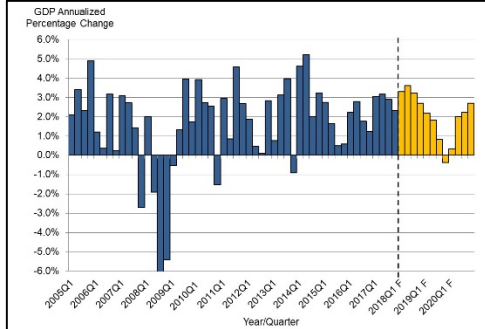




## SOUTHERN WISCONSIN APARTMENT MARKET SNAPSHOT

### Quarterly Change in U.S. Gross Domestic Product, 2005 Q1 to 2020 Q4

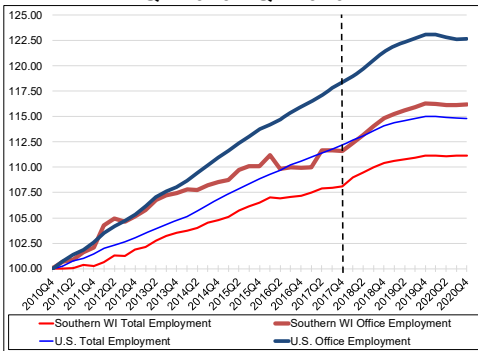


Sources: U.S. Bureau of Economic Analysis and Real Estate Counselors International, Inc.

### Executive Summary

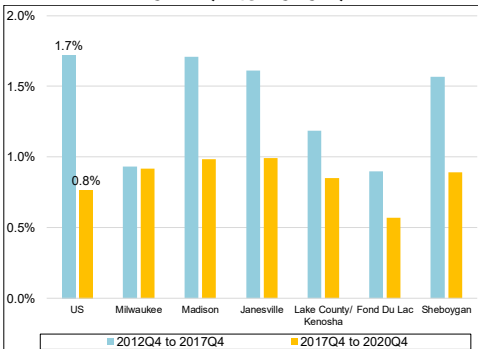
The U.S. economy is in the late stages of a business cycle. According to Moody's Analytics, the near-term outlook for U.S. consumer spending is strong. In this stage of the cycle, tightening labor markets will lead to stronger wage growth. In addition, consumers will also benefit from the tax cuts. Income growth is forecast to weaken noticeably in 2020. With that weakening comes the increasing risks of a recession. More good times lie ahead, but they are not without risks. Moody's points to various policy measures some of which will not work to sustain the present economic expansion. In summary, the odds of a recession remain low today, and there is little reason to expect a downturn in 2018. However, of concern is Moody's view that the risk of a national recession will increase significantly early in the next decade.

### Total Jobs and Office Jobs for the United States and Southern Wisconsin Q4 2010 - Q4 2020



Sources: U.S. Bureau of Labor Statistics, Moody's Analytics and Real Estate Counselors International, Inc.

### Annual Total Employment Growth for Southern Wisconsin MSAs: 2012 Q4 to 2017 Q4 versus 2017 Q4 to 2020 Q4



Sources: United States Bureau of Labor Statistics, Moody's Analytics, and Real Estate Counselors International, Inc.

**Job growth in most sectors of the Southern Wisconsin economy are forecast to slow through at least 2020** based on Moody's present econometric model. The United States and **Southern Wisconsin** total job growth over the next three years are forecast to be half of the rate from 2012 to 2017. The six MSAs are projected to exhibit annual average employment growth between 0.5% to 1.0% through the end of 2020 compared to 0.8% for the United States.

### Southern Wisconsin Apartment Market Highlights as of 1st quarter 2018

- At the end of 1<sup>st</sup> quarter 2018, for all properties containing 50+ units, the vacancy rate was 5.1%. **The vacancy rate has remained elevated and is now closer to the vacancy rate exhibited in 2011.** For properties of all sizes, the vacancy rate was 5.1% while Class A properties exhibited a vacancy rate of 9.4% which is up 60 basis points since 1<sup>st</sup> quarter 2017.
- Rent growth** from the 1<sup>st</sup> quarter 2017 to the 1<sup>st</sup> quarter 2018 slowed dramatically for all properties (1.2% increase) and all properties with 50+ units (1.2% increase). The average rent for Class A properties with 50+ units was effectively flat, exhibiting a decline of 0.2% over the four-quarter period. Rent concessions for Class A properties now averages 3.3%.
- The level of construction remains high for **properties containing 50+ units** to over 8,900 units, representing 5.3% of existing inventory, which is well above the nation's rate of apartment unit construction. There are almost **3,600 units under construction in Milwaukee County** and just over **750 units under construction in Waukesha County**. **More than 2,200 units are under construction in Dane County.**

