

Market Study

Sigwalt Apartments (Proposed Construction)

Multifamily Property

45 S. Chestnut Ave.

Arlington Heights, Cook County, Illinois 60005

Prepared For:

CA Ventures

Effective Date of the Market Study:

December, 2017

IRR - Chicago

File Number: 194-2017-0174





Sigwalt Apartments (Renderings of the Proposed Development)

45 S. Chestnut Ave.

Arlington Heights, Illinois



December 18, 2017

Michael Porto
Project Manager - Development
CA Ventures
130 East Randolph St
Chicago, IL 60601

SUBJECT: Market Study
 Sigwalt Apartments (Proposed Construction)
 45 S. Chestnut Ave.
 Arlington Heights, Cook County, Illinois 60005
 IRR - Chicago File No. 194-2017-0174

Dear Mr. Porto:

Integra Realty Resources – Chicago is pleased to submit the accompanying market study of the referenced property.

Information for this report was researched and gathered from property inspections and conversations with brokers, developers, lenders, investors, managers, and leasing agents involved in the Suburban Chicago apartment market. 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.

Michael Porto
CA Ventures
December 18, 2017
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If you have any questions or comments, please contact the undersigned. 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:

- An overview of the Suburban Chicago rental apartment market.
- Analysis of the market demand for rental apartment units at the subject location.
- Analysis of the target renter demographic.
- Survey and overview of the rental competition in the market in terms of current and proposed inventory, unit sizes and mix, amenities and finishes, rent trends, utility bill-backs, occupancy levels, and absorption rates.
- Critique of the proposed project's unit mix, unit sizes, unit finishes and building amenities.
- Conclusions regarding market rent levels and absorption projections for the proposed units. The rent levels will be projected in 2017 dollars and at the time of occupancy.

Effective Date

The effective date of the analysis and conclusions is December 2017.

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
- Inspection of the competing rental buildings in the market and discussions with management and leasing agents
- Previous assignments where information was not confidential

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 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 on December 12, 2017.

Executive Summary and Conclusions



Sigwalt Apartments – Architect’s Rendering

Location

45 S. Chestnut Ave.
Arlington Heights, Cook County, Illinois 60005

Concept

A 39,587 SF site is planned for development with an 80 unit, seven story rental apartment building. Construction is proposed to begin in April 2018 with completion in July 2019. The development plan, designed by HKM Architects-Planners Inc., includes the following unit mix:

| Unit Type | No. Units | % | SF Range | Avg SF | Total SF |
|------------------|-----------|---------------|------------------|------------|---------------|
| 1BR | 35 | 43.8% | 745-828 | 771 | 26,997 |
| 2BR | 39 | 48.8% | 955-1,332 | 1,102 | 42,986 |
| 3BR | 6 | 7.5% | 1,383-1,438 | 1,411 | 8,463 |
| Total/Avg | 80 | 100.0% | 745-1,438 | 981 | 78,446 |

The current design includes a total of 120 garage spaces, indicating a parking ratio of 1.5:1.

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 made the rent projections based on the developer’s proposed unit mix and unit sizes and concluded that net effective rents of approximately \$2.31 PSF should be achievable in 2017 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, indicating rents of \$2.40 PSF in 2019. Lease-up has been estimated at about 10 to 12 units per month, achieving stabilized occupancy within approximately six to eight months.

Analysis and Conclusions

Northwest Suburban Cook County Market Area

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 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.

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 just outside of the downtown core area and is bordered by single-family on the west and south and commercial uses, a parking garage and high-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 at Arlington Park and downtown Arlington Heights to Ogilvie Transportation Center. The Arlington Heights stop is within walking distance of the subject. The location is also within walking distance of the many restaurants and retailers located within downtown Arlington Heights.

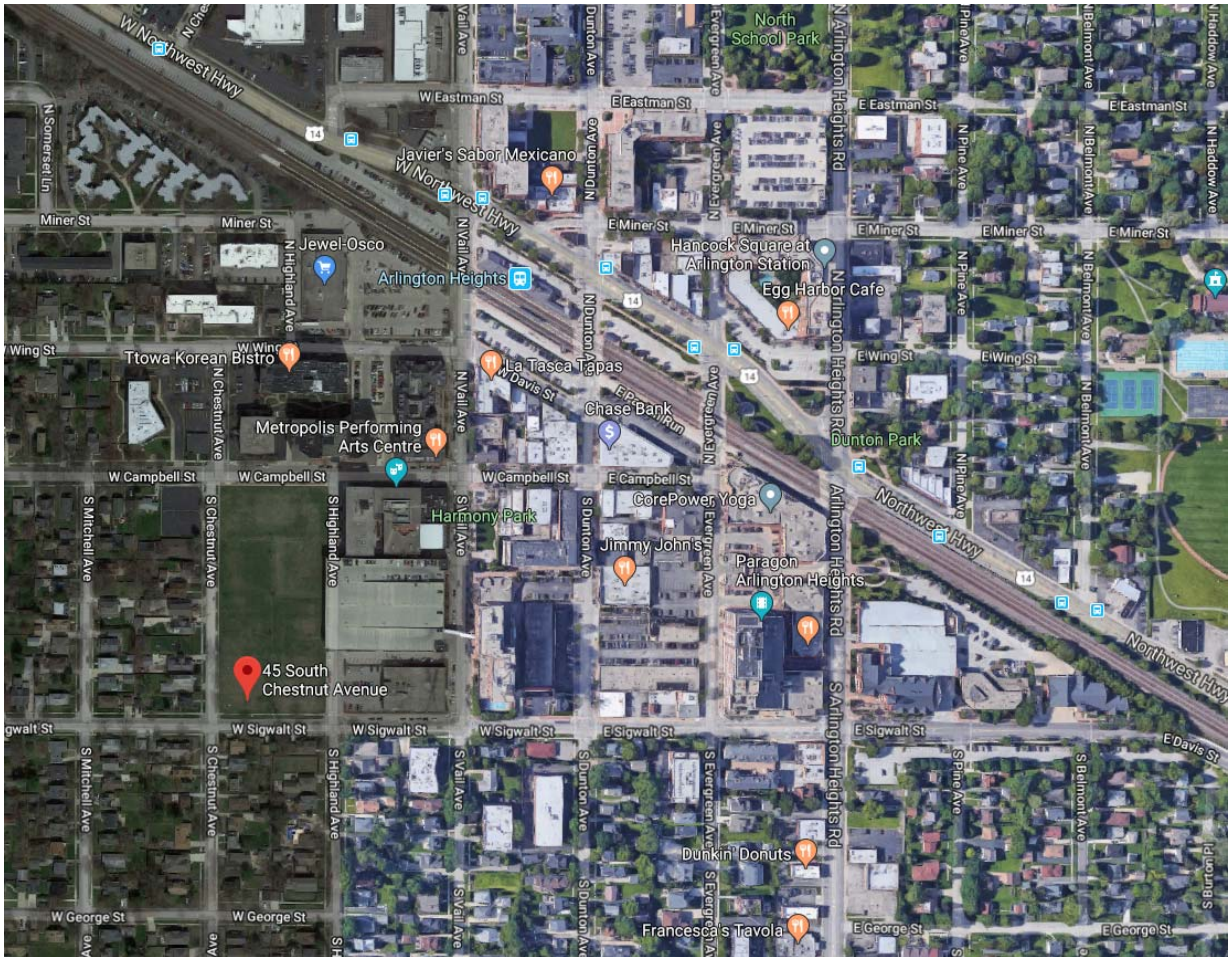
The average household income is estimated at \$112,734 with a median household income of \$84,640, according to 2017 estimates by Nielsen. Within the past 12 months, according to MRED LLC, 819 detached single family homes in Arlington Heights sold at prices averaging \$415,349, with a median house price of \$375,000. Home sales ranged between \$175,000 and \$1,088,569. 546 condominium and townhome units also sold, with an average price of \$187,140 and a median price of \$164,950. Prices ranged between \$54,600 and \$745,000.

Accessibility to transportation is a key advantage, with Illinois Route 53 spanning portions of the village's western edge. There is a full interchange at Euclid Avenue, located approximately 3 miles west. Cars are the main mode of transportation in the suburbs, but there are also two Metra stations, including one which is less than a 10 minute walk from the subject site.

Woodfield Mall, one of the largest malls in the county is five miles south. This is a premier shopping center and destination for both locals and tourists. Anchor tenants include Macy's, Nordstrom, Lord & Taylor, JC Penny and Sears. There are approximately 300 stores. To the south of the mall is the Streets of Woodfield which includes a 20-screen movie theater as well as additional retailers including Carson's and a Legoland Discovery Center. Being situated close to Woodfield Mall is considered to be an excellent amenity for the subject property.

Unlike other areas in the suburban metropolitan area, there has been very limited large-scale rental development in the Northwest suburbs and specifically in Arlington Heights. The only new completed project to date is One Arlington, a 214 unit adaptive reuse project which was completed in 2014. This

project is situated west of Arlington Park. Currently, the Parkview Apartment project, a 45-unit building, is under construction in the downtown area at the southwest corner of Dunton Avenue and Eastman Street in downtown Arlington Heights. This project will be completed in 2018 and consists of a mix of one, two, and three bedroom units, with 19 units being affordable units. While there are additional projects being proposed for development in and near the downtown area, there has been little rental development activity to date despite the vibrancy and desirability of Arlington Heights' downtown area.



Northwest Cook Suburban Rental Market Conditions

Integra Realty Resources – Chicago's database for the Cook County Northwest submarket consists of 25,711 dwelling units. 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 developed 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.

Median net rent per square foot as of 3Q2017 stands at \$1.50, a gain of 2.5 percent from a year ago. Rents in the Northwest Cook submarket are up 4.3 percent compared to the levels posted two years ago. One-bedrooms have a median rent of \$1,191 while two bedrooms have a median net rent of \$1,440. Occupancy dropped from 96.0 percent a year ago to the current level of 95.3 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 both persons with or without use of a car. There is a grocery store within walking distance. The Metra station is also within walking distance. There are numerous restaurants in downtown Arlington Heights. 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 too 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 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, and the 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 from persons who have a connection to Arlington Heights. It is also 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, 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 including Schaumburg, Wheeling and the North Shore communities of Glenview and Deerfield.

Sixteen properties comprising of 3,377 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. In addition, Parkview, a 45-unit apartment building, is currently under construction in downtown Arlington Heights at the southwest corner of Dunton Avenue and Eastman Street, and will be ready for occupancy in 2018.

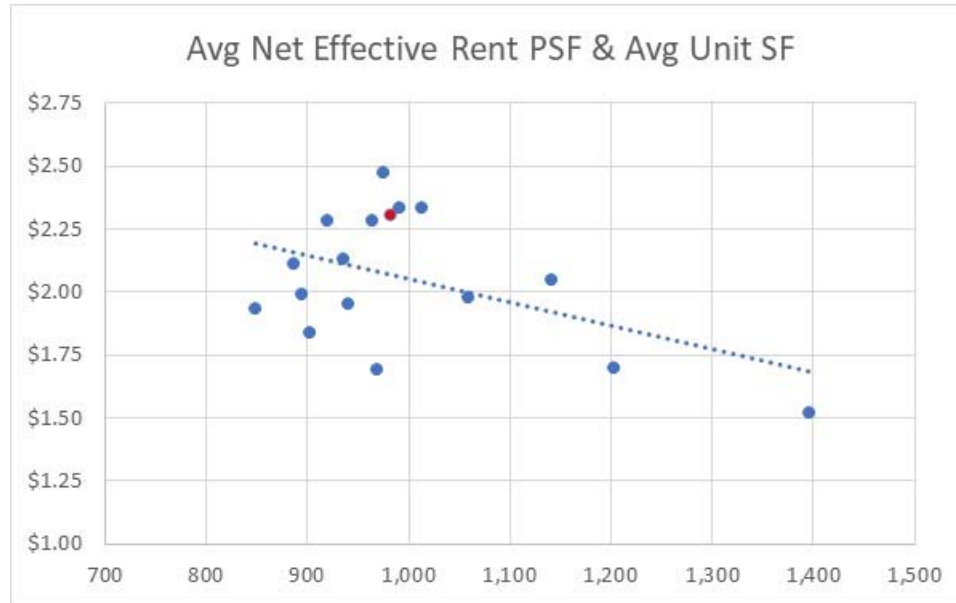
A summary of the data is presented below and on the following pages.

Apartment Competition Summary

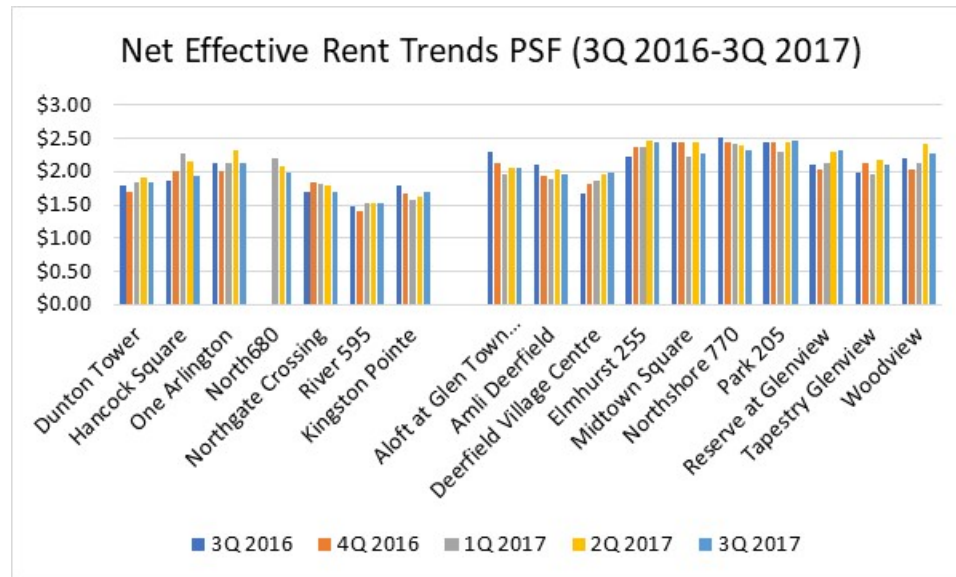
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| Name | Address | Suburb | Total Units | Class | Date Built | Avg Size (SF) | Quoted Rent PSF | Net Rent PSF | Garage Fee | Occup. |
|---------------------------|----------------------------|--------------------------|--------------|----------|-----------------|---------------|-----------------|--------------|---------------|-------------|
| Subject | 45 S. Chestnut | Arlington Heights | 80 | A | Proposed | 981 | | | | |
| Primary Data Set | | | | | | | | | | |
| Dunton Tower | 55 South Vail | Arlington Heights | 216 | B | 1986 | 902 | \$1.84 | \$1.84 | \$70 | 96.8% |
| Hancock Square | 200 North Arlington Hts Rd | Arlington Heights | 409 | B | 1988 | 849 | \$1.93 | \$1.93 | \$75 | 93.9% |
| One Arlington | 3400 W. Stonegate Blvd | Arlington Heights | 214 | A | 2014 | 936 | \$2.23 | \$2.13 | \$75 | 95.8% |
| North680 | 680 E. Algonquin Rd. | Schaumburg | 180 | A | 2017 | 894 | \$2.25 | \$1.99 | \$75 - \$120 | In lease-up |
| Tapestry Glenview | 2550 Waterview Dr | Glenview | 290 | A | 2014 | 887 | \$2.25 | \$2.11 | \$60 | 98.6% |
| Northgate Crossing | 250 Northgate Pkwy | Wheeling | 300 | A | 2016 | 969 | \$1.77 | \$1.69 | \$145 - \$175 | In lease-up |
| River 595 | 595 S. River Rd | Des Plaines | 60 | A | 2011 | 1,397 | \$1.65 | \$1.52 | \$65 | 90.0% |
| Kingston Pointe | 1646 River St | Des Plaines | 144 | A | 2009 | 1,203 | \$1.70 | \$1.70 | \$50 - \$100 | 93.1% |
| Total | | | 1,813 | | | | | | | |
| Secondary Data Set | | | | | | | | | | |
| Aloft at Glen Town Center | 1991 Tower Drive | Glenview | 181 | A | 2004 | 1,141 | \$2.05 | \$2.05 | \$75 - \$125 | 96.1% |
| Amlie Deerfield | 1525 Lake Cook Rd | Deerfield | 240 | A | 2015 | 941 | \$2.13 | \$1.95 | \$125 | 91.3% |
| Deerfield Village Centre | 625 Deerfield Road | Deerfield | 56 | A | 2000 | 1,059 | \$2.15 | \$1.98 | \$50 - \$75 | 96.4% |
| Midtown Square | 998 Church St | Glenview | 138 | A | 2014 | 920 | \$2.41 | \$2.28 | \$135 | 92.0% |
| Northshore 770 | 770 Skokie Blvd | Northbrook | 347 | A | 2016 | 992 | \$2.45 | \$2.33 | \$150 - \$220 | In lease-up |
| Park 205 | 205 W. Touhy | Park Ridge | 115 | A | 2015 | 975 | \$2.47 | \$2.47 | \$125 - \$200 | 94.8% |
| Reserve at Glenview | 195 N. Waukegan Rd | Glenview | 239 | A | 2015 | 1,013 | \$2.33 | \$2.33 | \$75 - \$125 | In lease-up |
| Woodview | 15 Parkway North Blvd | Deerfield | 248 | A | 2015 | 965 | \$2.28 | \$2.28 | \$75 - \$125 | 90.3% |
| Total | | | 1,564 | | | | | | | |





Subject's projected rents shown in red

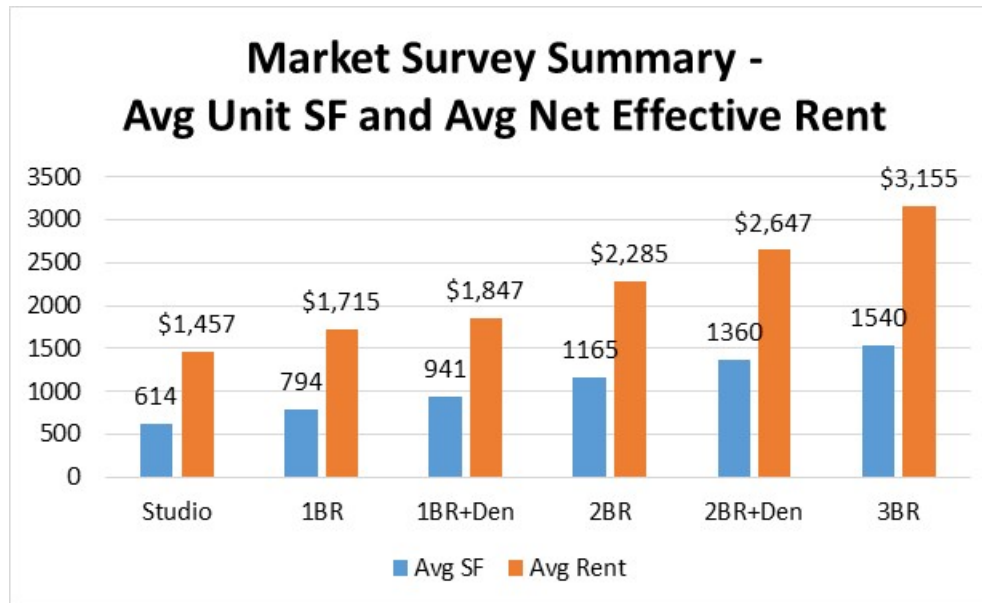


Sigwalt Apartments (Proposed Construction)



Apartment Competition Survey – By Unit Type

| Unit Type | No. Units | % | Avg SF | Quoted Rent | | Net Effective Rent | |
|--------------------|--------------|-------------|------------|----------------|---------------|--------------------|---------------|
| | | | | Per Unit | PSF | Per Unit | PSF |
| Studio/Convertible | 179 | 5% | 614 | \$1,535 | \$2.50 | \$1,457 | \$2.37 |
| One Bedroom | 1,490 | 44% | 794 | \$1,770 | \$2.23 | \$1,715 | \$2.16 |
| One Bedroom + Den | 291 | 9% | 941 | \$1,891 | \$2.01 | \$1,847 | \$1.96 |
| Two Bedroom | 1,228 | 36% | 1,165 | \$2,371 | \$2.03 | \$2,285 | \$1.96 |
| Two Bedroom + Den | 132 | 4% | 1,360 | \$2,846 | \$2.09 | \$2,647 | \$1.95 |
| Three Bedroom | 57 | 2% | 1,540 | \$3,172 | \$2.06 | \$3,155 | \$2.05 |
| Total/Avg | 3,377 | 100% | 967 | \$2,052 | \$2.12 | \$1,981 | \$2.05 |



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 as follows:

Developer Unit Mix and Unit Sizes

| Unit Type | No. Units | % | SF Range | Avg SF | Total SF |
|------------------|-----------|---------------|------------------|------------|---------------|
| 1BR | 35 | 43.8% | 745-828 | 771 | 26,997 |
| 2BR | 39 | 48.8% | 955-1,332 | 1,102 | 42,986 |
| 3BR | 6 | 7.5% | 1,383-1,438 | 1,411 | 8,463 |
| Total/Avg | 80 | 100.0% | 745-1,438 | 981 | 78,446 |

Based upon our review of the inventory in the market and how each building is performing, we conclude that the unit mix and the sizes for the subject development are appropriate considering its location. Its unit sizes fall within the range of the competing units and offer sizes which are generally well received by renters in the market.

The Subject Property - Unit Finishes and Amenities

The proposed 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. These finishes will include wood-style vinyl plank throughout the living areas and kitchen and porcelain tiles in the bathrooms. The units will have in-unit washer and dryer, and individually controlled heating and air conditioning. Each unit will also have a balcony, with several top floor units offering expansive terraces. The kitchens will have flat panel doors with Euro style pulls, stainless steel appliances, and quartz or granite countertops with full tile backsplash.

The Subject Property - Building Amenities

The common area amenities will be located on the second floor. The amenities will include a fitness center with yoga room, community room with a kitchen, and an outdoor deck with seating areas, grilling areas, and a pergola. These amenities are consistent with what are available at the competition and will be consistent with the expectations of tenants in the Class A apartment market, although on a smaller-scale due to the boutique nature of this 80-unit building. Amenity packages have become very important in the lease-up and tenant retention in existing properties and are a necessity for a luxury property aiming to achieve top market rents.

The Subject Property - Parking Amenity

The development will include a two level garage accommodating 120 cars, indicating a parking ratio of 1.5:1. Approximately 16 of these spaces will be tandem spaces accommodating 32 cars.

Our research regarding parking demand along with the KLOA study of parking facilities at recently developed suburban apartment properties indicates that subject's 1.5:1 parking ratio exceeds what is

typical in the market, particularly for suburban downtown locations. Given its downtown Arlington Heights location in close proximity to shopping, restaurants, and the Metra, it is anticipated that this parking ratio will be quite ample to meet the parking needs of the building's residents. 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, the developer's unit mix and average sizes, and a review of the market, we believe that the units will be marketable at this location at the rents shown below. These rents in current dollars reflect the desirable amenities of its location, the unit mix and finishes, and the building amenities planned.

| Unit Type | No. Units | % | SF Range | Avg SF | Total SF | Est. Rent | Rent PSF |
|------------------|------------------|---------------|------------------|---------------|-----------------|------------------|-----------------|
| 1BR | 35 | 43.8% | 745-828 | 771 | 26,997 | \$1,850 | \$2.40 |
| 2BR | 39 | 48.8% | 955-1,332 | 1,102 | 42,986 | \$2,500 | \$2.27 |
| 3BR | 6 | 7.5% | 1,383-1,438 | 1,411 | 8,463 | \$3,200 | \$2.27 |
| Total/Avg | 80 | 100.0% | 745-1,438 | 981 | 78,446 | \$2,268 | \$2.31 |

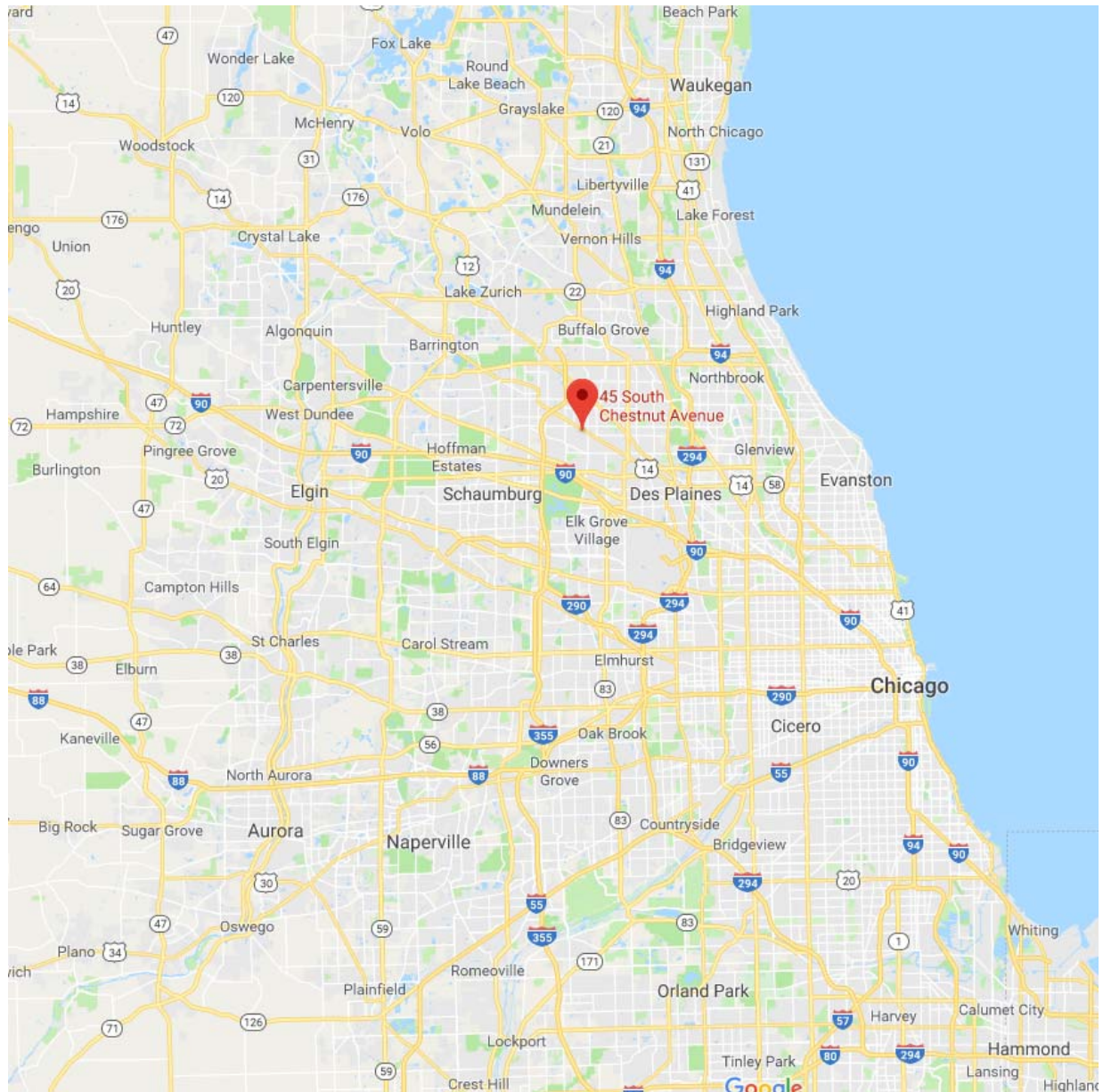
With the developer's unit mix, we have concluded that a net effective rent of \$2.31 PSF should be achievable in current dollars, with parking at \$75/space/month. We expect that rents will increase and have estimated an annual rate of about 2% per year, which would indicate rents of \$2.40 PSF in 2019 when the property is completed.

The Subject Property - Estimated Absorption

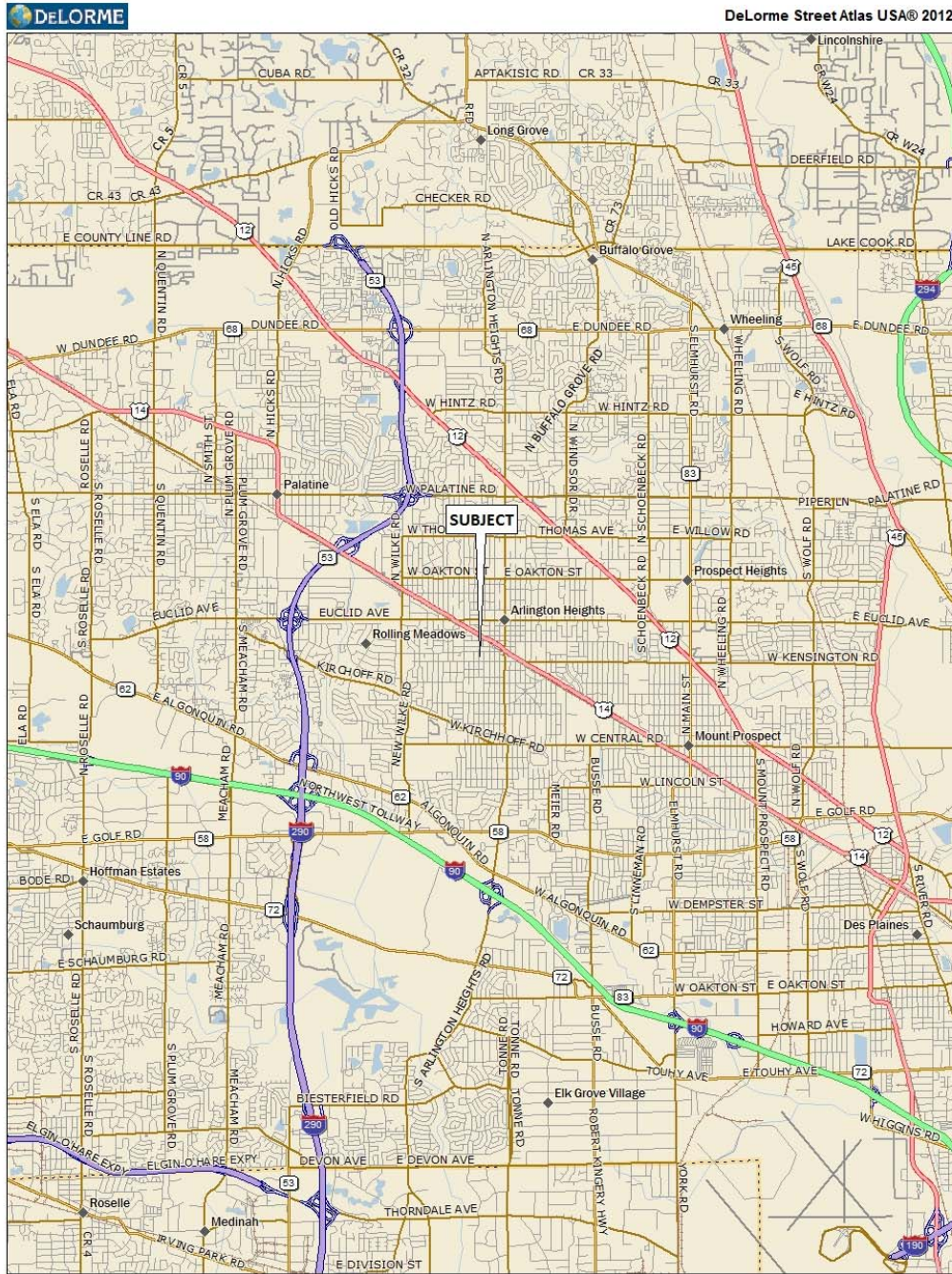
As is typical of lease-up programs, lease-up can occur with a large spurt of activity at the beginning of the program, particularly if it is timed for the spring and summer leasing season, with the pace slowing as the program continues.

