CBRE Valuation & Advisory Services

Appraisal Report

4935 NANNIE HELEN BURROUGHS AVENUE, NE

4935 Nannie Helen Burroughs Avenue, NE
Washington, District of Columbia 20019

Prepared for: Foundation Specialty Finance
Date of Report: June 6, 2025
CBRE File No.: CB25US048435-7

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CBRE

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Date of Report: June 6, 2025

Mr. Andrew Michael
FOUNDATION SPECIALTY FINANCE
801 Pacific Coast Highway, Suite 201
Seal Beach, California 90740

RE: Appraisal of: 4935 Nannie Helen Burroughs Avenue, NE
4935 Nannie Helen Burroughs Avenue, NE
Washington, District of Columbia 20019
CBRE File No.: CB25US048435-7

Dear Mr. Michael:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a 6-unit multi-family walk-up property located at 4935 Nannie Helen Burroughs Avenue, NE in the District of Columbia. The property consists of a single two-story apartment building. The improvements were constructed in 1947, renovated in 2019, and are situated on a 3,153 SF (0.07-acre) site.

The subject was acquired by the current property owner in February 2019 and was subsequently fully renovated including both unit and common area/building upgrades. However, the property has fallen into disrepair and is under contract as part of a 10-property portfolio to a buyer in connection with the seller's bankruptcy. The buyer is planning to rehabilitate the property and alter the unit mix. Upon completion, the property will include 4 units. The buyer is planning to rehabilitate the property. The buyer is targeting tenants with HCVP vouchers for occupancy upon completion (similar to the prior owner).

The improvements were 66.7% occupied as of the rent roll provided (un-dated). The occupancy appeared relatively similar to the rent roll provided as of the inspection date.

At the client's request, we have provided hypothetical values as if the subject were complete and stabilized as of the effective date of value (in addition to the As Is value). Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Hypothetical As If Complete	Leased Fee Interest	May 28, 2025	$1,070,000
Hypothetical As If Stabilized	Leased Fee Interest	May 28, 2025	$1,080,000
As Is	Leased Fee Interest	May 28, 2025	$810,000

Compiled by CBRE

The subject is currently under contract for sale. Please refer to the Executive Summary section of this report for further discussion and analysis.

This Appraisal Report is subject to Extraordinary Assumptions and/or Hypothetical Conditions. Please refer to the Executive Summary section of this report for further discussion and analysis.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES

Joseph Nassau, MAI
Executive Vice President
District of Columbia Cert. No. 11639
State of Maryland Cert. No. 27569
Commonwealth of VA Cert. No. 4001 014620
State of West Virginia License No. CG21-043
Phone: 703-734-4774
Email: joseph.nassau@cbre.com

Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Joe Nassau has not provided 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 the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Joe Nassau has made a personal inspection of the property that is the subject of this report.
10. Aleksandra Villena-Lanzi provided significant real property appraisal assistance to the persons signing this certification including data analysis.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Joe Nassau has completed the continuing education program for Designated Members of the Appraisal Institute.
14. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the District of Columbia.

Joseph Nassau, MAI
Executive Vice President
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State of Maryland Cert. No. 27569
Commonwealth of VA Cert. No. 4001 014620
State of West Virginia License No. CG21-043
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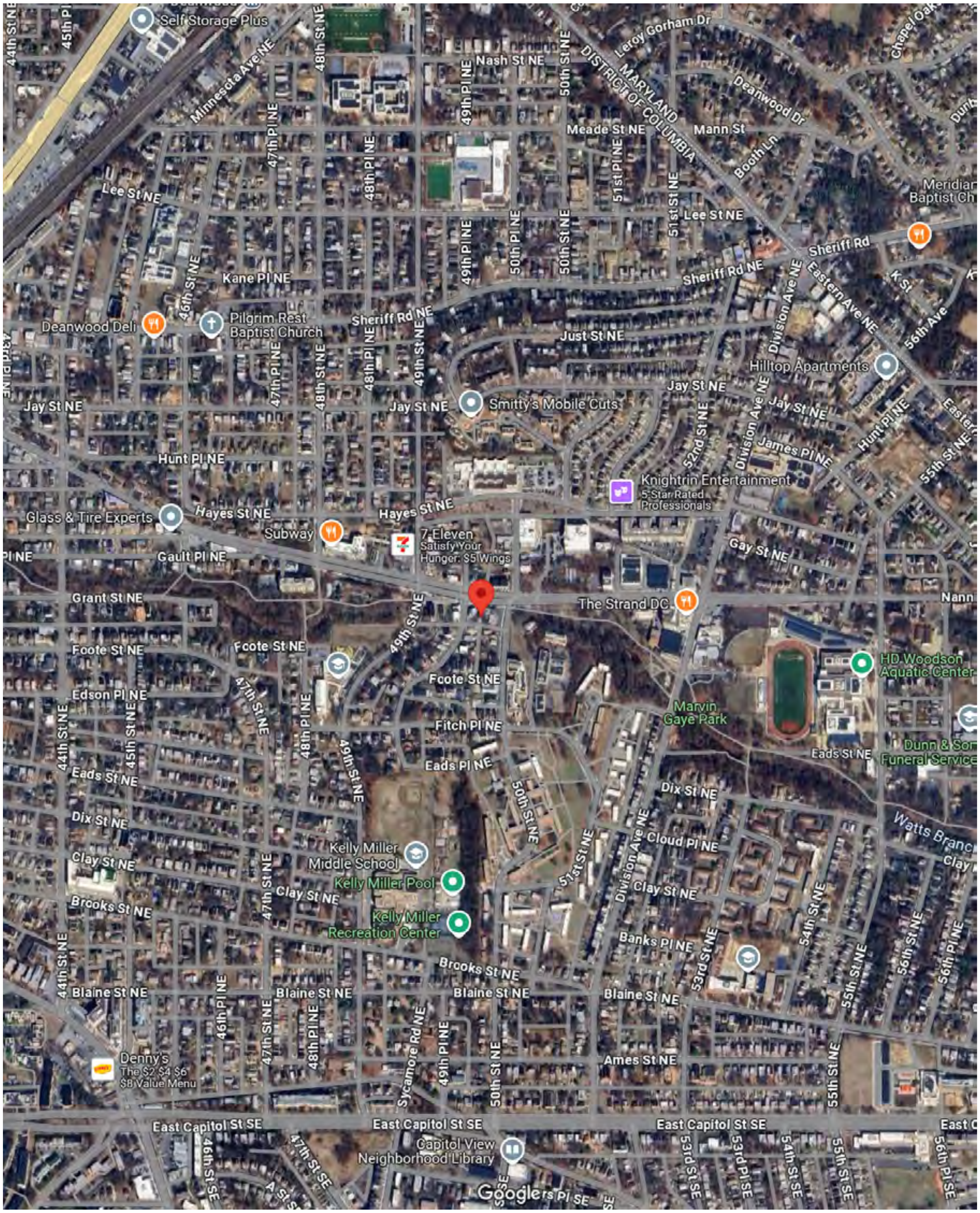
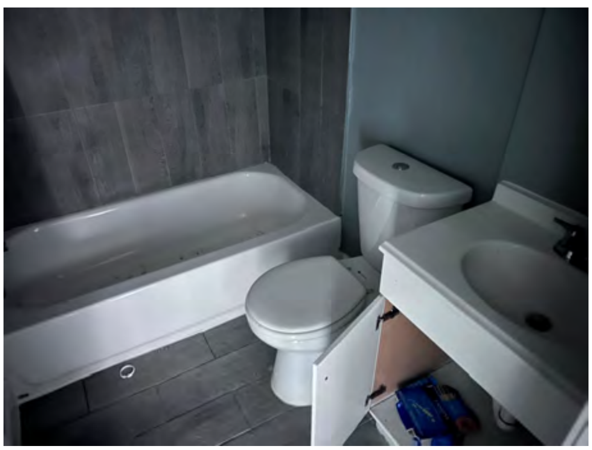
Subject Photographs



Aerial View

Exterior

Unit Interior



Unit Interior

Unit Interior

Unit Interior

Unit Interior

Executive Summary

Property Name	4935 Nannie Helen Burroughs Avenue, NE	
Location	4935 Nannie Helen Burroughs Avenue, NE Washington 20019	
Parcel Number(s)	5180-0807	
Client	Foundation Specialty Finance	
Highest and Best Use		
As If Vacant	Multifamily	
As Improved	Multifamily	
Property Rights Appraised	Leased Fee Interest	
Date of Inspection	May 28, 2025	
Estimated Exposure Time	12 Months or Less	
Estimated Marketing Time	12 Months or Less	
Primary Land Area	0.07 AC	3,153 SF
Zoning	MU-4	
Improvements		**Comments**
Property Type	Multifamily	(Multi-Family Walk-Up)
Number of Buildings	1	
Number of Stories	2	
Gross Building Area (As Complete)	3,700 SF	
Net Rentable Area (As Complete)	3,400 SF	
Gross Leaseable Area (Retail)	0 SF	
Number of Units (As Complete)	4	
Average Unit Size (As Complete)	850 SF	
Year Built / Renovated	1947 / 2019	
Effective Age	30 Years	
Remaining Economic Life	20 Years	
Number of Units (As Is)	6	
Current Occupancy	66.7%	
Condition (Existing)	Fair	
Buyer Profile	Investor-Regional	
Financial Indicators (As Complete/Stabilized)		
Stabilized Occupancy	93.0%	
Stabilized Credit Loss	0.5%	
Overall Capitalization Rate	7.50%	

Pro Forma Hypothetical As If Complete/Stabilized		Total	Per Unit
Effective Gross Income		$127,206	$31,802
Operating Expenses		$46,032	$11,508
Expense Ratio		36.19%	
Net Operating Income		$81,174	$20,294
VALUATION		**Total**	**Per Unit**
Market Value As Is On	**May 28, 2025**		
Sales Comparison Approach		$810,000	$202,500
Hypothetical As If Complete	**May 28, 2025**		
Sales Comparison Approach		$1,090,000	$272,500
Income Approach		$1,070,000	$267,500

CONCLUDED MARKET VALUE

Appraisal Premise	Interest Appraised	Date of Value	Value
Hypothetical As If Complete	Leased Fee Interest	May 28, 2025	$1,070,000
Hypothetical As If Stabilized	Leased Fee Interest	May 28, 2025	$1,080,000
As Is	Leased Fee Interest	May 28, 2025	$810,000

Compiled by CBRE

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Strengths/Opportunities

- The subject was renovated in 2019.
- The renovated units include hard surface countertops, built-in microwaves and in-unit washer/dryers (although some of the appliances will require replacement).
- The Minnesota Avenue Metrorail station is located less than one mile west of the subject.

Weaknesses/Threats

- The subject was built in 1947 and is in fair condition.
- While the subject was renovated in 2019, a buyer representative noted that shoddy workmanship will result in additional rehabilitation costs.
- Recent cuts to the federal workforce are causing some economic uncertainty in the Washington, DC market. While it is premature to discern any specific effects on rent growth, occupancy, capitalization rates, etc., market participants have indicated there are concerns among multifamily investors and developers regarding the market.
- Commercial real estate market conditions have deteriorated at the macro level due to the significant increase in the cost of capital beginning in 2022 reducing the volume of transaction activity. Over the past few years, this has impacted price discovery and created an increase in uncertainty.
- Recent tariffs implemented by the US have created global economic uncertainty. The outcome of the US tariffs, retaliatory tariffs, and global trade disruption is uncertain as of the date of value. Macro-economic conditions may change and impact the value of commercial real estate.

Market Volatility

President Trump's announcement of broad-based global tariffs on April 2 sent shock waves through global financial markets. Potential impacts will depend on how long tariffs remain in place and the extent to which retaliatory tariffs by other countries will impact the U.S. economy. The full economic effect of the tariffs is evolving and could result in slower growth as well as potential inflationary pressures.

The reader is cautioned that recent events have created uncertainty for commercial real estate. The impacts on interest rates, the 10-year Treasury yield, leasing activity, real estate demand, construction costs, availability of financing, and values remain unclear. Overall, greater risk and market volatility is likely in the near term.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and potential for deteriorating market conditions.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Extraordinary Assumptions

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions." [1]

- The subject's net and gross square footage were not available via the developer proforma, rent rolls, county assessor's office or building plans. Therefore, in determining the subject's net and gross square footage, we have relied on our knowledge of typical properties in the market, third party data and the inspection of the units. In the analysis, we have estimated the subject's net and gross building area. Should additional information be provided, we reserve the right to alter our opinion of value.
- It is an extraordinary assumption of the appraisal report that the proposed rehabilitation (including any unit mix alterations) is completed consistent with the design and finishes (and cost) per the data provided and described later in the report.
- It is an extraordinary assumption of the appraisal report that the buyer's budgeted rehabilitation costs will address any deferred maintenance issues.

The use of these extraordinary assumptions may have affected the assignment results.

Hypothetical Conditions

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis." [2]

- At the client's request, we have provided Hypothetical As If Complete and As If Stabilized value subject to the hypothetical condition that the buyer's planned renovation and rehabilitation of the property is completed as of the effective date of value.

The use of these hypothetical conditions may have affected the assignment results.

Ownership and Property History

The following chart summarizes the subject's ownership.

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[1] The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

[2] The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

OWNERSHIP SUMMARY	
Item	Current
Current Ownership	
Owner:	4935 NHB Ave NE, LLC
Seller:	Metro Property Solutions, LLC
Purchase Price:	$450,000
Transaction Date:	February 15, 2019
Sale in Last 3 Years?:	No
Legal Reference:	2019017250
County/Locality Name:	District of Columbia
Buyer/Seller Relationship Type:	Arm's length and reasonable
At / Above / Below Market:	At Market
Comments:	Purchased prior to the initial renovation
Pending Sale (Entire 124-Unit Portfolio)	
Under Contract:	Yes
Buyer:	AMT Development
Contract Price (Includes All 124 Units in the Existing Portfolio)	$7,550,000
Expected Tenant Buyouts:	$8,570,000
Contract Price (Including Expected Tenant Buyouts)	$16,120,000
Total Existing Units	124
$/Unit (Excluding Expected Tenant Buyouts)	$60,887
$/Unit (Including Expected Tenant Buyouts)	$130,000
Contract Date:	April 30, 2025
Arm's Length:	Yes
At / Above / Below Market:	Below Market
Comments:	Bankruptcy Sale
Pending Sale (Buyer's Subject Allocation)	
Contract Price	$229,000
Expected Tenant Buyouts:	$0
Contract Price (Including Expected Tenant Buyouts)	$229,000
Total Existing Units	6
$/Unit (Excluding Expected Tenant Buyouts)	$38,167
$/Unit (Including Expected Tenant Buyouts)	$38,167
Current Listing	
Currently Listed For Sale:	No

Compiled by CBRE

To the best of our knowledge, there has been no ownership transfer of the property during the previous three years.

The subject was acquired by the current property owner in February 2019 and was subsequently fully renovated including both unit and common area/building upgrades. However, the property has fallen into disrepair and is under contract as part of a 10-property portfolio to a buyer in connection with the seller's bankruptcy. The buyer is planning to rehabilitate the property and alter the unit mix. Upon completion, the property will include 4 units. The buyer is planning to rehabilitate the property. The buyer is targeting tenants with HCVP vouchers for occupancy upon completion (similar to the prior owner).

Our As Is value is above the subject's allocated purchase price; however, this is considered reasonable because the buyer is purchasing the property in connection with the seller's bankruptcy.

Exposure/Marketing Time

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure/marketing time information from the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA				
	Exposure/Mktg. (Months)			
Investment Type	Range			Average
PwC Apartment (1st Qtr. 2025)				
National Data	3.0	-	15.0	6.9
Local Market Professionals	6.0	-	24.0	15.0
CBRE Exposure Time Estimate	**12 Months or Less**			
CBRE Marketing Period Estimate	**12 Months or Less**			
Various Sources Compiled by CBRE				

The subject is located in the District of Columbia and, if offered for sale (upon the first tenant taking occupancy upon completion), would be subject to the regulations stipulated by the Tenant Opportunity to Purchase Act (TOPA). Under these regulations, residents of rental housing in the District of Columbia have the opportunity to purchase that property when the owner offers it for sale, or obtain cash payments if they choose not to do so. The following process must be followed in order to comply with TOPA regulations:

1) The owner gives each tenant a Notice of Sale and Opportunity to Purchase ("TOPA notice") on a form provided by the District of Columbia, which describes the tenants' rights and the time periods for exercise of the rights.

2) The tenants must form a Tenant Association to act as the entity for purposes of negotiation and contracting. The Tenant Organization then has 30 days (if an association already exists) or 45 days (if the tenants must form an association) within which to send the owner (and the District of Columbia) a statement of interest.

3) The Tenant Association then has at least 120 days to negotiate a contract and up to 240 days to obtain financing. The Tenant Association also has a 15-day right of first refusal to match a third party contract.

4) Prior to closing, owners are required to provide proof of compliance with TOPA in order for the purchaser (and purchaser's lender) to obtain title insurance on the sale.

Tenants may exercise their rights directly, or assign their rights to another person or entity. The owner may not require as a pre-condition of contracting disclosure by the tenant (or the assignee) of income or credit worthiness. Lastly, an owner may not ask a tenant to waive any right under TOPA "except in exchange for consideration which the tenant, in the tenant's sole discretion, finds acceptable."

The process associated with TOPA can substantially extend the time required to sell and close the sale of a property in the District of Columbia, making the overall exposure/marketing time difficult to predict. Based on our discussions with investment sale brokers active in the market and comparable sales data, we have estimated the exposure time at 12 months or less.

It should be noted that TOPA generally does not apply in bankruptcy cases. While this would imply a shorter exposure and marketing time with respect to the As Is value, the deferred maintenance required to rehabilitate the subject may result in a longer due diligence period. Overall, a similar exposure and marketing period was considered reasonable for the As Is scenario.

Table of Contents

Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rule 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

Intended Use Of Report

This appraisal is to be used for mortgage lending and no other use is permitted.

Client

The client is Foundation Specialty Finance.

Intended User Of Report

This appraisal is to be used by Foundation Specialty Finance. No other user(s) may rely on our report unless as specifically indicated in this report.

> Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience. [3]

Reliance Language

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Purpose of the Appraisal

The purpose of this appraisal is to develop an opinion of the market value of the subject property.

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[3] Appraisal Institute, The Appraisal of Real Estate, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

Definition of Value

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [4]

Interest Appraised

The value estimated represents the Leased Fee Interest as defined below:

> *Leased Fee Interest* - The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires[5]

Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

The following legal description was obtained from the 2019 deed.

[4] 12 CFR, Part 34, *Subpart C-Appraisals,* 34.42(h).

[5] Appraisal Institute, *The Dictionary of Real Estate Appraisal, 7th ed.* (Chicago: Appraisal Institute, 2022), 105.

All of that tract of ground and/or that part or parcel of land and premises, together with all and every title, right, privilege, appurtenance and advantage thereunto belonging, or in anywise appertaining and situate, lying, and being located in the District of Columbia and being depicted on that certain "House Location Survey" made by Capitol Surveys Inc. dated October 29, 2004, and more particularly described by metes and bounds, courses and distances as follows:

Lot numbered Sixteen (16) Square 5180 in Gleeman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46 SAVING AND EXCEPTING THEREFROM, all that part and parcel of land as conveyed to Charles F. Rice et al by that certain Deed from Olive W. Madden recorded among the land records of the District of Columbia in Liber 5800 folio 50 with the said remainder of said Lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46 beginning for the same at the common northwest corner of Lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at Folio 46 and the common Northeast corner of Lot numbered Thirty-two (32) in Square 5180 of Madden's Combination of Lots in said Square 5180 as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 148 at folio 8 located on the southern right of way line for Grant Street and thence

1. Running with and binding upon the southern right of way line for Grant Street NE and with one or the northern boundary lines of lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in The Office of the Surveyor for the District of Columbia in Liber 36 at folio 46, East, 16.80 feet to a point, being the intersection of the southern right of way lines for Grant Street NE and Nannie Helen Burroughs Avenue, NE; thence

2. Running with and binding upon the southern right of way line for Nannie Helen Burroughs Avenue, NE and the remaining northern boundary line of lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46, South 77 degrees 23 minutes East, 26.24 feet to a point thence

3. Leaving the southern right of way line for Nannie Helen Burroughs Avenue, NE and crossing Lot numbered Sixteen (I6) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46, South 12 degree5 37 minutes West, 96.73 feet to intersect the northern right of way line for a 15 foot wide public alley located in the rear of said Lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 At folio 46; thence

4. Running with part of the rear line of said lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at Folio 46 and running with and binding on the northern right of way line of the

   aforesaid 15 foot wide public alley, West 20. 71 feet to a point said point being the common southwest corner of Lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46 and the common southeast corner of lot numbered Thirty-two (32) in Square 5180 of Madden's Combination of Lots in said Square 5180 as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 148 at folio 8 located on the northern right of way line of the aforesaid 15 foot wide public alley; thence

5. Leaving the northern right of way line of the aforesaid 15 foot wide public alley and running with the common western boundary line of Lot numbered Sixteen (16) Square 5180 in Glenman's Subdivision of part of a tract of land called "BEALL'S ADVENTURE" as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 36 at folio 46 and with the Eastern boundary line of Lot numbered Thirty-two (32) in Square 5180 of Madden's Combination of Lots in said Square 5180 as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 148 at folio 8, North, 100 feet to the place of beginning

Containing an area mathematically computed to be 3,143.00 and assessed by the Tax assessor as containing 3,153.00 square feet of land more or less pursuant to that certain Certificate of Taxes numbered 2089156 as issued by the Government of the District of Columbia Office of Tax and Revenue, Assessment Services Division with the said property having a street or premise address as referenced by the District of Columbia Department of Tax and Revenue as having a property address of 4935 Nannie Helen Burroughs Avenue, NE, Washington, DC 20019 and which is Currently referenced on the records of the Assessor for the District of Columbia for assessment and taxation purpose as Lot 807 Square 5180.

The improvements known as, 4935 Nannie Helen Burroughs Avenue, NE, Washington, DC 20019
Tax ID# SSL: 5180 0807

BEING the same property conveyed to Metro Property Solutions, LLC from Gwendolyn Daniels by Deed dated February 15, 2019 and recorded February 19, 2019 as instrument #2019016954.

Extent to Which the Property is Inspected

Joe Nassau inspected the interior and exterior of the subject, as well as its surrounding environs on May 28, 2025. This inspection was considered adequate and is the basis for our findings.

The following chart summarizes the units inspected.

UNITS INSPECTED		
Unit No.	Plan Type	Status
1	3BR	Occupied
5	1BR	Occupied
6	2BR	Vacant
2	3BR	Vacant
3	3BR	Vacant

Compiled by CBRE

Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- income and expense data
- comparable data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

Statement of Competency

Joe Nassau has the appropriate knowledge, education, and experience to complete this assignment competently.

Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	*Source(s):*
Site Data	
Size	Tax records
Improved Data	
Building Area (GBA)	Appraiser estimate
Building Area (NRA)	Appraiser estimate
Date of Rent Roll Provided	Undated
No. Bldgs.	Property inspection
Parking Spaces	Buyer proforma, property inspection
Year Built/Developed	CoStar Group; property representative
Economic Data	
Deferred Maintenance:	See Improvements Analysis
Building Costs:	Marshall Valuation Service (MVS)
Income Data:	Buyer proforma, rent roll, market data
Expense Data:	Buyer proforma, rent roll, market data
Compiled by CBRE	

Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

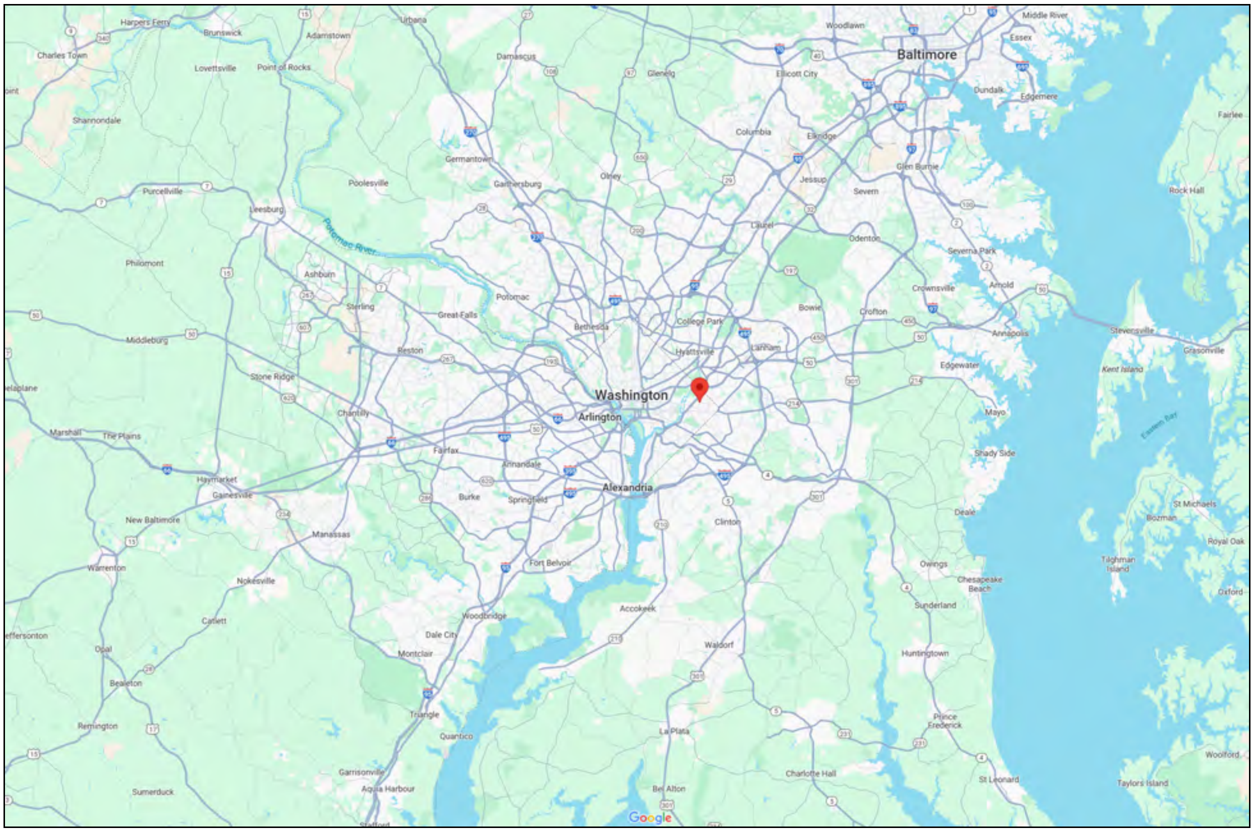
Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Methodology Applicable to the Subject

In valuing the subject, only the sales comparison and income capitalization approaches are applicable and have been used. Due to the age of the subject and substantial accrued depreciation, the cost approach would not provide a meaningful value indicator. For these reasons, coupled with the fact that prospective buyers in this market do not base or place weight on the cost approach as a basis for determining market value, we have not used this approach. The elimination of the cost approach does not diminish the analysis or value conclusion. The sales and income approaches provide the basis for establishing a credible value conclusion and is consistent with market participants' actions in determining market value for a property similar to the subject.

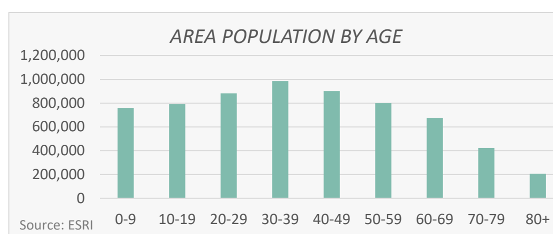
Area Analysis



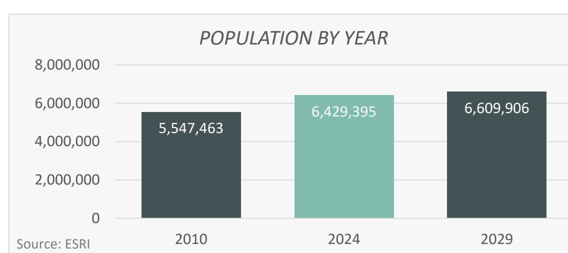
The subject is located in the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area. Key information about the area is provided in the following tables.

Population

The area has a population of 6,429,395 and a median age of 38, with the largest population group in the 30-39 age range and the smallest population in 80+ age range.



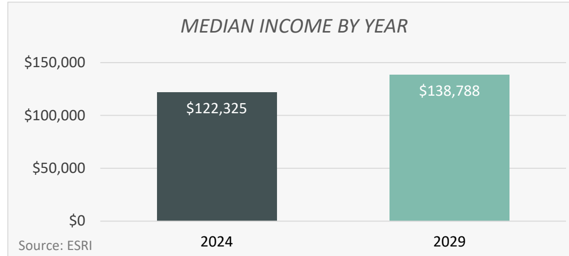
Population has increased by 881,932 since 2010, reflecting an annual increase of 1.1%. Population is projected to increase by 180,511 between 2024 and 2029, reflecting a 0.6% annual population growth.



Source: ESRI, downloaded on Jun, 6 2025

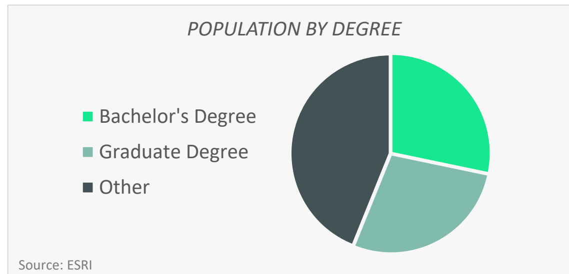
Income

The area features an average household income of $171,041 and a median household income of $122,325. Over the next five years, median household income is expected to increase by 13.5%, or $3,293 per annum.