### Wisconsin Apartment Market Outlook

**This absorption/deliveries ratio for Southern Wisconsin has declined somewhat to 90%** over the last four quarters, suggesting that the regional vacancy rate will continue to rise as the rate of economic growth slows and apartment demand moderates. **The risk of broader and more significant rent declines has increased now that job growth has slowed.**



**SOUTHERN WISCONSIN MARKET FUNDAMENTALS**

**VACANCY AND RENT GROWTH**

The average vacancy rate for all properties containing 50+ units was 5.1% at the end of the 1<sup>st</sup> quarter 2018, versus 5.0% in the 1<sup>st</sup> quarter 2017. This reflects a slight decrease in the vacancy rate from year-end 2017 which was 5.4% and resulted from more units being absorbed than were added to the inventory. **It is the largest properties (properties with 50+ units) that are exhibiting the greatest increase in vacancy.** In fact, the vacancy rate for Class A properties with 50+ units increased by 60 basis points since 1<sup>st</sup> quarter 2017 primarily driven by inventory growth of 14.1%.

Rent growth throughout all of 2017 had fallen to be just above 1.5%. This trend continued in the 1<sup>st</sup> quarter 2017. The average asking rent change at the end of the 1<sup>st</sup> quarter was only 1.2% above the asking rent at the end of the 1<sup>st</sup> quarter 2017. The average rent of Class A properties with 50+ units, has been flat (i.e., actual decline of 0.2%) over the same period. Rent concessions for Class A properties now averages 3.3%.

Among Class A properties with 50+ units, 3,034 units were delivered over the past 12 months while Class A unit net absorption was only 2,504 units, which may suggest that Class A unit demand could continue to fall behind new supply. This is not surprising, since nearly all new construction falls within the Class A segment.

**SOUTHERN WISCONSIN REGIONAL TRENDS**

	<b>All Properties - All Sizes</b>	<b>All Properties with 50+ Units</b>	<b>Class A Properties with 50+ Units</b>
<b>Number of Properties</b>	5,536	1,317	158
<b>Total Units</b>	231,813	166,260	21,491
<b>Apartment Vacancy Rate, 2018 Q1</b>	5.1%	5.1%	9.4%
<b>Apartment Vacancy Rate, 2017 Q1</b>	5.0%	4.8%	8.8%
<b>Basis Point Change in Vacancy 2017 Q1 to 2018 Q1</b>	10	30	60
<b>Apartment Asking Rent 2018 Q1</b>	\$1,003	\$1,041	\$1,395
<b>Apartment Asking Rent 2017 Q1</b>	\$991	\$1,029	\$1,398
<b>Percent Change in Asking Rent 2017 Q1 to 2018 Q1</b>	1.2%	1.2%	-0.2%
<b>Rent Concessions, % of Asking Rent, 2018 Q1</b>	1.7%	1.9%	3.3%
<b>Units Absorbed - since 2017 Q1</b>	5,757	4,650	2,504
<b>Units Delivered - since 2017 Q1</b>	6,430	5,623	3,034

Sources: CoStar Group and Real Estate Counselors International, Inc.

Real Estate Counselors International, Inc.



**DEMAND/SUPPLY TRENDS – SEVEN COUNTY APARTMENT MARKETS**

For all properties containing 50+ units, in four of the seven counties shown below, the vacancy rate has increased since the 1<sup>st</sup> quarter 2017. Still, vacancy rates across the seven counties remain at or below 6.0%. Rock County exhibits a vacancy rate of only 2.9% and Milwaukee County exhibits a vacancy rate of 5.8%, the second highest among the seven counties profiled. Dane County’s vacancy rate increased 70 basis points and Waukesha County’s vacancy rate increased 100 basis points since the 1<sup>st</sup> quarter 2017. Fond Du Lac County reported the greatest vacancy rate decrease – 390 basis points.

Rental rate growth since the 1<sup>st</sup> quarter 2017 has been largely below 2.0% per year. Milwaukee County rent growth slowed to just under 1.0%; Dane County rent growth was just above 1.0%. Rock County exhibited the strongest rate of rent growth since the 1<sup>st</sup> quarter 2017, at about 2.7%.