The subject units will not be facing direct new construction competition when it opens in 2019. Overall, we are projecting a lease-up pace of approximately 10 to 12 units per month, achieving stabilized occupancy within approximately 6 to 8 months. Given the seasonal nature of leasing in buildings of this type, it will be important to time the occupancies in accordance with the spring and summer leasing season.

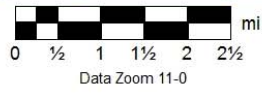
Surrounding Area Map



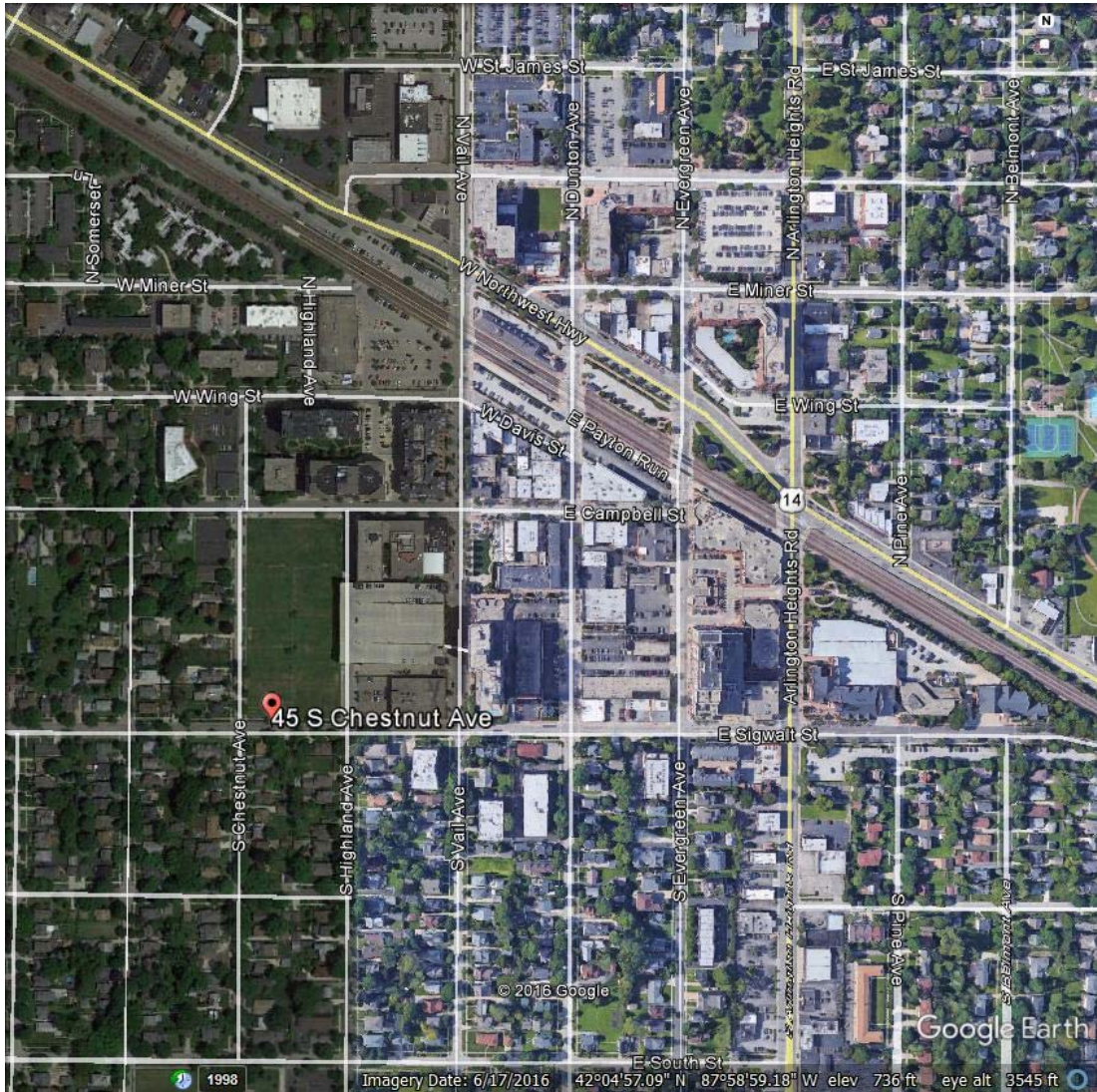
Location Map



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www.delorme.com



Aerial View of Site





View east from Chestnut (subject at right)
(Photo Taken on December 12, 2017)



View north from Sigwalt on Highland (subject at left)
(Photo Taken on December 12, 2017)



View of residential buildings on Campbell
(Photo Taken on December 12, 2017)



View of single family residences on Sigwalt
(Photo Taken on December 12, 2017)

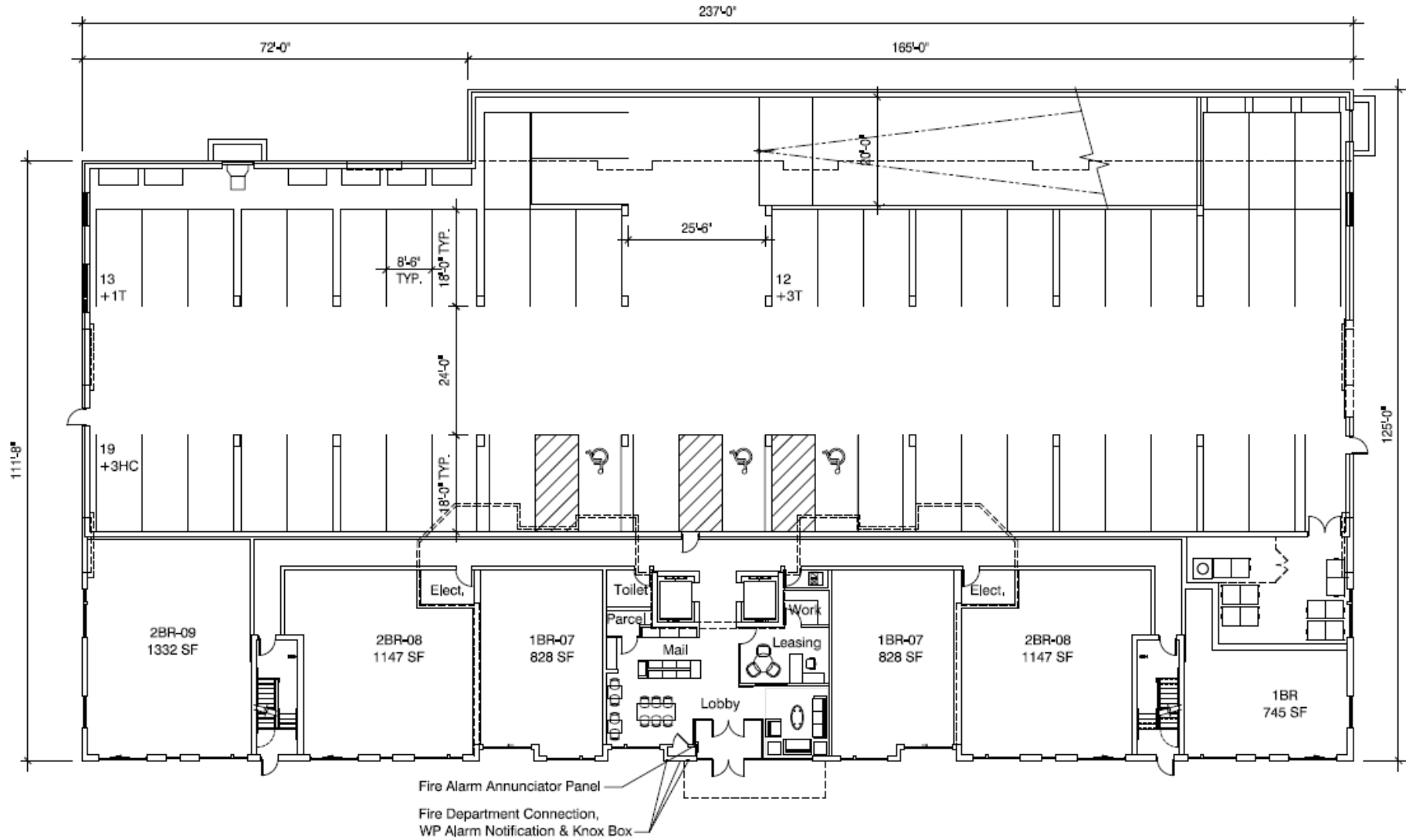


View of subject site and additional vacant site to north
(Photo Taken on December 12, 2017)

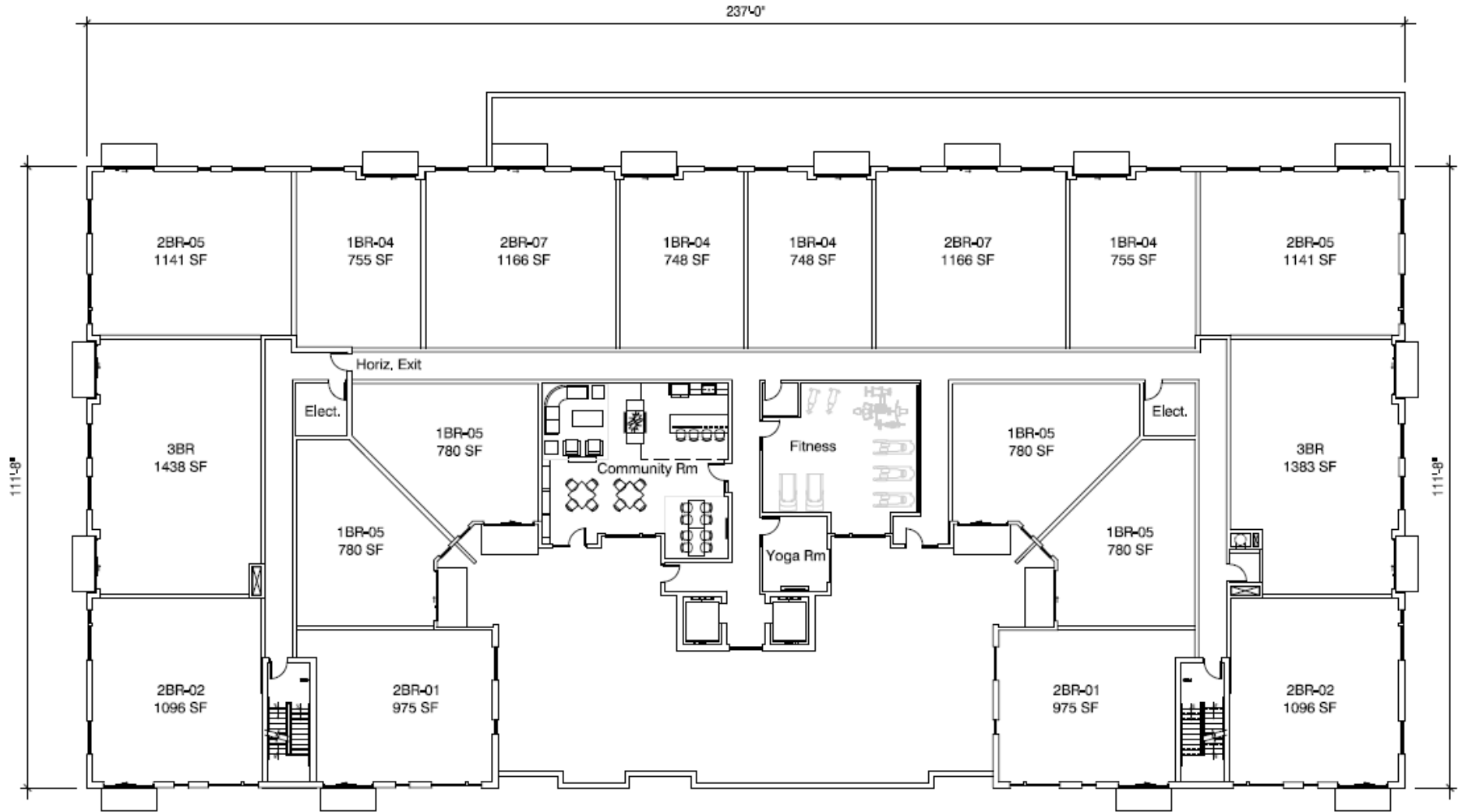


View from Sigwalt NW at subject towards Chestnut ***
(Photo Taken on December 12, 2017)

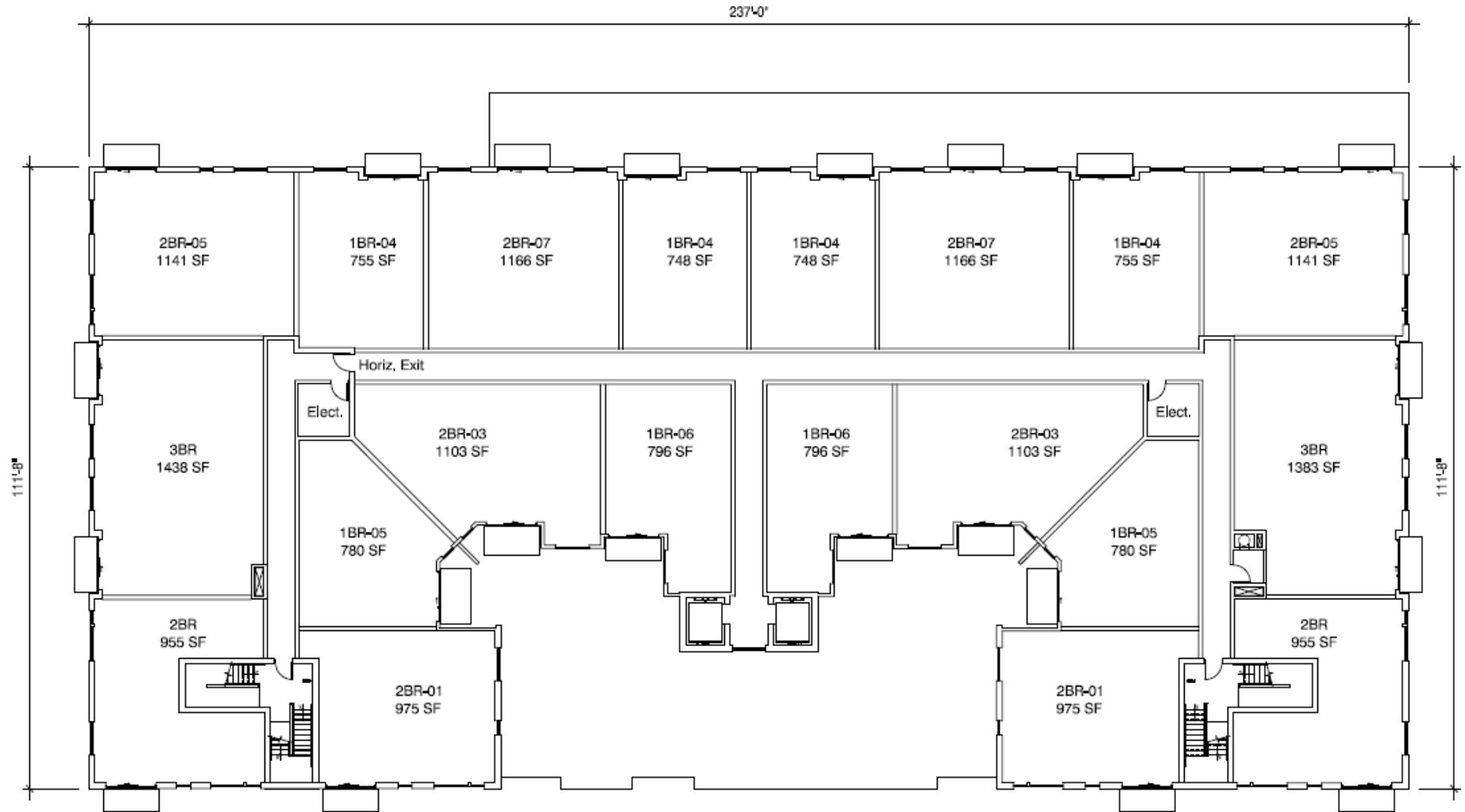
Floor Plan – First Floor (Architectural Drawings by HKM Architects-Planners, Inc.)



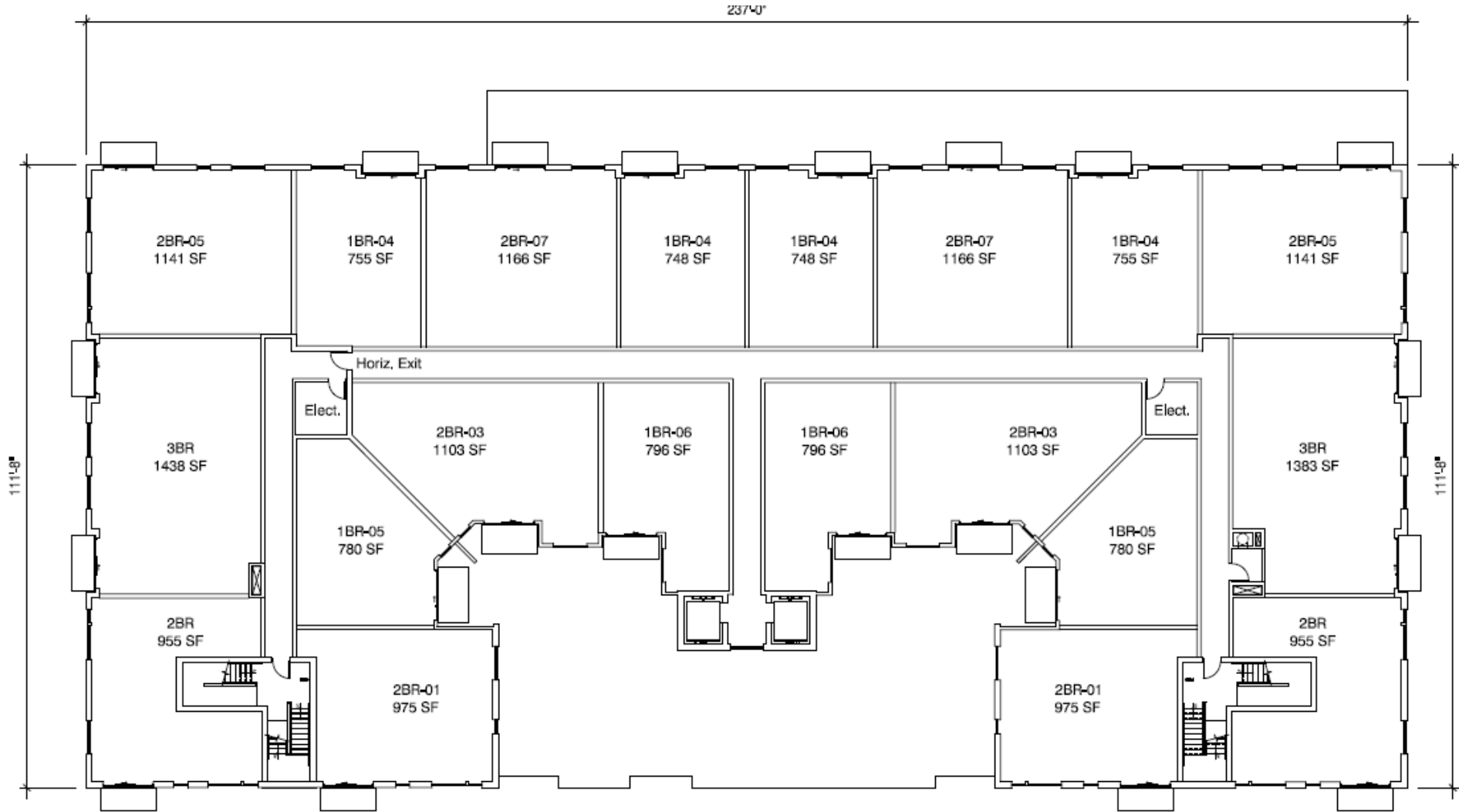
Floor Plan – Second Floor



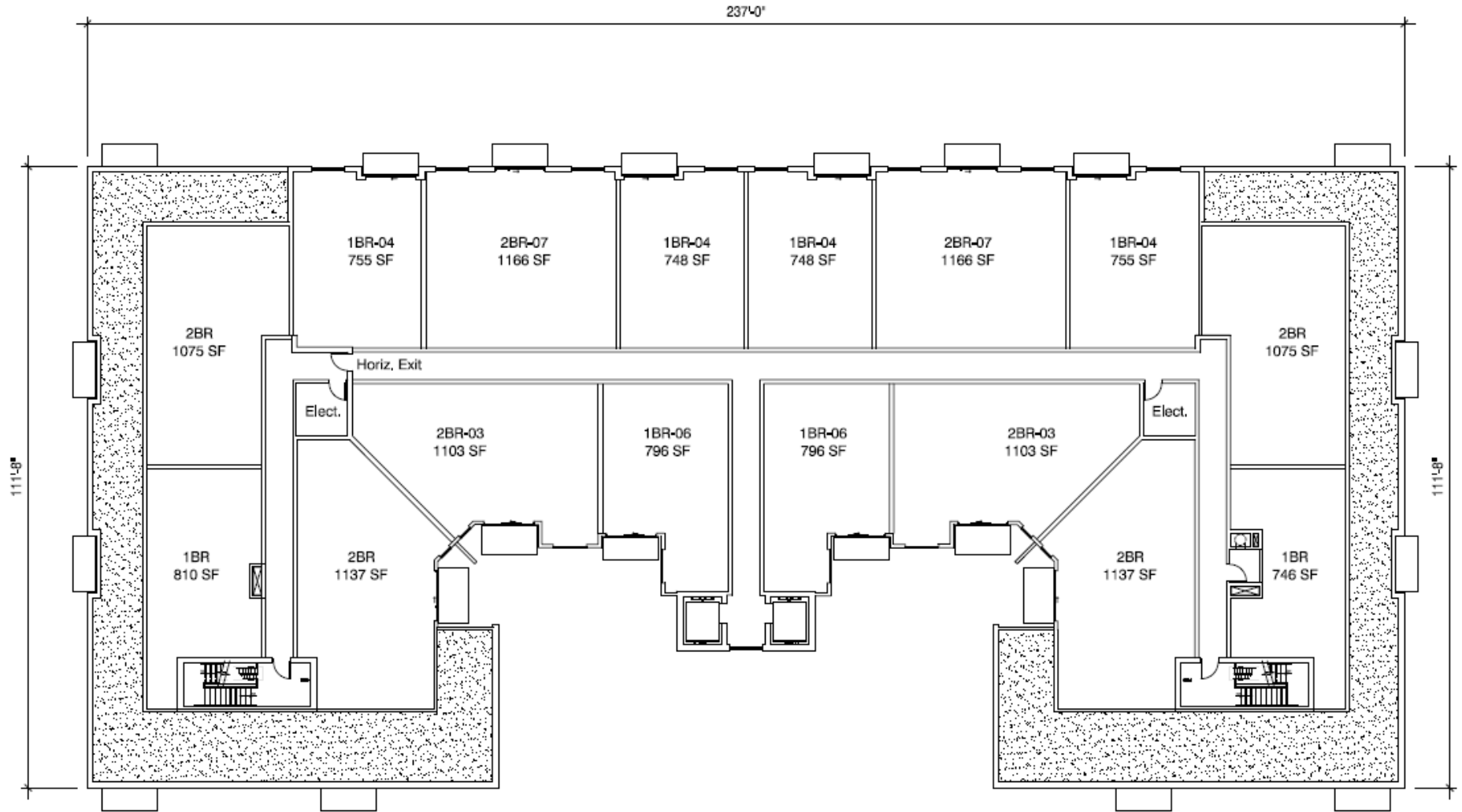
Floor Plan – Third Floor



Floor Plan – Fourth Floor



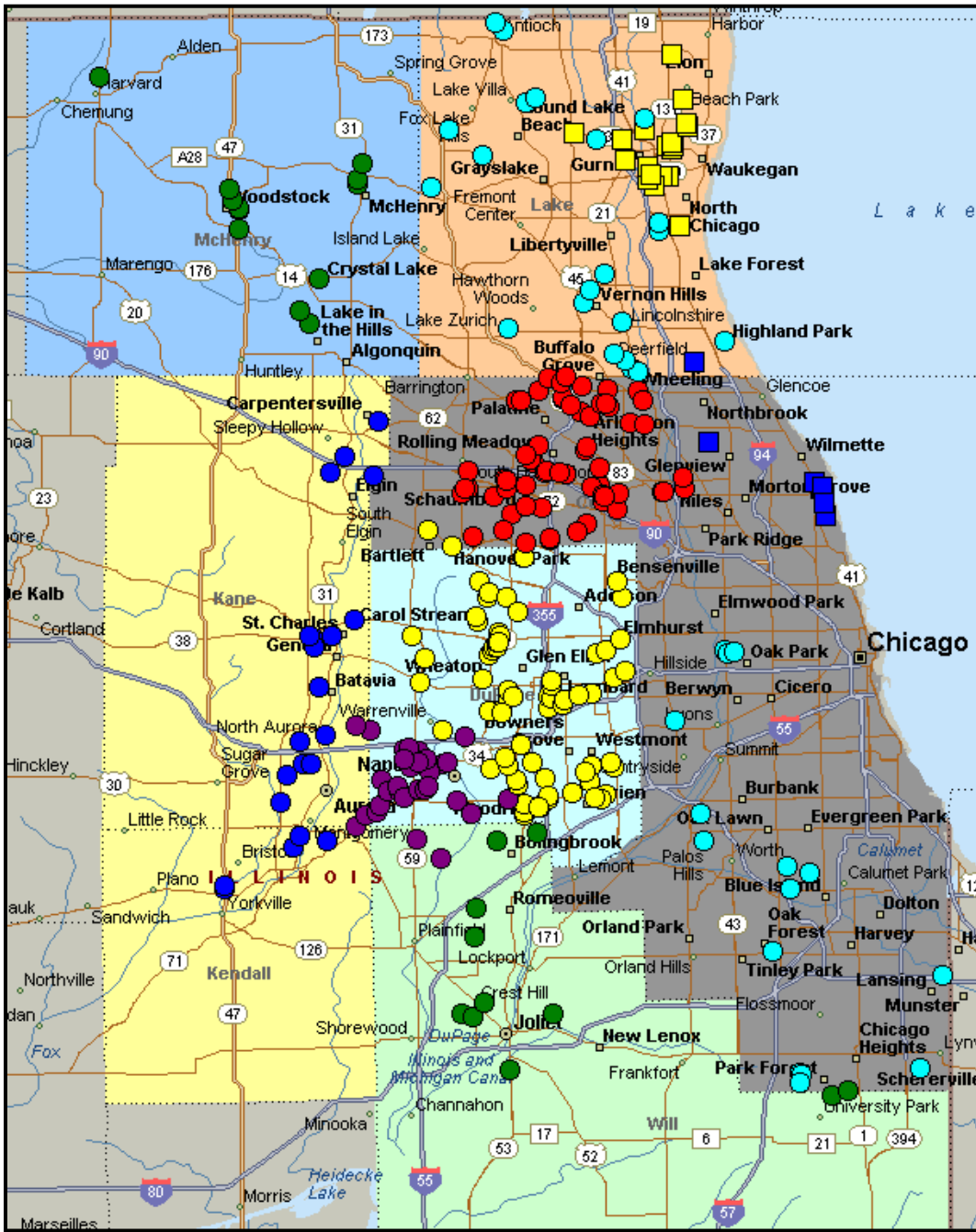
Floor Plan – Fifth Floor



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 over 95,000 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

As of 3Q 2017, median net rent per square foot is at \$1.45 which is up 4.5 percent from a year ago and accompanied by a drop in occupancy. One bedroom units have a median net rent of \$1,185 per month while two bedrooms are at \$1,487. Compared to two years ago, net rent growth has amounted to a positive 8.5 percent. We expect rent growth to continue trending upward in the near term for the overall suburban market due to demand fundamentals, occupancy levels and limited new supply in most markets.

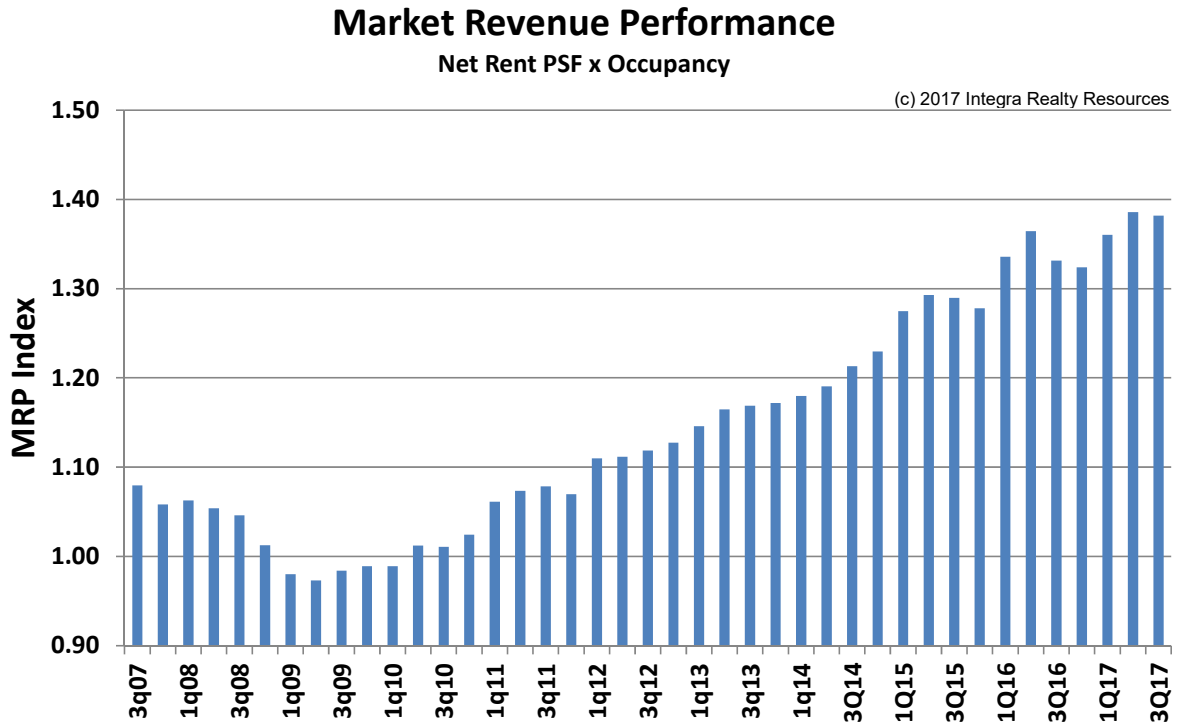
Concessions are a marketing tool used to react to current demand without the need for continually adjusting “market” rents. The percent of complexes offering concessions is over 20 which is fairly steady over the last several quarters. The amount of the concession, currently offered at just less than one month per lease year, has been flat over the past two years. Concessions are expected to remain in the market over the next year.

