

# Rent Comparability Study

Caroline Court Apartments  
1000 East Caroline Street  
Tavares, Lake County, Florida 32778

*Prepared For*

Ms. Karrie Guare  
Wright Management  
759 Stracks Dam Road  
Myerstown, Pennsylvania 17067

*Report Date*

May 26, 2015

*Job Reference Number*

15-271

FHA Project # NA  
HAP Contract # FL290045028



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May 26, 2015

Ms. Karrie Guare  
Wright Management  
759 Stracks Dam Road  
Myerstown, Pennsylvania 17067

Re: **Caroline Court Apartments**  
**1000 East Caroline Street**  
**Tavares, Lake County, Florida 32778**  
**FHA # N/A**  
**HAP Contract # FL290045028**

Dear Ms. Guare:

Included with this letter is the Rent Comparability Study (RCS) prepared by this firm for Caroline Court Apartments. The purpose of this report is to provide estimates of market rents for the 40 one-, two- and three-bedroom units that operate under the HUD Section 8 program at the property. This analysis considered the subject project in an "as-is" condition.

Based on our analysis, we have determined market rents as of the date of the report for the subject Caroline Court Apartments as follows:

**UNIT MIX AND MONTHLY RENT CONCLUSIONS**

Total Units	Bedroom Type	Square Feet	Rents	Price/ Square Foot	Prepared Grid
13*	One-Br. Garden	624	\$625	\$1.00	Yes
4	Two-Br. Garden	792	\$720	\$0.91	No**
8	Two-Br. Garden	884	\$740	\$0.84	Yes
4	Two-Br. Garden	912	\$745	\$0.82	No**
11	Three-Br. Townhome	1,140	\$910	\$0.80	Yes
<b>40</b>					

Source: Management at Caroline Court Apartments; Wright Management; Bowen National Research

\*Includes two units offline due to fire damage

\*\*Secondary unit types, as they comprise 25% of all two-bedroom units offered (each) at the subject site

**Bowen National Research**  
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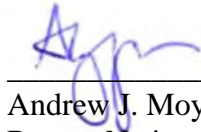
Ms. Karrie Guare  
May 26, 2015  
Page Two

The RCS was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the supplemental standards of HUD Chapter 9. Market rents are defined and estimated in accordance with Section 9-7 through Section 9-13 of Chapter 9, and a report was prepared in accordance with Section 9-14 through Section 9-16 of Chapter 9.

I understand that HUD/the Section 8 Contract Administrator (CA) and the project owner will use my estimate of market rents to determine: 1) the owner's options for renewing the project's Section 8 contracts and 2) the maximum rents allowed under any renewal contract.

Please feel free to contact me if you have any questions regarding this report.

Respectfully,



---

Andrew J. Moye, MAI  
Bowen National Research

Encs.

## I. SCOPE OF WORK

This Rent Comparability Study was completed in accordance with the standards of HUD Chapter 9. Market rents are defined and estimated in accordance with Section 9-7 through Section 9-13 of Chapter 9 and a report was prepared in accordance with Section 9-14 through Section 9-16 of Chapter 9.

Bowen National Research completed a Rent Comparability Study (RCS) for the property located at 1000 East Caroline Street in Tavares, Florida 32778.

- The effective date of the report is May 26, 2015; however, the most recent inspection of the property was conducted during the week of May 11, 2015. During the week of May 11, 2015, Andrew J. Moye inspected the subject property and all comparable properties within or near the subject's Primary Market Area (PMA). Photos of all properties were taken at this time.
- The interior and exterior of the subject property were personally inspected, including an inspection of at least one unit of each varying type. Square footage of the subject units were obtained from property management and verified to be accurate based on the inspection of the units.
- Original information for the comparable properties such as rent, condition and amenity data was collected between May 11 and May 18 from primary sources over the telephone or in person. Primary sources include property management, owners, or our personal observations.
- In some instances, some information was not available or estimated from a primary source. These instances have been disclosed in the report and all efforts to verify the estimated data have been made using third party data from the local assessor, individual property websites and/or realtors. The last date leased is assumed to be current, as leasing managers at all developments stated that they sign/renew leases every month.

The RCS is considered to be an appraisal report as defined by USPAP. The Department is granted full authority to rely on the findings and conclusions. The RCS is in compliance with USPAP requirements. The liability of Bowen National Research, its employees and Andrew J. Moye, MAI is limited to the fee collected for the preparation of the report. There is no accountability or liability to any unauthorized third party. The following pages provide a discussion, summarize our findings and provide our conclusions.

## II. DESCRIPTION OF SUBJECT PROPERTY

Caroline Court Apartments is an existing HUD Section 8 general-occupancy apartment project with 40 total units. Note that two (2) one-bedroom units are offline due to fire damage. It is located in the eastern portion of Tavares, Florida, at 1000 East Caroline Street. The subject site is situated within an established mixed-use neighborhood, surrounded by single- and multifamily dwellings, local businesses and undeveloped land.

Under the Section 8 contract that is in place at the subject site, residents are only required to pay up to 30% of their adjusted gross income towards housing costs. According to information provided by the property manager, Don Dressler, the one-bedroom units comprise 624 square feet of living space, the two-bedroom units comprise 792 to 912 square feet of living space and the three-bedroom units comprise 1,140 square feet of living space. Currently, the one-bedroom units have a contract rent of \$609, the two-bedroom units have a contract rent of \$782, regardless of unit size, and the three-bedroom units have a contract rent of \$791. The subject project is currently 100.0% occupied with a seven-household wait list for the next available unit.

This RCS applies to all 40 units at this property. Based on our analysis, the market rent for a one-bedroom unit is \$625 (\$1.00 per square foot) at 624 square feet, \$720 (\$0.91 per square foot) for a two-bedroom unit at 792 square feet, \$740 (\$0.84 per square foot) for a two-bedroom unit at 884 square feet, \$745 (\$0.82 per square foot) for a two-bedroom unit at 912 square feet and \$910 (\$0.80 per square foot) for a three-bedroom unit at 1,140 square feet at Caroline Court Apartments. These rent conclusions assume an “as-is” property condition, unit sizes and amenities *assuming that the two (2) one-bedroom units that are offline are in rentable condition*. The following table outlines the unit mix at the property:

Total Units	Bedroom Type	Baths	Square Feet	Project Based Section-8 Units	Other Rent Restricted Units
13*	One-Br.	1.0	624	13*	0
4	Two-Br.	1.0	792	4	0
8	Two-Br.	1.0	884	8	0
4	Two-Br.	1.0	912	4	0
11	Three-Br.	1.5	1,140	11	0
<b>40</b>					

Source: Management at Caroline Court Apartments; Wright Management; Bowen National Research

\*Includes two units offline due to fire damage

Utilizing financing from the HUD Section 8 housing program, the subject property was constructed in 1979 and consists of seven (7) one- and two-story residential structures, consisting of stucco exteriors. All seven residential buildings are considered to be in fair condition, with one building (two units) down due to fire damage. The interior of the units are comprised of vinyl flooring throughout the living areas and bedrooms. The kitchens consist of wood-panel cabinetry and older kitchen appliances, including a refrigerator and electric range. Each unit also comes equipped with window blinds and central air conditioning. Project amenities include on-site management, a laundry facility, a basketball court and picnic area. The subject project offers a paved surface parking lot to tenants at no additional charge.

The cost of cold water, sewer and trash collection are included in the rent. The tenants are responsible for all electric utilities, including general electricity, electric heat, electric hot water and electric cooking. Cable TV, internet and phone services are available in each unit, but the tenant's expense outside of the utility allowance.

The preceding information has been obtained from our on-site evaluation of the subject property and an interview with Don Dressler, Property Manager of Caroline Court Apartments, (352) 343-1848.

A state map, an area map, a site neighborhood map and site photographs are on the following pages.

