97	\$2.00
2.0 Bath			1,407	\$3,085	\$2.19			\$2,871	\$2.04	
The Residences at Hamilton Lakes										
Three Bedroom	12	4.0%	1,480	\$3,175	\$2.15	\$2.15	1.3%	\$3,133	\$2.12	\$2.12
2.0 Bath			1,480	\$3,185	\$2.15			\$3,143	\$2.12	
Total/Weighted Avg	130		1,738	\$3,331		\$1.92		\$3,000		\$1.73

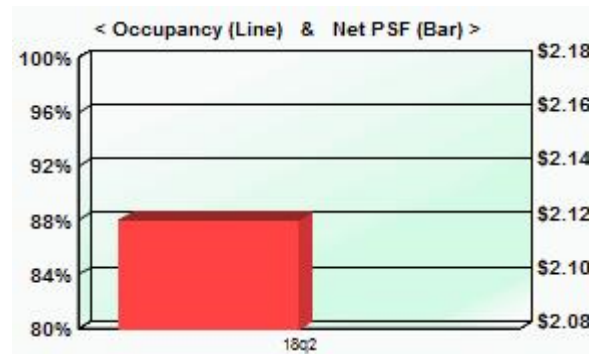
On the following pages are the detailed rent pages for each of the survey properties.

444 Social

444 Parkway Dr
Lincolnshire, Lake County, IL 60069

**Lake County**

Class: A, Market Rate
ID: 1791; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights		✓	Trash		✓
Gas Forced Air Heat		✓	Water		✓
Unit Central AC		✓	Cable TV		✓
L=Landlord pays, T=Tenant pays			Internet		✓

<u>Physical Profile</u>
Units: 302
Avg Unit SF: 953
Built: 2018
Renovated: na

<u>Economic Profile</u>
Occupancy:
Quoted Rent: \$2.42
Concessions: 12.5%
Effective Rent: \$2.12

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>			<u>Concession</u>	<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>		<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	34	11.3%	475	\$1,300	\$2.74	\$2.61	12.5%	\$1,138	\$2.39	\$2.28
1.0 Bath			636	\$1,575	\$2.48			\$1,378	\$2.17	
One Bedroom	88	29.1%	698	\$1,665	\$2.39	\$2.39	12.5%	\$1,457	\$2.09	\$2.09
1.0 Bath			811	\$1,940	\$2.39			\$1,698	\$2.09	
One Bedroom	23	7.6%	822	\$1,945	\$2.37	\$2.38	12.5%	\$1,702	\$2.07	\$2.08
1.0 Bath			822	\$1,970	\$2.40			\$1,724	\$2.10	
One Bedroom + Den	16	5.3%	841	\$2,025	\$2.41	\$2.42	12.5%	\$1,772	\$2.11	\$2.12
1.0 Bath			847	\$2,060	\$2.43			\$1,803	\$2.13	
Two Bedroom	71	23.5%	940	\$2,260	\$2.40	\$2.42	12.5%	\$1,978	\$2.10	\$2.11
1.0-2.0 Bath			1,224	\$2,970	\$2.43			\$2,599	\$2.12	
Two Bedroom + Den	55	18.2%	1,137	\$2,755	\$2.42	\$2.43	12.5%	\$2,411	\$2.12	\$2.13
2.0 Bath			1,452	\$3,550	\$2.44			\$3,106	\$2.14	
Three Bedroom	15	5.0%	1,397	\$3,385	\$2.42	\$2.41	12.5%	\$2,962	\$2.12	\$2.11
2.0 Bath			1,544	\$3,695	\$2.39			\$3,233	\$2.09	

Paid Parking: \$75 (Reserved Gar/Encl) to \$150 (Reserved Gar/Encl) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Vinyl Plank Floors	Disposal	Business Center
9' Ceiling	Dishwasher	Conference Room
Smooth Ceiling	Microwave	Movie Theater Rm
Window Roller Shades	Range	Party/Social Room
Quartz Counters	Refrigerator	Pets Allowed
Tile Backsplash	WasherDryer Incl	Fire Pit
Undermount Sinks	Fitness	Grilling Area
Patio/Balcony/Deck	Fitness Center	Dog Run
	Outdoor Pool	Golf Simulator
	Bike Storage	Parking
	Rooftop Sundeck	Reserved Gar/Encl
	Fitness Trails	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.42	12.5%	0.0%	\$2.12

Notes: 2Q18- Concessions also include 6 months parking. Occupancy is in October, 2018.
Parking range is based on uncovered and covered reserved spaces.

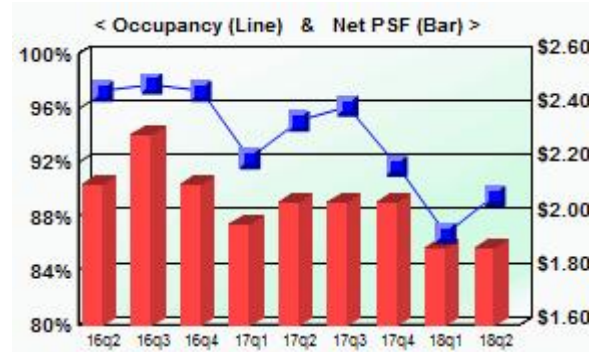
Smash Residential

Aloft at Glen Town Center

1991 Tower Drive (S of Willow Rd, W of Rt 43)
Glenview, Cook County, IL 60026

**North Shore**

Class: A, Market Rate
ID: 540; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights		✓	Trash		✓
Gas Forced Air Heat	✓		Water		✓
Unit Central AC	✓		Cable TV		✓
<i>L=Landlord pays, T=Tenant pays</i>			Internet		✓

<u>Physical Profile</u>	
Units:	181
Avg Unit SF:	1,141
Built:	2004
Renovated:	na

<u>Economic Profile</u>	
Occupancy:	89.5%
Quoted Rent:	\$2.05
Concessions:	8.3%
Effective Rent:	\$1.88

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom 1.0 Bath	81	44.8%	775 1,000	\$1,600 \$2,350	\$2.06 \$2.35	\$2.21	8.3%	\$1,467 \$2,154	\$1.89 \$2.15	\$2.02
One Bedroom + Den 1.0-2.0 Bath	8	4.4%	1,050 1,325	\$2,350 \$2,520	\$2.24 \$1.90	\$2.07	8.3%	\$2,154 \$2,310	\$2.05 \$1.74	\$1.90
Two Bedroom 2.0 Bath	90	49.7%	1,100 1,600	\$2,155 \$3,090	\$1.96 \$1.93	\$1.95	8.3%	\$1,975 \$2,833	\$1.80 \$1.77	\$1.78
Two Bedroom + Den 2.0 Bath	2	1.1%	1,800 1,800	\$3,810 \$5,000	\$2.12 \$2.78	\$2.45	8.3%	\$3,493 \$4,583	\$1.94 \$2.55	\$2.24

Paid Parking: \$75 (Self-Park Gar/Encl) to \$125 (Reserved Gar/Encl) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Wood Floors	Dishwasher	Clubhouse
9' Ceiling	Microwave	Conference Room
Smooth Ceiling	Range - Gas	Movie Theater Rm
Window Blinds	Refrigerator	Pets Allowed
Granite Counters	WasherDryer Incl	Parking
Patio/Balcony/Deck	Fitness	Reserved Gar/Encl
	Fitness Center	
	Bike Storage	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.05	8.3%	89.5%	\$1.88
20181	\$2.05	8.3%	86.7%	\$1.88
20174	\$2.05	0.0%	91.7%	\$2.05
20173	\$2.05	0.0%	96.1%	\$2.05
20172	\$2.05	0.0%	95.0%	\$2.05
20171	\$2.12	7.0%	92.3%	\$1.97
20164	\$2.12	0.0%	97.2%	\$2.12
20163	\$2.30	0.0%	97.8%	\$2.30
20162	\$2.12	0.0%	97.2%	\$2.12

Notes: Marketing began in December 2003. Two buildings, 3-stories each with retail on first floor. Participate in RUBS Program. Free parking available in detached garage across the street from property. Parking fees listed are for underground parking.

Oliver McMillan

Buckingham Place

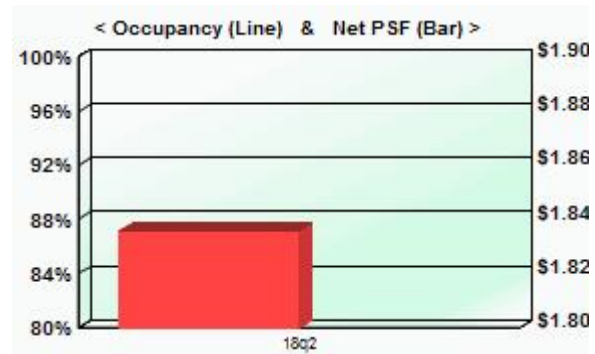
750 E Northwest Hwy

Des Plaines, Cook County, IL 60016

**Cook County - Northwest**

Class: A, Market Rate

ID: 1796; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
L=Landlord pays, T=Tenant pays			Internet	✓	

<u>Physical Profile</u>	
Units:	267
Avg Unit SF:	961
Built:	2018
Renovated:	na

<u>Economic Profile</u>	
Occupancy:	
Quoted Rent:	\$1.94
Concessions:	5.6%
Effective Rent:	\$1.84

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	19	7.1%	603	\$1,437	\$2.38	\$2.40	5.6%	\$1,357	\$2.25	\$2.26
1.0 Bath			603	\$1,452	\$2.41			\$1,371	\$2.27	
One Bedroom	130	48.7%	743	\$1,661	\$2.24	\$2.05	5.6%	\$1,569	\$2.11	\$1.93
1.0 Bath			960	\$1,783	\$1.86			\$1,684	\$1.75	
Two Bedroom	113	42.3%	951	\$1,916	\$2.01	\$1.88	5.6%	\$1,810	\$1.90	\$1.78
2.0 Bath			1,271	\$2,220	\$1.75			\$2,097	\$1.65	
Three Bedroom	5	1.9%	1,786	\$2,748	\$1.54	\$1.55	5.6%	\$2,595	\$1.45	\$1.47
2.0 Bath			1,786	\$2,798	\$1.57			\$2,643	\$1.48	

Paid Parking: \$75 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Party/Social Room
Vinyl Plank Floors	Dishwasher	Smoke Free
9' Ceiling	Microwave	Extra Storage
Smooth Ceiling	Range - Electric	Pets Allowed
Window Blinds	WasherDryer Incl	Grilling Area
Quartz Counters	Fitness	Pet Wash Station
Tile Backsplash	Fitness Center	Parking
Undermount Sinks	Outdoor Pool	Reserved Gar/Encl
Patio/Balcony/Deck	Hot Tub	
	Bike Storage	
	Rooftop Sundeck	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.94	5.6%		\$1.84

Notes: Occupancy began Mid August 2018.**Marquette Management**

Deer Park Crossing

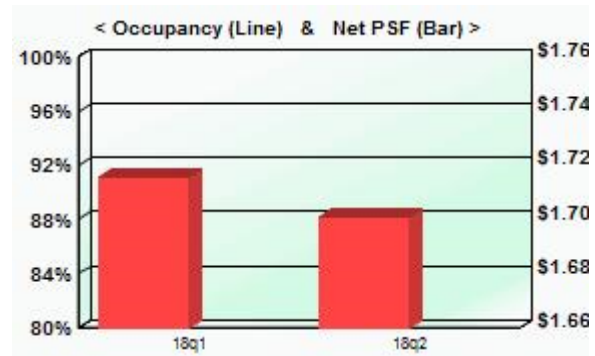
21599 W Field Ct

Deer Park, Lake County, IL 60010

Lake County

Class: A, Market Rate

ID: 1751; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

Physical Profile

Units: **236**
 Avg Unit SF: **1,350**
 Built: **2018**
 Renovated: **na**

Economic Profile

Occupancy: **40.3%**
 Quoted Rent: **\$1.98**
 Concessions: **14.3%**
 Effective Rent: **\$1.70**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom	96	40.7%	806	\$1,699	\$2.11	\$2.30	14.3%	\$1,456	\$1.81	\$1.97
1.0 Bath			927	\$2,307	\$2.49			\$1,977	\$2.13	
Two Bedroom	96	40.7%	1,312	\$2,569	\$1.96	\$1.93	14.3%	\$2,202	\$1.68	\$1.65
2.0 Bath			1,647	\$3,127	\$1.90			\$2,680	\$1.63	
Three Bedroom	44	18.6%	1,965	\$3,414	\$1.74	\$1.78	14.3%	\$2,926	\$1.49	\$1.53
2.5 Bath			2,283	\$4,160	\$1.82			\$3,566	\$1.56	
● TH, includes 2 car att garage										

Paid Parking: \$150 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Vinyl Plank Floors	Dishwasher	Clubhouse
9' Ceiling	Microwave	Movie Theater Rm
Smooth Ceiling	Range - Gas	Pets Allowed
Window Blinds	Refrigerator	Fire Pit
Quartz Counters	WasherDryer Incl	Grilling Area
Tile Backsplash	Fitness	Dog Run
Undermount Sinks	Fitness Center	Parking
Patio/Balcony/Deck	Outdoor Pool	Attached Garage
		Self-Park Gar/Encl
		Reserved Gar/Encl

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.98	14.3%	40.3%	\$1.70
20181	\$1.92	10.7%	42.4%	\$1.72

Notes: First move-ins THs - 01/2018. First move-ins Apts - Late 03/2018. Construction is ongoing - 2018. Reserved garage parking in elevator bldg. THs have attached garage.