Occupancy

As of 3Q 2017, physical occupancy is at 95.4 percent for the entire market – down 700bps from a year ago and 120 bps from two years ago. At just 95+ percent occupancy, the suburban market overall is considered “full” indicating pricing will continue to escalate in spite of the modest amount of new supply being added. We expect occupancy to remain steady in the near term with owners continuing to push rents in spite of the downward trend in occupancy.

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/Projects 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).

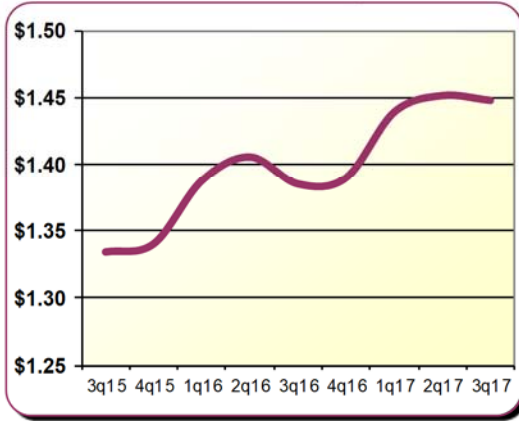
In response to the inability to add new product to the market, owners are undertaking renovation projects in order to capitalize on demand for higher end product. Renovations often include replacing cabinetry, counters, fixtures and floor coverings.



All Suburban Apartments - 3q17

Showing median trend lines

Net Rent PSF - \$1.45

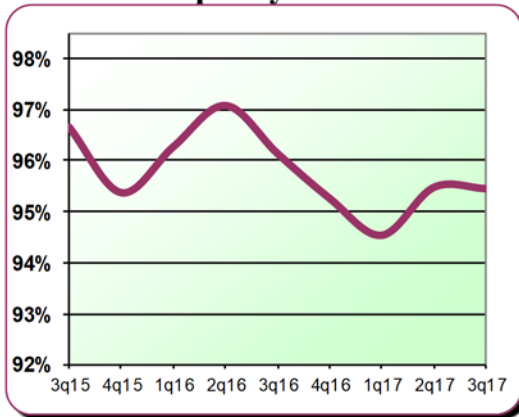


| | | | | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Median \$ | 133 | 134 | 139 | 141 | 138 | 139 | 144 | 145 | 145 |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Snapshot & Trends

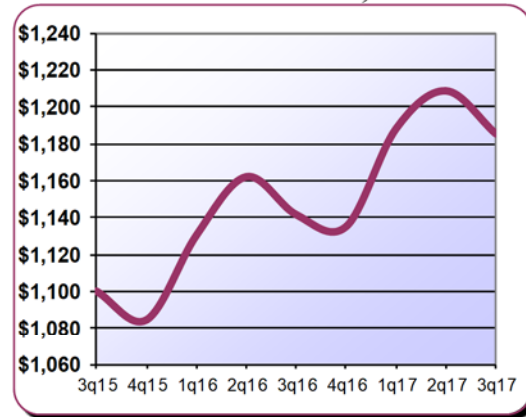
| Suburban Metro | |
|-------------------|-----------|
| Complexes | 317 |
| Units | 96,455 |
| SF/unit | 904 |
| Yr Built | 1985 |
| Net PSF | \$1.45 ↗ |
| Occupancy | 95.4% → |
| Pct W/concessions | 24.0% → |
| Concession Amt | 7.7% → |
| One Bdrm/Mo | \$1,185 → |
| Two Bdrm/Mo | \$1,407 ↗ |

Occupancy - 95.4%



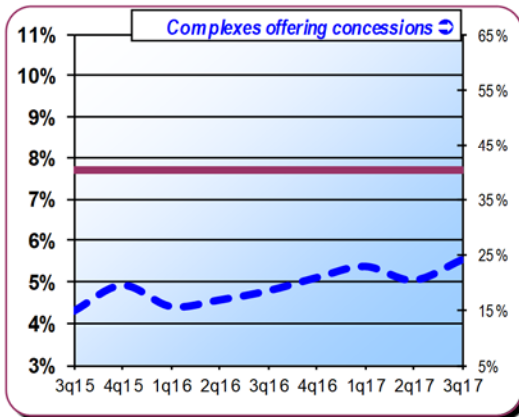
| | | | | | | | | | |
|----------|------|------|------|------|------|------|------|------|------|
| Median % | 96.7 | 95.4 | 96.3 | 97.1 | 96.1 | 95.3 | 94.5 | 95.5 | 95.4 |
|----------|------|------|------|------|------|------|------|------|------|

Net One Bdrm - \$1,185/mo



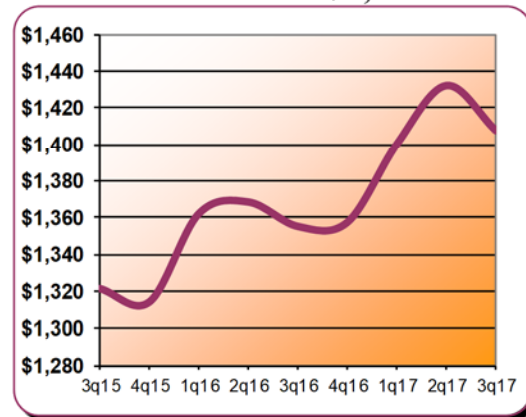
| | | | | | | | | | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Median \$ | 1,100 | 1,084 | 1,130 | 1,162 | 1,142 | 1,135 | 1,188 | 1,209 | 1,185 |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

Concessions - 7.7% when offered



| | | | | | | | | | |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Median % | 7.7 | 7.7 | 7.7 | 7.7 | 7.7 | 7.7 | 7.7 | 7.7 | 7.7 |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Net Two Bdrm - \$1,407/mo



| | | | | | | | | | |
|-----------|------|------|------|------|------|------|------|------|------|
| Median \$ | 1321 | 1314 | 1362 | 1368 | 1355 | 1357 | 1400 | 1432 | 1407 |
|-----------|------|------|------|------|------|------|------|------|------|



Performance by Property Class

The suburban survey dataset includes has the following characteristics:

| | Class A | Class B | Class C |
|----------------------|---------|---------|---------|
| Distribution (Units) | 25% | 35% | 40% |
| Median Year Build | 2006 | 1987 | 1972 |
| Median Unit Size | 975 | 884 | 839 |
| Average Complex Size | 257 | 342 | 311 |

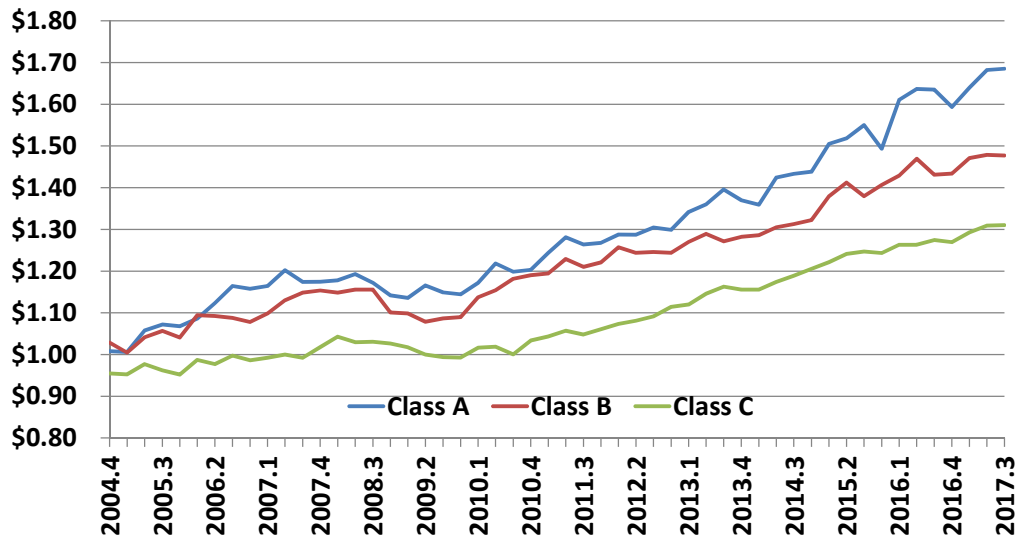
Property Classes are generally defined as follow:

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.

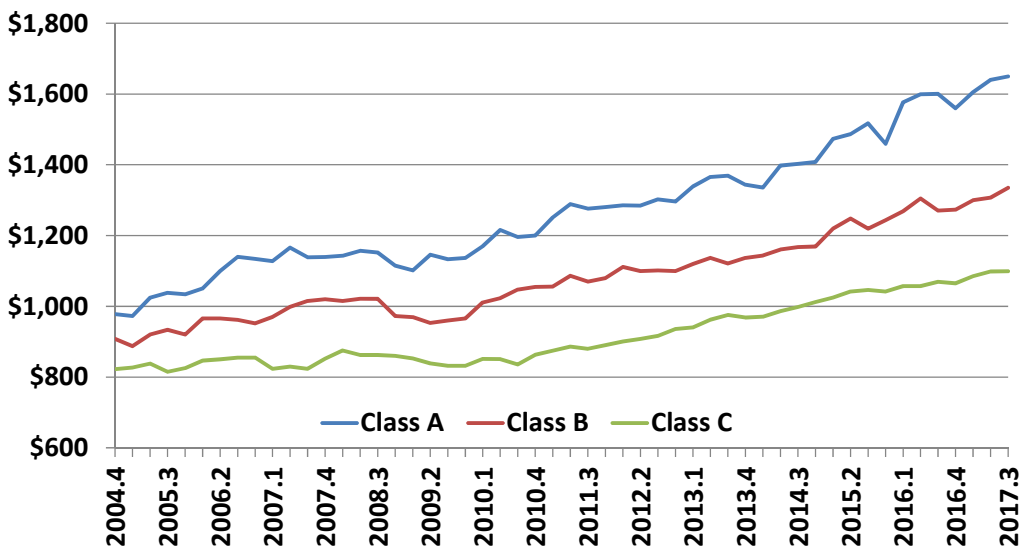
Class C -Typically constructed in the 1970s with limited renovations, if any. Units typically have older style floor plans (such as galley style, closed kitchens), average quality cabinetry and laminate counters. The complex may have a clubhouse and swimming pool but the quality is generally average. Laundry facilities are typically limited to a laundry room in the complex.

Net Rent PSF by Property Class



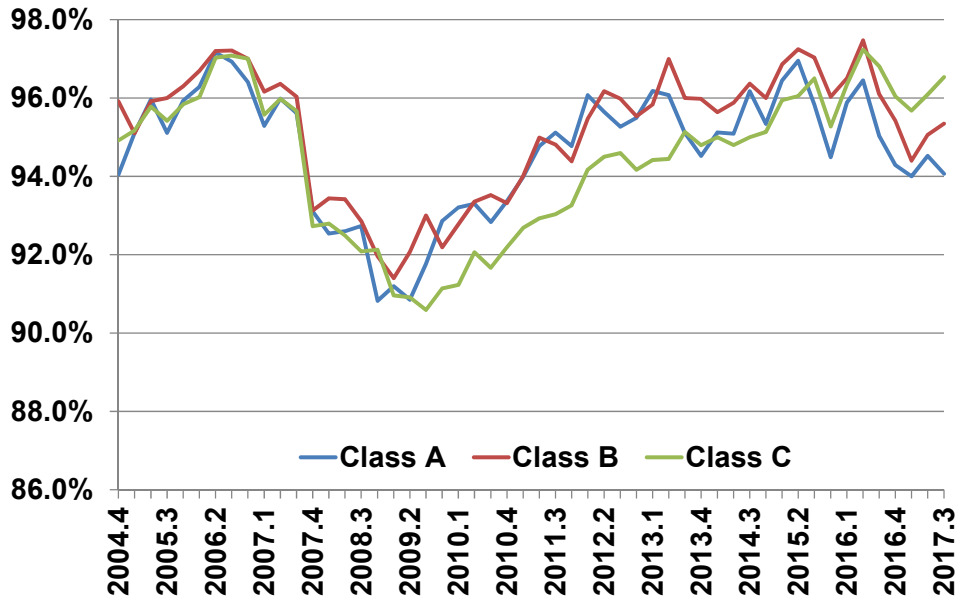
There was a clear bifurcation in performance by property class in 2010 with gains in net rent achieved primarily in the Class A and B markets while Class C properties lagged. The Class C market turned in 2011 with product gaining momentum primarily due to the rising cost of A and B product. On a year over year basis, rents psf increased 3.1%, 3.2% and 2.8% for A, B and C product respectively. The monthly “chunk” rent spread is shown below. Class A product chunk pricing averages a 23.6% premium over B and B product is 21.5% over C.

Monthly 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. Occupancy for all classes declined in 4Q15 in part due to seasonality of the rental market but strengthened in 1Q16. The 3Q16 numbers showed another dip in the market which continued into 1Q17. The trend reversed in 2Q17.

Occupancy by Property Class



Summary of Rent, Occupancy & Concession Trends by Submarket

The following trends by submarket are based on our quarterly survey of over 90,000 units. Detailed analysis of the data is contained within the submarket reports.

Net Rent PSF by Submarket

| Submarket | 3q13 | 4q13 | 1q14 | 2q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | Y/Y Chng | 2 Yr Chng |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|-----------|
| Cook NW | \$1.30 | \$1.31 | \$1.32 | \$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 | 2.5% | 4.3% |
| Cook South | \$1.17 | \$1.17 | \$1.17 | \$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 | 2.8% | 6.3% |
| DuPage | \$1.23 | \$1.23 | \$1.24 | \$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 | 1.2% | 5.9% |
| Kane/Kendall | \$1.16 | \$1.16 | \$1.15 | \$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 | 0.7% | 6.1% |
| Lake | \$1.30 | \$1.32 | \$1.31 | \$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 | 4.1% | 4.7% |
| McHenry | \$1.07 | \$1.01 | \$1.01 | \$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 | 0.3% | 6.1% |
| Naperville/Aurora | \$1.26 | \$1.26 | \$1.26 | \$1.28 | \$1.29 | \$1.30 | \$1.35 | \$1.35 | \$1.35 | \$1.38 | \$1.41 | \$1.44 | \$1.41 | \$1.43 | \$1.47 | \$1.47 | \$1.49 | 6.0% | 10.2% |
| North Shore | \$2.22 | \$2.11 | \$2.06 | \$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 | 1.7% | 6.3% |
| Waukegan/Gurnee | \$1.05 | \$1.06 | \$1.08 | \$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 | 3.7% | 8.3% |
| Will | \$1.16 | \$1.15 | \$1.14 | \$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 | 2.6% | 3.7% |
| All Suburban | \$1.23 | \$1.23 | \$1.24 | \$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 | 4.5% | 8.5% |

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

One Bedroom Median Rent by Submarket

| Submarket | 3q13 | 4q13 | 1q14 | 2q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | Y/Y Chng | 2 Yr Chng |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|-----------|
| Cook NW | \$1,016 | \$1,052 | \$1,035 | \$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 | 3.5% | 5.6% |
| Cook South | \$810 | \$830 | \$843 | \$877 | \$877 | \$872 | \$893 | \$908 | \$908 | \$919 | \$930 | \$1,010 | \$990 | \$955 | \$978 | \$1,006 | \$1,044 | 5.5% | 15.1% |
| DuPage | \$975 | \$975 | \$972 | \$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 | 2.2% | 8.4% |
| Kane/Kendall | \$863 | \$875 | \$879 | \$908 | \$908 | \$930 | \$908 | \$885 | \$885 | \$910 | \$967 | \$930 | \$942 | \$949 | \$1,000 | \$981 | \$981 | 4.2% | 10.9% |
| Lake | \$1,020 | \$1,043 | \$1,138 | \$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 | 5.3% | 9.7% |
| McHenry | \$829 | \$793 | \$813 | \$804 | \$794 | \$818 | \$831 | \$835 | \$835 | \$866 | \$877 | \$885 | \$885 | \$885 | \$884 | \$874 | \$890 | 0.6% | 6.6% |
| Naperville/Aurora | \$1,081 | \$1,077 | \$1,094 | \$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 | 6.4% | 9.7% |
| North Shore | \$1,750 | \$1,739 | \$1,754 | \$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 | 1.9% | 9.6% |
| Waukegan/Gurnee | \$763 | \$795 | \$840 | \$823 | \$843 | \$839 | \$854 | \$812 | \$825 | \$823 | \$820 | \$845 | \$812 | \$790 | \$798 | \$810 | \$825 | 1.6% | 0.0% |
| Will | \$900 | \$795 | \$803 | \$804 | \$887 | \$970 | \$935 | \$978 | \$993 | \$965 | \$1,015 | \$1,015 | \$1,035 | \$1,008 | \$1,050 | \$1,050 | \$1,050 | 1.4% | 5.6% |
| All Suburban | \$991 | \$998 | \$998 | \$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 | 3.8% | 7.8% |

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

Two Bedroom Median Rent by Submarket

| Submarket | 3q13 | 4q13 | 1q14 | 2q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | Y/Y Chng | 2 Yr Chng |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|-----------|
| Cook NW | \$1,255 | \$1,280 | \$1,271 | \$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 | 1.8% | 4.5% |
| Cook South | \$1,148 | \$1,148 | \$1,143 | \$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 | 5.8% | 9.6% |
| DuPage | \$1,260 | \$1,245 | \$1,228 | \$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 | 3.0% | 6.6% |
| Kane/Kendall | \$1,096 | \$1,075 | \$1,102 | \$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 | 7.3% | 7.0% |
| Lake | \$1,184 | \$1,206 | \$1,298 | \$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 | 6.2% | 4.3% |
| McHenry | \$956 | \$933 | \$963 | \$963 | \$963 | \$942 | \$958 | \$980 | \$980 | \$988 | \$1,010 | \$1,003 | \$990 | \$995 | \$1,010 | \$1,025 | \$1,038 | 4.8% | 5.9% |
| Naperville/Aurora | \$1,286 | \$1,281 | \$1,325 | \$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 | 5.9% | 7.7% |
| North Shore | \$2,529 | \$2,466 | \$2,560 | \$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 | 5.7% | 4.0% |
| Waukegan/Gurnee | \$918 | \$938 | \$968 | \$988 | \$1,007 | \$1,015 | \$988 | \$990 | \$988 | \$1,003 | \$1,008 | \$1,035 | \$1,040 | \$1,000 | \$1,030 | \$1,063 | \$1,084 | 4.2% | 9.7% |
| Will | \$1,029 | \$1,001 | \$1,051 | \$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 | 0.1% | 2.2% |
| All Suburban | \$1,214 | \$1,221 | \$1,225 | \$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 | 3.9% | 6.5% |

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

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Occupancy by Submarket

| Submarket | 3q13 | 4q13 | 1q14 | 2q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | Y/Y Chng | 2 Yr Chng |
|-------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|----------|-----------|
| Cook NW | 96.1 | 95.5 | 95.8 | 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 | -0.7% | -2.1% |
| Cook South | 93.0 | 93.8 | 94.5 | 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 | -0.6% | -0.2% |
| DuPage | 95.5 | 95.0 | 94.8 | 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 | -0.5% | -1.1% |
| Kane/Kendall | 93.9 | 93.8 | 95.0 | 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 | -0.3% | 0.2% |
| Lake | 95.1 | 97.6 | 97.7 | 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 | -1.6% | -2.7% |
| McHenry | 96.6 | 95.4 | 95.4 | 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 | 0.3% | 0.4% |
| Naperville/Aurora | 94.6 | 96.0 | 95.5 | 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 | -0.3% | -2.1% |
| North Shore | 96.4 | 94.1 | 94.6 | 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 | -1.7% | -2.4% |
| Waukegan/Gurnee | 96.5 | 95.5 | 96.4 | 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 | -0.9% | -0.2% |
| Will | 94.9 | 93.5 | 94.2 | 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 | 0.1% | 0.2% |
| All Suburban | 95.2 | 95.1 | 95.4 | 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 | -0.7% | -1.2% |

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

Concessions by Submarket

| Submarket | 3q13 | 4q13 | 1q14 | 2q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | Y/Y Chng |
|-------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|----------|
| Cook NW | 5.5 | 5.5 | 5.5 | 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 | 23.0% |
| Cook South | 4.2 | 8.3 | 8.0 | 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 | 0.0% |
| DuPage | 7.7 | 7.7 | 7.7 | 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 | 8.3% |
| Kane/Kendall | 5.0 | 7.7 | 7.7 | 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 | 25.0% |
| Lake | 8.3 | 8.3 | 8.3 | 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 | -25.3% |
| McHenry | 7.7 | 5.7 | 8.5 | 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 | n/a |
| Naperville/Aurora | 4.2 | 8.7 | 7.8 | 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 | -9.9% |
| North Shore | 4.5 | 6.4 | 4.8 | 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 | -9.8% |
| Waukegan/Gurnee | 4.3 | 8.3 | 8.3 | 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 | 37.8% |
| Will | 8.3 | 8.3 | 6.3 | 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 | -70.2% |
| All Suburban | 7.7 | 7.7 | 7.7 | 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 | 0.0% |

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

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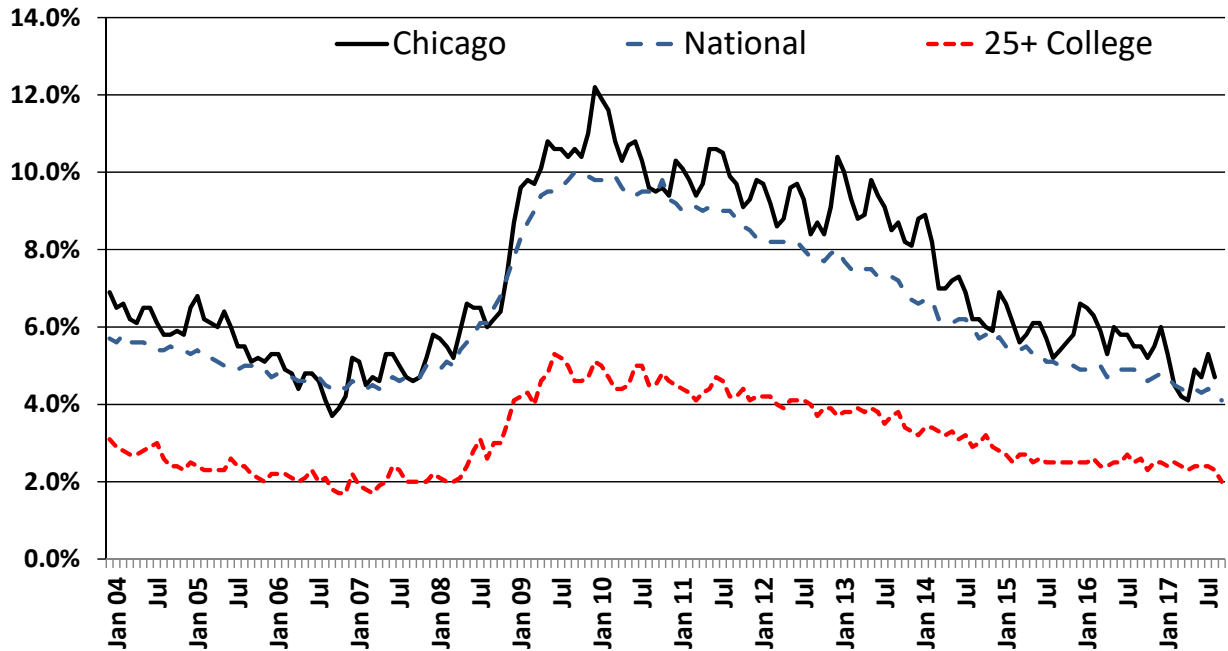


Demand Generators

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 4.7 percent (National, 4.2 percent) as of September 2017. The national unemployment rate for 25+ year olds with a bachelor’s degree is at 2.0 percent.

Chicago vs. National Unemployment Rate – BLS Data

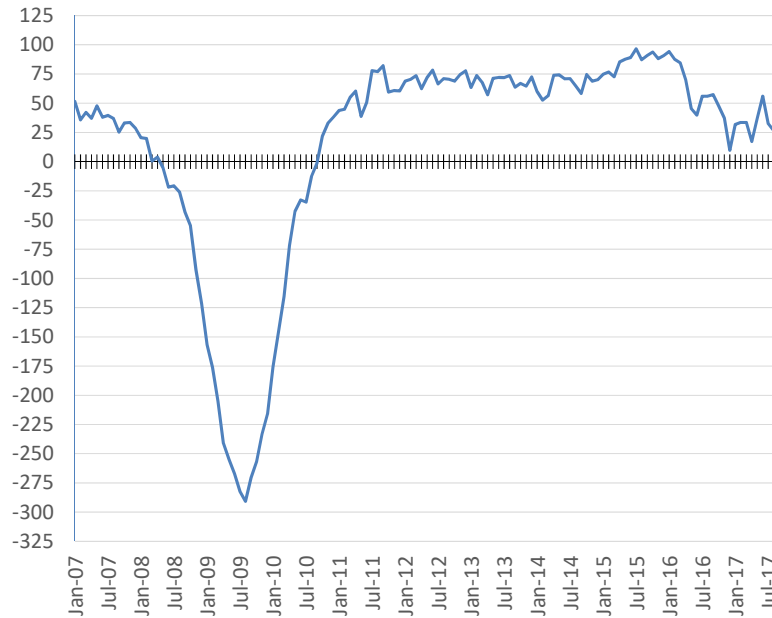


The Chicago market generated an annual average of 75,000 new jobs from 1992-2000 – a trough to peak period. Employment declined from 2000-2003 with peak post-recession employment achieved in 2007 which did not even match the 2000 employment level. The 2016 employment level of 4.684M finally eclipsed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



Year over Year Employment Growth – Chicago MSA



Chicago MSA Employment - Non Farm (000s)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 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 |
| 2008 | 4469.7 | 4467.3 | 4487.8 | 4533.2 | 4572.4 | 4588.8 | 4563.2 | 4558.4 | 4536.0 | 4533.5 | 4511.2 | 4480.1 |
| 2009 | 4313.0 | 4291.2 | 4282.8 | 4292.0 | 4317.4 | 4321.7 | 4280.8 | 4267.6 | 4265.5 | 4276.7 | 4278.1 | 4264.1 |
| 2010 | 4137.3 | 4146.0 | 4167.3 | 4220.2 | 4274.8 | 4288.9 | 4246.1 | 4255.1 | 4264.3 | 4298.8 | 4311.2 | 4302.4 |
| 2011 | 4181.1 | 4190.8 | 4222.3 | 4280.6 | 4313.5 | 4339.2 | 4324.0 | 4332.2 | 4346.4 | 4358.4 | 4372.1 | 4363.0 |
| 2012 | 4250.0 | 4261.2 | 4295.8 | 4343.1 | 4385.5 | 4417.5 | 4390.6 | 4403.3 | 4416.8 | 4427.2 | 4446.6 | 4440.7 |
| 2013 | 4313.5 | 4334.9 | 4363.7 | 4400.3 | 4456.8 | 4489.6 | 4462.5 | 4477.0 | 4480.6 | 4494.1 | 4511.3 | 4513.2 |
| 2014 | 4373.4 | 4387.6 | 4420.1 | 4474.2 | 4531.1 | 4560.5 | 4533.6 | 4541.8 | 4539.0 | 4568.6 | 4580.2 | 4583.4 |
| 2015 | 4448.2 | 4464.3 | 4492.7 | 4559.6 | 4618.8 | 4649.6 | 4630.1 | 4629.1 | 4629.9 | 4662.4 | 4668.3 | 4674.1 |
| 2016 | 4542.4 | 4551.8 | 4577.2 | 4629.7 | 4664.3 | 4689.5 | 4686.1 | 4685.1 | 4687.2 | 4710.1 | 4705.6 | 4683.8 |
| 2017 | 4574.2 | 4585.4 | 4610.8 | 4647.0 | 4701.4 | 4745.6 | 4718.7 | 4711.5 | 4698.5 | | | |

Revised BLS numbers indicate a deceleration in employment growth as follows:

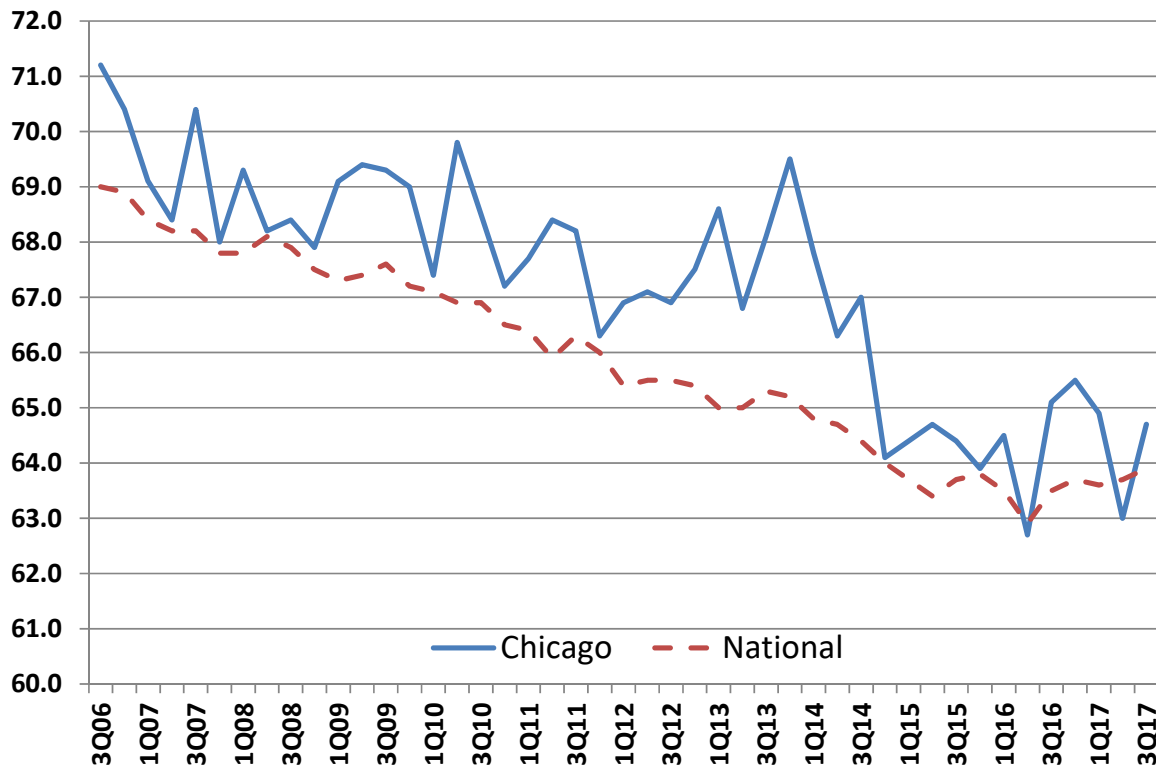
| Employment Change | |
|-------------------|---------------|
| Year | Annual Change |
| 2007 | 37,425 |
| 2008 | (28,442) |
| 2009 | (237,558) |
| 2010 | (44,875) |
| 2011 | 59,267 |
| 2012 | 71,225 |
| 2013 | 68,267 |
| 2014 | 66,333 |
| 2015 | 86,133 |
| 2016 | 57,142 |



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. Nationally, the rate continues to show a decline but with an upward bump in 3Q16. 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 – NW Apartment Submarket Overview

Market area defined

The Cook County Northwest submarket 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.