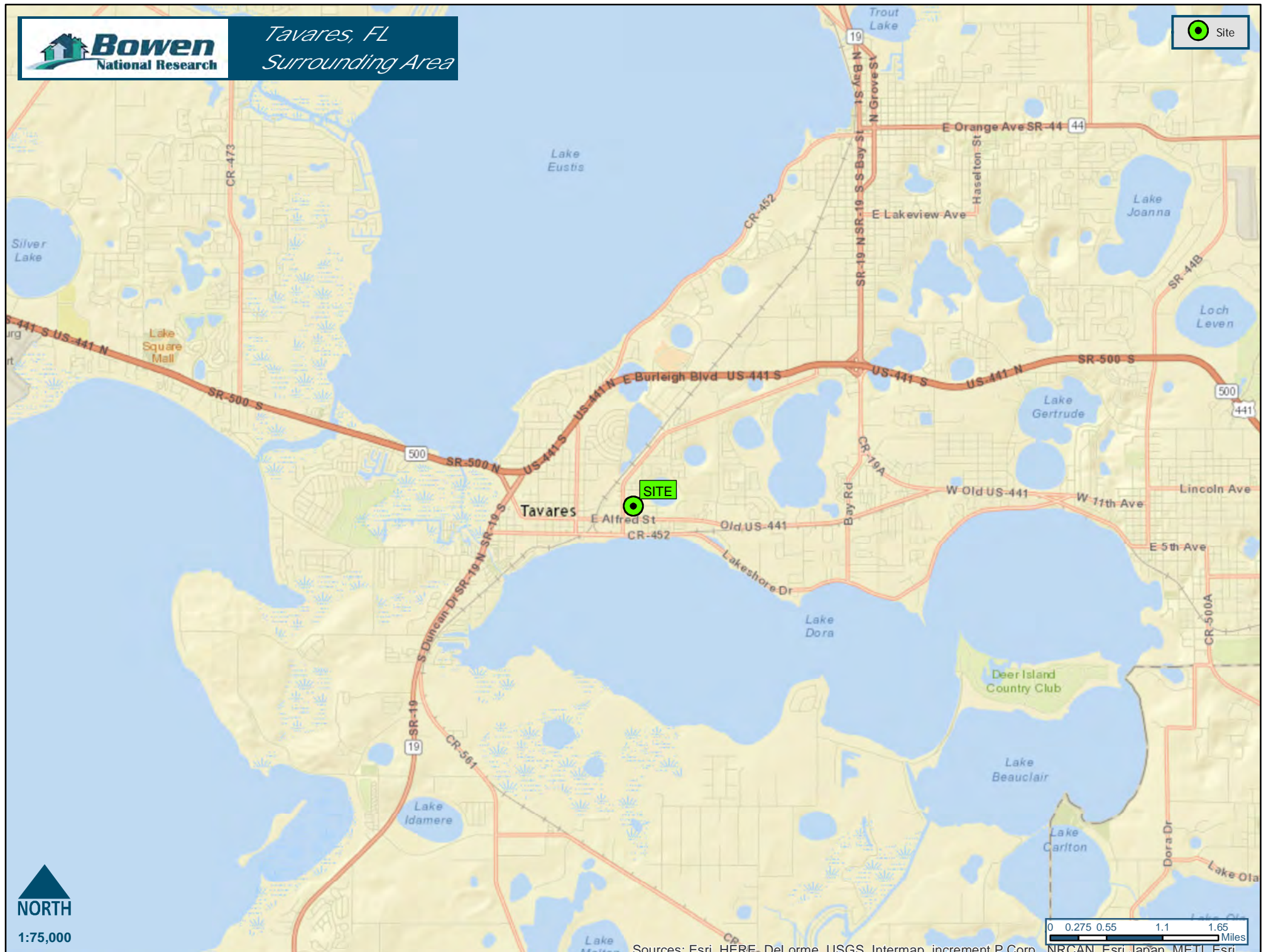




  
NORTH

1:4,700,000







Terrace St

Ridge Pl

E Caroline St

Osceola Ave

CR-19A

Dora Ave

E Alfred St

CR-500A

Donna St

an St

NORTH

1:2,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

0 0.01 0.02 0.04 0.06 Miles



SITE PHOTOGRAPHS



Entryway Signage

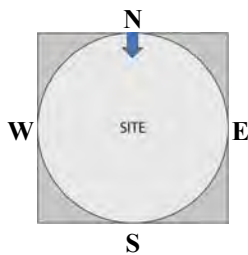


Typical two-story building



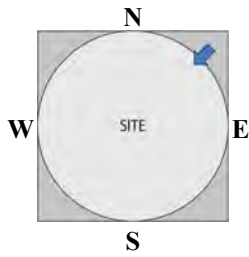


Typical one-story building

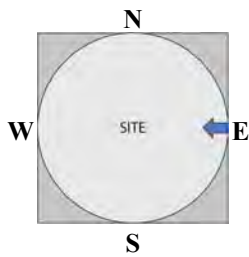


View of site from the north



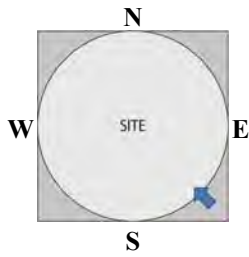


View of site from the northeast

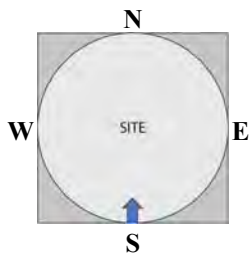


View of site from the east



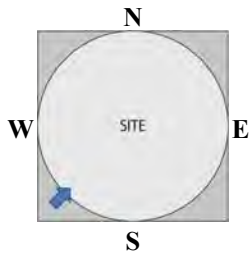


View of site from the southeast

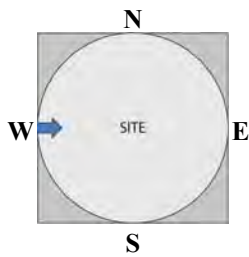


View of site from the south



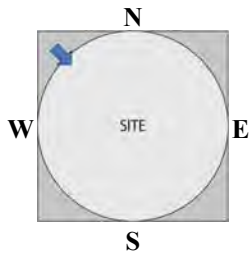


View of site from the southwest

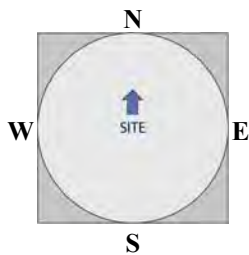


View of site from the west





View of site from the northwest

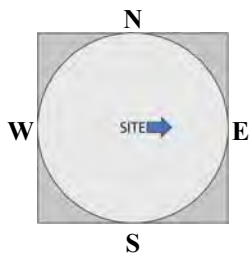


North view from site



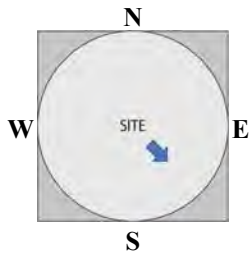


Northeast view from site

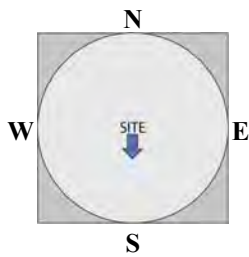


East view from site



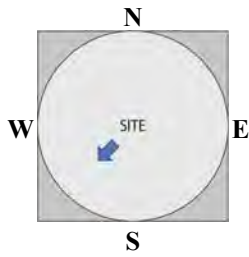


Southeast view from site

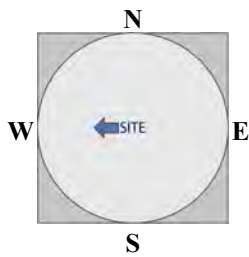


South view from site





Southwest view from site

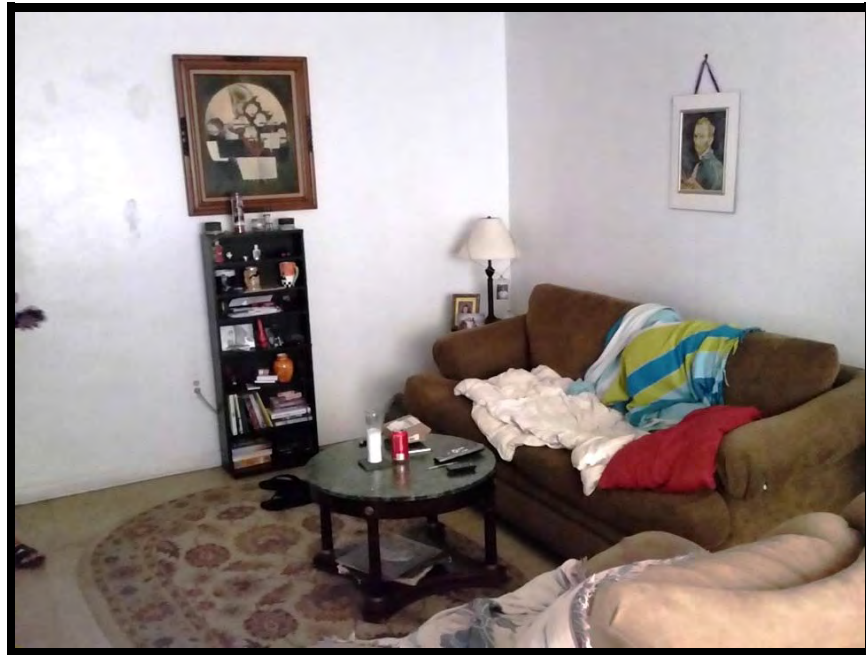


West view from site





Northwest view from site



Two-bedroom: Living area



Two-bedroom: Kitchen

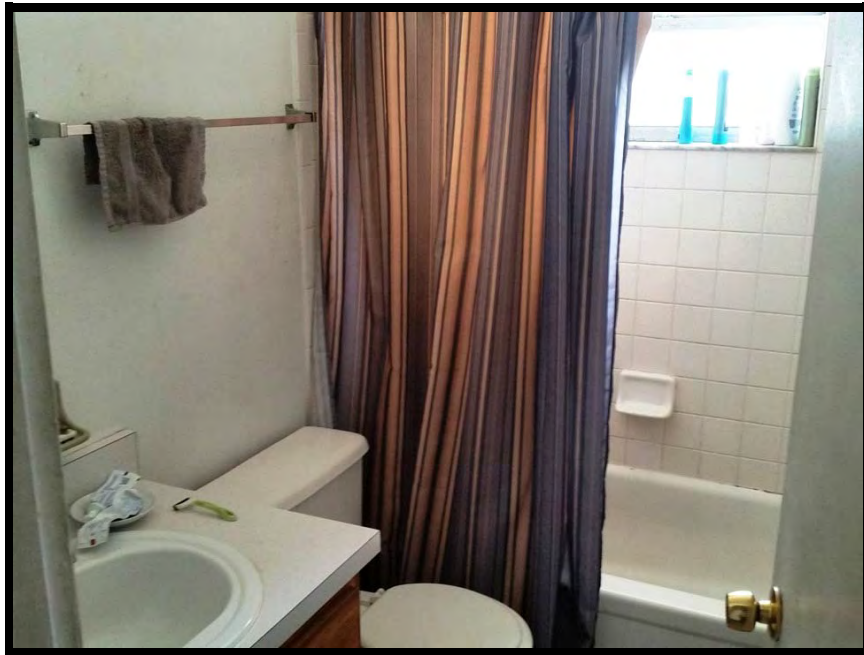


Two-bedroom: Bedroom one





Two-bedroom: Bedroom two



Two-bedroom: Bathroom





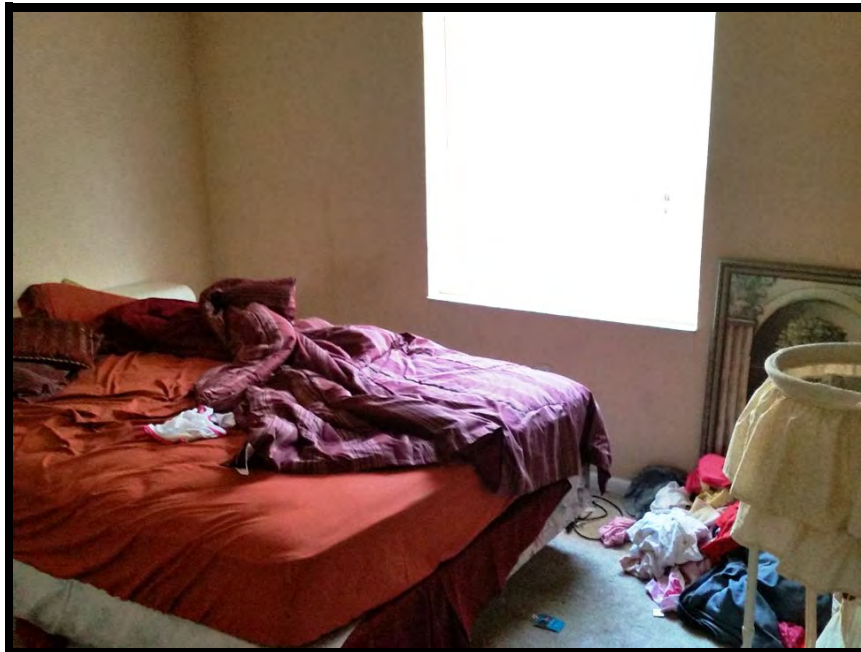
Three-bedroom: Living area



Three-bedroom: Kitchen



Three-bedroom: Half-bathroom



Three-bedroom: Bedroom one

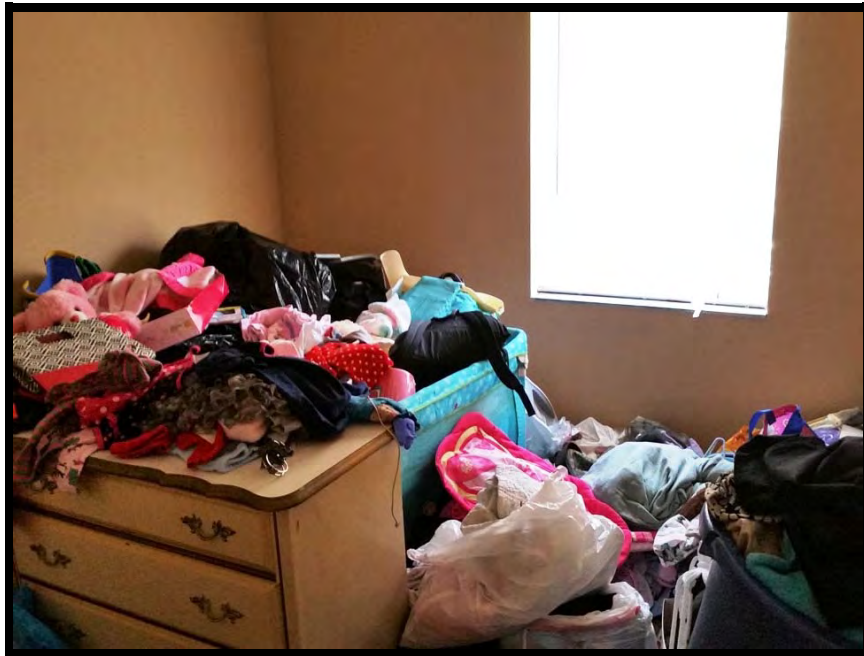


Three-bedroom: Bathroom

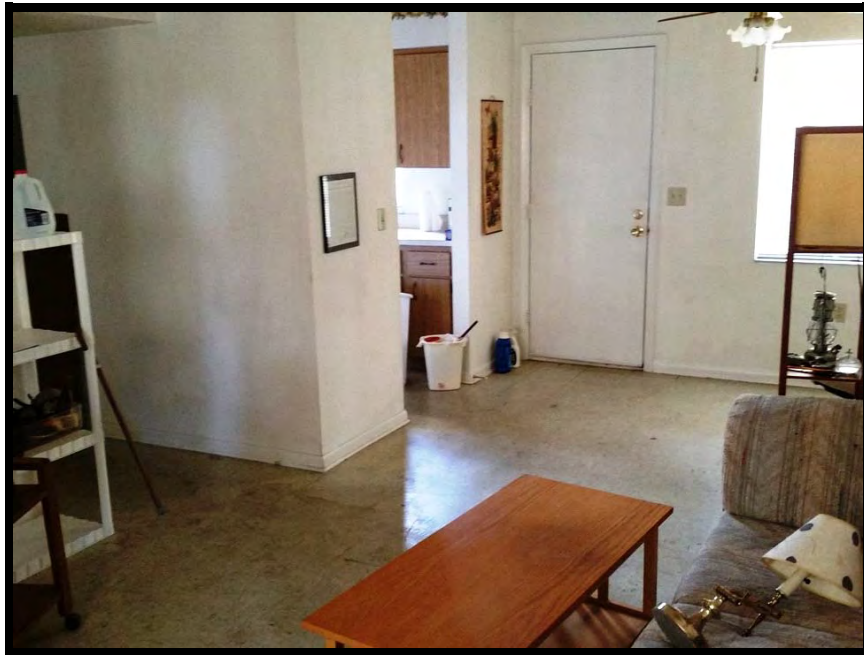


Three-bedroom: Bedroom two





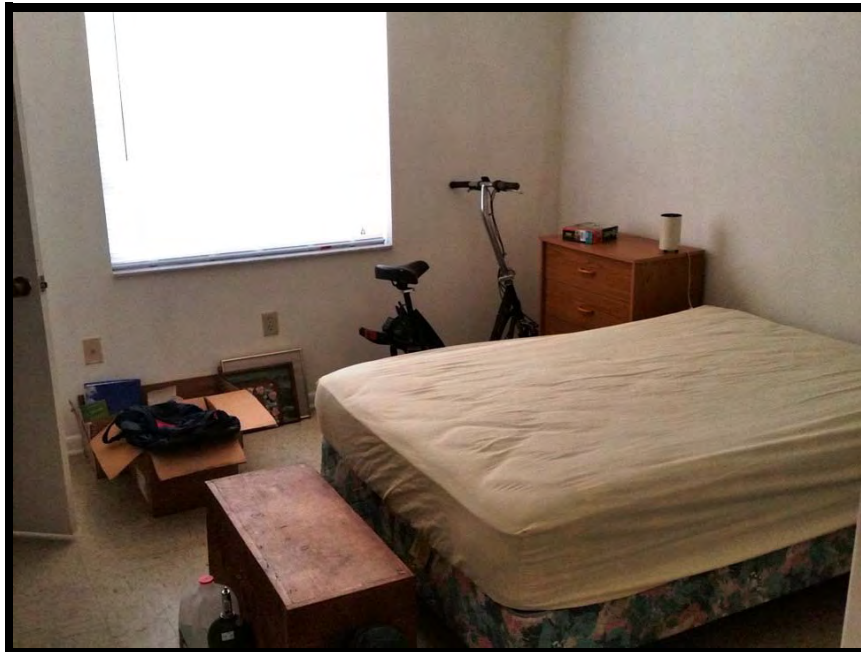
Three-bedroom: Bedroom three



One-bedroom: Living area



One-bedroom: Kitchen



One-bedroom: Bedroom



One-bedroom: Bathroom



Laundry Facility





Basketball Court



Fire damaged units





Streetscape: West view of East Caroline Street



Streetscape: East view of East Caroline Street



Streetscape: North view of Dora Avenue



Streetscape: South view of Dora Avenue



### III. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is the geographical area from which most of the support for Carolina Court Apartments originates. The Tavares Site PMA was determined through interviews with the site manager, area leasing and real estate agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Tavares Site PMA includes Tavares, Eustis and Mount Dora, Florida. Specifically, the boundaries of the Site PMA include County Road 44 to the north; Estes Road, East Orange Avenue, State Route 44, and U.S. Highway 441 to the east; East 1st Avenue, Lake Dora, State Route 19 and Lake Harris to the south; and Lake Harris, Dead River and Lake Eustis to the west.