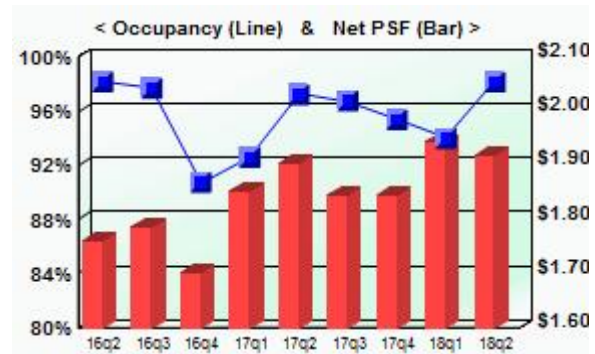
Lincoln Property

Dunton Tower

55 South Vail Avenue (Vail Ave, S of Northwest Hwy)
Arlington Heights, Cook County, IL 60005

**Cook County-Northwest**

Class: B, Market Rate
ID: 407; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights		✓	Trash		✓
Gas Forced Air Heat	✓		Water		✓
Unit Central AC		✓	Cable TV		✓
L=Landlord pays, T=Tenant pays			Internet		✓

Physical Profile

Units: **216**
Avg Unit SF: **902**
Built: **1986**
Renovated: **2006**

Economic Profile

Occupancy: **98.1%**
Quoted Rent: **\$1.92**
Concessions: **0.0%**
Effective Rent: **\$1.92**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	27	12.5%	600	\$1,270	\$2.12	\$2.13	0.0%	\$1,270	\$2.12	\$2.13
1.0 Bath			600	\$1,289	\$2.15			\$1,289	\$2.15	
One Bedroom	108	50.0%	785	\$1,639	\$2.09	\$2.14	0.0%	\$1,639	\$2.09	\$2.14
1.0 Bath			800	\$1,754	\$2.19			\$1,754	\$2.19	
Two Bedroom	81	37.5%	1,100	\$1,854	\$1.69	\$1.68	0.0%	\$1,854	\$1.69	\$1.68
2.0 Bath			1,200	\$1,999	\$1.67			\$1,999	\$1.67	

Paid Parking: \$75 (Attached Garage) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Laundry Room
Vinyl Plank Floors	Dishwasher	Business Center
Popcorn Ceiling	Microwave	Clubhouse
Window Blinds	Range - Electric	Party/Social Room
Granite Counters	Refrigerator	Extra Storage
Undermount Sinks	Fitness	Pets Allowed
Patio/Balcony/Deck	Fitness Center	Grilling Area
	Outdoor Pool	Parking
	Sauna	Detached Garage
	Whirlpool	Self-Park Gar/Encl

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.92	0.0%	98.1%	\$1.92
20181	\$1.94	0.0%	94.0%	\$1.94
20174	\$1.85	0.0%	95.4%	\$1.85
20173	\$1.84	0.0%	96.8%	\$1.84
20172	\$1.90	0.0%	97.2%	\$1.90
20171	\$1.85	0.0%	92.6%	\$1.85
20164	\$1.70	0.0%	90.7%	\$1.70
20163	\$1.79	0.0%	97.7%	\$1.79
20162	\$1.76	0.0%	98.1%	\$1.76

Notes:

Lincoln Property

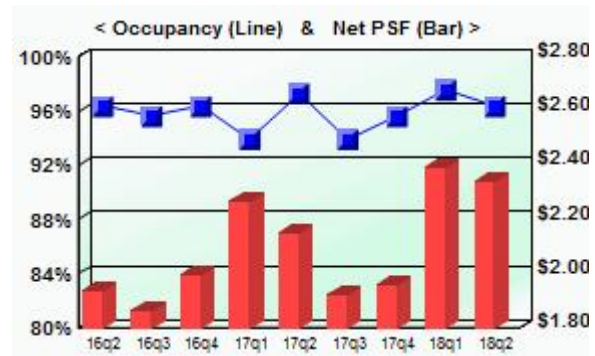
Hancock Square At Arlington Station

200 North Arlington Heights Road (Arlington Hts Rd, N of Northwest Hwy)
Arlington Heights, Cook County, IL 60004



Cook County-Northwest

Class: B, Market Rate
ID: 178; YrQtr: 20182



Utility Description	L	T	Service	L	T
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
L=Landlord pays, T=Tenant pays			Internet	✓	

Physical Profile

Units: **409**
Avg Unit SF: **849**
Built: **1988**
Renovated: **2016**

Economic Profile

Occupancy: **96.3%**
Quoted Rent: **\$2.34**
Concessions: **0.0%**
Effective Rent: **\$2.34**

Unit Description	Units	Pct	Sq Ft	Quoted Rent				Concession	Net Effective Rent		
				Rent	PSF	PSF Avg			Rent	PSF	PSF Avg
Studio 1.0 Bath	30	7.3%	608	\$1,358	\$2.23	\$2.41		0.0%	\$1,358	\$2.23	\$2.41
			608	\$1,570	\$2.58				\$1,570	\$2.58	
One Bedroom 1.0 Bath	143	35.0%	677	\$1,682	\$2.48	\$2.56		0.0%	\$1,682	\$2.48	\$2.56
			677	\$1,781	\$2.63				\$1,781	\$2.63	
One Bedroom + Den 1.0 Bath	89	21.8%	850	\$1,869	\$2.20	\$2.16		0.0%	\$1,869	\$2.20	\$2.16
			925	\$1,964	\$2.12				\$1,964	\$2.12	
Two Bedroom 2.0 Bath	87	21.3%	975	\$2,227	\$2.28	\$2.32		0.0%	\$2,227	\$2.28	\$2.32
			991	\$2,343	\$2.36				\$2,343	\$2.36	
Two Bedroom 2.0 Bath	60	14.7%	1,128	\$2,500	\$2.22	\$2.24		0.0%	\$2,500	\$2.22	\$2.24
			1,128	\$2,546	\$2.26				\$2,546	\$2.26	

• 30 units incl a den

Paid Parking: \$75 (Attached Garage) per month.

Amenities

Unit	Appliance	Common
Carpeting	Disposal	Business Center
Popcorn Ceiling	Dishwasher	Clubhouse
Window Blinds	Microwave	Party/Social Room
Granite Counters	Range - Electric	Extra Storage
Undermount Sinks	Refrigerator	Pets Allowed
Patio/Balcony/Deck	WasherDryer Incl	Grilling Area
	Fitness	Picnic Tables
	Fitness Center	Parking
	Outdoor Pool	Self-Park Gar/Encl
	Indoor Pool	
	Sauna	
	Whirlpool	
	Bike Storage	

Trends

Yr-Qtr	Quoted PSF	Concession	Occup %	Net PSF
20182	\$2.34	0.0%	96.3%	\$2.34
20181	\$2.39	0.0%	97.6%	\$2.39
20174	\$1.96	0.0%	95.6%	\$1.96
20173	\$1.93	0.0%	93.9%	\$1.93
20172	\$2.15	0.0%	97.3%	\$2.15
20171	\$2.27	0.0%	93.9%	\$2.27
20164	\$2.00	0.0%	96.3%	\$2.00
20163	\$1.87	0.0%	95.6%	\$1.87
20162	\$1.94	0.0%	96.3%	\$1.94

Notes: Mixed use building with 40,297 square feet of retail and 346,570 square feet of residential space.

Lincoln Property

Kingston Pointe

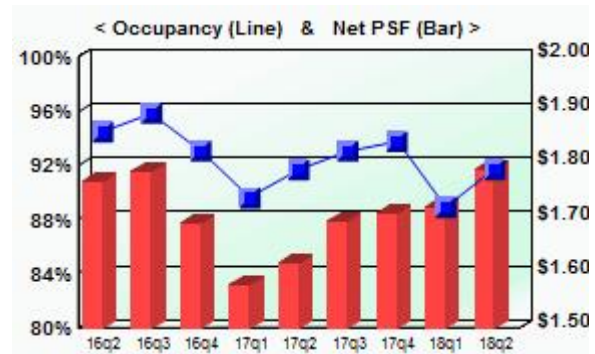
1646 River St

Des Plaines, Cook County, IL 60016

**Cook County-Northwest**

Class: A, Market Rate

ID: 1044; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

Physical Profile

Units: **144**
 Avg Unit SF: **1,203**
 Built: **2009**
 Renovated: **na**

Economic Profile

Occupancy: **91.7%**
 Quoted Rent: **\$1.79**
 Concessions: **0.0%**
 Effective Rent: **\$1.79**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Concession</u>	<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>			<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom 1.0 Bath	34	23.6%	820 1,005	\$1,625 \$1,835	\$1.98 \$1.83	\$1.90		0.0%	\$1,625 \$1,835	\$1.98 \$1.83	\$1.90
One Bedroom + Den 1.0 Bath	28	19.4%	971 1,089	\$1,847 \$1,950	\$1.90 \$1.79	\$1.85		0.0%	\$1,847 \$1,950	\$1.90 \$1.79	\$1.85
Two Bedroom 2.0 Bath	72	50.0%	1,207 1,448	\$2,099 \$2,650	\$1.74 \$1.83	\$1.78		0.0%	\$2,099 \$2,650	\$1.74 \$1.83	\$1.78
Two Bedroom + Den 2.5 Bath	7	4.9%	1,769 1,769	\$2,650 \$2,650	\$1.50 \$1.50	\$1.50		0.0%	\$2,650 \$2,650	\$1.50 \$1.50	\$1.50
Three Bedroom 3.0 Bath & up	3	2.1%	1,725 1,924	\$3,142 \$3,142	\$1.82 \$1.63	\$1.73		0.0%	\$3,142 \$3,142	\$1.82 \$1.63	\$1.73

Paid Parking: \$50 (Surface Parking) to \$100 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Extra Storage
Wood Floors	Dishwasher	Pets Allowed
9' Ceiling	Microwave	Parking
Smooth Ceiling	Range - Gas	Self-Park Gar/Encl
Window Blinds	Refrigerator	
Granite Counters	WasherDryer Incl	
Patio/Balcony/Deck	Fitness	
	Bike Storage	
	Fitness Trails	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.79	0.0%	91.7%	\$1.79
20181	\$1.77	2.5%	88.9%	\$1.72
20174	\$1.71	0.0%	93.8%	\$1.71
20173	\$1.70	0.0%	93.1%	\$1.70
20172	\$1.76	8.1%	91.7%	\$1.62
20171	\$1.72	8.1%	89.6%	\$1.58
20164	\$1.69	0.0%	93.1%	\$1.69
20163	\$1.79	0.0%	95.8%	\$1.79
20162	\$1.80	1.4%	94.4%	\$1.77

Notes: Building began as Everleigh Condos, developed by Sertus Capital Partners LLC. *Apartment Management Consultants LLC*

Only 3 units sold and it has since become a rental property. Leasing began in the spring of 2011. The property has no recreational amenities. All units include one parking space.