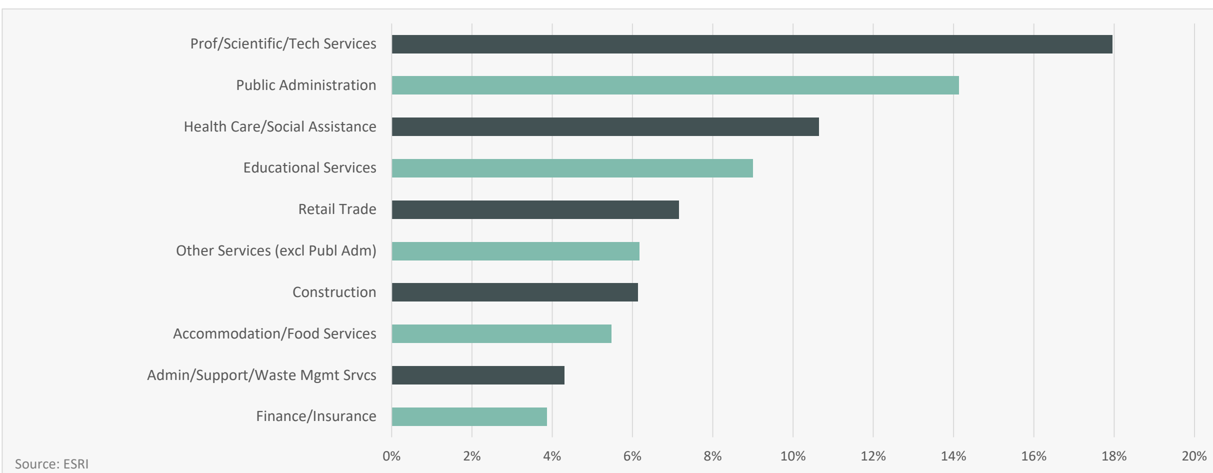


Education

A total of 56.1% of individuals over the age of 24 have a college degree, with 28.3% holding a bachelor's degree and 27.8% holding a graduate degree.



Employment



The area includes a total of 3,606,845 employees and has a 3.5% unemployment rate. The top three industries within the area are Prof/Scientific/Tech Services, Public Administration and Health Care/Social Assistance, which represent a combined total of 43% of the workforce.

Source: ESRI, downloaded on Jun 6, 2025; BLS.gov dated Mar 1, 2025 (preliminary)

Amazon HQ2

In November 2018, Amazon announced Crystal City (Arlington), Virginia as its new headquarters location (known as HQ2). The headquarters expansion is projected to bring approximately 25,000 direct jobs to the region over the next several years. The area (which includes Crystal City and neighboring Pentagon City and Potomac Yard) is being rebranded "National Landing". National Landing is expected to receive $195 million in infrastructure improvements as part of the deal, including improvements to the Crystal City

Metro station, construction of the Potomac Yard Metro station and a new pedestrian bridge connecting the neighborhood to Reagan National Airport. The online retailer opened the initial stage of the expansion (known as Metropolitan Park) in June 2023, which includes two high-rise office buildings totaling over 2 million square-feet (which will be occupied by approximately 8,000 employees). In March 2023, the company announced that it is pausing development of the second phase of the development (known as PenPlace).

Major Employers in the DC Metro Area

The following chart summarizes the major employers in the DC Metro Area.

MAJOR EMPLOYERS WASHINGTON, DC METRO AREA *

Employer	City	State	Metro Area Employees (2022)	Industry
District of Columbia Government	Washington	DC	25,551	City government
Fairfax County Public Schools	Falls Church	VA	24,839	School system
Montgomery County Public Schools	Rockville	MD	24,589	School system
Prince George's County Public Schools	Upper Marlboro	MD	22,000	School system
Inova Health System	Falls Church	VA	20,000	Health system
Giant Food LLC	Landover	MD	19,172	Grocery chain
MedStar Health	Columbia	MD	17,236	Health system
Deloitte	McLean	VA	16,041	Professional services and accounting
Leidos Holdings Inc.	Reston	VA	16,011	Technology, science and engineering
Marriott International, Inc.	Bethesda	MD	15,763	Hospitality
Prince William County Public Schools	Manassas	VA	15,000	School system
University of Maryland, College Park	College Park	MD	14,135	Public university
District of Columbia Public Schools	Washington	DC	13,767	School system
Montgomery County Government	Rockville	MD	13,639	County government
Booz Allen Hamilton	McLean	VA	13,487	Management services
Fairfax County Public Schools	Fairfax	VA	13,308	County government
Loudoun County Public Schools	Ashburn	VA	13,018	School system
Washington Metropolitan Area Transit Authority	Washington	DC	12,335	Public transportation
Verizon Communications, Inc.	Washington	DC	11,587	Telecommunications
Safeway (Albertsons Cos. Eastern Division)	Lanham	MD	11,568	Grocery chain
General Dynamics Corp.	Reston	VA	11,500	Aerospace and defense
Amazon.com, Inc.	Arlington	VA	11,400**	E-commerce, cloud computing, digital streaming, and AI
Capital One Financial Corp.	McLean	VA	10,520	Financial
The World Bank Group	Washington	DC	10,000	Global partnership fighting poverty through sustainable solutions
Accenture /Accenture Federal Services	Arlington	VA	9,600	Professional services

* As of July 8, 2022

** Amazon plans to have 25,000 metro area employess by 2030

Source: WBJ Book of Lists 2023

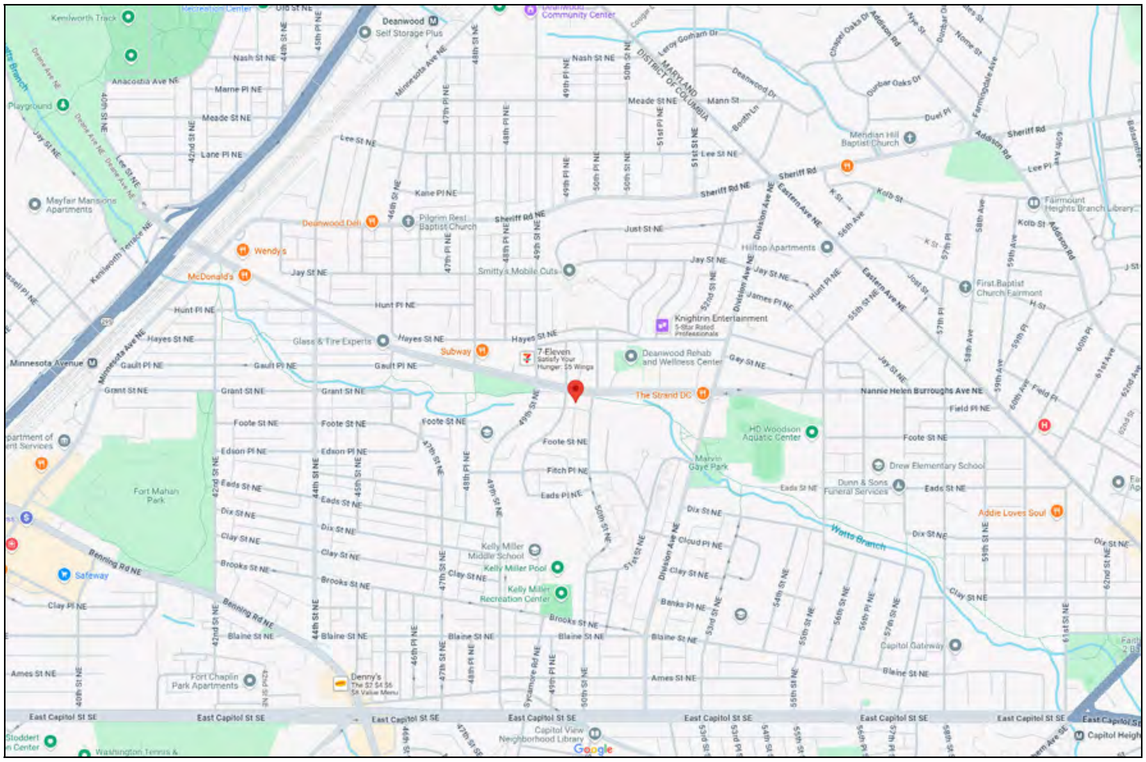
Federal Workforce Job Cuts

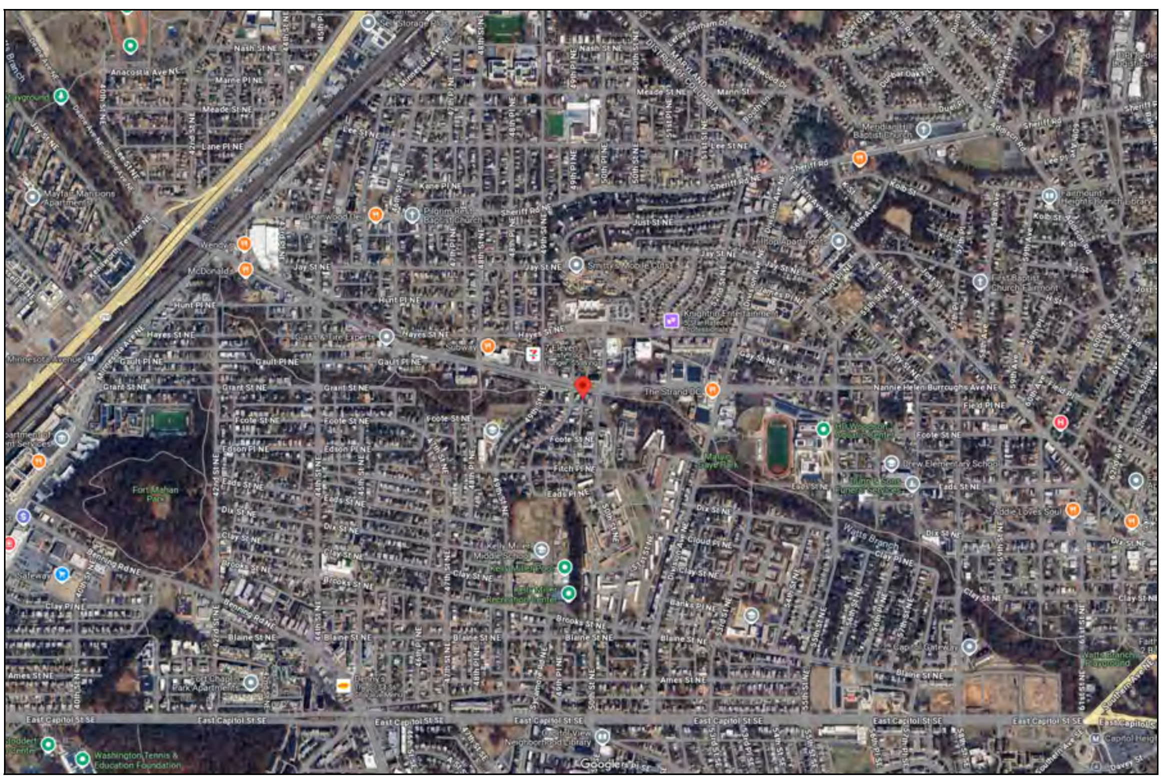
Recent cuts to the federal workforce are causing some economic uncertainty in the Washington, DC market. While it is premature to discern any specific effects on rent growth, occupancy, capitalization rates, etc., market participants have indicated there are concerns among multifamily investors and developers regarding the market.

Conclusion

In summary, the MSA is forecasted to experience an increase in population, an increase in household income, and an increase in household values.

Neighborhood Analysis





Location

The subject property is located in the Deanwood neighborhood of the District of Columbia, which is located south of the Anacostia River.

Boundaries

The neighborhood boundaries are detailed as follows:

North: Suitland Parkway
South: Maryland/District of Columbia boundary
East: Maryland/District of Columbia boundary
West: I-295

Land Use and Growth Patterns

Established in the late 19th century, Deanwood is one of Washington, D.C.'s oldest communities located East of the Anacostia River. Notably, it was the birthplace of legendary singer Marvin Gaye and the home of civil rights leader Nannie Helen Burroughs, who founded the National Training School for Women and Girls in 1909.

Residents of Deanwood enjoy a variety of recreational facilities and green spaces. Marvin Gaye Park serves as a central hub for community events, including festivals and concerts, and features the Deanwood Heritage Trail—a self-guided tour highlighting the area's history and culture. The Deanwood Aquatic Center and Recreation Center offer fitness facilities and host various sports activities.

Land use within the subject neighborhood consists primarily of single-family detached, attached townhomes and multifamily residential housing. The remainder is comprised of duplex and small apartment houses and small commercial developments. The immediate area surrounding the subject is an older area of development, consisting primarily of residential uses with much of the development being built prior to 1970. The majority of the single-family residential homes within a one mile radius of the subject are in the $250,000-$750,000 price range and the median home value within a one-mile radius is approximately $390,000.

New development has been concentrated on the north side of the Anacostia Freeway (Route 295) in the Parkside development, a mixed-use neighborhood/master-planned community developed by City Interests Development Partners, LLC, and their partners Ravinia Capital Group, Bank of America CDC, Knutson Companies, K Hovnanian Homes, and the Gilbane Development Company. The development includes several multifamily communities and townhomes.

Recent Multifamily Development

Most new development has been for affordable housing with rent/income (and some age) restrictions; however, there has been some market-rate development in select areas. Vesta Parkside, located along Kenilworth Avenue NE, is a 191-unit market-rate mid-rise building and Big Sky Flats is a 108-unit mid-rise market-rate building at 1400 Montana Avenue, NE. Additionally, Union Heights (1676 Maryland Avenue, NE) is a 582-unit market-rate community constructed in two phases; however, this property is located near the boundary with the NoMa/H Street area.

Access

Primary access to the subject neighborhood is provided by East Capitol Street SE, which connects the subject neighborhood with I-295 to the west and I-495 to the east. East Capitol Street becomes Central Avenue (Route 214) east of Addison Road. The commute to the downtown Washington DC Central Business District is approximately 15-30 minutes.

Airport access is provided by Washington Reagan National Airport, located approximately 6 miles southwest of the subject across the Potomac River in Alexandria.

The nearest Metrorail station is the Minnesota Avenue Station, which is located less than one mile west of the subject.

Demographics

Selected neighborhood demographics in the indicated radiuses from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS

4935 Nannie Helen Burroughs Avenue, NE Washington, DC 20019	1 Mile Radius	3 Mile Radius	5 Mile Radius	Washington, DC MSA
Population				
2029 Total Population	33,135	176,890	613,838	6,609,906
2024 Total Population	33,081	176,604	596,431	6,429,395
2010 Total Population	29,358	166,959	512,262	5,547,463
2000 Total Population	28,874	165,273	499,790	4,762,891
Annual Growth 2024 - 2029	*0.03%*	*0.03%*	*0.58%*	*0.56%*
Annual Growth 2010 - 2024	*0.86%*	*0.40%*	*1.09%*	*1.06%*
Annual Growth 2000 - 2010	*0.17%*	*0.10%*	*0.25%*	*1.54%*
Households				
2029 Total Households	12,946	72,119	263,488	2,474,063
2024 Total Households	12,834	70,987	249,345	2,388,663
2010 Total Households	11,513	65,030	201,146	2,063,146
2000 Total Households	11,455	64,291	192,934	1,789,756
Annual Growth 2024 - 2029	*0.17%*	*0.32%*	*1.11%*	*0.71%*
Annual Growth 2010 - 2024	*0.78%*	*0.63%*	*1.55%*	*1.05%*
Annual Growth 2000 - 2010	*0.05%*	*0.11%*	*0.42%*	*1.43%*
Income				
2024 Median Household Income	$58,095	$69,717	$84,464	$122,325
2024 Average Household Income	$84,916	$100,527	$123,464	$171,041
2024 Per Capita Income	$33,652	$40,724	$51,925	$63,635
2024 Pop 25+ College Graduates	6,513	41,713	189,639	2,499,538
Age 25+ Percent College Graduates - 2024	28.7%	33.8%	44.9%	56.1%

Source: ESRI

Conclusion

As shown above, the average household income in the one-mile radius is approximately $69,000, which is well below the broader MSA (near $171,000). The outlook for the neighborhood is for continued stable performance. Generally, the neighborhood is expected to continue its current growth pattern in the foreseeable future.

Overall, the neighborhood's amenities and infrastructure provide for adequate marketability of the subject and surrounding residential and commercial properties.

Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
Physical Description			
Gross Site Area		0.07 Acres	3,153 Sq. Ft.
Net Site Area		0.07 Acres	3,153 Sq. Ft.
Primary Road Frontage		Nannie Helen Burroughs Avenue, NE	
Excess Land Area		None	
Surplus Land Area		None	
Shape		Irregular	
Topography		Generally Level	
Parcel Number(s)		5180-0807	
Zoning District		MU-4	
Flood Map Panel No. & Date		1100010043C	27-Sep-10
Flood Zone		Zone X (Unshaded)	
Adjacent Land Uses		Residential	
Comparative Analysis		**Rating**	
Visibility		Average	
Functional Utility		Typical	
Traffic Volume		Average	
Adequacy of Utilities		Average	
Landscaping		Average	
Drainage		Average	
Utilities	**Availability**	**Provider/Comments**	
Water	Yes	DC Water	
Sewer	Yes	DC Water	
Natural Gas	Yes	Washington Gas	
Electricity	Yes	PEPCO	
Telephone/Cable/Internet	Yes	Verizon	
Mass Transit	Yes	WMATA	
Other	**Yes**	**No**	**Unknown**
Detrimental Easements			x
Encroachments			x
Deed Restrictions			x
Reciprocal Parking Rights			x

Various sources compiled by CBRE

Ingress/Egress

The site has adequate ingress and egress to access the building entrance.

Easements and Encroachments

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

Covenants, Conditions and Restrictions

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

Adjacent Properties

The adjacent land uses are summarized as follows:

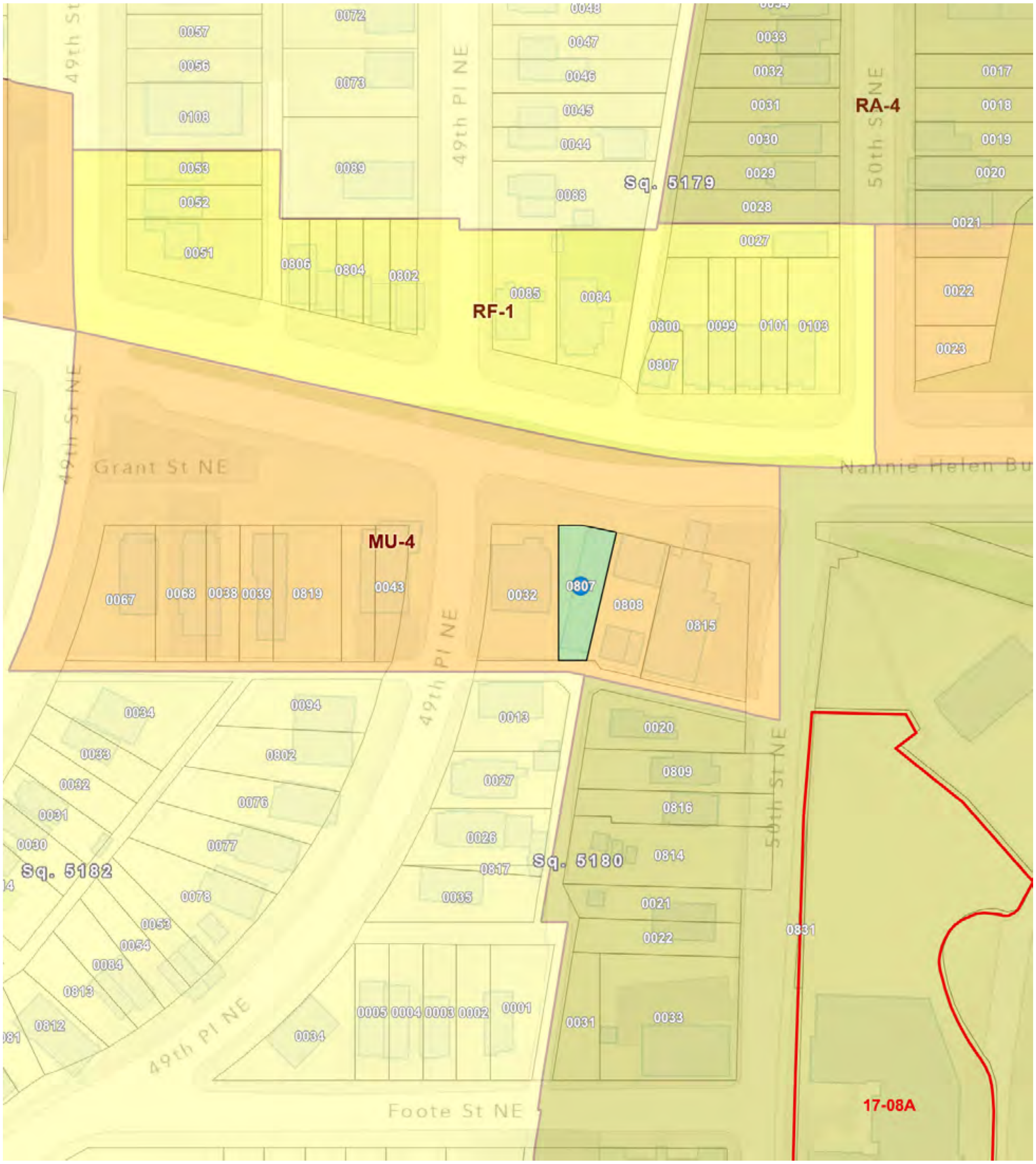
North: Residential
South: Residential
East: Residential
West: Residential

The adjacent uses are considered to be complementary to the subject and no detrimental uses were identified.

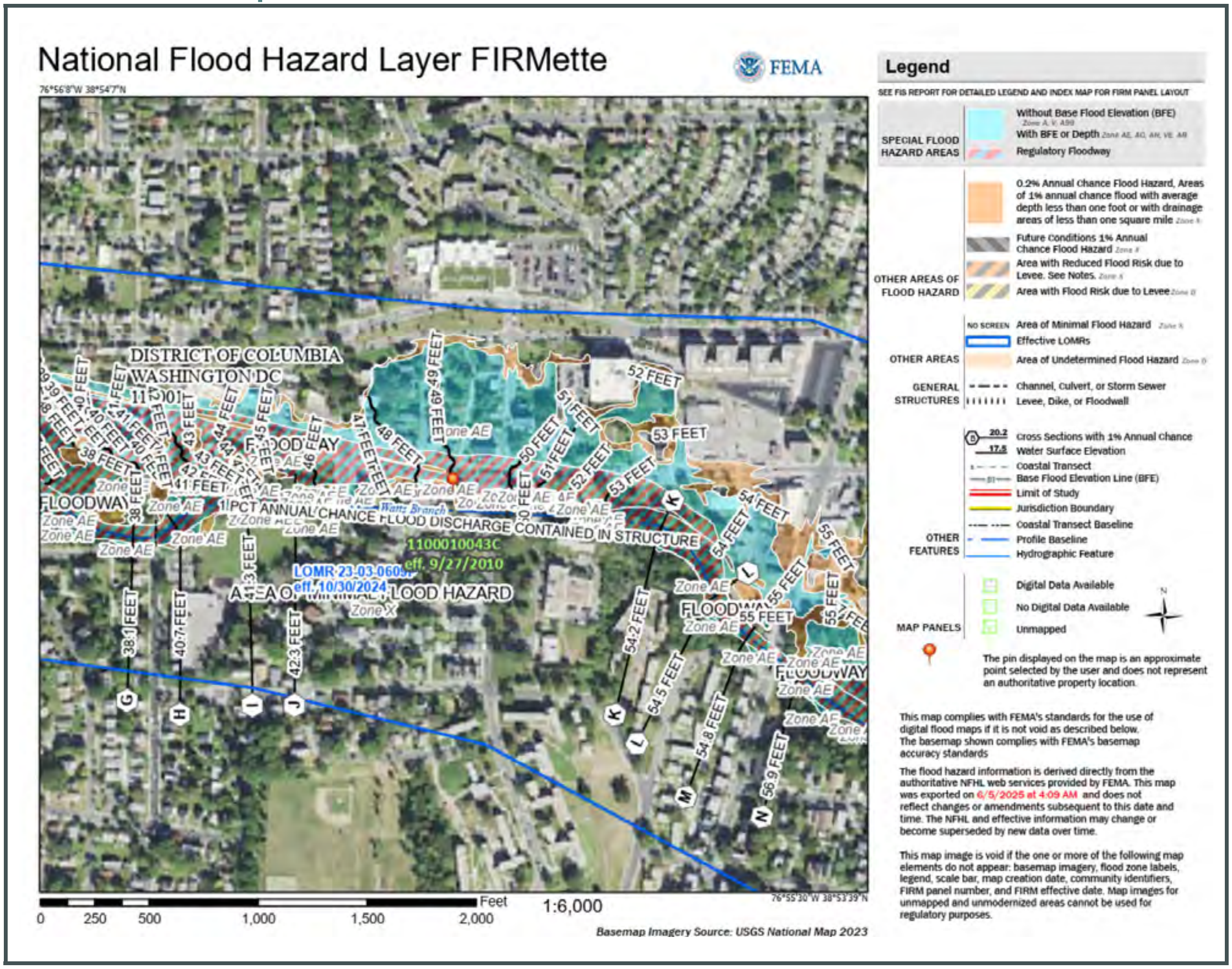
Conclusion

The site is afforded average access and visibility from roadway frontage. The size of the site is typical for the area and use, and there are no known detrimental uses in the immediate vicinity. Overall, there are no known factors which are considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

Tax/Zoning Map



Flood Plain Map



Improvements Analysis

The following chart shows a summary of the improvements.

IMPROVEMENTS SUMMARY AND ANALYSIS		
Property Type	Multifamily	(Multi-Family Walk-Up)
Number of Buildings	1	
Number of Stories	2	
Gross Building Area	3,700 SF	
Net Rentable Area	3,400 SF	
Gross Leaseable Area (Retail)	0 SF	
Number of Units	4	
Average Unit Size	850 SF	
Development Density	55.3 Units/Acre	
Parking Improvements	None	
Parking Spaces	0	
Parking Ratio (spaces/unit)	0.00	
Year Built / Renovated	1947 / 2019	
Actual Age	78 Years	
Effective Age	30 Years	
Total Economic Life	50 Years	
Remaining Economic Life	20 Years	
Age/Life Depreciation	60.0%	
Functional Utility	Typical	

Source: Various sources compiled by CBRE

UNIT MIX (AS COMPLETE)

Unit Mix/Type	No. Units	Percent of Total	Avg. Unit Size (SF)	NRA (SF)
2BR/1BA	2	50.0%	600	1,200
3BR/2BA	1	25.0%	1,000	1,000
5BR/2BA	1	25.0%	1,200	1,200
Total/Average:	4	100.0%	850	3,400

Source: Various sources compiled by CBRE

UNIT MIX (AS IS)

Unit Mix/Type	No. Units	Percent of Total	Avg. Unit Size (SF)	NRA (SF)
2BR/1BA	4	66.7%	600	2,400
3BR/1BA	2	33.3%	700	1,400
Total/Average:	6	100.0%	633	3,800

Source: Various sources compiled by CBRE

The subject is a 6-unit multi-family walk-up property located at 4935 Nannie Helen Burroughs Avenue, NE in the District of Columbia. The property consists of a single two-story apartment building. The improvements were constructed in 1947, renovated in 2019, and are situated on a 3,153 SF (0.07-acre) site.

The subject was acquired by the current property owner in February 2019 and was subsequently fully renovated including both unit and common area/building upgrades. However, the property has fallen into disrepair and is under contract as part of a 10-property portfolio to a buyer in connection with the seller's bankruptcy. The buyer is planning to rehabilitate the property and alter the unit mix. Upon completion, the property will include 4 units. The buyer is planning to rehabilitate the property. The buyer is targeting tenants with HCVP vouchers for occupancy upon completion (similar to the prior owner).

The improvements were 66.7% occupied as of the rent roll provided (un-dated). The occupancy appeared relatively similar to the rent roll provided as of the inspection date.

Year Built

The subject was built in 1947.

The subject was acquired by the current property owner in February 2019 and was subsequently fully renovated including both unit and common area/building upgrades.

Construction Class

Building construction class is as follows:

D - Wood frame, floor and structure; considered combustible

The construction components are assumed to be in working condition and adequate for the building.

The overall quality of the facility is considered to be average for the neighborhood and age. However, CBRE, Inc. is not qualified to determine structural integrity and it is recommended that the client/reader retain the services of a qualified, independent engineer or contractor to determine the structural integrity of the improvements prior to making a business decision.

Foundation/Floor Structure

The foundation is assumed to be of adequate load-bearing capacity to support the improvements. The floor structure is summarized as follows:

Ground Floor:	Concrete slab on compacted fill
Other Floors:	Plywood deck with light-weight concrete cover

Exterior Walls

The exterior walls are wood frame with brick veneer.

Roof Cover

The building has a flat roof with rubber membrane cover.

Elevator/Stair System

The building has an interior stairway providing access to the upper floors and basement areas. There are no elevators.

HVAC

The units have ductless mini split systems for heating and cooling; however, some tenants supplement with their own window air conditioning units. The HVAC system is assumed to be in good working order and adequate for the building upon completion.