Don Dressler, Property Manager of Carolina Court Apartments (subject site), stated that the majority of tenants come from the Tavares, Mount Dora and Eustis areas. People want to be close to their families and friends, as well as being within close proximity of community services they are familiar. Though there are some that come from the Leesburg area, the majority are from the areas cited above. Many of the residents of Leesburg view Tavares as more rural than they would like and therefore few move to the area. Mr. Dressler believes the Site PMA accurately represents the area.

Patricia Mendellin, Property Manager of Serenity at Leesburg, a family LIHTC and market-rate property in Leesburg, believes that people in Leesburg would move to Tavares but that the property would have to be very nice, as well as affordable. Ms. Mendellin believes that most of the people that live in Leesburg do so because it has more to offer than the Tavares area. Ms. Mendellin believes it would be more likely for people to move to Leesburg from Tavares than the other way around. She agreed with our PMA, stating that from what she knows of the area, most of the residents of Tavares have been born and raised in the area.

Andrea Crisp, Property Manager of Tanglewood Apartments in Eustis (Comparable #3), agreed with the PMA, stating that the majority of her property's tenants have originated from the Eustis, Mount Dora and Tavares areas, as these three towns are fairly homogenous. Many of the residents are from the area and have grown up there. Ms. Crisp believes that residents living within the Site PMA would have no problem moving to Tavares for affordable housing.

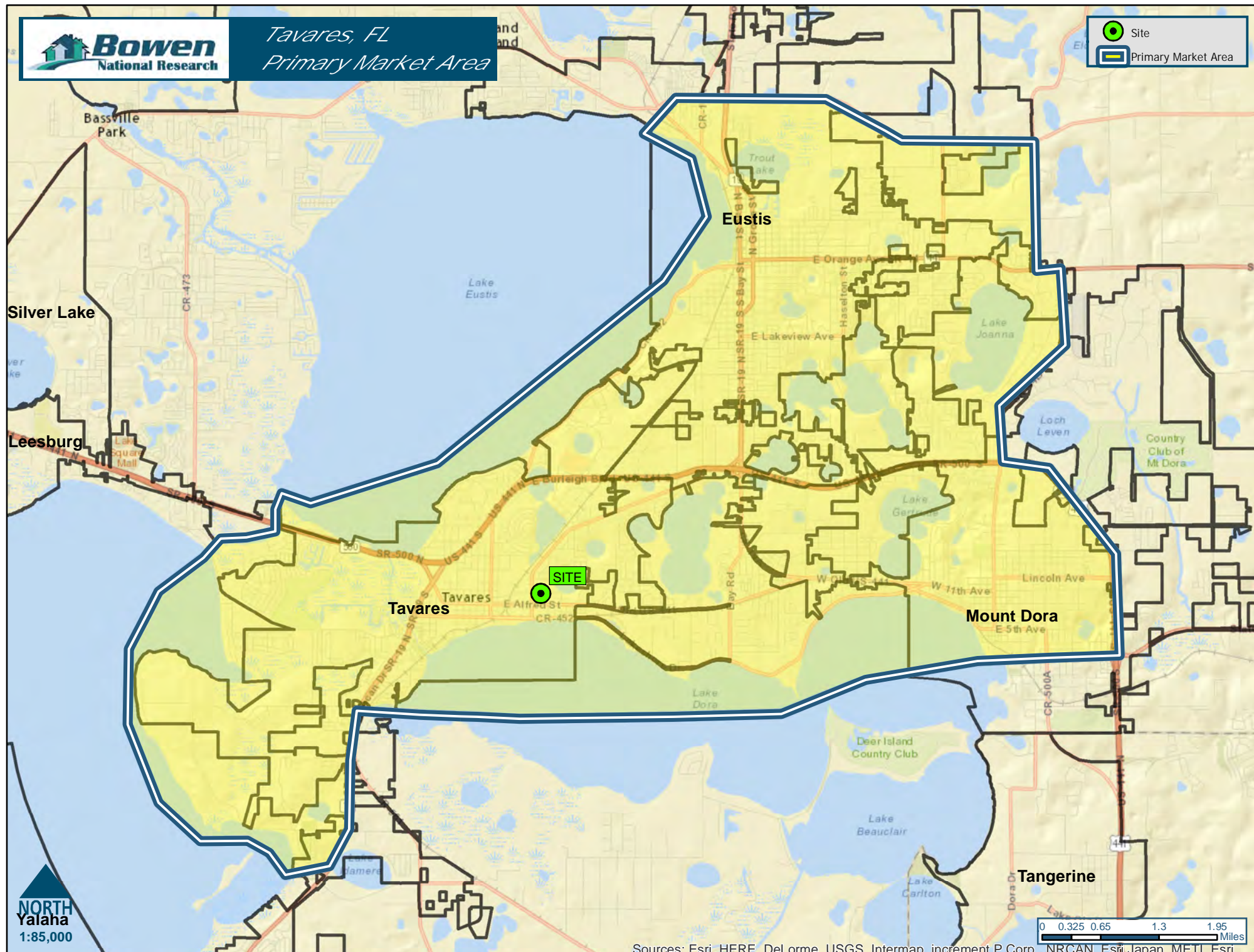
Based on the observations of the field analyst, as well as the interviews with local property managers, we expect the majority of tenants will originate from within the delineated borders of the Site PMA. Therefore, we have not considered a secondary market area in this report

A map delineating the boundaries of the Site PMA is included on the following page.



*Tavares, FL  
Primary Market Area*

- Site
- Primary Market Area



NORTH  
Yalaha  
1:85,000

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

## IV. NEIGHBORHOOD AND AREA ANALYSIS

A Bowen National Research employee personally inspected the subject site and surrounding area during the week of May 11, 2015. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

### **SITE DESCRIPTION AND EVALUATION**

#### **Location**

The subject site is the existing Carolina Court Apartments located at 1000 East Caroline Street in Tavares, Florida. Located within Lake County, the subject site is approximately 11.0 miles east of Leesburg, Florida and approximately 40.0 miles northwest of Orlando, Florida.

#### **Surrounding Land Uses**

The subject site is situated within an established, mixed-use neighborhood comprised of single-family and multifamily homes, commercial businesses and natural waterways. Adjacent land uses are detailed as follows:

<b>North -</b>	East Caroline Street, a two-lane residential roadway borders the site to the north, followed by a vacant parcel of land. Single-family houses are located farther north, followed by Lake Frances. Northeast of the site is the Brookdale Lake Tavares senior living facility, followed by Lake Tavares.
<b>East -</b>	Lakeview Condominiums, consisting of multiple two-story buildings generally considered in good condition, border the site to the east, followed by single-family homes. Additional single-family homes and storage units, as well as trailer parks are located beyond.
<b>South -</b>	A vacant parcel of land borders the site to the south, followed by East Alfred Street, a two-lane arterial roadway throughout Tavares. A small shopping plaza is located farther south and houses multiple local businesses, followed by single-family homes and a small trailer park. Lake Dora is located beyond.
<b>West -</b>	A small vacant parcel of land and Kings Plaza, which houses multiple local businesses and a chiropractic office, borders the site to the west. Ginger Ridge Apartment homes are located continuing west, followed by Dora Avenue, a two-lane residential roadway. A local water sports business and single-family homes are located farther west, followed by a vacant, wooded parcel of land. The central portion of downtown Tavares is located beyond.



The subject site is located within an established, mixed-use neighborhood, with the surrounding structures considered to be in fair to good condition. Notably there are retailers and numerous community services within the immediate area. Therefore, we anticipate the surrounding land uses should continue to contribute to the marketability of the subject site.

### **Visibility And Access**

The subject is physically located and derives access from 1000 East Caroline Street, a lightly travelled residential roadway. Ingress and egress via East Caroline Street is considered easy, given clear lines of sight and the light to moderate vehicular traffic. The subject project is within 1.7 miles of County Road 452, State Route 19 and U.S. Highway 441. In addition, public transportation is provided by the LakeXpress bus service and the nearest bus stop is located at the intersection of East Caroline Street and Dora Avenue, 0.1 mile west of the site. However, no defined walkways are provided between the site and this bus stop. Regardless, this is considered to be within walking distance and increases the accessibility of the site. Overall access is considered good.

Visibility of the site is considered good within the immediate area, as the property maintains frontage along and is clearly visible from East Caroline Street. Additionally, the proximity of public transportation provides an increased amount of visibility, as local residents who utilize the public bus service are able to see the subject site from the intersection of East Caroline Street and Dora Avenue. Though East Caroline Street is a lightly travelled roadway, the property has consistently maintained an 100.0% occupancy rate. Overall, visibility is considered adequate.

### **Proximity To Community Services And Infrastructure**

The site is served by the community services detailed in the following table:

<b>Community Services</b>	<b>Name</b>	<b>Driving Distance From Site (Miles)</b>
Major Highways	State Route 19 U.S. Highway 441	1.5 North 1.7 West
Public Bus Stop	LakeXpress	0.1 West
Major Employers/ Employment Centers	Winn-Dixie Florida Hospital Waterman Walmart Supercenter	1.4 Northwest 1.6 North 3.7 Northeast
Convenience Store	Sunoco Stop N Stock	0.4 Southeast 1.3 Northwest
Grocery	Winn-Dixie Publix Super Market	1.4 Northwest 2.0 Northeast
Discount Department Store	Stop & Save Discount Dollar General Kohl's Department Store Dollar Tree Walmart Supercenter	0.4 Southeast 1.4 Northwest 1.8 Northeast 2.0 Northeast 3.7 Northeast
Shopping Center	Walco Center	0.4 Southeast
Schools: Elementary Middle/Junior High High	Tavares Elementary School Tavares Middle School Tavares High School	1.1 Northwest 4.1 Southwest 0.8 West
Hospital	Florida Hospital Waterman	1.6 North
Police	Tavares Police Department	0.9 West
Fire	Tavares Fire Department	0.5 West
Post Office	U.S. Post Office	1.5 Northwest
Community Center	Tavares Civic Center YMCA	0.7 West 1.5 Northeast
Bank	BB&T Wells Fargo Bank United Southern Bank	0.9 West 1.2 Northwest 1.4 Northwest
Medical Center	Express Care of Lake County	1.4 North
Library	Tavares Public Library	0.7 West
Gas Station	Sunoco Stop N Stock	0.4 Southeast 1.3 Northwest
Pharmacy	Winn-Dixie Pharmacy Publix Pharmacy	1.4 Northwest 2.0 Northeast
Restaurant	Thai Jasmine & Sushi House Ruby Street Grill	0.4 Southeast 0.8 West
Day Care	Thinking Kid's Day Care Center	0.4 Southeast
Church	Sunset Harvest	0.2 Southwest
Park	Wooton Park Fred Stover Park Sports Complex	0.7 Southwest 1.0 Northwest



There are numerous community services located within 1.5 miles of the site, including grocery stores, pharmacies and discount stores. Additionally, dining establishments, financial institutions, convenience stores and gas stations are all within 2.0 miles of the site, which are considered beneficial to the targeted general-occupancy population. Many of the aforementioned community services are located to the north of the site along State Route 19 which acts as a commercial and low-income employment center corridor due to the concentration of service and retail jobs. Finally, it is important to note that most community services are accessible via public transportation provided by the LakeXpress bus service, which offers a public bus stop within 0.1 mile. The availability of public transportation to and from most community services should contribute to the subject site's continued marketability.

Lake County Schools serve the subject site and all applicable attendance schools are located within 4.1 miles. The subject site is provided public safety services by the Tavares Police and Fire departments. The nearest acute-care hospital is the Florida Hospital Waterman, which specializes in numerous medical treatments, as well as offering an emergency care unit. Further, it should be noted that the Express Care of Lake County is within proximity of the site and offers urgent medical care and basic treatment. Overall, the subject site's proximity to community services and access to public transportation should contribute to the overall marketability of the subject site.

### **Overall Site Evaluation**

The site is located within a mixed-use neighborhood approximately 11.0 miles east of Leesburg, Florida and approximately 40.0 miles northwest of Orlando, Florida. Structures within the immediate area are considered to be in fair to good condition. Notably, there are many retailers, restaurants, local businesses, and other community services within walking distance, including access to public transportation. It is also of note that access to and from the subject site is considered good due to its proximity to multiple arterial roadways, as well as public transportation, which is provided by the LakeXpress bus service. Overall, the subject site is consistent with surrounding land uses, while its convenient accessibility and proximity to community and public safety services should contribute to its continued marketability.

## **Crime Issues**

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (53) for the Site PMA is below the national average with an overall personal crime index of 66 and a property crime index of 51. Total crime risk (70) for Lake County is below the national average with indexes for personal and property crime of 87 and 67, respectively.