Midtown Square

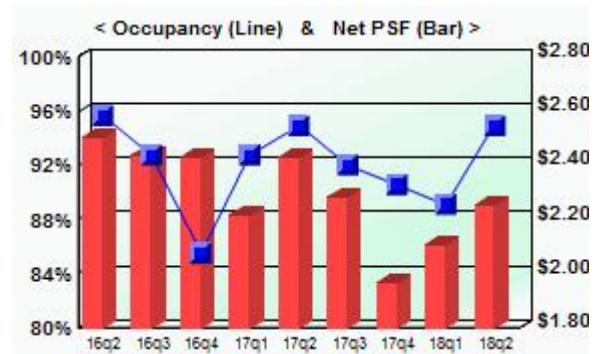
998 Church St

Glenview, Cook County, IL 60025

**North Shore**

Class: A, Market Rate

ID: 1344; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

Physical Profile

Units: **138**
 Avg Unit SF: **920**
 Built: **2014**
 Renovated: **na**

Economic Profile

Occupancy: **94.9%**
 Quoted Rent: **\$2.40**
 Concessions: **6.2%**
 Effective Rent: **\$2.25**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Concession</u>	<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>			<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom	99	71.7%	763	\$1,758	\$2.30	\$2.42		6.2%	\$1,650	\$2.16	\$2.27
1.0 Bath			909	\$2,304	\$2.53				\$2,162	\$2.38	
Two Bedroom	39	28.3%	923	\$2,467	\$2.67	\$2.40		6.3%	\$2,312	\$2.51	\$2.25
2.0 Bath			1,341	\$2,843	\$2.12				\$2,665	\$1.99	

Paid Parking: \$135 (Reserved Gar/Encl) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Clubhouse
Wood Floors	Dishwasher	Party/Social Room
9' Ceiling	Microwave	Extra Storage
Window Blinds	Range - Gas	Pets Allowed
Quartz Counters	Refrigerator	Pet Wash Station
Tile Backsplash	WasherDryer Incl	Parking
Undermount Sinks	Fitness	Surface Parking
Patio/Balcony/Deck	Fitness Center	Attached Garage
	Bike Storage	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.40	6.2%	94.9%	\$2.25
20181	\$2.53	16.7%	89.1%	\$2.11
20174	\$2.36	16.7%	90.6%	\$1.97
20173	\$2.41	5.4%	92.0%	\$2.28
20172	\$2.43	0.0%	94.9%	\$2.43
20171	\$2.42	8.3%	92.8%	\$2.22
20164	\$2.43	0.0%	85.5%	\$2.43
20163	\$2.43	0.0%	92.8%	\$2.43
20162	\$2.50	0.0%	95.7%	\$2.50

Notes:

Lincoln Property

North680

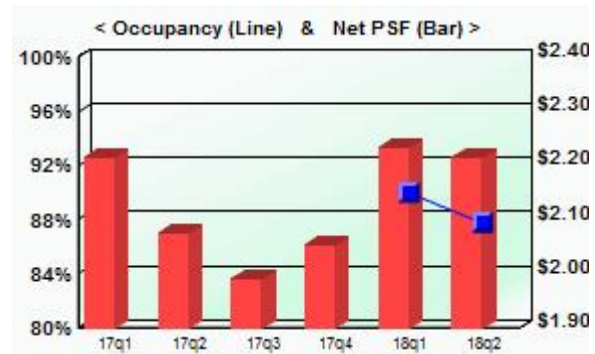
680 E Algonquin Rd

Schaumburg, Cook County, IL 60173

**Cook County-Northwest**

Class: A, Market Rate

ID: 1645; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

Physical Profile

Units: **180**
 Avg Unit SF: **894**
 Built: **2017**
 Renovated: **na**

Economic Profile

Occupancy: **87.8%**
 Quoted Rent: **\$2.21**
 Concessions: **0.0%**
 Effective Rent: **\$2.21**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom	104	57.8%	665	\$1,629	\$2.45	\$2.42	0.0%	\$1,629	\$2.45	\$2.42
1.0 Bath			785	\$1,869	\$2.38			\$1,869	\$2.38	
One Bedroom + Den	24	13.3%	1,039	\$2,119	\$2.04	\$2.10	0.0%	\$2,119	\$2.04	\$2.10
1.0 Bath			1,039	\$2,250	\$2.17			\$2,250	\$2.17	
Two Bedroom	48	26.7%	1,130	\$2,229	\$1.97	\$1.99	0.0%	\$2,229	\$1.97	\$1.99
2.0 Bath			1,130	\$2,279	\$2.02			\$2,279	\$2.02	
Two Bedroom	4	2.2%	1,588	\$3,409	\$2.15	\$2.15	0.0%	\$3,409	\$2.15	\$2.15
2.0 Bath			1,588	\$3,409	\$2.15			\$3,409	\$2.15	
● Townhomes										

Paid Parking: \$75 (Detached Garage) to \$120 (Attached Garage) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Vinyl Plank Floors	Dishwasher	Clubhouse
9' Ceiling	Microwave	Party/Social Room
Smooth Ceiling	Range - Electric	Extra Storage
Window Blinds	Refrigerator	Pets Allowed
Granite Counters	WasherDryer Incl	Fire Pit
Tile Backsplash	Fitness	Grilling Area
Undermount Sinks	Fitness Center	Dog Run
Patio/Balcony/Deck	Outdoor Pool	Parking
	Bike Storage	Surface Parking
		Attached Garage
		Detached Garage

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.21	0.0%	87.8%	\$2.21
20181	\$2.23	0.0%	90.0%	\$2.23
20174	\$2.22	7.7%	61.1%	\$2.05
20173	\$2.25	11.5%	49.4%	\$1.99
20172	\$2.25	7.7%	29.4%	\$2.08
20171	\$2.21	0.0%	16.7%	\$2.21

Notes: Occupancy started April 17, 2017. Tenants to be billed for water and trash, estimated at about \$20 per month.

North American Properties

Northgate Crossing

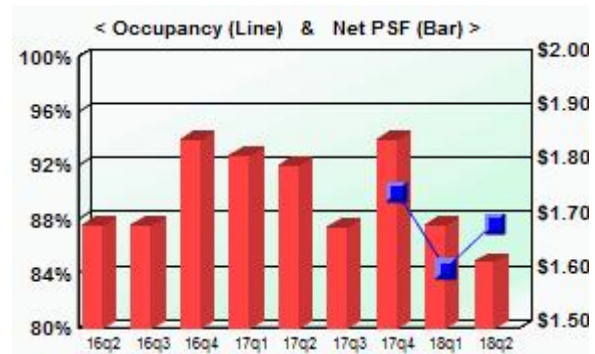
200 Hudson Court

Wheeling, Cook County, IL 60090

**Cook County-Northwest**

Class: A, Market Rate

ID: 1505; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
L=Landlord pays, T=Tenant pays			Internet	✓	

<u>Physical Profile</u>	
Units:	300
Avg Unit SF:	969
Built:	2016
Renovated:	na

<u>Economic Profile</u>	
Occupancy:	87.7%
Quoted Rent:	\$1.83
Concessions:	11.5%
Effective Rent:	\$1.62

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom	162	54.0%	696	\$1,535	\$2.21	\$2.12	11.5%	\$1,358	\$1.95	\$1.87
1.0 Bath			873	\$1,770	\$2.03			\$1,566	\$1.79	
One Bedroom + Den	20	6.7%	883	\$1,750	\$1.98	\$2.01	11.5%	\$1,548	\$1.75	\$1.78
1.0 Bath			883	\$1,800	\$2.04			\$1,592	\$1.80	
Two Bedroom	16	5.3%	883	\$1,670	\$1.89	\$1.97	11.5%	\$1,477	\$1.67	\$1.75
1.0 Bath			883	\$1,815	\$2.06			\$1,606	\$1.82	
Two Bedroom	90	30.0%	1,190	\$1,645	\$1.38	\$1.57	11.5%	\$1,455	\$1.22	\$1.39
2.0 Bath			1,212	\$2,125	\$1.75			\$1,880	\$1.55	
Three Bedroom	12	4.0%	1,971	\$2,690	\$1.36	\$1.36	11.5%	\$2,380	\$1.21	\$1.21
2.0 Bath			2,005	\$2,730	\$1.36			\$2,415	\$1.20	
• TH										

Paid Parking: \$145 (Self-Park Gar/Encl) to \$175 (Self-Park Gar/Encl) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Vinyl Plank Floors	Dishwasher	Clubhouse
Smooth Ceiling	Microwave	Movie Theater Rm
Window Blinds	Range - Gas	Party/Social Room
Granite Counters	Refrigerator	Smoke Free
Granite Islands	WasherDryer Incl	Extra Storage
Undermount Sinks	Fitness	Pets Allowed
Patio/Balcony/Deck	Fitness Center	Fire Pit
	Outdoor Pool	Grilling Area
	Fitness Trails	LEED Silver
		Parking
		Self-Park Gar/Encl

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.83	11.5%	87.7%	\$1.62
20181	\$1.89	10.7%	84.3%	\$1.69
20174	\$1.85	0.0%	90.0%	\$1.85
20173	\$1.77	4.7%	79.7%	\$1.69
20172	\$1.89	4.8%	79.7%	\$1.80
20171	\$1.90	4.2%	64.9%	\$1.82
20164	\$1.85	0.0%	52.4%	\$1.85
20163	\$1.84	8.5%	60.1%	\$1.69
20162	\$1.84	8.5%	28.1%	\$1.69

Notes: Occupancy began 12/2015. Construction complete Summer 2017. Parking range is based on size of the space.

Lincoln Property

One Arlington

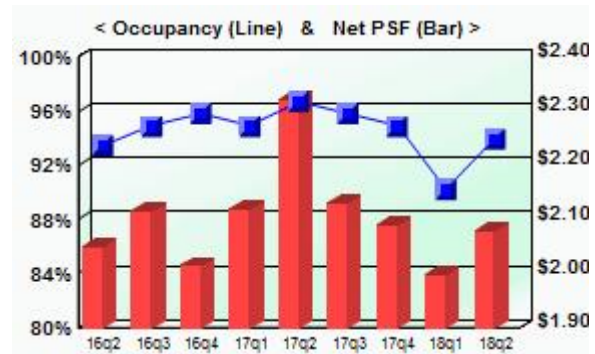
3400 W Stonegate Blvd

Arlington Heights, Cook County, IL 60005

**Cook County-Northwest**

Class: A, Market Rate

ID: 1342; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights		✓	Trash		✓
Gas Forced Air Heat		✓	Water		✓
Unit Central AC		✓	Cable TV		✓
<i>L=Landlord pays, T=Tenant pays</i>			Internet		✓

Physical Profile

Units: **214**
 Avg Unit SF: **936**
 Built: **2014**
 Renovated: **na**

Economic Profile

Occupancy: **93.9%**
 Quoted Rent: **\$2.08**
 Concessions: **0.0%**
 Effective Rent: **\$2.08**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio 1.0 Bath	51	23.8%	549	\$1,449	\$2.64	\$2.33	0.0%	\$1,449	\$2.64	\$2.33
			769	\$1,549	\$2.01			\$1,549	\$2.01	
One Bedroom 1.0 Bath	113	52.8%	803	\$1,599	\$1.99	\$1.97	0.0%	\$1,599	\$1.99	\$1.97
			1,012	\$1,965	\$1.94			\$1,965	\$1.94	
Two Bedroom 2.0 Bath	36	16.8%	1,193	\$2,499	\$2.09	\$2.10	0.0%	\$2,499	\$2.09	\$2.10
			1,273	\$2,669	\$2.10			\$2,669	\$2.10	
Two Bedroom 2.0 Bath • PH	14	6.5%	1,303	\$3,245	\$2.49	\$2.31	0.0%	\$3,245	\$2.49	\$2.31
			1,521	\$3,245	\$2.13			\$3,245	\$2.13	

Paid Parking: \$75 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Wood Floors	Dishwasher	Clubhouse
8.5' Ceiling	Microwave	Craft/DIY Room
Window Roller Shades	Range - Electric	Movie Theater Rm
Granite Counters	Refrigerator	Party/Social Room
Undermount Sinks	WasherDryer Incl	Extra Storage
Patio/Balcony/Deck	Fitness	Pets Allowed
	Fitness Center	Car Charging Station
	Bike Storage	Pet Wash Station
	Rooftop Sundeck	Golf Simulator
		Parking
		Surface Parking
		Attached Garage

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.08	0.0%	93.9%	\$2.08
20181	\$2.06	2.8%	90.2%	\$2.00
20174	\$2.21	5.6%	94.9%	\$2.09
20173	\$2.23	4.3%	95.8%	\$2.13
20172	\$2.32	0.0%	96.7%	\$2.32
20171	\$2.16	1.9%	94.9%	\$2.12
20164	\$2.01	0.0%	95.8%	\$2.01
20163	\$2.12	0.0%	94.9%	\$2.12
20162	\$2.07	0.8%	93.5%	\$2.05

Notes: Occupancy began 10/2/14. Upper floors have 9-10' ceilings.**Waterford Residential**

