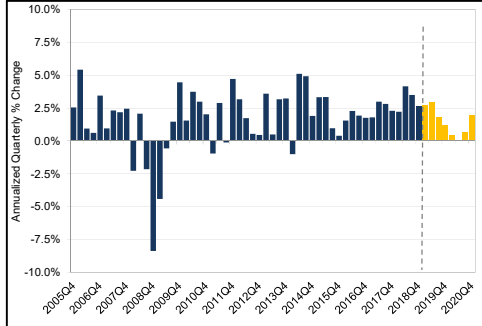




## SOUTHERN WISCONSIN APARTMENT MARKET SNAPSHOT

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

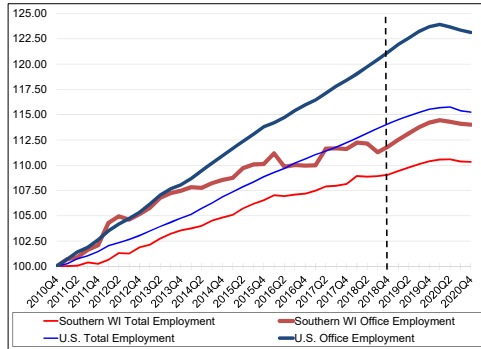


Sources: U.S. Bureau of Economic Analysis and Real Estate Counselors International, Inc.

### Executive Summary

United States economic growth weakened in early 2019. Last summer the economy was experiencing some of its strongest growth of the current expansion. The deficit-financed tax cuts had fueled real GDP growth to an almost 4% annualized rate of growth, and unemployment dropped to below 4%. As of early January 2019, growth has slowed with real GDP growth estimated at about 2.5% in the 4<sup>th</sup> quarter of 2018, according to Moody's Analytics. Moody's forecast of the economic impact of the U.S. partial government shutdown shows that it will reduce 1<sup>st</sup> quarter GDP growth between 0.16 and 0.26 of a percentage-point.

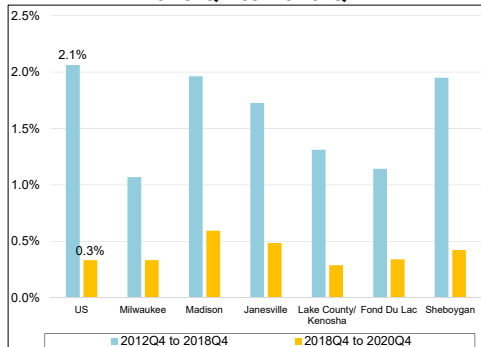
### Total Jobs and Office Jobs for United States and Southern Wisconsin Q4 2010 - Q4 2020



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

**Job growth in most sectors of the Southern Wisconsin economy are forecast to grow slowly through 2020** based on Moody's present econometric model. The United States and **Southern Wisconsin** total job growth over the next two years are forecast to be one quarter of the growth rate exhibited between 2012 and 2018. In 2020, even without a recession, job growth is forecast to remain flat and/or exhibit small percentage declines. The six Wisconsin MSAs, as a whole, are projected to exhibit annual average employment growth between 0.3% to 0.6% through the end of 2020 versus 0.3% for the United States.

### Annual Total Employment Growth: For Southern Wisconsin MSAs: 2012 Q4 to 2018 Q4 versus 2018 Q4 to 2020 Q4



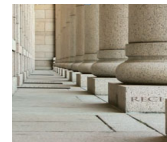
Sources: United States Bureau of Labor Statistics, Moody's Analytics, and Real Estate Counselors International, Inc.

### Southern Wisconsin Apartment Market Highlights as of year-end 2018

- At the end of 2018, for all properties containing 50+ units, the vacancy rate was 4.9%. The region's vacancy rate has remained between roughly 4.5% and 5.5% for the last several years. For properties of all sizes, the vacancy rate was 4.7% while Class A properties exhibited a much higher vacancy rate, at 9.3%, at year-end 2018.
- Annual average rent growth since the 4<sup>th</sup> quarter 2017 slowed for all properties (2.2%) and all properties with 50+ units (2.3%). The average rent for Class A properties with 50+ units was 2.5%, a strong showing despite the high vacancy rate.
- The level of construction remains high for properties containing 50+ units at almost 9,300 units, representing 5.4% of existing inventory, which is above the nation's rate of apartment unit construction. There are almost 3,900 units under construction in Milwaukee County and just over 700 units under construction in Waukesha County. More than 1,900 units are under construction in Dane County.