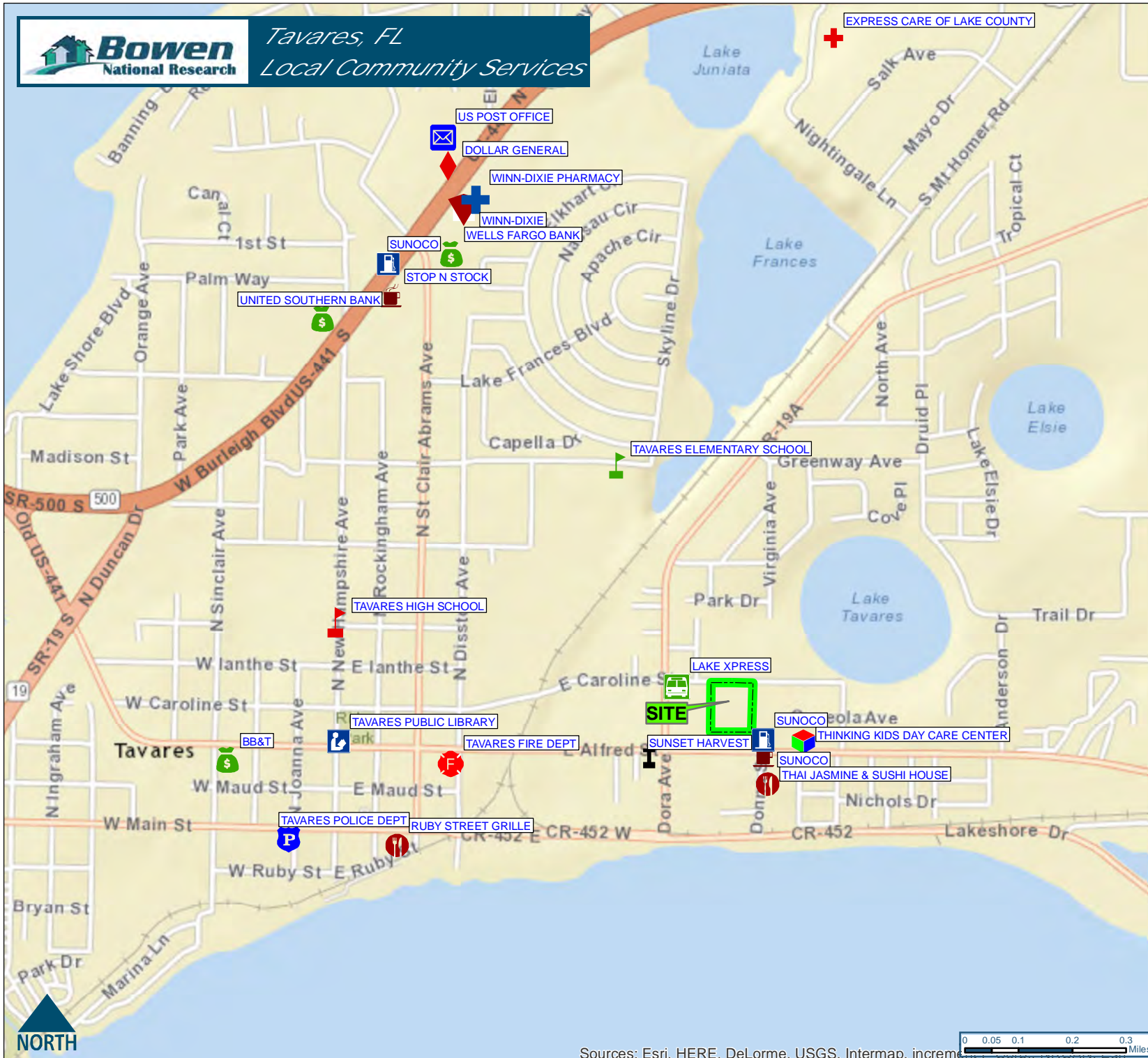
	Crime Risk Index	
	Site PMA	Lake County
<b>Total Crime</b>	<b>53</b>	<b>70</b>
<b>Personal Crime</b>	<b>66</b>	<b>87</b>
Murder	43	41
Rape	64	83
Robbery	23	39
Assault	93	130
<b>Property Crime</b>	<b>51</b>	<b>67</b>
Burglary	67	96
Larceny	63	66
Motor Vehicle Theft	22	37

Source: Applied Geographic Solutions

As the preceding table illustrates, both the crime risk index for the Site PMA (53) and Lake County (70) are below the national average (100). As such, the perception of crime, or lack thereof, will continue to contribute to the subject's marketability.

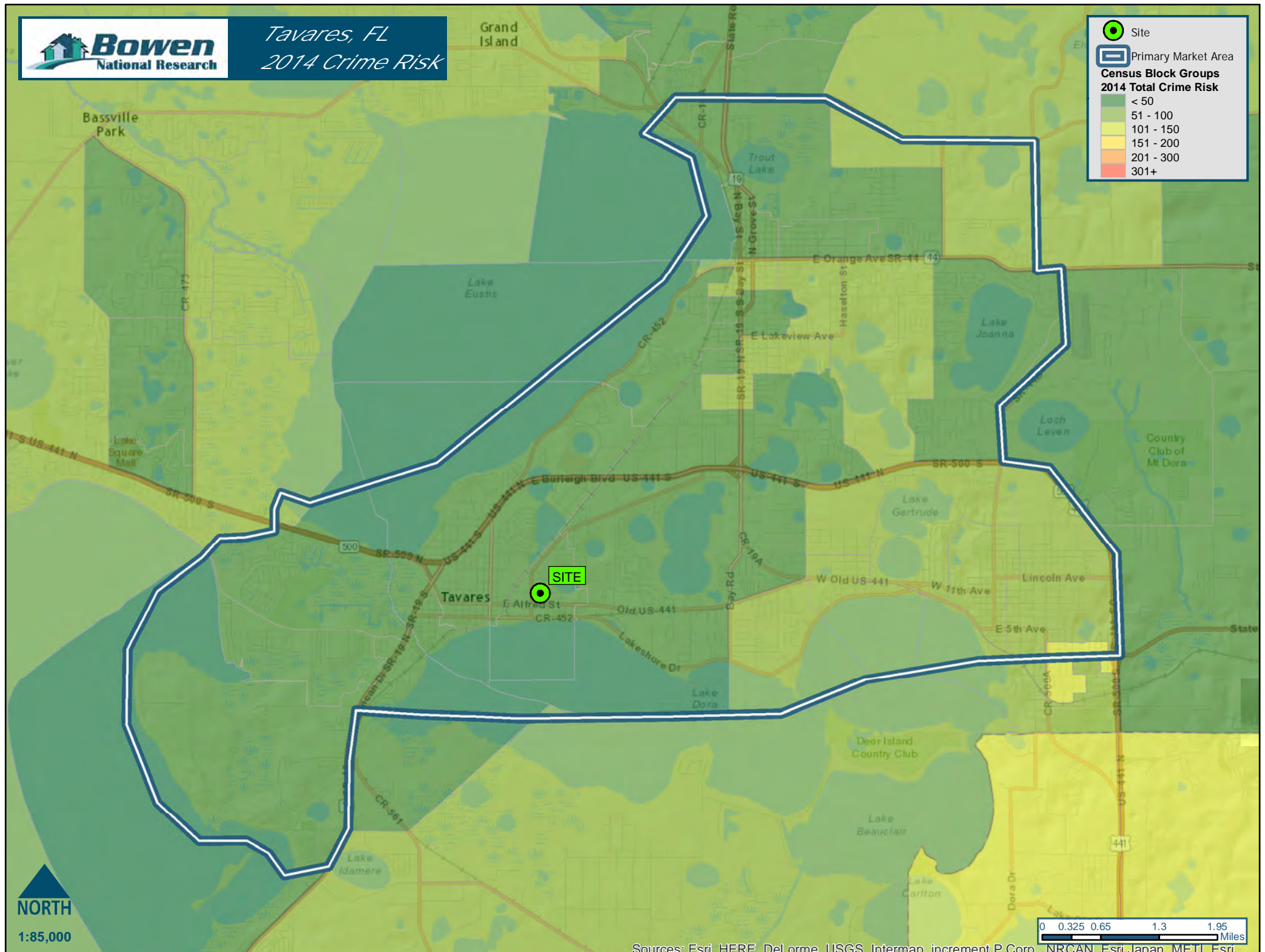
Maps illustrating the location of community services and crime risk are on the following pages.





- Legend*
- Site Area
  - bank
  - child care
  - church
  - convenience store
  - elementary school
  - fire
  - gas
  - grocery
  - high school
  - library
  - medical center
  - pharmacy
  - police
  - post office
  - restaurant
  - shopping
  - transit





Sources: Esri HERE DeLorme USGS Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri



## V. SELECTION OF COMPARABLES

### How Comparable Properties Were Selected

The subject site, Caroline Court Apartments, is located at 1000 East Caroline Street in Tavares, Florida. The subject property consists of one- and two-bedroom garden-style rental units and three-bedroom townhome units targeting the general population. As noted, this RCS applies to all 40 one-, two- and three-bedroom units under the Section 8 contract at the subject property. A total of 11 market-rate communities were surveyed within or near the Site PMA in order to determine those properties considered most comparable to the subject project. Note that additional market-rate product was identified in the market, including Ginger Ridge Apartments located immediately west of the subject site. However, despite numerous attempts to contact property managers, a response was not received at the time this report was issued. A total of six of the surveyed market-rate properties were determined as comparable to the subject project.

The sources used to identify these comparable properties include Internet-based search directories (i.e. Google, Superpages), previous apartment surveys of the Tavares, Eustis, Mount Dora and Leesburg areas by Bowen National Research, and our in-person driving search of the area. All six comparable properties offer one-, two- and/or three-bedroom units.

Generally, the six comparable projects were chosen based on similarity of bedroom type, unit size (square footage and number of bathrooms offered), building design, age, quality and amenities. All six of the selected properties offer units without income or restrictions located in one-, two- and three-bedroom apartments. A total of five comparable properties offer one-bedroom units. All six comparable properties offer two-bedroom units. Only two of the comparable properties that were surveyed offer three-bedroom units. Considering the limited number of market-rate rental properties identified and surveyed that offer three-bedroom units, we have adjusted the two-bedroom units located at select comparable market-rate properties to account for the differences in the number of bedrooms offered.

Leasing agents provided detailed information on each unit type, unit amenities, and other pertinent information. The following is a summary of each comparable project and the unit type most similar to the one-, two- and three-bedroom units at the subject project.

- ***Deerwood Apartments (Comparable #1)*** is a 50-unit rental project located at 611 Mount Homer Road in Eustis. Approximately 2.8 miles from the site, this one-story project was built in 1977. This property is considered to have an overall quality and neighborhood rating of "B-" and "B", respectively.

Deerwood Apartments offers one- and two-bedroom floor plans. Both the one- and two-bedroom units, 576 and 864 square feet, respectively, were utilized as comparable units. The floor plans used in our analysis are 100.0% occupied and range in price from \$553 to \$750 per month. Note that this project offers updated units for \$30 to \$36 more a month that were not utilized. The cost of trash removal is included in the collected rent of all units and no rent concessions are offered at this time.

- ***Tanglewood Square (Comparable #2)*** is a 48-unit rental project located at 2800 Ruleme Street in Eustis. Approximately 2.7 miles from the site, this two-story project was built in 1979. This property is considered to have an overall quality and neighborhood rating of “B-” and “B”, respectively.

Tanglewood Square offers one- and two-bedroom floor plans. We have utilized the one- and two-bedroom floor plans ranging from 576 to 900 square feet. The floor plans used in our analysis are 100.0% occupied and range in price from \$585 to \$720 per month. The cost of cold water, sewer and trash removal are included in the collected rent of all units and no rent concessions are offered at this time.

- ***Tanglewood Apartments (Comparable #3)*** is an 89-unit rental project located at 2811 Ruleme Street in Eustis. Approximately 2.7 miles from the site, this one-story project was built in 1984. This property is considered to have an overall quality rating of a “C+” and a neighborhood rating of a “B”.

Tanglewood Apartments offers studio, one-, and two-bedroom floor plans. We have utilized the one- and two-bedroom floor plans ranging from 576 to 686 square feet. The floor plans used in our analysis are 100.0% occupied and range in price from \$585 to \$660 per month. The cost of cold water, sewer and trash removal are included in the collected rent of all units and no rent concessions are offered at this time.

- ***Hammock Oaks (Comparable #4)*** is a 280-unit rental project located at 3550 Lake Center Drive in Mount Dora. Approximately 2.8 miles from the site, this two-story project was built in 2009. This property is considered to have an overall quality and neighborhood rating of an “A” and “B+”, respectively.

Hammock Oaks offers a wide range of floor plans, including one-, two- and three-bedroom layouts. We have utilized the one-, two- and three-bedroom floor plans ranging from 678 to 1,357 square feet. The floor plans used in our analysis are 100.0% occupied and range in price from \$840 to \$1,130 per month. All utilities, with the exception of basic cable, are the tenants responsibility. No rent concessions are offered at this time.