Rent Trends & Concessions

As of 3Q 2017, median net rent per square foot currently stands at \$1.50 – a gain of 2.5 percent from a year ago. Rents in the Northwest Cook submarket are up 4.3 percent compared to the levels posted two years ago. One-bedrooms have a median rent of \$1,191 while two bedrooms have a median net rent of \$1,440.

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

Occupancy

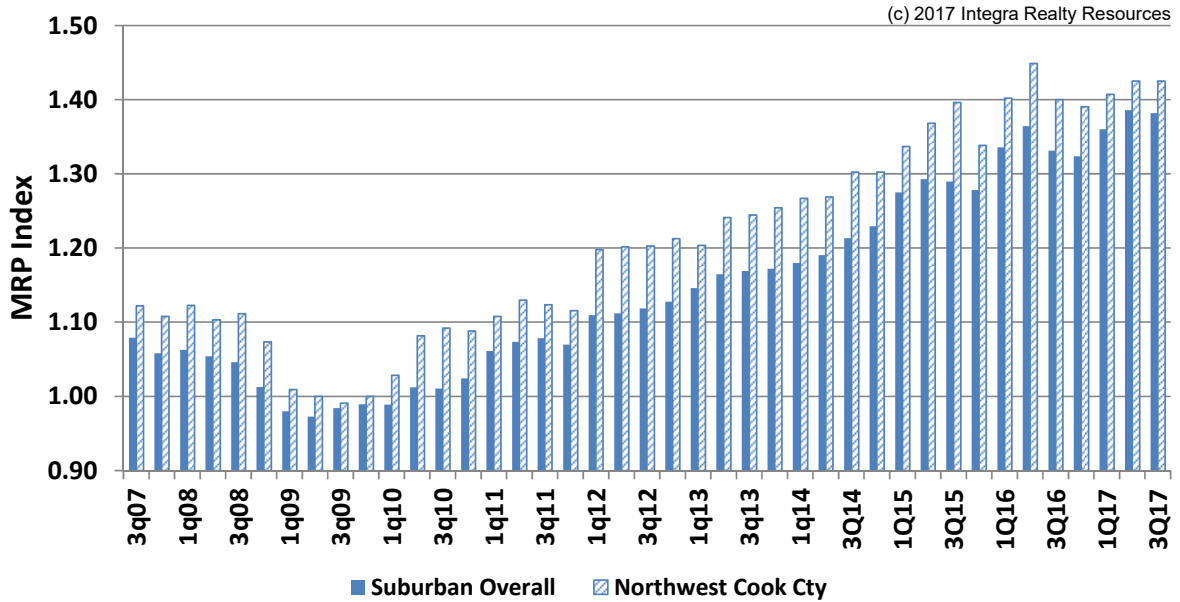
Occupancy dropped from 96.0 percent a year ago to the current level of 95.3 percent. The submarket remains relatively “full” with pricing therefore expected to remain stable.

Market Revenue Performance

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

Market Revenue Performance

Net Rent PSF x Occupancy



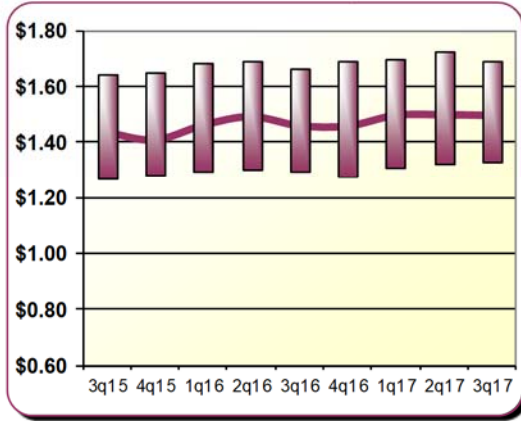
The Northwest Cook submarket has been tracking consistent with the overall suburban market. Performance leveled off in the second half of 2011 until the significant gain in 1Q12 and then in 2Q13 which has held, albeit with a modest decline in 4Q15. The 1Q16 results put the submarket “back on trend” with a pullback in the last half of 2016.



Cook County-Northwest Apartments - 3q17

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

Net Rent PSF - \$1.50

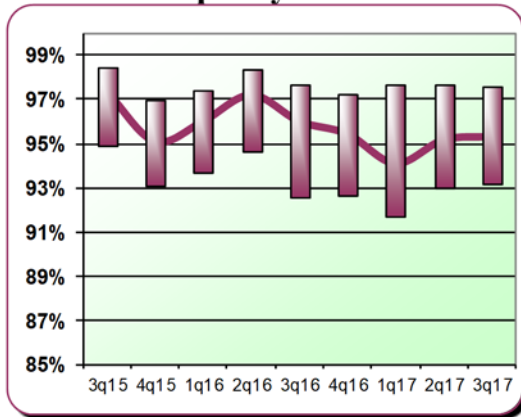


| | | | | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Median \$ | 143 | 141 | 146 | 149 | 146 | 146 | 150 | 150 | 150 |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Snapshot & Trends

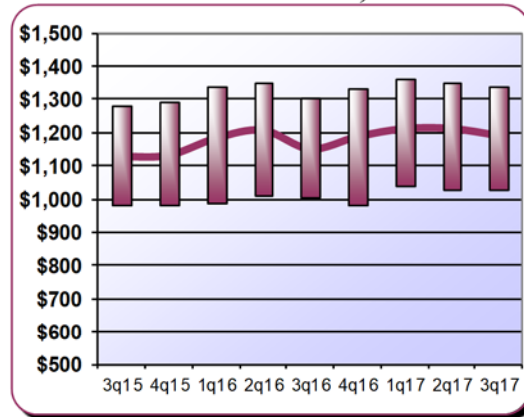
| Cook Cnty NW | | Suburban Metro | |
|--------------|-------------------|----------------|---|
| 66 | Complexes | 317 | |
| 25,711 | Units | 96,455 | |
| 877 | SF/unit | 904 | |
| 1975 | Yr Built | 1985 | |
| \$1.50 → | Net PSF | \$1.45 | ↗ |
| 95.3% → | Occupancy | 95.4% | → |
| 28.8% → | Pct W/concessions | 24.0% | → |
| 7.7% → | Concession Amt | 7.7% | → |
| \$1,191 → | One Bdrm/Mo | \$1,185 | → |
| \$1,400 → | Two Bdrm/Mo | \$1,407 | ↗ |

Occupancy - 95.3%



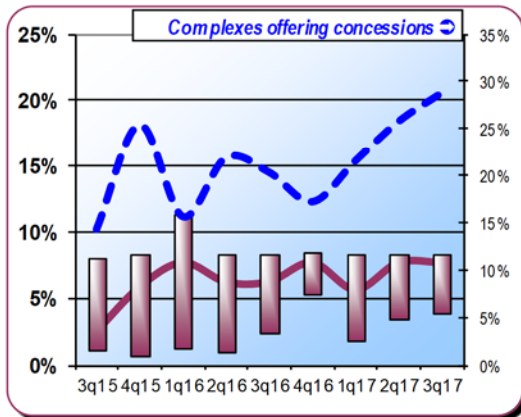
| | | | | | | | | | |
|----------|------|------|------|------|------|------|------|------|------|
| Median % | 97.3 | 95.1 | 96.0 | 97.2 | 96.0 | 95.4 | 94.1 | 95.2 | 95.3 |
|----------|------|------|------|------|------|------|------|------|------|

Net One Bdrm - \$1,191/mo



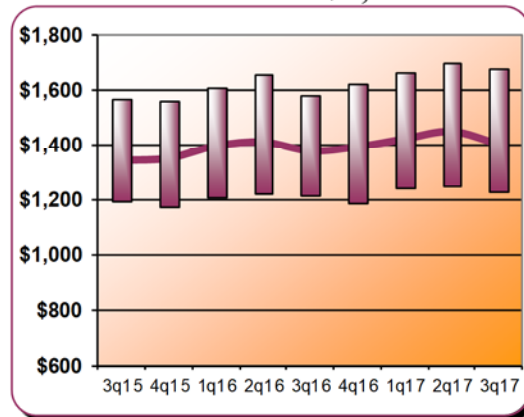
| | | | | | | | | | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Median \$ | 1,127 | 1,131 | 1,183 | 1,207 | 1,150 | 1,187 | 1,211 | 1,212 | 1,191 |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

Concessions - 7.7% when offered



| | | | | | | | | | |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Median % | 2.5 | 5.9 | 7.7 | 6.2 | 6.3 | 7.7 | 5.6 | 7.7 | 7.7 |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Net Two Bdrm - \$1,400/mo



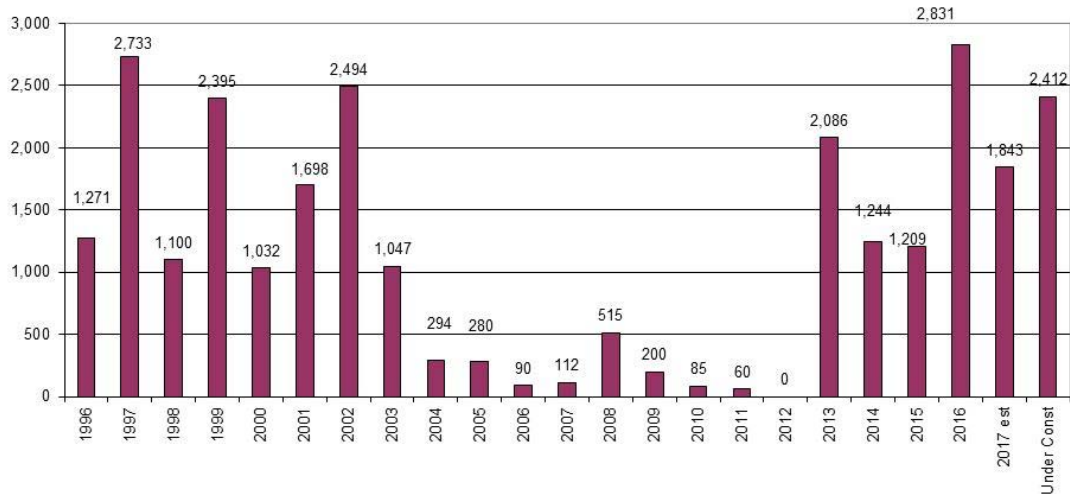
| | | | | | | | | | |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Median \$ | 1,340 | 1,348 | 1,394 | 1,408 | 1,375 | 1,390 | 1,419 | 1,446 | 1,400 |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|



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 2,400 unit which are currently under construction.

Suburban Chicago Apartment Deliveries: 1996-2018

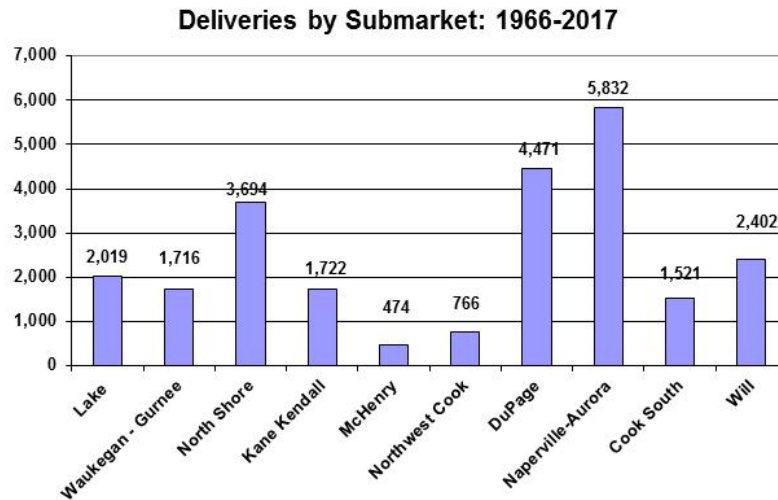


While there was a large amount of development activity which occurred in the late 1990s, there was virtually no rental apartment development activity between 2004 and 2012. There has been a surge of new development activity since 2013, with the deliveries in 2016 actually the peak of the market. However, it should be noted that suburban projects often comprise multiple buildings which are delivered over time, so some of the buildings in the 2016 projects did not actually get completed until 2017.

Deliveries by Submarket

Most of the construction that has occurred since 1996 has been in DuPage County – specifically, the Aurora- Naperville submarket. Following is a delivery distribution by submarket for the developments which will have delivered through 2017, excluding the 2018 deliveries.





More recently, the North Shore submarket has seen a large 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 prevalent in the market.

The remaining submarkets have added relatively few units. Of particular note is the small amount of new development activity which has occurred in the Northwest Cook submarket. This market has a high concentration of Class B and C buildings with pent up demand for Class A product.

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.

On the following page is a summary of projects which are currently under construction or being proposed for development in the Northwest Cook market.



Suburban Cook Northwest

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Under Construction / Planning

| Property | Submarket | City | Developer | Status | Units |
|---|-----------------|-------------------|-----------------------|--------------|---------|
| Northwest Cook County | | | | | |
| Wheeling Town Center/Dundee & Northgate | Cook NW | Wheeling | Urban R2 | Construction | 301 |
| Uptown 501/501 W Dundee | Cook NW | Wheeling | DAC/Atlas | Planning | 265 |
| Bryn Mawr/Delphia/O'Hare | Cook NW/Chicago | Chicago | TBD | Planning | 200/194 |
| Marriott/Host site/8535 W Higgins | Chicago | Chicago | Glenstar | Planning | 299 |
| The Delamore/E of Barrington Rd S of Golf | Cook NW | Hoffman Estates | Vintage Design & Dev | Planning | 600 |
| 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 | Planning | 108 |
| Covington Lexington Woods/Golf & E River Rd | Cook NW | Des Plaines | Lexington | Planning | 236 |
| Plum Farms/NWC Rts 59 & 72 | Cook NW | Hoffman Estates | Iatarola/Urban Street | Planning | 253 |
| NWC Lake & Church | Cook NW | Hanover Park | Monroe Residential | Planning | 127 |
| Sigwalt St Apts/Sigwalt, Highland, Chestnut | Cook NW | Arlington Heights | CA Ventures | Planning | 80 |
| Arlington Downs - multiple phases | Cook NW | Arlington Heights | Springbank/Trandel | Planning | 443 |
| Northwest Hwy & Walnut | Cook NW | Arlington Heights | Brian Properties | Planning | 106 |
| Confidential | Cook NW | Confidential | Confidential | Planning | 200+/- |
| Confidential | Cook NW | Confidential | Confidential | Planning | 150 |

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 for the suburbs comprising the Chicago Metropolitan Area. 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.

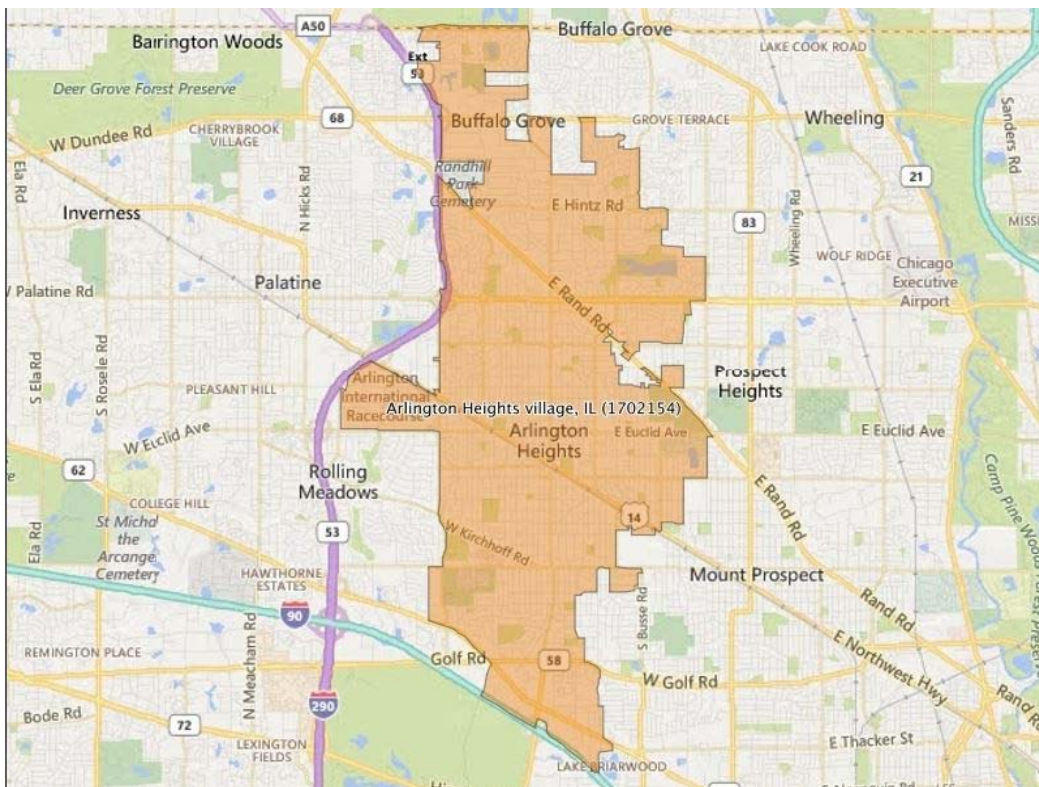
Difficulties remain however in securing large enough sites suitable for development and obtaining the necessary zoning approvals considering general community opposition to rental development. As shown, these factors are contributing to a shift in development to more high-density sites – potentially 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 activity.

Demographic Trends – 2017 Statistics

The following is Claritas data from the Nielsen Company for the demographics of the residents located in Arlington Heights. This includes information relating to the 2000 U.S. Census and 2017 estimates (based upon the 2010 census).

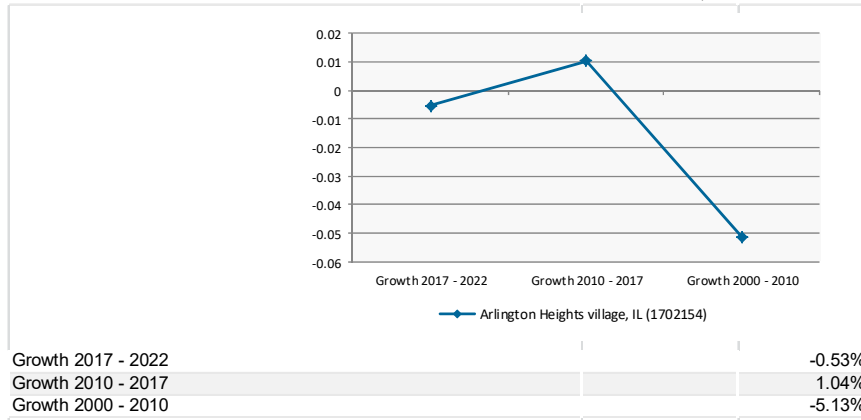
We fully recognize that while the demographics provide insights on the existing population, demand for the subject units will come from both the immediate market area and from outside this market area.

Boundary Map



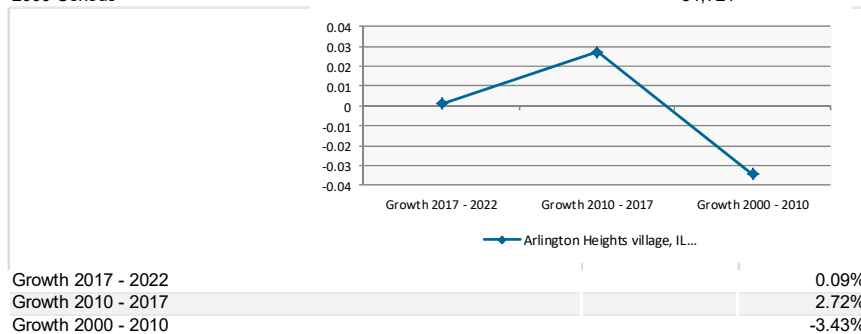
Demographics: Arlington Heights

| Description | Arlington Heights village, IL (1702154) | |
|-------------------|---|---|
| | Total | % |
| Population | | |
| 2022 Projection | 75,477 | |
| 2017 Estimate | 75,881 | |
| 2010 Census | 75,101 | |
| 2000 Census | 79,163 | |

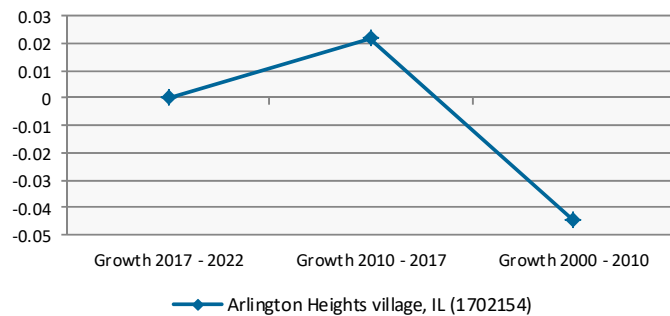


| 2017 Est. Population by Age | Total | % |
|------------------------------------|---------------|--------|
| 2017 Est. Population by Age | 75,881 | |
| Age 0 - 4 | 4,084 | 5.38% |
| Age 5 - 9 | 4,181 | 5.51% |
| Age 10 - 14 | 4,514 | 5.95% |
| Age 15 - 17 | 2,841 | 3.74% |
| Age 18 - 20 | 2,586 | 3.41% |
| Age 21 - 24 | 3,486 | 4.59% |
| Age 25 - 34 | 8,239 | 10.86% |
| Age 35 - 44 | 8,945 | 11.79% |
| Age 45 - 54 | 10,983 | 14.47% |
| Age 55 - 64 | 11,438 | 15.07% |
| Age 65 - 74 | 7,640 | 10.07% |
| Age 75 - 84 | 4,366 | 5.75% |
| Age 85 and over | 2,578 | 3.40% |
| Age 16 and over | 62,165 | 81.92% |
| Age 18 and over | 60,261 | 79.42% |
| Age 21 and over | 57,675 | 76.01% |
| Age 65 and over | 14,584 | 19.22% |
| 2017 Est. Median Age | 44.0 | |
| 2017 Est. Average Age | 42.5 | |

| Households | Total |
|-----------------|--------|
| 2022 Projection | 31,495 |
| 2017 Estimate | 31,466 |
| 2010 Census | 30,633 |
| 2000 Census | 31,721 |



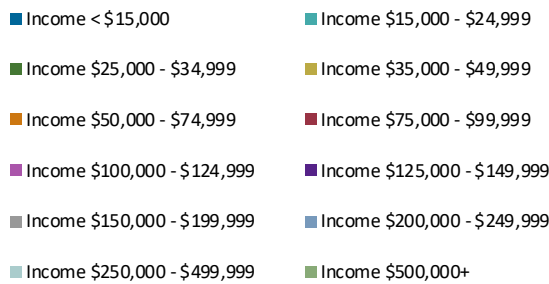
| Description | Arlington Heights village, IL (1702154) | |
|--------------------------|---|---|
| | Total | % |
| Family Households | | |
| 2022 Projection | 20,819 | |
| 2017 Estimate | 20,816 | |
| 2010 Census | 20,373 | |
| 2000 Census | 21,324 | |



| | |
|--------------------|--------|
| Growth 2017 - 2022 | 0.01% |
| Growth 2010 - 2017 | 2.17% |
| Growth 2000 - 2010 | -4.46% |

| | | |
|---|---------------|--------|
| 2017 Est. Households by Household Type | 31,466 | |
| Family Households | 20,816 | 66.15% |
| Nonfamily Households | 10,650 | 33.85% |
| 2017 Est. Group Quarters Population | 713 | |

2017 Est. Households by Household Income **31,466**



| | | |
|------------------------------------|-----------|--------|
| Income < \$15,000 | 1,791 | 5.69% |
| Income \$15,000 - \$24,999 | 1,932 | 6.14% |
| Income \$25,000 - \$34,999 | 2,041 | 6.49% |
| Income \$35,000 - \$49,999 | 3,166 | 10.06% |
| Income \$50,000 - \$74,999 | 5,153 | 16.38% |
| Income \$75,000 - \$99,999 | 4,279 | 13.60% |
| Income \$100,000 - \$124,999 | 3,343 | 10.62% |
| Income \$125,000 - \$149,999 | 2,496 | 7.93% |
| Income \$150,000 - \$199,999 | 3,278 | 10.42% |
| Income \$200,000 - \$249,999 | 1,612 | 5.12% |
| Income \$250,000 - \$499,999 | 1,785 | 5.67% |
| Income \$500,000+ | 590 | 1.88% |
| 2017 Est. Average Household Income | \$112,734 | |
| 2017 Est. Median Household Income | \$84,640 | |



| | | Arlington Heights village, IL (1702154) | |
|---|--------|--|---|
| Description | | Total | % |
| 2017 Est. Households by Household Size | | 31,466 | |
| | | | |
| 1-person | 9,581 | 30.45% | |
| 2-person | 10,180 | 32.35% | |
| 3-person | 4,846 | 15.40% | |
| 4-person | 4,465 | 14.19% | |
| 5-person | 1,751 | 5.56% | |
| 6-person | 504 | 1.60% | |
| 7-or-more-person | 139 | 0.44% | |
| 2017 Est. Average Household Size | | 2.39 | |
| 2017 Est. Households by Number of Vehicles | | 31,466 | |
| No Vehicles | 1,881 | 5.98% | |
| 1 Vehicle | 10,315 | 32.78% | |
| 2 Vehicles | 14,385 | 45.72% | |
| 3 Vehicles | 3,750 | 11.92% | |
| 4 Vehicles | 980 | 3.11% | |
| 5 or more Vehicles | 155 | 0.49% | |
| 2017 Est. Average Number of Vehicles | | 1.8 | |
| 2017 Est. Pop 16+ by Occupation Classification | | 38,984 | |
| | | | |
| Blue Collar | 5,048 | 12.95% | |
| White Collar | 29,454 | 75.55% | |
| Service and Farm | 4,482 | 11.50% | |
| 2017 Est. Workers Age 16+ by Transp. to Work | | 38,327 | |
| Drove Alone | 31,173 | 81.33% | |
| Car Pooled | 1,705 | 4.45% | |
| Public Transportation | 2,513 | 6.56% | |
| Walked | 512 | 1.34% | |
| Bicycle | 118 | 0.31% | |
| Other Means | 222 | 0.58% | |
| Worked at Home | 2,084 | 5.44% | |
| 2017 Est. Workers Age 16+ by Travel Time to Work | | | |
| Less than 15 Minutes | 7,482 | | |
| 15 - 29 Minutes | 11,774 | | |
| 30 - 44 Minutes | 8,935 | | |
| 45 - 59 Minutes | 3,914 | | |
| 60 or more Minutes | 4,166 | | |
| 2017 Est. Avg Travel Time to Work in Minutes | | 33.00 | |
| 2017 Est. Occupied Housing Units by Tenure | | 31,466 | |
| Owner Occupied | 24,272 | 77.14% | |
| Renter Occupied | 7,194 | 22.86% | |
| 2017 Owner Occ. HUs: Avg. Length of Residence | | 18.5 | |
| 2017 Renter Occ. HUs: Avg. Length of Residence | | 6.4 | |



| Description | Arlington Heights village, IL (1702154) | |
|--|--|--------|
| | Total | % |
| 2017 Est. Owner-Occupied Housing Units by Value | 24,272 | |
| Value Less than \$20,000 | 466 | 1.92% |
| Value \$20,000 - \$39,999 | 181 | 0.75% |
| Value \$40,000 - \$59,999 | 167 | 0.69% |
| Value \$60,000 - \$79,999 | 353 | 1.45% |
| Value \$80,000 - \$99,999 | 664 | 2.74% |
| Value \$100,000 - \$149,999 | 1,598 | 6.58% |
| Value \$150,000 - \$199,999 | 1,469 | 6.05% |
| Value \$200,000 - \$299,999 | 4,852 | 19.99% |
| Value \$300,000 - \$399,999 | 5,309 | 21.87% |
| Value \$400,000 - \$499,999 | 4,624 | 19.05% |
| Value \$500,000 - \$749,999 | 3,253 | 13.40% |
| Value \$750,000 - \$999,999 | 903 | 3.72% |
| Value \$1,000,000 or more | 433 | 1.78% |
| 2017 Est. Median All Owner-Occupied Housing Value | \$344,943 | |
| 2017 Est. Housing Units by Units in Structure | 33,501 | |
| 1 Unit Attached | 2,299 | 6.86% |
| 1 Unit Detached | 18,912 | 56.45% |
| 2 Units | 173 | 0.52% |
| 3 or 4 Units | 979 | 2.92% |
| 5 to 19 Units | 4,223 | 12.61% |
| 20 to 49 Units | 2,987 | 8.92% |
| 50 or More Units | 3,928 | 11.73% |
| Mobile Home or Trailer | 0 | 0.00% |
| Boat, RV, Van, etc. | 0 | 0.00% |
| 2017 Est. Housing Units by Year Structure Built | 33,501 | |
| Housing Units Built 2010 or later | 477 | 1.42% |
| Housing Units Built 2000 to 2009 | 1,546 | 4.61% |
| Housing Units Built 1990 to 1999 | 3,102 | 9.26% |
| Housing Units Built 1980 to 1989 | 5,245 | 15.66% |
| Housing Units Built 1970 to 1979 | 7,876 | 23.51% |
| Housing Units Built 1960 to 1969 | 7,555 | 22.55% |
| Housing Units Built 1950 to 1959 | 5,449 | 16.27% |
| Housing Units Built 1940 to 1949 | 1,017 | 3.04% |
| Housing Unit Built 1939 or Earlier | 1,234 | 3.68% |
| 2017 Est. Median Year Structure Built | 1972 | |