Park 205 Apartments

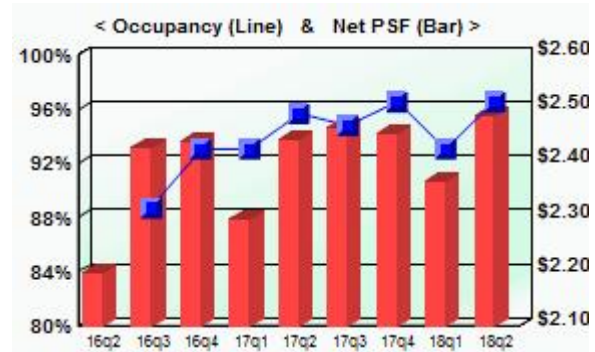
205 W Touhy Ave

Park Ridge, Cook County, IL 60068

**North Shore**

Class: A, Market Rate

ID: 1475; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights		✓	Trash		✓
Gas Forced Air Heat		✓	Water		✓
Unit Central AC		✓	Cable TV		✓
<i>L=Landlord pays, T=Tenant pays</i>			Internet		✓

Physical Profile

Units: **115**
 Avg Unit SF: **975**
 Built: **2015**
 Renovated: **na**

Economic Profile

Occupancy: **96.5%**
 Quoted Rent: **\$2.49**
 Concessions: **0.0%**
 Effective Rent: **\$2.49**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom	57	49.6%	606	\$1,725	\$2.85	\$2.56	0.0%	\$1,725	\$2.85	\$2.56
1.0 Bath			881	\$2,000	\$2.27			\$2,000	\$2.27	
One Bedroom + Den	7	6.1%	942	\$2,360	\$2.51	\$2.38	0.0%	\$2,360	\$2.51	\$2.38
1.0 Bath			1,064	\$2,400	\$2.26			\$2,400	\$2.26	
Two Bedroom	45	39.1%	1,080	\$2,695	\$2.50	\$2.47	0.0%	\$2,695	\$2.50	\$2.47
2.0 Bath			1,345	\$3,280	\$2.44			\$3,280	\$2.44	
Two Bedroom + Den	3	2.6%	1,316	\$3,415	\$2.60	\$2.60	0.0%	\$3,415	\$2.60	\$2.60
2.0 Bath			1,316	\$3,415	\$2.60			\$3,415	\$2.60	
Three Bedroom	3	2.6%	1,387	\$3,785	\$2.73	\$2.70	0.0%	\$3,785	\$2.73	\$2.70
2.0 Bath			1,423	\$3,795	\$2.67			\$3,795	\$2.67	

Paid Parking: \$125 (Reserved Gar/Encl) to \$200 (Tandem Space) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Wood Floors	Dishwasher	Party/Social Room
9' Ceiling	Microwave	Extra Storage
Window Blinds	Range - Gas	Pets Allowed
Patio/Balcony/Deck	Refrigerator	Parking
	WasherDryer Incl	Attached Garage
	Fitness	Tandem Space
	Fitness Center	
	Outdoor Pool	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.49	0.0%	96.5%	\$2.49
20181	\$2.47	4.3%	93.0%	\$2.37
20174	\$2.46	0.0%	96.5%	\$2.46
20173	\$2.47	0.0%	94.8%	\$2.47
20172	\$2.44	0.0%	95.7%	\$2.44
20171	\$2.42	4.9%	93.0%	\$2.30
20164	\$2.44	0.0%	93.0%	\$2.44
20163	\$2.43	0.0%	88.7%	\$2.43
20162	\$2.40	8.3%	75.7%	\$2.20

Notes: Leasing began July 2015. Occupancy began Oct 2015. High-end finishes. SS appl, tile backsplash, 42" cabs.

Lincoln Property

Reserve at Glenview

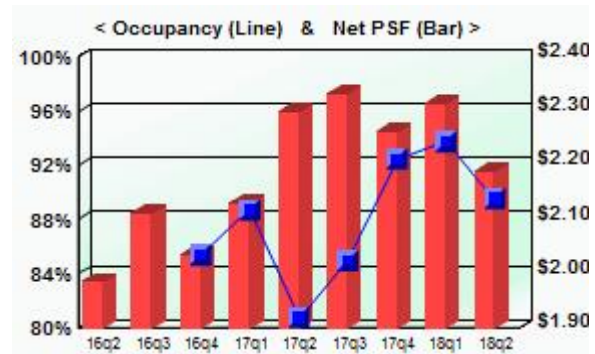
195 N Waukegan Rd

Glenview, Cook County, IL 60025

North Shore

Class: A, Market Rate

ID: 1396; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Electric Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

Physical Profile

Units: **239**
 Avg Unit SF: **1,013**
 Built: **2015**
 Renovated: **na**

Economic Profile

Occupancy: **89.5%**
 Quoted Rent: **\$2.28**
 Concessions: **4.0%**
 Effective Rent: **\$2.19**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	6	2.5%	630	\$1,650	\$2.62	\$2.62	0.0%	\$1,650	\$2.62	\$2.62
1.0 Bath			630	\$1,650	\$2.62			\$1,650	\$2.62	
• Reduced Move in Fees										
One Bedroom	103	43.1%	750	\$1,800	\$2.40	\$2.40	2.2%	\$1,760	\$2.35	\$2.35
1.0 Bath			810	\$1,950	\$2.41			\$1,907	\$2.35	
• Reduced Move in Fees										
One Bedroom + Den	18	7.5%	964	\$2,080	\$2.16	\$2.20	2.0%	\$2,039	\$2.12	\$2.16
1.0 Bath			964	\$2,160	\$2.24			\$2,118	\$2.20	
• Reduced Move in Fees										
Two Bedroom	76	31.8%	1,105	\$2,340	\$2.12	\$2.24	4.7%	\$2,230	\$2.02	\$2.13
2.0 Bath			1,271	\$2,990	\$2.35			\$2,850	\$2.24	
• Reduced Move in Fees										
Three Bedroom	36	15.1%	1,385	\$2,925	\$2.11	\$2.15	6.9%	\$2,722	\$1.97	\$2.00
2.0 Bath			1,407	\$3,085	\$2.19			\$2,871	\$2.04	
• Reduced Move in Fees										

Paid Parking: \$75 (Reserved Gar/Encl) to \$125 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Wood Floors	Disposal	Business Center
9' Ceiling	Dishwasher	Party/Social Room
Window Blinds	Microwave	Extra Storage
Patio/Balcony/Deck	Range - Gas	Pets Allowed
	Refrigerator	Grilling Area
	WasherDryer Incl	Dog Run
	Fitness	
	Fitness Center	
	Outdoor Pool	
	Playground	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.28	4.0%	89.5%	\$2.19
20181	\$2.31	0.0%	93.7%	\$2.31
20174	\$2.26	0.0%	92.5%	\$2.26
20173	\$2.33	0.0%	84.9%	\$2.33
20172	\$2.30	0.0%	80.8%	\$2.30
20171	\$2.30	7.6%	88.7%	\$2.13
20164	\$2.30	11.8%	85.4%	\$2.03
20163	\$2.30	8.2%	79.5%	\$2.11
20162	\$2.23	10.8%	71.1%	\$1.99

Notes: In Feb. 2015, there was a trailer opened on site. Occupancy began in May, 2015.
 Located in a shopping center with a Mariano's Supermarket.

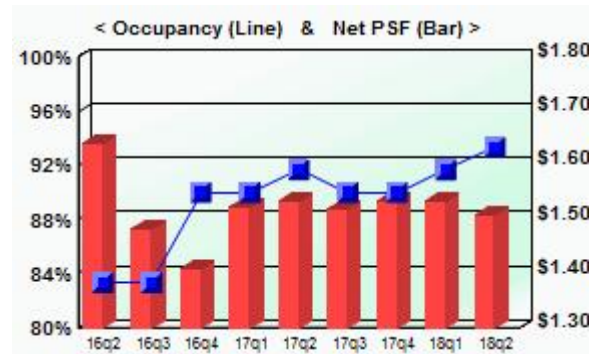
Greystar

River 595

595 S River Rd
Des Plaines, Cook County, IL 60016

**Cook County-Northwest**

Class: A, Market Rate
ID: 996; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Hot Water Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
<i>L=Landlord pays, T=Tenant pays</i>			Internet	✓	

<u>Physical Profile</u>	
Units:	60
Avg Unit SF:	1,397
Built:	2011
Renovated:	na

<u>Economic Profile</u>	
Occupancy:	93.3%
Quoted Rent:	\$1.63
Concessions:	7.7%
Effective Rent:	\$1.51

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Concession</u>	<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>			<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
One Bedroom 1.0 Bath	5	8.3%	860 860	\$1,829 \$1,929	\$2.13 \$2.24	\$2.18		7.7%	\$1,688 \$1,781	\$1.96 \$2.07	\$2.02
Two Bedroom 2.0 Bath	5	8.3%	1,325 1,325	\$2,159 \$2,249	\$1.63 \$1.70	\$1.66		7.7%	\$1,993 \$2,076	\$1.50 \$1.57	\$1.54
Two Bedroom + Den 2.0 Bath • Type B	30	50.0%	1,390 1,390	\$2,120 \$2,300	\$1.53 \$1.65	\$1.59		7.7%	\$1,957 \$2,123	\$1.41 \$1.53	\$1.47
Two Bedroom + Den 2.0 Bath • Type A	10	16.7%	1,480 1,480	\$2,389 \$2,400	\$1.61 \$1.62	\$1.62		7.7%	\$2,205 \$2,215	\$1.49 \$1.50	\$1.49
Two Bedroom + Den 2.0 Bath • Type D	5	8.3%	1,620 1,620	\$2,569 \$2,609	\$1.59 \$1.61	\$1.60		7.7%	\$2,371 \$2,408	\$1.46 \$1.49	\$1.48
Two Bedroom + Den 2.0 Bath • Type C	5	8.3%	1,660 1,660	\$2,649 \$2,689	\$1.60 \$1.62	\$1.61		7.7%	\$2,445 \$2,482	\$1.47 \$1.50	\$1.48

Paid Parking: \$100 (Self-Park Gar/Encl) per month. Free parking available.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Dishwasher	Business Center
Window Blinds	Microwave	Party/Social Room
Granite Counters	Range	Extra Storage
Granite Islands	Refrigerator	Parking
Patio/Balcony/Deck	Fitness	Self-Park Gar/Encl
	Fitness Center	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$1.63	7.7%	93.3%	\$1.51
20181	\$1.66	7.7%	91.7%	\$1.53
20174	\$1.66	7.7%	90.0%	\$1.53
20173	\$1.65	7.7%	90.0%	\$1.52
20172	\$1.66	7.7%	91.7%	\$1.53
20171	\$1.66	8.3%	90.0%	\$1.52
20164	\$1.66	15.4%	90.0%	\$1.41
20163	\$1.62	8.3%	83.3%	\$1.48
20162	\$1.64	0.0%	83.3%	\$1.64

Notes: Opened 3/11. Landlord bills back gas, sewer and trash.