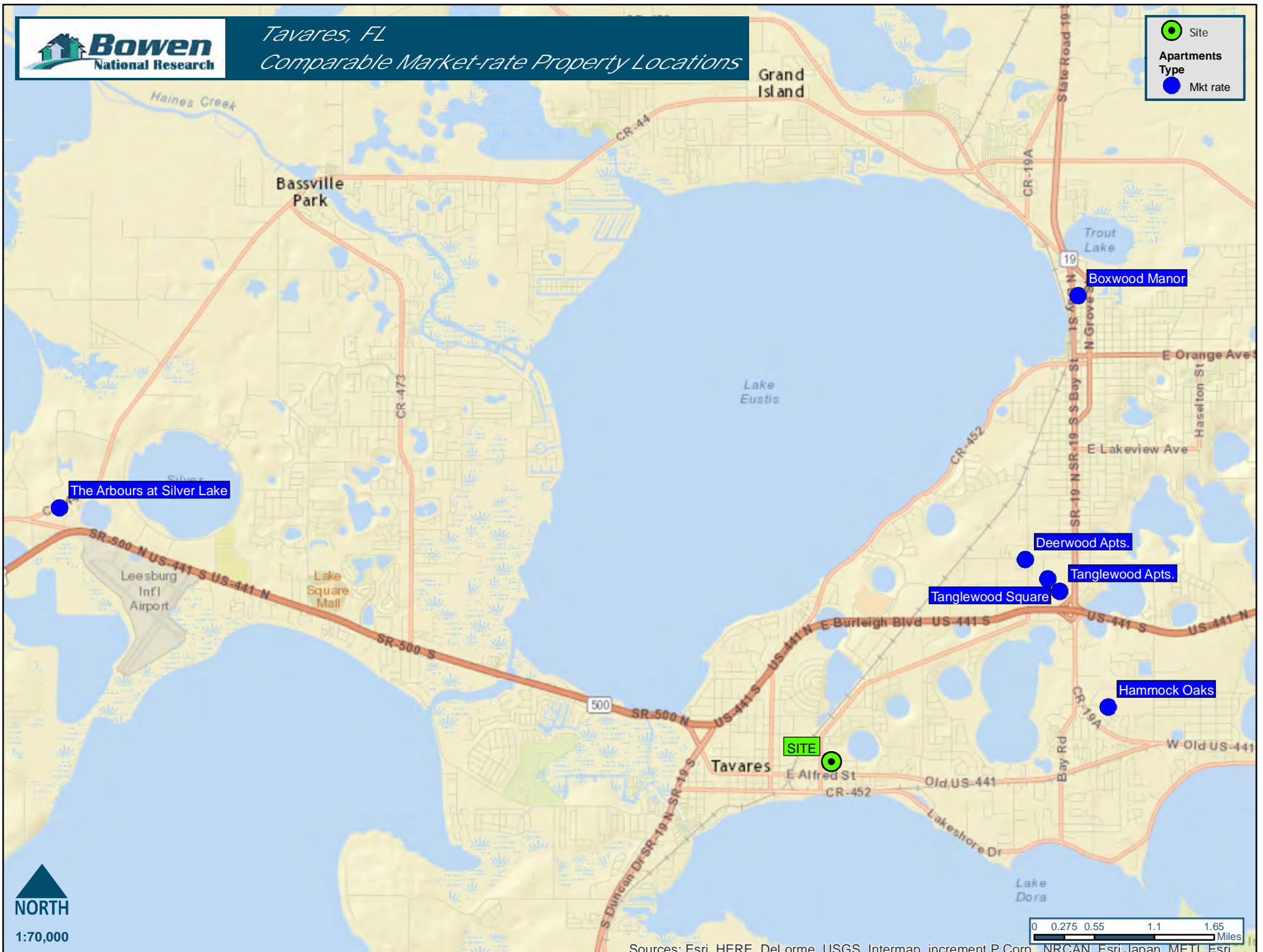
- ***The Arbours at Silver Lake (Comparable #5)*** is an 120-unit rental project located at 8300 County Road 44 in Leesburg. Approximately 7.1 miles from the site, this two-story project was built in 2006. This property is considered to have an overall quality and neighborhood rating of a “B+” and “B”, respectively.

The Arbours at Silver Lake offers one-, two- and three-bedroom floor plans. We have utilized the one- and three-bedroom floor plans ranging from 640 to 1,075 square feet. The floor plans used in our analysis are 100.0% occupied and range in price from \$799 to \$1,100 per month. The cost of trash removal is included in the collected rent of all units and no rent concessions are offered at this time.

- ***Boxwood Manor (Comparable #6)*** is a 14-unit rental project located at 701 North Bay Street in Eustis. Approximately 5.1 miles from the site, this two-story project was built in 1973. This property is considered to have an overall quality and neighborhood rating of “B-” and “B”, respectively.

Boxwood Manor offers studio and two-bedroom floor plans. We have utilized the two-bedroom floor plan at 875 square feet. Note that square footage was estimated by the analyst, as it was unknown by management. The floor plan used in our analysis is 100.0% occupied and is \$675 per month. The cost of cold water, sewer and trash removal are included in the collected rent of all units. No rent concession are offered at this time.

A map illustrating the location of the comparable properties and the subject site follows this page.





# **VI.**

## **RENT COMPARABILITY GRIDS**

**Rent Comparability Grid**

Unit Type →

**ONE BEDROOM**

Subject's FHA #:

N/A

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Caroline Court Apartments		Deerwood Apts.		Tanglewood Square		Tanglewood Apts.		Hammock Oaks		The Arbours at Silver Lake	
1000 East Caroline Street		611 Mount Homer Rd.		2800 Ruleme St.		2811 Ruleme St.		3550 Lake Center Dr.		8300 CR 44	
Tavers, FL		Eustis, FL		Eustis, FL		Eustis, FL		Mount Dora, FL		Leesburg, FL	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$553	N	\$585	N	\$585	N	\$840	N	\$799	N
2	Date Surveyed	May-15		May-15		May-15		May-15		May-15	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%	\$15	100%	\$15	100%	\$15	100%	\$20	100%	\$20
5	Effective Rent & Rent/ sq. ft	\$568	0.99	\$600	1.04	\$600	1.04	\$860	1.27	\$819	1.28
In Parts B thru E, adjust only for differences the subject's market values.											
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/1,2		WU/2		R/1		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1979		1979		1984	(\$5)	2009	(\$30)	2006	(\$27)
8	Condition /Street Appeal	F		G-	(\$10)	F+	(\$5)	E	(\$30)	G+	(\$20)
9	Neighborhood	G		G		G		G+	(\$86)	G	
10	Same Market? Miles to Subject	Yes/2.8		Yes/2.7		Yes/2.7		Yes/2.8		No/7.1	(\$41)
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	624		576	\$13	576	\$13	678	(\$15)	640	(\$4)
14	Balcony/ Patio	N		Y	(\$5)	N		Y	(\$5)	Y	(\$5)
15	AC: Central/ Wall	C		W	\$5	C		W	\$5	C	
16	Range/ refrigerator	RF		RF		RF		RF		RF	
17	Microwave/ Dishwasher	N		N		D	(\$10)	N		MD	(\$15)
18	Washer/Dryer	L		L		HU/L	(\$5)	W/D	(\$35)	W/D	(\$35)
19	Floor Coverings	V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable/ Satellite/Internet	N/N/N		N/N/N		N/N/N		Y/N/N	(\$30)	N/N/N	
22	Garbage Disposal	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	N		N		N		Y	(\$5)	Y	(\$5)
D	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		D-GAR/\$100		D-GAR/\$75	
25	Extra Storage	N		N		N		N		N	
26	Security	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N		N		N		C	(\$5)	N	
28	Pool/ Recreation Areas	R		N	\$6	PR	(\$3)	PER	(\$9)	PER	(\$12)
29	Business Ctr / Nbhd Netwk	N		N		N		Y	(\$3)	N	
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	On-Site Management	Y		Y		Y		Y		Y	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
34	Cooling (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
35	Cooking (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
36	Hot Water (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/GAS	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y		N/N	\$44	Y/Y		N/N	\$44	N/N	\$44
39	Trash /Recycling	Y/N		Y/N		Y/N		N/N	\$24	Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	3	1	4	3	4	13		10	
41	Sum Adjustments B to D	\$26	(\$20)	\$13	(\$28)	\$24	(\$20)	(\$273)		(\$169)	
42	Sum Utility Adjustments	\$44						\$68		\$44	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$50	\$90	(\$15)	\$41	\$4	\$44	(\$205)	\$341	(\$125)	\$213
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$618		\$585		\$604		\$655		\$694	
45	Adj Rent/Last rent		109%		98%		101%		76%		85%
46	Estimated Market Rent	\$625	\$1.00	Estimated Market Rent/ Sq. Ft							



5/26/2015

Attached are  
explanations of :

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Appraiser's Signature

Date

Grid was prepared:



Manually



Using HUD's Excel form



**Rent Comparability Grid**

Unit Type →

**TWO BEDROOM**

Subject's FHA #:

**N/A**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #6	
Caroline Court Apartments		Deerwood Apts.		Tanglewood Square		Tanglewood Apts.		Hammock Oaks		Boxwood Manor	
1000 East Caroline Street		611 Mount Homer Rd.		2800 Ruleme St.		2811 Ruleme St.		3550 Lake Center Dr.		701 N. Bay St.	
Tavers, FL		Eustis, FL		Eustis, FL		Eustis, FL		Mount Dora, FL		Eustis, FL	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
\$ Last Rent / Restricted?		N		N		N		N		N	
1 Date Surveyed		May-15		May-15		May-15		May-15		May-15	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		100%		100%		100%	
5 Effective Rent & Rent/ sq. ft		\$770 0.89		\$675 0.98		\$675 0.98		\$913 0.96		\$690 0.79	
In Parts B thru E, adjust only for differences the subject's market values.											
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6 Structure / Stories		R/1		WU/2		R/1		WU/2		WU/2	
7 Yr. Built/Yr. Renovated		1979		1979		1984		2009		1973	
8 Condition/Street Appeal		F		G-		F+		E		G-	
9 Neighborhood		G		G		G		G+		G	
10 Same Market? Miles to Subject		Yes/2.8		Yes/2.7		Yes/2.7		Yes/2.8		Yes/5.1	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11 # Bedrooms		2		2		2		2		2	
12 # Baths		1		1		1		2		1	
13 Unit Interior Sq. Ft.		884		864		686		950		875	
14 Balcony/ Patio		N		Y		N		Y		N	
15 AC: Central/ Wall		C		W		C		C		C	
16 Range/ refrigerator		RF		RF		RF		RF		RF	
17 Microwave/ Dishwasher		N		N		D		MD		D	
18 Washer/Dryer		L		L		L		W/D		L	
19 Floor Coverings		V		C		C		C		C	
20 Window Coverings		B		B		B		B		B	
21 Cable/ Satellite/Internet		N		N/N/N		N/N/N		Y/N/N		N/N/N	
22 Garbage Disposal		N		Y		Y		Y		Y	
23 Ceiling Fans		N		N		N		Y		N	
D Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24 Parking ( \$ Fee)		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		CARPORT	
25 Extra Storage		N		N		N		N		N	
26 Security		N		N		N		N		N	
27 Clubhouse/ Meeting Rooms		N		N		N		C		N	
28 Pool/ Recreation Areas		R		N		PR		PER		N	
29 Business Ctr / Nbhd Netwk		N		N		N		Y		N	
30 Service Coordination		N		N		N		N		N	
31 Non-shelter Services		N		N		N		N		N	
32 On-Site Management		Y		Y		Y		Y		N	
E. Utilities		Data		Data		Data		Data		Data	
33 Heat (in rent?/ type)		N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
34 Cooling (in rent?/ type)		N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
35 Cooking (in rent?/ type)		N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
36 Hot Water (in rent?/ type)		N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
37 Other Electric		N		N		N		N		N	
38 Cold Water/ Sewer		Y/Y		N/N		Y/Y		N/N		Y/Y	
39 Trash /Recycling		Y/N		Y/N		Y/N		N/N		Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40 # Adjustments B to D		4		3		1		3		4	
41 Sum Adjustments B to D		\$18		(\$20)		\$46		(\$28)		\$57	
42 Sum Utility Adjustments		\$45								\$69	
43 Net/ Gross Adjmts B to E		Net		Gross		Net		Gross		Net	
		\$43		\$83		\$18		\$74		\$37	
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$813		\$693		\$712		\$684		\$664	
45 Adj Rent/Last rent				106%				103%		105%	
46 Estimated Market Rent		\$740		\$0.84		Estimated Market Rent/ Sq. Ft					

*Agm*

5/26/2015

Appraiser's Signature

Date

Attached are explanations of :

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:

☐

Manually

☒

Using HUD's Excel form

form HUD-92273-S8 (04/2002)

**Rent Comparability Grid**

Unit Type →

**THREE BEDROOM**

Subject's FHA #:

N/A

Subject		Comp #1		Comp #2		Comp #4		Comp #5		Comp #6	
Caroline Court Apartments		Deerwood Apts.		Tanglewood Square		Hammock Oaks		The Arbours at Silver Lake		Boxwood Manor	
1000 East Caroline Street		611 Mount Homer Rd.		2800 Ruleme St.		3550 Lake Center Dr.		8300 CR 44		701 N. Bay St.	
Tavers, FL		Eustis, FL		Eustis, FL		Mount Dora, FL		Leesburg, FL		Eustis, FL	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$750	N	\$720	N	\$1,130	N	\$1,100	N	\$675	N
2	Date Surveyed	May-15		May-15		May-15		May-15		May-15	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%	\$20	100%	\$20	100%	\$30	100%	\$30	100%	\$15
5	Effective Rent & Rent/ sq. ft	\$770	0.89	\$740	0.82	\$1,160	0.85	\$1,130	1.05	\$690	0.79
In Parts B thru E, adjust only for differences the subject's market values.											
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/2		WU/2		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1979	\$2	1979		2009	(\$30)	2006	(\$27)	1973	\$6
8	Condition /Street Appeal	F	(\$10)	G-	(\$10)	E	(\$30)	G+	(\$20)	G-	(\$10)
9	Neighborhood	G		G		G+	(\$116)	G		G	
10	Same Market? Miles to Subject	Yes/2.8		Yes/2.7		Yes/2.8		No/7.1	(\$57)	Yes/5.1	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$136	2	\$136	3		3		2	\$136
12	# Baths	1.5	\$5	2	(\$5)	2	(\$5)	2	(\$5)	1	\$5
13	Unit Interior Sq. Ft.	1140	\$61	900	\$53	1357	(\$48)	1075	\$14	875	\$59
14	Balcony/ Patio	N	(\$5)	N		Y	(\$5)	Y	(\$5)	N	
15	AC: Central/ Wall	C	\$5	C		C		C		C	
16	Range/ refrigerator	RF		RF		RF		RF		RF	
17	Microwave/ Dishwasher	N		D	(\$10)	MD	(\$15)	MD	(\$15)	D	(\$10)
18	Washer/Dryer	L		L		W/D	(\$35)	W/D	(\$35)	L	
19	Floor Coverings	V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Cable/ Satellite/Internet	N/N/N		N/N/N		Y/N/N	(\$30)	N/N/N		N/N/N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	N		N		Y	(\$5)	Y	(\$5)	N	
D	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		CARPORT	(\$20)
25	Extra Storage	N		N		N		N		N	
26	Security	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N		N		C	(\$5)	N		N	
28	Pool/ Recreation Areas	R	\$6	PR	(\$3)	PER	(\$9)	PER	(\$12)	N	\$6
29	Business Ctr / Nbhd Netwk	N		N		Y	(\$3)	N		N	
30	Service Coordination	N		N		N		N		N	
31	Non-shelter Services	N		N		N		N		N	
32	On-Site Management	Y		Y		Y		Y		N	\$5
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
34	Cooling (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
35	Cooking (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/ELEC		N/ELEC	
36	Hot Water (in rent?/ type)	N/ELEC		N/ELEC		N/ELEC		N/GAS		N/ELEC	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	\$46	Y/Y		N/N	\$46	N/N	\$46	Y/Y	
39	Trash /Recycling	Y/N		Y/N		N/N	\$24	Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	3	2	5		14	1	10	6	4
41	Sum Adjustments B to D	\$215	(\$20)	\$189	(\$33)		(\$341)	\$14	(\$186)	\$217	(\$45)
42	Sum Utility Adjustments	\$46				\$70		\$46			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$241	\$281	\$156	\$222	(\$271)	\$411	(\$126)	\$246	\$172	\$262
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (+ 43)	\$1,011		\$896		\$889		\$1,004		\$862	
45	Adj Rent/Last rent		131%		121%		77%		89%		125%
46	Estimated Market Rent	\$910	\$0.80	Estimated Market Rent/ Sq. Ft							

*Agm*

5/26/2015

Appraiser's Signature

Date

Attached are explanations of :

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:

☐

Manually

☒

Using HUD's Excel form

form HUD-92273-S8 (04/2002)



## VII. GRID ANALYSIS AND MARKET RENT CONCLUSIONS

### Market Rent Conclusions

Pursuant to Section 9-7 paragraph 3 of HUD Rent Comparability Study requirements, “*Market Rent* is the rent that a knowledgeable tenant would most probably pay for the Section 8 units as of the date of the appraiser’s report if the tenants were not receiving rental subsidies and rents were not restricted by HUD or other government agencies. Note: Appraisers should estimate market rent without considering the market’s ability to absorb all Section 8 units”.