2017 Household Income by Age of Householder

| Description | Arlington Heights village, IL (1702154) | | | | | | | | | Total | Percentage |
|-------------------------------------|---|-----------------|------------------|------------------|------------------|-----------------|-----------------|-----------------|---------------|---------------|------------|
| | Age 15 - 24 | Age 25 - 34 | Age 35 - 44 | Age 45 - 54 | Age 55 - 64 | Age 65 - 74 | Age 75 - 84 | Age 85+ | | | |
| Household Totals | 647 | 3,495 | 4,884 | 6,185 | 6,670 | 4,742 | 3,014 | 1,829 | 31,466 | | |
| % of Total Households | 2.06% | 11.11% | 15.52% | 19.66% | 21.20% | 15.07% | 9.58% | 5.81% | | | |
| Income Less than \$15,000 | 73 | 151 | 119 | 212 | 315 | 259 | 336 | 326 | 1,791 | 5.69% | |
| % Across Age Ranges | 4.08% | 8.43% | 6.64% | 11.84% | 17.59% | 14.46% | 18.76% | 18.20% | | | |
| % Within Age Range | 11.28% | 4.32% | 2.44% | 3.43% | 4.72% | 5.46% | 11.15% | 17.82% | | | |
| Income \$15,000 - \$24,999 | 80 | 135 | 102 | 141 | 196 | 382 | 502 | 394 | 1,932 | 6.14% | |
| % Across Age Ranges | 4.14% | 6.99% | 5.28% | 7.30% | 10.14% | 19.77% | 25.98% | 20.39% | | | |
| % Within Age Range | 12.36% | 3.86% | 2.09% | 2.28% | 2.94% | 8.06% | 16.66% | 21.54% | | | |
| Income \$25,000 - \$34,999 | 46 | 272 | 192 | 197 | 288 | 395 | 390 | 261 | 2,041 | 6.49% | |
| % Across Age Ranges | 2.25% | 13.33% | 9.41% | 9.65% | 14.11% | 19.35% | 19.11% | 12.79% | | | |
| % Within Age Range | 7.11% | 7.78% | 3.93% | 3.19% | 4.32% | 8.33% | 12.94% | 14.27% | | | |
| Income \$35,000 - \$49,999 | 81 | 416 | 379 | 391 | 481 | 668 | 504 | 246 | 3,166 | 10.06% | |
| % Across Age Ranges | 2.56% | 13.14% | 11.97% | 12.35% | 15.19% | 21.10% | 15.92% | 7.77% | | | |
| % Within Age Range | 12.52% | 11.90% | 7.76% | 6.32% | 7.21% | 14.09% | 16.72% | 13.45% | | | |
| Income \$50,000 - \$74,999 | 121 | 703 | 676 | 907 | 1,053 | 913 | 510 | 270 | 5,153 | 16.38% | |
| % Across Age Ranges | 2.35% | 13.64% | 13.12% | 17.60% | 20.43% | 17.72% | 9.90% | 5.24% | | | |
| % Within Age Range | 18.70% | 20.11% | 13.84% | 14.66% | 15.79% | 19.25% | 16.92% | 14.76% | | | |
| Income \$75,000 - \$99,999 | 185 | 537 | 656 | 815 | 892 | 731 | 317 | 146 | 4,279 | 13.60% | |
| % Across Age Ranges | 4.32% | 12.55% | 15.33% | 19.05% | 20.85% | 17.08% | 7.41% | 3.41% | | | |
| % Within Age Range | 28.59% | 15.36% | 13.43% | 13.18% | 13.37% | 15.42% | 10.52% | 7.98% | | | |
| Income \$100,000 - \$124,999 | 30 | 462 | 737 | 699 | 697 | 479 | 152 | 87 | 3,343 | 10.62% | |
| % Across Age Ranges | 0.90% | 13.82% | 22.05% | 20.91% | 20.85% | 14.33% | 4.55% | 2.60% | | | |
| % Within Age Range | 4.64% | 13.22% | 15.09% | 11.30% | 10.45% | 10.10% | 5.04% | 4.76% | | | |
| Income \$125,000 - \$149,999 | 19 | 259 | 423 | 627 | 638 | 351 | 126 | 53 | 2,496 | 7.93% | |
| % Across Age Ranges | 0.76% | 10.38% | 16.95% | 25.12% | 25.56% | 14.06% | 5.05% | 2.12% | | | |
| % Within Age Range | 2.94% | 7.41% | 8.66% | 10.14% | 9.57% | 7.40% | 4.18% | 2.90% | | | |
| Income \$150,000 - \$199,999 | 7 | 337 | 836 | 888 | 844 | 257 | 87 | 22 | 3,278 | 10.42% | |
| % Across Age Ranges | 0.21% | 10.28% | 25.50% | 27.09% | 25.75% | 7.84% | 2.65% | 0.67% | | | |
| % Within Age Range | 1.08% | 9.64% | 17.12% | 14.36% | 12.65% | 5.42% | 2.89% | 1.20% | | | |
| Income \$200,000 or more | 5 | 223 | 764 | 1,308 | 1,266 | 307 | 90 | 24 | 3,987 | 12.67% | |
| % Across Age Ranges | 0.13% | 5.59% | 19.16% | 32.81% | 31.75% | 7.70% | 2.26% | 0.60% | | | |
| % Within Age Range | 0.77% | 6.38% | 15.64% | 21.15% | 18.98% | 6.47% | 2.99% | 1.31% | | | |
| Median Household Income | \$58,988 | \$78,282 | \$110,787 | \$115,361 | \$103,945 | \$68,264 | \$43,304 | \$32,452 | | | |

According to the data presented, there is a large component of small households in the area, which is the target market for multi-family housing. Single person households comprise 30.45% of the households within Arlington Heights, with two person households comprising 32.35% of the households in the city. Thus, the one and two person households comprise 62.80% of the households in this market area.

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 others relocating to be closer to their employment.

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:

| | 1BR | 2BR | 3BR |
|-------------------|------------|------------|------------|
| Monthly Rent | \$1,850 | \$2,500 | \$3,200 |
| 12 months | 12 | 12 | 12 |
| Annual Rent | \$22,200 | \$30,000 | \$38,400 |
| Rent/Income Ratio | 30% | 30% | 30% |
| Minimum Income | \$74,000 | \$100,000 | \$128,000 |
| | | | |
| | 1BR | 2BR | 3BR |
| Monthly Rent | \$1,850 | \$2,500 | \$3,200 |
| 12 months | 12 | 12 | 12 |
| Annual Rent | \$22,200 | \$30,000 | \$38,400 |
| Rent/Income Ratio | 35% | 35% | 35% |
| Minimum Income | \$63,429 | \$85,714 | \$109,714 |

Residents living in Arlington Heights have an average household income of \$112,734 and a median household income of \$84,640. With 14,884 renter households in this primary market area with incomes over \$60,000 and the subject property comprising only 80 units, the subject property would need to capture less than 1% of the target market. In reality, the property will be drawing from a larger radius than the city of Arlington Heights, which would reduce the required capture rate even further.

Rental Competition Survey

Existing Competition

Due to the lack of new construction rental apartment units 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 over 3,300 units. As a new construction property, the subject building 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.

The buildings in the competitive survey are currently reporting rents ranging from \$1.52 to \$2.47 PSF and average unit sizes ranging from 849 to 1,397 SF. Parking prices are ranging from \$60 to \$150 per space per month, with tandem spaces renting as high as \$200 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 | Quoted Rent | | Net Effective Rent | |
|--------------------|--------------|-------------|------------|----------------|---------------|--------------------|---------------|
| | | | | Per Unit | PSF | Per Unit | PSF |
| Studio/Convertible | 179 | 5% | 614 | \$1,535 | \$2.50 | \$1,457 | \$2.37 |
| One Bedroom | 1,490 | 44% | 794 | \$1,770 | \$2.23 | \$1,715 | \$2.16 |
| One Bedroom + Den | 291 | 9% | 941 | \$1,891 | \$2.01 | \$1,847 | \$1.96 |
| Two Bedroom | 1,228 | 36% | 1,165 | \$2,371 | \$2.03 | \$2,285 | \$1.96 |
| Two Bedroom + Den | 132 | 4% | 1,360 | \$2,846 | \$2.09 | \$2,647 | \$1.95 |
| Three Bedroom | 57 | 2% | 1,540 | \$3,172 | \$2.06 | \$3,155 | \$2.05 |
| Total/Avg | 3,377 | 100% | 967 | \$2,052 | \$2.12 | \$1,981 | \$2.05 |

One Arlington, Dunton Tower and Hancock Square are located in Arlington Heights. 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 was completed in 2014. As a future phase, there will be retail space, a hotel, several restaurants, and an additional phase of 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.

Dunton Tower and Hancock Square are located within downtown Arlington Heights offering locations very similar to the subject property. Both properties are within walking distance of the Metra station as well as the shops and restaurants. 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.

North680 is the newest addition to the rental market in Schaumburg. This development began delivering units in 2017 and still is engaged in lease-up. It is a more of a typical suburban garden-style development with a location on Algonquin Road, west of Route 53. Thus, it lacks the suburban downtown location which the subject property offers and therefore reflects rent levels which are below what is indicated for the subject units.

Des Plaines also has two 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 buildings is geared toward larger units since the buildings were originally planned to be condominiums. The larger unit sizes results 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.

Northgate Crossing is located in northern Cook County in Wheeling, north of Dundee Road. It is a heavily car dependent location; however, it is within walking distance of a Metra station although 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.

There are four developments located in Glenview which were included in the survey. Three of these were built within the last couple years. The Glenview location on the North Shore market is considered to be similar to the subject's Arlington Heights location. However, only **Midtown Square** is located in a walking distance to the Metra and downtown retail and restaurants. **The Reserve** is adjacent to the Golf Metra station but lacks the walkable downtown location that many renters now desire. **Tapestry** is situated 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. Midtown Square is a mixed-use project while the Reserve at Glenview and Tapestry are solely residential, although both are part of large retail shopping centers, each anchored by a Mariano's supermarket. The finishes at these projects are typical of new construction rental product. While the amenities at the larger projects are superior, the subject has a superior downtown location. **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.

Northshore 770, AMLI Deerfield, and Woodview are all located in the Northbrook/Deerfield market. These properties were completed in 2015/2016. While these properties have a North Shore location, none are located in a suburban downtown. Northshore 770 is situated by the Edens Expressway, and AMLI Deerfield and Woodview are both located close to I-294. While lacking walkable downtown locations, each property has excellent amenities and Northshore 770 even provides a full-time doorman, an usual amenity for a suburban building. Also in this same market is **Deerfield Village Center**, a smaller building situated in a prime suburban downtown location in Deerfield. Constructed in 2000, the development has an average unit size which is larger than the subject but the property has dated finishes. Its location drives its rents, providing a downtown location within walking distance to an extensive array of shopping, restaurants, and the Metra station. Due to the small size of this property, it has extremely modest amenities, impacting its rent levels.

Future Competition

At the present time, the **Parkview Apartments** are under construction at Dunton and Eastman in downtown Arlington Heights. This is a smaller project and will include only 45 units along with ground floor retail space. The residences will be located on the upper five floors, with 58 parking spaces on the first floor. Nineteen of the 45 units will reportedly be rented to person who qualify under the affordable housing requirements.

Also under construction in Des Plaines is a 270 unit project called **Buckingham Place** on Northwest Highway, approximately one mile from downtown Des Plaines. While situated outside of the downtown area, it is within walking distance of a secondary Metra station which also serves Des Plaines. However, it lacks the downtown ambiance and amenities of a suburban downtown. With its large project size, it will feature extensive amenities and its unit finishes will also be competitive with other new projects in the market.

Wheeling is also being transformed with new developments as the 301 unit **Wheeling Town Center** is currently under construction. This project is being constructed adjacent to a Metra Station and new retail facilities which are also under construction. On the north side of Dundee Road, an additional 265 unit development has been entitled and is being developed. This project too will be within a short walk to the Metra station although neither project will be able to command the rent premiums which are achievable with a downtown Arlington Heights location.

Rental Competition Summary and Details

Apartment Competition Map



Apartment Rental Competition Overview

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| Name | Address | Suburb | Submarket | Total Units | Class | Date Built | Avg Size (SF) | Quoted Rent PSF | Net Rent PSF | Garage Fee | Occup. |
|---------------------------|----------------------------|--------------------------|-------------|--------------|----------|-----------------|---------------|-----------------|--------------|---------------|-------------|
| Subject | 45 S. Chestnut | Arlington Heights | Cook | 80 | A | Proposed | 981 | | | | |
| Primary Data Set | | | | | | | | | | | |
| Dunton Tower | 55 South Vail | Arlington Heights | NW Cook | 216 | B | 1986 | 902 | \$1.84 | \$1.84 | \$70 | 96.8% |
| Hancock Square | 200 North Arlington Hts Rd | Arlington Heights | NW Cook | 409 | B | 1988 | 849 | \$1.93 | \$1.93 | \$75 | 93.9% |
| One Arlington | 3400 W. Stonegate Blvd | Arlington Heights | NW Cook | 214 | A | 2014 | 936 | \$2.23 | \$2.13 | \$75 | 95.8% |
| North680 | 680 E. Algonquin Rd. | Schaumburg | NW Cook | 180 | A | 2017 | 894 | \$2.25 | \$1.99 | \$75 - \$120 | In lease-up |
| Tapestry Glenview | 2550 Waterview Dr | Glenview | North Shore | 290 | A | 2014 | 887 | \$2.25 | \$2.11 | \$60 | 98.6% |
| Northgate Crossing | 250 Northgate Pkwy | Wheeling | NW Cook | 300 | A | 2016 | 969 | \$1.77 | \$1.69 | \$145 - \$175 | In lease-up |
| River 595 | 595 S. River Rd | Des Plaines | NW Cook | 60 | A | 2011 | 1,397 | \$1.65 | \$1.52 | \$65 | 90.0% |
| Kingston Pointe | 1646 River St | Des Plaines | NW Cook | 144 | A | 2009 | 1,203 | \$1.70 | \$1.70 | \$50 - \$100 | 93.1% |
| Total | | | | 1,813 | | | | | | | |
| Secondary Data Set | | | | | | | | | | | |
| Aloft at Glen Town Center | 1991 Tower Drive | Glenview | North Shore | 181 | A | 2004 | 1,141 | \$2.05 | \$2.05 | \$75 - \$125 | 96.1% |
| AmlI Deerfield | 1525 Lake Cook Rd | Deerfield | North Shore | 240 | A | 2015 | 941 | \$2.13 | \$1.95 | \$125 | 91.3% |
| Deerfield Village Centre | 625 Deerfield Road | Deerfield | North Shore | 56 | A | 2000 | 1,059 | \$2.15 | \$1.98 | \$50 - \$75 | 96.4% |
| Midtown Square | 998 Church St | Glenview | North Shore | 138 | A | 2014 | 920 | \$2.41 | \$2.28 | \$135 | 92.0% |
| Northshore 770 | 770 Skokie Blvd | Northbrook | North Shore | 347 | A | 2016 | 992 | \$2.45 | \$2.33 | \$150 - \$220 | In lease-up |
| Park 205 | 205 W. Touhy | Park Ridge | North Shore | 115 | A | 2015 | 975 | \$2.47 | \$2.47 | \$125 - \$200 | 94.8% |
| Reserve at Glenview | 195 N. Waukegan Rd | Glenview | North Shore | 239 | A | 2015 | 1,013 | \$2.33 | \$2.33 | \$75 - \$125 | In lease-up |
| Woodview | 15 Parkway North Blvd | Deerfield | North Shore | 248 | A | 2015 | 965 | \$2.28 | \$2.28 | \$75 - \$125 | 90.3% |
| Total | | | | 1,564 | | | | | | | |

(Integra Realty Resources - Chicago conclusions for the subject units are shown in RED.)

Apartment Rental Competition Unit Mix

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| Name | Address | Suburb | Date Built | Avg Size (SF) | Studio | Studio | 1BR | 1BR | 1BR +den | 1BR +den | 2BR | 2BR | 2BR +den | 2BR +den | 3BR | 3BR | Total |
|---------------------------|----------------------------|--------------------------|-----------------|---------------|------------|-----------|--------------|------------|------------|-----------|--------------|------------|------------|-----------|-----------|-----------|--------------|
| Subject | 45 S. Chestnut | Arlington Heights | Proposed | 981 | | | 35 | 44% | | | 39 | 49% | | | 6 | 7% | 80 |
| Dunton Tower | 55 South Vail | Arlington Heights | 1986 | 902 | 27 | 12% | 108 | 50% | | | 81 | 38% | | | | | 216 |
| Hancock Square | 200 North Arlington Hts Rd | Arlington Heights | 1988 | 849 | 30 | 7% | 143 | 35% | 89 | 22% | 147 | 36% | | | | | 409 |
| One Arlington | 3400 W. Stonegate Blvd | Arlington Heights | 2014 | 936 | 51 | 24% | 113 | 53% | | | 50 | 23% | | | | | 214 |
| North680 | 680 E. Algonquin Rd. | Schaumburg | 2017 | 894 | | | 104 | 58% | 24 | 13% | 52 | 29% | | | | | 180 |
| Tapestry Glenview | 2550 Waterview Dr | Glenview | 2014 | 887 | 29 | 10% | 136 | 47% | 12 | 4% | 113 | 39% | | | | | 290 |
| Northgate Crossing | 250 Northgate Pkwy | Wheeling | 2016 | 969 | | | 162 | 54% | 20 | 7% | 106 | 35% | | | 12 | 4% | 300 |
| River 595 | 595 S. River Rd | Des Plaines | 2011 | 1,397 | | | 5 | 8% | | | 5 | 8% | 50 | 83% | | | 60 |
| Kingston Pointe | 1646 River St | Des Plaines | 2009 | 1,203 | | | 34 | 24% | 28 | 19% | 72 | 50% | 7 | 5% | 3 | 2% | 144 |
| Aloft at Glen Town Center | 1991 Tower Drive | Glenview | 2004 | 1,141 | | | 81 | 45% | 8 | 4% | 90 | 50% | 2 | 1% | | | 181 |
| Amlt Deerfield | 1525 Lake Cook Rd | Deerfield | 2015 | 941 | 23 | 10% | 122 | 51% | 6 | 3% | 75 | 31% | 14 | 6% | | | 240 |
| Deerfield Village Centre | 625 Deerfield Road | Deerfield | 2000 | 1,059 | | | 20 | 36% | 16 | 29% | 20 | 36% | | | | | 56 |
| Midtown Square | 998 Church St | Glenview | 2014 | 920 | | | 99 | 72% | | | 39 | 28% | | | | | 138 |
| Northshore 770 | 770 Skokie Blvd | Northbrook | 2016 | 992 | | | 86 | 25% | 63 | 18% | 142 | 41% | 56 | 16% | | | 347 |
| Park 205 | 205 W. Touhy | Park Ridge | 2015 | 975 | | | 57 | 50% | 7 | 6% | 45 | 39% | 3 | 3% | 3 | 3% | 115 |
| Reserve at Glenview | 195 N. Waukegan Rd | Glenview | 2015 | 1,013 | 6 | 3% | 103 | 43% | 18 | 8% | 76 | 32% | | | 36 | 15% | 239 |
| Woodview | 15 Parkway North Blvd | Deerfield | 2015 | 965 | 13 | 5% | 117 | 47% | | | 115 | 46% | | 0% | 3 | 1.21% | 248 |
| Total/Percentage | | | | | 179 | 5% | 1,490 | 44% | 291 | 9% | 1,228 | 36% | 132 | 4% | 57 | 2% | 3,377 |

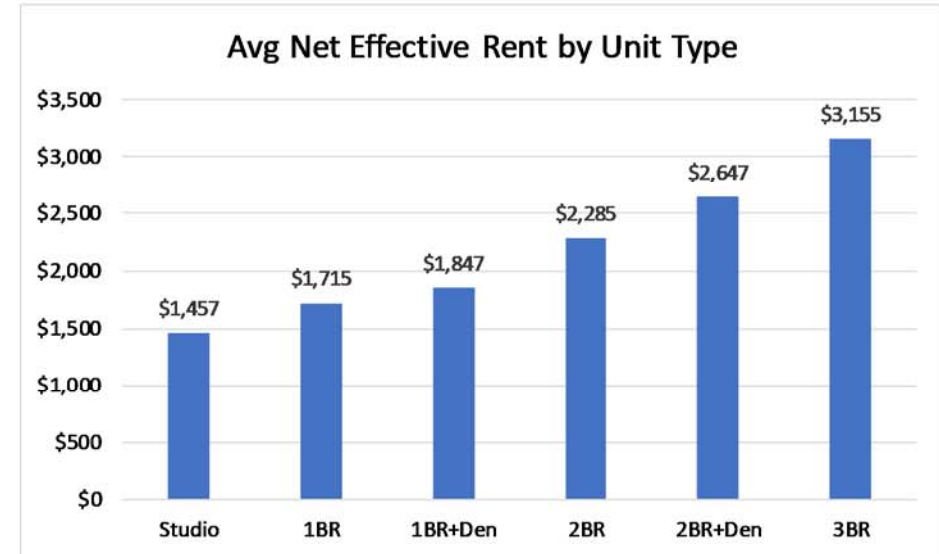
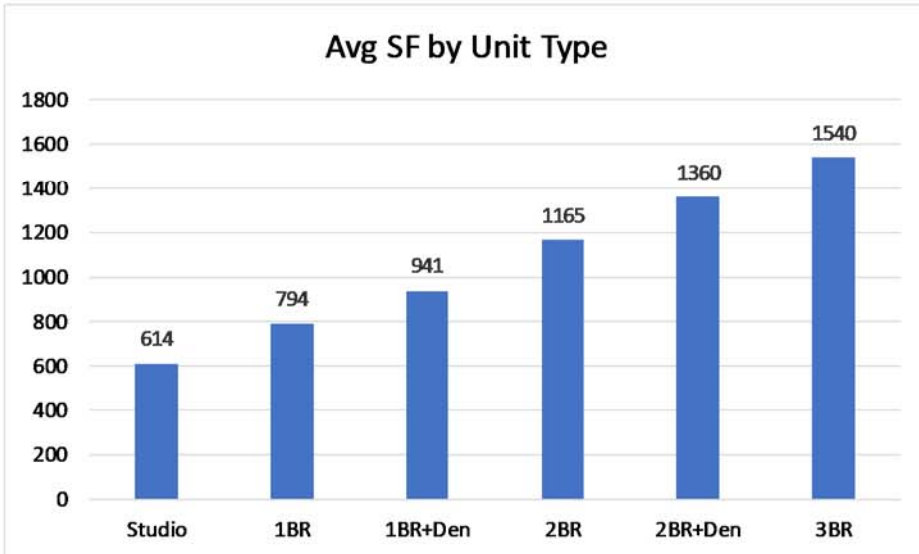
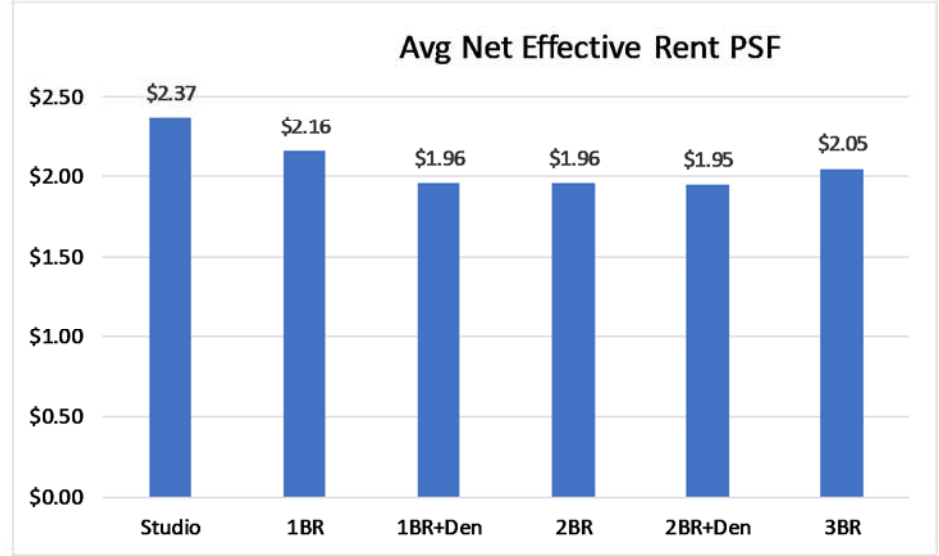
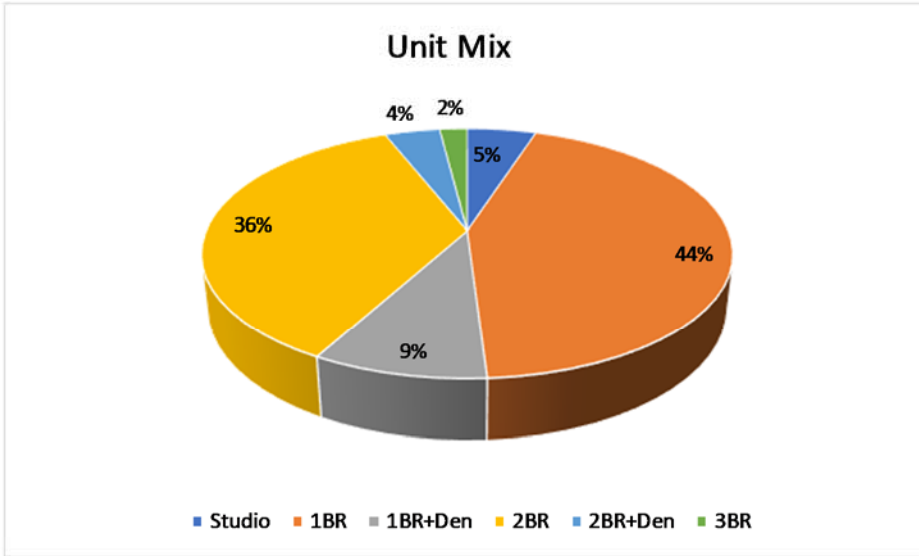


Apartment Rental Competition Unit Sizes

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| Name | Address | Suburb | Date Built | Avg Size (SF) | Studio | 1BR | 1BR+Den | 2BR | 2BR+Den | 3BR | | | | | | |
|-------------------------------|----------------------------|--------------------------|-----------------|---------------|------------|------------|------------|------|------------|--------------|--------------|--------------|--------------|-------|-------|-------|
| Subject | 45 S. Chestnut | Arlington Heights | Proposed | 981 | | 745 | 828 | | 955 | 1,332 | 1,383 | 1,438 | | | | |
| Dunton Tower | 55 South Vail | Arlington Heights | 1986 | 902 | 600 | 785 | 800 | | 1,100 | 1,200 | | | | | | |
| Hancock Square | 200 North Arlington Hts Rd | Arlington Heights | 1988 | 849 | 608 | 677 | | 850 | 925 | 975 | 1,128 | | | | | |
| One Arlington | 3400 W. Stonegate Blvd | Arlington Heights | 2014 | 936 | 549 | 769 | 803 | 1012 | | 1,193 | 1,521 | | | | | |
| North680 | 680 E. Algonquin Rd. | Schaumburg | 2017 | 894 | | | 665 | 785 | 1,039 | 1,130 | 1,588 | | | | | |
| Tapestry Glenview | 2550 Waterview Dr | Glenview | 2014 | 887 | 599 | | 715 | 822 | 1,019 | 1,064 | 1,212 | | | | | |
| Northgate Crossing | 250 Northgate Pkwy | Wheeling | 2016 | 969 | | | 696 | 873 | 883 | 1,190 | 1,212 | 1,971 | 2005 | | | |
| River 595 | 595 S. River Rd | Des Plaines | 2011 | 1,397 | | | 860 | | | 1,325 | 1,390 | 1,660 | | | | |
| Kingston Pointe | 1646 River St | Des Plaines | 2009 | 1,203 | | | 820 | 1005 | 971 | 1,089 | 1,207 | 1,448 | 1,769 | 1,725 | 1,924 | |
| Aloft at Glen Town Center | 1991 Tower Drive | Glenview | 2004 | 1,141 | | | 775 | 1000 | 1,050 | 1,325 | 1,100 | 1,600 | 1,800 | | | |
| AmlI Deerfield | 1525 Lake Cook Rd | Deerfield | 2015 | 941 | 527 | 631 | 722 | 859 | 966 | 1,147 | 1,301 | 1,260 | 1,365 | | | |
| Deerfield Village Centre | 625 Deerfield Road | Deerfield | 2000 | 1,059 | | | 780 | 1000 | 1,050 | 1,090 | 1,040 | 1,400 | | | | |
| Midtown Square | 998 Church St | Glenview | 2014 | 920 | | | 763 | 909 | | 923 | 1,341 | | | | | |
| Northshore 770 | 770 Skokie Blvd | Northbrook | 2016 | 992 | | | 667 | 904 | 755 | 972 | 1,009 | 1,157 | 1,099 | 1,341 | | |
| Park 205 | 205 W. Touhy | Park Ridge | 2015 | 975 | | | 606 | 881 | 942 | 1,064 | 1,080 | 1,345 | 1,316 | | 1,387 | 1423 |
| Reserve at Glenview | 195 N. Waukegan Rd | Glenview | 2015 | 1,013 | 630 | | 750 | 810 | 964 | | 1,105 | 1,271 | | | 1,385 | 1,407 |
| Woodview | 15 Parkway North Blvd | Deerfield | 2015 | 965 | 525 | 611 | 659 | 1005 | | 958 | 1,315 | | | | 1,328 | |
| Average Unit Size (SF) | | | | | 614 | | 794 | | 941 | 1,165 | 1,360 | | 1,540 | | | |

Market Survey Summary



Rent Survey Summary and Detailed Project Summary Sheets

On the following pages are the summaries of the current rents for the primary competition and secondary competition. In each of the corresponding graphs, the IRR rent conclusions for the subject are shown in red.