Utilities

Each unit is individually metered for electrical usage. Current and proposed operations indicate the tenant is responsible for all utility costs excluding trash removal and any cable/internet access.

Security

The building will have controlled access upon completion.

Life Safety and Fire Protection

Based on our inspection, the units are not fire sprinklered.

It is assumed the improvements have adequate fire alarm systems, fire exits, fire extinguishers, fire escapes and/or other fire protection measures to meet local fire marshal requirements. CBRE, Inc. is not qualified to determine adequate levels of safety & fire protection, whereby it is recommended that the client/reader review available permits, etc. prior to making a business decision.

Project Amenities

The community has no project amenities.

Unit Amenities

Kitchens

Each unit features a full appliance package (stainless) including an electric range/oven, refrigerator with icemaker, garbage disposal, dishwasher, and built-in microwave oven. Additionally, each unit features wood cabinets with quartz countertops, tile backsplash, and vinyl wood plank flooring in the kitchen area.

As indicated earlier in the report, the improvements have fallen into disrepair and several units toured did not have appliances or had been replaced with white or black appliances.

Upon completion, the buyer will rehabilitate the kitchens and each unit will again include a stainless steel appliance package.

Bathrooms

The bathrooms within each unit feature combination tub/showers with ceramic tile wainscot. Additionally, each bathroom features a commode, wood cabinet with built-in sink, wall-mounted medicine cabinet with vanity mirror and ceramic tile flooring.

Similar to the kitchens, several bathrooms toured were in fair to poor condition. Upon completion, the buyer will rehabilitate the bathrooms.

Interior Features

Each unit includes a washer/dryer hook-up; however, some of the machines were not furnished inside the units as of the inspection date.

The buyer will include washer/dryer machines in each unit upon completion of the renovation.

Patios, Balconies and Storage

The units do not have private terraces or balconies. The community does not have storage areas available for residents to rent.

Site Amenities

Parking and Drives

The property does not have on-site parking.

Landscaping

Landscaping is assumed to be in average condition and adequately maintained upon completion of the renovation. Currently, the overall property is in disrepair.

Functional Utility

All of the floor plans are considered to feature functional layouts and the layout of the overall project is considered functional in utility.

ADA Compliance

The client/reader's attention is directed to the specific limiting conditions regarding ADA compliance.

Furniture, Fixtures and Equipment

The apartment units are rented on an unfurnished basis. However, miscellaneous maintenance tools, pool furniture, leasing office furniture, recreational room and clubhouse furniture, and various exercise machines are examples of personal property associated with, and typically included in the sale of, multifamily apartment complexes. Our market value assumes any FF&E at the property would transfer if the property were to sell. This is consistent with how buyers and sellers analyze similar properties.

The subject property does not have any sources of FF&E apart from the appliance packages.

Condition Analysis

CBRE was not provided a Property Condition Assessment (PCA); however, a tour of the improvements revealed significant maintenance issues. The subject property is currently in disrepair.

Deferred Maintenance

Our inspection of the property indicated several major items of deferred maintenance including mold remediation, missing appliances and other unperformed repairs.

The following chart summarizes the buyer's rehabilitation budget.

RENOVATION BUDGET			
Category	Cost	Per-Unit	PSF GBA
Purchase Price	$160,000	$40,000	$43
Hard Costs	$339,000	$84,750	$92
Soft Costs	$10,000	$2,500	$3
Tenant Buyouts	$0	$0	$0
Closing Costs	$13,435	$3,359	$4
Interest Carry/Reserve	$32,164	$8,041	$9
Carry Costs	$12,800	$3,200	$3
Total Renovation Costs	$567,399	$141,850	$153
Total Renovation Costs (Less Allocated Purchase Price)	$407,399	$101,850	$110
Source: Renovation Budget; Compiled by: CBRE			

Economic Age and Life

CBRE, Inc.'s estimate of the subject improvements effective age and remaining economic life is depicted in the following chart:

ECONOMIC AGE AND LIFE	
Actual Age	78 Years
Effective Age	30 Years
MVS Expected Life	50 Years
Remaining Economic Life	20 Years
Accrued Physical Incurable Depreciation	60.0%
Compiled by CBRE	

The remaining economic life is based upon our on-site observations and a comparative analysis of typical life expectancies as published by Marshall and Swift, LLC, in the Marshall Valuation Service cost guide. While CBRE, Inc. did not observe anything to suggest a different economic life, a capital improvement program could extend the life expectancy.

Conclusion

The improvements are in fair overall condition. Overall, there are no known factors that adversely impact the marketability of the improvements upon completion of the rehabilitation. With respect to the As Is value, the subject's vacancy and interior condition are not considered to affect the marketability because additional vacancy can be considered beneficial (if the property were subject to TOPA) and there are adequate buyers in the market that would consider a rehabilitation/renovation of the property to increase the rental income.

Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	MU-4
Legally Conforming	See Comments
Uses Permitted/Purpose	The Mixed-Use (MU) zones provide for mixed-use developments that permit a broad range of commercial, institutional, and multiple dwelling unit residential development at varying densities. The MU-4 zone is a mixed-use zone that is intended to be applied throughout the city consistent with the density designation of the Comprehensive Plan. A zone may be applied to more than 1 density designation. The MU-4 zone is intended to: Permit moderate-density mixed-use development; Provide facilities for shopping and business needs, housing, and mixed uses for large segments of the District of Columbia outside of the central core; and Be located in low- and moderate-density residential areas with access to main roadways or rapid transit stops, and include office employment centers, shopping centers, and moderate bulk mixed-use centers.
Zoning Change	Not likely
Category	**Zoning Requirement**
FAR	2.50 (3.0 w/ IZ)
Maximum Height	50 Feet
Stories	Not stated
Lot Occupancy	60% (75% w/ IZ)
Rear Setback	15 Feet
Side Setback	Not stated
Parking Requirements	
Residential, multiple dwelling unit	1 per 3 dwelling units in excess of 4 units, except: 1 per 2 dwelling units for any R or RF zone;
Office	0.5 per 1,000 sq. ft. in excess of 3,000 sq. ft., except: a medical or dental office, clinic, or veterinary hospital: 1 per 1,000 sq. in excess of 3,000 sq. ft.
Retail	1.33 per 1,000 sq. ft. in excess of 3,000 sq. ft.
Exemptions from Minimum Parking Requirements	Within any zone other than an R or RF zone, 50% Reduction for any site which is located: - Within one-half mile (0.5 mi.) of a Metrorail station that is currently in operation or is one for which a construction contract has been awarded; or - Within one-quarter mile (0.25 mi.) of streetcar line that is currently in operation or for which a construction contract has been awarded; or - Within one-quarter mile (.25 mi.) of one (1) of the Priority Corridor Network Metrobus Routes located entirely or partially within the District of Columbia, provided that the property is on a street on which participation in a District Residential Parking Permit program is not permitted, or is otherwise exempted from a District Residential Parking Permit program
Subject's Actual FAR	1.17 : 1
Subject's Actual Density	55.3 Units/Acre
Subject's Actual Parking Ratio	0.00

Source: County Planning and Zoning Department; Compiled by: CBRE

Analysis and Conclusion

The improvements appear to represent a legally non-conforming use (due to insufficient parking) and, if damaged, may be restored without special permit application. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

Tax and Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

AD VALOREM TAX INFORMATION					
Parcel	Assessor's Parcel No.	Tax District	TY 2025	TY 2026	Pro Forma Hypothetical As If Complete/Stabilized
1	5180-0807	1B	$532,330	$563,320	
	Subtotal		$532,330	$563,320	$1,000,000
	% of Assessed Value		100%	100%	100%
	Final Assessed Value		$532,330	$563,320	$1,000,000
	Tax Class 1 (Residential) (per $100 A.V.)		0.850000	0.850000	0.850000
	Tax Class 2 (Commercial, < $5M) (per $100 A.V.)		1.650000	1.650000	1.650000
	Tax Class 2 (Commercial, $5M-$10M) (per $100 A.V.)		1.770000	1.770000	1.770000
	Tax Class 2 (Commercial, $10M+) (per $100 A.V.)		1.890000	1.890000	1.890000
	Tax Class 3 (Vacant Property) (per $100 A.V.)		5.000000	5.000000	5.000000
	Tax Class 4 (Blighted Property) (per $100 A.V.)		10.000000	10.000000	10.000000
	Total Tax Rate (per $100 A.V.)		0.850000	0.850000	0.850000
	General Tax:		$4,525	$4,788	$8,500
	Effective Tax Rate (per $100 A.V.)		0.850000	0.850000	0.850000
	Total Taxes		**$4,525**	**$4,788**	**$8,500**
	Taxes per Unit		$1,131	$1,197	$2,125

Source: Assessor's Office

Property tax bills are issued in March (due March 31) and August (due September 15) of each year. Currently the subject is classified as Tax Class 1 – Residential Property. The current tax rate for residential property within the Tax Class 1 is $0.85 per $100 of assessed value. Real property is assessed at 100% of the assessor's estimate of market value. Sales do not automatically trigger reassessments.

Delinquency

For purposes of this analysis, CBRE, Inc. assumes that all taxes are current. Tax records did indicate there may be some delinquent taxes associated with the prior owner.

Tax Comparables

As a crosscheck to the subject's applicable real estate taxes, CBRE, Inc. has reviewed the real estate tax information according to the subject's tax jurisdiction for comparable properties in the market area. The following table summarizes the comparables employed for this analysis:

AD VALOREM TAX COMPARABLES									
Comparable Rental	Apartments at 1613 17th Place, SE	Apartments at 1719 27th Street, SE	Apartments at 1712 R Street, SE	Penn View	G Street Apartments	Astor Place Apartment Homes	4933 Nannie Helen Burroughs Avenue, SE	Lucky 7	Subject
Year Built	1938	1952	1936	1963	1967	1965	1947	1941	1947
No. Units	8	6	4	92	45	9	4	4	4
Tax Year	2026	2026	2026	2026	2026	2026	2026	2026	2026
Assessor's Market Value	$783,690	$679,760	$902,050	$6,714,310	$3,656,050	$842,210	$641,380	$652,870	$563,320
AV Per Unit	$97,961	$113,293	$225,513	$72,982	$81,246	$93,579	$160,345	$163,218	$140,830

Source: Assessor's Office

Tax Analysis and Conclusion

As the definition of market value implies a sale and transfer of title, we have also analyzed commercial properties in the subject's tax jurisdiction which sold and were subsequently reassessed. The following chart summarizes the analysis.

DISTRICT OF COLUMBIA - POST SALE RE-ASSESSMENT ANALYSIS - MULTI-FAMILY (SMALLER PROPERTIES)								
Sale Date	Property	Recorded Sale Price	Assessment Prior to Sale	Tax Year	Assessment Following the Sale	Tax Year	% Change	% of Sale Price
Aug-23	4645 Hillside Road, SE	$1,100,000	$685,590	2024	$1,038,020	2025	51.4%	94.4%
May-23	1835 Good Hope Road, SE	$2,870,000	$1,585,550	2024	$2,331,160	2025	47.0%	81.2%
Dec-22	1035 48th Street, NE	$1,632,000	$779,830	2023	$1,515,710	2024	94.4%	92.9%
Aug-22	1702 Gales Street, NE	$1,600,000	$1,024,800	2023	$1,594,650	2024	55.6%	99.7%
Jul-22	2925 Pennsylvania Avenue, SE	$2,315,000	$1,213,560	2023	$2,201,360	2024	81.4%	95.1%
Apr-22	1855 Good Hope Road, SE	$1,465,000	$1,003,250	2023	$1,350,670	2024	34.6%	92.2%
Dec-20	1026 3rd Street, SE	$1,500,000	$1,018,790	2021	$1,075,390	2022	5.6%	71.7%
Dec-20	1650 Avon Place, NW	$2,100,000	$1,947,100	2021	$2,078,870	2022	6.8%	99.0%
Nov-20	4203 Edson Place, NE	$1,600,000	$1,545,680	2021	$1,521,280	2022	-1.6%	95.1%
Oct-20	1827 Good Hope Road, SE	$1,850,000	$1,682,640	2021	$1,642,260	2022	-2.4%	88.8%
Oct-20	1850 U Street, SE	$1,650,000	$1,129,750	2021	$1,099,410	2022	-2.7%	66.6%
Sep-20	1509 19th Street, SE	$4,212,000	$3,218,960	2021	$3,756,290	2022	16.7%	89.2%
Sep-20	5759 13th Street, NW	$4,475,000	$3,852,790	2021	$4,102,190	2022	6.5%	91.7%
Aug-20	1800 19th Street, NW	$3,100,000	$3,021,380	2021	$3,046,440	2022	0.8%	98.3%
Aug-20	98 Webster Street, NE	$1,000,000	$1,099,650	2021	$989,420	2022	-10.0%	98.9%
Aug-20	1503 Q Street, NW	$1,560,000	$1,504,890	2021	$1,541,870	2022	2.5%	98.8%
Jul-20	4400 Hunt Place, NE	$1,350,000	$1,659,730	2021	$1,621,470	2022	-2.3%	120.1%
Jul-20	1719 S Street, NW	$2,100,000	$2,506,270	2021	$2,506,270	2022	0.0%	119.3%
Jul-20	4825-4829 N. Capitol Street, NE	$3,350,000	$3,167,200	2021	$3,167,200	2022	0.0%	94.5%
Jul-20	629 East Capitol Street, SE	$2,999,000	$1,569,730	2021	$2,962,570	2022	88.7%	98.8%
May-20	3928 1st Street, SE	$1,800,000	$1,101,390	2021	$1,216,590	2022	10.5%	67.6%
Apr-20	5311 8th Street, NW	$1,435,000	$1,287,290	2021	$1,156,620	2022	-10.2%	80.6%
Apr-20	1313 Orren Street, NE	$1,287,500	$626,290	2021	$814,390	2022	30.0%	63.3%
Apr-20	2912 8th Street, NE	$1,000,000	$729,960	2021	$803,420	2022	10.1%	80.3%
Feb-20	249 8th Street, NE	$3,830,000	$2,098,670	2021	$2,083,720	2022	-0.7%	54.4%
Feb-20	604 Kennedy Street, NW	$2,185,500	$1,903,730	2021	$1,720,330	2022	-9.6%	78.7%
Dec-19	3459 Minnesota Avenu, SE	$1,200,000	$985,680	2020	$1,124,210	2021	14.1%	93.7%
Dec-19	1822 Kendall Street, NE	$1,999,000	$1,191,580	2020	$1,844,370	2021	54.8%	92.3%
Nov-19	1320 Nicholson Street, NW	$3,050,000	$2,828,400	2020	$3,020,730	2021	6.8%	99.0%
Nov-19	2388 Champlain Street, NW	$3,200,000	$2,591,250	2020	$3,190,950	2021	23.1%	99.7%
Nov-19	1363 Peabody Street, NW	$4,500,000	$3,387,710	2020	$3,687,740	2021	8.9%	81.9%
Oct-19	1711 28th Street, SE	$1,800,000	$1,030,260	2020	$1,580,240	2021	53.4%	87.8%
Sep-19	2020 19th Place, SE	$3,640,000	$2,118,530	2020	$2,349,190	2021	10.9%	64.5%
Sep-19	3624 Connecticut Avenue, NW	$4,652,800	$4,434,180	2020	$4,626,430	2021	4.3%	99.4%
Jun-19	10 49th Street, SE	$1,575,000	$1,092,860	2020	$1,401,810	2021	28.3%	89.0%
May-19	317 3rd Street, SE	$4,325,000	$3,592,350	2020	$4,055,800	2021	12.9%	93.8%
Apr-19	2869 28th Street, NW	$2,300,000	$2,297,760	2020	$2,271,880	2021	-1.1%	98.8%
Feb-19	3321-3325 13th Street, SE	$3,400,000	$3,583,920	2020	$4,027,670	2021	12.4%	118.5%
							Minimum % of Sale Price:	54.4%
							Maximum % of Sale Price:	120.1%
							Average:	90.3%
							Median:	93.3%
Compiled by: CBRE, Inc.								

The above table indicates the assessments were adjusted to 54.4% to 120.1% of the sale price with an average of 90.3% and a median of 93.3%. Market participants note that buyers typically underwrite taxes based on proforma assessments in the 80% to 100% of purchase price range.

The subject’s current tax assessment is 52.16% of the As Complete/Stabilized value derived later in the report which is below the average and median of the range.

In the As Complete/Stabilized Direct Capitalization analysis, we have based our tax liability on a stabilized tax assessment of $1,000,000 or $250,000 per-unit, which is 92.6% of the As Complete/Stabilized value derived later in the report

It should be noted that if the subject did not transact as of the effective date of value and there was no recorded sale, the tax assessment is not likely to increase near the value for the following phase-in.

Market Analysis

Demographic Analysis

Demand for residential properties is a direct function of demographic characteristics analyzed on the following pages.

Housing, Population and Household Formation

The following table illustrates the population and household changes for the subject neighborhood with primary focus on the indicated radii.

POPULATION AND HOUSEHOLD PROJECTIONS

Population	1 Mile Radius	3 Mile Radius	5 Mile Radius	Washington, DC MSA
2029 Total Population	33,135	176,890	613,838	6,609,906
2024 Total Population	33,081	176,604	596,431	6,429,395
2010 Total Population	29,358	166,959	512,262	5,547,463
2000 Total Population	28,874	165,273	499,790	4,762,891
Annual Growth 2024 - 2029	*0.03%*	*0.03%*	*0.58%*	*0.56%*
Annual Growth 2010 - 2024	*0.86%*	*0.40%*	*1.09%*	*1.06%*
Annual Growth 2000 - 2010	*0.17%*	*0.10%*	*0.25%*	*1.54%*
Households				
2029 Total Households	12,946	72,119	263,488	2,474,063
2024 Total Households	12,834	70,987	249,345	2,388,663
2010 Total Households	11,513	65,030	201,146	2,063,146
2000 Total Households	11,455	64,291	192,934	1,789,756
Annual Growth 2024 - 2029	*0.17%*	*0.32%*	*1.11%*	*0.71%*
Annual Growth 2010 - 2024	*0.78%*	*0.63%*	*1.55%*	*1.05%*
Annual Growth 2000 - 2010	*0.05%*	*0.11%*	*0.42%*	*1.43%*

Source: ESRI

Income Distributions

Household income available for expenditure on housing and other consumer items is a primary factor in determining the price/rent level of housing demand in a market area. In the case of this study, projections of household income, particularly for renters, identifies in gross terms the market from which the subject submarket draws. The following table illustrates estimated household income distribution for the subject neighborhood.

HOUSEHOLD INCOME DISTRIBUTION				
Households by Income Distribution (2024)	1 Mile Radius	3 Mile Radius	5 Mile Radius	Washington, DC MSA
<$15,000	16.45%	12.24%	9.75%	5.16%
$15,000 - $24,999	7.50%	6.40%	5.24%	3.15%
$25,000 - $34,999	7.71%	6.22%	5.61%	3.64%
$35,000 - $49,999	10.23%	10.31%	8.83%	5.63%
$50,000 - $74,999	19.42%	17.60%	14.94%	10.82%
$75,000 - $99,999	11.84%	12.46%	12.66%	11.24%
$100,000 - $149,999	13.61%	16.51%	17.65%	19.04%
$150,000 - $199,999	4.91%	8.05%	9.97%	14.03%
$200,000+	8.35%	10.21%	15.34%	27.29%
Source: ESRI				

The following table illustrates the median and average household income levels for the subject neighborhood.

HOUSEHOLD INCOME LEVELS				
Income	1 Mile Radius	3 Mile Radius	5 Mile Radius	Washington, DC MSA
2024 Median Household Income	$58,095	$69,717	$84,464	$122,325
2024 Average Household Income	$84,916	$100,527	$123,464	$171,041
2024 Per Capita Income	$33,652	$40,724	$51,925	$63,635
Source: ESRI				

Employment

The specific employment population within the indicated radii of the subject is as follows:

EMPLOYMENT BY INDUSTRY				
Occupation (2024)	1 Mile Radius	3 Mile Radius	5 Mile Radius	Washington, DC MSA
Agric/Forestry/Fishing/Hunting	0.03%	0.05%	0.07%	0.27%
Construction	3.72%	5.20%	5.95%	6.28%
Manufacturing	1.73%	1.73%	1.91%	3.08%
Wholesale Trade	0.59%	0.73%	0.71%	0.90%
Retail Trade	9.39%	8.24%	6.61%	7.32%
Transportation/Warehousing	5.96%	6.87%	5.42%	3.85%
Information	1.90%	2.54%	3.13%	2.60%
Finance/Insurance	1.45%	1.59%	2.25%	3.96%
Prof/Scientific/Tech Services	8.02%	10.39%	13.61%	18.39%
Mgmt of Companies/Enterprises	0.02%	0.07%	0.20%	0.16%
Admin/Support/Waste Mgmt Srvcs	7.49%	5.73%	5.23%	4.41%
Educational Services	8.59%	8.69%	8.27%	9.22%
Health Care/Social Assistance	12.68%	12.68%	11.45%	10.90%
Arts/Entertainment/Recreation	2.22%	2.81%	2.70%	2.26%
Accommodation/Food Services	8.61%	6.53%	6.30%	5.61%
Other Services (excl Publ Adm)	7.96%	7.17%	7.91%	6.32%
Public Administration	19.65%	18.99%	18.29%	14.47%

Source: ESRI

Outlook

Given the area demographics, it appears that demand for both comparable surrounding area apartment units and the subject will continue to be favorable.

Metropolitan Washington, DC Apartment Market Overview

Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Washington, DC apartment market, as reported by Costar.

WASHINGTON, DC APARTMENT MARKET							
Year Ending	**Inventory (Units)**	**Completions (Units)**	**Occupied Stock (Units)**	**Occupancy**	**Asking Rent ($/Unit / Mo.)**	**Asking Rent Change**	**Net Absorption (Units)**
2015	461,107	12,195	430,180	93.3%	$1,786	2.79%	14,086
2016	472,838	11,731	441,009	93.3%	$1,819	1.88%	10,845
2017	484,227	11,389	451,095	93.2%	$1,848	1.57%	10,100
2018	495,145	10,918	463,570	93.6%	$1,893	2.46%	12,485
2019	508,070	12,925	474,899	93.5%	$1,935	2.19%	11,326
2020	522,957	14,887	478,519	91.5%	$1,897	-1.93%	3,629
2021	536,803	13,846	501,908	93.5%	$2,045	7.80%	23,454
2022	549,047	12,244	510,343	93.0%	$2,107	3.01%	8,446
2023	562,723	13,676	522,603	92.9%	$2,170	3.02%	12,278
Q1 2024	*566,129*	*3,406*	*525,784*	*92.9%*	*$2,208*	*1.73%*	*3,185*
Q2 2024	*569,093*	*2,964*	*530,406*	*93.2%*	*$2,248*	*1.82%*	*4,632*
Q3 2024	*573,741*	*4,648*	*533,797*	*93.0%*	*$2,241*	*-0.33%*	*3,394*
Q4 2024	*579,158*	*5,417*	*535,540*	*92.5%*	*$2,235*	*-0.26%*	*1,742*
2024	579,158	16,435	535,540	92.5%	$2,235	2.97%	12,953
Q1 2025	*582,026*	*2,868*	*538,685*	*92.6%*	*$2,271*	*1.64%*	*3,146*
*Q2 2025**	*584,869*	*2,843*	*540,926*	*92.5%*	*$2,303*	*1.41%*	*2,241*
*Q3 2025**	*586,565*	*1,696*	*540,912*	*92.2%*	*$2,290*	*-0.58%*	*-14*
*Q4 2025**	*587,950*	*1,385*	*541,123*	*92.0%*	*$2,276*	*-0.64%*	*211*
2025*	587,950	8,792	541,123	92.0%	$2,276	1.82%	5,584
2026*	592,867	4,917	545,894	92.1%	$2,317	1.81%	4,771
2027*	597,906	5,039	552,385	92.4%	$2,383	2.86%	6,491
2028*	603,242	5,336	558,808	92.6%	$2,447	2.67%	6,422
2029*	610,940	7,698	567,321	92.9%	$2,509	2.55%	8,513
2030*	619,917	8,977	576,714	93.0%	$2,574	2.57%	9,392

* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

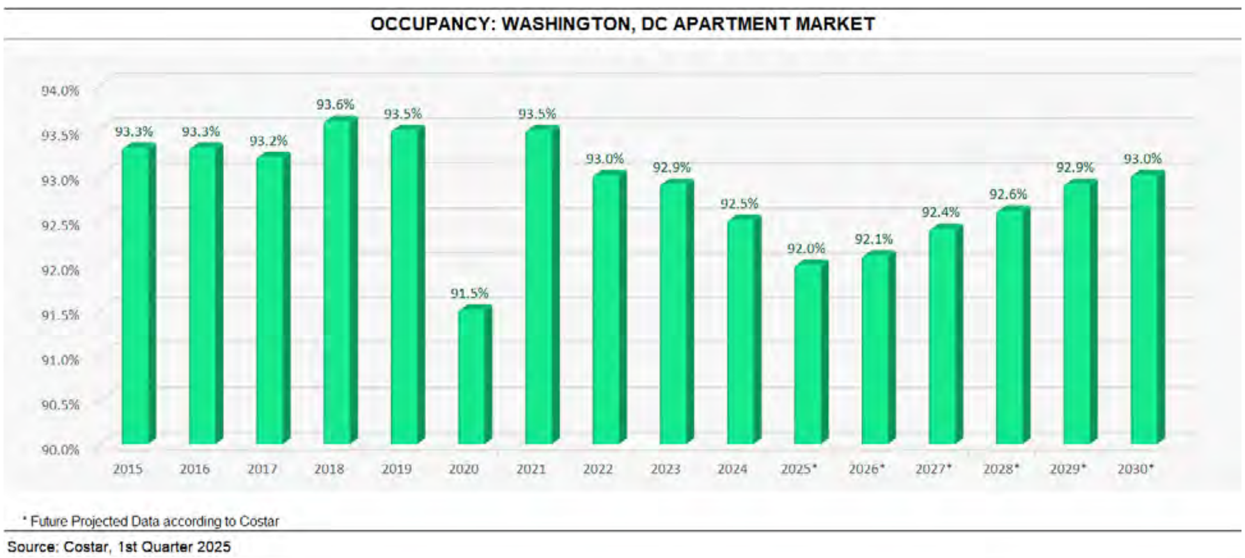
The Washington, DC apartment market consists of approximately 582,026 units of apartment space. The following observations are noted from the table above:

- As of 1st Quarter 2025, there were approximately 538,685 units of occupied apartment space, resulting in an occupancy rate of 92.6% for the metro area. This reflects a small increase from the previous quarter's occupancy of 92.5%, and a small increase from an occupancy rate of 92.5% from last year.
- The area experienced positive 3,146 units of net absorption for the current quarter. This indicates an improvement from the previous quarter's positive 1,742 units of net absorption, and a decline from the positive 12,953 units of net absorption from last year.
- The area had completions of positive 2,868 units for the current quarter, which indicates a decrease from the previous quarter's completions of positive 5,417 units, and indicates a decline from completions of positive 16,435 units from last year.
- The area achieved average asking rent of $2,271 per unit, which indicates an increase from the previous quarter's asking rent of $2,235 per unit, and an increase from the asking rent of $2,235 per unit from last year.

Historical Inventory – Market

Inventory is projected to be 587,950 units at the end of the current year, which represents an increase from the previous year's inventory of 579,158 units. Inventory for next year is projected to be 592,867 units, reflecting an increase from the current year.

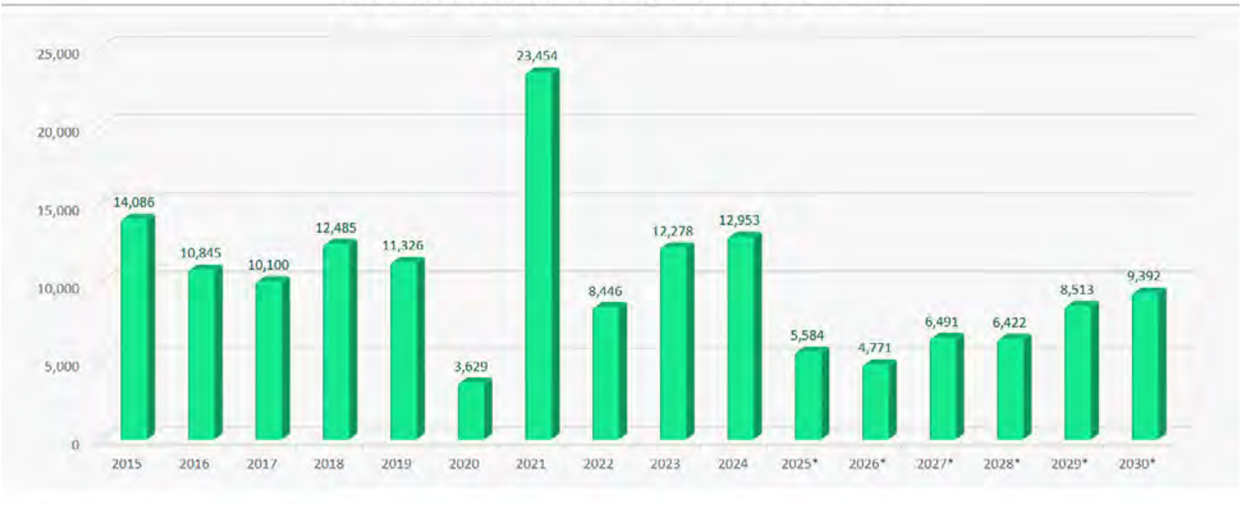
Historical Occupancy - Market



At the end of the current year, the occupancy rate is projected to be 92.0%, which reflects a decrease from the 92.5% occupancy rate at the end of last year. Occupancy for next year is projected to be 92.1%, reflecting a small increase from the current year.