Morningside Group

Tapestry Glenview

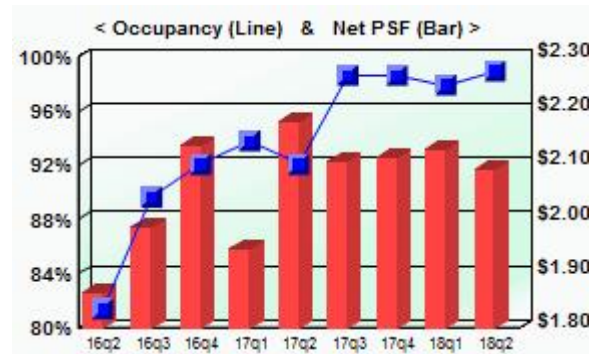
2550 Waterview Dr

Glenview, Cook County, IL 60062

**North Shore**

Class: A, Market Rate

ID: 1341; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
L=Landlord pays, T=Tenant pays			Internet	✓	

Physical Profile

Units: **290**
 Avg Unit SF: **887**
 Built: **2014**
 Renovated: **na**

Economic Profile

Occupancy: **99.0%**
 Quoted Rent: **\$2.18**
 Concessions: **3.8%**
 Effective Rent: **\$2.09**

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	29	10.0%	599	\$1,499	\$2.50	\$2.56	0.0%	\$1,499	\$2.50	\$2.56
1.0 Bath			599	\$1,569	\$2.62			\$1,569	\$2.62	
One Bedroom	80	27.6%	715	\$1,699	\$2.38	\$2.38	0.0%	\$1,699	\$2.38	\$2.38
1.0 Bath			715	\$1,699	\$2.38			\$1,699	\$2.38	
One Bedroom	56	19.3%	822	\$1,810	\$2.20	\$2.20	0.0%	\$1,810	\$2.20	\$2.20
1.0 Bath			822	\$1,810	\$2.20			\$1,810	\$2.20	
One Bedroom + Den	12	4.1%	1,019	\$2,049	\$2.01	\$2.01	0.0%	\$2,049	\$2.01	\$2.01
1.0 Bath			1,019	\$2,049	\$2.01			\$2,049	\$2.01	
Two Bedroom	84	29.0%	1,064	\$2,099	\$1.97	\$1.97	8.3%	\$1,924	\$1.81	\$1.81
2.0 Bath			1,064	\$2,099	\$1.97			\$1,924	\$1.81	
Two Bedroom	29	10.0%	1,212	\$2,669	\$2.20	\$2.20	8.3%	\$2,447	\$2.02	\$2.02
2.0 Bath			1,212	\$2,669	\$2.20			\$2,447	\$2.02	

Paid Parking: \$60 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Carpeting	Disposal	Business Center
Wood Floors	Dishwasher	Party/Social Room
9' Ceiling	Microwave	Pets Allowed
Patio/Balcony/Deck	Range - Gas	Parking
	Refrigerator	Attached Garage
	Fitness	
	Fitness Center	
	Outdoor Pool	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.18	3.8%	99.0%	\$2.09
20181	\$2.13	0.0%	97.9%	\$2.13
20174	\$2.11	0.0%	98.6%	\$2.11
20173	\$2.25	6.4%	98.6%	\$2.11
20172	\$2.23	1.9%	92.1%	\$2.18
20171	\$2.19	11.2%	93.8%	\$1.95
20164	\$2.22	3.8%	92.1%	\$2.14
20163	\$2.24	11.4%	89.7%	\$1.98
20162	\$2.24	16.7%	81.4%	\$1.86

Notes: Construction was completed April 2015. Occupancy began 10/10/14.**The Connor Group**

The Residences at Hamilton Lakes

1133 N Arlington Heights Rd

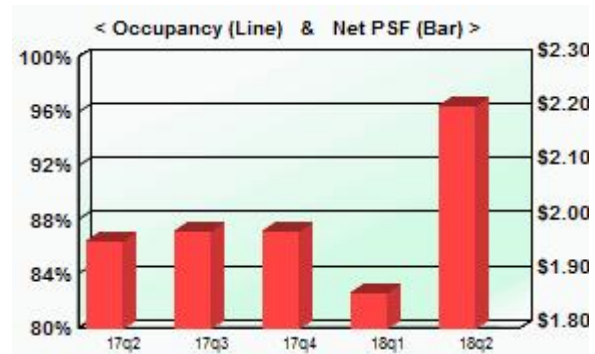
Itasca, DuPage County, IL 60143



DuPage County

Class: A, Market Rate

ID: 1688; YrQtr: 20182



<u>Utility Description</u>	<u>L</u>	<u>T</u>	<u>Service</u>	<u>L</u>	<u>T</u>
Lights	✓		Trash	✓	
Gas Forced Air Heat	✓		Water	✓	
Unit Central AC	✓		Cable TV	✓	
L=Landlord pays, T=Tenant pays			Internet	✓	

Physical Profile

Units:	297
Avg Unit SF:	934
Built:	2015
Renovated:	na

Economic Profile

Occupancy:	55.9%
Quoted Rent:	\$2.24
Concessions:	1.3%
Effective Rent:	\$2.21

<u>Unit Description</u>	<u>Units</u>	<u>Pct</u>	<u>Sq Ft</u>	<u>Quoted Rent</u>				<u>Net Effective Rent</u>		
				<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>	<u>Concession</u>	<u>Rent</u>	<u>PSF</u>	<u>PSF Avg</u>
Studio	3	1.0%	472	\$1,340	\$2.84	\$2.84	0.0%	\$1,340	\$2.84	\$2.84
1.0 Bath			472	\$1,340	\$2.84			\$1,340	\$2.84	
One Bedroom	186	62.6%	655	\$1,530	\$2.34	\$2.36	1.4%	\$1,509	\$2.30	\$2.33
1.0 Bath			859	\$2,045	\$2.38			\$2,016	\$2.35	
Two Bedroom	96	32.3%	1,146	\$2,425	\$2.12	\$2.10	1.3%	\$2,393	\$2.09	\$2.07
2.0 Bath			1,299	\$2,705	\$2.08			\$2,670	\$2.06	
Three Bedroom	12	4.0%	1,480	\$3,175	\$2.15	\$2.15	1.3%	\$3,133	\$2.12	\$2.12
2.0 Bath			1,480	\$3,185	\$2.15			\$3,143	\$2.12	

Paid Parking: \$125 (Reserved Gar/Encl) per month.

Amenities

<u>Unit</u>	<u>Appliance</u>	<u>Common</u>
Vinyl Plank Floors	Dishwasher	Business Center
Smooth Ceiling	Microwave	Conference Room
Window Blinds	Range - Gas	Movie Theater Rm
Quartz Counters	Refrigerator	Smoke Free
Tile Backsplash	WasherDryer Incl	Extra Storage
Undermount Sinks	Fitness	Pets Allowed
Patio/Balcony/Deck	Fitness Center	Grilling Area
	Outdoor Pool	Picnic Tables
	Sauna	Car Charging Station
	Hot Tub	Pet Wash Station
	Steam Room	Parking
	Bike Storage	Reserved Gar/Encl
	Rooftop Sundek	

Trends

<u>Yr-Qtr</u>	<u>Quoted PSF</u>	<u>Concession</u>	<u>Occup %</u>	<u>Net PSF</u>
20182	\$2.24	1.3%	55.9%	\$2.21
20181	\$2.24	16.7%	36.0%	\$1.87
20174	\$2.24	11.5%	25.3%	\$1.98
20173	\$2.24	11.5%	21.9%	\$1.98
20172	\$2.24	12.5%	1.7%	\$1.96

Notes: Occupancy began in June 2017.

RMK

Lease-up Absorption Survey

We have surveyed the market in order to determine the lease-up rates which have been achieved in newly constructed rental buildings in the Suburban Chicago market. Developments which have started lease-up since 2013 are summarized on the following page.

The survey is showing average monthly absorption rates generally ranging from 10 to 20 units per month. Some of the slower leasing properties had issues particularly pertaining to that property, such as challenging locations and seasonal issues that can affect lease-up; for example, properties opening in the 3rd or 4th quarter start out more slowly and generally will not see a pickup in activity until the spring leasing season.

Lease-up Survey

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Name	Suburb	Submarket	Began	Delivered	Units	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Avg Leased/ Month	
Stabilized Projects																													
The Springs at 127th	Plainfield	Will	1Q2013	Feb-13	340	102	79	18	56	44	28																	18	
Amli Evanston	Evanston	North Shore	1Q2013	Mar-13	195	22	29	36	31	34	25																	10	
1717	Evanston	North Shore	1Q2013	Mar-13	175	5	101	33	8	22																		11	
Ninety7Fifty on the Park	Orland Park	South Cook	2Q2013	Apr-13	295		97	86	24	38	30																	18	
Randall Highlands	North Aurora	Kane	2Q2013	Apr-13	146		11	34	32	25	37																	9	
Algonquin Square	Algonquin	Kane	2Q2013	Jun-13	220		15	21	70	61	49																	14	
Central Station	Evanston	North Shore	2Q2013	Sep-13	80			6	22	11	17	16																5	
Avant at the Arboretum	Lisle	DuPage	3Q2013	Sep-13	310			31	36	66	28	56	27	36	15													12	
Wheaton 121	Wheaton	DuPage	3Q2013	Sep-13	306			76	138	0	31	15	18	3														13	
Tapestry Naperville	Naperville	Naperville/Aurora	2Q2014	Apr-14	298						87	44	14	29	55	19	28											13	
One Arlington	Arlington Hts.	Cook NW	3Q2014	Sep-14	214						30	21	10	64	39	22	15											10	
Tapestry Glenview	Glenview	North Shore	3Q2014	Sep-14	290						20	21	37	57	33	26	19		23	24								10	
Oaks of Vernon Hills	Vernon Hills	Lake	3Q2014	Sep-14	336						49	8	78	49	72	0	-8		34	22								11	
Midtown Square	Glenview	North Shore	4Q2014	Dec-14	138							28	34	35	30													11	
E2	Evanston	North Shore	1Q2015	Mar-15	356									146	139	11	27	18										23	
Reserve at Glenview	Glenview	North Shore	1Q2015	May-15	239									43	43	17	45	20	14	9	-19	10	21	18				7	
Woodview	Deerfield	North Shore	1Q2015	Jun-15	248									77	49	13	37	43	10									13	
Amli Deerfield	Deerfield	North Shore	2Q2015	Aug-15	240										54	12	37	35	10	10	15	38	8					8	
Park 205	Park Ridge	Cook NW	3Q2015	Oct-15	115										25	26	24	12	15									7	
Northgate Crossing	Wheeling	Cook NW	4Q2015	Jan-16	288													40	41	35	35	36	42					13	
Courthouse Square	Wheaton	DuPage	1Q2016	May-16	149													39	30	13	17	48						10	
Orland Park Crossing	Orland Park	South Cook	1Q2016	May-16	231													40	59	35	39	17	11	5	8			10	
Springs at Weber Road	Romeoville	Will	2Q2016	Aug-16	292														44	80	14	87	40					18	
North680	Schaumburg	Cook NW	1Q2017	Apr-17	180																	23	52	14	21	52		11	
Centrum Evanston	Evanston	North Shore	2Q2017	Jul-17	101																		33	0	20	46		8	
The Main	Evanston	North Shore	2Q2016	Oct-16	112																18	11	2	48	10	4	0	16	5
Springs at Orchard Rd.	North Aurora	Kane/Kendall	4Q2016	Dec-16	300																27	72	18	72	27	50	9	13	
Brook on Janes	Bolingbrook	Will	1Q2017	Mar-17	288																	60	98	23	11	25	43	14	
Average Absorption Per Month - Stabilized Projects																													
Projects in Lease-up																													
Northshore 770	Northbrook	North Shore	1Q2016	Jan-16	347													71	62	43	11	39	0	53	0	2	0	9	
Apek 41	Lombard	DuPage	2Q2016	Oct-16	181															15	15	15	71	22	11	5	6	7	
Station Boulevard	Aurora	Naperville/Aurora	3Q2015	Dec-16	425																23	53	62	60	40	51	19	15	
Metro 59	Aurora	Naperville/Aurora	2Q2016	Feb-17	232																	16	65	22	2	18	19	8	
Uptown La Grange	La Grange	Cook South	1Q2017	Mar-17	254																	32	54	46	30	7	37	11	
Hamilton Lakes	Itasca	Cook NW	2Q2017	Jun-17	297																		65	0	10	32	59	11	
The Emerson	Oak Park	Cook South	2Q2017	Aug-17	270																		27	35	24	93	46	15	
Residences of Wilmette	Wilmette	North Shore	3Q2017	Oct-17	75																							5	
Prairie Winds of St. Charles	St. Charles	Kane	4Q2017	Dec-17	250																							30	
Kelmscott Park	Lake Forest	North Shore	1Q2018	Jan-18	99																							6	
Springs at South Elgin	South Elgin	Kane	1Q2018	Feb-18	300																							20	
Deer Park Crossing	Deer Park	Lake	1Q2018	Mar-18	236																							16	
Springs at Canterfield	West Dundee	Kane	2Q2018	May-18	260																							16	
Atworth at Melody Farm	Vernon Hills	Lake	2Q2018	Jul-18	260																							25	
Marq on Main	Lisle	DuPage	2Q2018	Aug-18	202																							16	
Average Absorption Per Month - Projects in Lease-up																													
Total					129	332	341	417	301	332	230	137	373	534	375	171	338	368	315	273	392	829	431	243	779	477			
Avg Bldg/Ctr					43.0	55.3	37.9	46.3	33.4	36.9	32.9	19.6	46.6	59.3	37.5	19.0	30.7	36.8	24.2	24.8	26.1	46.1	26.9	16.2	45.8	26.5			
Avg Monthly Absorption Per Development					14.3	18.4	12.6	15.4	11.1	12.3	11.0	6.5	15.5	19.8	12.5	6.3	10.2	12.3	8.1	8.3	8.7	15.4	9.0	5.4	15.3	8.8			

For absorption purposes, buildings are considered stabilized at 90% leased

Condominium Competition Survey

We have also been requested to explore the condominium potential for the Chestnut building as this building may instead be developed as a condominium rather than as a rental apartment building. The other two buildings are being planned for rental utilization.