Studio/Convertible Apartment Comparables

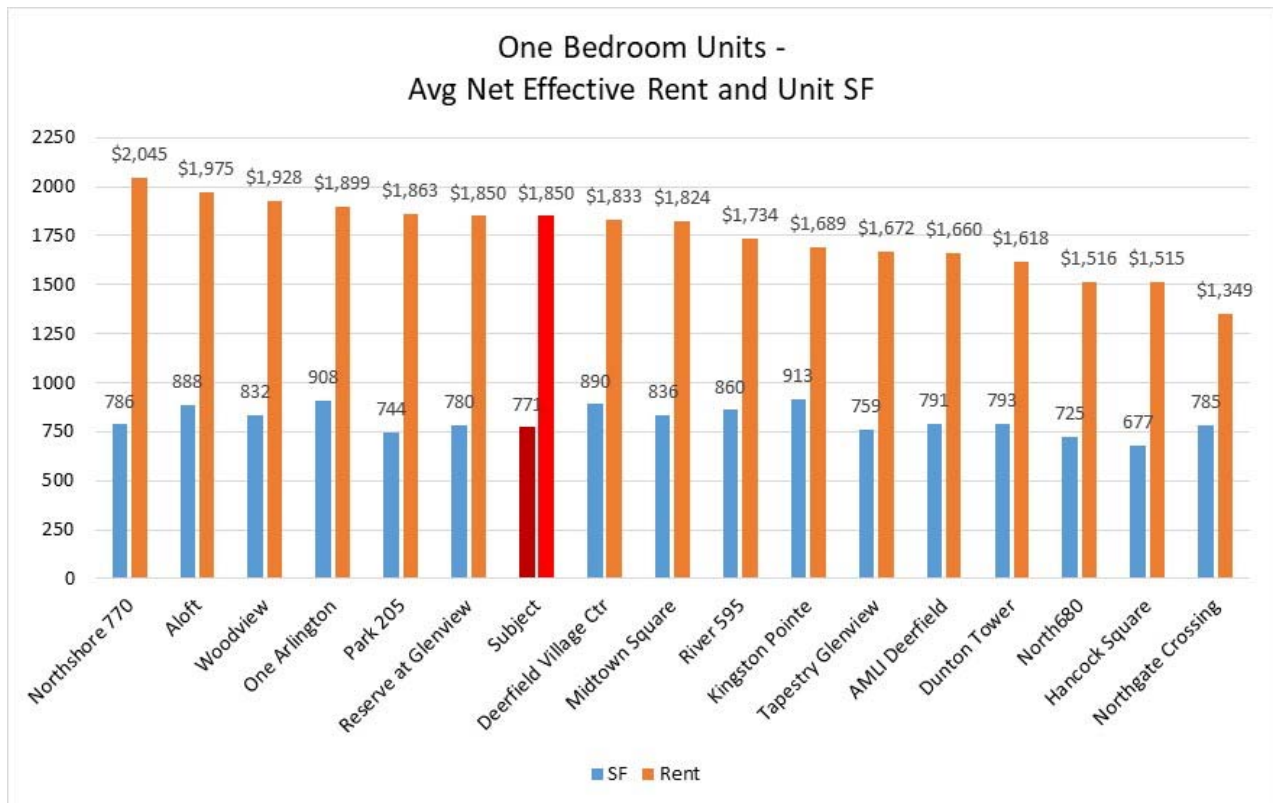
| Unit Description | Unit | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|--|------------|-------|------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| AMLI Deerfield | | | | | | | | | | |
| Studio | 23 | 9.6% | 527 | \$1,475 | \$2.80 | \$2.57 | 8.3% | \$1,352 | \$2.57 | \$2.35 |
| 1.0 Bath | | | 631 | \$1,475 | \$2.34 | | | \$1,352 | \$2.14 | |
| Dunton Tower | | | | | | | | | | |
| Studio | 27 | 12.5% | 600 | \$1,241 | \$2.07 | \$2.14 | 0.0% | \$1,241 | \$2.07 | \$2.14 |
| 1.0 Bath | | | 600 | \$1,328 | \$2.21 | | | \$1,328 | \$2.21 | |
| Hancock Square At Arlington Station | | | | | | | | | | |
| Studio | 30 | 7.3% | 608 | \$1,457 | \$2.40 | \$2.40 | 0.0% | \$1,457 | \$2.40 | \$2.40 |
| 1.0 Bath | | | 608 | \$1,457 | \$2.40 | | | \$1,457 | \$2.40 | |
| One Arlington | | | | | | | | | | |
| Studio | 51 | 23.8% | 549 | \$1,489 | \$2.71 | \$2.59 | 8.3% | \$1,365 | \$2.49 | \$2.37 |
| 1.0 Bath | | | 769 | \$1,899 | \$2.47 | | | \$1,741 | \$2.26 | |
| Reserve at Glenview | | | | | | | | | | |
| Studio | 6 | 2.5% | 630 | \$1,580 | \$2.51 | \$2.51 | 0.0% | \$1,580 | \$2.51 | \$2.51 |
| 1.0 Bath | | | 630 | \$1,580 | \$2.51 | | | \$1,580 | \$2.51 | |
| Tapestry Glenview | | | | | | | | | | |
| Studio | 29 | 10.0% | 599 | \$1,549 | \$2.59 | \$2.67 | 8.3% | \$1,420 | \$2.37 | \$2.45 |
| 1.0 Bath | | | 599 | \$1,649 | \$2.75 | | | \$1,512 | \$2.52 | |
| Woodview | | | | | | | | | | |
| Studio | 13 | 5.2% | 525 | \$1,390 | \$2.65 | \$2.60 | 0.0% | \$1,390 | \$2.65 | \$2.60 |
| 1.0 Bath | | | 611 | \$1,565 | \$2.56 | | | \$1,565 | \$2.56 | |
| Total/Weighted Avg | 179 | | 614 | \$1,535 | | \$2.50 | | \$1,457 | | \$2.37 |

One Bedroom Apartment Comparables

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|--|-------|-------|-------|-------------|--------|--------|------------|--------------------|--------|--------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| Aloft at Glen Town Center | | | | | | | | | | |
| One Bedroom | 81 | 44.8% | 775 | \$1,600 | \$2.06 | \$2.21 | 0.0% | \$1,600 | \$2.06 | \$2.21 |
| 1.0 Bath | | | 1,000 | \$2,350 | \$2.35 | | | \$2,350 | \$2.35 | |
| AMLI Deerfield | | | | | | | | | | |
| One Bedroom | 122 | 50.8% | 722 | \$1,658 | \$2.30 | \$2.29 | 8.3% | \$1,520 | \$2.11 | \$2.10 |
| 1.0 Bath | | | 859 | \$1,963 | \$2.29 | | | \$1,799 | \$2.09 | |
| Deerfield Village Centre | | | | | | | | | | |
| One Bedroom | 20 | 35.7% | 780 | \$1,950 | \$2.50 | \$2.28 | 8.3% | \$1,788 | \$2.29 | \$2.09 |
| 1.0 Bath | | | 1,000 | \$2,050 | \$2.05 | | | \$1,879 | \$1.88 | |
| Dunton Tower | | | | | | | | | | |
| One Bedroom | 108 | 50.0% | 785 | \$1,554 | \$1.98 | \$2.04 | 0.0% | \$1,554 | \$1.98 | \$2.04 |
| 1.0 Bath | | | 800 | \$1,681 | \$2.10 | | | \$1,681 | \$2.10 | |
| Hancock Square At Arlington Station | | | | | | | | | | |
| One Bedroom | 143 | 35.0% | 677 | \$1,515 | \$2.24 | \$2.24 | 0.0% | \$1,515 | \$2.24 | \$2.24 |
| 1.0 Bath | | | 677 | \$1,515 | \$2.24 | | | \$1,515 | \$2.24 | |
| Kingston Pointe | | | | | | | | | | |
| One Bedroom | 34 | 23.6% | 820 | \$1,653 | \$2.02 | \$1.87 | 0.0% | \$1,653 | \$2.02 | \$1.87 |
| 1.0 Bath | | | 1,005 | \$1,725 | \$1.72 | | | \$1,725 | \$1.72 | |
| Midtown Square | | | | | | | | | | |
| One Bedroom | 99 | 71.7% | 763 | \$1,830 | \$2.40 | \$2.38 | 8.3% | \$1,678 | \$2.20 | \$2.18 |
| 1.0 Bath | | | 909 | \$2,150 | \$2.37 | | | \$1,971 | \$2.17 | |
| North680 | | | | | | | | | | |
| One Bedroom | 104 | 57.8% | 665 | \$1,589 | \$2.39 | \$2.37 | 11.5% | \$1,406 | \$2.11 | \$2.09 |
| 1.0 Bath | | | 785 | \$1,839 | \$2.34 | | | \$1,627 | \$2.07 | |
| Northgate Crossing | | | | | | | | | | |
| One Bedroom | 162 | 54.0% | 696 | \$1,229 | \$1.77 | \$1.81 | 5.3% | \$1,163 | \$1.67 | \$1.71 |
| 1.0 Bath | | | 873 | \$1,620 | \$1.86 | | | \$1,534 | \$1.76 | |
| Northshore 770 | | | | | | | | | | |
| One Bedroom | 86 | 24.8% | 667 | \$1,700 | \$2.55 | \$2.60 | 0.0% | \$1,700 | \$2.55 | \$2.60 |
| 1.0 Bath | | | 904 | \$2,390 | \$2.64 | | | \$2,390 | \$2.64 | |
| One Arlington | | | | | | | | | | |
| One Bedroom | 113 | 52.8% | 803 | \$1,599 | \$1.99 | \$2.08 | 0.0% | \$1,599 | \$1.99 | \$2.08 |
| 1.0 Bath | | | 1,012 | \$2,199 | \$2.17 | | | \$2,199 | \$2.17 | |
| Park 205 Apartments | | | | | | | | | | |
| One Bedroom | 57 | 49.6% | 606 | \$1,765 | \$2.91 | \$2.57 | 0.0% | \$1,765 | \$2.91 | \$2.57 |
| 1.0 Bath | | | 881 | \$1,960 | \$2.22 | | | \$1,960 | \$2.22 | |
| Reserve at Glenview | | | | | | | | | | |
| One Bedroom | 103 | 43.1% | 750 | \$1,745 | \$2.33 | \$2.37 | 0.0% | \$1,745 | \$2.33 | \$2.37 |
| 1.0 Bath | | | 810 | \$1,955 | \$2.41 | | | \$1,955 | \$2.41 | |
| 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 | |

One Bedroom Apartment Comparables

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|---------------------------------|--------------|-------|------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| <i>Tapestry Glenview</i> | | | | | | | | | | |
| One Bedroom | 80 | 27.6% | 715 | \$1,699 | \$2.38 | \$2.38 | 4.2% | \$1,628 | \$2.28 | \$2.28 |
| 1.0 Bath | | | 715 | \$1,699 | \$2.38 | | | \$1,628 | \$2.28 | |
| <i>Tapestry Glenview</i> | | | | | | | | | | |
| One Bedroom | 56 | 19.3% | 822 | \$1,810 | \$2.20 | \$2.20 | 4.2% | \$1,735 | \$2.11 | \$2.11 |
| 1.0 Bath | | | 822 | \$1,810 | \$2.20 | | | \$1,735 | \$2.11 | |
| <i>Woodview</i> | | | | | | | | | | |
| One Bedroom | 117 | 47.2% | 659 | \$1,595 | \$2.42 | \$2.34 | 0.0% | \$1,595 | \$2.42 | \$2.34 |
| 1.0 Bath | | | 1,005 | \$2,261 | \$2.25 | | | \$2,261 | \$2.25 | |
| Total/Weighted Avg | 1,490 | | 794 | \$1,770 | | \$2.23 | | \$1,715 | | \$2.16 |



Projected rents for the subject property shown in red.



One Bedroom +Den Apartment Comparables

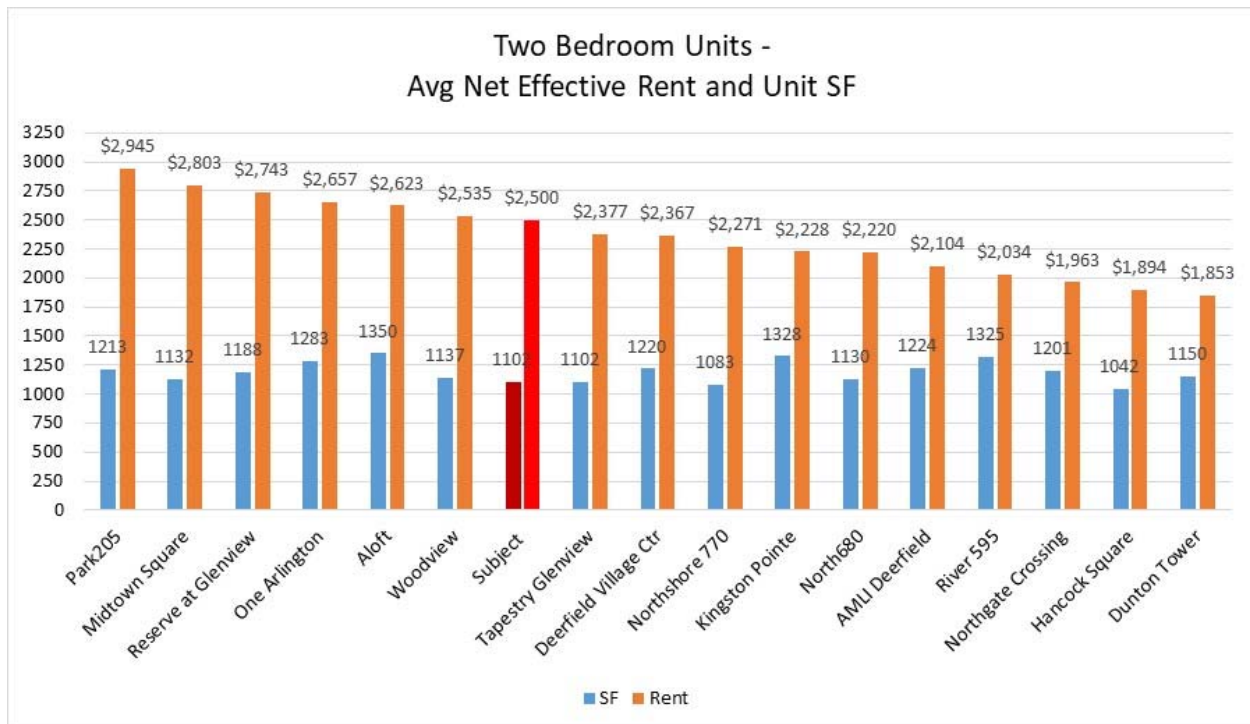
| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|--|------------|-------|------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| Aloft at Glen Town Center | | | | | | | | | | |
| One Bedroom + Den | 8 | 4.4% | 1,050 | \$2,350 | \$2.24 | \$2.07 | 0.0% | \$2,350 | \$2.24 | \$2.07 |
| 1.0-2.0 Bath | | | 1,325 | \$2,520 | \$1.90 | | | \$2,520 | \$1.90 | |
| AMLI Deerfield | | | | | | | | | | |
| One Bedroom + Den | 6 | 2.5% | 966 | \$2,075 | \$2.15 | \$2.16 | 8.3% | \$1,902 | \$1.97 | \$1.98 |
| 1.0 Bath | | | 966 | \$2,100 | \$2.17 | | | \$1,925 | \$1.99 | |
| Deerfield Village Centre | | | | | | | | | | |
| One Bedroom + Den | 16 | 28.6% | 1,050 | \$2,260 | \$2.15 | \$2.11 | 8.3% | \$2,072 | \$1.97 | \$1.94 |
| 1.0 Bath | | | 1,090 | \$2,260 | \$2.07 | | | \$2,072 | \$1.90 | |
| Hancock Square At Arlington Station | | | | | | | | | | |
| One Bedroom + Den | 89 | 21.8% | 850 | \$1,395 | \$1.64 | \$1.64 | 0.0% | \$1,395 | \$1.64 | \$1.64 |
| 1.0 Bath | | | 925 | \$1,524 | \$1.65 | | | \$1,524 | \$1.65 | |
| Kingston Pointe | | | | | | | | | | |
| One Bedroom + Den | 28 | 19.4% | 971 | \$1,705 | \$1.76 | \$1.69 | 0.0% | \$1,705 | \$1.76 | \$1.69 |
| 1.0 Bath | | | 1,089 | \$1,768 | \$1.62 | | | \$1,768 | \$1.62 | |
| North680 | | | | | | | | | | |
| One Bedroom + Den | 24 | 13.3% | 1,039 | \$1,999 | \$1.92 | \$1.99 | 11.5% | \$1,768 | \$1.70 | \$1.76 |
| 1.0 Bath | | | 1,039 | \$2,139 | \$2.06 | | | \$1,892 | \$1.82 | |
| Northgate Crossing | | | | | | | | | | |
| One Bedroom + Den | 20 | 6.7% | 883 | \$1,760 | \$1.99 | \$1.99 | 4.9% | \$1,674 | \$1.90 | \$1.90 |
| 1.0 Bath | | | 883 | \$1,760 | \$1.99 | | | \$1,674 | \$1.90 | |
| Northshore 770 | | | | | | | | | | |
| One Bedroom + Den | 63 | 18.2% | 755 | \$1,690 | \$2.24 | \$2.45 | 0.0% | \$1,690 | \$2.24 | \$2.45 |
| 1.0 Bath | | | 972 | \$2,580 | \$2.65 | | | \$2,580 | \$2.65 | |
| Park 205 Apartments | | | | | | | | | | |
| One Bedroom + Den | 7 | 6.1% | 942 | \$2,360 | \$2.51 | \$2.36 | 0.0% | \$2,360 | \$2.51 | \$2.36 |
| 1.0 Bath | | | 1,064 | \$2,360 | \$2.22 | | | \$2,360 | \$2.22 | |
| Reserve at Glenview | | | | | | | | | | |
| One Bedroom + Den | 18 | 7.5% | 964 | \$2,285 | \$2.37 | \$2.37 | 0.0% | \$2,285 | \$2.37 | \$2.37 |
| 1.0 Bath | | | 964 | \$2,285 | \$2.37 | | | \$2,285 | \$2.37 | |
| Tapestry Glenview | | | | | | | | | | |
| One Bedroom + Den | 12 | 4.1% | 1,019 | \$2,299 | \$2.26 | \$2.26 | 4.2% | \$2,203 | \$2.16 | \$2.16 |
| 1.0 Bath | | | 1,019 | \$2,299 | \$2.26 | | | \$2,203 | \$2.16 | |
| Total/Weighted Avg | 291 | | 941 | \$1,891 | | \$2.01 | | \$1,847 | | \$1.96 |

Two Bedroom Apartment Comparables

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|--|-------|-------|-------|-------------|--------|--------|------------|--------------------|--------|--------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| Aloft at Glen Town Center | | | | | | | | | | |
| Two Bedroom | 90 | 49.7% | 1,100 | \$2,155 | \$1.96 | \$1.95 | 0.0% | \$2,155 | \$1.96 | \$1.95 |
| 2.0 Bath | | | 1,600 | \$3,090 | \$1.93 | | | \$3,090 | \$1.93 | |
| AMLI Deerfield | | | | | | | | | | |
| Two Bedroom | 75 | 31.3% | 1,147 | \$2,160 | \$1.88 | \$1.88 | 8.3% | \$1,980 | \$1.73 | \$1.72 |
| 2.0 Bath | | | 1,301 | \$2,430 | \$1.87 | | | \$2,228 | \$1.71 | |
| Deerfield Village Centre | | | | | | | | | | |
| Two Bedroom | 20 | 35.7% | 1,040 | \$2,495 | \$2.40 | \$2.15 | 8.3% | \$2,287 | \$2.20 | \$1.97 |
| 2.0 Bath | | | 1,400 | \$2,670 | \$1.91 | | | \$2,448 | \$1.75 | |
| Dunton Tower | | | | | | | | | | |
| Two Bedroom | 81 | 37.5% | 1,100 | \$1,818 | \$1.65 | \$1.61 | 0.0% | \$1,818 | \$1.65 | \$1.61 |
| 2.0 Bath | | | 1,200 | \$1,887 | \$1.57 | | | \$1,887 | \$1.57 | |
| Hancock Square At Arlington Station | | | | | | | | | | |
| Two Bedroom | 87 | 21.3% | 975 | \$1,784 | \$1.83 | \$1.92 | 0.0% | \$1,784 | \$1.83 | \$1.92 |
| 2.0 Bath | | | 991 | \$1,994 | \$2.01 | | | \$1,994 | \$2.01 | |
| Hancock Square At Arlington Station | | | | | | | | | | |
| Two Bedroom | 60 | 14.7% | 1,128 | \$1,755 | \$1.56 | \$1.69 | 0.0% | \$1,755 | \$1.56 | \$1.69 |
| 2.0 Bath | | | 1,128 | \$2,047 | \$1.81 | | | \$2,047 | \$1.81 | |
| Kingston Pointe | | | | | | | | | | |
| Two Bedroom | 72 | 50.0% | 1,207 | \$1,955 | \$1.62 | \$1.67 | 0.0% | \$1,955 | \$1.62 | \$1.67 |
| 2.0 Bath | | | 1,448 | \$2,500 | \$1.73 | | | \$2,500 | \$1.73 | |
| Midtown Square | | | | | | | | | | |
| Two Bedroom | 39 | 28.3% | 923 | \$2,335 | \$2.53 | \$2.48 | 0.0% | \$2,335 | \$2.53 | \$2.48 |
| 2.0 Bath | | | 1,341 | \$3,270 | \$2.44 | | | \$3,270 | \$2.44 | |
| North680 | | | | | | | | | | |
| Two Bedroom | 48 | 26.7% | 1,130 | \$2,379 | \$2.11 | \$2.22 | 11.5% | \$2,105 | \$1.86 | \$1.96 |
| 2.0 Bath | | | 1,130 | \$2,639 | \$2.34 | | | \$2,335 | \$2.07 | |
| North680 | | | | | | | | | | |
| Two Bedroom | 4 | 2.2% | 1,588 | \$3,379 | \$2.13 | \$2.13 | 11.5% | \$2,989 | \$1.88 | \$1.88 |
| 2.0 Bath | | | 1,588 | \$3,379 | \$2.13 | | | \$2,989 | \$1.88 | |
| Northgate Crossing | | | | | | | | | | |
| Two Bedroom | 16 | 5.3% | 883 | \$1,820 | \$2.06 | \$2.06 | 4.7% | \$1,735 | \$1.96 | \$1.96 |
| 1.0 Bath | | | 883 | \$1,820 | \$2.06 | | | \$1,735 | \$1.96 | |
| Northgate Crossing | | | | | | | | | | |
| Two Bedroom | 90 | 30.0% | 1,190 | \$1,985 | \$1.67 | \$1.70 | 4.1% | \$1,903 | \$1.60 | \$1.63 |
| 2.0 Bath | | | 1,212 | \$2,110 | \$1.74 | | | \$2,023 | \$1.67 | |
| Northshore 770 | | | | | | | | | | |
| Two Bedroom | 142 | 40.9% | 1,009 | \$2,450 | \$2.43 | \$2.28 | 7.7% | \$2,262 | \$2.24 | \$2.11 |
| 2.0 Bath | | | 1,157 | \$2,470 | \$2.13 | | | \$2,280 | \$1.97 | |
| One Arlington | | | | | | | | | | |
| Two Bedroom | 36 | 16.8% | 1,193 | \$2,499 | \$2.09 | \$2.23 | 8.3% | \$2,291 | \$1.92 | \$2.04 |
| 2.0 Bath | | | 1,273 | \$2,999 | \$2.36 | | | \$2,749 | \$2.16 | |
| One Arlington | | | | | | | | | | |
| Two Bedroom | 14 | 6.5% | 1,303 | \$3,000 | \$2.30 | \$2.33 | 8.3% | \$2,750 | \$2.11 | \$2.14 |
| 2.0 Bath | | | 1,521 | \$3,600 | \$2.37 | | | \$3,300 | \$2.17 | |

Two Bedroom Apartment Comparables

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|----------------------------|--------------|-------|--------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| Park 205 Apartments | | | | | | | | | | |
| Two Bedroom | 45 | 39.1% | 1,080 | \$2,610 | \$2.42 | \$2.43 | 0.0% | \$2,610 | \$2.42 | \$2.43 |
| 2.0 Bath | | | 1,345 | \$3,280 | \$2.44 | | | \$3,280 | \$2.44 | |
| Reserve at Glenview | | | | | | | | | | |
| Two Bedroom | 76 | 31.8% | 1,105 | \$2,505 | \$2.27 | \$2.31 | 0.0% | \$2,505 | \$2.27 | \$2.31 |
| 2.0 Bath | | | 1,271 | \$2,980 | \$2.34 | | | \$2,980 | \$2.34 | |
| 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 | |
| Tapstry Glenview | | | | | | | | | | |
| Two Bedroom | 84 | 29.0% | 1,064 | \$2,249 | \$2.11 | \$2.11 | 8.3% | \$2,062 | \$1.94 | \$1.94 |
| 2.0 Bath | | | 1,064 | \$2,249 | \$2.11 | | | \$2,062 | \$1.94 | |
| Tapstry Glenview | | | | | | | | | | |
| Two Bedroom | 29 | 10.0% | 1,212 | \$2,749 | \$2.27 | \$2.27 | 8.3% | \$2,520 | \$2.08 | \$2.08 |
| 2.0 Bath | | | 1,212 | \$2,749 | \$2.27 | | | \$2,520 | \$2.08 | |
| Woodview | | | | | | | | | | |
| Two Bedroom | 115 | 46.4% | 958 | \$1,995 | \$2.08 | \$2.21 | 0.0% | \$1,995 | \$2.08 | \$2.21 |
| 2.0 Bath | | | 1,315 | \$3,075 | \$2.34 | | | \$3,075 | \$2.34 | |
| Total/Weighted Avg | 1,228 | | 1,165 | \$2,371 | | \$2.03 | | \$2,285 | | \$1.96 |



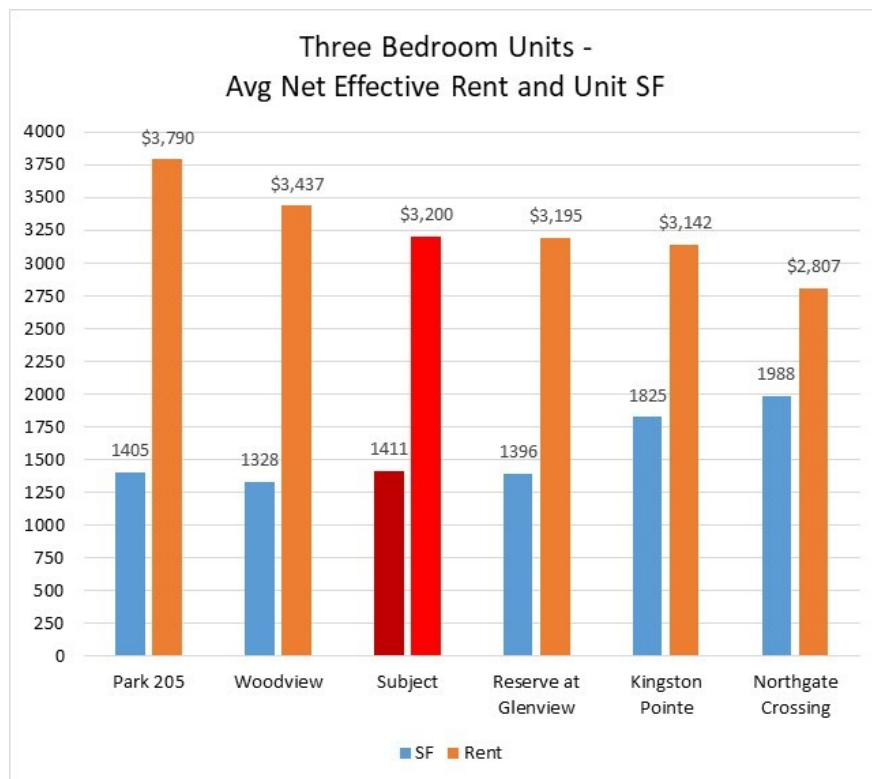
Projected rents for the subject property shown in red.

Two Bedroom + Den Apartment Comparables

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|----------------------------------|------------|-------|--------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| Aloft at Glen Town Center | | | | | | | | | | |
| Two Bedroom + Den | 2 | 1.1% | 1,800 | \$3,810 | \$2.12 | \$2.45 | 0.0% | \$3,810 | \$2.12 | \$2.45 |
| 2.0 Bath | | | 1,800 | \$5,000 | \$2.78 | | | \$5,000 | \$2.78 | |
| AMLI Deerfield | | | | | | | | | | |
| Two Bedroom + Den | 14 | 5.8% | 1,260 | \$2,579 | \$2.05 | \$2.18 | 8.3% | \$2,364 | \$1.88 | \$2.00 |
| 2.0 Bath | | | 1,365 | \$3,170 | \$2.32 | | | \$2,906 | \$2.13 | |
| Kingston Pointe | | | | | | | | | | |
| Two Bedroom + Den | 7 | 4.9% | 1,769 | \$2,593 | \$1.47 | \$1.47 | 0.0% | \$2,593 | \$1.47 | \$1.47 |
| 2.5 Bath | | | 1,769 | \$2,593 | \$1.47 | | | \$2,593 | \$1.47 | |
| Northshore 770 | | | | | | | | | | |
| Two Bedroom + Den | 56 | 16.1% | 1,099 | \$2,500 | \$2.27 | \$2.65 | 7.7% | \$2,308 | \$2.10 | \$2.45 |
| 2.0 Bath | | | 1,341 | \$4,060 | \$3.03 | | | \$3,748 | \$2.79 | |
| Park 205 Apartments | | | | | | | | | | |
| Two Bedroom + Den | 3 | 2.6% | 1,316 | \$3,295 | \$2.50 | \$2.50 | 0.0% | \$3,295 | \$2.50 | \$2.50 |
| 2.0 Bath | | | 1,316 | \$3,295 | \$2.50 | | | \$3,295 | \$2.50 | |
| River 595 | | | | | | | | | | |
| Two Bedroom + Den | 30 | 50.0% | 1,390 | \$2,199 | \$1.58 | \$1.62 | 7.7% | \$2,030 | \$1.46 | \$1.50 |
| 2.0 Bath | | | 1,390 | \$2,309 | \$1.66 | | | \$2,131 | \$1.53 | |
| River 595 | | | | | | | | | | |
| Two Bedroom + Den | 10 | 16.7% | 1,480 | \$2,299 | \$1.55 | \$1.59 | 7.7% | \$2,122 | \$1.43 | \$1.47 |
| 2.0 Bath | | | 1,480 | \$2,409 | \$1.63 | | | \$2,224 | \$1.50 | |
| River 595 | | | | | | | | | | |
| Two Bedroom + Den | 5 | 8.3% | 1,620 | \$2,589 | \$1.60 | \$1.60 | 7.7% | \$2,390 | \$1.48 | \$1.48 |
| 2.0 Bath | | | 1,620 | \$2,589 | \$1.60 | | | \$2,390 | \$1.48 | |
| River 595 | | | | | | | | | | |
| Two Bedroom + Den | 5 | 8.3% | 1,660 | \$2,689 | \$1.62 | \$1.62 | 7.7% | \$2,482 | \$1.50 | \$1.50 |
| 2.0 Bath | | | 1,660 | \$2,689 | \$1.62 | | | \$2,482 | \$1.50 | |
| Total/Weighted Avg | 132 | | 1,360 | \$2,846 | | \$2.09 | | \$2,647 | | \$1.95 |

Three Bedroom Apartment Comparables

| Unit Description | Unit | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|----------------------------|-----------|-------|--------------|----------------|--------|---------------|------------|--------------------|--------|---------------|
| | | | | Rent | PSF | Avg | | Rent | PSF | Avg |
| 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 | \$2,800 | \$1.42 | \$1.45 | 2.9% | \$2,719 | \$1.38 | \$1.41 |
| 2.0 Bath | | | 2,005 | \$2,980 | \$1.49 | | | \$2,894 | \$1.44 | |
| 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 | \$3,120 | \$2.25 | \$2.29 | 0.0% | \$3,120 | \$2.25 | \$2.29 |
| 2.0 Bath | | | 1,407 | \$3,270 | \$2.32 | | | \$3,270 | \$2.32 | |
| Woodview | | | | | | | | | | |
| Three Bedroom | 3 | 1.2% | 1,328 | \$3,437 | \$2.59 | \$2.59 | 0.0% | \$3,437 | \$2.59 | \$2.59 |
| 2.0 Bath | | | 1,328 | \$3,437 | \$2.59 | | | \$3,437 | \$2.59 | |
| Total/Weighted Avg | 57 | | 1,540 | \$3,172 | | \$2.06 | | \$3,155 | | \$2.05 |



Projected rents for the subject property shown in red.