**DEMAND/SUPPLY STATISTICS FOR PRIMARY SOUTHERN WISCONSIN COUNTIES**

	Milwaukee	Dane	Waukesha	Kenosha	Rock	Fond Du Lac	Sheboygan
<b>Number of Properties</b>	489	383	130	57	36	29	29
<b>Total Units</b>	65,238	48,945	17,793	7,588	3,571	3,382	3,145
<b>Apartment Vacancy Rate, 2018 Q1</b>	5.8%	5.1%	6.0%	4.2%	2.9%	3.3%	3.4%
<b>Apartment Vacancy Rate, 2017 Q1</b>	5.3%	4.4%	5.0%	3.4%	3.4%	7.2%	4.0%
<b>Basis Point Change in Vacancy 2017 Q1 to 2018 Q1</b>	50	70	100	80	-50	-390	-60
<b>Apartment Asking Rent 2018 Q1</b>	\$1,032	\$1,140	\$1,158	\$935	\$760	\$720	\$751
<b>Apartment Asking Rent 2017 Q1</b>	\$1,023	\$1,128	\$1,142	\$917	\$740	\$706	\$738
<b>Percent Change in Asking Rent 2017 Q1 to 2018 Q1</b>	0.9%	1.1%	1.4%	2.0%	2.7%	2.0%	1.8%
<b>Rent Concessions, % of Asking Rent, 2018 Q1</b>	2.3%	1.7%	1.3%	2.2%	0.5%	5.4%	0.7%
<b>Units Absorbed - since 2017 Q1</b>	1,386	1,993	249	266	19	134	19
<b>Units Delivered - since 2017 Q1</b>	1,893	2,478	439	340	0	0	0

Sources: CoStar Group and Real Estate Counselors International, Inc.

Approximately 73% of all apartment units under construction in southern Wisconsin is taking place in Milwaukee County, Waukesha County and Dane County. RECI surveyed over 50 properties with approximately 6,500 units currently under construction in these three counties. The majority of the units are found in mid-rise buildings (49%), followed by low-rise buildings (31%). Approximately 14% are units are found in high-rise buildings and 6% of total units are garden style.

In Waukesha County, there are currently six confirmed projects under construction totaling 757 units. In Milwaukee County, there are currently 29 projects under construction totaling 3,579 units. In Dane County (Madison), there are currently 16 projects under construction totaling 2,219 units.

Construction projects for the three counties are presented on the following three pages.

Real Estate Counselors International, Inc.



**WAUKESHA, MILWAUKEE AND DANE (MADISON) COUNTIES – APARTMENT CONSTRUCTION**

The tables on the following pages present pertinent details for recently completed properties and those under construction, including anticipated delivery period.

**WAUKESHA COUNTY (MILWAUKEE MSA)**

#	Property Name	Address	City	Developer, Owner or Management Co.	Style/ Market Segment	Number of Units	Leasing / Construction Start	Anticipated Completion
<b>UNDER CONSTRUCTION</b>								
1	<b>Poplar Creek</b>	2018 Bluemound Rd	Brookfield	Wimmer Communities	Mid-Rise	136	4Q 2016	1Q 2019
2	<b>Riverwalk on the Falls</b>	N88 W16554 Main St	Menomonee Falls	Wimmer Communities	Low-Rise	114	4Q 2016	2Q 2018
3	<b>Jade at North Hills</b>	200 Flint Dr	Menomonee Falls	Fiduciary Real Estate Development, Inc.	Low-Rise	150	1Q 2018	2Q 2019
4	<b>The Reserve</b>	W Bluemound Rd	Brookfield	Atlantic Realty Partners	Garden	194	4Q 2016	3Q 2018
5	<b>The Artisan at Georgetown Square</b>	15999 W Wisconsin Ave	Brookfield	Wimmer Communities	Mid-Rise	99	4Q 2016	3Q 2018
6	<b>208 W Main St</b>	208 W Main St	Waukesha	Sterling Investment	Low-Rise	64	2Q 2017	3Q 2018
<b>WAUKESHA COUNTY TOTAL - UNDER CONSTRUCTION</b>						<b>757</b>		

Sources: CoStar Group and Real Estate Counselors International, Inc. field survey April 2018.