### Wisconsin Apartment Market Outlook

All properties in the Southern Wisconsin apartment market exhibited an absorption/deliveries ratio of 98% over the past 4 years. The ratio was 81% over the last four quarters, suggesting that the regional vacancy rate will rise, as the rate of economic growth slows and apartment demand moderates.



**SOUTHERN WISCONSIN MARKET FUNDAMENTALS**

**VACANCY AND RENT GROWTH**

After the broader market exhibited vacancy increases in 2016 and 2017, we note that the vacancy rate associated with Class A properties with 50+ units has decreased by 130 basis points since year-end 2017, primarily driven by the absorption of new deliveries. The average vacancy rate for all properties containing 50+ units was 4.9% at year-end 2018, versus 5.4% at year-end 2017.

The region's still relatively strong rate of economic growth in 2018 and sustained high propensity to rent (rather than own) has continued to result in a market that remains in equilibrium. However, this could change if there is a material slowdown in economic growth. The rate of rent growth has indeed already slowed.

Since year-end 2017, the average annualized change in asking rent for all properties with 50+ units increased by 2.3% across the region. In contrast, at the end of 2016, the annual rate of rent growth was 4.19%. At year-end 2017, the annual rate of rent growth was 2.75%. The average rent associated with Class A properties with 50+ units, was relatively flat in 2017 but between year-end 2017 and year-end 2018, the average rent increased by 2.5%.

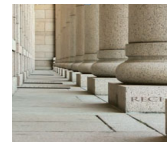
Among Class A properties with 50+ units, 1,945 units were delivered over the past year while total net absorption was 2,042 units – about 5% higher than deliveries. This is a reversal from the trend in 2017.

**SOUTHERN WISCONSIN REGIONAL TRENDS**

	All Properties - All Sizes	All Properties with 50+ Units	Class A Properties with 50+ Units
<b>Number of Properties</b>	5,812	1,374	174
<b>Total Units</b>	240,816	172,451	23,447
<b>Apartment Vacancy Rate, 2018 Q4</b>	4.7%	4.9%	9.3%
<b>Apartment Vacancy Rate, 2017 Q4</b>	5.3%	5.4%	10.6%
<b>Basis Point Change in Vacancy 2017 Q4 to 2018 Q4</b>	-60	-50	-130
<b>Apartment Asking Rent 2018 Q4</b>	\$1,031	\$1,072	\$1,445
<b>Apartment Asking Rent 2017 Q4</b>	\$1,009	\$1,048	\$1,410
<b>Percent Change in Asking Rent 2017 Q4 to 2018 Q4</b>	2.2%	2.3%	2.5%
<b>Rent Concessions, % of Asking Rent, 2018 Q4</b>	1.0%	1.1%	1.7%
<b>Units Absorbed - since 2017 Q4</b>	5,882	4,712	2,042
<b>Units Delivered - since 2017 Q4</b>	4,748	4,020	1,945

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 six of the seven counties shown below, the vacancy rate has actually declined since the 4<sup>th</sup> quarter 2017 and vacancy rates across the seven counties remain at or below 5.6%, even among the two largest markets - Dane County and Milwaukee County. In Dane County, the vacancy rate was 5.1%. In Milwaukee County the vacancy rate was 5.6%, the highest among the seven counties profiled. Sheboygan County reported the only increase in vacancy; an increase of 100 basis points, due to the delivery of 187 units, but absorption of only 149 units. Smaller markets such as Fond Du Lac, Kenosha, Rock and Sheboygan Counties tend to exhibit more volatile vacancy rate changes when new supply is added. Currently there are reportedly no new projects under construction in these four markets.

Rental rate growth on an annualized average basis since the 4<sup>th</sup> quarter 2017 has been moderate. The exceptions are Kenosha, Rock and Waukesha Counties which exhibited the strongest rates of growth - near 3% over the past four quarters.