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

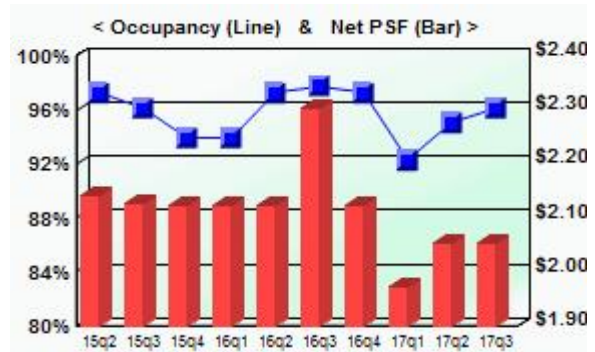


Aloft at Glen Town Center

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: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

Physical Profile

Units: **181**
Avg Unit SF: **1,141**
Built: **2004**
Renovated: **na**

Economic Profile

Occupancy: **96.1%**
Quoted Rent: **\$2.05**
Concessions: **0.0%**
Effective Rent: **\$2.05**

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-----------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 81 | 44.8% | 775 1,000 | \$1,600 \$2,350 | \$2.06 \$2.35 | \$2.21 | 0.0% | \$1,600 \$2,350 | \$2.06 \$2.35 | \$2.21 |
| 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 | 0.0% | \$2,350 \$2,520 | \$2.24 \$1.90 | \$2.07 |
| Two Bedroom 2.0 Bath | 90 | 49.7% | 1,100 1,600 | \$2,155 \$3,090 | \$1.96 \$1.93 | \$1.95 | 0.0% | \$2,155 \$3,090 | \$1.96 \$1.93 | \$1.95 |
| Two Bedroom + Den 2.0 Bath | 2 | 1.1% | 1,800 1,800 | \$3,810 \$5,000 | \$2.12 \$2.78 | \$2.45 | 0.0% | \$3,810 \$5,000 | \$2.12 \$2.78 | \$2.45 |

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

Amenities

| Unit | Appliance | Common |
|------|------------------|-------------------|
| | Disposal | Business Center |
| | Dishwasher | Clubhouse |
| | Microwave | Conference Room |
| | Range - Gas | Movie Theater Rm |
| | Refrigerator | Pets Allowed |
| | WasherDryer Incl | Parking |
| | Fitness | Reserved Gar/Encl |
| | Fitness Center | |
| | Bike Storage | |

Trends

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$2.12 | 0.0% | 93.9% | \$2.12 |
| 20154 | \$2.12 | 0.0% | 93.9% | \$2.12 |
| 20153 | \$2.13 | 0.0% | 96.1% | \$2.13 |
| 20152 | \$2.14 | 0.0% | 97.2% | \$2.14 |

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

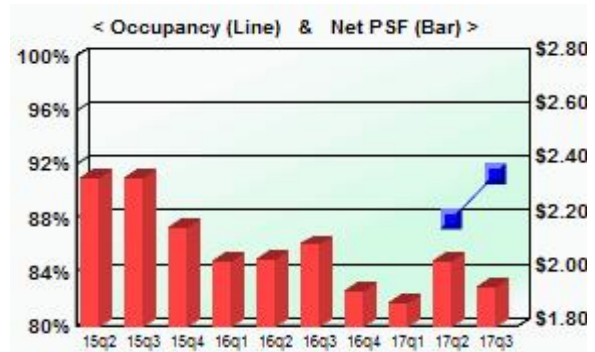


AMLI Deerfield

1525 Lake Cook Rd
Deerfield, Cook County, IL 60015

North Shore

Class: A, Market Rate
ID: 1445; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | | ✓ | Water | | ✓ |
| Unit Central AC | | ✓ | Cable TV | | ✓ |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

| Physical Profile | Economic Profile |
|-------------------------|-------------------------------|
| Units: 240 | Occupancy: 91.3% |
| Avg Unit SF: 941 | Quoted Rent: \$2.13 |
| Built: 2015 | Concessions: 8.3% |
| Renovated: na | Effective Rent: \$1.95 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| Studio 1.0 Bath | 23 | 9.6% | 527 631 | \$1,475 \$1,475 | \$2.80 \$2.34 | \$2.57 | 8.3% | \$1,352 \$1,352 | \$2.57 \$2.14 | \$2.35 |
| One Bedroom 1.0 Bath | 122 | 50.8% | 722 859 | \$1,658 \$1,963 | \$2.30 \$2.29 | \$2.29 | 8.3% | \$1,520 \$1,799 | \$2.11 \$2.09 | \$2.10 |
| One Bedroom + Den 1.0 Bath | 6 | 2.5% | 966 966 | \$2,075 \$2,100 | \$2.15 \$2.17 | \$2.16 | 8.3% | \$1,902 \$1,925 | \$1.97 \$1.99 | \$1.98 |
| Two Bedroom 2.0 Bath | 75 | 31.3% | 1,147 1,301 | \$2,160 \$2,430 | \$1.88 \$1.87 | \$1.88 | 8.3% | \$1,980 \$2,228 | \$1.73 \$1.71 | \$1.72 |
| Two Bedroom + Den 2.0 Bath | 14 | 5.8% | 1,260 1,365 | \$2,579 \$3,170 | \$2.05 \$2.32 | \$2.18 | 8.3% | \$2,364 \$2,906 | \$1.88 \$2.13 | \$2.00 |

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

Amenities

| Unit | Appliance | Common |
|--------------------|------------------|-------------------|
| Carpeting | Disposal | Business Center |
| Wood Floors | Dishwasher | Party/Social Room |
| 9' Ceiling | Microwave | Smoke Free |
| Smooth Ceiling | Range - Gas | Extra Storage |
| Window Blinds | Refrigerator | Pets Allowed |
| Granite Counters | WasherDryer Incl | Fire Pit |
| Quartz Counters | Fitness | Grilling Area |
| Tile Backsplash | Fitness Center | Pet Wash Station |
| Undermount Sinks | Outdoor Pool | Parking |
| Patio/Balcony/Deck | Bike Storage | Attached Garage |

Trends

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 20173 | \$2.13 | 8.3% | 91.3% | \$1.95 |
| 20172 | \$2.23 | 8.3% | 87.9% | \$2.04 |
| 20171 | \$2.26 | 16.7% | 79.2% | \$1.88 |
| 20164 | \$2.31 | 16.7% | 65.8% | \$1.93 |
| 20163 | \$2.29 | 8.3% | 61.7% | \$2.10 |
| 20162 | \$2.29 | 10.5% | 57.5% | \$2.05 |
| 20161 | \$2.23 | 8.3% | 45.4% | \$2.04 |
| 20154 | \$2.36 | 8.3% | 27.5% | \$2.17 |
| 20153 | \$2.35 | 0.0% | 22.5% | \$2.35 |
| 20152 | \$2.35 | 0.0% | 7.1% | \$2.35 |

Notes: Leasing began in May, 2015. Bldg opened 8/30/15. Studio units function as convertibles.

AMLI Residential

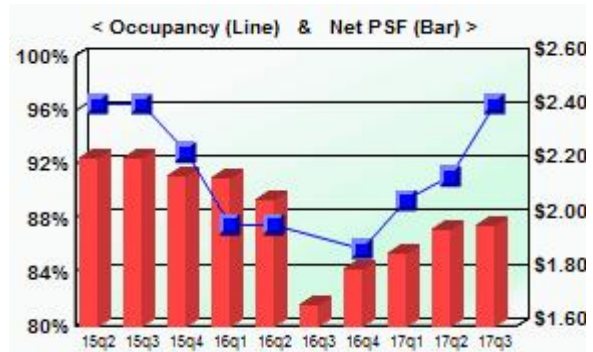


Deerfield Village Centre

625 Deerfield Road (Deerfield Rd, E of Rt 43)
Deerfield, Lake County, IL 60015

North Shore

Class: A, Market Rate
ID: 367; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

Physical Profile

Units: **56**

Avg Unit SF: **1,059**

Built: **2000**

Renovated: **na**

Economic Profile

Occupancy: **96.4%**

Quoted Rent: **\$2.15**

Concessions: **8.3%**

Effective Rent: **\$1.98**

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|-------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 20 | 35.7% | 780 1,000 | \$1,950 \$2,050 | \$2.50 \$2.05 | \$2.28 | 8.3% | \$1,788 \$1,879 | \$2.29 \$1.88 | \$2.09 |
| One Bedroom + Den 1.0 Bath | 16 | 28.6% | 1,050 1,090 | \$2,260 \$2,260 | \$2.15 \$2.07 | \$2.11 | 8.3% | \$2,072 \$2,072 | \$1.97 \$1.90 | \$1.94 |
| Two Bedroom 2.0 Bath | 20 | 35.7% | 1,040 1,400 | \$2,495 \$2,670 | \$2.40 \$1.91 | \$2.15 | 8.3% | \$2,287 \$2,448 | \$2.20 \$1.75 | \$1.97 |

Paid Parking: \$50 (Reserved Gar/Encl) to \$75 (Tandem Space) per month.

Amenities

| Unit | Appliance | Common |
|------|------------------|--------------------|
| | Disposal | Doorman |
| | Dishwasher | Laundry Room |
| | Microwave | Business Center |
| | Range - Gas | Conference Room |
| | Refrigerator | Party/Social Room |
| | WasherDryer Incl | Extra Storage |
| | Fitness | Pets Allowed |
| | Fitness Center | Parking |
| | | Self-Park Gar/Encl |
| | | Reserved Gar/Encl |

Trends

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 20173 | \$2.15 | 8.3% | 96.4% | \$1.98 |
| 20172 | \$2.14 | 8.3% | 91.1% | \$1.96 |
| 20171 | \$2.04 | 8.3% | 89.3% | \$1.87 |
| 20164 | \$1.98 | 8.3% | 85.7% | \$1.81 |
| 20163 | \$1.90 | 11.9% | 76.8% | \$1.68 |
| 20162 | \$2.22 | 6.9% | 87.5% | \$2.07 |
| 20161 | \$2.24 | 4.2% | 87.5% | \$2.15 |
| 20154 | \$2.35 | 8.3% | 92.9% | \$2.16 |
| 20153 | \$2.22 | 0.0% | 96.4% | \$2.22 |
| 20152 | \$2.22 | 0.0% | 96.4% | \$2.22 |

Notes:

M2 Property Group



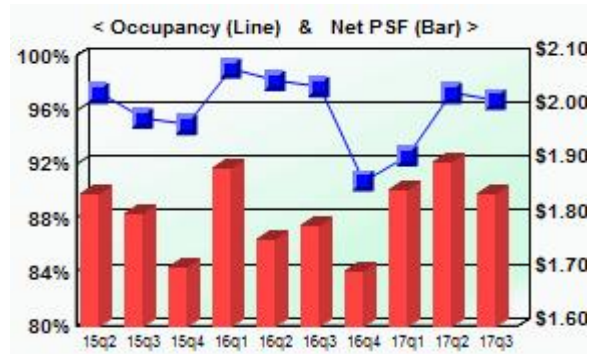
Dunton Tower

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: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | | ✓ | Trash | | ✓ |
| Gas Forced Air Heat | ✓ | | Water | | ✓ |
| Unit Central AC | | ✓ | Cable TV | | ✓ |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

| Physical Profile | | Economic Profile | |
|------------------|-------------|------------------|---------------|
| Units: | 216 | Occupancy: | 96.8% |
| Avg Unit SF: | 902 | Quoted Rent: | \$1.84 |
| Built: | 1986 | Concessions: | 0.0% |
| Renovated: | 2006 | Effective Rent: | \$1.84 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|-------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| Studio 1.0 Bath | 27 | 12.5% | 600 | \$1,241 | \$2.07 | \$2.14 | 0.0% | \$1,241 | \$2.07 | \$2.14 |
| One Bedroom 1.0 Bath | 108 | 50.0% | 785 800 | \$1,554 \$1,681 | \$1.98 \$2.10 | \$2.04 | 0.0% | \$1,554 \$1,681 | \$1.98 \$2.10 | \$2.04 |
| Two Bedroom 2.0 Bath | 81 | 37.5% | 1,100 1,200 | \$1,818 \$1,887 | \$1.65 \$1.57 | \$1.61 | 0.0% | \$1,818 \$1,887 | \$1.65 \$1.57 | \$1.61 |

Paid Parking: \$70 (Attached Garage) per month.

Amenities

| Unit | Appliance | Common |
|--------------------|------------------|--------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$1.89 | 0.0% | 99.1% | \$1.89 |
| 20154 | \$1.71 | 0.0% | 94.9% | \$1.71 |
| 20153 | \$1.81 | 0.0% | 95.4% | \$1.81 |
| 20152 | \$1.85 | 0.0% | 97.2% | \$1.85 |

Notes:

Lincoln Property

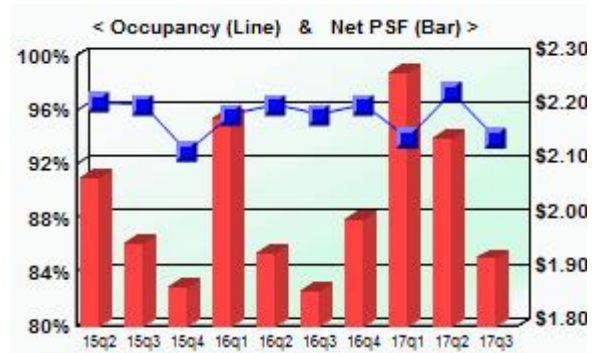


Hancock Square At Arlington Station

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: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

Physical Profile

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

Economic Profile

Occupancy: **93.9%**
Quoted Rent: **\$1.93**
Concessions: **0.0%**
Effective Rent: **\$1.93**

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-------------------|-------|-------|-------|-------------|--------|---------|------------|--------------------|--------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| Studio | 30 | 7.3% | 608 | \$1,457 | \$2.40 | \$2.40 | 0.0% | \$1,457 | \$2.40 | \$2.40 |
| 1.0 Bath | | | 608 | \$1,457 | \$2.40 | | | \$1,457 | \$2.40 | |
| One Bedroom | 143 | 35.0% | 677 | \$1,515 | \$2.24 | \$2.24 | 0.0% | \$1,515 | \$2.24 | \$2.24 |
| 1.0 Bath | | | 677 | \$1,515 | \$2.24 | | | \$1,515 | \$2.24 | |
| One Bedroom + Den | 89 | 21.8% | 850 | \$1,395 | \$1.64 | \$1.64 | 0.0% | \$1,395 | \$1.64 | \$1.64 |
| 1.0 Bath | | | 925 | \$1,524 | \$1.65 | | | \$1,524 | \$1.65 | |
| Two Bedroom | 87 | 21.3% | 975 | \$1,784 | \$1.83 | \$1.92 | 0.0% | \$1,784 | \$1.83 | \$1.92 |
| 2.0 Bath | | | 991 | \$1,994 | \$2.01 | | | \$1,994 | \$2.01 | |
| Two Bedroom | 60 | 14.7% | 1,128 | \$1,755 | \$1.56 | \$1.69 | 0.0% | \$1,755 | \$1.56 | \$1.69 |
| 2.0 Bath | | | 1,128 | \$2,047 | \$1.81 | | | \$2,047 | \$1.81 | |

● 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 |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$2.18 | 0.0% | 95.6% | \$2.18 |
| 20154 | \$1.87 | 0.0% | 92.9% | \$1.87 |
| 20153 | \$1.95 | 0.0% | 96.3% | \$1.95 |
| 20152 | \$2.07 | 0.0% | 96.6% | \$2.07 |

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

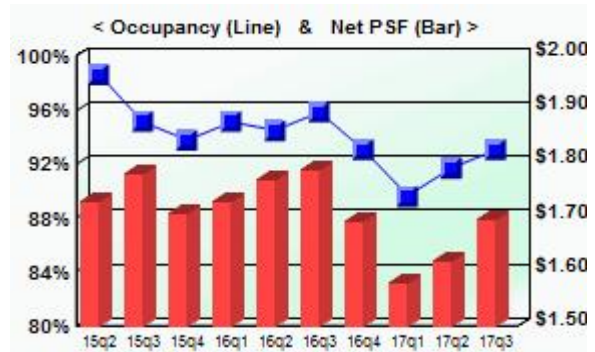
Des Plaines, Cook County, IL 60016



Cook County-Northwest

Class: A, Market Rate

ID: 1044; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| Physical Profile | |
|------------------|--------------|
| Units: | 144 |
| Avg Unit SF: | 1,203 |
| Built: | 2009 |
| Renovated: | na |

| Economic Profile | |
|------------------|---------------|
| Occupancy: | 93.1% |
| Quoted Rent: | \$1.70 |
| Concessions: | 0.0% |
| Effective Rent: | \$1.70 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|--------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 34 | 23.6% | 820 1,005 | \$1,653 \$1,725 | \$2.02 \$1.72 | \$1.87 | 0.0% | \$1,653 \$1,725 | \$2.02 \$1.72 | \$1.87 |
| One Bedroom + Den 1.0 Bath | 28 | 19.4% | 971 1,089 | \$1,705 \$1,768 | \$1.76 \$1.62 | \$1.69 | 0.0% | \$1,705 \$1,768 | \$1.76 \$1.62 | \$1.69 |
| Two Bedroom 2.0 Bath | 72 | 50.0% | 1,207 1,448 | \$1,955 \$2,500 | \$1.62 \$1.73 | \$1.67 | 0.0% | \$1,955 \$2,500 | \$1.62 \$1.73 | \$1.67 |
| Two Bedroom + Den 2.5 Bath | 7 | 4.9% | 1,769 1,769 | \$2,593 \$2,593 | \$1.47 \$1.47 | \$1.47 | 0.0% | \$2,593 \$2,593 | \$1.47 \$1.47 | \$1.47 |
| 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

| Unit | Appliance | Common |
|--------------------|------------------|--------------------|
| 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 | |

Trends

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$1.74 | 0.5% | 95.1% | \$1.73 |
| 20154 | \$1.72 | 0.5% | 93.8% | \$1.71 |
| 20153 | \$1.78 | 0.0% | 95.1% | \$1.78 |
| 20152 | \$1.73 | 0.0% | 98.6% | \$1.73 |

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.



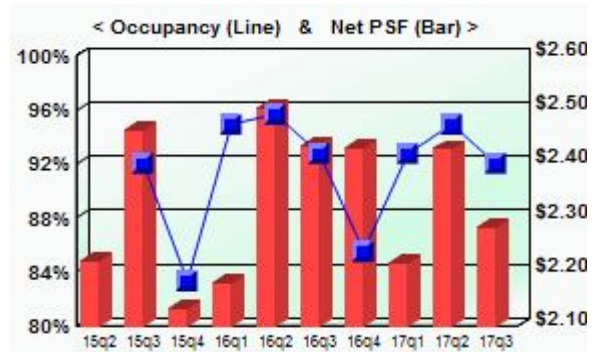
Midtown Square

998 Church St
Glenview, Cook County, IL 60025



North Shore

Class: A, Market Rate
ID: 1344; YrQtr: 20173



| <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 | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| <u>Physical Profile</u> | |
|-------------------------|-------------|
| Units: | 138 |
| Avg Unit SF: | 920 |
| Built: | 2014 |
| Renovated: | na |

| <u>Economic Profile</u> | |
|-------------------------|---------------|
| Occupancy: | 92.0% |
| Quoted Rent: | \$2.41 |
| Concessions: | 5.4% |
| Effective Rent: | \$2.28 |

| <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 | \$1,830 | \$2.40 | \$2.38 | 8.3% | \$1,678 | \$2.20 | \$2.18 |
| 1.0 Bath | | | 909 | \$2,150 | \$2.37 | | | \$1,971 | \$2.17 | |
| Two Bedroom | 39 | 28.3% | 923 | \$2,335 | \$2.53 | \$2.48 | 0.0% | \$2,335 | \$2.53 | \$2.48 |
| 2.0 Bath | | | 1,341 | \$3,270 | \$2.44 | | | \$3,270 | \$2.44 | |

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

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> |
|---------------|-------------------|-------------------|----------------|----------------|
| 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 |
| 20161 | \$2.44 | 10.6% | 94.9% | \$2.18 |
| 20154 | \$2.44 | 12.5% | 83.3% | \$2.13 |
| 20153 | \$2.60 | 5.2% | 92.0% | \$2.46 |
| 20152 | \$2.42 | 8.3% | 70.3% | \$2.22 |

Notes:

Lincoln Property

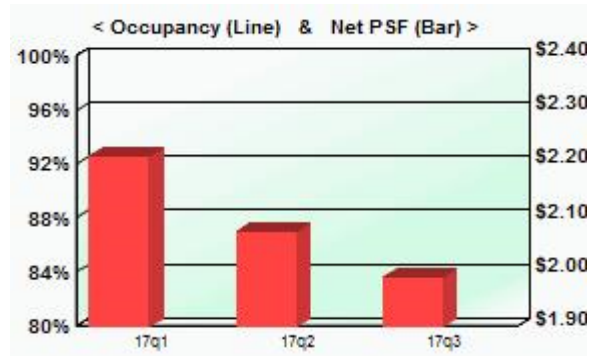


North680

680 E Algonquin Rd
Schaumburg, Cook County, IL 60173

Cook County-Northwest

Class: A, Market Rate
ID: 1645; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| Physical Profile | Economic Profile |
|-------------------------|-------------------------------|
| Units: 180 | Occupancy: 49.4% |
| Avg Unit SF: 894 | Quoted Rent: \$2.25 |
| Built: 2017 | Concessions: 11.5% |
| Renovated: na | Effective Rent: \$1.99 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 104 | 57.8% | 665 785 | \$1,589 \$1,839 | \$2.39 \$2.34 | \$2.37 | 11.5% | \$1,406 \$1,627 | \$2.11 \$2.07 | \$2.09 |
| One Bedroom + Den 1.0 Bath | 24 | 13.3% | 1,039 1,039 | \$1,999 \$2,139 | \$1.92 \$2.06 | \$1.99 | 11.5% | \$1,768 \$1,892 | \$1.70 \$1.82 | \$1.76 |
| Two Bedroom 2.0 Bath | 48 | 26.7% | 1,130 1,130 | \$2,379 \$2,639 | \$2.11 \$2.34 | \$2.22 | 11.5% | \$2,105 \$2,335 | \$1.86 \$2.07 | \$1.96 |
| Two Bedroom 2.0 Bath | 4 | 2.2% | 1,588 1,588 | \$3,379 \$3,379 | \$2.13 \$2.13 | \$2.13 | 11.5% | \$2,989 \$2,989 | \$1.88 \$1.88 | \$1.88 |

• Townhomes

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

Amenities

| Unit | Appliance | Common |
|--------------------|------------------|-------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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: 3Q17- Additional concessions include detached parking special \$59/Mo and reduced move in fees. Occupancy started April 17, 2017. Two move-ins as of April 19, 2017. Tenants to be billed for water and trash, estimated at about \$20 per month.

Matrix Residential



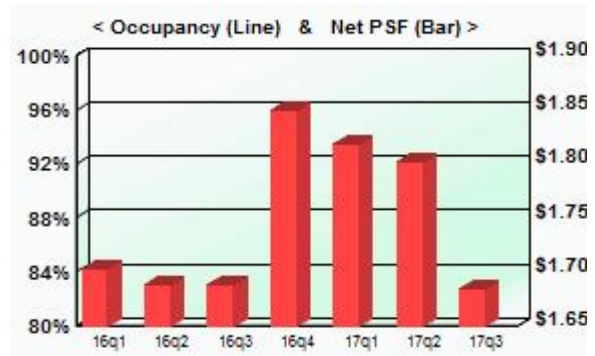
Northgate Crossing

200 Hudson Court
Wheeling, Cook County, IL 60090



Cook County-Northwest

Class: A, Market Rate
ID: 1505; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | | ✓ | Trash | | ✓ |
| Gas Forced Air Heat | | ✓ | Water | | ✓ |
| Unit Central AC | | ✓ | Cable TV | | ✓ |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

Physical Profile

Units: **300**
Avg Unit SF: **969**
Built: **2016**
Renovated: **na**

Economic Profile

Occupancy: **79.7%**
Quoted Rent: **\$1.77**
Concessions: **4.7%**
Effective Rent: **\$1.69**

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|-------------------|-------|-------|-------|-------------|--------|---------|------------|--------------------|--------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| One Bedroom | 162 | 54.0% | 696 | \$1,229 | \$1.77 | \$1.81 | 5.3% | \$1,163 | \$1.67 | \$1.71 |
| 1.0 Bath | | | 873 | \$1,620 | \$1.86 | | | \$1,534 | \$1.76 | |
| One Bedroom + Den | 20 | 6.7% | 883 | \$1,760 | \$1.99 | \$1.99 | 4.9% | \$1,674 | \$1.90 | \$1.90 |
| 1.0 Bath | | | 883 | \$1,760 | \$1.99 | | | \$1,674 | \$1.90 | |
| Two Bedroom | 16 | 5.3% | 883 | \$1,820 | \$2.06 | \$2.06 | 4.7% | \$1,735 | \$1.96 | \$1.96 |
| 1.0 Bath | | | 883 | \$1,820 | \$2.06 | | | \$1,735 | \$1.96 | |
| Two Bedroom | 90 | 30.0% | 1,190 | \$1,985 | \$1.67 | \$1.70 | 4.1% | \$1,903 | \$1.60 | \$1.63 |
| 2.0 Bath | | | 1,212 | \$2,110 | \$1.74 | | | \$2,023 | \$1.67 | |
| Three Bedroom | 12 | 4.0% | 1,971 | \$2,800 | \$1.42 | \$1.45 | 2.9% | \$2,719 | \$1.38 | \$1.41 |
| 2.0 Bath | | | 2,005 | \$2,980 | \$1.49 | | | \$2,894 | \$1.44 | |

• TH

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

Amenities

| Unit | Appliance | Common |
|--------------------|------------------|--------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$1.84 | 7.7% | 13.9% | \$1.70 |

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

Kinzie Property Management

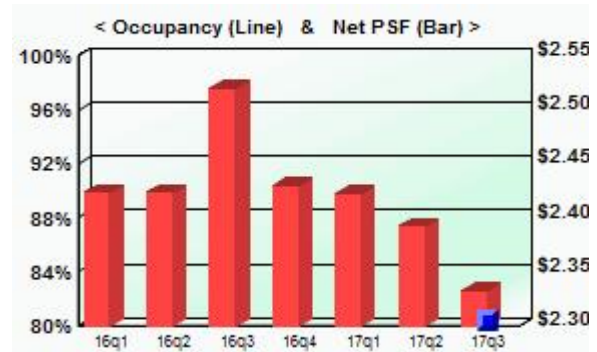


Northshore 770

770 Skokie Blvd
Northbrook, Cook County, IL 60062

North Shore

Class: A, Market Rate
ID: 1504; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| Physical Profile | | Economic Profile | |
|------------------|-------------|------------------|---------------|
| Units: | 347 | Occupancy: | 80.4% |
| Avg Unit SF: | 992 | Quoted Rent: | \$2.45 |
| Built: | 2016 | Concessions: | 4.9% |
| Renovated: | na | Effective Rent: | \$2.33 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-------------------------------|-------|-------|----------------|--------------------|------------------|---------|------------|--------------------|------------------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 86 | 24.8% | 667 904 | \$1,700 \$2,390 | \$2.55 \$2.64 | \$2.60 | 0.0% | \$1,700 \$2,390 | \$2.55 \$2.64 | \$2.60 |
| One Bedroom + Den 1.0 Bath | 63 | 18.2% | 755 972 | \$1,690 \$2,580 | \$2.24 \$2.65 | \$2.45 | 0.0% | \$1,690 \$2,580 | \$2.24 \$2.65 | \$2.45 |
| Two Bedroom 2.0 Bath | 142 | 40.9% | 1,009 1,157 | \$2,450 \$2,470 | \$2.43 \$2.13 | \$2.28 | 7.7% | \$2,262 \$2,280 | \$2.24 \$1.97 | \$2.11 |
| Two Bedroom + Den 2.0 Bath | 56 | 16.1% | 1,099 1,341 | \$2,500 \$4,060 | \$2.27 \$3.03 | \$2.65 | 7.7% | \$2,308 \$3,748 | \$2.10 \$2.79 | \$2.45 |

Paid Parking: \$150 (Self-Park Gar/Encl) to \$220 (Tandem Space) per month.

Amenities

| Unit | Appliance | Common |
|--------------------|------------------|----------------------|
| Carpeting | Disposal | Doorman |
| Wood Floors | Dishwasher | Business Center |
| 9' Ceiling | Microwave | Conference Room |
| 10' Ceiling | Range - Gas | Party/Social Room |
| Smooth Ceiling | Refrigerator | Extra Storage |
| Window Blinds | WasherDryer Incl | Pets Allowed |
| Quartz Counters | Fitness | Car Charging Station |
| Tile Backsplash | Fitness Center | Dog Run |
| Undermount Sinks | Outdoor Pool | Pet Wash Station |
| Patio/Balcony/Deck | | Golf Simulator |
| | | Parking |
| | | Self-Park Gar/Encl |

Trends

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 20173 | \$2.45 | 4.9% | 80.4% | \$2.33 |
| 20172 | \$2.39 | 0.0% | | \$2.39 |
| 20171 | \$2.62 | 7.7% | 65.1% | \$2.42 |
| 20164 | \$2.63 | 7.7% | 53.9% | \$2.43 |
| 20163 | \$2.73 | 7.7% | 50.7% | \$2.52 |
| 20162 | \$2.63 | 7.7% | 38.3% | \$2.42 |
| 20161 | \$2.63 | 7.7% | 20.5% | \$2.42 |

Notes: Occupancy began in 01/16. PH units have higher ceilings and higher finishes.