**MILWAUKEE COUNTY (MILWAUKEE MSA)**

#	Property Name	Address	City	Developer, Owner or Management Co.	Style/ Market Segment	Number of Units	Leasing / Construction Start	Anticipated Completion
<b>RECENTLY COMPLETED (1Q 2018)</b>								
1	Vue Apartments	2202 S Kinnickinnic Ave	Milwaukee	Dermond Associates LLC	Mid-Rise	69	4Q 2016	1Q 2018
2	Greenfield Highlands	4380 S 110th St	Milwaukee	Forest Green Realty	Mid-Rise	180	4Q 2016	1Q 2018
3	The 2100	2100 N Mayfair Rd	Wauwatosa	Commercial United	Mid-Rise	100	3Q 2016	1Q 2018
<b>MILWAUKEE COUNTY TOTAL - RECENTLY COMPLETED</b>						<b>349</b>		
<b>UNDER CONSTRUCTION</b>								
4	Dunwood Commons	217 W Dunwood Rd	Fox Point	Mandel Group	Mid-Rise	105	1Q 2017	1Q 2019
5	The Grainery Building	720 W Virginia St	Milwaukee	CPM Property Management Services LLC	Mid-Rise	80	2Q 2016	1Q 2019
6	5th Street School	2770 N 5th St	Milwaukee	Gorman & Co	Mid-Rise	50	1Q 2018	1Q 2019
7	10430 W Innovation Dr	10430 W Innovation Dr	Milwaukee	Mandel Group	Low-Rise	100	1Q 2018	1Q 2019
8	Greenbelt	5204 S 76th St	Greendale	Joseph Property Development LLC	Low-Rise	143	1Q 2017	2Q 2018
9	Fortè at 84South	9125 Sura Ln	Greenfield	Fiduciary Real Estate Development, Inc.	Mid-Rise	268	3Q 2018	2Q 2018
10	Brewery Lofts	1009 W Juneau Ave	Milwaukee	Whitestone Realty Capital LLC	Mid-Rise	118	2Q 2016	2Q 2018
11	1900 W Layton Ave	1900 W Layton Ave	Milwaukee	Lamar Advertising Co.	Low-Rise	60	4Q 2016	2Q 2018
12	Milwaukee Fortress Redevelopment	100 E Pleasant St	Milwaukee	The Alexander Company	Mid-Rise	132	2Q 2017	2Q 2018
13	735 West	735 W Wisconsin Ave	Milwaukee	3L Real Estate	Hi-Rise	144	2Q 2017	2Q 2018
14	The North End - Phase II	1500-1524 N Water St	Milwaukee	Mandel Group- Marine Terminal Lofts	Hi-Rise	89	2Q 2016	2Q 2018
15	The Waters at Oak Creek	8000 S Market St	Oak Creek	The Waters Senior Living Management LLC	Mid-Rise	135	3Q 2017	2Q 2018
16	7333 S 27th St	7333 S 27th St	Franklin	Zilber Ltd.	Low-Rise	180	1Q 2017	3Q 2018
17	1832-1840 N Farwell Ave	1832-1840 N Farwell Ave	Milwaukee	New Land Enterprises	Mid-Rise	153	2Q 2017	3Q 2018
18	Prospect Avenue Apartments	2228 N Prospect Ave	Milwaukee	Joseph Property Development LLC	Mid-Rise	95	3Q 2017	3Q 2018
19	7Seventy7	777 N Van Buren St	Milwaukee	Northwestern Mutual Life Insurance Company	Hi-Rise	322	2Q 2016	3Q 2018
20	The Mayfair Collection - West Building	Burleigh Street and I-41, West Building	Wauwatosa	HSA Commercial Real Estate	Mid-Rise	152	3Q 2018	3Q 2018
21	The Mayfair Collection - East Building	Burleigh Street and I-41, East Building	Wauwatosa	HSA Commercial Real Estate	Mid-Rise	153	3Q 2018	3Q 2018
22	Couture	909 E Michigan St	Milwaukee	Barrett Visionary Development	Hi-Rise	294	4Q 2017	3Q 2020
23	Park 7 Lofts	1250 N 6th St	Milwaukee	Royal Capital Group LLC	Low-Rise	100	1Q 2017	4Q 2018
24	808 N Old Third St	808 N Old Third St	Milwaukee	Keystone Development LLC	Mid-Rise	50	3Q 2017	4Q 2018
25	River House - Phase II	1775 N Water St	Milwaukee	Atlantic Realty Partners	Mid-Rise	200	4Q 2014	4Q 2018
26	Plankinton Clover	275 W Wisconsin Ave	Milwaukee	Interstate Parking	Hi-Rise	50	3Q 2017	4Q 2018
27	Vantage on the Park	916 E State St	Milwaukee	Klein Development Inc	Low-Rise	96	4Q 2017	4Q 2018
28	Victory Manor	W Silver Spring Dr & N 60 St	Milwaukee	Housing Authority of the City of Milwaukee	Low-Rise	60	1Q 2018	1Q 2019
29	Synergy at the District	1100-11300 W Burleigh St	Wauwatosa	Fiduciary Real Estate Development, Inc.	Mid-Rise	250	3Q 2017	2Q 2019
<b>MILWAUKEE COUNTY TOTAL - UNDER CONSTRUCTION</b>						<b>3,579</b>		

Sources: CoStar Group and Real Estate Counselors International, Inc. field survey, April 2018.