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

	Milwaukee	Dane	Waukesha	Kenosha	Rock	Fond Du Lac	Sheboygan
<b>Number of Properties</b>	504	409	131	59	36	29	30
<b>Total Units</b>	66,890	51,806	17,847	7,899	3,571	3,373	3,350
<b>Apartment Vacancy Rate, 2018 Q4</b>	5.6%	5.1%	4.9%	2.9%	2.7%	1.4%	3.7%
<b>Apartment Vacancy Rate, 2017 Q4</b>	5.9%	5.8%	5.6%	4.8%	2.8%	3.8%	2.7%
<b>Basis Point Change in Vacancy 2017 Q4 to 2018 Q4</b>	-30	-70	-70	-190	-10	-240	100
<b>Apartment Asking Rent 2018 Q4</b>	\$1,065	\$1,170	\$1,158	\$961	\$792	\$729	\$800
<b>Apartment Asking Rent 2017 Q4</b>	\$1,043	\$1,145	\$1,125	\$929	\$770	\$719	\$785
<b>Percent Change in Asking Rent 2017 Q4 to 2018 Q4</b>	2.1%	2.2%	2.9%	3.4%	2.9%	1.4%	1.9%
<b>Rent Concessions, % of Asking Rent, 2018 Q4</b>	1.2%	1.2%	1.4%	0.5%	0.5%	0.3%	0.7%
<b>Units Absorbed - since 2017 Q4</b>	1,853	1,914	437	149	4	82	149
<b>Units Delivered - since 2017 Q4</b>	1,803	1,621	317	0	0	0	187

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

Approximately 70% of all apartment units under construction in the region is taking place in Milwaukee County, Waukesha County and Dane County. RECI surveyed over 55 properties with just over 6,500 units currently under construction in these three counties. The majority of the units are located in mid-rise buildings. In Waukesha County, there are currently five confirmed projects under construction totaling 741 units. In Milwaukee County, there are currently 30 projects under construction, totaling 3,866 units. In Dane County (Madison), there are currently 15 projects under construction, totaling 1,937 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	Style/ Market Segment	Number of Units	Developer, Owner or Management Co.	Leasing / Construction Start	Anticipated Completion
<b>RECENTLY COMPLETED (4Q 2018)</b>								
1	Clearpoint Apartments	220 W Main St	Waukesha	Mid-Rise	64	Sterling Investment	3Q 2018	4Q 2018
2	Riverwalk on the Falls	W165-N8910 Grand Ave	Menomonee Falls	Low-Rise	114	Wimmer Communities	4Q 2018	4Q 2018
<b>WAUKESHA COUNTY TOTAL - RECENTLY COMPLETED</b>					<b>178</b>			
<b>UNDER CONSTRUCTION</b>								
3	Brookfield Reserve	405 Bishops Way	Brookfield	Mid-Rise	194	Atlantic Realty - Brookfield Reserve	4Q 2018	1Q 2019
4	Poplar Creek	20200 Poplar Creek Pky	Brookfield	Low-Rise	136	Wimmer Communities	4Q 2018	1Q 2019
5	The Artisan at Georgetown Square	15999 W Wisconsin Ave	Brookfield	Low-Rise	99	Wimmer Communities	4Q 2018	1Q 2019
6	Towner Crest	N55 W36909 Lisbon Rd	Oconomowoc	Low-Rise	120	Presbyterian Homes & Services	2Q 2018	4Q 2019
7	The Linx Club at Brookfield Hills	950 Pinehurst Ct	Brookfield	Low-Rise	192	Wimmer Communities	2Q 2018	4Q 2019
<b>WAUKESHA COUNTY TOTAL - UNDER CONSTRUCTION</b>					<b>741</b>			

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

**MILWAUKEE COUNTY (MILWAUKEE MSA)**

#	Property Name	Address	City	Style/ Market Segment	Number of Units	Developer, Owner or Management Co.	Leasing / Construction Start	Anticipated Completion
<b>RECENTLY COMPLETED (4Q 2018)</b>								
1	The Mayfair Collection - West Building	Burleigh Street and I-41, West Building	Wauwatosa	Mid-Rise	134	Fiduciary - Synergy	3Q 2017	4Q 2018
<b>MILWAUKEE COUNTY TOTAL - RECENTLY COMPLETED</b>					<b>134</b>			