Historical Net Absorption - Market

NET ABSORPTION: WASHINGTON, DC APARTMENT MARKET



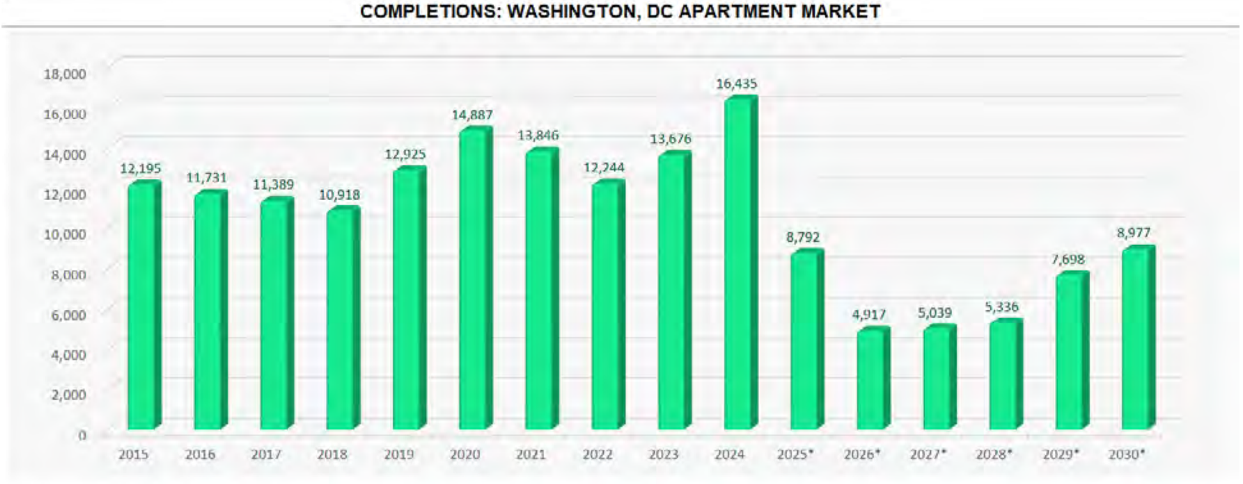
* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

At the end of the current year, the area is projected to experience positive 5,584 units of net absorption, which indicates a decline from the positive 12,953 units of net absorption for the previous year. The area is projected to experience positive 4,771 units of net absorption as of the end of next year, which indicates a decline from the current year.

Historical Completions - Market

COMPLETIONS: WASHINGTON, DC APARTMENT MARKET



* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

The area is projected to achieve completions of positive 8,792 units for the current year, which indicates a decline from the previous year's completions of positive 16,435 units. The area is projected to experience completions of positive 4,917 units as of the end of next year, which indicates a decline from the current year.

Historical Asking Rent - Market

Source: Costar, 1st Quarter 2025

The area is projected to achieve average asking rent of $2,276 per unit at the end of the current year, which indicates an increase from the previous year's asking rent of $2,235 per unit. The area is projected to achieve asking rent of $2,317 per unit by the end of next year, indicating an increase from the current year.

Submarket Snapshot

The following table summarizes the supply of apartment units for each submarket within the Washington, DC market as of 1st Quarter 2025.

SUBMARKET SNAPSHOT

Submarket	Inventory (Units)	Completions* (Units)	Asking Rent ($/Unit / Mo.)	Occupancy
Adams Morgan/Columbia Heights	18,071	235	$2,306	93.2%
Alexandria/I-395	28,203	0	$2,207	95.1%
Anacostia Southeast	16,749	696	$1,468	88.1%
Annandale	12,379	364	$2,182	93.4%
Ashburn/Sterling	6,104	0	$2,377	95.7%
Ballston	9,467	98	$2,931	96.7%
Bethesda	12,903	870	$2,788	89.1%
Branch Avenue	18,635	0	$1,612	90.5%
Brightwood Fort Totten	16,990	756	$2,107	91.5%
Calvert County	89	0	$1,202	94.5%
Capitol Heights/Largo	10,533	379	$1,917	86.6%
Capitol Hill	4,099	9	$2,528	93.7%
Charles County	4,975	427	$2,115	91.3%
Clarke County	67	0	$1,044	89.9%
Connecticut Ave Northwest	9,873	0	$2,532	95.1%
Downtown DC	23,825	969	$2,821	92.3%
Dulles Greenway	3,768	0	$2,551	94.9%
Fairfax City/Oakton	4,893	0	$2,433	95.9%
Falls Church/Vienna	10,471	1,014	$2,512	89.3%
Fauquier County	237	0	$1,882	99.1%
Frederick County	11,245	570	$1,909	92.5%
Fredericksburg	3,593	0	$1,856	94.2%
Gaithersburg	23,871	244	$2,078	94.6%
Georgetown/Wisconsin Ave	9,112	115	$2,730	92.9%
Greenbelt	14,499	0	$1,716	89.6%
H Street/NoMa	18,210	1,218	$2,756	89.8%
Huntington/Springfield	10,676	366	$2,238	95.8%
Hyattsville	23,453	1,214	$1,820	89.1%
Jefferson County	703	82	$1,745	91.1%
Leesburg	2,055	0	$2,154	95.0%
Lower Northeast	7,301	154	$1,716	92.7%
Manassas/Gainesville	9,645	0	$2,101	96.7%
McLean/Great Falls	274	0	$2,858	98.5%
National Landing	17,681	912	$2,859	89.5%
North Bethesda	8,183	220	$2,403	95.3%
North Prince Georges County	21,137	0	$1,904	92.9%
Old Town/Potomac Yard	10,983	572	$2,464	93.9%
Outlying Arlington County	16,185	0	$2,138	95.9%
Outlying Fairfax County	17,829	0	$2,308	96.1%
Outlying Loudoun County	24	0	$872	96.3%
Outlying Montgomery County	9,578	0	$1,977	92.4%
Outlying South	2,218	0	$1,879	95.8%
Potomac	1,160	0	$2,958	95.0%
Reston-Herndon Corridor	17,943	988	$2,490	92.2%
Rockville	8,133	452	$2,376	93.0%
Rosslyn	16,130	745	$2,910	94.5%
Silver Spring/White Oak	26,709	375	$1,971	93.7%
South Prince Georges County	6,162	170	$1,911	91.9%
Southwest/Navy Yard	20,782	1,447	$2,985	86.6%
Spotsylvania	4,491	0	$1,924	95.2%
Stafford County	2,922	0	$1,955	94.9%
Tysons Corner	10,822	0	$2,651	94.5%
Warren County	197	0	$1,058	93.1%
Wheaton/Kensington	4,924	0	$2,008	94.4%
Woodbridge/I-95 Corridor	10,021	236	$2,104	93.5%

*Completions include trailing 4 quarters

Source: Costar, 1st Quarter 2025

Lower Northeast Submarket

Important characteristics of the Lower Northeast apartment market are summarized below:

LOWER NORTHEAST APARTMENT SUBMARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Asking Rent ($/Unit / Mo.)	Asking Rent Change	Net Absorption (Units)
2015	6,081	335	5,525	90.9%	$1,419	2.53%	136
2016	6,086	5	5,761	94.7%	$1,465	3.23%	236
2017	6,131	45	5,726	93.4%	$1,510	3.09%	-35
2018	6,135	4	5,781	94.2%	$1,550	2.64%	55
2019	6,371	236	5,948	93.4%	$1,593	2.72%	168
2020	6,471	100	5,969	92.2%	$1,581	-0.74%	39
2021	6,522	51	5,997	91.9%	$1,620	2.48%	24
2022	6,815	293	6,279	92.1%	$1,635	0.94%	288
2023	7,062	247	6,478	91.7%	$1,658	1.37%	202
Q1 2024	7,147	85	6,530	91.4%	$1,666	0.50%	52
Q2 2024	7,161	14	6,575	91.8%	$1,673	0.46%	45
Q3 2024	7,273	112	6,614	90.9%	$1,682	0.49%	39
Q4 2024	7,295	22	6,713	92.0%	$1,667	-0.88%	99
2024	7,295	233	6,713	92.0%	$1,667	0.56%	235
Q1 2025	7,301	6	6,765	92.7%	$1,716	2.94%	52
Q2 2025*	7,301	0	6,775	92.8%	$1,704	-0.66%	10
Q3 2025*	7,299	-2	6,770	92.7%	$1,709	0.26%	-5
Q4 2025*	7,298	-1	6,767	92.7%	$1,708	-0.06%	-3
2025*	7,298	3	6,767	92.7%	$1,708	2.46%	54
2026*	7,409	111	6,811	91.9%	$1,738	1.79%	45
2027*	7,843	434	6,947	88.6%	$1,785	2.71%	136
2028*	7,972	129	7,262	91.1%	$1,828	2.38%	314
2029*	8,165	193	7,496	91.8%	$1,871	2.36%	234
2030*	8,390	225	7,710	91.9%	$1,916	2.39%	213

*Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

The Lower Northeast apartment submarket consists of approximately 7,301 units of apartment space. The current submarket inventory represents approximately 1.3% of the overall market inventory. The following observations were noted from the table above:

- As of 1st Quarter 2025, there were approximately 6,765 units of occupied apartment space, resulting in an occupancy rate of 92.7% for the submarket. This reflects an increase from the previous quarter's occupancy of 92.0%, and an increase from an occupancy rate of 92.0% from last year. The submarket occupancy is above the 92.6% market occupancy.
- The submarket experienced positive 52 units of net absorption for the current quarter. This indicates a decline from the previous quarter's positive 99 units of net absorption, and a decline from the positive 235 units of net absorption from a year ago. The submarket's current net absorption of positive 52 units is below the overall market net absorption of positive 3,146 units.
- The submarket had completions of positive 6 units for the current quarter, which indicates a decrease from the previous quarter's completions of positive 22 units, and a decrease from the completions of positive 85 units from last year.
- The submarket achieved average asking rent of $1,716 per unit, which indicates an increase from the previous quarter's asking rent of $1,667 per unit, and an increase from the asking rent of $1,667 per unit from last year. The submarket's current asking rent of $1,716 per unit is below the overall market asking rent of $2,271 per unit.

Historical Inventory - Submarket

INVENTORY: LOWER NORTHEAST APARTMENT MARKET

* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

Submarket Inventory is projected to be 7,298 units at the end of the current year, which represents a small increase from the previous year's submarket inventory of 7,295 units. Inventory for next year is projected to be 7,409 units, reflecting a small increase from the current year.

Historical Occupancy - Submarket

OCCUPANCY: LOWER NORTHEAST APARTMENT MARKET

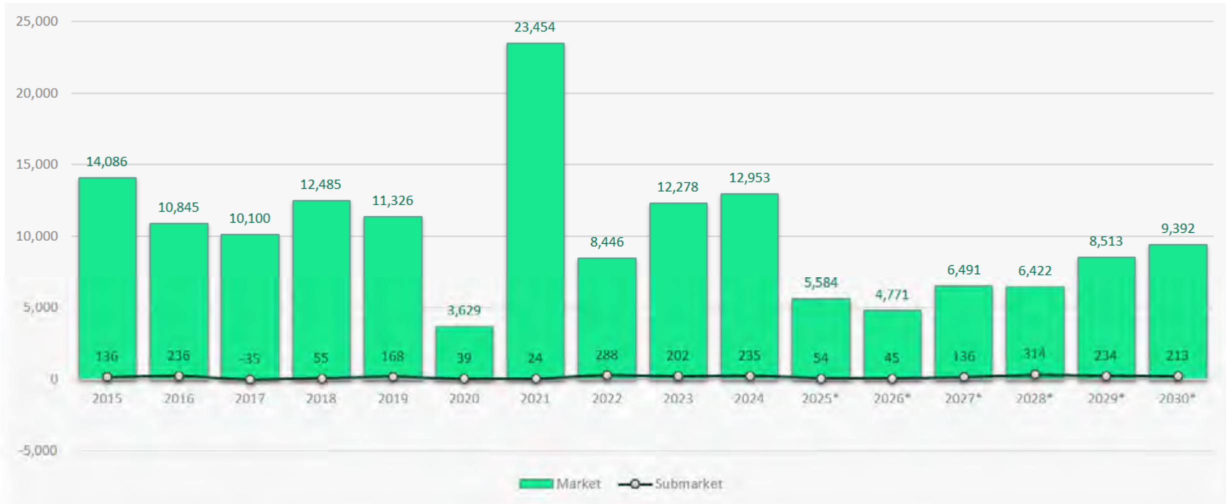
* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

Submarket occupancy is projected to be 92.7% at the end of the current year, which represents an increase from the previous year's submarket occupancy of 92.0%. Submarket occupancy for next year is projected to be 91.9%, reflecting a decrease from the current year.

Historical Net Absorption - Submarket

NET ABSORPTION: LOWER NORTHEAST APARTMENT MARKET



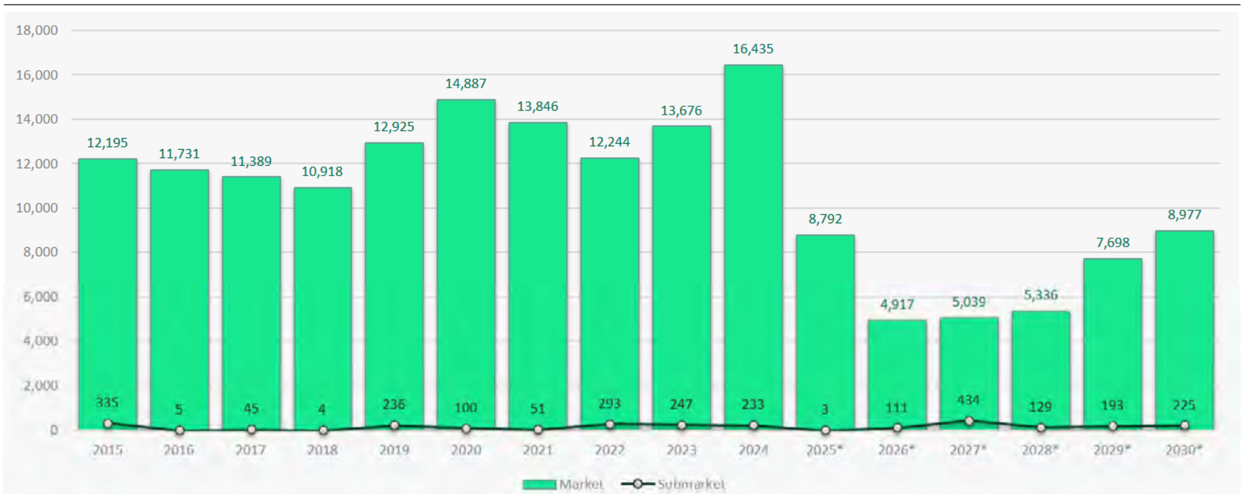
* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

Net absorption in the submarket is projected to be positive 54 units at the end of the current year, reflecting a decline from the previous year's net absorption of positive 235 units. Net absorption for next year is projected to be positive 45 units, indicating a decline from the current year.

Historical Completions - Submarket

COMPLETIONS: LOWER NORTHEAST APARTMENT MARKET

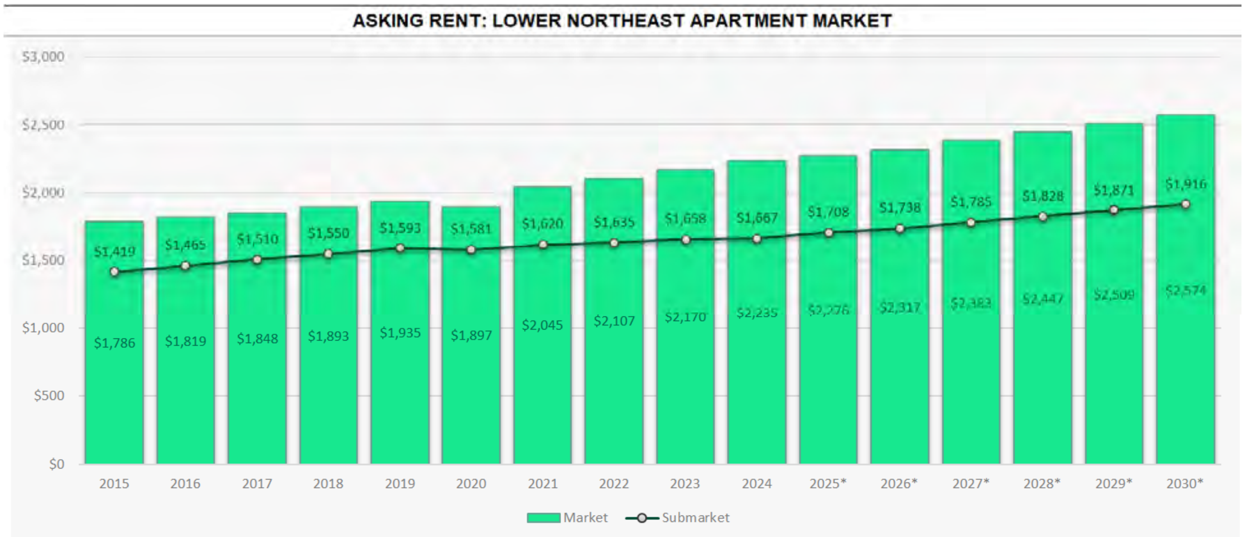


* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

The submarket is projected to achieve completions of positive 3 units at the end of the current year, which indicates a decline from the previous year's completions of positive 233 units. The submarket is projecting completions of positive 111 units for next year, which indicates an improvement from the current year.

Historical Asking Rent - Submarket



* Future Projected Data according to Costar

Source: Costar, 1st Quarter 2025

The submarket is projected to achieve average asking of $1,708 per unit at the end of the current year, which represents an increase from the previous year's asking rent of $1,667 per unit. The submarket is projected to achieve average asking rent of $1,738 per unit, reflecting an increase from the current year.

Rental Rate Growth and Vacancy Rate Projection

Historical and forecasted effective rent growth statistics and vacancy rate projections for the market according to information from CBRE EA are illustrated in the following chart:

WASHINGTON DC MARKET TRENDS: FORECAST										
	Year	Total Employment (Jobs x 1000)	Population (x 1000)	Real Disposable Personal Income ($ billions)	Rentable Stock (Units)	Rentable Completions (Units)	Net Absorption (Units)	Vacancy Rate (Avg %)	Same-Store Rent Index (Avg $/Unit)	Rent Inflation (Avg %)
Historical Data	2005	2,957.1	5,284.6	382	498,801	3,548	7,211	4.20	1,484.9	6.4
	2006	2,998.6	5,332.1	390	503,662	4,861	974	4.50	1,554.2	4.7
	2007	3,023.1	5,390.9	395	507,316	3,654	317	5.60	1,566.1	0.8
	2008	3,003.7	5,471.0	401	510,295	2,979	4,577	5.20	1,588.3	1.4
	2009	2,967.3	5,578.0	411	512,960	2,665	514	5.80	1,571.3	-1.1
	2010	2,994.0	5,695.1	427	517,347	4,387	9,681	4.90	1,670.1	6.3
	2011	3,034.6	5,804.1	437	518,887	1,540	-4,108	4.80	1,731.4	3.7
	2012	3,073.4	5,905.6	445	523,257	4,370	5,569	5.30	1,763.5	1.9
	2013	3,079.0	5,992.5	427	527,635	4,378	755	5.70	1,749.3	-0.8
	2014	3,107.3	6,067.5	436	541,708	14,073	14,886	5.70	1,754.9	0.3
	2015	3,176.3	6,134.5	455	551,755	10,047	10,728	5.30	1,785.1	1.7
	2016	3,238.2	6,198.8	466	562,920	11,165	10,774	5.20	1,811.2	1.5
	2017	3,274.4	6,261.2	475	575,113	12,193	10,617	5.30	1,822.2	0.6
	2018	3,314.5	6,306.5	485	588,987	13,874	18,117	4.80	1,867.5	2.5
	2019	3,365.0	6,352.3	490	599,700	10,713	13,252	4.10	1,920.6	2.8
	2020	3,141.4	6,353.2	509	612,175	12,475	3,836	4.90	1,817.7	-5.4
	2021	3,262.6	6,359.8	519	624,335	12,160	26,612	4.40	1,979.9	8.9
	2022	3,329.5	6,397.4	487	640,454	16,119	3,920	3.90	2,087.5	5.4
	2023	3,372.3	6,462.0	514	654,646	14,192	11,388	5.20	2,139.7	2.5
	2024	3,403.4	6,548.3	526	670,776	16,130	23,939	4.80	2,211.5	3.4
Baseline Forecast	2025	3,353.4	6,610.6	526	687,094	16,317	12,658	4.20	2,254.8	2.0
	2026	3,372.0	6,655.9	542	695,505	8,410	6,426	4.70	2,303.5	2.2
	2027	3,399.3	6,689.8	548	703,695	8,189	8,372	4.60	2,365.0	2.7
	2028	3,424.7	6,721.6	557	711,440	7,745	7,540	4.60	2,430.9	2.8
	2029	3,449.1	6,758.4	568	719,003	7,560	7,218	4.60	2,499.1	2.8
	2030	3,462.9	6,800.4	579	726,420	7,416	6,934	4.60	2,565.6	2.7
Downside Forecast	2025	3,307.0	6,610.6	526	687,094	16,317	12,109	4.30	2,236.2	1.1
	2026	3,311.8	6,655.9	539	695,487	8,392	5,957	4.80	2,266.6	1.4
	2027	3,341.3	6,689.8	543	703,514	8,025	8,880	4.70	2,323.2	2.5
	2028	3,366.6	6,721.6	551	711,107	7,592	7,655	4.60	2,387.2	2.8
	2029	3,390.2	6,758.4	561	718,540	7,430	7,136	4.60	2,453.8	2.8
	2030	3,403.7	6,800.4	571	725,848	7,306	6,851	4.60	2,519.1	2.7
Upside Forecast	2025	3,360.4	6,610.6	526	687,094	16,317	12,740	4.20	2,257.5	2.1
	2026	3,384.6	6,655.9	543	695,509	8,413	6,568	4.60	2,310.4	2.3
	2027	3,412.6	6,689.8	550	703,726	8,216	8,273	4.60	2,373.7	2.7
	2028	3,438.2	6,721.6	559	711,498	7,769	7,511	4.60	2,440.4	2.8
	2029	3,462.8	6,758.4	570	719,077	7,578	7,206	4.60	2,509.1	2.8
	2030	3,476.7	6,800.4	581	726,503	7,425	6,936	4.60	2,575.9	2.7

Source: CBRE-EA Outlook (data as of 1Q 2025)

New Construction/Planned Projects

The following chart summarizes under construction and/or marketing projects and planned projects likely to deliver over the next 36 months in the Washington, DC Metro area according to information from Delta Associates.

UNDER CONSTRUCTION AND/OR MARKETING & PLANNED APARTMENT PROJECTS LIKELY TO DELIVER OVER THE NEXT 36 MONTHS SUMMARY - WASHINGTON, DC METRO AREA				
			No. Projects	No. Market Rate Units
Under Construction and/or Marketing	DC	Capitol Hill/Riverfront/SW	16	6,548
		Central	8	1,458
		Columbia Heights/Shaw	5	937
		NoMa/H Street	19	5,968
		Northeast	1	240
		River East	3	908
		Upper GA	2	630
		Upper Northwest	6	2,619
	DC Total		60	19,308
	MD	Frederick County	4	1,165
		Montgomery County	21	5,643
		Prince George's County	12	3,697
		Calvert, Charles, St. Mary's Counties	1	272
	MD Total		38	10,777
	VA	Arlington County	18	6,164
		City of Alexandria	8	2,225
		Fairfax County	15	5,304
		Falls Church	4	1,191
		Stafford, Spotsylvania, City of Fredericksburg	1	271
		Prince William County, Manassas, Manassas Park	3	861
	VA Total		49	16,016
Under Construction and/or Marketing Total			147	46,101
Planned (36-Month Delivery)	DC	Capitol Hill/Riverfront/SW	7	2,351
		Central	5	1,389
		Columbia Heights/Shaw	5	1,504
		NoMa/H Street	4	1,208
		Northeast	4	1,186
		Upper GA	2	582
		Upper NW	2	392
		River East	1	1,200
	DC Total		30	9,812
	MD	Frederick County	3	273
		Montgomery County	8	2,188
		Prince George's County	6	2,246
		Calvert, Charles, St. Mary's Counties	1	160
	MD Total		18	4,867
	VA	Arlington County	4	1,663
		City of Alexandria	8	2,169
		Fairfax County	10	3,618
		Loudoun County	3	1,143
		Prince William County, Manassas, Manassas Park	2	695
	VA Total		27	9,288
Planned (36-Month Delivery) Total			75	23,967
Total			222	70,068
Source: Delta Associates (1Q 2024); Compiled by: CBRE				

The majority of the near-term supply in the pipeline is located in the NoMa/H Street and Capitol Hill/Riverfront submarkets of the District of Columbia, Montgomery County, Arlington County and Fairfax County.

As development feasibility has been strained due to elevated returns on cost, the development pipeline in the overall market has shrunken over the past several quarters.

Absorption

The following chart summarizes the absorption for actively marketing and recently stabilized Class A apartment projects in the Washington, DC Metro area according to information from Delta Associates.

ABSORPTION SUMMARY
ACTIVELY MARKETING & RECENTLY STABILIZED CLASS A APARTMENT PROJECTS
WASHINGTON METROPOLITAN AREA

			Total Projects	Total Units	Lease-Up Pace (Min.)	Lease-Up Pace (Max.)	Lease-Up Pace (Avg.)
Actively Marketing	Low-Rise	Virginia	1	271	17	17	17
		Maryland	5	1,185	7	23	15
	Low-Rise Total		6	1,456	7	23	15
	Mid-Rise	DC	9	2,806	4	22	15
		Virginia	12	3,549	9	20	14
		Maryland	6	1,666	8	21	14
	Mid-Rise Total		27	8,021	4	22	14
	High-Rise	DC	24	8,639	7	26	16
		Virginia	10	3,578	3	30	17
		Maryland	4	1,084	8	16	11
	High-Rise Total		38	13,301	3	30	16
Actively Marketing Total/Avg.			**71**	**22,778**	**3**	**30**	**15**
Recently Stabilized	Low-Rise	DC	1	117	8	8	8
		Maryland	5	1,148	10	19	13
	Low-Rise Total		6	1,265	8	19	12
	Mid-Rise	DC	15	2,737	3	14	8
		Virginia	12	4,179	11	24	16
		Maryland	7	1,885	8	23	16
	Mid-Rise Total		34	8,801	3	24	12
	High-Rise	DC	11	2,254	4	14	9
		Virginia	5	1,673	6	24	16
		Maryland	3	654	8	9	8
	High-Rise Total		19	4,581	4	24	11
Recently Stabilized Total/Avg.			**59**	**14,647**	**3**	**24**	**12**

* Recently stabilized projects from 1Q21 - 1Q24
* Actively Marketing excludes projects which recently began leasing with no lease-up data
Source: Delta Associates, Inc.; Compiled by: CBRE

The actively marketing absorption statistics are somewhat skewed by new projects that recently began marketing and had significant pre-leasing and robust absorption in the first few months of marketing.

Investment Trends

The following charts summarize year-end and year-to-date transaction volume information for the Washington DC Metro area according to Real Capital Analytics.

WASHINGTON, DC METRO AREA - TRANSACTION SUMMARY								
	DC		Suburban MD		Northern VA		Total DC Metro	
	$ Volume (Million)	# Props	$ Volume (Million)	# Props	$ Volume (Million)	# Props	$ Volume (Million)	# Props
Year End 2024	$1,015	35	$1,536	27	$4,652	43	$7,203	105
Year End 2023	$999	34	$1,206	22	$1,793	25	$3,998	81
Year End 2022	$1,261	48	$3,342	48	$4,031	53	$8,634	149
Year End 2021	$770	22	$5,360	93	$5,766	83	$11,896	198
Year End 2020	$550	26	$2,758	52	$3,638	53	$6,946	131
Year End 2019	$1,527	55	$2,972	65	$4,977	71	$9,476	191
Year End 2018	$1,162	45	$2,829	75	$3,573	53	$7,564	173
Year End 2017	$499	43	$2,300	44	$3,810	56	$6,609	143
Year End 2016	$812	30	$2,780	51	$2,390	40	$5,982	121
Year End 2015	$1,555	39	$2,331	62	$4,763	62	$8,649	163
Year End 2014	$1,312	31	$1,414	43	$1,335	24	$4,061	98
Year End 2013	$2,164	47	$1,638	46	$4,979	53	$8,781	146
Source: Real Capital Analytics; Compiled by: CBRE								

Sales volume declined in 2022 and 2023 primarily due to increases in interest rates.

Investment Market Summary

The following bullets summarize the investment market and viewpoints.