Morningside



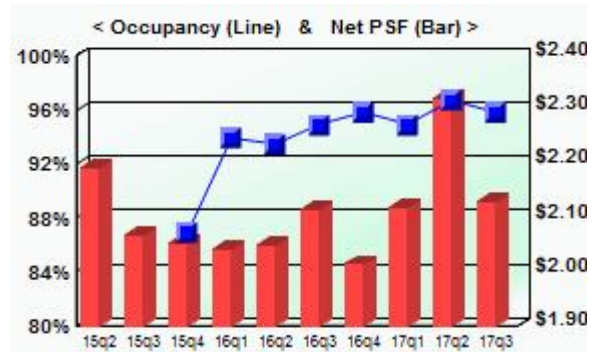
One Arlington

3400 W Stonegate Blvd
Arlington Heights, Cook County, IL 60005



Cook County-Northwest

Class: A, Market Rate
ID: 1342; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | | ✓ | Trash | | ✓ |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

| Physical Profile | | Economic Profile | |
|------------------|-------------|------------------|---------------|
| Units: | 214 | Occupancy: | 95.8% |
| Avg Unit SF: | 936 | Quoted Rent: | \$2.23 |
| Built: | 2014 | Concessions: | 4.3% |
| Renovated: | na | Effective Rent: | \$2.13 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|------------------|-------|-------|-------|-------------|--------|---------|------------|--------------------|--------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| Studio | 51 | 23.8% | 549 | \$1,489 | \$2.71 | \$2.59 | 8.3% | \$1,365 | \$2.49 | \$2.37 |
| 1.0 Bath | | | 769 | \$1,899 | \$2.47 | | | \$1,741 | \$2.26 | |
| One Bedroom | 113 | 52.8% | 803 | \$1,599 | \$1.99 | \$2.08 | 0.0% | \$1,599 | \$1.99 | \$2.08 |
| 1.0 Bath | | | 1,012 | \$2,199 | \$2.17 | | | \$2,199 | \$2.17 | |
| Two Bedroom | 36 | 16.8% | 1,193 | \$2,499 | \$2.09 | \$2.23 | 8.3% | \$2,291 | \$1.92 | \$2.04 |
| 2.0 Bath | | | 1,273 | \$2,999 | \$2.36 | | | \$2,749 | \$2.16 | |
| Two Bedroom | 14 | 6.5% | 1,303 | \$3,000 | \$2.30 | \$2.33 | 8.3% | \$2,750 | \$2.11 | \$2.14 |
| 2.0 Bath | | | 1,521 | \$3,600 | \$2.37 | | | \$3,300 | \$2.17 | |
| • PH | | | | | | | | | | |

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

Amenities

| Unit | Appliance | Common |
|----------------------|------------------|----------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$2.04 | 0.0% | 93.9% | \$2.04 |
| 20154 | \$2.10 | 1.9% | 86.9% | \$2.05 |
| 20153 | \$2.10 | 1.6% | 76.6% | \$2.07 |
| 20152 | \$2.46 | 10.8% | 58.4% | \$2.19 |

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

Waterford Residential

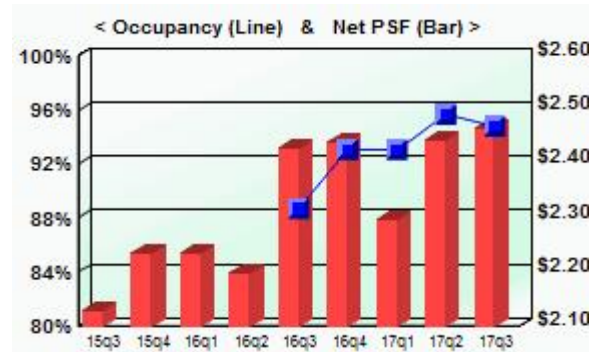


Park 205 Apartments

205 W Touhy Ave
Park Ridge, Cook County, IL 60068

North Shore

Class: A, Market Rate
ID: 1475; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | ✓ | | Trash | ✓ | |
| Gas Forced Air Heat | ✓ | | Water | ✓ | |
| Unit Central AC | ✓ | | Cable TV | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| Physical Profile | | Economic Profile | |
|------------------|-------------|------------------|---------------|
| Units: | 115 | Occupancy: | 94.8% |
| Avg Unit SF: | 975 | Quoted Rent: | \$2.47 |
| Built: | 2015 | Concessions: | 0.0% |
| Renovated: | na | Effective Rent: | \$2.47 |

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | | Net Effective Rent | | |
|-------------------|-------|-------|-------|-------------|--------|---------|------------|--------------------|--------|---------|
| | | | | Rent | PSF | PSF Avg | Concession | Rent | PSF | PSF Avg |
| One Bedroom | 57 | 49.6% | 606 | \$1,765 | \$2.91 | \$2.57 | 0.0% | \$1,765 | \$2.91 | \$2.57 |
| 1.0 Bath | | | 881 | \$1,960 | \$2.22 | | | \$1,960 | \$2.22 | |
| One Bedroom + Den | 7 | 6.1% | 942 | \$2,360 | \$2.51 | \$2.36 | 0.0% | \$2,360 | \$2.51 | \$2.36 |
| 1.0 Bath | | | 1,064 | \$2,360 | \$2.22 | | | \$2,360 | \$2.22 | |
| Two Bedroom | 45 | 39.1% | 1,080 | \$2,610 | \$2.42 | \$2.43 | 0.0% | \$2,610 | \$2.42 | \$2.43 |
| 2.0 Bath | | | 1,345 | \$3,280 | \$2.44 | | | \$3,280 | \$2.44 | |
| Two Bedroom + Den | 3 | 2.6% | 1,316 | \$3,295 | \$2.50 | \$2.50 | 0.0% | \$3,295 | \$2.50 | \$2.50 |
| 2.0 Bath | | | 1,316 | \$3,295 | \$2.50 | | | \$3,295 | \$2.50 | |
| 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

| Unit | Appliance | Common |
|--------------------|------------------|-------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$2.44 | 8.3% | 65.2% | \$2.23 |
| 20154 | \$2.44 | 8.3% | 44.3% | \$2.23 |
| 20153 | \$2.32 | 8.3% | 21.7% | \$2.13 |

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

Greystar

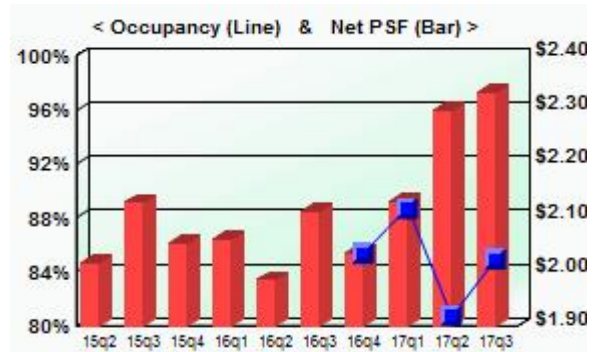


Reserve at Glenview

195 N Waukegan Rd
Glenview, Cook County, IL 60025

North Shore

Class: A, Market Rate
ID: 1396; YrQtr: 20173



| <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 | ✓ | |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

| <u>Physical Profile</u> | |
|-------------------------|--------------|
| Units: | 239 |
| Avg Unit SF: | 1,013 |
| Built: | 2015 |
| Renovated: | na |

| <u>Economic Profile</u> | |
|-------------------------|---------------|
| Occupancy: | 84.9% |
| Quoted Rent: | \$2.33 |
| Concessions: | 0.0% |
| Effective Rent: | \$2.33 |

| <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 | 6 | 2.5% | 630 | \$1,580 | \$2.51 | \$2.51 | 0.0% | \$1,580 | \$2.51 | \$2.51 |
| One Bedroom 1.0 Bath | 103 | 43.1% | 750 | \$1,745 | \$2.33 | \$2.37 | 0.0% | \$1,745 | \$2.33 | \$2.37 |
| | | | 810 | \$1,955 | \$2.41 | | | \$1,955 | \$2.41 | |
| One Bedroom + Den 1.0 Bath | 18 | 7.5% | 964 | \$2,285 | \$2.37 | \$2.37 | 0.0% | \$2,285 | \$2.37 | \$2.37 |
| | | | 964 | \$2,285 | \$2.37 | | | \$2,285 | \$2.37 | |
| Two Bedroom 2.0 Bath | 76 | 31.8% | 1,105 | \$2,505 | \$2.27 | \$2.31 | 0.0% | \$2,505 | \$2.27 | \$2.31 |
| | | | 1,271 | \$2,980 | \$2.34 | | | \$2,980 | \$2.34 | |
| Three Bedroom 2.0 Bath | 36 | 15.1% | 1,385 | \$3,120 | \$2.25 | \$2.29 | 0.0% | \$3,120 | \$2.25 | \$2.29 |
| | | | 1,407 | \$3,270 | \$2.32 | | | \$3,270 | \$2.32 | |

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> |
|---------------|-------------------|-------------------|----------------|----------------|
| 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 |
| 20161 | \$2.31 | 10.7% | 61.9% | \$2.06 |
| 20154 | \$2.24 | 8.3% | 43.1% | \$2.05 |
| 20153 | \$2.15 | 1.2% | 36.0% | \$2.13 |
| 20152 | \$2.38 | 15.4% | 18.0% | \$2.02 |

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

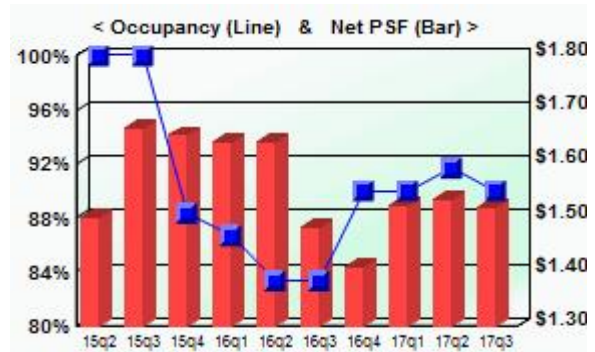


River 595

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

Cook County-Northwest

Class: A, Market Rate
ID: 996; YrQtr: 20173



| Utility Description | L | T | Service | L | T |
|---------------------|---|---|----------|---|---|
| Lights | | ✓ | Trash | | ✓ |
| Gas Hot Water Heat | | ✓ | Water | | ✓ |
| Unit Central AC | | ✓ | Cable TV | | ✓ |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

Physical Profile

Units: **60**
Avg Unit SF: **1,397**
Built: **2011**
Renovated: **na**

Economic Profile

Occupancy: **90.0%**
Quoted Rent: **\$1.65**
Concessions: **7.7%**
Effective Rent: **\$1.52**

| Unit Description | Units | Pct | Sq Ft | Quoted Rent | | | Concession | Net Effective Rent | | |
|---|-------|-------|-------|-------------|--------|---------|------------|--------------------|--------|---------|
| | | | | Rent | PSF | PSF Avg | | Rent | PSF | PSF Avg |
| One Bedroom 1.0 Bath | 5 | 8.3% | 860 | \$1,829 | \$2.13 | \$2.18 | 7.7% | \$1,688 | \$1.96 | \$2.02 |
| | | | 860 | \$1,929 | \$2.24 | | | \$1,781 | \$2.07 | |
| Two Bedroom 2.0 Bath | 5 | 8.3% | 1,325 | \$2,159 | \$1.63 | \$1.66 | 7.7% | \$1,993 | \$1.50 | \$1.54 |
| | | | 1,325 | \$2,249 | \$1.70 | | | \$2,076 | \$1.57 | |
| Two Bedroom + Den 2.0 Bath • Type B | 30 | 50.0% | 1,390 | \$2,199 | \$1.58 | \$1.62 | 7.7% | \$2,030 | \$1.46 | \$1.50 |
| | | | 1,390 | \$2,309 | \$1.66 | | | \$2,131 | \$1.53 | |
| Two Bedroom + Den 2.0 Bath • Type A | 10 | 16.7% | 1,480 | \$2,299 | \$1.55 | \$1.59 | 7.7% | \$2,122 | \$1.43 | \$1.47 |
| | | | 1,480 | \$2,409 | \$1.63 | | | \$2,224 | \$1.50 | |
| Two Bedroom + Den 2.0 Bath • Type D | 5 | 8.3% | 1,620 | \$2,589 | \$1.60 | \$1.60 | 7.7% | \$2,390 | \$1.48 | \$1.48 |
| | | | 1,620 | \$2,589 | \$1.60 | | | \$2,390 | \$1.48 | |
| Two Bedroom + Den 2.0 Bath • Type C | 5 | 8.3% | 1,660 | \$2,689 | \$1.62 | \$1.62 | 7.7% | \$2,482 | \$1.50 | \$1.50 |
| | | | 1,660 | \$2,689 | \$1.62 | | | \$2,482 | \$1.50 | |

Paid Parking: \$65 (Self-Park Gar/Encl) per month. Free parking available.

Amenities

| Unit | Appliance | Common |
|--------------------|----------------|--------------------|
| 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

| Yr-Qtr | Quoted PSF | Concession | Occup % | Net PSF |
|--------|------------|------------|---------|---------|
| 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 |
| 20161 | \$1.64 | 0.0% | 86.7% | \$1.64 |
| 20154 | \$1.66 | 0.6% | 88.3% | \$1.65 |
| 20153 | \$1.67 | 0.0% | 100.0% | \$1.67 |
| 20152 | \$1.50 | 0.0% | 100.0% | \$1.50 |

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

Morningside Group

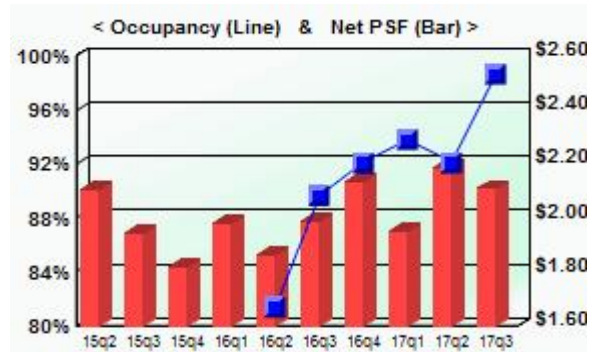


Tapestry Glenview

2550 Waterview Dr
Glenview, Cook County, IL 60062

North Shore

Class: A, Market Rate
ID: 1341; YrQtr: 20173



| <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 | ✓ | |
| | | | Internet | ✓ | |

L=Landlord pays, T=Tenant pays

| <u>Physical Profile</u> | |
|-------------------------|-------------|
| Units: | 290 |
| Avg Unit SF: | 887 |
| Built: | 2014 |
| Renovated: | na |

| <u>Economic Profile</u> | |
|-------------------------|---------------|
| Occupancy: | 98.6% |
| Quoted Rent: | \$2.25 |
| Concessions: | 6.4% |
| Effective Rent: | \$2.11 |

| <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 | \$1,549 | \$2.59 | \$2.67 | 8.3% | \$1,420 | \$2.37 | \$2.45 |
| 1.0 Bath | | | 599 | \$1,649 | \$2.75 | | | \$1,512 | \$2.52 | |
| One Bedroom | 80 | 27.6% | 715 | \$1,699 | \$2.38 | \$2.38 | 4.2% | \$1,628 | \$2.28 | \$2.28 |
| 1.0 Bath | | | 715 | \$1,699 | \$2.38 | | | \$1,628 | \$2.28 | |
| One Bedroom | 56 | 19.3% | 822 | \$1,810 | \$2.20 | \$2.20 | 4.2% | \$1,735 | \$2.11 | \$2.11 |
| 1.0 Bath | | | 822 | \$1,810 | \$2.20 | | | \$1,735 | \$2.11 | |
| One Bedroom + Den | 12 | 4.1% | 1,019 | \$2,299 | \$2.26 | \$2.26 | 4.2% | \$2,203 | \$2.16 | \$2.16 |
| 1.0 Bath | | | 1,019 | \$2,299 | \$2.26 | | | \$2,203 | \$2.16 | |
| Two Bedroom | 84 | 29.0% | 1,064 | \$2,249 | \$2.11 | \$2.11 | 8.3% | \$2,062 | \$1.94 | \$1.94 |
| 2.0 Bath | | | 1,064 | \$2,249 | \$2.11 | | | \$2,062 | \$1.94 | |
| Two Bedroom | 29 | 10.0% | 1,212 | \$2,749 | \$2.27 | \$2.27 | 8.3% | \$2,520 | \$2.08 | \$2.08 |
| 2.0 Bath | | | 1,212 | \$2,749 | \$2.27 | | | \$2,520 | \$2.08 | |

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> |
|---------------|-------------------|-------------------|----------------|----------------|
| 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 |
| 20161 | \$2.16 | 8.3% | 73.4% | \$1.98 |
| 20154 | \$1.98 | 8.3% | 66.9% | \$1.82 |
| 20153 | \$2.03 | 4.2% | 57.9% | \$1.94 |
| 20152 | \$2.24 | 6.3% | 46.6% | \$2.10 |

Notes: Construction was completed April 2015. Occupancy began 10/10/14. Parking includes reserved covered (\$75) and uncovered spaces (25).

The Connor Group



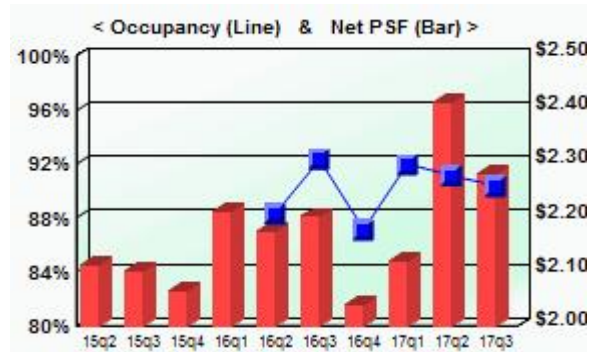
Woodview

15 Parkway North Blvd
Deerfield, Lake County, IL 60015



North Shore

Class: A, Market Rate
ID: 1397; YrQtr: 20173



| <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 | | ✓ |
| | | | Internet | | ✓ |

L=Landlord pays, T=Tenant pays

| <u>Physical Profile</u> | |
|-------------------------|-------------|
| Units: | 248 |
| Avg Unit SF: | 965 |
| Built: | 2015 |
| Renovated: | na |

| <u>Economic Profile</u> | |
|-------------------------|---------------|
| Occupancy: | 90.3% |
| Quoted Rent: | \$2.28 |
| Concessions: | 0.0% |
| Effective Rent: | \$2.28 |

| <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 | 13 | 5.2% | 525 611 | \$1,390 \$1,565 | \$2.65 \$2.56 | \$2.60 | 0.0% | \$1,390 \$1,565 | \$2.65 \$2.56 | \$2.60 |
| One Bedroom 1.0 Bath | 117 | 47.2% | 659 1,005 | \$1,595 \$2,261 | \$2.42 \$2.25 | \$2.34 | 0.0% | \$1,595 \$2,261 | \$2.42 \$2.25 | \$2.34 |
| Two Bedroom 2.0 Bath | 115 | 46.4% | 958 1,315 | \$1,995 \$3,075 | \$2.08 \$2.34 | \$2.21 | 0.0% | \$1,995 \$3,075 | \$2.08 \$2.34 | \$2.21 |
| Three Bedroom 2.0 Bath | 3 | 1.2% | 1,328 1,328 | \$3,437 \$3,437 | \$2.59 \$2.59 | \$2.59 | 0.0% | \$3,437 \$3,437 | \$2.59 \$2.59 | \$2.59 |

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

Amenities

| <u>Unit</u> | <u>Appliance</u> | <u>Common</u> |
|--------------------|------------------|----------------------|
| Carpeting | Disposal | Business Center |
| Vinyl Plank Floors | Dishwasher | Movie Theater Rm |
| 9' Ceiling | Microwave | Party/Social Room |
| Smooth Ceiling | Range - Gas | Pets Allowed |
| Window Blinds | Refrigerator | Fire Pit |
| Quartz Counters | WasherDryer Incl | Grilling Area |
| Tile Backsplash | Fitness | Car Charging Station |
| Undermount Sinks | Fitness Center | Dog Run |
| Patio/Balcony/Deck | Outdoor Pool | Pet Wash Station |
| | Bike Storage | Parking |
| | | Attached Garage |

Trends

| <u>Yr-Qtr</u> | <u>Quoted PSF</u> | <u>Concession</u> | <u>Occup %</u> | <u>Net PSF</u> |
|---------------|-------------------|-------------------|----------------|----------------|
| 20173 | \$2.28 | 0.0% | 90.3% | \$2.28 |
| 20172 | \$2.41 | 0.0% | 91.1% | \$2.41 |
| 20171 | \$2.52 | 15.8% | 91.9% | \$2.12 |
| 20164 | \$2.43 | 15.9% | 87.1% | \$2.04 |
| 20163 | \$2.39 | 7.7% | 92.3% | \$2.20 |
| 20162 | \$2.36 | 7.7% | 88.3% | \$2.18 |
| 20161 | \$2.40 | 7.7% | 71.0% | \$2.21 |
| 20154 | \$2.24 | 7.7% | 56.0% | \$2.07 |
| 20153 | \$2.29 | 8.3% | 50.8% | \$2.10 |
| 20152 | \$2.30 | 8.2% | 31.0% | \$2.11 |

Notes: Leasing began Jan. 2015. Occupancy began in June, 2015. Developed by Conor Commercial Real Estate and Ravine Park Partners. Construction completed at the end of Oct, 2015.

Lincoln Property



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.

The subject units will not be facing direct new construction competition when it opens in 2019. Overall, we have also projected the lease-up of the property at a pace of 10 to 12 units per month, achieving stabilized occupancy within six to eight months.

Lease-up Survey

Absorption of New Rental Units

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| Name | Suburb | Submarket | Leasing Began | Delivered | Total Units | | | | | | | | | | | | | | | | | | Avg. | | Status | | | | |
|--|----------------|-------------------|---------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|-------------|
| | | | | | | 1Q13 | 2Q13 | 3Q13 | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | | /mo | | | |
| Stabilized | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Springs at 127th | Plainfield | Will | 1Q2013 | Feb-13 | 340 | 102 | 79 | 18 | 56 | 44 | 28 | | | | | | | | | | | | 18 | | Stabilized | | | | |
| AmlI Evanston | Evanston | North Shore | 1Q 2013 | Mar-13 | 195 | 22 | 29 | 36 | 31 | 34 | 25 | | | | | | | | | | | | 10 | | Stabilized | | | | |
| 1717 | Evanston | North Shore | 1Q 2013 | Mar-13 | 175 | 5 | 101 | 33 | 8 | 22 | | | | | | | | | | | | 11 | | Stabilized | | | | | |
| Ninety7Fifty on the Park | Orland Park | South Cook | 2Q 2013 | Apr-13 | 295 | 97 | 86 | 24 | 38 | 30 | | | | | | | | | | | | 18 | | Stabilized | | | | | |
| Randall Highlands | North Aurora | Kane | 2Q 2013 | Apr-13 | 146 | 11 | 34 | 32 | 25 | 37 | | | | | | | | | | | | 9 | | Stabilized | | | | | |
| Algonquin Square | Algonquin | Kane | 2Q 2013 | Jun-13 | 220 | 15 | 21 | 70 | 61 | 49 | | | | | | | | | | | | 14 | | Stabilized | | | | | |
| Central Station | Evanston | North Shore | 2Q 2013 | Sep-13 | 80 | 6 | 22 | 11 | 17 | 16 | | | | | | | | | | | | 5 | | Stabilized | | | | | |
| Avant at the Arboretum | Lisle | DuPage | 3Q 2013 | Sep-13 | 310 | 31 | 36 | 66 | 28 | 56 | 27 | 36 | 15 | | | | | | | | | | | | 12 | | Stabilized | | |
| Wheaton 121 | Wheaton | DuPage | 3Q 2013 | Sep-13 | 306 | 76 | 138 | 0 | 31 | 15 | 18 | 3 | | | | | | | | | | | | 13 | | Stabilized | | | |
| Tapestry Naperville | Naperville | Naperville/Aurora | 2Q 2014 | Apr-14 | 298 | 87 | 44 | 14 | 29 | 55 | 19 | 28 | | | | | | | | | | | | 13 | | Stabilized | | | |
| One Arlington | Arlington Hts. | Cook NW | 3Q 2014 | Sep-14 | 214 | 30 | 21 | 10 | 64 | 39 | 22 | 15 | | | | | | | | | | | | 10 | | Stabilized | | | |
| Tapestry Glenview | Glenview | North Shore | 3Q 2014 | Sep-14 | 290 | 20 | 21 | 37 | 57 | 33 | 26 | 19 | 23 | 24 | | | | | | | | | | | | 10 | | Stabilized | |
| Oaks of Vernon Hills | Vernon Hills | Lake | 3Q 2014 | Sep-14 | 336 | 49 | 8 | 78 | 49 | 72 | 0 | -8 | 34 | 22 | | | | | | | | | | | | 11 | | Stabilized | |
| Midtown Square | Glenview | North Shore | 4Q 2014 | Dec-14 | 138 | 28 | 34 | 35 | 30 | | | | | | | | | | | | 11 | | Stabilized | | | | | | |
| E2 | Evanston | North Shore | 1Q 2015 | Mar-15 | 356 | 146 | 139 | 11 | 27 | 18 | | | | | | | | | | | | 23 | | Stabilized | | | | | |
| Woodview | Deerfield | North Shore | 1Q 2015 | Jun-15 | 248 | 77 | 49 | 13 | 37 | 43 | 10 | | | | | | | | | | | | 13 | | Stabilized | | | | |
| AmlI Deerfield | Deerfield | North Shore | 2Q 2015 | Aug-15 | 240 | 54 | 12 | 37 | 35 | 10 | 10 | 15 | 38 | 8 | 8 | | | | | | | | | | | | 8 | | In lease-up |
| Park 205 | Park Ridge | Cook NW | 3Q 2015 | Oct-15 | 115 | 25 | 26 | 24 | 12 | 15 | | | | | | | | | | | | 7 | | Stabilized | | | | | |
| Courthouse Square | Wheaton | DuPage | 1Q 2016 | May-16 | 149 | 39 | 30 | 13 | 17 | 48 | | | | | | | | | | | | 10 | | Stabilized | | | | | |
| Northgate Crossing | Wheeling | Cook NW | 4Q 2015 | Jan-16 | 288 | 40 | 41 | 35 | 35 | 36 | 42 | | | | | | | | | | | | 13 | | Stabilized | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | 12 | | Avg Monthly | | | | |
| In lease-up | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Reserve at Glenview | Glenview | North Shore | 1Q 2015 | May-15 | 239 | 43 | 43 | 17 | 45 | 20 | 14 | 9 | -19 | 10 | 21 | 7 | 85% | In lease-up | | | | | | | | | | | |
| Northshore 770 | Northbrook | North Shore | 1Q 2016 | Jan-16 | 347 | 71 | 62 | 43 | 11 | 39 | 0 | 53 | 13 | 80% | In lease-up | | | | | | | | | | | | | | |
| Orland Park Crossing | Orland Park | South Cook | 1Q 2016 | May-16 | 231 | 40 | 59 | 35 | 39 | 17 | 11 | 5 | 10 | 89% | In lease-up | | | | | | | | | | | | | | |
| Apex 41 | Lombard | DuPage | 2Q 2016 | Oct-16 | 181 | 15 | 15 | 15 | 71 | 22 | 9 | 76% | In lease-up | | | | | | | | | | | | | | | | |
| Springs at Weber Road | Romeoville | Will | 2Q 2016 | Aug-16 | 292 | 44 | 80 | 14 | 87 | 40 | 18 | 91% | In lease-up | | | | | | | | | | | | | | | | |
| The Main | Evanston | North Shore | 2Q 2016 | Oct-16 | 112 | 18 | 11 | 2 | 48 | 10 | 6 | 80% | In lease-up | | | | | | | | | | | | | | | | |
| 500 Station Blvd | Aurora | Naperville/Aurora | 3Q 2015 | Dec-16 | 425 | 23 | 53 | 62 | 60 | 17 | 47% | In lease-up | | | | | | | | | | | | | | | | | |
| Metro 59 | Aurora | Naperville/Aurora | 2Q 2016 | Feb-17 | 232 | 16 | 65 | 22 | 11 | 44% | In lease-up | | | | | | | | | | | | | | | | | | |
| Springs on Orchard Rd. | North Aurora | Kane./Kendall | 4Q 2016 | Dec-16 | 300 | 27 | 72 | 18 | 72 | 16 | 63% | In lease-up | | | | | | | | | | | | | | | | | |
| Brook on Janes | Bolingbrook | Will | 1Q 2017 | Mar-17 | 288 | 60 | 98 | 23 | 20 | 63% | In lease-up | | | | | | | | | | | | | | | | | | |
| North 680 | Schaumburg | Cook NW | 1Q 2017 | Apr-17 | 180 | 23 | 52 | 14 | 10 | 49% | In lease-up | | | | | | | | | | | | | | | | | | |
| Uptown La Grange | La Grange | Cook South | 1Q 2017 | Mar-17 | 254 | 32 | 54 | 46 | 15 | 52% | In lease-up | | | | | | | | | | | | | | | | | | |
| Hamilton Lakes | Itasca | Cook NW | 2Q 2017 | Jun-17 | 297 | 65 | 0 | 11 | 22% | In lease-up | | | | | | | | | | | | | | | | | | | |
| The Emerson | Oak Park | Cook South | 2Q 2017 | Aug-17 | 270 | 27 | 35 | 10 | 23% | In lease-up | | | | | | | | | | | | | | | | | | | |
| Total | | | | | | 129 | 332 | 341 | 417 | 301 | 332 | 230 | 137 | 373 | 534 | 375 | 171 | 338 | 368 | 315 | 273 | 392 | 796 | 431 | | | | | |
| Avg/Bldg/Qtr | | | | | | 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 | 46.8 | 28.7 | | | | | |
| Avg Monthly Absorption Per Building | | | | | | 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 | 15.6 | 9.6 | | | | | |



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
Appraiser 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

Education

Bachelor of Arts from Washington University, 1972.
Phi Beta Kappa, 1972.

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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.

Local Expertise...Nationally!

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