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



**MILWAUKEE COUNTY (CONTINUED)**

#	Property Name	Address	City	Style/ Market Segment	Number of Units	Developer, Owner or Management Co.	Leasing / Construction Start	Anticipated Completion
<b>UNDER CONSTRUCTION</b>								
2	10430 W Innovation Dr	10430 W Innovation Dr	Milwaukee	Low-Rise	100	Mandel Group	1Q 2018	1Q 2019
3	Brewery Lofts	1009 W Juneau Ave	Milwaukee	Mid-Rise	118	Juneau Avenue Partners LLC	2Q 2016	1Q 2019
4	1900 W Layton Ave	1900 W Layton Ave	Milwaukee	Low-Rise	60	Lamar Advertising Co.	4Q 2016	1Q 2019
5	Fortress	1726 N 1st St	Milwaukee	Mid-Rise	132	The Alexander Company	2Q 2017	1Q 2019
6	Contour on Prospect	2111 E Ivanhoe Pl	Milwaukee	Mid-Rise	95	Boulder Venture	3Q 2015	1Q 2019
7	Vantage on the Park	916 E State St	Milwaukee	Low-Rise	96	Klein Development Inc	4Q 2017	1Q 2019
8	Vim and Vigor at The Brewery - Phase II	922 W Juneau Ave	Milwaukee	Mid-Rise	247	Milhaus	3Q 2017	1Q 2019
9	New East Side Retail	2900 N Oakland Ave	Milwaukee	Mid-Rise	55	Klein Development Inc	2Q 2018	1Q 2019
10	The Waters at Oak Creek	8000 S Market St	Oak Creek	Mid-Rise	120	Shelter Corporation	3Q 2017	1Q 2019
11	5th Street School	2770 N 5th St	Milwaukee	Mid-Rise	50	Gorman & Co	1Q 2018	1Q 2019
12	Victory Manor	W Silver Spring Dr & N 60 St	Milwaukee	Low-Rise	60	Housing Authority of the City of Milwaukee	1Q 2018	1Q 2019
13	Forté at 84South - Phase II	9125 Sura Ln	Greenfield	Mid-Rise	115	Fiduciary Real Estate Development, Inc.	3Q 2017	1Q 2019
14	The Statesman	2950 W Statesman Way	Franklin	Low-Rise	181	Zilber Ltd.	1Q 2017	2Q 2019
15	The Chiswick at Dunwood	7700 N Port Washington Rd	Fox Point	Mid-Rise	103	Mandel Group	3Q 2018	2Q 2019
16	The Mayfair Collection - East Building	Burleigh Street and I-41, East Building	Wauwatosa	Mid-Rise	136	HSA Commercial Real Estate	3Q 2017	2Q 2019
17	The Grainery Building	720 W Virginia St	Milwaukee	Mid-Rise	80	David Winograd	2Q 2016	2Q 2019
18	Plankinton Clover	161W Wisconsin Ave	Milwaukee	Mid-Rise	50	Interstate Parking	3Q 2017	2Q 2019
19	The Easton	1632 N Franklin Pl	Milwaukee	Mid-Rise	96	KBS Construction Inc	3Q 2018	2Q 2019
20	Synergy at the District	1100-11300 W Burleigh St	Wauwatosa	Mid-Rise	250	HSA Commercial Real Estate	3Q 2017	2Q 2019
21	Five Fifty Ultra Lofts	1250 N 6th St	Milwaukee	Low-Rise	112	Royal Capital Group LLC	1Q 2017	2Q 2019
22	St. Rita's Square	1601N Cass St	Milwaukee	Mid-Rise	118	St Rita Property LLC	3Q 2018	2Q 2019
23	Honey Creek Apartments	8041W Blue Mound Rd	Milwaukee	Mid-Rise	62	Catalyst Construction	3Q 2018	3Q 2019
24	214 E Florida St	214 E Florida St	Milwaukee	Mid-Rise	116	Roers Investments	3Q 2018	3Q 2019
25	Six Points West Allis Apartments	6600 W National Ave	West Allis	Mid-Rise	200	Y & W Community Dev Authority Of Cit	2Q 2018	3Q 2019
26	Element 84	1468 S 84th St	West Allis	Mid-Rise	203	Community Dev Authority of the City of West Allis	3Q 2018	3Q 2019
27	The Yards	223 W Oregon St	Milwaukee	Hi-Rise	87	Linden Street Partners, LLC.	1Q 2018	4Q 2019
28	Greenbelt Phase II	5204 S 76th St	Greendale	Low-Rise	68	Joseph Property Development	3Q 2018	4Q 2019
29	Ballpark Commons	7900 Crystal Ridge Dr	Franklin	Mid-Rise	300	Mandel Group	2Q 2018	1Q 2020
30	Hamburger Lofts	2130 S Kinnickinnic Ave	Milwaukee	Mid-Rise	144	New Land Enterprises	2Q 2018	2Q 2020
31	Couture	909 E Michigan St	Milwaukee	Hi-Rise	312	County Of Milwaukee	4Q 2017	3Q 2020
<b>MILWAUKEE COUNTY TOTAL - UNDER CONSTRUCTION</b>					<b>3,866</b>			