- Capitalization rates declined in 2021 and early 2022 for both value-add and stabilized properties as more buyers were drawn to multifamily assets and the continued low interest rate environment created ripe conditions for investment in multifamily assets. From mid-2022 to the present, there has been upward pressure on capitalization rates due to increases in interest rates. A market participant interviewed indicated capitalization rates have increased by as much as 250 basis points from their trough in mid-2022 through the present and 50 to 75 basis points since late 2022. Residual capitalization rate spreads have declined with participants noting a 0 to 25 basis point spread from the going-in capitalization rate.
- Market participants have indicated value declines of up to 40% from the peak of the market in late 2021 and early 2022 to 2025.
- Interest rate hikes have led to higher costs of capital for leveraged buyers. Unleveraged buyers are aware of their leveraged competition’s circumstances and pricing likely tracks the all-in fixed rate interest rate. Interest rates were expected to decline in 2025 in connection with fed funds rate cuts (related to improved employment and inflation statistics), but interest rates have remained stubbornly elevated.
- Bank lending has increased year-over-year. While the value-add market had slid due to the lack of financing to support the financing and completion of renovations and capital projects, lending for these projects has reportedly picked up.
- Rental rates spiked in 2021 in many areas of the market, fueling buyer expectations for strong increases in pro forma net operating income relative to historical performance over the prior +/- 10-year period. Rental rate growth projections over the next several years are near historical averages.
- Construction starts have declined considerably and the pipeline has contracted due to the rise in interest rates, tighter lending standards, and continued escalation of construction costs. The narrowing pipeline will likely create future upward pressure on stabilized occupancy and rental rates.
- Land values for multifamily development had generally been holding steady or slightly increasing in 2021 and into early 2022 as rents had been increasing and capitalization rates had held steady (albeit with rising construction costs), but rising construction costs and declining capital market

conditions have created downward pressure on land values. While rents have generally increased over the past 12-24 months, return on cost has hit a floor at 6.5% in most locations.

Overall Capitalization Rates

The following chart summarizes the most recent national data.

NATIONAL APARTMENT MARKET

First Quarter 2025

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)[a]					
Range	6.00% – 9.00%	6.00% – 8.00%	6.00% – 9.00%	5.00% – 10.00%	5.25% – 10.00%
Average	7.35%	7.06%	7.19%	6.62%	7.04%
Change (Basis Points)		+ 29	+ 16	+ 73	+ 31
OVERALL CAP RATE (OAR)[a]					
Range	4.00% – 6.25%	4.00% – 6.25%	4.00% – 7.50%	3.00% – 7.00%	3.50% – 7.00%
Average	5.25%	5.16%	5.42%	4.40%	5.14%
Change (Basis Points)		+ 9	– 17	+ 85	+ 11
RESIDUAL CAP RATE					
Range	4.50% – 6.75%	4.25% – 6.75%	4.25% – 8.00%	3.50% – 7.00%	4.25% – 7.00%
Average	5.55%	5.47%	5.77%	4.81%	5.51%
Change (Basis Points)		+ 8	– 22	+ 74	+ 4
MARKET RENT CHANGE[b]					
Range	0.00% – 4.00%	0.00% – 4.00%	0.00% – 4.00%	0.00% – 15.00%	0.00% – 5.00%
Average	2.40%	2.38%	2.46%	3.84%	2.41%
Change (Basis Points)		+ 2	– 6	– 144	– 1
EXPENSE CHANGE[b]					
Range	3.00% – 5.00%	3.00% – 5.00%	3.00% – 6.00%	0.00% – 6.00%	0.00% – 3.00%
Average	3.55%	3.44%	3.67%	3.00%	2.60%
Change (Basis Points)		+ 11	– 12	+ 55	+ 95
MARKETING TIME[c]					
Range	3 – 15	3 – 15	3 – 15	1 – 12	1 – 9
Average	6.9	7.5	6.3	4.3	3.9
Change (▼, ▲, =)		▼	▲	▲	▲
FORECAST VALUE CHANGE[d]					
Range	(3.0%) – 5.0%	(3.0%) – 3.0%	(10.0%) – 3.0%	(20.0%) – 12.0%	(5.0%) – 10.0%
Average	0.5%	(0.5%)	(1.5%)	2.7%	2.2%
Change (▼, ▲, =)		▲	▲	▼	▼

a. Rate on unleveraged, all-cash transactions; assumes stabilized occupancy

b. Year-one rate of change c. Months d. Over next 12 months

Source: PwC Investor Survey; survey conducted by PwC during January 2025

The PwC Real Estate Investor Survey began incorporating Regional Apartment Market-specific results in their 4Q 2009 report. The Mid-Atlantic Region includes Delaware, Maryland, Washington DC, Virginia, North Carolina, and South Carolina. The following chart summarizes the most recent regional data.

MID-ATLANTIC REGION APARTMENT MARKET

First Quarter 2025

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)[a]					
Range	1.00% – 10.00%	5.50% – 10.00%	5.50% – 10.00%	5.00% – 9.00%	5.25% – 10.00%
Average	6.49%	7.38%	7.38%	6.58%	7.18%
Change (Basis Points)		– 89	– 89	– 9	– 69
OVERALL CAP RATE (OAR)[a]					
Range	4.75% – 6.50%	5.00% – 6.50%	4.25% – 6.50%	3.75% – 6.50%	4.00% – 6.75%
Average	5.54%	5.71%	5.50%	4.55%	5.13%
Change (Basis Points)		– 17	+ 4	+ 99	+ 41
RESIDUAL CAP RATE					
Range	4.75% – 7.00%	5.00% – 7.00%	5.25% – 7.00%	4.25% – 6.50%	4.50% – 6.50%
Average	5.74%	5.94%	5.97%	4.90%	5.53%
Change (Basis Points)		– 20	– 23	+ 84	+ 21
MARKET RENT CHANGE[b]					
Range	0.00% – 4.00%	0.00% – 4.00%	0.00% – 4.00%	0.00% – 6.00%	0.00% – 3.00%
Average	2.46%	2.13%	2.25%	2.85%	1.60%
Change (Basis Points)		+ 33	+ 21	– 39	+ 86
EXPENSE CHANGE[b]					
Range	2.00% – 5.00%	0.00% – 5.00%	0.00% – 5.00%	0.00% – 3.00%	0.00% – 3.00%
Average	3.00%	2.75%	2.75%	2.60%	2.00%
Change (Basis Points)		+ 25	+ 25	+ 40	+ 100
MARKETING TIME[c]					
Range	0 – 12	0 – 12	0 – 12	1 – 9	1 – 12
Average	4.7	5.1	5.1	4.0	4.2
Change (▼, ▲, =)		▼	▼	▲	▲
FORECAST VALUE CHANGE[d]					
Range	(20.0%) – 5.0%	(20.0%) – 5.0%	(20.0%) – 5.0%	0.0% – 5.0%	0.0% – 5.0%
Average	(1.7%)	(3.8%)	(3.8%)	1.8%	1.3%
Change (▼, ▲, =)		▲	▲	▼	▼

a. Rate on unleveraged, all-cash transactions; assumes stabilized occupancy

b. Year-one rate of change c. Months d. Over next 12 months

Source: PwC Investor Survey; survey conducted by PwC during January 2025

Interest Rates

Multifamily mortgage rates and overall capitalization rates are influenced by 10-year treasury yields. Most lenders, including FNMA (Fannie Mae) and FHLMC (Freddie Mac), price their fixed rate loans based on a spread over the Treasury rate or yield. The spread represents the risk premium that a lender will want for making the loan instead of buying Treasury bonds. The following chart indicates yields for 10-year treasury notes over the past 36 months.

HISTORICAL 10-YEAR TREASURY YIELDS	
Date (Month Ending)	**10-Year Yield**
Apr-22	2.89%
May-22	2.85%
Jun-22	2.98%
Jul-22	2.67%
Aug-22	3.15%
Sep-22	3.83%
Oct-22	4.10%
Nov-22	3.68%
Dec-22	3.88%
Jan-23	3.52%
Feb-23	3.92%
Mar-23	3.48%
Apr-23	3.44%
May-23	3.64%
Jun-23	3.81%
Jul-23	3.97%
Aug-23	4.09%
Sep-23	4.59%
Oct-23	4.88%
Nov-23	4.37%
Dec-23	3.88%
Jan-24	3.99%
Feb-24	4.25%
Mar-24	4.20%
Apr-24	4.69%
May-24	4.51%
Jun-24	4.36%
Jul-24	4.09%
Aug-24	3.91%
Sep-24	3.81%
Oct-24	4.28%
Nov-24	4.18%
Dec-24	4.58%
Jan-25	4.58%
Feb-25	4.24%
Mar-25	4.23%
Source: US Treasury Dept.	

Following several years of a 0% or near 0% fed funds rate to ease the availability of money and credit after the most recent recession, the Federal Reserve began increasing the fed funds rate in 2015. While the pace of increases increased in 2017 and 2018, the Federal Reserve cut rates by 25 basis points in July, September and again in October 2019 as mid-cycle adjustments.

10-year treasury yields plunged below 1% in March 2020 due to surging demand for US government bonds in the wake of economic fallout from the coronavirus pandemic (COVID-19). In March 2020, the Federal Reserve cut the fed funds rate by 150 basis points to due to evolving risks to economic activity from COVID-19. The 10-year treasury yield increased rapidly in 2022+, as indicated in the chart below, as the Federal Reserve has increased the fed funds rate to tame rising consumer goods prices and overall inflation.

The following chart summarizes the most recent short-term interest rate changes.

2015-2025 FED FUNDS RATE CHANGE SUMMARY		
Date	Federal Funds Rate BP Increase	Fed Funds Rate
Dec-15	25	0.25%-0.50%
Dec-16	25	0.50%-0.75%
Mar-17	25	0.75%-1.00%
Jun-17	25	1.00%-1.25%
Dec-17	25	1.25%-1.50%
Mar-18	25	1.50%-1.75%
Jun-18	25	1.75%-2.00%
Sep-18	25	2.00%-2.25%
Dec-18	25	2.25%-2.50%
Jul-19	(25)	2.00%-2.25%
Sep-19	(25)	1.75%-2.00%
Oct-19	(25)	1.50%-1.75%
Mar-20	(50)	1.00%-1.25%
Mar-20	(100)	0.00%-0.25%
Mar-22	25	0.25%-0.50%
May-22	50	0.75%-1.00%
Jun-22	75	1.50%-1.75%
Jul-22	75	2.25%-2.50%
Sep-22	75	3.00%-3.25%
Nov-22	75	3.75%-4.00%
Dec-22	50	4.25%-4.50%
Feb-23	25	4.50%-4.75%
Mar-23	25	4.75%-5.00%
May-23	25	5.00%-5.25%
Jul-23	25	5.25%-5.50%
Sep-24	(50)	4.75%-5.00%
Nov-24	(25)	4.50%-4.75%
Dec-24	(25)	4.25%-4.50%
Compiled by: CBRE		

Increases in the fed funds rate generally put upward pressure on treasury yields, while rate cuts put downward pressure on yields.

Built for Rent (BFR)/Built to Rent (BTR)

The market data above includes BFR/BTR properties. These developments are a sub-segment of the Single Family Rental (SFR) market and are purpose-built housing to be operated as single-family rental investments. This increasingly popular concept within the multifamily industry currently makes up nearly ten percent of new homes built. The rapidly growing BFR market will continue expanding as more residents prefer to rent single-family homes with yards and upscale amenities on a long-term basis. As the build-for-rent market continues to experience robust demand in both urban and secondary cities nationally, news articles indicate that it is getting more difficult for developers to find suitable locations to build single-family detached homes. While attached product like townhomes are typically not considered part of the build-for-rent category, traditional BFR companies are branching into duplexes and townhouses to make infill locations work. As more renters consciously choose not to become homebuyers, the build-for-rent (BFR) industry is expected to grow in the near future.

There are few BFR communities or townhome rental communities in the Washington, DC market.

Rent/Income Restricted Properties

The statistics above do not reflect rent/income restricted properties that may be encumbered by tax credit restrictions and/or project-based Section 8 Housing Assistance Payment (HAP) contracts. Some of these projects are further restricted by age (typically 55+ or 62+).

The following chart summarizes 2025 maximum allowable tax credit rent/income restrictions in the Washington, DC MSA for several common income bands according to data from Novogradac.

LIHTC INCOME LIMITS FOR 2025						
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD HUD METRO FMR AREA						
Households	**30%**	**40%**	**50%**	**60%**	**70%**	**80%**
1	$34,440	$45,920	$57,400	$68,880	$80,360	$91,840
1.5	$36,900	$49,200	$61,500	$73,800	$86,100	$98,400
2	$39,360	$52,480	$65,600	$78,720	$91,840	$104,960
2.5	$41,820	$55,760	$69,700	$83,640	$97,580	$111,520
3	$44,280	$59,040	$73,800	$88,560	$103,320	$118,080
3.5	$46,725	$62,300	$77,875	$93,450	$109,025	$124,600
4	$49,170	$65,560	$81,950	$98,340	$114,730	$131,120
4.5	$51,150	$68,200	$85,250	$102,300	$119,350	$136,400
5	$53,130	$70,840	$88,550	$106,260	$123,970	$141,680
5.5	$55,095	$73,460	$91,825	$110,190	$128,555	$146,920
6	$57,060	$76,080	$95,100	$114,120	$133,140	$152,160
6.5	$59,025	$78,700	$98,375	$118,050	$137,725	$157,400
7	$60,990	$81,320	$101,650	$121,980	$142,310	$162,640
7.5	$62,955	$83,940	$104,925	$125,910	$146,895	$167,880
8	$64,920	$86,560	$108,200	$129,840	$151,480	$173,120
8.5	$66,885	$89,180	$111,475	$133,770	$156,065	$178,360
9	$68,850	$91,800	$114,750	$137,700	$160,650	$183,600
9.5	$70,815	$94,420	$118,025	$141,630	$165,235	$188,840
10	$72,780	$97,040	$121,300	$145,560	$169,820	$194,080
10.5	$74,745	$99,660	$124,575	$149,490	$174,405	$199,320
11	$76,710	$102,280	$127,850	$153,420	$178,990	$204,560
11.5	$78,675	$104,900	$131,125	$157,350	$183,575	$209,800
12	$80,640	$107,520	$134,400	$161,280	$188,160	$215,040
Source: Novogradac; Compiled by: CBRE						

LIHTC RENT LIMITS FOR 2025						
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD HUD METRO FMR AREA						
Beds	**30%**	**40%**	**50%**	**60%**	**70%**	**80%**
0	$861	$1,148	$1,435	$1,722	$2,009	$2,296
1	$922	$1,230	$1,537	$1,845	$2,152	$2,460
2	$1,107	$1,476	$1,845	$2,214	$2,583	$2,952
3	$1,278	$1,705	$2,131	$2,557	$2,983	$3,410
4	$1,426	$1,902	$2,377	$2,853	$3,328	$3,804
5	$1,573	$2,098	$2,623	$3,147	$3,672	$4,197
Source: Novogradac; Compiled by: CBRE						

The following chart summarizes historical Area Median Income for the Washington, DC MSA.

HISTORICAL AMI WASHINGTON, DC MSA		
Year	AMI (Based on 4-Person HH)	% Incresae
2025	$163,900	5.95%
2024	$154,700	1.71%
2023	$152,100	6.89%
2022	$142,300	10.31%
2021	$129,000	2.38%
2020	$126,000	3.87%
2019	$121,300	3.50%
2018	$117,200	6.26%
2017	$110,300	1.57%
2016	$108,600	-0.55%

Source: Novogradac; Compiled by: CBRE

The following chart summarizes market statistics with respect to rent/income restricted (affordable) properties according to data from CoStar Group.

MULTIFAMILY MARKET STATISTICS - WASHINGTON, DC MARKET (AFFORDABLE)

Year	Inventory Bldgs	Inventory Units	Inventory Avg SF	Asking Rent Per Unit	Asking Rent Per SF	Effective Rent Per Unit	Effective Rent Per SF	Effective Rent Concessions %	Occupancy Percent	Under Construction Bldgs	Under Construction Units
2025 Q1	800	85,974	874	$1,634	$1.87	$1,621	$1.85	0.8%	93.1%	24	5,609
2024 Q4	796	85,352	873	$1,623	$1.85	$1,612	$1.84	0.7%	93.2%	26	5,636
2024 Q3	791	84,738	873	$1,616	$1.84	$1,605	$1.83	0.7%	93.5%	28	4,749
2024 Q2	787	83,955	874	$1,603	$1.83	$1,593	$1.82	0.6%	93.4%	27	4,607
2024 Q1	785	83,710	875	$1,582	$1.81	$1,569	$1.79	0.8%	93.2%	28	4,834
2023 Q4	782	83,114	875	$1,569	$1.79	$1,561	$1.78	0.5%	93.6%	27	4,596
2023 Q3	778	82,611	876	$1,563	$1.78	$1,557	$1.78	0.4%	94.4%	27	4,355
2023 Q2	776	82,463	876	$1,548	$1.77	$1,540	$1.76	0.5%	94.8%	24	3,627
2023 Q1	774	82,274	876	$1,520	$1.73	$1,511	$1.72	0.6%	94.9%	24	3,515
2022 Q4	770	81,797	876	$1,508	$1.72	$1,501	$1.71	0.4%	95.6%	25	3,533
2022 Q3	768	81,649	875	$1,499	$1.71	$1,494	$1.70	0.3%	95.7%	26	3,655
2022 Q2	766	81,402	875	$1,482	$1.69	$1,477	$1.68	0.3%	96.8%	26	3,491
2022 Q1	766	81,338	875	$1,455	$1.66	$1,449	$1.65	0.4%	96.5%	23	2,924
2021 Q4	760	80,633	875	$1,441	$1.64	$1,436	$1.64	0.4%	97.1%	26	3,225
2021 Q3	760	80,633	875	$1,423	$1.62	$1,418	$1.62	0.4%	96.9%	19	2,636
2021 Q2	758	80,497	875	$1,414	$1.61	$1,404	$1.60	0.7%	96.4%	16	1,927
2021 Q1	753	79,907	874	$1,400	$1.60	$1,388	$1.58	0.9%	96.0%	18	2,085
2020 Q4	750	79,503	874	$1,392	$1.59	$1,383	$1.58	0.6%	96.0%	20	2,482
2020 Q3	748	79,303	874	$1,387	$1.58	$1,377	$1.57	0.7%	96.3%	20	2,306
2020 Q2	746	79,038	874	$1,379	$1.57	$1,371	$1.56	0.5%	96.4%	20	2,085

Source: CoStar Group; Compiled by: CBRE

Generally, properties with below-market rent/income restrictions tend to have higher occupancy levels and lower rental rates.

Competitive Properties

Comparable properties were surveyed in order to identify the current occupancy within the competitive market. The comparable data is summarized in the following table:

SUMMARY OF COMPARABLE MULTIFAMILY RENTALS				
Comp. No.	Name	Location	Distance from Subject	Occupancy
1	Apartments at 1613 17th Place, SE	1613 17th Place, SE Washington, DC	3.3 Miles	100%
2	Apartments at 1719 27th Street, SE	1719 27th Street, SE Washington, DC	2.9 Miles	85%
3	Apartments at 1712 R Street, SE	1712 R Street, SE Washington, DC	3.3 Miles	100%
4	Penn View	2515 R Street SE Washington, DC	2.9 Miles	100%
5	G Street Apartments	4951-4957 G Street SE Washington, DC	1.2 Miles	85%
6	Astor Place Apartment Homes	5036 Astor Place, SE Washington, DC	0.7 Miles	89%
7	4933 Nannie Helen Burroughs Avenue, SE	4933 Nannie Helen Burroughs Avenue, SE Washington, DC	0.0 Miles	75%
8	Lucky 7	177 36th Street, NE Washington, DC	1.2 Miles	100%
Subject	4935 Nannie Helen Burroughs Avenue, NE	4935 Nannie Helen Burroughs Avenue, NE, Washington, District of Columbia	Stabilized:	93%
Compiled by CBRE				

Some of the rent comparables are below the stabilized occupancy estimate due to higher vacancy.

Subject Analysis

Housing Choice Voucher Program (HCVP)

The following narrative is from the District of Columbia.

> The Housing Choice Voucher Program (HCVP) is run through the District of Columbia’s Housing Authority’s (DCHA) and is federally funded by the U.S. Department of Housing and Urban Development (HUD).
>
> In DC, DCHA administers several voucher programs to help low and moderate-income residents find affordable housing by providing vouchers to help participants pay rent in privately owned properties across the city. Today 10,500 families in the city are HCVP federal participants — and thousands more are on the waiting list.
>
> The Housing Choice Voucher Tenant-Based Program provides rental assistance to eligible families or individuals who find their own housing (single-family homes, townhouses and apartments) as long it meets the requirements of the program. If participants want to move to another location, they simply apply to take their voucher with them to a new home, even out of state. Participants pay a portion of the rent that is based on a percentage of the family’s income (on average about 30 percent), and DCHA pays the rest of the rent directly to the landlord.
>
> In the Housing Choice Voucher Project-Based Program and the Moderate Rehabilitation Program, DCHA links the subsidy payments to specifically designated HCVP units at numerous apartment communities throughout DC. The tenants cannot keep the voucher subsidy if they choose to move, unlike the tenant-based vouchers.
>
> DCHA also administers a separate program, the District of Columbia Local Rent Subsidy Program (LRSP), which is modeled on the federal program but funded by the District of Columbia

government. The program provides 700 tenant-based vouchers, but participants holding these vouchers cannot move out of the District.

More than 3,400 local landlords are providing housing through the voucher program and, in the last year alone, DCHA provided more than $130 million in rent payments — helping to buoy the lives of city residents and contribute to the city's growing economy.

Effective July 1, 2023, the DC Housing Authority (DCHA) is modifying the process for determining rent reasonableness and utility allowances in accordance with HUD guidelines. DCHA has procured software from an industry-leading company to complete unit-by-unit rent reasonableness assessments for the agency. The company is AffordableHousing.com.

Effective July 1, when a Request for Tenancy Approval (RFTA) is submitted, DCHA will use AffordableHousing.com to determine whether the contract rent proposed by the owner is reasonable. This will require landlords to submit information about the location, size, type, and age of the unit, as well as some amenities and utilities provided by the owner. If the contract rent is not reasonable, DCHA, through the landlord portal, will advise the landlord that the rent needs to be reduced for the Agency to continue the leasing process. If the contract rent is determined to be reasonable, DCHA will verify the landlord-reported features during the inspection.

No changes are being made to existing contract rents at this time unless there is a move or a request for rent increase. All requests for rent increases are subject to rent reasonable review. Note that if an increase is requested and the rent reasonable amount is lower than the current contract rent amount, the contract rent will be adjusted as is required by Federal Regulations.

Upon renewal, the rental rates can increase by the CPI percentage plus 2%, but no more than 6%; however, this increase must be supported again through the rent reasonableness process. It should be noted that a property owner is not required to increase the rent on an annual basis. If a rental rate decline is anticipated by the property owner, a prudent property owner would not seek an change in the rental rate (which would potentially risk a lower rent approved by the DCHA).

District of Columbia Rent Control Law

The Rent Control Reform Amendment Act of 2006 took effect in August 2006, and covers all D.C. rental units built before 1975 unless they are specifically exempted by the Act. Under this Act, rents can be increased once per year by the CPI percentage plus 2%, but no more than 10% total (or 5% for tenants determined to be elderly or disabled). Other Allowable Rent Increases beyond the CPI index can be related capital improvements, changes in services, facilities, hardship or substantial rehabilitation, or agreement with 70% of the tenants. The only exception to the limit of one rent increase per year is when a rental unit becomes vacant. Upon vacancy, the rent can be increased up to 10% more than was paid by the previous tenant, or rent for a comparable unit, but no more than 30%.

The subject property is subject to rent control; however, since all units are expected to be occupied by tenants with HCPV vouchers, the rent control laws are not considered to have an impact on the achievable rents.

Absorption and Cost to Achieve Stabilized Operations

While the subject property may experience a robust lease-up pace upon completion (due to the demand for quality housing for tenants with HCVP vouchers), absorption could be slowed due to the logistics of physical move-ins and administrative issues.

Based on the absorption data indicated earlier in this section, actively marketing low-rise-style properties in the market had an absorption pace ranging from 7 to 23 units with an average near 15 units per-month. A low-rise property that recently stabilized in the District of Columbia had an absorption pace of 8 units per-month. Developers and gut-renovation specialists are typically more aggressive with respect to absorption, quoting pace in the 1-3 month range depending on size.

In the analysis, we have absorption period of 1 month. The following chart summarizes the lease-up discount, which will be deducted from each As If Stabilized value indication to render an As If Complete value for the subject.

LEASE-UP SUMMARY			
Estimated Downtime			1 months
Rent Loss from Downtime		($127,206 x 8.3%)	$10,601
Variable Operating Expense Credit @	10%	($4,603 x 8.3%)	($384)
Concessions	0%	($137,088 x 0.0%)	$0
Sub-Total			$10,217
Plus: Profit @ 15%			$1,533
Total			$11,749
Rounded			**$12,000**
Compiled by CBRE			

Occupancy

Based on the foregoing analysis, CBRE, Inc.'s conclusion of stabilized occupancy for the subject is illustrated in the following table. This estimate considers both the physical and economic factors of the market.

OCCUPANCY CONCLUSIONS	
Washington, DC Market	92.6%
Lower Northeast Submarket Cluster	92.7%
Rent Comparables	94.4%
Subject's Current Occupancy	66.7%
Subject's Stabilized Occupancy	93.0%
Lease-up Period	1 months
Compiled by CBRE	

The occupancy rates quoted by CoStar Group represent overall occupancy inclusive of new projects in their initial lease-up and projects that may be under renovation experiencing higher levels of vacancy. Stabilized properties typically have vacancy rates in the +/- 95% range, which is generally consistent with buyer underwriting for stabilized occupancy levels.

Conclusion

Market leasing conditions have generally remained stable over the past 12 months in the Washington, DC multifamily market. Regionally, the labor market remains strong and the unemployment rate has declined to near pre-pandemic levels. Concessions are elevated in submarkets with significantly recently-delivered and/or under construction supply, but have moderated in the broader market following a spike in 2020 and 2021. Rental rates have increased year-over-year, but have moderated following spikes from the significant trough during the pandemic's peak. While market leasing conditions have remained stable, investment market conditions have declined over the past 12 months as upward pressure on capitalization rates due to increasing interest rates has curtailed sales activity and caused a dip in pricing.

Overall, the Washington, DC multifamily market is expected to exhibit stable near term market leasing conditions with rental rates expected to increase. Due to a myriad of factors including demographic trends and increased preferences to rent rather than own (aided by a spike in mortgage interest rates), the long-term projection for the Washington, DC metro apartment rental market is for continued growth.

With respect to the subject in particular, we believe the subject is reasonably well located for an apartment community. It is in good proximity to employment centers, mass transit, retail amenities and major roadways. The surrounding competitive apartment developments are experiencing average to above average levels of demand. Based upon our analysis, multi-family uses on the subject site should enjoy good market acceptance at competitive rental rates upon completion.

Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

As Vacant

Legal Permissibility

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

Physical Possibility

The subject is adequately served by utilities, and has an adequate shape and size, sufficient access, etc., to be a separately developable site. There are no known physical reasons why the subject site would not support any legally probable development (i.e. it appears adequate for development). Existing structures on similar sites provides additional evidence for the physical possibility of development.

Financial Feasibility

As discussed in the market analysis, the subject multifamily market is generally stabilized. Development of new multifamily properties has occurred in the past few years. Further, within the subject market, there are several proposed or under construction multifamily projects in the competitive market. These factors indicate that it would be financially feasible to complete a new multifamily project if the site acquisition cost was low enough to provide an adequate developer's profit.

Maximum Productivity - Conclusion

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land.

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant would be the development of an apartment property, time and circumstances warranting. More specifically, the subject would be developed to maximize the site's allowable density, which is typical of similar projects in this market. Our analysis of the subject and its respective market characteristics indicate the most likely buyer, as if vacant, would be a developer.

As Improved

Legal Permissibility

The site has been improved with an multifamily development that is a legal, non-conforming use.

Physical Possibility

The layout and positioning of the improvements are considered functional for multifamily use. While it would be physically possible for a wide variety of uses, based on the legal restrictions and the design of the improvements, the continued use of the property for multifamily users would be the most functional use.

Financial Feasibility

The financial feasibility of an multifamily property is based on the amount of rent which can be generated, less operating expenses required to generate that income; if a residual amount exists, then the land is being put to a productive use. Based upon the income capitalization approach conclusion, the subject is producing a positive net cash flow and continued utilization of the improvements for multifamily purposes is considered financially feasible.

Based on the estimated renovation costs and corresponding As Complete/Stabilized value, the renovation does not appear to be financially feasible since there is not an adequate return on the renovation costs.