As a first step, a survey of the condominium market was undertaken. The condominium competition survey is comprised of two components:

Resale product – existing condominium units in mid-rise and high-rise condominium building located in downtown Arlington Heights that were developed within the past 20 year. This survey provides current pricing for the alternatives currently existing in the downtown Arlington Heights market.

New product – proposed or newly constructed condominium buildings located in the suburbs in the Chicago Metropolitan Area, with a focus on locations in suburban downtowns. This survey provides insights into the types of units being developed in suburban downtowns throughout the MSA, the pricing of these units, and the sales absorption pace being achieved.

Condominium development halted abruptly 10 years ago with the market downturn. Projects which had been engaged in marketing at that time were either aborted (if pre-construction) or eventually finished if already under construction. Some of the buildings such as River 595 and Kingston Pointe in downtown Des Plaines were converted to rental utilization and are still operating as rental apartment buildings at the present time. Other buildings, such as the 119-unit Hamptons of Hinsdale townhome and condo project, were completed after sellout programs that lasted much longer than originally envisioned. In fact, the Hamptons of Hinsdale project was finally completed and sold out in 2017, 10 years after its marketing program had originally started.

Townhouse development has again been occurring throughout the Chicago MSA with several local and national builders actively and successfully developing townhouse projects. This is occurring in a wide variety of markets throughout the region. As townhomes frequently cater to a first-time buyer with product in the mid \$300,000 range and can be built in phases as units sell, this has been a popular for-sale product for both buyers and developers. Townhomes also don't require the long lead times that condominium buildings do, with the buyers being able to complete their sale without the delays that can occur with condominium development. Pre-sale requirements are not an issue in townhouse development similar to a large condominium building where it can take a developer one or two years to gather enough sales to break ground. Thus, the townhouse development has led the recovery, with condominium development still occurring on an extremely limited and sporadic basis.

On the following page is a summary of the resale pricing in downtown Arlington Heights along with a review of recent condominium development activity in the suburbs of Chicago. Geographically, the new condominium development is spread out across DuPage, Cook, Lake, and Kane Counties. None of this development activity has been occurring in the Northwest Cook submarket or on the North Shore, with the exception of Lake Forest. Even Evanston which had been such an active new

development condo market in the early 2000s and is currently undergoing extensive rental development currently has not experienced new condominium development in recent years. In addition, Naperville is a market where condominium development would have been expected given its highly popular and successful downtown district. While the 13 acres surrounding the Naperville Metra station are being planned by the Ryan Companies as a mixed-use development, the entitlement process has been lengthy and the plans for the residential component of the project have not been finalized. Thus, no new condominium product has been added to the Naperville market either.

The list of recent and proposed condominium projects in the suburban market is a rather short list as summarized below along with the resale activity in downtown Arlington Heights

Condominium Survey Overview

New Development Activity in the Suburban Chicago MSA and 2017/2018 Resales in Downtown Arlington Heights

Name of Development	Address	City	Type	Mktg Start	Year Delivered	Total # of Units	Units Sold	% Sold	# Mos. Mktg	Avg Price PSF
New Construction Condominiums Engaged in Marketing										
The Residences at Ashland	40 S. Ashland Ave	La Grange	New Construction	Oct-14	2017	17	14	82%	46	\$323
Marquis on Maple	940 Maple Ave	Downers Grove	New Construction	Jan-16	2017	55	20	36%	32	\$292
Kelmscott Park	1155 Kelmscott Way	Lake Forest	New Construction	Jul-16	2019	24	9	38%	25	\$415
District House	147 N. Euclid Ave	Oak Park	New Construction	Aug-16	2018	28	27	96%	24	\$414
Sterling Condos	10 W. Illinois St.	St. Charles	New Construction	Jan-17	2018	13	12	92%	18	\$178 shell
1101 Bonnie Brae	1101 Bonnie Brae	River Forest	New Construction	Early 2017	Proposed	15	0	0%	18	\$423
Foxford Station	4441 Wolf Road	Western Springs	New Construction	Mar-17	2019	28	9	32%	17	\$346
The Hill	105 S. Cottage Hill Ave.	Elmhurst	New Construction	Jun-18	Proposed	23	0	0%	2	\$424
One95 Elmhurst	195 N. Addison	Elmhurst	New Construction	Aug-18	Proposed	20		0%	n/a	n/a
New Construction Condominium Pipeline										
RF	Lake & Lathrop	River Forest	New Construction	TBD	Proposed	30				
One Winnetka	Elm and Lincoln	Winnetka	New Construction	TBD	Proposed	22				
The Butler	1900 Spring Road	Oak Brook	New Construction	TBD	Proposed	90				
Downtown Arlington Heights Resale Competition										
200 W. Campbell	200 W. Campbell	Arlington Hts	Resales		2000	91	91	100%		\$215
Metrolofts	10 S. Dunton	Arlington Hts	Resales		2007	55	55	100%		\$237
The Evergreen	77 S. Evergreen	Arlington Hts	Resales		2000	94	94	100%		\$207
Metropolis Place	1 S. Highland	Arlington Hts	Resales		2001	63	63	100%		\$208
44 N. Vail	44 N. Vail	Arlington Hts	Resales		2000	80	80	100%		\$230
201 N. Vail	201 N. Vail	Arlington Hts	Resales		1995	61	61	100%		\$178
Wing Street Residences	151 W. Wing	Arlington Hts	Resales		2003	61	61	100%		\$264

Condominium Survey Unit Sales Prices

New Development Activity in the Suburban Chicago MSA and 2017/2018 Resales in Downtown Arlington Heights

		One Bedroom			2BR/2BR+Den Range			Three Bedroom Range		
Name of Development	City	Price Range	SF Range	Price PSF Range	Price Range	SF Range	Price PSF Range	Price Range	SF Range	Price PSF Range
New Construction Condominiums Engaged in Marketing										
The Residences at Ashland	La Grange							\$839,000-\$869,000	2,650	\$317-\$328
Marquis on Maple	Downers Grove				\$330,000-\$425,000	1,205-1,498	\$274-\$284	\$500,000-\$565,000	1,715-1,884	\$292-\$300
Kelmscott Park	Lake Forest				\$650,000-\$735,000	1,528-1,772	\$415-\$425	\$825,000-\$975,000	1,967-2,565	\$380-\$419
District House	Oak Park							\$559,900-\$972,950	1,700-2,056	\$329-\$473
Sterling Condos	St. Charles									
1101 Bonnie Brae	River Forest							\$799,900-\$1,070,000	1,900-2,550	\$419-\$421
Foxford Station	Western Springs				\$599,000-\$739,000	1,770-2.115	\$338-\$349	\$664,000-\$1,099,000	1,978-3,034	\$336-\$362
The Hill	Elmhurst				\$579,900-\$689,900	1,352-1,418	\$429-\$487	\$699,900-\$839,900	1,968	\$356-\$427
One95 Elmhurst	Elmhurst							\$799,900-\$1,100,000		
New Construction Condominium Pipeline										
RF	River Forest									
One Winnetka	Winnetka									
The Butler	Oak Brook									
Downtown Arlington Heights Resale Competition										
200 W. Campbell	Arlington Hts	\$227,500	1,216	\$187	\$325,000-\$340,000	1,431-1,628	\$203-233			
Metrolofts	Arlington Hts	\$183,000-\$257,000	964-1,063	\$190-\$242	\$270,000-\$305,000	1,265	\$213-\$233			
The Evergreen	Arlington Hts				\$280,500-\$425,000	1,591-1,800	\$176-\$236	\$595,000	3,100	\$192
Metropolis Place	Arlington Hts	\$218,000-\$225,000	1,000	\$225	\$279,995-\$330,000	1,388-1,500	\$202-\$220			
44 N. Vail	Arlington Hts	\$240,000-\$332,000	1,130-1,333	\$212-\$249	\$452,500-\$555,000	2,076-2,164	\$218-\$237			
201 N. Vail	Arlington Hts	\$160,000	1,000	\$160	\$272,000-\$355,000	1,703-1,850	\$160-\$192			
Wing Street Residences	Arlington Hts	\$248,000-\$270,000	975-1,100	\$225-\$277	\$465,000-\$745,000	1,700-3,100	\$240-\$274			

Resale Survey – Downtown Arlington Heights Condominium Buildings

Downtown Arlington Heights had experienced condominium development activity in the late 1990s and early 2000s, resulting in a numerous resale options for persons desiring to reside in a condominium unit downtown. All of these buildings are sold out but offer resales on an occasional basis. At the present time, the following units are listed for sale:

Arlington Heights Resale Survey – Downtown Condominium Buildings: Current Listings

Status	Address	Unit #	List Price	# Rms	Beds	Baths	Garage Spaces	SF	Price PSF	Days on Market
Contract	200 W Campbell	211	\$353,000	5	2	2	2	1,489	\$237	17
Listing	200 W Campbell	408	\$360,000	6	2	2	1	1,497	\$240	9
Listing	10 S Dunton	409	\$299,000	5	1	1	1	1,045	\$286	30
Listing	10 S Dunton	608	\$375,000	5	2	2	2	1,438	\$261	25
Listing	77 S Evergreen	408	\$270,000	5	2	2	1	1,235	\$219	85
Listing	77 S Evergreen	708	\$319,000	5	2	2	1	1,419	\$225	37
Listing	77 S Evergreen	802	\$424,900	6	2	2.5	1	2,000	\$212	58
Listing	77 S Evergreen	1201	\$650,000	7	3	3.5	2	2,500	\$260	332
Listing	44 N Vail	414	\$479,900	5	2	2	1	2,076	\$231	21
Contract	44 N Vail	415	\$485,000	5	2	2	2	2,080	\$233	313
Listing	151 W Wing	405	\$526,800	4	2	2.5	2	1,800	\$293	80
Contract	151 W Wing	905	\$675,000	8	2	2.5	2	2,187	\$309	38
Listing	151 W Wing	706	\$879,900	7	2	2.5	3	3,652	\$241	58

Source: MRED LLC, compiled by Integra Realty Resources - Chicago

Overall, the current listings of available inventory are averaging approximately \$250 PSF, with the inventory comprised primarily of two bedroom units. On the following pages is a summary of the 2017 and 2018ytd sales which have taken place in condominium building in downtown Arlington Heights which have been constructed in the past 20 years.