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



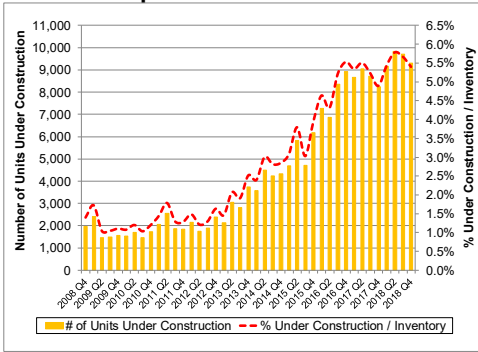
**DANE COUNTY (MADISON MSA)**

#	Property Name	Address	City	Style/ Market Segment	Number of Units	Developer, Owner or Management Co.	Leasing / Construction Start	Anticipated Completion
<b>RECENTLY COMPLETED (4Q 2018)</b>								
1	Cross Hill Heights Apartments	3515 Cross Hill Dr	Madison	Mid-Rise	63	John E Walsh	2Q 2018	4Q 2018
2	Springs at Sun Prairie	650 Spring St	Sun Prairie	Garden	228	Continental Properties Company, Inc.	4Q 2017	4Q 2018
3	The Edge at 706	704 Williamson St	Madison	Mid-Rise	53	Forward Development Group	4Q 2017	4Q 2018
<b>DANE COUNTY TOTAL - RECENTLY COMPLETED</b>					<b>344</b>			
<b>UNDER CONSTRUCTION</b>								
4	Cross Hill Heights Apartments Phase II	3515 Cross Hill Dr	Madison	Low-Rise	126	Forward Development Group	2Q 2018	1Q 2019
5	The Flats at Grandview	116 Milky Way	Madison	Garden	94	Madison East Ptshp Llc	2Q 2017	1Q 2019
6	Waldorf-Astoria	5123 Central Park Pl	Fitchburg	Low-Rise	250	Cascade Development	4Q 2018	1Q 2019
7	1 Glenn Place	5351 Nobel Dr	Fitchburg	Low-Rise	191	Fiduciary	2Q 2018	1Q 2019
8	Paragon Place at Bear Claw Way Phase 2	9603 Paragon St	Middleton	Low-Rise	68	United Financial Group Inc	1Q 2018	1Q 2019
9	The Abbey - Phase II	2911 Blue Aster Blvd	Sun Prairie	Mid-Rise	71	Goldleaf Development	4Q 2018	1Q 2019
10	Terraces of Windsor Crossing - Phase II	6660 N Towne Rd	Windsor	Low-Rise	200	Alexander Co.	4Q 2018	2Q 2019
11	Catalyst On Main	641W Main St	Sun Prairie	Mid-Rise	74	Catalyst On Main LLC	2Q 2018	2Q 2019
12	Hidden Creek Residences Phase II	4602 DiLoreto Ave	Madison	Mid-Rise	194	T. Wall Enterprises Mgt, LLC	2Q 2018	2Q 2019
13	Timber Valley Apartments - Phase II	9622 Watts Rd	Verona	Mid-Rise	152	McKenzie Apartments	2Q 2017	2Q 2019
14	Building C	6406 Bridge Rd	Madison	Mid-Rise	55	City of Monona	2Q 2018	2Q 2019
15	Royster Crossing	204 Cotton Grove Rd	Madison	Low-Rise	135	Ruedebusch Development & Construction	2Q 2018	2Q 2019
16	Lamphouse	203 E Main St	Waunakee	Low-Rise	101	203 Main LLC	3Q 2018	3Q 2019
17	171 South Fair Oaks	171S Fair Oaks	Madison	Mid-Rise	161	McGrath Property Group	4Q 2018	3Q 2019
18	1722 Monroe	1722 Monroe St	Madison	Mid-Rise	65	Urban Land Interests	2Q 2018	3Q 2019
<b>DANE COUNTY TOTAL - UNDER CONSTRUCTION</b>					<b>1,937</b>			