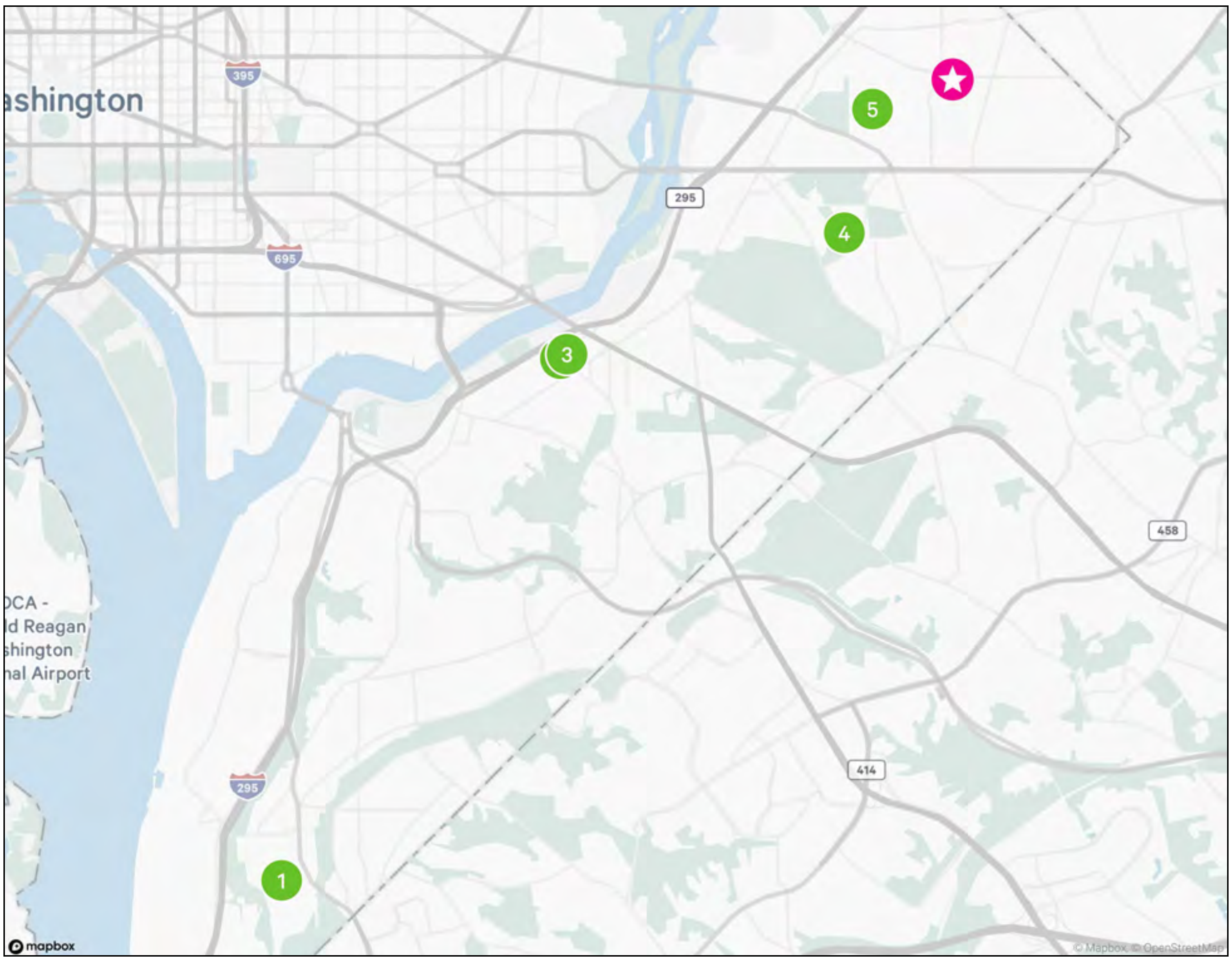
Maximum Productivity - Conclusion

As shown in the applicable valuation sections, buildings that are similar to the subject have been acquired or continue to be used by multifamily owners/tenants. None of the comparable buildings have been acquired for conversion to an alternative use. The most likely buyer for the subject property is considered to be investor-regional.

Based on the foregoing, the highest and best use of the property, as improved, is consistent with the existing use as an multifamily development.

Sales Comparison Approach (As Complete/Stabilized)

The following map and table summarize the comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE MULTIFAMILY SALES

No.	Property Name	Transaction Type	Transaction Date	YOC / Reno'd	Property Type	No. Units	Avg. Unit Size	Distance from Subj	Actual Sale Price	Adjusted Sale Price [1]	Price Per Unit [1]	Occ.	NOI Per Unit	OAR
1	58 Galveston Place SW 58 Galveston Place SW Washington, DC 20032	Sale	Oct-24	1944 / 2020	Multifamily	4	815	6.7 Miles	$899,000	$899,000	$224,750	75%	$14,609	6.50%
2	1949 Naylor Road, SE 1949 Naylor Road, SE Washington, DC 20020	Sale	Sep-24	2022	Multifamily	29	743	3.1 Miles	$7,750,000	$7,750,000	$267,241	0%	$18,707	7.00%
3	1517 Young Street, SE 1517 Young Street, SE Washington, DC 20020	Sale	Aug-24	2024	Multifamily	20	795	3.0 Miles	$5,500,000	$5,500,000	$275,000	0%	$19,250	7.00%
4	423 Burbank Street SE 423 Burbank Street SE Washington, DC 20019	Sale	Aug-24	1953 / 2017	Multifamily	6	600	1.2 Miles	$1,750,000	$1,750,000	$291,667	100%	$17,500	6.00%
5	4255 Eads Street NE 4255 Eads Street NE Washington, DC 20019	Sale	Apr-24	1940 / 2020	Multifamily	4	650	0.5 Miles	$950,000	$950,000	$237,500	100%	$14,250	6.00%
Subj. Pro Forma	4935 Nannie Helen Burroughs Avenue, NE 4935 Nannie Helen Burroughs Avenue, NE Washington, DC 20019		---	1947 / 2019	Multifamily	4	850	---				93%	$20,294	---

[1] Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)

Compiled by CBRE

The sales utilized represent the best data available for comparison with the subject and were selected from improved multifamily sales in the subject's market area. These sales were chosen primarily based upon their sale date, location and age/condition.

The concluded unit of comparison is price per-unit.

Discussion/Analysis of Improved Sales

Improved Sale One

This comparable represents the sale of a four-unit walk-up building at 58 Galveston Place SW in the Anacostia Southeast submarket cluster (Congress Heights submarket) of the District of Columbia. The building was originally constructed in 1944, but was fully renovated in 2020 to include stainless steel appliances and quartz counters. The building had been vacant since the 2020 renovation. The building sold in October 2024 for $899,000 or $224,750 per-unit. The buyer will reportedly occupy one of the units and lease the remaining three units. The proforma capitalization rate was 6.5% according to the listing broker, which is based on full occupancy and rental income.

Improved Sale Two

This comparable represents the sale of a 29-unit multifamily building at 1949 Naylor Road, SE in the Anacostia neighborhood of the District of Columbia. The property delivered in 2022 and sold as-vacant. Major project amenities include bike storage. Units have a full appliance package (stainless) with hard surface counters and in-unit washer/dryers. The property sold as-vacant in September 2024 for $7,750,000 million, or $267,241 per-unit. A listing broker representative noted that leases were in place for all 29 units. As such, no adjustment for occupancy was considered warranted. Based on the proforma net operating income and sale price, the capitalization rate was approximately 7.0%. The property was assessed for TY 2025 at $10,753,730 or 139% of the sale price. Based on the assessment to sales price ratio, the owner will likely seek a tax appeal.

Improved Sale Three

This comparable represents the sale of a 20-unit multifamily building at 1517 Young Street, SE in the Anacostia neighborhood of the District of Columbia. The property delivered in 2024 and sold as-vacant. Major project amenities include bike storage. Units have a full appliance package (stainless) with hard surface counters and in-unit washer/dryers. The property sold as-vacant in August 2024 for $5.5 million, or $275,000 per-unit. A listing broker representative noted that leases were in place for all 20 units. As such, no adjustment for occupancy was considered warranted. Based on the proforma net operating income and sale price, the capitalization rate was approximately 7.0%. The property was assessed for TY 2025 at $7,826,420 or 142% of the sale price. Based on the assessment to sales price ratio, the owner will likely seek a tax appeal.

Improved Sale Four

This comparable represents the sale of a six-unit walk-up building at 423 Burbank Street SE in the Anacostia Southeast submarket cluster (Fort Dupont submarket) of the District of Columbia. The building was originally constructed in 1953, but was fully renovated in 2017 to include stainless steel appliances and hard surface counters. The building sold in August 2024 for $1,750,000 or $291,667 per-unit. The proforma capitalization rate was 6.0% according to the seller.

Improved Sale Five

This comparable represents the sale of a four-unit walk-up building at 4255 Eads Street, NE in the Lower Northeast submarket cluster (Minnesota Ave submarket) and Deanwood neighborhood of the District of Columbia. The building was originally constructed in 1940, but was fully renovated in 2020 to include stainless steel appliances and granite counters. Only three of the four units were occupied when the property was marketed; however, all four units were occupied at the time of the closing. The building sold in April 2024 for $950,000 or $237,500 per-unit. The proforma capitalization rate was 6.0% according to the listing broker.

Summary of Adjustments

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

MULTIFAMILY SALES ADJUSTMENT GRID

Comparable Number	1	2	3	4	5	Subj. Pro Forma
Transaction Type	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Oct-24	Sep-24	Aug-24	Aug-24	Apr-24	---
Interest Transferred	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	---
Year Built/Renovated	1944 / 2020	2022	2024	1953 / 2017	1940 / 2020	1947 / 2019
Property Type	Multifamily	Multifamily	Multifamily	Multifamily	Multifamily	Multifamily
No. Units	4	29	20	6	4	4
Avg. Unit Size	815	743	795	600	650	850
Actual Sale Price	$899,000	$7,750,000	$5,500,000	$1,750,000	$950,000	---
Adjusted Sale Price [1]	$899,000	$7,750,000	$5,500,000	$1,750,000	$950,000	---
Price Per Unit [1]	$224,750	$267,241	$275,000	$291,667	$237,500	---
Occupancy	75%	0%	0%	100%	100%	93%
NOI Per Unit	$14,609	$18,707	$19,250	$17,500	$14,250	$20,294
OAR	6.50%	7.00%	7.00%	6.00%	6.00%	---
Adj. Price Per Unit	$224,750	$267,241	$275,000	$291,667	$237,500	
Property Rights Conveyed	0%	0%	0%	0%	0%	
Financing Terms [1]	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	0%	0%	0%	0%	
Subtotal - Price Per Unit	$224,750	$267,241	$275,000	$291,667	$237,500	
Age/Condition	0%	-5%	-5%	0%	0%	
Project Size	0%	0%	0%	0%	0%	
Location	0%	0%	0%	0%	0%	
Avg. Unit Size/Unit Mix	0%	0%	0%	5%	5%	
Project/Unit Amenities	0%	0%	0%	0%	0%	
Below-Market Rent/Income Restricted Units	0%	0%	0%	0%	0%	
Retail Income	0%	0%	0%	0%	0%	
Other	0%	0%	0%	0%	0%	
Total Other Adjustments	0%	-5%	-5%	5%	5%	
Indicated Value Per Unit	**$224,750**	**$253,879**	**$261,250**	**$306,250**	**$249,375**	
Absolute Adjustment	*0%*	*5%*	*5%*	*5%*	*5%*	

[1] Adjusted for cash equivalency, lease-up and/or deferred maintenance (where applicable)
Compiled by CBRE

The sales are relatively recent transactions, requiring no adjustment for market conditions.

Sales Two and Three are superior to the subject with respect to age/condition, requiring downward adjustment.

While there was some variance among the sales in terms of location, east of the comparables are the located east of the Anacostia River and no location adjustments were considered warranted.

Sales Four and Five were inferior to the subject with respect to average unit size and unit mix, requiring upward adjustment. In addition to the average unit size, we have also considered the subject's higher percentage of larger floorplans in the adjustment.

Sales Comparison Approach Conclusion

The following chart summarizes the comparable sale analysis.

UNADJUSTED/ADJUSTED COMPARABLE SUMMARY				
Comp. No.	Sale Date	Unadjusted $/Unit	Gross Adjustment (%)	Adjusted $/Unit
1	10/3/2024	$224,750	0%	$224,750
2	9/24/2024	$267,241	5%	$253,879
3	8/16/2024	$275,000	5%	$261,250
4	8/16/2024	$291,667	5%	$306,250
5	4/30/2024	$237,500	5%	$249,375
Minimum		$224,750	0%	$224,750
Maximum		$291,667	5%	$306,250
Average		$259,232		$259,101
Median		$267,241		$253,879
Compiled by: CBRE				

Overall, each of the sales required relatively similar gross adjustment and a per-unit value indication near the average and median of the range was considered reasonable.

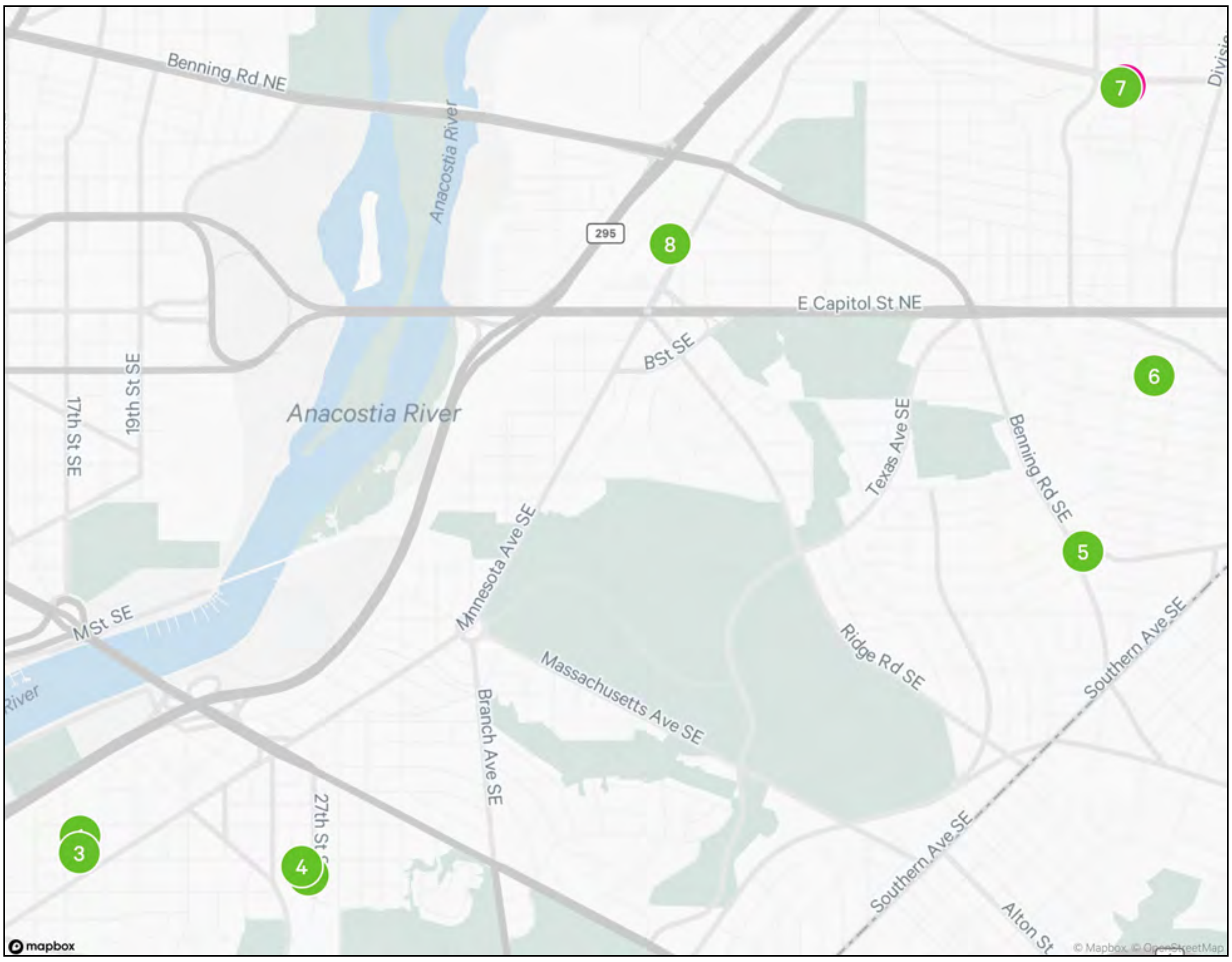
The following table presents the estimated value for the subject as indicated by the sales comparison approach.

SALES COMPARISON APPROACH				
Total Units	**X**	**Value Per Unit**	**=**	**Value**
4	X	$250,000	=	$1,000,000
4	X	$275,000	=	$1,100,000

VALUE CONCLUSION	
Hypothetical As If Stabilized	$1,100,000
Rounded	**$1,100,000**
Lease-Up Discount	(12,000)
Hypothetical As If Complete	$1,088,000
Rounded	**$1,090,000**
Value Per Unit	**$272,500**
Compiled by CBRE	

Income Capitalization Approach (As Complete/Stabilized)

The following map and table summarize the primary comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj	Avg. Unit Size (SF)	Avg. Rent Per Unit	Avg. Rent PSF
	SUMMARY OF COMPARABLE MULTIFAMILY RENTALS								
1	Apartments at 1613 17th Place, SE	1613 17th Place, SE Washington, DC 20020	1938 / 2016	100%	8	3.3 Miles	650	$2,362	$3.63
2	Apartments at 1719 27th Street, SE	1719 27th Street, SE Washington, DC 20020	1952	85%	6	2.9 Miles	733	$2,433	$3.32
3	Apartments at 1712 R Street, SE	1712 R Street, SE Washington, DC 20020	1936	100%	4	3.3 Miles	680	$2,400	$3.53
4	Penn View	2515 R Street SE Washington, DC 20020	1963	100%	92	2.9 Miles	781	$1,547	$1.98
5	G Street Apartments	4951-4957 G Street SE Washington, DC 20019	1967	85%	45	1.2 Miles	833	$1,959	$2.35
6	Astor Place Apartment Homes	5036 Astor Place, SE Washington, DC 20019	1965	89%	9	0.7 Miles	949	$2,083	$2.20
7	4933 Nannie Helen Burroughs Avenue, SE	4933 Nannie Helen Burroughs Avenue, SE Washington, DC 20019	1947	75%	4	0.0 Miles	900	$2,549	$2.83
8	Lucky 7	177 36th Street, NE Washington, DC 20019	1941 / 2022	100%	4	1.2 Miles	1,025	$1,909	$1.86
Subj.	4935 Nannie Helen Burroughs Avenue, NE	4935 Nannie Helen Burroughs Avenue, NE Washington, DC 20019	1947 / 2019	0%	4	---	850	---	

Compiled by CBRE

The rentals utilized represent the best data available for comparison with the subject. They were selected from our research of comparable properties in the subject's neighborhood and the surrounding neighborhoods.

Discussion/Analysis of Rent Comparables

The following chart summarizes a comparison of the subject and comparable operations and amenities.

COMPARISON OF OPERATIONS & AMENITIES (UPON COMPLETION)								
Comp. No.	Comparable	Age/ Quality/ Condition (Upon Completion)	Location	Project Amenities	Unit Finishes	Washer/ Dryer in Unit	Landlord Paid Utilities	Concessions
1	Apartments at 1613 17th Place, SE	Relatively Similar	Relatively Similar	Relatively Similar	Relatively Similar	Yes	Trash	None
2	Apartments at 1719 27th Street, SE	Inferior	Relatively Similar	Relatively Similar	Inferior	No	All included	None
3	Apartments at 1712 R Street, SE	Inferior	Relatively Similar	Relatively Similar	Inferior	Yes	Trash	None
4	Penn View	Relatively Similar	Relatively Similar	Relatively Similar	Relatively Similar	No	Water/sewer, trash	None
5	G Street Apartments	Inferior	Relatively Similar	Relatively Similar	Inferior	No	Water/sewer, gas, trash	None
6	Astor Place Apartment Homes	Relatively Similar	Relatively Similar	Relatively Similar	Relatively Similar	No	All included	None
7	4933 Nannie Helen Burroughs Avenue, SE	Inferior	Relatively Similar	Relatively Similar	Inferior	Yes	Water/sewer, trash	None
8	Lucky 7	Inferior	Relatively Similar	Relatively Similar	Inferior	No	Water/sewer, trash	None
Subject						Yes	Trash	TBD
Compiled by CBRE								

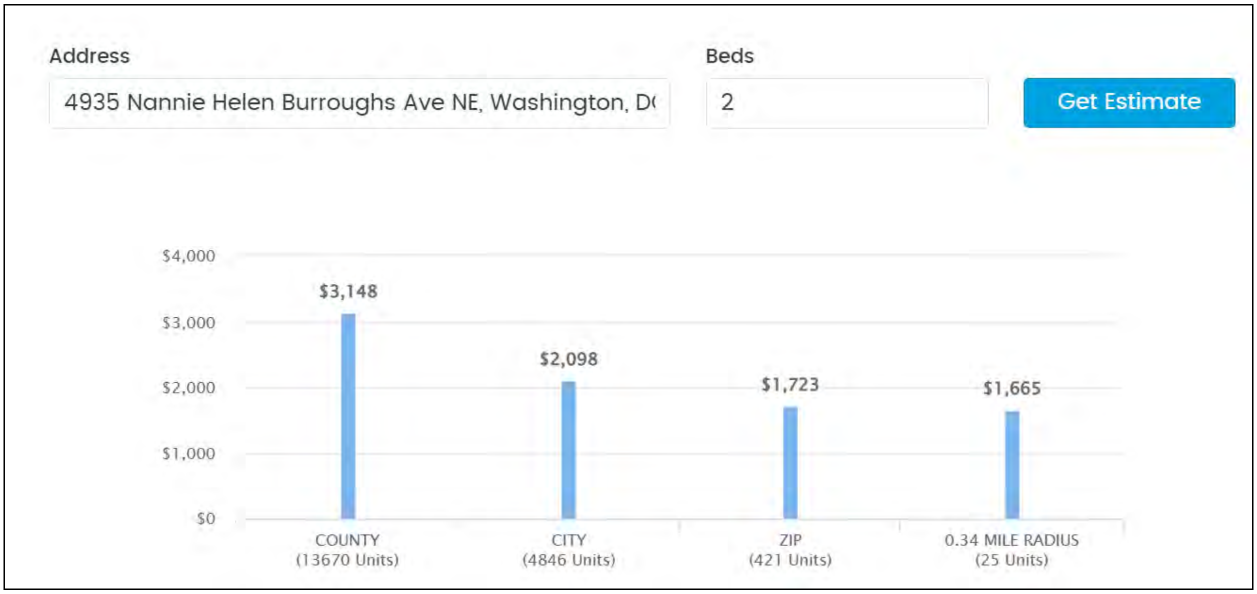
Overall, each of the rent comparables are considered to compete directly with the subject for prospective tenants. While we note that some of the comparables may be similar, slightly superior or slightly inferior to the subject with regard to specific characteristics, each comparable represents a unique combination of specific location, amenities, unit sizes, floor plans, etc. which drives the per unit and per square foot rental rates at each property. Considering the subject's location, project amenities and unit-finishes, the subject's market rental rates are expected to be generally within the range of the competitive set.

Subject Rental Information

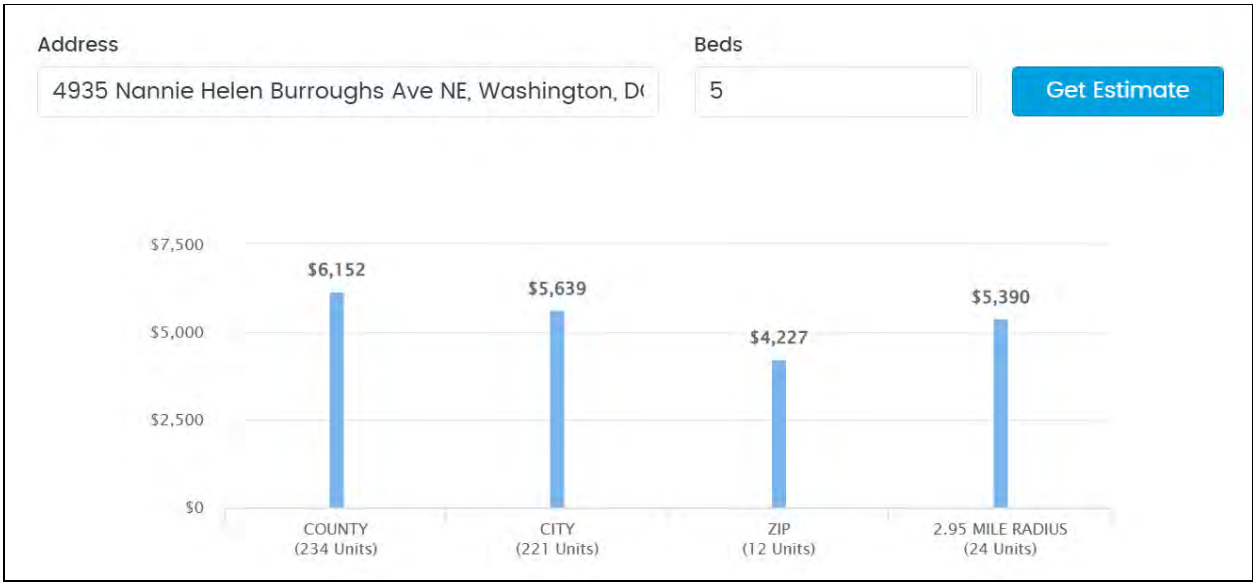
The following table shows the subject's unit mix and quoted rental rates (As Complete/Stabilized).

SUBJECT RENTAL INFORMATION					
Type	No. of Units	Unit Size (SF)	Unit Occ.	Avg. Quoted $/Unit	Rent Per SF
2BR/1BA	2	600	0%	$1,700	$2.83
3BR/2BA	1	1,000	0%	$2,624	$2.62
5BR/2BA	1	1,200	0%	$5,400	$4.50
Total/Average:	4	850	0%	$2,856	$3.36
Compiled by CBRE					

The buyer's proforma rent (indicated as the quoted rent in the chart above), was informed by the rental estimate available via affordablehousing.com (software procured by DCHA to complete unit-by-unit rent reasonableness assessments for the agency). The following charts summarize the rent estimates from affordablehousing.com for each of the subject's unit types.


Address
4935 Nannie Helen Burroughs Ave NE, Washington, D(
Beds
2
Get Estimate
$4,000
$3,000
$2,000
$1,000
$0
$3,148
$2,098
$1,723
$1,665
COUNTY
(13670 Units)
CITY
(4846 Units)
ZIP
(421 Units)
0.34 MILE RADIUS
(25 Units)


Address
4935 Nannie Helen Burroughs Ave NE, Washington, D(
Beds
3
Get Estimate
$4,000
$2,000
$0
$3,723
$2,743
$2,515
$2,611
COUNTY
(3056 Units)
CITY
(1455 Units)
ZIP
(117 Units)
0.66 MILE RADIUS
(24 Units)



Since the subject's units will have stainless appliances, granite counters and in-unit washer/dryers (in addition to being newly renovated/rehabilitated), a rental rate near the higher end of the range would not be unreasonable.

Market Rent Estimate

In order to estimate the market rates for the various floor plans, the subject unit types have been compared with similar units in the comparable projects. The following is a discussion of each unit type.

Two-Bedroom Units

SUMMARY OF COMPARABLE RENTALS
TWO BEDROOM UNITS

Comparable	Plan Type	Size (SF)	Rental Rates $/Mo.	Rental Rates $/SF
G Street Apartments	2BR/1BA	780 SF	$1,427	$1.83
Subject (Avg. Quoted)	***2BR/1BA***	***600 SF***	***$1,700***	***$2.83***
Subject (Concluded)	***2BR/1BA***	***600 SF***	***$1,700***	***$2.83***
Penn View	2BR/1BA	875 SF	$1,715	$1.96
Astor Place Apartment Homes	2BR/1BA	950 SF	$1,750	$1.84
Lucky 7	2BR/2BA	700 SF	$1,885-$2,089	$2.84
Apartments at 1719 27th Street, SE	2BR/1BA	650 SF	$2,100	$3.23

Compiled by CBRE

The subject's quoted rental rates are within the range indicated by the rent comparables.

Considering the available data, monthly market rent for the subject units is estimated at the quoted rent.

Three-Bedroom Units

SUMMARY OF COMPARABLE RENTALS THREE BEDROOM UNITS				
			Rental Rates	
Comparable	**Plan Type**	**Size (SF)**	**$/Mo.**	**$/SF**
G Street Apartments	3BR/2BA	875 SF	$2,096	$2.40
Apartments at 1613 17th Place, SE	3BR/1BA	650 SF	$2,362	$3.63
Apartments at 1712 R Street, SE	3BR/1BA	680 SF	$2,400	$3.53
Apartments at 1719 27th Street, SE	3BR/1BA	750 SF	$2,500	$3.33
4933 Nannie Helen Burroughs Avenue, SE	3BR/1BA	900 SF	$2,549	$2.83
Subject (Concluded)	***3BR/2BA***	***1,000 SF***	***$2,624***	***$2.62***
Subject (Avg. Quoted)	***3BR/2BA***	***1,000 SF***	***$2,624***	***$2.62***
Astor Place Apartment Homes	3BR/1BA	950 SF	$2,750	$2.89
Compiled by CBRE				

The subject’s quoted rental rates are within the range indicated by the rent comparables.

Considering the available data, monthly market rent for the subject units is estimated at the quoted rent.

Four and Five-Bedroom Units

SUMMARY OF COMPARABLE RENTALS FOUR AND FIVE BEDROOM UNITS				
			Rental Rates	
Comparable	**Plan Type**	**Size (SF)**	**$/Mo.**	**$/SF**
G Street Apartments	4BR/2BA	950 SF	$2,558	$2.69
Subject (Avg. Quoted)	***5BR/2BA***	***1,200 SF***	***$5,400***	***$4.50***
Subject (Concluded)	***5BR/2BA***	***1,200 SF***	***$5,400***	***$4.50***
Compiled by CBRE				

The subject’s quoted rental rates are above the range indicated by the rent comparables, but relatively consistent with the information from the Rent Reasonableness tool indicated earlier in this section.

Considering the available data, monthly market rent for the subject units is estimated at the quoted rent.