Real Estate Counselors International, Inc.



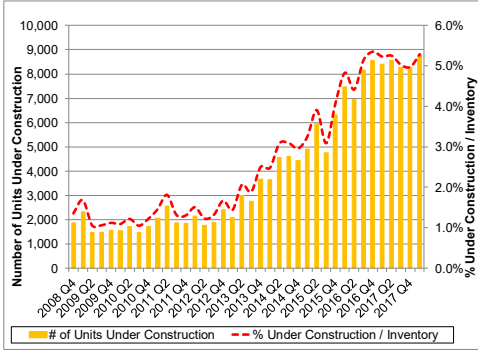
**DANE COUNTY (MADISON MSA)**

#	Property Name	Address	City	Developer, Owner or Management Co.	Style/ Market Segment	Number of Units	Leasing / Construction Start	Anticipated Completion
<b>UNDER CONSTRUCTION</b>								
1	Park Apartments - Phase II	6203 Williamsburg Way	De Forest	Cascade Development	Mid-Rise	68	2Q 2016	2Q 2018
2	The Village at Autumn Lake	City View Dr	Madison	Grosse, Hanzel & Simon	Low-Rise	170	2Q 2017	2Q 2018
3	Watts Hill	489 Commerce Dr	Madison	Rouse Management	Mid-Rise	80	2Q 2017	2Q 2018
4	Autumn Lake Apartments	5607 Summer Shine Dr	Madison	Rdd Llc	Low-Rise	80	4Q 2017	2Q 2018
5	The Flats	116 Milky Way	Madison	Madison East Ptshp Llc	Low-Rise	94	2Q 2017	2Q 2018
6	Paragon Place at Bear Claw Way Phase 2	9603 Paragon St	Middleton	United Construction & Development	Low-Rise	107	1Q 2016	2Q 2018
7	Terraces of Windsor Crossing - Phase II	6660 N Towne Rd	Windsor	Alexander Co.	Low-Rise	200	4Q 2016	2Q 2019
8	Deco - Phase II	518 Junction Rd	Madison	LZ Management - Deco	Mid-Rise	91	4Q 2016	3Q 2018
9	The Reserve at High Point	7920 Watts Rd	Madison	Oakbrook Corporation	Mid-Rise	135	2Q 2017	3Q 2018
10	151 East Wilson	151E Wilson St	Madison	McGrath Property Group	Mid-Rise	121	1Q 2016	3Q 2018
11	Springs at Sun Prairie	650 Spring St	Sun Prairie	Brooks Inc	Garden	228	4Q 2017	3Q 2018
12	Timber Valley Apartments	9622 Watts Rd	Verona	McKenzie Apartment Company	Mid-Rise	274	2Q 2017	3Q 2018
13	Latitude 43	9910 Watts Rd	Verona	Board of Regents of the Univ of Wisconsin System	Low-Rise	105	4Q 2017	3Q 2018
14	Cross Hill Apartments	3601 Cross Hill Dr	Madison	Lancaster Investments Inc.	Low-Rise	189	2Q 2017	4Q 2018
15	The Marling	1801E Washington Ave	Madison	Campbell Capital Group, LLC	Mid-Rise	224	4Q 2016	4Q 2018
16	The Edge at 706	706 Williamson St	Madison	Forward Development Group	Mid-Rise	53	4Q 2017	4Q 2018
<b>DANE COUNTY TOTAL - UNDER CONSTRUCTION</b>						<b>2,219</b>		

Sources: CoStar Group and Real Estate Counselors International, Inc. field survey, April 2018.