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

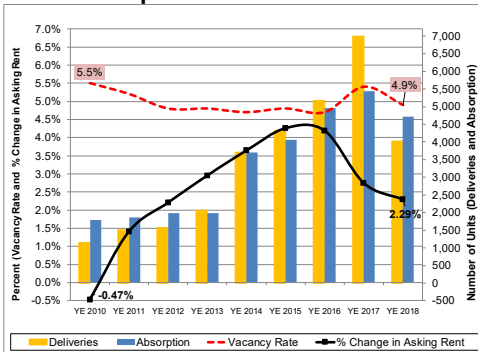


**Southern Wisconsin Apartment Construction: Properties with 50+ Units**



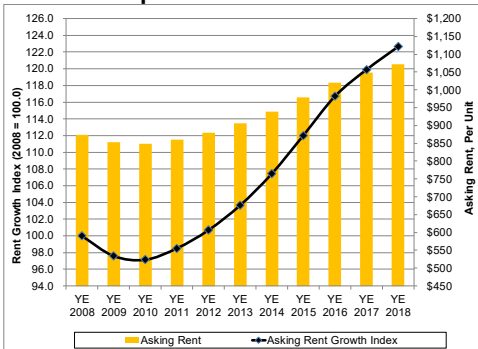
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

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



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

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



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

**SOUTHERN WISCONSIN APARTMENT MARKET DEMAND/SUPPLY**

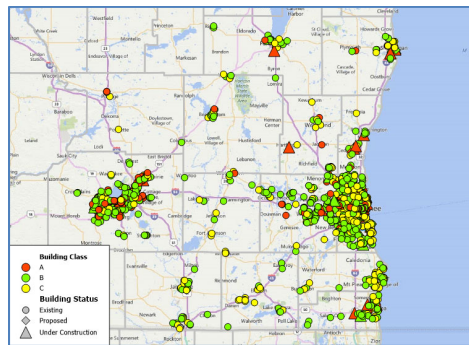
**Apartment Demand/Supply in the U.S.**

Nationally, rent growth has accelerated in recent months to around 3%, according to CoStar data. **Apartment demand has increased at a steady rate, supported by the strong economy of 2018**, despite a steadily growing supply. Vacancy rates have dipped but are expected to move higher in the near future, driven by delivery of Class A properties.

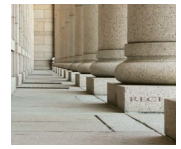
**In 2019 and 2020, vacancy rates are forecast to increase.** The increase is expected to be driven by delivery of Class A properties, causing vacancy to increase in the face of slower economic growth. CoStar's Portfolio Strategy Group asserts that **continued increase in the homeownership rate is the single largest risk to the apartment sector.** Despite the decline in affordability and still-tight mortgage origination standards, about two-thirds of consumers still believe it is a good time to buy a home, according to the University of Michigan consumer survey. The national homeownership rate has risen by more than a percentage point since 2016 to 64.4% in the 3<sup>rd</sup> quarter of 2018. CoStar estimates that a percentage point increase in the homeownership rate over the course of a single year would equate to a decrease of approximately 800,000 renter households, assuming about one million new households are added each year. On the other hand, demand for apartments, could receive a boost from low inventories of single-family homes. Although single family home construction activity has improved recently, it continues to be constrained due to rising labor and material costs.