Arlington Heights Resale Survey – Downtown Condominium Buildings

2017 and 2018 Sales

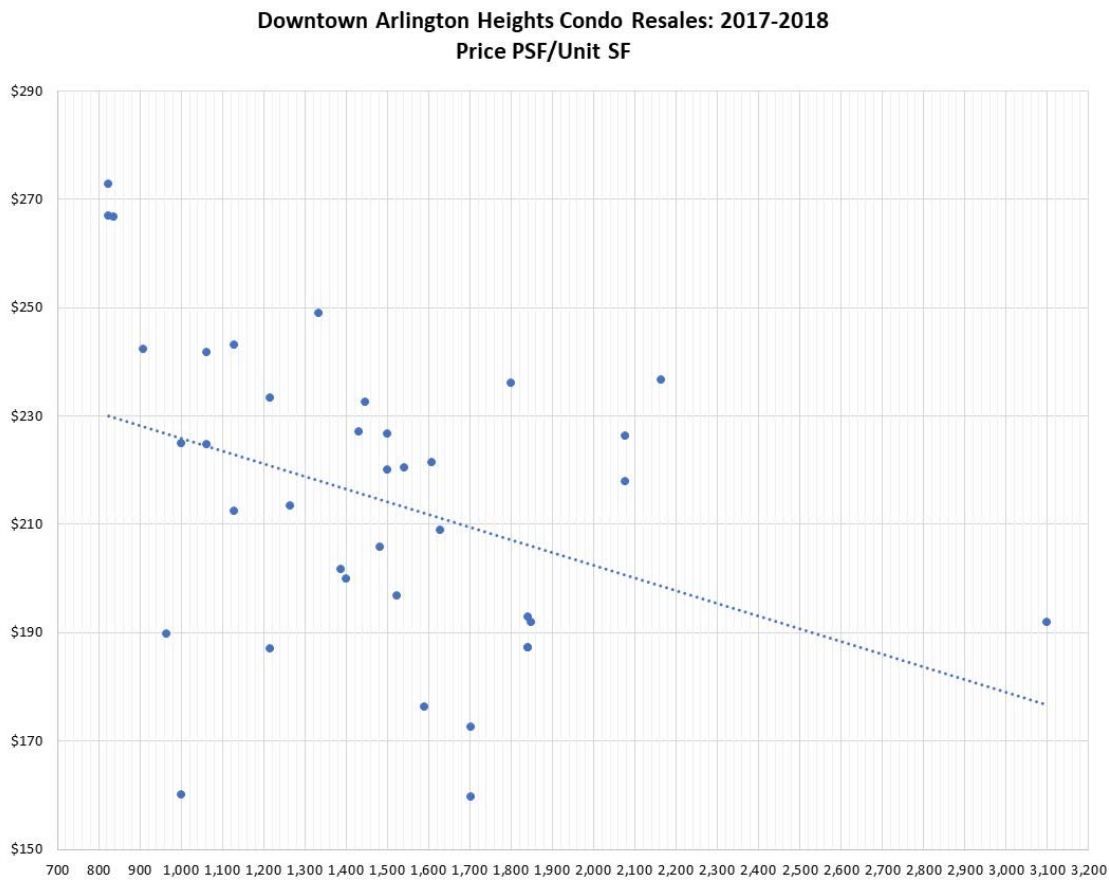
Address	Unit #	Sale Price	# Rms	Beds	Baths	Garage Spaces	SF	Price PSF	Closed Date	Days on Market
200 W Campbell	501	\$227,500	4	1	1	1	1,216	\$187	2/28/2017	5
200 W Campbell	709	\$325,000	5	2	2	1	1,431	\$227	5/8/2017	39
200 W Campbell	712	\$336,450	5	2	2	1	1,447	\$233	8/28/2018	28
200 W Campbell	708	\$340,000	6	2	2	1	1,628	\$209	7/26/2017	6
200 W Campbell	709	\$365,000	5	2	2	1	n/a		7/13/2018	40
10 S Dunton	209	\$183,000	4	1	1	0	964	\$190	9/25/2017	147
10 S Dunton	303	\$220,000	3	1	1	0	824	\$267	8/11/2017	23
10 S Dunton	402	\$220,000	3	1	1	`	908	\$242	4/7/2017	5
10 S Dunton	606	\$223,000	3	1	1	0	836	\$267	5/1/2018	27
10 S Dunton	311	\$225,000	3	1	1	0	825	\$273	3/28/2018	154
10 S Dunton	302	\$230,000	3	1	1	0	n/a		4/5/2017	6
10 S Dunton	215	\$239,000	3	1	1	0	1,063	\$225	6/15/2017	33
10 S Dunton	607	\$257,000	4	1	1	0	1,063	\$242	8/10/2018	121
10 S Dunton	308	\$270,000	4	2	2	0	1,265	\$213	2/21/2018	57
10 S Dunton	304	\$275,000	4	1	2	0	n/a		8/16/2017	5
10 S Dunton	206	\$275,000	5	1	2	0	n/a		2/7/2017	4
10 S Dunton	604	\$284,000	4	1	2	0	1,217	\$233	2/28/2018	6
10 S Dunton	207	\$290,000	4	2	2	0	n/a		6/24/2018	54
10 S Dunton	407	\$305,000	4	2	2	0	n/a		6/27/2018	29
77 S Evergreen	304	\$280,500	5	2	2	1	1,591	\$176	7/20/2018	425
77 S Evergreen	608	\$289,000	5	2	2	1	n/a		2/15/2018	37
77 S Evergreen	606	\$305,000	5	2	2	1	1,482	\$206	7/16/2018	235
77 S Evergreen	1007	\$340,000	4	2	1.5	1	1,500	\$227	12/12/2017	70
77 S Evergreen	709	\$340,000	5	2	2	1	1,542	\$220	9/19/2017	62
77 S Evergreen	510	\$355,000	6	2	2.5	1	1,840	\$193	7/20/2018	345
77 S Evergreen	903	\$356,000	5	2	2	1	1,608	\$221	1/30/2017	61
77 S Evergreen	710	\$425,000	6	2	2.5	1	1,800	\$236	7/26/2017	11
77 S Evergreen	207	\$595,000	8	3	2.5	2	3,100	\$192	5/31/2017	4
1 S Highland	304	\$218,000	4	1	1	0	n/a		11/13/2017	12
1 S Highland	204	\$222,000	4	1	1	0	n/a		1/5/2018	5
1 S Highland	804	\$225,000	4	1	1	0	1,000	\$225	3/10/2017	26
1 S Highland	806	\$279,995	5	2	2	0	1,388	\$202	3/27/2017	4
1 S Highland	703	\$280,000	5	2	2	0	1,400	\$200	11/17/2017	133
1 S Highland	808	\$300,000	6	2	2	0	1,524	\$197	6/22/2017	2
1 S Highland	801	\$330,000	6	2	2	0	1,500	\$220	7/27/2018	5

Arlington Heights Resale Survey – Downtown Condominium Buildings

2017 and 2018 Sales – Continued

Address	Unit #	Sale Price	# Rms	Beds	Baths	Garage Spaces	SF	Price PSF	Closed Date	Days on Market
44 N Vail	404	\$240,000	4	1	1	1	1,130	\$212	3/2/2017	159
44 N Vail	404	\$274,750	4	1	1	1	1,130	\$243	8/11/2017	9
44 N Vail	608	\$332,000	5	1	1.5	1	1,333	\$249	5/4/2018	12
44 N Vail	203	\$452,500	5	2	2	1	2,076	\$218	5/29/2018	133
44 N Vail	314	\$470,000	5	2	2	1	2,076	\$226	7/31/2018	287
44 N Vail	511	\$512,000	5	1	2	2	2,164	\$237	4/27/2017	2
44 N Vail	704	\$555,000	6	2	2	2	n/a		5/1/2017	266
201 N Vail	302	\$160,000	4	1	1	1	1,000	\$160	5/31/2017	180
201 N Vail	401	\$272,000	5	2	2	1	1,703	\$160	6/22/2017	183
201 N Vail	601	\$294,000	5	2	2	1	1,703	\$173	6/15/2017	290
201 N Vail	707	\$345,000	5	2	2	1	1,842	\$187	6/8/2018	64
201 N Vail	707	\$345,000	5	2	2	1	1,842	\$187	6/29/2017	119
201 N Vail	807	\$355,000	5	2	2	1	1,850	\$192	2/23/2018	78
151 W Wing	301	\$248,000	4	1	1	1	1,100	\$225	5/26/2017	84
151 W Wing	302	\$251,500	3	1	1	1	950	\$265	6/1/2017	49
151 W Wing	310	\$255,000	4	1	1	2	1,100	\$232	2/6/2017	127
151 W Wing	809	\$270,000	4	1	1	1	975	\$277	4/20/2018	8
151 W Wing	705	\$465,000	5	2	2.5	2	1,700	\$274	8/18/2017	4
151 W Wing	507	\$490,000	4	2	2.5	2	1,800	\$272	12/27/2017	73
151 W Wing	304	\$635,900	6	2	2.5	1	2,600	\$245	5/31/2018	59
151 W Wing	308	\$690,000	7	2	2.5	2	3,096	\$223	4/3/2018	38
151 W Wing	508	\$745,000	6	2	2.5	2	3,100	\$240	11/27/2017	64

Source: MRED LLC, compiled by Integra Realty Resources - Chicago



As is typical of resale inventory, the condition and level of upgrading varies widely in these units. However, in general, the vast majority of these units offer finishes which are more dated than the types of finishes which would be included in new construction condominium units. In addition, the buildings' common area amenities are also much more modest than the finishes in a new construction residential building.

The following are the buildings which would comprise the resale competition for the subject units.





200 West Campbell is a condominium building which is located directly north of the subject site on Campbell. This 91-unit building was constructed in 2000. Recent resales of units have ranged from \$325,000 to \$365,000 for its 2BR units, with a 1BR sale at \$227,500. Its parking garage is within the building.



Metrolofts are located at 10 South Dunton, east of subject site. This 55-unit building was constructed in 2007 and is rather unique for the downtown Arlington Heights market with its hard loft finishes including exposed concrete, exposed pipes, exposed brick, and exposed ductwork. The building also features a modest exercise room, roof deck and community room.

This building does not have any on-site parking. Instead, the residents can rent parking spaces at the Vail Street garage for a monthly fee of \$40 per space. It is reported that the building is currently

60% owner occupied. Sales have been primarily ranging between \$220,000 and \$305,000, or the low to mid \$200s PSF.



77 South Evergreen is a 94 unit building which was built in 2000. Its amenities include a party room and exercise room along with a doorman. Parking is located within the building.

Sales have been ranging between \$280,000 and \$425,000 for the typical units in the building, with one 3,100 SF unit selling for \$595,000 in 2017.



Metropolis Place is located directly east of the subject property at 1 South Highland. It directly abuts the public garage on the south side. Constructed in 2001, this building has 63 units. It has loft finishes including an exposed concrete ceiling and spiral ductwork. Parking is available in the adjacent public garage for \$45 per month.

Sales have ranged from \$218,000 to \$225,000 for the one bedroom units and from \$280,000 to \$330,000 for the two bedroom units.



44 North Vail is located at the corner of Campbell and Vail, one block east of the subject site. Constructed in 2000, this building has approximately 80 units. Garage parking is contained within the building and the building also has concierge service daily.

This is a highly regarded building in downtown Arlington Heights and its sales have been ranging from \$240,000 to \$275,000 for 1BRs, with \$332,000 for a 1BR+Den unit, and \$452,500 to \$555,000 for its two bedroom units.



Developed in 1996, **201 North Vail** is the oldest downtown building included in the survey and the only building situated north of the Metra tracks. The building has 61 units and is unusual in that the condominium association currently does not allow pets or rentals. The building features a community room and patio space along with its own parking garage.

Recent sales prices have ranged from \$272,000 to \$355,000 for its two bedroom units and \$160,000 for a one bedroom unit. Overall, these prices have averaged \$178 PSF.



The Wing Street Residences at 151 W. Wing Street are located across from the Jewel, one block north of the subject property. This high-end building has 61 units and was developed in 2003. It offers concierge service on weekdays and has a garden area which can be used for dog walking. This is one of the most luxurious building in downtown Arlington Heights.

Sales have ranged from \$248,000 to \$270,000 for 1BR units with prices of \$490,000 to \$745,000 for 2BR units. Overall, sales in 2017 and 2018 have averaged \$264 PSF.

New Construction Condominium Survey – Developments throughout the Suburban MSA

As already discussed, there has been a very limited amount of new condominium development in the suburbs of Chicago in the past 10 years. Thus, the list of recent and proposed condominium projects in the suburban market is a rather short list as summarized below and followed by a description of each development:

Survey of New Suburban Condominium Development

Name of Development	Address	City	Type	Mktg Start	Year Delivered	Total # of Units	Units Sold	% Sold	# Mos. Mktg	Avg Price PSF
New Construction Condominiums Engaged in Marketing										
The Residences at Ashland	40 S. Ashland Ave	La Grange	New Construction	Oct-14	2017	17	14	82%	46	\$323
Marquis on Maple	940 Maple Ave	Downers Grove	New Construction	Jan-16	2017	55	20	36%	32	\$292
Kelmscott Park	1155 Kelmscott Way	Lake Forest	New Construction	Jul-16	2019	24	9	38%	25	\$415
District House	147 N. Euclid Ave	Oak Park	New Construction	Aug-16	2018	28	27	96%	24	\$414
Sterling Condos	10 W. Illinois St.	St. Charles	New Construction	Jan-17	2018	13	12	92%	18	\$178 shell
1101 Bonnie Brae	1101 Bonnie Brae	River Forest	New Construction	Early 2017	Proposed	15	0	0%	18	\$423
Foxford Station	4441 Wolf Road	Western Springs	New Construction	Mar-17	2019	28	9	32%	17	\$346
The Hill	105 S. Cottage Hill Ave.	Elmhurst	New Construction	Jun-18	Proposed	23	0	0%	2	\$424
One95 Elmhurst	195 N. Addison	Elmhurst	New Construction	Aug-18	Proposed	20		0%	n/a	n/a