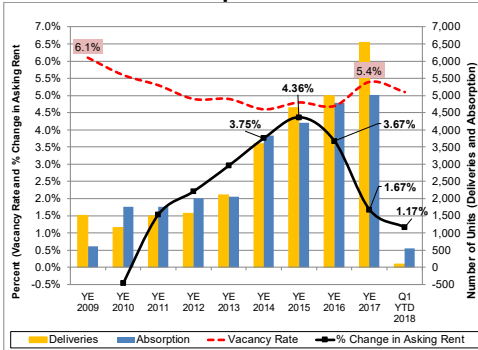


**Southern Wisconsin Apartment Construction: Properties with 50+ Units**



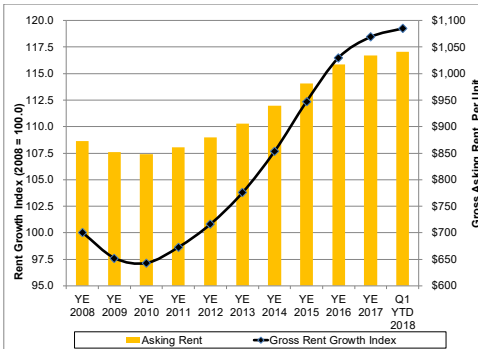
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**Demand/Supply: Deliveries, Absorption, Vacancy, and Change in Average Rent for Properties with 50+ Units in Southern Wisconsin Apartment Market**



Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**Trend of Apartment Asking Rents for Properties with 50+ Units in Southern Wisconsin Market**



Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**SOUTHERN WISCONSIN APARTMENT MARKET DEMAND/SUPPLY**

**Apartment Demand/Supply in the U.S.**

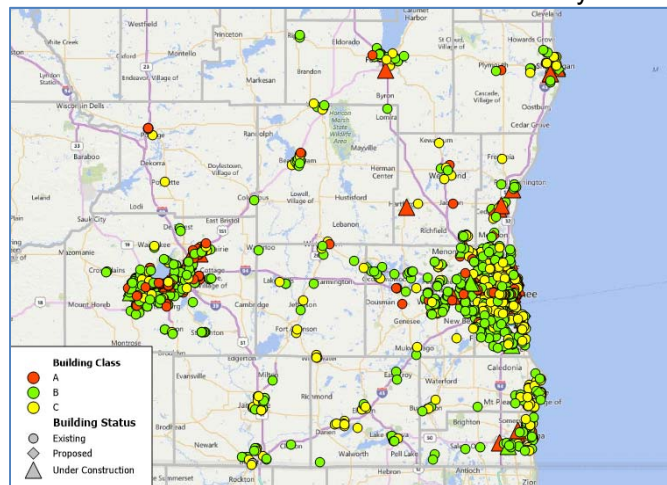
Although new supply (deliveries) is forecast to slow, CoStar is forecasting U.S. apartment demand (absorption) to dip, as the U.S. economy slows. This will push the vacancy rate up in 2019 and 2020. They believe that the vacancy rate will remain elevated, increasing from below 6.5% in 2018 and remain in the range of 6.5% and 7.0% through at least 2022.

Nationally, year-over-year same store sales rent growth was strongest in recent years in 2015 and 2016. By 2017, the rate of annual rent change fell to about 3%; still a respectable showing. Because of the forecast demand/supply imbalance, the rate of rent growth is forecast to slow. CoStar's forecast model is predicting that same-store sales rent growth will be essentially flat in late 2020/early 2021 and then rebound with the anticipated expansion of the U.S. economy.

**Southern Wisconsin Apartment Market Summary**

**At the end of 2017, the Southern Wisconsin apartment market inventory encompassed over 5,500 apartment properties, totaling about 232,000 units.** About 1,300 of the existing properties contain 50+ units and encompass about 166,000 units. Of these 166,000 units, approximately 21,000 units are considered Class A apartments.

Net absorption in the 1<sup>st</sup> quarter of 2018 has been above the total amount of deliveries but a very large number of units are expected to be delivered throughout the balance of the year. It is important to point out that total units delivered in the region as a percentage of total inventory has been trending above the U.S. average. Over the past six quarters, the number of units under construction has leveled off to around 5.0% of total inventory.



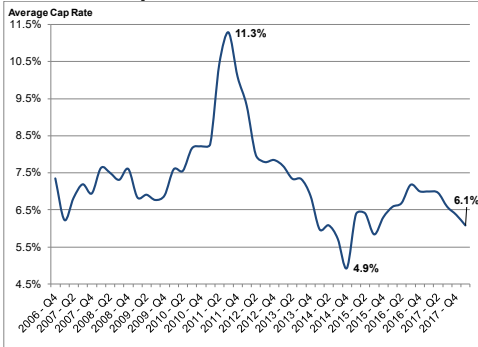
Sources: CoStar Group and Real Estate Counselors International, Inc. field survey, April 2018