**Southern Wisconsin Apartment Market Summary**

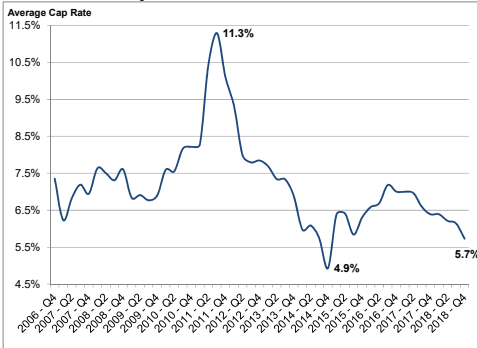
**At end year-end 2018, the Southern Wisconsin apartment market inventory encompassed over 5,800 apartment properties, totaling about 241,000 units.** About 1,400 of the existing properties contain 50+ units and encompass about 172,000 units.



Of these 172,000 units, approximately 23,000 units are considered Class A apartments. Net absorption in 2018 was above the total amount of deliveries but a greater number of units are expected to be delivered in 2019 in contrast to all of 2018. 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.

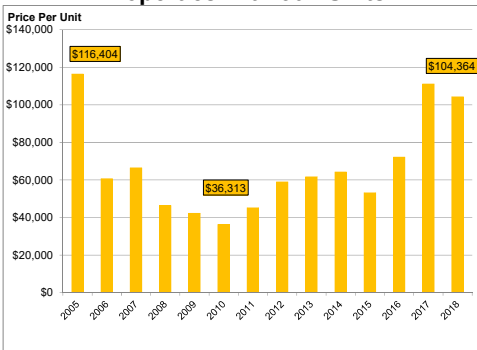


**Average Cap Rates:  
Properties with 50+ Units**



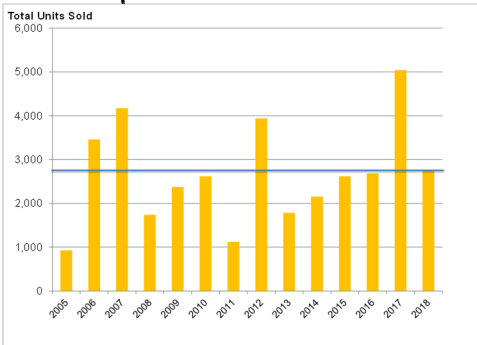
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.

**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.

**Overall, the Southern Wisconsin apartment market continues to show signs of fairly stable vacancy trends and moderate rent growth**, as most of the new supply is being absorbed. Although Class A properties with 50+ units exhibited an increasing vacancy rate in 2017, this trend was reversed in 2018 despite inventory growth of 8.3% during that year. We point out that the absorption/deliveries ratio averaged 81% over the last four quarters, which was well below the four-year average of 98%.

The United States and **Southern Wisconsin** total job growth over the next two years are forecast to be one-quarter of the growth rate exhibited between 2012 to 2018. In 2020, even without a recession, job growth is forecast to remain flat and/or exhibit small percentage declines. The six Wisconsin MSAs, as a whole, are projected to exhibit annual average employment growth between 0.3% to 0.6% through the end of 2020 versus 0.3% for the United States.

With slower rates of economic growth, we expect vacancy rates to rise in 2020 and possibly in 2019. Based on the historical time series data for this market, we believe rents will continue to increase on a nominal basis as long as the vacancy rate remains below about 6.0% and job growth remains at least moderately strong.

**SOUTHERN WISCONSIN APARTMENT INVESTMENT TRENDS**

Southern Wisconsin apartment market capitalization rates have ranged between 5.5% to 6.5% since 2015. As of year-end 2018, the trailing 4-quarter average capitalization rate was 5.7%. *Note that of the 7 transactions reported in the 4<sup>th</sup> quarter 2018 below, only the River House transaction reported a capitalization rate (4.75%).*

The number of units sold in 2018 slowed from 2017. 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. As of year-end 2018, 2,751 units had sold, which is near the historical average of 2,657 units sold per year.

Meanwhile, the average per unit price in 2018 was down from the average price in 2017. **At year-end 2018, the trailing 4-quarter average per unit price was about \$104,000.** The transactions reported between October 2018 and December 2018 are presented below.