Market Rent Conclusions

The following chart shows the market rent conclusions for the subject:

MARKET RENT CONCLUSIONS									
No.		Unit		Monthly Rent			Annual Rent		Annual
Units	Unit Type	Size (SF)	Total SF	$/Unit	$/SF	PRI	$/Unit	$/SF	Total
2	2BR/1BA	600	1,200	$1,700	$2.83	$3,400	$20,400	$34.00	$40,800
1	3BR/2BA	1,000	1,000	$2,624	$2.62	$2,624	$31,488	$31.49	$31,488
1	5BR/2BA	1,200	1,200	$5,400	$4.50	$5,400	$64,800	$54.00	$64,800
4		850	3,400	$2,856	$3.36	$11,424	$34,272	$40.32	$137,088
Compiled by CBRE									

Potential Rental Income Conclusion

Within this analysis, potential rental income is estimated based upon:

POTENTIAL RENTAL INCOME		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$137,088	$34,272
Expense Comparable 1	---	$31,610
Expense Comparable 2	---	$61,133
Expense Comparable 3	---	$23,133
Expense Comparable 4	---	$28,774
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$137,088**	**$34,272**
Compiled by CBRE		

Operating History

The following table presents available operating data for the subject.

OPERATING HISTORY				
Year-Occupancy	Buyer Budget (Current)	93.0%	Pro Forma	93.0%
	Total	$/Unit	Total	$/Unit
INCOME				
Potential Rental Income	$137,088	$34,272	$137,088	$34,272
Loss to Lease	-	-	-	-
Concessions	-	-	-	-
Adjusted Rental Income	**$137,088**	**$34,272**	**$137,088**	**$34,272**
Vacancy	(9,596)	(2,399)	(9,596)	(2,399)
Credit Loss	-	-	(685)	(171)
Net Rental Income	**$127,492**	**$31,873**	**$126,806**	**$31,702**
Other Income	-	-	400	100
Parking Income	-	-	-	-
RUBS/Utility Income	-	-	-	-
Effective Gross Income	**$127,492**	**$31,873**	**$127,206**	**$31,802**
EXPENSE				
Real Estate Taxes	$6,800	$1,700	$8,500	$2,125
Property Insurance	2,160	540	2,400	600
Utilities	7,680	1,920	8,000	2,000
Administrative & General	1,800	450	2,000	500
Repairs & Maintenance	23,620	5,905	16,000	4,000
Management Fee	8,801	2,200	7,632	1,908
Payroll	-	-	-	-
Non-Revenue Units	-	-	-	-
Advertising & Leasing	500	125	100	25
Other	-	-	-	-
Replacement Reserves	1,000	250	1,400	350
Total Operating Expenses	**$52,361**	**$13,090**	**$46,032**	**$11,508**
Net Operating Income	**$75,131**	**$18,783**	**$81,174**	**$20,294**
Management Fee (% of EGI)	*6.9%*		*6.0%*	
Source: Operating statements				

Loss to Lease

Within the local market, buyers and sellers typically recognize a reduction in potential rental income due to the difference between market and contract rental rates. In this market, lease rates are typically flat and are anticipated to roll to market every twelve months on average. As a result, actual collections typically lag behind market rates by approximately twelve months. Additionally, some leases may not be marked to market as an incentive for higher retention.

No loss to lease deduction was considered warranted since the subject property will be newly renovated upon completion and market rent has been estimated with no existing leases to roll over.

Concessions

Rent concessions are currently not prevalent in the local market for buildings targeted for HCVP voucher occupancy. No concessions loss was considered warranted.

CONCESSIONS

Year	Total	% of PGI
Buyer Budget (Current)	$0	0.0%
Expense Comparable 1	---	0.0%
Expense Comparable 2	---	0.0%
Expense Comparable 3	---	0.0%
Expense Comparable 4	---	0.0%
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$0**	**0.0%**

Compiled by CBRE

Vacancy

The subject's estimated stabilized occupancy rate was previously discussed in the market analysis. The subject's vacancy is detailed as follows:

VACANCY

Year	Total	% of ARI
Buyer Budget (Current)	($9,596)	7.0%
Expense Comparable 1	---	10.1%
Expense Comparable 2	---	5.0%
Expense Comparable 3	---	12.6%
Expense Comparable 4	---	0.0%
CBRE Estimate - Hypothetical As If Complete/Stabilized	**($9,596)**	**7.0%**

Compiled by CBRE

While HCVP vouchers do not expire, it is known that certain tenants do not pass bi-annual inspections and lose their subsidy as a result. It takes 60 days on average to re-lease any vacant units given the new Rent Reasonable process. As such our concluded vacancy rate is above 5%.

Credit Loss

The credit loss estimate is an allowance for nonpayment of rent or other income. The subject's credit loss is detailed as follows:

CREDIT LOSS		
Year	Total	% of ARI
Buyer Budget (Current)	$0	0.0%
Expense Comparable 1	---	0.0%
Expense Comparable 2	---	0.0%
Expense Comparable 3	---	0.0%
Expense Comparable 4	---	0.0%
CBRE Estimate - Hypothetical As If Complete/Stabilized	**($685)**	**0.5%**

Compiled by CBRE

We have concluded on a small credit loss deduction to reflect delinquencies associated with non-payment of tenant's portion of the rental rate.

Other Income

Other income is supplemental to that derived from leasing of the improvements. This includes categories such as late fees, pet fees, etc. The subject's income is detailed as follows:

OTHER INCOME		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$0	$0
Expense Comparable 1	---	$340
Expense Comparable 2	---	$0
Expense Comparable 3	---	$283
Expense Comparable 4	---	$152
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$400**	**$100**

Compiled by CBRE

Our per-unit estimate is within the range indicated by the expense comparables, but above the buyer budget.

RUBS/Utility Income

The subject will not have any reimbursed utility income.

Effective Gross Income

The subject's effective gross income is detailed as follows:

EFFECTIVE GROSS INCOME		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$127,492	$31,873
Expense Comparable 1	---	$28,745
Expense Comparable 2	---	$58,076
Expense Comparable 3	---	$20,500
Expense Comparable 4	---	$28,926
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$127,206**	**$31,802**
Compiled by CBRE		

Operating Expense Analysis

Expense Comparables

The following chart summarizes expenses obtained from comparable properties.

EXPENSE COMPARABLES					
Comparable Number	1	2	3	4	Subject
Location	DC	DC	DC	DC	Washington, DC
Units	10	5	12	28	4
Year Built	1953	1940 (2025 Ren.)	1966	1917 (2012 Ren.)	1947
Type	Walk-Up	Walk-Up	Walk-Up	Walk-Up	Walk-Up
Period	2024 Budget	Stab. Budget	2024	2025 Budget	Pro Forma
Revenues	$/Unit	$/Unit	$/Unit	$/Unit	$/Unit
Potential Rental Income	$31,610	$61,133	$23,133	$28,774	$34,272
Loss to Lease	-	-	-	-	-
Concessions	-	-	-	-	-
Adjusted Rental Income	**$31,610**	**$61,133**	**$23,133**	**$28,774**	**$34,272**
Vacancy	(3,205)	(3,057)	(2,916)	-	(2,399)
Credit Loss	-	-	-	-	(171)
Net Rental Income	**$28,405**	**$58,076**	**$20,217**	**$28,774**	**$31,702**
Other Income	$340	$0	$283	$152	$100
Parking Income	$0	$0	$0	$0	$0
RUBS/Utility Income	$0	$0	$0	$0	
Effective Gross Income	**$28,745**	**$58,076**	**$20,500**	**$28,926**	**$31,802**
Expenses					
Real Estate Taxes	$1,036	$872	$570	$1,987	$2,125
Property Insurance	540	750	450	425	600
Utilities	2,268	2,500	4,175	1,580	2,000
Administrative & General	653	-	578	447	500
Repairs & Maintenance	2,000	2,150	767	1,625	4,000
Management Fee	2,300	2,904	1,640	868	1,908
Payroll	-	-	-	1,860	-
Non-Revenue Units	-	-	-	-	-
Advertising & Leasing	-	-	-	110	25
Other	-	-	-	-	-
Replacement Reserves	-	-	-	-	350
Total Operating Expenses	**$8,797**	**$9,176**	**$8,179**	**$8,901**	**$11,508**
Operating Expenses Excluding Taxes	7,761	8,304	7,609	6,914	9,383
Operating Expense Ratio	30.6%	15.8%	39.9%	30.8%	36.2%
Management Fee (% of EGI)	*8.0%*	*5.0%*	*8.0%*	*3.0%*	*6.0%*

² The median total differs from the sum of the individual amounts.

Compiled by CBRE

The expense comparables utilized represent the best data available for comparison with the subject.

A discussion of each expense category is presented on the following pages.

Real Estate Taxes

The comparable data and projections for the subject are summarized as follows:

REAL ESTATE TAXES		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$6,800	$1,700
Expense Comparable 1	---	$1,036
Expense Comparable 2	---	$872
Expense Comparable 3	---	$570
Expense Comparable 4	---	$1,987
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$8,500**	**$2,125**
Compiled by CBRE		

Our estimate is based on the information presented in the Tax Analysis.

Property Insurance

Property insurance expenses typically include fire and extended coverage and owner's liability coverage. The comparable data and projections for the subject are summarized as follows:

PROPERTY INSURANCE		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$2,160	$540
Expense Comparable 1	---	$540
Expense Comparable 2	---	$750
Expense Comparable 3	---	$450
Expense Comparable 4	---	$425
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$2,400**	**$600**
Compiled by CBRE		

Our per-unit estimate is within the range indicated by the expense comparables and relatively consistent with the buyer budget.

Utilities

Utility expenses include electricity, natural gas, water, trash and sewer. The comparable data and projections for the subject are summarized as follows:

UTILITIES		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$7,680	$1,920
Expense Comparable 1	---	$2,268
Expense Comparable 2	---	$2,500
Expense Comparable 3	---	$4,175
Expense Comparable 4	---	$1,580
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$8,000**	**$2,000**
Compiled by CBRE		

Our per-unit estimate is within the range indicated by the expense comparables and relatively consistent with the buyer budget.

Administrative & General

Administrative expenses typically include legal costs, accounting, telephone, supplies, furniture, temporary help and items that are not provided by off-site management. The comparable data and projections for the subject are summarized as follows:

ADMINISTRATIVE & GENERAL		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$1,800	$450
Expense Comparable 1	---	$653
Expense Comparable 2	---	$0
Expense Comparable 3	---	$578
Expense Comparable 4	---	$447
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$2,000**	**$500**
Compiled by CBRE		

Our per-unit estimate is within the range indicated by the expense comparables, but above the buyer budget.

Repairs and Maintenance

Repairs and maintenance expenses typically include all outside maintenance service contracts and the cost of maintenance and repairs supplies. The comparable data and projections for the subject are summarized as follows:

REPAIRS & MAINTENANCE		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$23,620	$5,905
Expense Comparable 1	---	$2,000
Expense Comparable 2	---	$2,150
Expense Comparable 3	---	$767
Expense Comparable 4	---	$1,625
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$16,000**	**$4,000**
Compiled by CBRE		

Our per-unit estimate is above the range indicated by the expense comparables, but below the buyer budget. The subject may have maintenance needs in the future due to the shoddy workmanship of the prior owner.

Management Fee

Management expenses are typically negotiated as a percentage of collected revenues (i.e., effective gross income). The comparable data and projections for the subject are summarized as follows:

MANAGEMENT FEE		
Year	Total	% of EGI
Buyer Budget (Current)	$8,801	6.9%
Expense Comparable 1	---	8.0%
Expense Comparable 2	---	5.0%
Expense Comparable 3	---	8.0%
Expense Comparable 4	---	3.0%
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$7,632**	**6.0%**
Compiled by CBRE		

Our estimate is within the range indicated by the expense comparables and relatively consistent with the buyer budget.

Payroll

Payroll expenses typically include all payroll and payroll related items for all directly employed administrative personnel. Not included are the salaries or fees for off-site management firm personnel and services.

Smaller properties similar to the subject property typically have no on-site payroll staff and the payroll cost is included in the higher management fee. As such, we have not included any additional payroll expense at the subject.

Non-Revenue Units

Non-revenue units represent otherwise rentable units which are not available for lease due to their use for other purposes such as employee occupied units and/or model units. The lost revenue, which would have been generated by these units if leased, is deducted as an operating expense.

Competitively sized properties can typically operate without a model unit and with no discounts to employees. No non-revenue unit expense was considered warranted.

Advertising and Leasing

Advertising and leasing expenses typically include all costs associated with the promotion of the subject including advertisements in local publications, trade publications, internet sites, et cetera. The comparable data and projections for the subject are summarized as follows:

ADVERTISING & LEASING		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$500	$125
Expense Comparable 1	---	$0
Expense Comparable 2	---	$0
Expense Comparable 3	---	$0
Expense Comparable 4	---	$110
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$100**	**$25**
Compiled by CBRE		

Our per-unit estimate is within the range indicated by the expense comparables and relatively consistent with the buyer budget.

Reserves for Replacement

Reserves for replacement have been estimated based on discussions with knowledgeable market participants who indicate a range from $200 to $300 per unit for comparable properties. We have also considered comparable data. The following chart summarizes the comparable data.

COMPARABLE RESERVES DATA					
No.	Construction Type	No. Units	Year Built	Per-Unit Reserves (Un-Inflated)	Per-Unit Reserves (Inflated)
1	Garden, Walk-Up	316	1988	$248	$292
2	Garden, Walk-Up	388	1962	$218	$258
3	Garden, Walk-Up	240	2000	$352	$406
4	Garden, Walk-Up	396	2007	$255	$300
5	Garden, Walk-Up	400	1985	$266	$313
6	Townhome	169	2023	$124	$153
7	Mid/High-Rise	178	1967	$292	$344
8	Garden, Walk-Up	264	1985	$244	$289
9	Garden, Walk-Up	159	1950	$292	$345
10	Garden, Walk-Up	500	1972	$294	$349
11	Garden, Walk-Up	132	1983	$230	$274
12	Garden, Walk-Up	190	1996	$259	$304
13	Garden, Walk-Up	344	1966	$242	$285
			Min.	$124	$153
			Max.	$352	$406
			Avg.	$255	$301
Source: Property Condition Assessments; Compiled by: CBRE					

We have estimated reserves for replacement at $350 per unit, which is below the buyer budget.

Operating Expense Conclusion

The comparable data and projections for the subject are summarized as follows:

TOTAL OPERATING EXPENSES		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$52,361	$13,090
Expense Comparable 1	---	$8,797
Expense Comparable 2	---	$9,176
Expense Comparable 3	---	$8,179
Expense Comparable 4	---	$8,901
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$46,032**	**$11,508**
Compiled by CBRE		

OPERATING EXPENSES WITH EXCLUSIONS*		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$44,561	$11,140
Expense Comparable 1	---	$7,761
Expense Comparable 2	---	$8,304
Expense Comparable 3	---	$7,609
Expense Comparable 4	---	$6,914
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$36,132**	**$9,033**
** Excluding: Real Estate Taxes, Other and Replacement Reserves*		
Compiled by CBRE		

Our per-unit estimate (net of the above-referenced exclusions) is within the range indicated by the expense comparables, and relatively consistent with the buyer budget.

Net Operating Income Conclusion

The comparable data and projections for the subject are summarized as follows:

NET OPERATING INCOME		
Year	Total	$/Unit/Yr
Buyer Budget (Current)	$75,131	$18,783
Expense Comparable 1	---	$19,949
Expense Comparable 2	---	$48,900
Expense Comparable 3	---	$12,321
Expense Comparable 4	---	$20,025
CBRE Estimate - Hypothetical As If Complete/Stabilized	**$81,174**	**$20,294**
Compiled by CBRE		

Summary of Conclusions

The following chart summarizes the subject's historical operating history and/or budget, along with expenses obtained from comparable properties. CBRE's conclusions are also included:

COMPARABLE EXPENSE ANALYSIS								
	Subject Operating		Comparables					Subject
Period	Buyer Budget (Current)		Comp 1	Comp 2	Comp 3	Comp 4		Conclusion
		Location	DC	DC	DC	DC		
		Units	10	5	12	28		
		Year Built	1953	Ren.)	1966	Ren.)		
		Type	Walk-Up	Walk-Up	Walk-Up	Walk-Up		
		Period	2024 Budget	Stab. Budget	2024	2025 Budget		
Range Names	$/Unit/Yr		$/Unit/Yr	$/Unit/Yr	$/Unit/Yr	$/Unit/Yr		$/Unit/Yr
Potential Rental Income	$34,272		$31,610	$61,133	$23,133	$28,774		$34,272
Loss to Lease	-		-	-	-	-	0.00%	-
Concessions	-		-	-	-	-	0.00%	-
Adjusted Rental Income	**$34,272**		**$31,610**	**$61,133**	**$23,133**	**$28,774**		**$34,272**
Vacancy	(2,399)		(3,205)	(3,057)	(2,916)	-	7.00%	(2,399)
Credit Loss	-		-	-	-	-	0.50%	(171)
Net Rental Income	**$31,873**		**$28,405**	**$58,076**	**$20,217**	**$28,774**		**$31,702**
Other Income	-		340	-	283	152		100
Parking Income	-		-	-	-	-		-
	-		-	-	-	-		-
RUBS/Utility Income	-		-	-	-	-		-
Effective Gross Income	**$31,873**		**$28,745**	**$58,076**	**$20,500**	**$28,926**		**$31,802**
Expenses								
Real Estate Taxes	$1,700		$1,036	$872	$570	$1,987		$2,125
Property Insurance	540		540	750	450	425		600
Utilities	1,920		2,268	2,500	4,175	1,580		2,000
Administrative & General	450		653	-	578	447		500
Repairs & Maintenance	5,905		2,000	2,150	767	1,625		4,000
Management Fee	2,200		2,300	2,904	1,640	868	6.00%	1,908
Payroll	-		-	-	-	1,860		-
Non-Revenue Units	-		-	-	-	-		-
Advertising & Leasing	125		-	-	-	110		25
Other	-		-	-	-	-		-
Replacement Reserves	250		-	-	-	-		350
Total Operating Expenses	**$13,090**		**$8,797**	**$9,176**	**$8,179**	**$8,901**		**$11,508**
Operating Expenses Excluding Taxes	$11,390		$7,761	$8,304	$7,609	$6,914		$9,383
Operating Expense Ratio	41.1%		30.6%	15.8%	39.9%	30.8%		36.2%
Management Fee	*6.9%*		*8.0%*	*5.0%*	*8.0%*	*3.0%*		*6.0%*
Vacancy	*-7.0%*		*-10.1%*	*-5.0%*	*-12.6%*	*0.0%*		*-7.0%*
Credit Loss	*0.0%*		*0.0%*	*0.0%*	*0.0%*	*0.0%*		*-0.5%*
Concessions	*0.0%*		*0.0%*	*0.0%*	*0.0%*	*0.0%*		*0.0%*

Compiled by CBRE

Direct Capitalization

Direct capitalization is a method used to convert a single year's estimated stabilized net operating income into a value indication. The following subsections represent different techniques for deriving an overall capitalization rate.

Comparable Sales

The overall capitalization rates (OARs) confirmed for the comparable sales analyzed in the sales comparison approach are as follows:

COMPARABLE CAPITALIZATION RATES					
Sale	Sale Date	Sale Price $/Unit	Occupancy	Buyer's Primary Analysis	OAR
1	Oct-24	$224,750	75%	Pro Forma (Stabilized)	6.50%
2	Sep-24	$267,241	0%	Pro Forma (Stabilized)	7.00%
3	Aug-24	$275,000	0%	Pro Forma (Stabilized)	7.00%
4	Aug-24	$291,667	100%	Pro Forma (Stabilized)	6.00%
5	Apr-24	$237,500	100%	Pro Forma (Stabilized)	6.00%
Indicated OAR:			93%		**6.00%-7.00%**

Compiled by CBRE

The overall capitalization rates for these sales were derived based upon the actual or pro-forma income characteristics of the property. Each of the sales transpired within the past +/- 12 months.

We have also considered recent events and prevailing market conditions with respect to capitalization rates. This includes the higher cost of capital that began 2022 and recent rate cuts from the Federal Reserve. The cap rate conclusion also considers buyers and sellers sentiment around slow job growth and the potential for an economic downturn. While the overall long-term outlook for commercial real estate remains positive, the full effect of these factors may not yet be reflected in transactional data or may be lagging recent changes. Overall, the relative uncertainty has been considered with respect to our conclusion herein.

Published Investor Surveys

The results of the most recent investor surveys are summarized in the following chart.

OVERALL CAPITALIZATION RATES		
Investment Type	OAR Range	Average
RERC (4Q24, 1st Tier, East Investment Criteria)		
National Data	5.20% - 7.00%	5.80%
Washington, DC Market		5.60%
RERC (4Q24, 2nd Tier, East Investment Criteria)		
National Data	5.50% - 8.50%	6.80%
RERC (4Q24, 3rd Tier, East Investment Criteria)		
National Data	5.60% - 9.50%	7.60%
RealtyRates.com - Apartments (1st Qtr. 2025)		
Apartments	5.24% - 12.03%	8.36%
Garden/Suburban TH	5.24% - 11.03%	7.70%
PwC Apartment (1st Qtr. 2025)		
National Data	4.00% - 6.25%	5.25%
Indicated OAR:		**7.50%**
Compiled by CBRE		

Market Participants

The results of recent interviews with knowledgeable real estate professionals are summarized in the following table.

OVERALL CAPITALIZATION RATES			
Respondent	OAR	Income	Date of Survey
Regional Brokerage	+/- 7.5%	Proforma, Stabilized, As-Renovated	Jun-25
Regional Brokerage	+/- 7.5%	Proforma, Stabilized, As-Renovated	Jun-25
Indicated OAR:			**+/- 7.5%**
Compiled by CBRE			

Capitalization Rate Conclusion

The following chart summarizes the OAR conclusions.

OVERALL CAPITALIZATION RATE - CONCLUSION	
Source	Indicated OAR
Comparable Sales	6.00%-7.00%
Published Surveys	7.50%
Market Participants	+/- 7.5%
CBRE Estimate	**7.50%**
Compiled by CBRE	

Overall, an OAR in the higher portion of the range is considered appropriate for the following reasons:

Strengths/Opportunities

- The subject was renovated in 2019.
- The renovated units include hard surface countertops, built-in microwaves and in-unit washer/dryers (although some of the appliances will require replacement).
- The Minnesota Avenue Metrorail station is located less than one mile west of the subject.

Weaknesses/Threats

- The subject was built in 1947 and is in fair condition.
- While the subject was renovated in 2019, a buyer representative noted that shoddy workmanship will result in additional rehabilitation costs.
- Recent cuts to the federal workforce are causing some economic uncertainty in the Washington, DC market. While it is premature to discern any specific effects on rent growth, occupancy, capitalization rates, etc., market participants have indicated there are concerns among multifamily investors and developers regarding the market.
- Commercial real estate market conditions have deteriorated at the macro level due to the significant increase in the cost of capital beginning in 2022 reducing the volume of transaction activity. Over the past few years, this has impacted price discovery and created an increase in uncertainty.
- Recent tariffs implemented by the US have created global economic uncertainty. The outcome of the US tariffs, retaliatory tariffs, and global trade disruption is uncertain as of the date of value. Macro-economic conditions may change and impact the value of commercial real estate.

Direct Capitalization Summary

A summary of the direct capitalization is illustrated in the following chart.

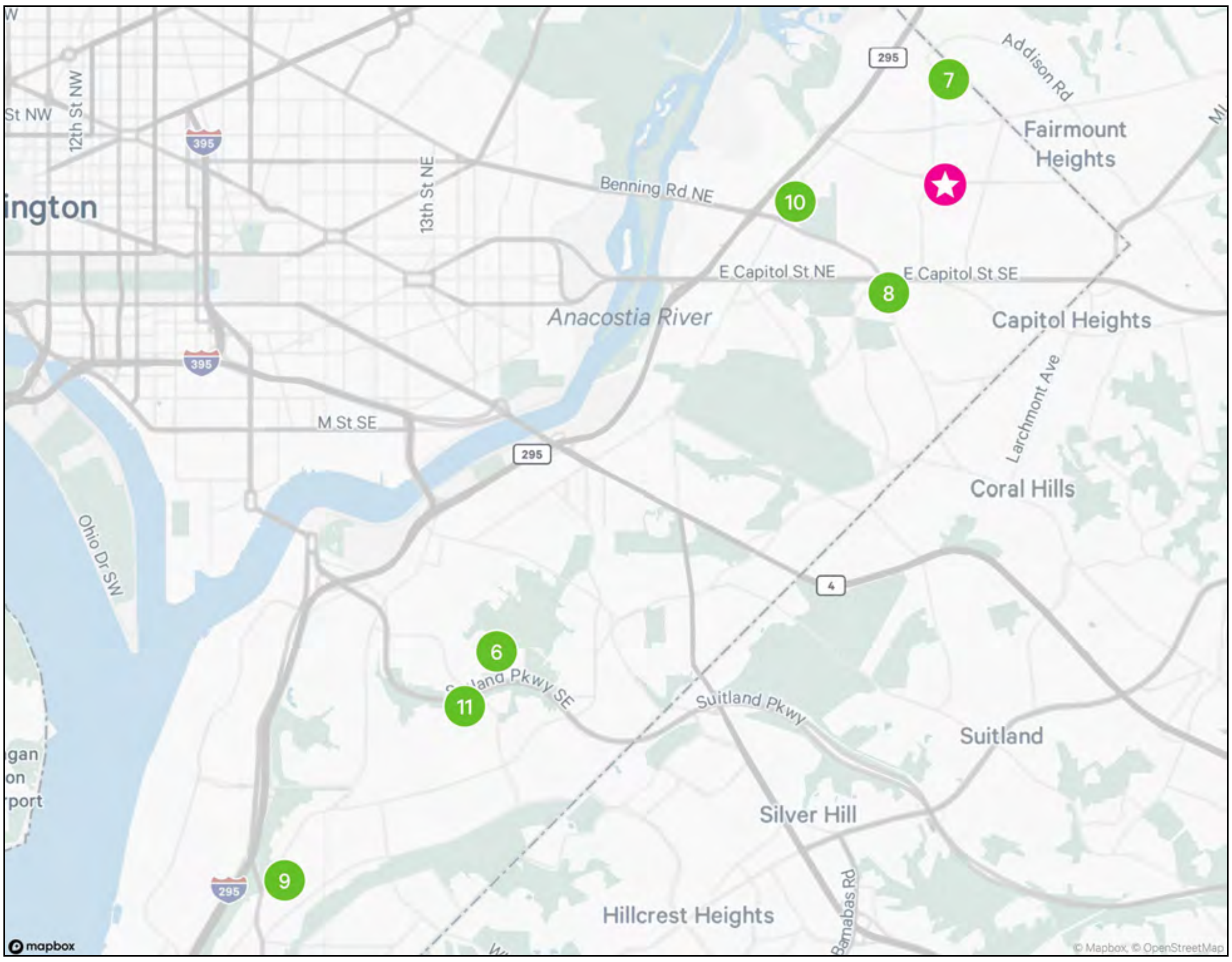
DIRECT CAPITALIZATION SUMMARY - HYPOTHETICAL AS IF COMPLETE/STABILIZED

Income		$/Unit/Yr	Total
Potential Rental Income		$34,272	$137,088
Loss to Lease	0.00%	0	0
Concessions	0.00%	0	0
Adjusted Rental Income		**$34,272**	**$137,088**
Vacancy	7.00%	(2,399)	(9,596)
Credit Loss	0.50%	(171)	(685)
Net Rental Income		**$31,702**	**$126,806**
Other Income		100	400
Parking Income		0	0
RUBS/Utility Income		0	0
Effective Gross Income		**$31,802**	**$127,206**
Expenses			
Real Estate Taxes		$2,125	8,500
Property Insurance		600	2,400
Utilities		2,000	8,000
Administrative & General		500	2,000
Repairs & Maintenance		4,000	16,000
Management Fee	6.00%	1,908	7,632
Payroll		0	0
Non-Revenue Units		0	0
Advertising & Leasing		25	100
Other		0	0
Replacement Reserves		350	1,400
Total Operating Expenses		**$11,508**	**$46,032**
Operating Expenses Excluding Taxes		$9,383	37,532
Operating Expense Ratio			36.19%
Net Operating Income		**$20,294**	**$81,174**
OAR		÷	**7.50%**
Hypothetical As If Stabilized	**May 28, 2025**		**$1,082,320**
Rounded			**$1,080,000**
Lease-Up Discount			(12,000)
Hypothetical As If Complete	**May 28, 2025**		**$1,070,320**
Rounded			**$1,070,000**
Value Per Unit			**$267,500**

Compiled by CBRE

Sales Comparison Approach (As Is)

The following map and table summarize the comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE APARTMENT SALES

No.	Name	Transaction Type	Transaction Date	Interest Transferred	YOC / Reno'd	Property Type	No. Units	Avg. Unit Size	Distance from Subj	Actual Sale Price	Adjusted Sale Price [1]	Price Per Unit [1]	Occ.	NOI Per Unit	OAR
6	Apartments at 1625 Morris Rd SE 1625 Morris Rd SE Washington, DC 20020	Sale	Mar-25	Leased Fee	1953	Multifamily	26	601	4.0 Miles	$2,808,000	$2,808,000	$108,000	65%	$7,560	7.00%
7	Apartments at 4936 Nash St NE 4936 Nash St NE Washington, DC 20019	Sale	Aug-24	Leased Fee	1963	Multifamily	12	583	0.6 Miles	$1,145,000	$1,145,000	$95,417	50%	$7,667	8.03%
8	Apartments at 4540 Benning Rd SE 4540 Benning Rd SE Washington, DC 20019	Sale	Apr-24	Leased Fee	1947 / 2011	Multifamily	13	608	0.7 Miles	$1,375,000	$1,375,000	$105,769	85%	$10,499	9.93%
9	Apartments at 113-115 Wilmington Pl SE 113-115 Wilmington Pl SE Washington, DC 20032	Sale	Apr-24	Leased Fee	1967	Multifamily	36	642	5.9 Miles	$4,050,000	$4,050,000	$112,500	98%	$7,313	6.50%
10	Minnesota Commons 4069-4089 Minnesota Avenue, NE Washington, DC 20019	Sale	Mar-24	Leased Fee	1942	Multifamily	83	869	0.9 Miles	$10,790,000	$10,790,000	$130,000	50%		
11	Apartments at 2501-2505 12th Pl SE 2501-2505 12th Pl SE Washington, DC 20020	Sale	Jan-24	Leased Fee	1965	Multifamily	24	1,078	4.3 Miles	$3,264,000	$3,264,000	$136,000	95%	$10,064	7.40%
Subj. Pro Forma	4935 Nannie Helen Burroughs Avenue, NE 4935 Nannie Helen Burroughs Avenue, NE Washington, DC 20019		---	---	1947 / 2019		6	633					93%	$20,294	---

[1] Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)

Compiled by CBRE

The sales utilized represent the best data available for comparison with the subject and were selected from improved multifamily sales in the subject's market area. These sales were chosen primarily based upon their sale date, location and age/condition.