**A market report for real estate professionals**

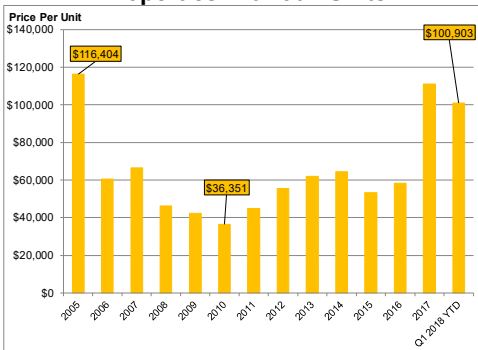
**1<sup>st</sup> Quarter 2018**

**Average Cap Rates:  
Properties with 50+ Units**



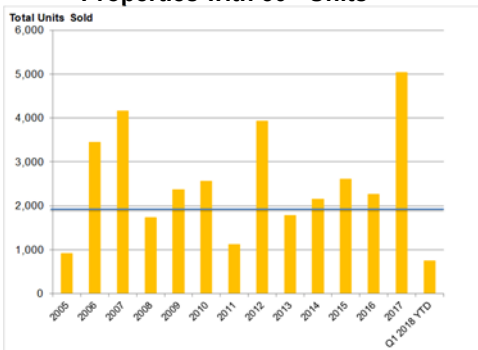
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**Price Per Unit:  
Properties with 50+ Units**



Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**Number of Units Sold:  
Properties with 50+ Units**



Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**The overall Southern Wisconsin apartment market continues to show signs of rising vacancy trends and slowing rent growth**, even though most of the new supply is being absorbed. Concern remains over the absorption/deliveries ratio which averaged 90% over the last four quarters (6,430 units delivered/5,757 units absorbed) versus the four-year average of 94%. Class A properties with 50+ units, in particular, have exhibited an increasing vacancy rate (up 60 basis points over the past four quarters) and flat/negative rent growth (-0.2%) since the 1<sup>st</sup> quarter 2017. Inventory grew by 14.1% for Class A properties with 50+ units during the past four quarters.

Southern Wisconsin total job growth and office-using sector job growth are forecast to increase at nearly the same level as the U.S. average rate of growth. Office-using job growth, which includes the large and growing professional and business services sector will fuel household formations and consequently demand for apartment units, especially in the Milwaukee and Madison metro markets. Still, the market's vacancy rate is expected to continue an upward climb as it did in 2017. Looking out the next few quarters, the data suggest that rents will continue to exhibit marginal increases as long as the vacancy rate does not exceed an inflection point which is likely between 5.5% and 6.0%. Notwithstanding, the risk of broader and more significant rent declines (i.e., as has been exhibited in the Class A segment) has increased now that job growth has slowed.

**SOUTHERN WISCONSIN APARTMENT INVESTMENT TRENDS**

Southern Wisconsin market capitalization rates have stabilized around 6.5% since 2015. As of 1<sup>st</sup> quarter 2018, the trailing 4-quarter average capitalization rate was 6.1%. *Note that of the seven transactions reported in 2018, none of them reported capitalization rates.*

In 2017, a total of 5,036 units sold in Southern Wisconsin after a high level of activity in the 4<sup>th</sup> quarter of that year. In the 1<sup>st</sup> quarter 2018, 751 units sold.

Meanwhile, the Southern Wisconsin average per unit price is down slightly from 2017. **In the 1<sup>st</sup> quarter 2018, the trailing 4-quarter average per unit price was about \$101,000.** These transactions, which include two student housing projects, are presented below.

#	Property Name	City	Sale Date	Type	# of Units	Price per Unit	Sale Price (millions)
1	The Lux	Madison	Jan-18	Student Housing	160	\$195,847	\$31.3
2	The Park at 1824	Milwaukee	Feb-18	Student Housing	61	\$136,066	\$8.3
3	Hunters Square	Milwaukee	Mar-18	Apartments	100	\$80,000	\$8.0
4	The Hamilton	Sun Prairie	Jan-18	Apartments	240	\$63,750	\$15.3
5	Cascade Falls	Stoughton	Mar-18	Apartments	54	\$59,259	\$3.2
6	Phantom Woods Estates	Mukwonago	Mar-18	Apartments	54	\$37,037	\$2.0
7	Maplewood Commons	Fond Du Lac	Feb-18	Apartments	82	\$25,622	\$2.1