#	Property Name	City	Sale Date	Type	# of Units	Price per Unit	Sale Price (millions)
1	River House	Milwaukee	Dec-18	Apartments	243	\$238,683	\$58.0
2	Heather Downs Apartments	Madison	Dec-18	Apartments	130	\$85,577	\$11.1
3	Avenir Luxury Apartments	Milwaukee	Dec-18	Apartments	104	\$214,423	\$22.3
4	Lakeview Village Apartments	Kenosha	Oct-18	Apartments	67	\$31,343	\$2.1
5	Portage Commons	Portage	Oct-18	Apartments	80	\$37,500	\$3.0
6	Belle Harbor	Racine	Oct-18	Apartments	78	\$62,821	\$4.9
7	River's Cove Apartments	Germantown	Oct-18	Apartments	112	\$160,714	\$18.0

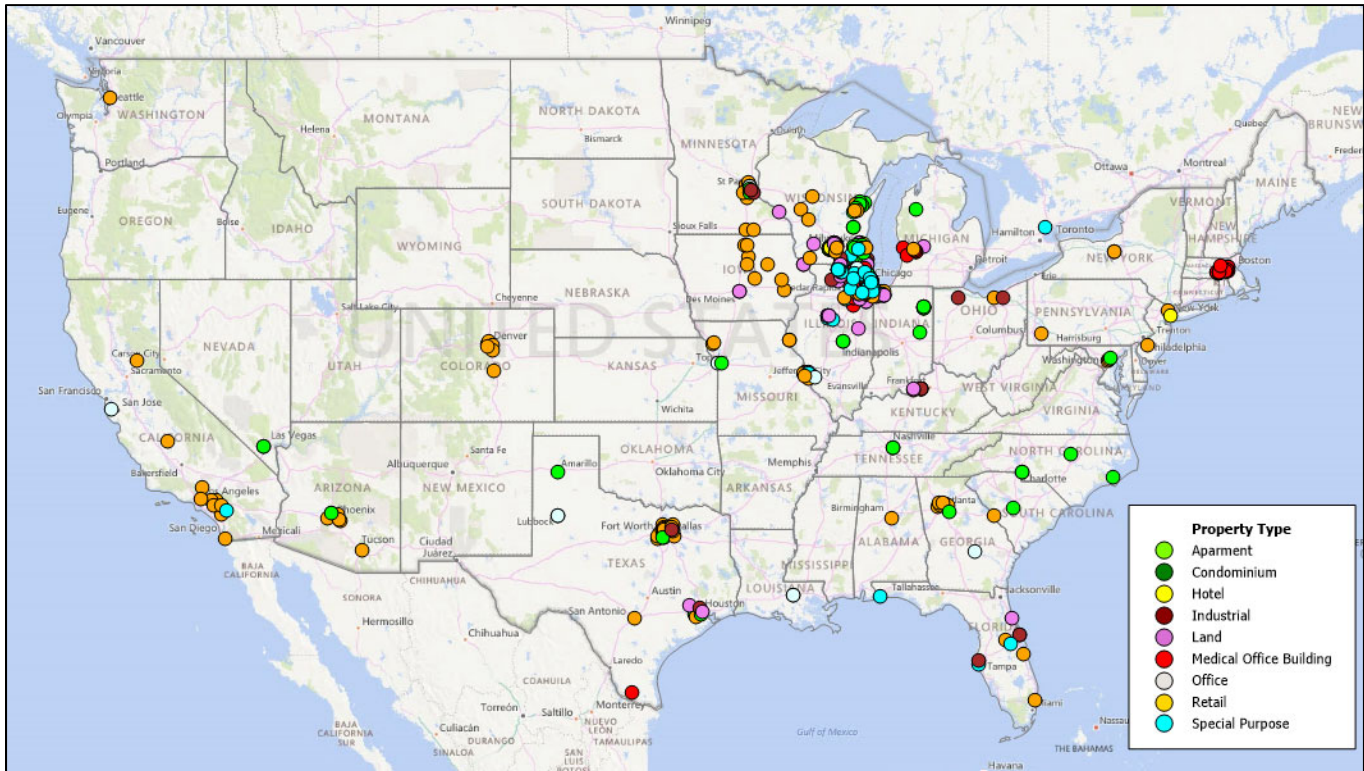
Sources: CoStar Group, Inc. and Real Estate Counselors International, Inc.





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:

- Property Appraisals
- Acquisition Due Diligence
- Litigation Support/Dispute Resolution
- 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.

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