One-Bedroom/1.0-Bath Garden (624 square feet) - conclusion - \$625

Two-Bedroom/1.0-Bath Garden (792 square feet) - conclusion - \$720

Two-Bedroom/1.0-Bath Garden (884 square feet) - conclusion - \$740

Two-Bedroom/1.0-Bath Garden (912 square feet) - conclusion - \$745

Three-Bedroom/1.5-Bath Townhome (1,140 square feet) - conclusion - \$910

This market rent conclusion assume “as-is” quality and characteristics of the subject site. We have evaluated the site based on its current configuration. As previously discussed, no renovations are planned for the subject site at this time. Rather, the purpose of this analysis is to provide achievable market rent estimates for Caroline Court Apartments in today’s market. Modifications and changes to the site’s amenities or features may alter our findings.

Note that Rent Comparability Grids were not provided for both the subject's two-bedroom units with 792 square feet of living space and its two-bedroom units with 912 square feet of living space. Each of these floor plans comprise 25% of all two-bedroom units offered at the subject site and are considered the *secondary* unit types. Considering that the only difference between the three (3) two-bedroom floor plans are the unit sizes (square feet), the market rent for the *secondary* two-bedroom unit types were derived utilizing a 25% share of the weighted average rent per square foot among the comparable properties and applying it to the square footage difference between the three (3) two-bedroom floor plans. This results in \$20 less in rent for the lack of 92 square feet of space the subject’s smaller two-bedroom units offer and an additional rent of \$5 for the 28 additional square feet of space the subject’s larger two-bedroom units offer. These yield market rents of \$720, which is \$0.91 per square foot, for the smallest two-bedroom unit size and \$745, which is \$0.82 per square foot, for the largest two-bedroom unit size.

## **Explanation of Form 92273-S8 Adjustments and Market Rent Conclusion**

The 92273-S8 grids precede this discussion. There are three primary unit types reviewed. The comparables used within this analysis provide the basis for adjustments. The explanations for the adjustments follow. Unless otherwise stated, the adjustment made is based on the perceived value from the “presence or absence” of the particular feature. Discussion is only made for those line item characteristics that warrant an adjustment.

### **One-Bedroom/One-Bath Garden Analysis**

Unless otherwise stated, the adjustment made is based on the perceived value from the “presence or absence” of the particular feature. Discussion is only made for those line item characteristics that warrant an adjustment.

1. Last Rent – The rent reflected in our analysis for Comparable #1 is the lowest rent for a one-bedroom at this project of \$553. This project also offers updated one-bedroom units for an additional \$30 per month. The rent reflected for Comparable #4 is the smallest one-bedroom unit at this project. Notably, this project has two different one-bedroom floor plans. The project's 678 square-foot one-bedroom rent of \$840 is used in our analysis.
4. Occupancy for Unit Type - All of the selected comparable properties' one-bedroom units are maintaining 100% occupancy levels. It is likely that these comparable projects can charge higher rents and still maintain stabilized occupancy levels. As such, we have applied a positive adjustment of approximately 2.5% (\$15 to \$20) to the comparable properties' collected rent, yielding their respective effective rent (line 5).
7. Year Built/Year Renovated – The subject property was built in 1979. The comparables were built between 1977 and 2009. We have adjusted each comparable by \$1 per year to reflect the age of the projects compared with the subject site. Negative adjustments were made to Comparable #3 (\$5), Comparable #4 (\$30) and Comparable #5 (\$27), while a positive adjustment was made to Comparable #1 (\$2).

*Lines 8 and 9 Ratings Key: The comparable properties and their respective neighborhoods were rated by our analysts utilizing a letter grade of A, B, C and D (A representing the most desirable). These ratings are intended to be the equivalent of the E, G, F and P ratings that are utilized by HUD in the Rent Comparability Grids, respectively.*

8. Condition/Street Appeal – The five comparable properties range in condition from fair (F+) to excellent (E). The subject project is rated as fair (F) and we have made negative adjustments of \$5 to \$30 to reflect the difference in curb appeal between the subject property and the comparable properties. Note, however, that the adjustment for line 7 has been taken into account in order to avoid double-counting for age and condition.

9. Neighborhood - Comparable #4 is located within a superior neighborhood than the subject site. This comparable project is located in Mount Dora, which has a median gross rent that is approximately 9.0% higher than the median gross rent in Tavares, a median home value that is approximately 42.0% higher and a median income that is approximately 19.0% higher. Due to these characteristics, rents that are achievable in Mount Dora will not directly translate to Tavares. A negative 10% adjustment has been applied to the collected rent at Comparable #4 to reflect the differences in location between this comparable property and the subject project. With an adjustment of 10%, this comparable project's adjusted rent falls in line with the adjusted rents of the remaining comparable projects. Therefore, a 10% adjustment appears to be appropriate.
10. Same Market - Four of the five comparable projects utilized for the subject's one-bedroom units are located within the same housing market as the subject project and no adjustment has been warranted. Comparable #5 is located within Leesburg, Florida approximately 7.0 miles west of the subject project. Based on Census data and subsequent American Community Survey (ACS) updates, the Leesburg market is considered slightly superior socioeconomically than Tavares. As such, an out of market adjustment of negative 5.0% has been applied to Comparable #5.
13. Unit Interior Sq. Ft. – The subject project's one-bedroom units are 624 square feet. A positive adjustment of \$13 has been applied to Comparable #1, Comparable #2 and Comparable #3 for offering smaller unit sizes, whereas negative adjustments have been applied to Comparable #4 (\$15) and Comparable #5 (\$4) for offering larger unit sizes.
- The adjustment for differences in square footage is based on the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
14. Balcony/Patio – The subject project does not include a balcony or patio in the units. Comparable #1, Comparable #4 and Comparable #5 include a balcony or patio in the rent. A negative \$5 adjustment was applied.
15. AC – Central/Wall – The subject property provides central air conditioning in all units. Comparable #1 and Comparable #3 offer wall-unit air conditioning in each unit and a positive \$5 adjustment was applied.
17. Microwave/Dishwasher – The subject property does not have a microwave or dishwasher in the units. Comparable #2 includes a dishwasher in each unit and a negative \$10 adjustment was applied. Comparable #4 and Comparable #5 include both a dishwasher and microwave in each unit and a negative \$15 adjustment was applied.



18. Washer/Dryer – The subject property does not include washers, dryers or hookups within the units. However, a central laundry facility is available to tenants. Conversely, Comparable #3 offers in-unit washer/dryer hookups within each unit. A negative adjustment of \$5 has been applied to this property. Comparable #4 and Comparable #5 offer in-unit washer/dryer appliances within each unit. A negative adjustment of \$35 has been applied to these properties.
21. Cable/Satellite/Internet - The subject property does not include cable, satellite or Internet services within the rent. Comparable #4 does include cable services in the rent and a negative \$30 adjustment was applied. This rate was based on quotes provided by local cable service providers.
22. Garbage Disposal – The subject property does not include a garbage disposal in the units. All of the comparable market-rate properties include a garbage disposal in all units and negative \$5 adjustments were applied.
23. Ceiling Fan – The subject property does not include a ceiling fan in each unit. Comparable #4 and Comparable #5 do include a ceiling fan in the units and a \$5 negative adjustment was applied.
27. Clubhouse/Meeting Rooms – The subject project does not provide a meeting room or clubhouse as a project amenity. Comparable #4 does offer a clubhouse and a negative adjustment of \$5 was applied.
28. Pool/Recreation Area – The subject project offers a basketball court and picnic area. The comparable properties offer less or more recreational features. Relatively minor recreational features such as a picnic area, playground and a sports court are typically valued at \$3, while more significant recreational features such as a fitness center or pool are typically valued at \$6. After totaling the value of recreational features at the selected properties and deducting the value of recreational features at the subject project, the comparable properties were adjusted accordingly. For example, Comparable #4 offers a swimming pool (\$6), fitness center (\$6) and playground (\$3). These features equate to a \$15 value. After deducting the \$6 recreational value at the subject project, a negative adjustment of \$9 was applied to Comparable #4. The recreational features for the other comparable properties are listed in *Section VIII – Comparable Property Profiles*.
29. Business Center/Neighborhood Networks – The subject project does not offer a computer/business center as a community amenity. Comparable #4 does offer a computer center and a negative adjustment of \$3 was applied.

38. Cold Water/Sewer - The subject property includes cold water and sewer expenses in the cost of rent for all units. Comparable #1, Comparable #4 and Comparable #5 do not include either expense and a positive \$44 adjustment was applied. The utility adjustments were based on the utility allowance worksheet provided by Lake County Housing Services.
39. Trash/Recycling - The subject property includes trash collection in the cost of rent for all units. Comparable #4 does not include trash collection and a positive \$24 adjustment was applied. This utility adjustment was based on the utility allowance worksheet provided by Lake County Housing Services.
46. Estimated Market Rent - All of the comparable properties required some adjustments. All adjusted rents are within 24% of their effective rents (line 5). The adjusted rents range between \$585 and \$694. Central tendencies of the adjusted rents are \$631 (average) and \$618 (median). While any point figure within the adjusted range is reasonable and justifiable, it should be noted that the comparables at the upper end of the range were adjusted downward more than those at the lower end of the range were adjusted upward. The implication is that Comparables #1, #2 and #3 should be given more weight.

Considering the minimal gross and net adjustments made, Comparable #3 (Tanglewood Apartments) appears to be the most comparable property. In the end, we have utilized the straight average of the adjusted rents with more weight given to Comparable #3 to derive the subject project's estimated rent of \$625. This equates to a rent of \$1.00 per square foot.

### **Two-Bedroom/One-Bath Garden Analysis**

Unless otherwise stated, the adjustment made is based on the perceived value from the “presence or absence” of the particular feature. Discussion is only made for those line item characteristics that warrant an adjustment. With the following exceptions, the adjustments made to the rent comparables for this unit type are the same as those made for the prior unit type.

1. Last Rent – The rent reflected in our analysis for Comparable #1 is the lowest rent for a two-bedroom at this project of \$583. This project also offers updated two-bedroom units for an additional \$36 per month. The rent reflected for Comparable #2 is the smallest two-bedroom at this project. Notably, this project has three different two-bedroom floor plans. The project's 686 square-foot two-bedroom/1.0-bath rent of \$660 is used in our analysis. The rent reflected for Comparable #3 is the smallest two-bedroom at this project. Notably, this project has two different two-bedroom floor plans. The project's 686 square-foot two-bedroom rent of \$660 is used in our analysis. The rent reflected for Comparable #4 is the smallest two-bedroom unit at this project. Notably, this project has three different two-bedroom floor plans. The project's 950 square-foot two-bedroom rent of \$893 is used in our analysis.

4. Occupancy for Unit Type - All of the selected comparable properties' two-bedroom units are maintaining 100% occupancy levels. It is likely that these comparable projects can charge higher rents and still maintain stabilized occupancy levels. As such, we have applied a positive adjustment of approximately 2.5% (\$15 to \$20) to the comparable properties' collected rent, yielding their respective effective rent (line 5).
7. Year Built/Year Renovated – The subject property was built in 1979. The comparables were built between 1973 and 2009. We have adjusted each comparable by \$1 per year to reflect the age of the projects compared with the subject site. Negative adjustments were made to Comparable #3 (\$5) and Comparable #4 (\$30), while positive adjustments were made to Comparable #1 (\$2) and Comparable #6 (\$6).