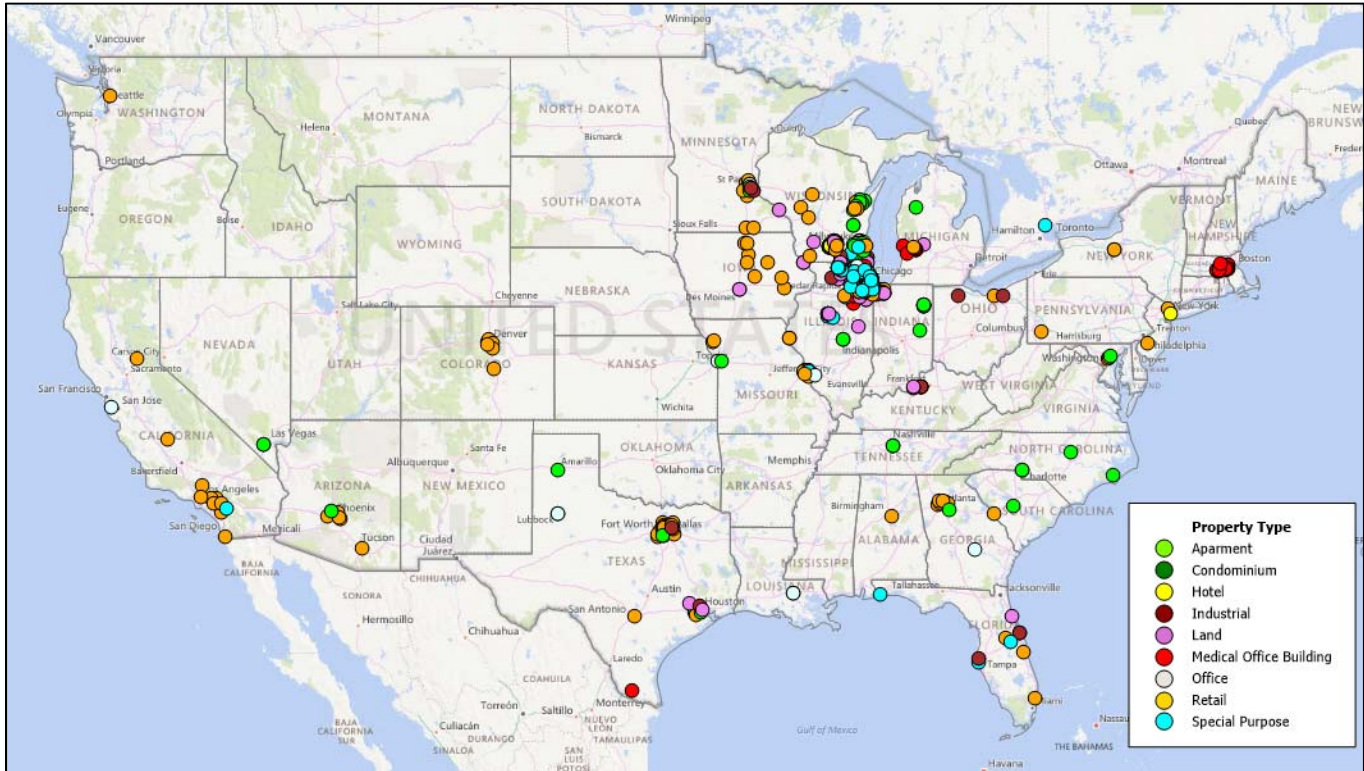
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.





Notes: All information is from sources deemed reliable; however, no representation is made as to the accuracy thereof. CoStar began to track the Southern Wisconsin apartment inventory during the 1990s, a process that accelerated in the mid-2000s. As such, the company continues to increase its capture of additional existing inventory as well as new construction, which thereby increases the total inventory over time, which may change historical absorption and vacancy figures presented by RECI.

**REAL ESTATE COUNSELORS INTERNATIONAL, INC.  
MAP SHOWING LOCATION OF RECENT ENGAGEMENTS**



Sources: CoStar Group and Real Estate Counselors International, Inc.

We have long-term relationships with major corporations, financial institutions, health care providers, developers, government agencies, and other public and private concerns. Our appraisers and counselors have been awarded MAI and CRE designations and are regarded as ethical and trusted professionals. Among our specialties are:

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- Acquisition Due Diligence
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- Portfolio Valuations
- Forensic Due Diligence/Evaluations
- Disposition Pricing
- Market Feasibility Analysis

Real Estate Counselors International Inc. (RECI) is an independently owned, commercial real estate valuation and consulting company headquartered in Chicago, Illinois. With roots to 1935, we have earned the reputation as a full-service firm known for our ability to perform high level, complex projects. Apartment analysis is one of our specialties and includes appraisals, market feasibility studies and acquisitions due diligence.

For more information, please contact: Thomas Amato, CRE at 312.332.4000 X101 or Benjamin Slagter at 312.332.4000 X107

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