Name of Development	City	2BR/2BR+Den Range			Three Bedroom Range		
		Price Range	SF Range	Price PSF Range	Price Range	SF Range	Price PSF Range
New Construction Condominiums Engaged in Marketing							
The Residences at Ashland	La Grange				\$839,000-\$869,000	2,650	\$317-\$328
Marquis on Maple	Downers Grove	\$330,000-\$425,000	1,205-1,498	\$274-\$284	\$500,000-\$565,000	1,715-1,884	\$292-\$300
Kelmscott Park	Lake Forest	\$650,000-\$735,000	1,528-1,772	\$415-\$425	\$825,000-\$975,000	1,967-2,565	\$380-\$419
District House	Oak Park				\$559,900-\$972,950	1,700-2,056	\$329-\$473
Sterling Condos	St. Charles						
1101 Bonnie Brae	River Forest				\$799,900-\$1,070,000	1,900-2,550	\$419-\$421
Foxford Station	Western Springs	\$599,000-\$739,000	1,770-2.115	\$338-\$349	\$664,000-\$1,099,000	1,978-3,034	\$336-\$362
The Hill	Elmhurst	\$579,900-\$689,900	1,352-1,418	\$429-\$487	\$699,900-\$839,900	1,968	\$356-\$427
One95 Elmhurst	Elmhurst				\$799,900-\$1,100,000		

**None of these developments currently engaged in marketing offer one bedroom units.*

Projects engaged in marketing

From this survey of the properties which have been engaged in marketing, the following was noted about these new condominium developments:

- Locations are in affluent communities which support strong housing values.
- Locations are in suburban downtowns where residents can walk to restaurants, shops, and Metra.
- Project sizes are small.
- Unit sizes are large, with three bedroom units being the dominant unit type.
- One bedroom units are not being offered for sale, and only a limited number of projects have two bedroom units.
- Orientation of the developments is towards luxury product with high-end finishes and large amounts of outdoor space.
- Target buyer market is the empty nester who wants to downsize and stay living in the community.
- Several of the projects are priced around \$425 PSF, with the overall range extending from \$300 to \$425 PSF.
- While there are examples of projects which have had a brisk sales pace (such as the 28-unit District House in downtown Oak Park), sales velocity can still be a challenge even with small developments, as noted by the lengthy marketing periods for many of these projects.

Additional information on each of these projects follows:



40 South Ashland is a 17-unit new construction condominium building that was constructed in downtown LaGrange. Marketing started in October 2014, with first occupancies in the summer of 2017. Three units are currently unsold, all being 3BR/3 bath units priced from \$839,000 to \$869,000 with approximately 2,650 SF.

Sales in the building included 2BR units priced from \$400,000 to \$468,825 (1,250-1,645 SF), with 3BR units at \$700,000 to \$912,550 (2,306-2,667 SF), and two PH units at \$1,057,900-\$1,149,000 (3,171-3,628 SF). Overall, the units average approximately 2,400 SF with an average price of \$317 PSF. For at least a year, the property has had three units remaining unsold.

The Marquis at 940 Maple Avenue is a 55 unit new construction condominium building that was constructed on the southern edge of downtown Downers Grove. Marketing began in January 2016 with units ready for occupancy in November 2017. This project did not have a pre-sale requirement and started construction without the typical level of pre-sales. Sales have proceeded slowly and only 20 of the 55 units are reported to be sold after 2 ½ years of marketing. Current prices for the 2BR/2 bath units range from \$330,000 to \$425,000 (1,205-1,498 SF) and the 3BR/2.5 bath units range from \$500,000 to \$565,000 (1,715-1,884 SF). Overall, prices average approximately \$292 PSF.



The condominiums at **Kelmscott Park** are part of a larger mixed-use development in Lake Forest. Located at the far northern end of the downtown area, this redevelopment will include 111 rental apartments (3 buildings), 12 single family residences and two buildings with a total of 42 condominium buildings. Marketing for the first building with 24 units began in July 2016 with a sales center/trailer on site.

@ Properties has been marketing the units and the development team has been engaged in a professional marketing program, with 9 contracts to date. This 24 unit building is currently under construction, with occupancy planned to begin in February 2019. Two bedroom prices range from \$650,000 to \$735,000 (1,528-1,772 SF) with three bedrooms priced from \$825,000 to \$975,000 (1,967-2,565 SF). Prices average approximately \$415 PSF. This is a project being developed by Focus.

District House is a 28 unit building at 147 N. Euclid in downtown Oak Park which is an example of a successful condominium development. Marketing began in August 2016 and the units achieved good absorption. At the present time, 27 of the units have been sold, with only one remaining unit. Closings began in May 2018, and there have been 25 closings, with two additional units under contract. Units ranged from 1,700 to 2,056 SF, with all units being 3BR/2.5 bath units. Sales prices ranged from \$559,900 to \$972,950. The average size was 1,835 SF and the average sales price was \$414 PSF. All of the units were priced to include one garage parking space. This project was developed by Ranquist and marketed by Jameson.



In downtown St. Charles, **the Sterling Condominiums**, a small, 13 unit building, was constructed in 2018. It is an unusual building in that the units were sold in cold shell condition with no interior finishes. Completion was estimated to cost an additional \$110 PSF. At the present time, only one unit is available for sale. Units range from 1,400 to 2,100 SF, with one unit at 2,900 SF. Sales prices averaged \$178 PSF for units in unfinished condition.



A 15 unit condominium building is proposed for development in **River Forest at 1101 Bonnie Brae**.



pricing of \$423 PSF.

This development was approved by the village board in November 2016, with construction to start by February 2018. However, the developer reported that he was not able to obtain the five sales needed to meet his pre-sale requirement and obtained an extension from the village in February 2018. The units are priced from \$799,900 to \$1,070,000 and all contain 3BR/2 bath or 3BR/2.5 bath units. Unit sizes range from 1,900 to 2,550 SF, with average



Foxford Station is a 28 unit condominium building which is currently under construction in downtown Western Springs at 4441 Wolf Road. Marketing began in March 2017 and 9 units are currently under contract. Units range in price from \$599,000 to \$1,099,000, with unit sizes of 1,770 to 3,060 SF. Overall, the units average 2,216 SF in size with an average price of \$346 PSF. Included in the purchase price are two garage parking spaces. This project is begin developed by Foxford Communities and marketed by Smothers Realty Group.



The Hill is a proposed 23 unit condominium building at **105 S. Cottage Hill** in downtown Elmhurst. Marketing began in June 2018 and no contracts have been reported. The units all consist of two bedrooms, although the larger units can alternatively provide 2BR+Den or three bedrooms. Sizes range from 1,352 to 1,418 SF for the two bedroom units (\$579,900-\$689,900) and the larger two bedroom units are 1,968 SF (priced from \$699,900 to \$839,900). Overall, the average unit size is 1,649 SF with an average price of \$424 PSF. This project is being developed by KLM Development Group and marketed by @ Properties.



One95Elmhurst is a 20 unit proposed condominium building at 195 N. Addison in downtown Elmhurst. The developer, DiCosola Group, and its marketing agent, Jameson, began running some teaser ads in the spring of 2018. Units will range in price from \$799,900 to \$1,100,000 with all units have 3BRs +Den, 2.5 baths. All of the units will be corner units and feature large terraces and 10' ceiling heights. Parking will consist of 21 standard spaces and 7 tandem spaces.

Condominium Pipeline – Proposed Projects which have not yet started marketing:

A 30 unit condominium building is proposed for development in downtown River Forest at Lake and Lathrop. Called RF, this project was recent approved and has begun running some teaser, pre-marketing ads. This 5-story building will contain 15,000 SF of ground floor retail with four stories of residences above. Each of the residences will contain 250 SF of outdoor space and the second floor units will have terraces with 1,200 SF each. Each unit will also have direct elevator entry into the residence. Units will range in size from 2BR to 4BR units with reported prices ranging from \$600,000 to \$1,400,000.



One Winnetka is a proposed mixed-use project which is planned for downtown Winnetka. In addition to 246 parking spaces (including commuter parking) and 32,000 SF of retail space, the project is planned to include 36 luxury rental apartments, 7 luxury for-sale townhomes, and 15 luxury condominium units. The developer has been engaged in the entitlement process since 2015 and has been revising the project in order to improve its financial feasibility. A reservation sales program started a few years ago but has not moved forward pending the revisions to the development plan.



Jupiter Realty is proposing the Butler, a 90 unit, 22 story high-rise luxury condominium building to be located at the edge of Oak Brook Shopping Center at 1900 Spring Road in Oak Brook. The developer reports that the typical floor plate will be six units per floor with units averaging 2,000 SF. Units are expected to range from approximately \$850,000 to \$2,000,000, with penthouse units topping that price.

This project is not yet entitled and is currently engaged in the approval process with the city.

Certification

We certify that, 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. We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
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 appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. Gail Lissner, SRA, CRE, made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Gail Lissner, SRA, CRE has completed the continuing education program for Designated Members of the Appraisal Institute.



Gail Lissner, SRA, CRE
Certified General Real Estate Appraiser
Illinois Certificate # 553.001842, exp. 9/30/2019
Telephone: 312-565-3423
Email: glissner@irr.com

Assumptions and Limiting Conditions

This market study and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This market study and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. The conclusions stated in our market study apply only as of the effective date of the market study, and no representation is made as to the effect of subsequent events.
2. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
3. No environmental impact studies were either requested or made in conjunction with this market study, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the market study assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
4. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
5. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The market study covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

6. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
7. The market study shall be considered only in its entirety. No part of the market study shall be utilized separately or out of context.
8. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
9. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
10. The current purchasing power of the dollar is the basis for the values stated in the market study; we have assumed that no extreme fluctuations in economic cycles will occur.
11. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
12. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
13. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
14. The market study is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
15. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated

- upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Chicago, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the “Integra Parties”), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the market study cannot be considered as an environmental assessment of the subject property.
16. The persons signing the report may have reviewed available flood maps and may have noted in the market study whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 17. Integra Realty Resources – Chicago is not a building or environmental inspector. Integra Chicago does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 18. The market study and conclusions assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 19. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the market study, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the market study was fraudulent or prepared with intentional misconduct.
 20. Integra Realty Resources – Chicago, an independently owned and operated company, has prepared the market study for the specific intended use stated elsewhere in the report. The use of the market study by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the market study is addressed to and shall be solely for the Client’s use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the market study or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the market study (even if their reliance was foreseeable).
 21. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future

- occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
22. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

Addendum A

Qualifications

Gail Lissner, SRA, CRE

Experience

Managing Director for Integra Realty Resources
Former Vice President and Appraiser for Appraisal Research Counselors

Throughout her career, Ms. Lissner has focused on the housing/multi-family market, with a particular interest in condominium development, apartment development, and the condominium conversion/deconversion market. Gail's work with condominiums and apartments spans many decades, providing consulting services to the original Chicago condominium convertors in the 1970s, and expanding to work in the conversion market throughout the United States. Gail has produced a report on the condominium market on a quarterly basis since 1997 and is co-author of the Downtown Chicago Condominium Report, a quarterly report delineating development trends and condo pricing in Downtown Chicago. In Gail's consulting and valuation work for apartment and condominium developments, the scope of work ranges from site and building plan consultations at project inception to market and feasibility studies along with comprehensive appraisals. Her work includes both urban and suburban properties and also includes townhome and single family residential developments. Gail has also testified as an expert witness in a variety of housing matters. She is frequently quoted in the local and national media and is a frequent speaker at real estate industry events.

Professional Activities & Affiliations

Appraisal Institute: SRA Designation
The Counselors of Real Estate: CRE Designation
Board Member (2017-2020): State of IL Real Estate Appraisal Administration and Disciplinary Board

Village Trustee (2017-2021): Village of Glencoe Board of Trustees
President: Realty Club of Chicago (2016)
Vice President: Realty Club of Chicago (2015)
Secretary/Treasurer: Counselors of Real Estate Midwest Chapter (2009-2014)
Mentor: Goldie B Wolfe Miller Women Leaders in Real Estate Program at Roosevelt University (2008-2010)

Member: Commercial Real Estate Women (CREW)
Member: Real Estate Investment Association (REIA)
Member: Chicago Real Estate Council (CREC)
Member: Lambda Alpha International and Honorary Land Economics Society - Ely Chapter
Member: North Shore Barrington Board of Realtors
Crains Chicago Business: Named as one of Crains 20 Women to Watch 2008

Licenses

Illinois, Certified General Real Estate Appraiser - Gail Lissner, 553.001842, Expires September 2019

Illinois, Licensed Real Estate Managing Broker - Gail Lissner, 471.004757, Expires April 2019
Wisconsin, Certified General Real Estate Appraiser - Gail Lissner, 2282-10, Expires December 2019

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About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

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