*Lines 8 and 9 Ratings Key: The comparable properties and their respective neighborhoods were rated by our analysts utilizing a letter grade of A, B, C and D (A representing the most desirable). These ratings are intended to be the equivalent of the E, G, F and P ratings that are utilized by HUD in the Rent Comparability Grids, respectively.*

8. Condition/Street Appeal – The five comparable properties range in condition from fair (F+) to excellent (E). The subject project is rated as fair (F) and we have made negative adjustments of \$5 to \$30 to reflect the difference in curb appeal between the subject property and the comparable properties. Note, however, that the adjustment for line 7 has been taken into account in order to avoid double-counting for age and condition.
9. Neighborhood - Comparable #4 is located within a superior neighborhood than the subject site. This comparable project is located in Mount Dora, which has a median gross rent that is approximately 9.0% higher than the median gross rent in Tavares, a median home value that is approximately 42.0% higher and a median income that is approximately 19.0% higher. Due to these characteristics, rents that are achievable in Mount Dora will not directly translate to Tavares. A negative 10% adjustment has been applied to the collected rent at Comparable #4 to reflect the differences in location between this comparable property and the subject project. With an adjustment of 10%, this comparable project's adjusted rent falls in line with the adjusted rents of the remaining comparable projects. Therefore, a 10% adjustment appears to be appropriate.
12. # Baths - The subject project offers one bathroom in the two-bedroom units. Comparable #4 offers 2.0 bathrooms in its two-bedroom units and a negative \$20 was applied to reflect the extra full bathroom offered at this comparable property.



13. Unit Interior Sq. Ft. – The subject project’s two-bedroom units are 884 square feet. Positive adjustments have been applied to Comparable #1 (\$5), Comparable #2 (\$46), Comparable #3 (\$46) and Comparable #4 (\$2) for offering smaller unit sizes, whereas a negative adjustment has been applied to Comparable #4 (\$15) for offering larger unit sizes.

The adjustment for differences in square footage is based on the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.

14. Balcony/Patio – The subject project does not include a balcony or patio in the units. Comparable #1 and Comparable #4 include a balcony or patio in the rent. A negative \$5 adjustment was applied.
15. AC – Central/Wall – The subject property provides central air conditioning in all units. Comparable #1 and Comparable #3 offer wall-unit air conditioning in each unit and a positive \$5 adjustment was applied.
17. Microwave/Dishwasher – The subject property does not have a microwave or dishwasher in the units. Comparable #2 and Comparable #6 include a dishwasher in each unit and a negative \$10 adjustment was applied. Comparable #4 includes both a dishwasher and microwave in each unit and a negative \$15 adjustment was applied.
18. Washer/Dryer – The subject property does not include washers, dryers or hookups within the units. However, a central laundry facility is available to tenants. Conversely, Comparable #3 offers in-unit washer/dryer hookups within each unit. A negative adjustment of \$5 has been applied to this property. Comparable #4 offers in-unit washer/dryer appliances within each unit. A negative adjustment of \$35 has been applied to this property.
21. Cable/Satellite/Internet - The subject property does not include cable, satellite or Internet services within the rent. Comparable #4 does include cable services in the rent and a negative \$30 adjustment was applied. This rate was based on quotes provided by local cable service providers.
22. Garbage Disposal – The subject property does not include a garbage disposal in the units. All of the comparable market-rate properties include a garbage disposal in all units and negative \$5 adjustments were applied.
23. Ceiling Fan – The subject property does not include a ceiling fan in each unit. Comparable #4 does include a ceiling fan in the units and a \$5 negative adjustment was applied.

24. Parking (\$Fee) - The subject project offers a paved surface parking lot for its tenants at no additional charge in the rent. Comparable #6 offers a carport with each unit and a negative \$20 adjustment was applied.
27. Clubhouse/Meeting Rooms – The subject project does not provide a meeting room or clubhouse as a project amenity. Comparable #4 does include a clubhouse and a negative adjustment of \$5 was applied.
28. Pool/Recreation Area – The subject project offers a basketball court and picnic area. The comparable properties offer less or more recreational features. Relatively minor recreational features such as a picnic area, playground and a sports court are typically valued at \$3, while more significant recreational features such as a fitness center or pool are typically valued at \$6. After totaling the value of recreational features at the selected properties and deducting the value of recreational features at the subject project, the comparable properties were adjusted accordingly. For example, Comparable #4 offers a swimming pool (\$6), fitness center (\$6) and playground (\$3). These features equate to a \$15 value. After deducting the \$6 recreational value at the subject project, a negative adjustment of \$9 was applied to Comparable #4. The recreational features for the other comparable properties are listed in *Section VIII – Comparable Property Profiles*.
29. Business Center/Neighborhood Networks – The subject project does not offer a computer/business center as a community amenity. Comparable #4 does offer a computer center and a negative adjustment of \$3 was applied.
32. On-Site Management - The subject project includes on-site management. Comparable #6 does not offer such amenity and a positive adjustment of \$5 has been applied.
38. Cold Water/Sewer - The subject property includes cold water and sewer expenses in the cost of rent for all units. Comparable #1 and Comparable #4 do not include either expense and a positive \$45 adjustment was applied. The utility adjustments were based on the utility allowance worksheet provided by Lake County Housing Services.
39. Trash/Recycling - The subject property includes trash collection in the cost of rent for all units. Comparable #4 does not include trash collection and a positive \$24 adjustment was applied. This utility adjustment was based on the utility allowance worksheet provided by Lake County Housing Services.

46. Estimated Market Rent - All of the comparable properties required some adjustments. All adjusted rents are within 25% of their effective rents (line 5). The adjusted rents range between \$664 and \$813. Central tendencies of the adjusted rents are \$713 (average) and \$693 (median). While, any point figure within the adjusted range is reasonable and justifiable, it should be noted that the comparable at the upper end of the range was adjusted downward more than the others. The implication is that Comparable #4 should be given less weight.

Considering the minimal gross and net adjustments made and proximity to the subject site, Comparable #1, Comparable #2 and Comparable #3 appear to be the most comparable properties. As such, we have utilized the straight average of the adjusted rents of the aforementioned properties to derive the subject project's estimated rent of \$740. This equates to a rent of \$0.84 per square foot.

### **Three-Bedroom/1.5-Bath Townhome Analysis**

Unless otherwise stated, the adjustment made is based on the perceived value from the "presence or absence" of the particular feature. Discussion is only made for those line item characteristics that warrant an adjustment. With the following exceptions, the adjustments made to the rent comparables for this unit type are the same as those made for the prior unit type.

1. Last Rent – The rent reflected in our analysis for Comparable #1 is the lowest rent for a two-bedroom at this project of \$583. This project also offers updated two-bedroom units for an additional \$36 per month. The rent reflected for Comparable #2 is the largest two-bedroom at this project. Notably, this project has three different two-bedroom floor plans. The project's 900 square-foot two-bedroom/2.0-bath rent of \$720 is used in our analysis. The rent reflected for Comparable #4 is the smallest three-bedroom unit at this project. Notably, this project has two different three-bedroom floor plans. The project's 1,357 square-foot three-bedroom rent of \$1,130 is used in our analysis.
4. Occupancy for Unit Type - All of the selected comparable properties' two- and three-bedroom units are maintaining 100% occupancy levels. It is likely that these comparable projects can charge higher rents and still maintain stabilized occupancy levels. As such, we have applied a positive adjustment of approximately 2.5% (\$15 to \$20) to the comparable properties' collected rent, yielding their respective effective rent (line 5).
7. Year Built/Year Renovated – The subject property was built in 1979. The comparables were built between 1973 and 2009. We have adjusted each comparable by \$1 per year to reflect the age of the projects compared with the subject site. Negative adjustments were made to Comparable #4 (\$30) and Comparable #5 (\$27), while positive adjustments were made to Comparable #1 (\$2) and Comparable #6 (\$6).



*Lines 8 and 9 Ratings Key: The comparable properties and their respective neighborhoods were rated by our analysts utilizing a letter grade of A, B, C and D (A representing the most desirable). These ratings are intended to be the equivalent of the E, G, F and P ratings that are utilized by HUD in the Rent Comparability Grids, respectively.*

8. Condition/Street Appeal – The five comparable properties range in condition from good (G-) to excellent (E). The subject project is rated as fair (F) and we have made negative adjustments of \$10 to \$30 to reflect the difference in curb appeal between the subject property and the comparable properties. Note, however, that the adjustment for line 7 has been taken into account in order to avoid double-counting for age and condition.
9. Neighborhood - Comparable #4 is located within a superior neighborhood than the subject site. This comparable project is located in Mount Dora, which has a median gross rent that is approximately 9.0% higher than the median gross rent in Tavares, a median home value that is approximately 42.0% higher and a median income that is approximately 19.0% higher. Due to these characteristics, rents that are achievable in Mount Dora will not directly translate to Tavares. A negative 10% adjustment has been applied to the collected rent at Comparable #4 to reflect the differences in location between this comparable property and the subject project. With an adjustment of 10%, this comparable project's adjusted rent falls in line with the adjusted rents of the remaining comparable projects. Therefore, a 10% adjustment appears to be appropriate.
11. Bedrooms –Due to the lack of three-bedroom units identified and surveyed in the market and region, we have utilized the two-bedroom floor plans at the three comparable properties (Comparable #1, #2 and #6) that do not offer three-bedroom units in our comparability analysis.

Based on the 2009-2013 ACS, the average difference between two- and three-bedroom units within Tavares is \$220. Assuming two- and three-bedroom units are of similar quality, have similar amenities, and are located in similar neighborhoods, the difference in the average cost of rent is likely due to size (square footage), the desirability of an additional defined bedroom and the cost of utilities. According to a utility allowance worksheet provided by Lake County Housing Services, the average difference in utility costs between two- and three-bedroom apartments is \$27. As such, unit size (square footage) and the desirability of another defined space can be attributed to the remaining \$197 difference ( $\$220 - \$27 = \$197$ ). The weighted average difference in size between the two- and three-bedroom units at the comparable properties is 276 square feet. Based on the average rent per square foot reported at the comparable properties, unit size is estimated to add approximately \$61 of value to a three-bedroom unit on average. Therefore, the remaining \$136 difference

can likely be attributed to the desirability of another defined bedroom space. This \$136 adjustment has been made in our HUD Rent Comparability Grid.

12. # Baths - The subject project offers 1.5 bathrooms in the three-bedroom units. Comparable #1 and Comparable #6 offer 1.0 bathroom in their two-bedroom units and a positive \$5 was applied to reflect the extra half bathroom offered at these comparable properties. Conversely, Comparable #2, Comparable #4 and Comparable #5 each offer 2.0 bathrooms and a negative \$5 was applied.
13. Unit Interior Sq. Ft. – The subject project’s three-bedroom units are 1,140 square feet. Positive adjustments have been applied to Comparable #1 (\$61), Comparable #2 (\$53), Comparable #5 (\$14) and Comparable #6 (\$59) for offering smaller unit sizes, whereas a negative adjustment has been applied to Comparable #4 (\$48) for offering larger unit sizes.

The adjustment for differences in square footage is based on the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
14. Balcony/Patio – The subject project does not include a balcony or patio in the units. Comparable #1, Comparable #4 and Comparable #5 include a balcony or patio in the rent. A negative \$5 adjustment was applied.
15. AC – Central/Wall – The subject property provides central air conditioning in all units. Comparable #1 offers wall-unit air conditioning in each unit and a positive \$5 adjustment was applied.
17. Microwave/Dishwasher – The subject property does not have a microwave or dishwasher in the units. Comparable #2 and Comparable #6 include a dishwasher in each unit and a negative \$10 adjustment was applied. Comparable #4 and Comparable #5 include both a dishwasher and microwave in each unit and a negative \$15 adjustment was applied.
18. Washer/Dryer – The subject property does not include washers, dryers or hookups within the units. However, a central laundry facility is available to tenants. Conversely, Comparable #4 and Comparable 5 offer in-unit washer/dryer appliances within each unit. A negative adjustment of \$35 has been applied to these properties.
21. Cable/Satellite/Internet - The subject property does not include cable, satellite or Internet services within the rent. Comparable #4 does include cable services in the rent and a negative \$30 adjustment was applied. This rate was based on quotes provided by local cable service providers.

22. Garbage Disposal – The subject property does not include a garbage disposal in the units. All of the comparable market-rate properties include a garbage disposal in all units and negative \$5 adjustments were applied.
23. Ceiling Fan – The subject property does not include a ceiling fan in each unit. Comparable #4 and Comparable #5 do include a ceiling fan in the units and a \$5 negative adjustment was applied.
24. Parking (\$Fee) - The subject project offers a paved surface parking lot for its tenants at no additional charge in the rent. Comparable #6 offers a carport with each unit and a negative \$20 adjustment was applied.
27. Clubhouse/Meeting Rooms – The subject project does not provide a meeting room or clubhouse as a project amenity. Comparable #4 does include a clubhouse and a negative adjustment of \$5 was applied.
28. Pool/Recreation Area – The subject project offers a basketball court and picnic area. The comparable properties offer less or more recreational features. Relatively minor recreational features such as a picnic area, playground and a sports court are typically valued at \$3, while more significant recreational features such as a fitness center or pool are typically valued at \$6. After totaling the value of recreational features at the selected properties and deducting the value of recreational features at the subject project, the comparable properties were adjusted accordingly. For example, Comparable #4 offers a swimming pool (\$6), fitness center (\$6) and playground (\$3). These features equate to a \$15 value. After deducting the \$6 recreational value at the subject project, a negative adjustment of \$9 was applied to Comparable #4. The recreational features for the other comparable properties are listed in *Section VIII – Comparable Property Profiles*.
29. Business Center/Neighborhood Networks – The subject project does not offer a computer/business center as a community amenity. Comparable #4 does offer a computer center and a negative adjustment of \$3 was applied.
32. On-Site Management - The subject project includes on-site management. Comparable #6 does not offer such amenity and a positive adjustment of \$5 has been applied.
38. Cold Water/Sewer – The subject property includes cold water and sewer expenses in the cost of rent for all units. Comparable #1, Comparable #4 and Comparable #5 do not include either expense and a positive \$46 adjustment was applied. The utility adjustments were based on the utility allowance worksheet provided by Lake County Housing Services.





39. Trash/Recycling – The subject property includes trash collection in the cost of rent for all units. Comparable #4 does not include trash collection and a positive \$24 adjustment was applied. This utility adjustment was based on the utility allowance worksheet provided by Lake County Housing Services.
46. Estimated Market Rent - All of the comparable properties required some adjustments. The majority of the adjusted rents are within 25% of their effective rents (line 5). The adjusted rents range between \$862 and \$1,011. Central tendencies of the adjusted rents are \$932 (average) and \$896 (median). While, any point figure within the adjusted range is reasonable and justifiable, it should be noted that the comparables with the lowest net adjustments (Comparable #2, #5 and #6) suggest a rent figure between \$862 and \$1,004.

Considering the adjustments made, a figure near the average shown from Comparables #2, #5 and #6 is appropriate. A conclusion of \$910, or \$0.80 per square foot, is made.



# **VIII.**

## **COMPARABLE PROPERTY PROFILES**

<b>1 Deerwood Apts.</b>		2.8 miles to site						
	<b>Address</b> 611 Mount Homer Rd. Eustis, FL 32726							
	<b>Phone</b> (352) 589-0888		<b>Contact</b> Robin					
	<b>Total Units</b> 50	<b>Vacancies</b> 1	<b>Percent Occupied</b> 98.0%					
	<b>Project Type</b> Market-Rate							
	<b>Year Open</b> 1977		<b>Floors</b> 1					
	<b>Concessions</b> ""P q" T gp v" U r g e l c n u							
	<b>Parking</b> Surface Parking							
	<b>Waiting List</b> NONE							
	<b>Quality Rating</b> B- <b>Neighborhood Rating</b> B							
	<b>Remarks</b> Does not accept HCV; Rent range based on unit updates							
<b>Features and Utilities</b>								
<b>Utilities</b> Landlord pays Trash								
<b>Unit Amenities</b> Refrigerator, Range, Disposal, Window AC, Carpet, Patio/Deck/Balcony, Blinds								
<b>Project Amenities</b> On-site Management, Laundry Facility								
<b>Unit Configuration</b>								
<b>BRs</b>	<b>BAs</b>	<b>TYPE</b>	<b>UNITS</b>	<b>VACANT</b>	<b>SQUARE FEET</b>	<b>\$ / SQ FT</b>	<b>COLLECTED RENT</b>	<b>COMP?</b>
1	1	G	17	0	576	\$0.96	\$553	gu
1	1	G	17	0	576	\$1.01	\$583	P q
2	1	G	8	0	864	\$0.87	\$750	gu
2	1	G	8	1	864	\$0.91	\$786	P q





2 Tanglewood Square		2.7 miles to site						
	<b>Address</b> 2800 Ruleme St. Eustis, FL 32726							
	<b>Phone</b> (352) 354-1111		<b>Contact</b> Andrea					
	<b>Total Units</b> 48	<b>Vacancies</b> 0	<b>Percent Occupied</b> 100.0%					
	<b>Project Type</b> Market-Rate							
	<b>Year Open</b> 1979		<b>Floors</b> 2					
	<b>Concessions</b> P q'Tgpv'Ur gekru							
	<b>Parking</b> Surface Parking							
	<b>Waiting List</b> 1 month							
	<b>Quality Rating</b> B-		<b>Neighborhood Rating</b> B					
	<b>Remarks</b> HCV (4 units)							
<b>Features and Utilities</b>								
<b>Utilities</b>		Landlord pays Water, Sewer, Trash						
<b>Unit Amenities</b>		Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Blinds						
<b>Project Amenities</b>		Swimming Pool, On-site Management, Laundry Facility, Picnic Area						
<b>Unit Configuration</b>								
<b>BRs</b>	<b>BAs</b>	<b>TYPE</b>	<b>UNITS</b>	<b>VACANT</b>	<b>SQUARE FEET</b>	<b>\$ / SQ FT</b>	<b>COLLECTED RENT</b>	<b>COMP?</b>
1	1	G	16	0	576	\$1.02	\$585	Yes
2	1	G	12	0	686	\$0.96	\$660	Yes
2	1.5	G	12	0	686	\$0.99	\$680	No
2	2	G	8	0	900	\$0.80	\$720	Yes







3

Tanglewood Apts.

2.7 miles to site



<b>Address</b>	2811 Ruleme St. Eustis, FL 32726			
<b>Phone</b>			<b>Contact</b>	Andrea
<b>Total Units</b>	89	<b>Vacancies</b>	0	<b>Percent Occupied</b> 100.0%
<b>Project Type</b>	Market-Rate			
<b>Year Open</b>	1984		<b>Floors</b>	1
<b>Concessions</b>	No Rent Specials			
<b>Parking</b>	Surface Parking			
<b>Waiting List</b>	1 month			
<b>Quality Rating</b>	C+	<b>Neighborhood Rating</b>	B	
<b>Remarks</b>	HCV (4 units)			

Features and Utilities


<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Disposal, Window AC, Carpet, Washer/Dryer Hook Up, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	COMP?
0	1	G	24	0	288	\$1.56	\$450	No
1	1	G	57	0	576	\$1.02	\$585	Yes
2	1	G	4	0	686	\$0.76	\$660	Yes
2	2	G	4	0	864	\$0.83	\$720	No





4		Hammock Oaks		2.8 miles to site					
		<b>Address</b> 3550 Lake Center Dr. Mount Dora, FL 32757							
		<b>Phone</b> (352) 385-9191				<b>Contact</b> Devion			
		<b>Total Units</b> 280		<b>Vacancies</b> 0		<b>Percent Occupied</b> 100.0%			
		<b>Project Type</b> Market-Rate							
		<b>Year Open</b> 2009				<b>Floors</b> 2			
		<b>Concessions</b> No Rent Specials							
		<b>Parking</b> Detached Garages, Surface Parking							
		<b>Waiting List</b> NONE							
		<b>Quality Rating</b> A				<b>Neighborhood Rating</b> B+			
		<b>Remarks</b> Does not accept HCV; Rents change daily; Unit mix estimated							
<b>Features and Utilities</b>									
<b>Utilities</b>		Landlord pays Cable							
<b>Unit Amenities</b>		Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds							
<b>Project Amenities</b>		Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Computer Lab, Conference Room							
<b>Unit Configuration</b>									
<b>BRs</b>	<b>BA</b> s	<b>TYPE</b>	<b>UNITS</b>	<b>VACANT</b>	<b>SQUARE FEET</b>	<b>\$ / SQ FT</b>	<b>COLLECTED RENT</b>	<b>COMP?</b>	
1	1	G	56	0	725	\$1.14	\$830	No	
1	1	G	32	0	678	\$1.24	\$840	Yes	
2	2	G	28	0	1178	\$0.88	\$1034	No	
2	2	G	76	0	1161	\$0.89	\$1034	No	
2	2	G	41	0	950	\$0.94	\$893	Yes	
3	2	G	24	0	1375	\$0.82	\$1130	No	
3	2	G	23	0	1357	\$0.83	\$1130	Yes	





**5 The Arbours at Silver Lake**

7.1 miles to site



<b>Address</b>	8300 CR 44 Leesburg, FL 34788		
<b>Phone</b>	(352) 728-3848	<b>Contact</b>	Allisa
<b>Total Units</b>	120	<b>Vacancies</b>	0
<b>Percent Occupied</b> 100.0%			
<b>Project Type</b>	Market-Rate		
<b>Year Open</b>	2006	<b>Floors</b>	2
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Detached Garages, Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	Accepts HCV		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Fitness Center, Sports Court, Picnic Area

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	COMP?
1	1	G	16	0	640	\$1.25	\$799	Yes
2	2	G	88	0	880	\$1.04	\$916	No
3	2	G	16	0	1075	\$1.02	\$1100	Yes





6

**Boxwood Manor**

5.1 miles to site



**Address** 701 N. Bay St.  
Eustis, FL 32726

**Phone** (352) 343-7712 **Contact** Nancy

**Total Units** 14 **Vacancies** 0 **Percent Occupied** 100.0%

**Project Type** Market-Rate

**Year Open** 1973 **Floors** 2

**Concessions** No Rent Specials

**Parking** On Street Parking, Surface Parking, Carports

**Waiting List** NONE

**Quality Rating** B- **Neighborhood Rating** B

**Remarks** Accepts HCV; Square footage estimated

**Features and Utilities**

**Utilities** Landlord pays Water, Sewer, Trash

**Unit Amenities** Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Blinds

**Project Amenities** Laundry Facility

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	COMP?
0	1	G	1	0	400	\$1.25	\$500	No
2	1	G	13	0	875	\$0.77	\$675	Yes



## **IX. APPRAISER'S CERTIFICATION (APPENDIX 9-1)**

*Project Name: Caroline Court Apts.*

*FHA Project No: N/A  
HAP Contract No: FL290045028*

**The undersigned hereby certify that, to the best of their knowledge and belief, or as otherwise noted in the report:**

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have performed no 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the client, the amount of the value opinion, the attainment of the stipulated results, or the occurrence of a subsequent event.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The analysis was not based on a requested minimum valuation or specific valuation or the approval of a loan.
- The use of this report is subject to the requirements of the Appraisal Institute of relating to review by its duly authorized representatives.



- As of the date of this report, Andrew J. Moye has completed the requirements of the continuing education program of the Appraisal Institute.
- A personal inspection of the interior and exterior of the subject property and all comparables used in this report has been made.
- No one provided significant professional assistance to the person signing this report.
- Compliance with the USPAP competency rule has been achieved.

Warning: If you knowingly make a false statement on this form, you may be subject to civil penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000.00 for each violation.

Appraiser's Name: Andrew J. Moye

Signature: \_\_\_\_\_  
Date: May 26, 2015

Permanent Certification No: RZ2359  
Expires: November 30, 2016

Issuing State: Florida

Did you prepare the RCS under a temporary license? No *If so, attach a copy of the temporary license.*

STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE APPRAISAL BD

LICENSE NUMBER

RZ2359

The CERTIFIED GENERAL APPRAISER  
Named below IS CERTIFIED  
Under the provisions of Chapter 475 FS.  
Expiration date: NOV 30, 2016

MOYE, ANDREW J  
6797 N HIGH ST  
SUITE 325  
COLUMBUS

OH 43085



ISSUED: 09/25/2014

DISPLAY AS REQUIRED BY LAW

SEQ # L1409250005472

## X. Professional Qualifications

**ANDREW J. MOYE, MAI, AI-GRS**

### Business Experience

***Bowen National Research***, Pickerington, Ohio.

Market study assignments for market-rate and subsidized multifamily properties throughout the United States.

***Crown Appraisal Group***, Columbus, Ohio.

Principal

Real estate appraisal, feasibility studies, and market study assignments for commercial real estate.

***Vista Capital/Chemical Mortgage Company***, Columbus, Ohio.

Vice President.

Responsible for appraisals and market studies of commercial real property.

***Landauer Associates, Inc.***, West Palm Beach, Florida.

Assistant Vice President.

Valuation and evaluation of real property, and development of land use studies for large commercial and residential PUDs.

### Education

Masters of Business Administration (Finance), The Ohio State University, Columbus, Ohio.

Bachelor of Science in Business Administration (Real Estate), The Ohio State University, Columbus, Ohio.

### Professional Education (partial list)

Basic Valuation Procedures	Residential Valuation
Capitalization Theory, Part 1	Standards of Professional Practice
Capitalization Theory, Part 2	Case Studies in Real Estate Valuation
Capitalization Theory and Techniques, Part B	Valuation Analysis and Report Writing
Advanced Applications	Advanced Sales Comparison & Cost Approaches
Basic Income Capitalization	Litigation Appraising: Specialized Topics and Applications
Advanced Income Capitalization	General Appraiser Market Analysis and Highest & Best Use
The Appraiser as Expert Witness: Preparation and Expert Testimony	Market Analysis
Review Theory – General	Condemnation Appraising: Principles and Applications

### Professional Qualifications, testimony venues

MAI designation offered by Appraisal Institute

AI-GRS designation offered by Appraisal Institute

Young Advisory Council attendee, moderator, Appraisal Institute

Certified General Appraiser: AL, AZ, CO, FL, GA, IL, IN, KY, MI, MS, NC, NY, OH, SC, WV

Expert witness in Federal Bankruptcy Court, Common Pleas Courts throughout Ohio, various Boards of Revision, State Board of Tax Appeal



# **ADDENDUM A**

## **UTILITY ALLOWANCE SHEET**

## UTILITY ALLOWANCE - TAVARES, FLORIDA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$3	\$18		\$3	\$2	\$11	\$2	\$14	\$28	\$18	\$26	\$24	\$20
1	GARDEN	\$4	\$26		\$10	\$3	\$16	\$3	\$16	\$31	\$18	\$26	\$24	\$20
1	TOWNHOUSE	\$4	\$26		\$10	\$3	\$16	\$3	\$16	\$31	\$18	\$26	\$24	\$20
2	GARDEN	\$7	\$34		\$14	\$4	\$20	\$4	\$20	\$41	\$19	\$26	\$24	\$20
2	TOWNHOUSE	\$7	\$34		\$14	\$4	\$20	\$4	\$20	\$41	\$19	\$26	\$24	\$20
3	GARDEN	\$9	\$42		\$17	\$6	\$24	\$6	\$24	\$51	\$20	\$26	\$24	\$20
3	TOWNHOUSE	\$9	\$42		\$17	\$6	\$24	\$6	\$24	\$51	\$20	\$26	\$24	\$20
4	GARDEN	\$12	\$45		\$19	\$7	\$27	\$7	\$27	\$61	\$22	\$26	\$24	\$20
4	TOWNHOUSE	\$12	\$45		\$19	\$7	\$27	\$7	\$27	\$61	\$22	\$26	\$24	\$20