The concluded unit of comparison is price per-unit.

These sales were more similar to the subject in its current condition.

Discussion/Analysis of Improved Sales

Improved Sale Six

This comparable represents the sale of a 26-unit multifamily walk up property located at 1625 Morris Rd SE in the Fort Stanton neighborhood in the District of Columbia. The unit mix consisted of 12 one-bedroom units and 14 two-bedroom units. We understand that approximately 50% of the in-place tenants were HCVP tenants. The property sold in March 2025 for $2,808,000 or $108,000 per unit. The broker noted a stabilized capitalization rate of 7.00%.

Improved Sale Seven

This comparable is a 12-unit multi-family walk-up property located at 4936 Nash St NE in the Deanwood neighborhood of the District of Columbia. The property consists of one, three-story apartment buildings. The improvements were constructed in 1963 and were in average condition at the time of sale. The units have full appliance package (white). Six units had balconies. The amenities include laundry facilities. The unit mix consisted of 1 studio unit and 11 one-bedroom units. The broker noted that one-bedroom units could be converted into two-bedroom units with minimal capital expenditure ($5,000 per unit). The building benefitted from unmarked parking in the rear. The broker received 7 offers and two were above the sale price with the remainder generally in line with the final price.

Improved Sale Eight

This comparable is a 13-unit multi-family walk-up property located at 4540 Benning Rd SE in the Marshall Heights neighborhood of the District of Columbia. The property consists of one, three-story apartment buildings (plus a partially below grade level). The improvements were constructed in 1947 and were in average condition at the time of sale. The units have full appliance package (white). The amenities include laundry facilities. The unit mix consisted of 6 one-bedroom units and 7 two-bedroom units. The units were individually metered for gas and electric. The apartments were fully subsidized via Master Lease with DCHA. The details about the term of the DCHA Master Lease were not available.

Improved Sale Nine

This comparable represents the sale of a 36-unit multifamily walk up property located at 113-115 Wilmington Pl SE in the Congress Heights neighborhood in the District of Columbia. The property consists of one- and two-bedroom floorplans. The property sold in April 2024 for $4,050,000 or $112,500 per unit.

Improved Sale Ten

This comparable represents the sale of a 83-unit multifamily walk up property located at 4069-4089 Minnesota Avenue NE in the Lower Central neighborhood in the District of Columbia. The unit mix consisted of 2 studios, 80 one-bedroom units and 1 two-bedroom unit. The property sold in March 2024 for $10,790,000.00 or $130,000 per unit. This property is located within one block of the Minnesota Avenue Metrorail Station.

Improved Sale Eleven

This comparable is a 24-unit multi-family walk-up property located at 2501-2505 12th Pl SE in the Congress Heights neighborhood of the District of Columbia. The property consists of two, three-story apartment buildings. The improvements were constructed in 1965 and were lightly renovated in recent years. The renovation included some common area and in-unit renovations. The units have full appliance package (white). The amenities include laundry facilities. The units are sub metered for eclectic. The unit mix consisted of 12 two-bedroom units (956 SF) and 12 three-bedroom units (1,200 SF). 17 of the existing tenants participated in the Housing Choice Voucher Program (HCVP).

Summary of Adjustments

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

APARTMENT SALES ADJUSTMENT GRID

Comparable Number	6	7	8	9	10	11	Subj. Pro Forma
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Mar-25	Aug-24	Apr-24	Apr-24	Mar-24	Jan-24	---
Year Built	1953	1963	1947 / 2011	1967	1942	1965	1947 / 2019
Property Type	Multifamily	Multifamily	Multifamily	Multifamily	Multifamily	Multifamily	
No. Units	26	12	13	36	83	24	6
Avg. Unit Size	601	583	608	642	869	1,078	633
Distance From Subject	1.7 Miles	6.1 Miles	4.8 Miles	1.0 Miles	5.0 Miles	1.4 Miles	
Actual Sale Price	$2,808,000	$1,145,000	$1,375,000	$4,050,000	$10,790,000	$3,264,000	---
Adjusted Sale Price [1]	$2,808,000	$1,145,000	$1,375,000	$4,050,000	$10,790,000	$3,264,000	---
Price Per Unit [1]	$108,000	$95,417	$105,769	$112,500	$130,000	$136,000	---
Occupancy	65%	50%	85%	98%	50%	95%	93%
NOI Per Unit	$7,560	$7,667	$10,499	$7,313		$10,064	$20,294
OAR	7.00%	8.03%	9.93%	6.50%		7.40%	---
Adj. Price Per Unit	$108,000	$95,417	$105,769	$112,500	$130,000	$136,000	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	
Financing Terms [1]	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	
Market Conditions (Time)	0%	0%	0%	0%	0%	0%	
Subtotal - Price Per Unit	$108,000	$95,417	$105,769	$112,500	$130,000	$136,000	
Age/Condition	20%	20%	20%	20%	20%	20%	
Project Size	0%	0%	0%	0%	0%	0%	
Location	0%	0%	0%	0%	0%	0%	
Avg. Unit Size/Unit Mix	0%	0%	0%	0%	-5%	-15%	
Project/Unit Amenities	0%	0%	0%	0%	0%	0%	
Below-Market Rent/Income Restricted Units	0%	0%	0%	0%	0%	0%	
Retail Income	0%	0%	0%	0%	0%	0%	
Other	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	20%	20%	20%	20%	15%	5%	
Indicated Value Per Unit	**$129,600**	**$114,500**	**$126,923**	**$135,000**	**$149,500**	**$142,800**	
Absolute Adjustment	*20%*	*20%*	*20%*	*20%*	*25%*	*35%*	

[1] Adjusted for cash equivalency, lease-up and/or deferred maintenance (where applicable)

Compiled by CBRE

The sales are relatively recent transactions, requiring no adjustment for market conditions.

Each of the sales were inferior to the subject with respect to age/condition since the subject has been fully renovated in 2019. While the subject has fallen into disrepair, there have been significant base building upgrades (separate meters, flooring, countertops, HVAC upgrades, etc.).

While there was some variance among the sales in terms of location, east of the comparables are the located east of the Anacostia River and no location adjustments were considered warranted.

Sales 11 and 12 were superior to the subject with respect to average unit size, requiring downward adjustment. The remaining sales were inferior to the subject with respect to this attribute, requiring upward adjustment.

Sales Comparison Approach Conclusion

The following chart summarizes the comparable sale analysis.

UNADJUSTED/ADJUSTED COMPARABLE SUMMARY				
Comp. No.	Sale Date	Unadjusted $/Unit	Gross Adjustment (%)	Adjusted $/Unit
1	3/11/2025	$108,000	20%	$129,600
2	8/16/2024	$95,417	20%	$114,500
3	4/30/2024	$105,769	20%	$126,923
4	4/29/2024	$112,500	20%	$135,000
5	3/28/2024	$130,000	25%	$149,500
6	1/20/2024	$136,000	35%	$142,800
Minimum		$95,417	20%	$114,500
Maximum		$136,000	35%	$149,500
Average		$114,614		$133,054
Median		$110,250		$132,300
Compiled by: CBRE				

While the sales required gross adjustment up to 35%, our research indicated no more comparable sales than the ones selected. The lack of sales with lower gross adjustment did not affect the credibility of the assignment results.

Overall, a per-unit value indication near the average and median of the range was considered reasonable.

The following table presents the estimated value for the subject as indicated by the sales comparison approach.

SALES COMPARISON APPROACH				
Total Units	**X**	**Value Per Unit**	**=**	**Value**
6	X	$130,000	=	$780,000
6	X	$140,000	=	$840,000
VALUE CONCLUSION				
As Is Value				$810,000
Rounded				**$810,000**
Value Per Unit				**$135,000**
Compiled by CBRE				

Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS				
Appraisal Premise	Date of Value	Sales Comparison Approach	Income Approach	Reconciled Value
Hypothetical As If Complete	May 28, 2025	$1,090,000	$1,070,000	$1,070,000
Hypothetical As If Stabilized	May 28, 2025	$1,100,000	$1,080,000	$1,080,000
As Is	May 28, 2025	$810,000		$810,000

Compiled by CBRE

In the sales comparison approach, the subject is compared to similar properties that have been sold recently or for which listing prices or offers are known. The sales used in this analysis are considered comparable to the subject, and the required adjustments were based on reasonable and well-supported rationale. In addition, market participants are currently analyzing purchase prices on investment properties as they relate to available substitutes in the market. Therefore, the sales comparison approach is considered to provide a reliable value indication, but has been given secondary emphasis in the final value reconciliation.

The income capitalization approach is applicable to the subject since it is an income producing property leased in the open market. Market participants are primarily analyzing properties based on their income generating capability. Therefore, the income capitalization approach is considered a reasonable and substantiated value indicator and has been given primary emphasis in the final value estimate.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Hypothetical As If Complete	Leased Fee Interest	May 28, 2025	$1,070,000
Hypothetical As If Stabilized	Leased Fee Interest	May 28, 2025	$1,080,000
As Is	Leased Fee Interest	May 28, 2025	$810,000

Compiled by CBRE

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
   (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.

   (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.

   (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.

   (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.

   (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.

   (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.

   (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.

   (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.

   (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.

   (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

   (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.

12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

Addenda

Addendum A

Improved Sale Data Sheets

Sale — Residential - Multi-unit Walk-up — No. 1

Property Name	58 Galveston Place SW
Address	58 Galveston Place SW Washignton, DC 20032 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	6239S-0013

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/2BA	1	25%	815	$1,360	$1.67
3BR/1BA	3	75%	815	$1,893	$2.32
Totals/Avg	4			$1,760	$2.16

Improvements

Land Area	0.099 ac	Status	Existing
Net Rentable Area (NRA)	3,260 sf	Year Built	1944
Total # of Units	4 Unit	Year Renovated	2020
Average Unit Size	815 sf	Condition	Good
Floor Count	2	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	Ducarmel Francois, Jr.	Marketing Time	N/A
True Buyer	Ducarmel Francois, Jr.	Buyer Type	Private Investor
Recorded Seller	Ejar Properties LLC	Seller Type	Private Investor
True Seller	Ejar Properties LLC	Primary Verification	Public records, CoStar Group, listing broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	10/3/2024
Proposed Use	Multifamily	Sale Price	$899,000
Listing Broker	Compass	Financing	Market Rate Financing
Selling Broker	Compass	Cash Equivalent	$899,000
Doc #	2024093737	Capital Adjustment	$0
		Adjusted Price	$899,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
10/2024	Sale	Ducarmel Francois, Jr.	Ejar Properties LLC	$899,000	$224,750 / $275.77

Sale — Residential - Multi-unit Walk-up — No. 1

Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.50%	Adjusted Price / sf	$275.77
Projected IRR	N/A	Adjusted Price / Unit	$224,750
Actual Occupancy at Sale	75%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$899,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$58,435
NOI / sf	$17.92
NOI / Unit	$14,609
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.50%

Map & Comments

This comparable represents the sale of a four-unit walk-up building at 58 Galveston Place SW in the Anacostia Southeast submarket cluster (Congress Heights submarket) of the District of Columbia. The building was originally constructed in 1944, but was fully renovated in 2020 to include stainless steel appliances and quartz counters. The building had been vacant since the 2020 renovation. The building sold in October 2024 for $899,000 or $224,750 per-unit. The buyer will reportedly occupy one of the units and lease the remaining three units. The proforma capitalization rate was 6.5% according to the listing broker, which is based on full occupancy and rental income.

Sale — Residential - Multi-unit Mid / High Rise — No. 2

Property Name	1949 Naylor Road, SE
Address	1949 Naylor Road, SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5566-0007

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	2	7%	500	$1,750	$3.50
1BR/1BA	7	24%	650	$2,100	$3.23
2BR/2BA	20	69%	800	$2,250	$2.81
Totals/Avg	29			$2,179	$2.93

Improvements

Land Area	0.215 ac	Status	Existing
Net Rentable Area (NRA)	21,550 sf	Year Built	2022
Total # of Units	29 Unit	Year Renovated	N/A
Average Unit Size	743 sf	Condition	Excellent
Floor Count	4	Exterior Finish	Other (See Comments)
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	A&E Apartments LLC	Marketing Time	N/A
True Buyer	A&E Apartments LLC	Buyer Type	Private Investor
Recorded Seller	Naylor DC Investments LLC	Seller Type	Developer
True Seller	Naylor DC Investments LLC	Primary Verification	Public records, CoStar Group, listing broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	9/24/2024
Proposed Use	Multifamily	Sale Price	$7,750,000
Listing Broker	Berkadia	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$7,750,000
Doc #	2024094916	Capital Adjustment	$0
		Adjusted Price	$7,750,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
09/2024	Sale	A&E Apartments LLC	Naylor DC Investments LLC	$7,750,000	$267,241 / $359.63

Sale	Residential - Multi-unit Mid / High Rise	No. 2

Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price and Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	7.00%	Adjusted Price / sf	$359.63
Projected IRR	N/A	Adjusted Price / Unit	$267,241
Actual Occupancy at Sale	0%		

Financial

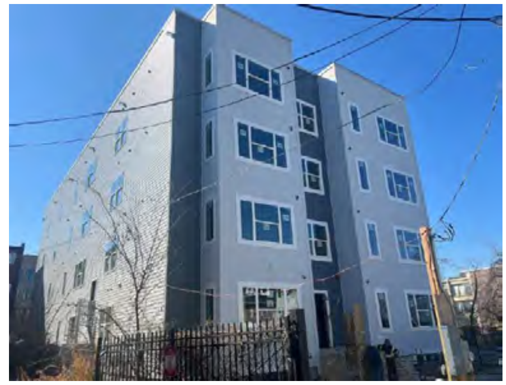
Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$7,750,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$542,500
NOI / sf	$25.17
NOI / Unit	$18,707
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	7.00%

Map & Comments

This comparable represents the sale of a 29-unit multifamily building at 1949 Naylor Road, SE in the Anacostia neighborhood of the District of Columbia. The property delivered in 2022 and sold as-vacant. Major project amenities include bike storage. Units have a full appliance package (stainless) with hard surface counters and in-unit washer/dryers. The property sold as-vacant in September 2024 for $7,750,000 million, or $267,241 per-unit. A listing broker representative noted that leases were in place for all 29 units. As such, no adjustment for occupancy was considered warranted. Based on the proforma net operating income and sale price, the capitalization rate was approximately 7.0%. The property was assessed for TY 2025 at $10,753,730 or 139% of the sale price. Based on the assessment to sales price ratio, the owner will likely seek a tax appeal.

Sale — Residential - Multi-unit Walk-up — No. 3

Property Name	1517 Young Street, SE
Address	1517 Young Street, SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5565-0049



Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	7	35%	502	$1,650	$3.29
2BR/1BA	3	15%	686	$1,750	$2.55
2BR/2BA	5	25%	876	$2,000	$2.28
3BR/2BA	5	25%	1,191	$2,750	$2.31
Totals/Avg	20			$2,028	$2.55

Improvements

Land Area	0.159 ac	Status	Existing
Net Rentable Area (NRA)	15,900 sf	Year Built	2024
Total # of Units	20 Unit	Year Renovated	N/A
Average Unit Size	795 sf	Condition	Excellent
Floor Count	4	Exterior Finish	Vinyl Siding
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	Meliksah1517, LLC	Marketing Time	N/A
True Buyer	Meliksah1517, LLC	Buyer Type	Private Investor
Recorded Seller	Rupsha 2011, LLC	Seller Type	Developer
True Seller	Rupsha 2011, LLC	Primary Verification	Public records, CoStar Group, listing broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	8/16/2024
Proposed Use	Multifamily	Sale Price	$5,500,000
Listing Broker	Berkadia	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$5,500,000
Doc #	2024082186	Capital Adjustment	$0
		Adjusted Price	$5,500,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
08/2024	Sale	Meliksah1517, LLC	Rupsha 2011, LLC	$5,500,000	$275,000 / $345.91

Sale — Residential - Multi-unit Walk-up — No. 3

Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price and Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	7.00%	Adjusted Price / sf	$345.91
Projected IRR	N/A	Adjusted Price / Unit	$275,000
Actual Occupancy at Sale	0%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$5,500,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$385,000
NOI / sf	$24.21
NOI / Unit	$19,250
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	7.00%

Map & Comments

This comparable represents the sale of a 20-unit multifamily building at 1517 Young Street, SE in the Anacostia neighborhood of the District of Columbia. The property delivered in 2024 and sold as-vacant. Major project amenities include bike storage. Units have a full appliance package (stainless) with hard surface counters and in-unit washer/dryers. The property sold as-vacant in August 2024 for $5.5 million, or $275,000 per-unit. A listing broker representative noted that leases were in place for all 20 units. As such, no adjustment for occupancy was considered warranted. Based on the proforma net operating income and sale price, the capitalization rate was approximately 7.0%. The property was assessed for TY 2025 at $7,826,420 or 142% of the sale price. Based on the assessment to sales price ratio, the owner will likely seek a tax appeal.

Sale — Residential - Multi-unit Walk-up — No. 4

Property Name	423 Burbank Street SE
Address	423 Burbank Street SE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5398-0094

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
3BR/1BA	6	100%	600	$1,800	$3.00
Totals/Avg	6			$1,800	$3.00

Improvements

Land Area	0.118 ac	Status	Existing
Net Rentable Area (NRA)	3,600 sf	Year Built	1953
Total # of Units	6 Unit	Year Renovated	2017
Average Unit Size	600 sf	Condition	Good
Floor Count	3	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	423 Burbank Property, LLC	Marketing Time	N/A
True Buyer	423 Burbank Property, LLC	Buyer Type	Private Investor
Recorded Seller	423 Burbank St SE, LLC	Seller Type	Private Investor
True Seller	423 Burbank St SE, LLC	Primary Verification	Public records, CoStar Group, seller
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	8/16/2024
Proposed Use	Multifamily	Sale Price	$1,750,000
Listing Broker	N/A	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$1,750,000
Doc #	2024077565	Capital Adjustment	$0
		Adjusted Price	$1,750,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
08/2024	Sale	423 Burbank Property, LLC	423 Burbank St SE, LLC	$1,750,000	$291,667 / $486.11

Sale — Residential - Multi-unit Walk-up — No. 4

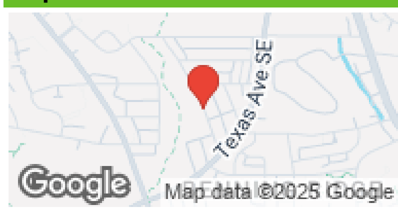
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price and Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.00%	Adjusted Price / sf	$486.11
Projected IRR	N/A	Adjusted Price / Unit	$291,667
Actual Occupancy at Sale	100%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$1,750,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$105,000
NOI / sf	$29.17
NOI / Unit	$17,500
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.00%

Map & Comments



This comparable represents the sale of a six-unit walk-up building at 423 Burbank Street SE in the Anacostia Southeast submarket cluster (Fort Dupont submarket) of the District of Columbia. The building was originally constructed in 1953, but was fully renovated in 2017 to include stainless steel appliances and hard surface counters. The building sold in August 2024 for $1,750,000 or $291,667 per-unit. The proforma capitalization rate was 6.0% according to the seller.

Sale | Residential - Multi-unit Walk-up | No. 5

Property Name	4255 Eads Street NE
Address	4255 Eads Street NE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5089-0058

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1BA	4	100%	650	$1,750	$2.69
Totals/Avg	4			$1,750	$2.69

Improvements

Land Area	0.056 ac	Status	Existing
Net Rentable Area (NRA)	2,600 sf	Year Built	1940
Total # of Units	4 Unit	Year Renovated	2020
Average Unit Size	650 sf	Condition	Good
Floor Count	2	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	4255 Eads St NE Wilson, LLC	Marketing Time	N/A
True Buyer	4255 Eads St NE Wilson, LLC	Buyer Type	Private Investor
Recorded Seller	GP Enterprises, LLC	Seller Type	Private Investor
True Seller	GP Enterprises, LLC	Primary Verification	Public records, CoStar Group, listing broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	4/30/2024
Proposed Use	Multifamily	Sale Price	$950,000
Listing Broker	RLAH @properties	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$950,000
Doc #	2024046189	Capital Adjustment	$0
		Adjusted Price	$950,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
04/2024	Sale	4255 Eads St NE Wilson, LLC	GP Enterprises, LLC	$950,000	$237,500 / $365.38

Sale — Residential - Multi-unit Walk-up — No. 5

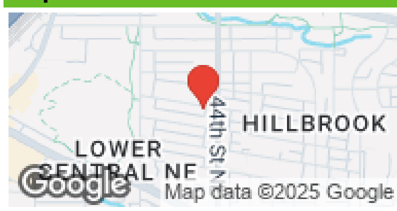
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price and Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.00%	Adjusted Price / sf	$365.38
Projected IRR	N/A	Adjusted Price / Unit	$237,500
Actual Occupancy at Sale	100%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$950,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$57,000
NOI / sf	$21.92
NOI / Unit	$14,250
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.00%

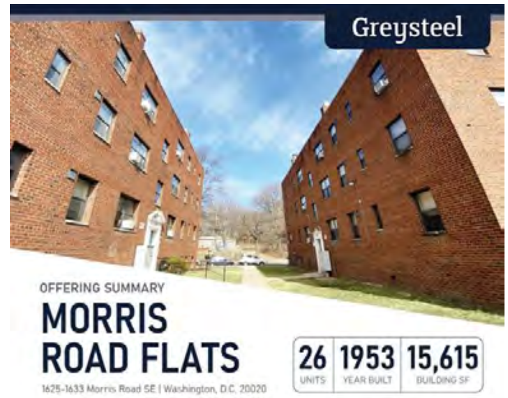
Map & Comments



This comparable represents the sale of a four-unit walk-up building at 4255 Eads Street, NE in the Lower Northeast submarket cluster (Minnesota Ave submarket) and Deanwood neighborhood of the District of Columbia. The building was originally constructed in 1940, but was fully renovated in 2020 to include stainless steel appliances and granite counters. Only three of the four units were occupied when the property was marketed; however, all four units were occupied at the time of the closing. The building sold in April 2024 for $950,000 or $237,500 per-unit. The proforma capitalization rate was 6.0% according to the listing broker.

Sale — Residential - Multi-unit Walk-up — No. 6

Property Name	Apartments at 1625 Morris Rd SE
Address	1625 Morris Rd SE Washington, DC 20020 United States
Government Tax Agency	DC
Govt./Tax ID	5824-0051



Unit Mix Detail

Rate Timeframe: Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	12	46%	600	N/A	N/A
2BR/1BA	14	54%	600	N/A	N/A
Totals/Avg	26			$0	$0.00

Improvements

Land Area	0.290 ac	Status	Existing
Net Rentable Area (NRA)	15,615 sf	Year Built	1953
Total # of Units	26 Units	Year Renovated	N/A
Average Unit Size	601 sf	Condition	N/A
Floor Count	3	Exterior Finish	Brick
Property Features	Flat Roofs		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	1633-1635 MORRIS RD LLC	Marketing Time	N/A
True Buyer	N/A	Buyer Type	Private Investor
Recorded Seller	Nation House Properties LLC	Seller Type	Private Investor
True Seller	Nation House Properties	Primary Verification	Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	3/11/2025
Proposed Use	Multifamily	Sale Price	$2,808,000
Listing Broker	Greysteel	Financing	N/A
Selling Broker	N/A	Cash Equivalent	$2,808,000
Doc #	25283	Capital Adjustment	$0
		Adjusted Price	$2,808,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
03/2025	Sale	1633-1635 MORRIS RD LLC	Nation House Properties LLC	$2,808,000	$108,000 / $179.83

Sale — Residential - Multi-unit Walk-up — No. 6

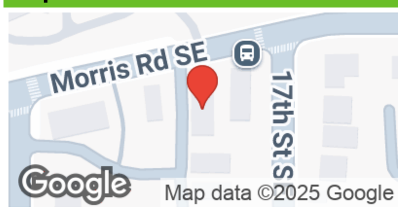
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	7.00%	Adjusted Price / sf	$179.83
Projected IRR	N/A	Adjusted Price / Unit	$108,000
Actual Occupancy at Sale	65%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$2,808,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$196,560
NOI / sf	$12.59
NOI / Unit	$7,560
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	7.00%

Map & Comments



This comparable represents the sale of a 26-unit multifamily walk up property located at 1625 Morris Rd SE in the Fort Stanton neighborhood in the District of Columbia. The unit mix consisted of 12 one-bedroom units and 14 two-bedroom units. We understand that approximately 50% of the in-place tenants were HCVP tenants. The property sold in March 2025 for $2,808,000 or $108,000 per unit. The broker noted a stabilized capitalization rate of 7.00%.

Sale | Residential - Multi-unit Walk-up | No. 7

Property Name	Apartments at 4936 Nash St NE
Address	4936 Nash St NE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5172-0056

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	1	8%	400	$780	$1.95
1BR/1BA	11	92%	600	$1,025	$1.71
Totals/Avg	12			$1,005	$1.72

Improvements

Land Area	0.219 ac	Status	Existing
Net Rentable Area (NRA)	7,000 sf	Year Built	1963
Total # of Units	12 Unit	Year Renovated	N/A
Average Unit Size	583 sf	Condition	Average
Floor Count	3	Exterior Finish	Redwood
Property Features	Flat Roofs		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	4936 Plus DC LLC	Marketing Time	N/A
True Buyer	Yohannes Woldehanna	Buyer Type	Private Investor
Recorded Seller	Robinson Malcolm	Seller Type	Private Investor
True Seller	Dallen & Associates	Primary Verification	Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	8/16/2024
Proposed Use	Multifamily	Sale Price	$1,145,000
Listing Broker	Horvath & Tremblay	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$1,145,000
Doc #	76833	Capital Adjustment	$0
		Adjusted Price	$1,145,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
08/2024	Sale	4936 Plus DC LLC	Robinson Malcolm	$1,145,000	$95,417 / $163.57

Sale | Residential - Multi-unit Walk-up | No. 7

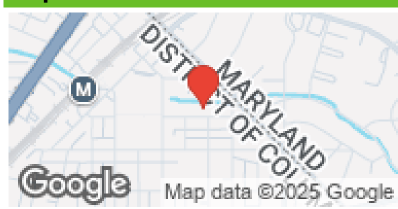
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	8.03%	Adjusted Price / sf	$163.57
Projected IRR	N/A	Adjusted Price / Unit	$95,417
Actual Occupancy at Sale	50%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	Broker
Price	$1,145,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$92,000
NOI / sf	$13.14
NOI / Unit	$7,667
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	8.03%

Map & Comments



This comparable is a 12-unit multi-family walk-up property located at 4936 Nash St NE in the Deanwood neighborhood of the District of Columbia. The property consists of one, three-story apartment buildings. The improvements were constructed in 1963 and were in average condition at the time of sale. The units have full appliance package (white). Six units had balconies. The amenities include laundry facilities. The unit mix consisted of 1 studio unit and 11 one-bedroom units. The broker noted that one-bedroom units could be converted into two-bedroom units with minimal capital expenditure ($5,000 per unit). The building benefitted from unmarked parking in the rear. The broker received 7 offers and two were above the sale price with the remainder generally in line with the final price.

Sale — Residential - Multi-unit Walk-up — No. 8

Property Name	Apartments at 4540 Benning Rd SE
Address	4540 Benning Rd SE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5346-0007

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	6	46%	500	$1,046	$2.09
2BR/1BA	7	54%	700	$1,313	$1.88
Totals/Avg	13			$1,190	$1.96

Improvements

Land Area	0.165 ac	Status	Existing
Net Rentable Area (NRA)	7,900 sf	Year Built	1947
Total # of Units	13 Unit	Year Renovated	2011
Average Unit Size	608 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick
Property Features	Flat Roofs		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	Peace on Benning LLC	Marketing Time	N/A
True Buyer	Ayesha Burkley	Buyer Type	Private Investor
Recorded Seller	Checkmate Ventures Llc	Seller Type	Private Investor
True Seller	Ivy City Ventures LLC	Primary Verification	Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	4/30/2024
Proposed Use	Multifamily	Sale Price	$1,375,000
Listing Broker	Marcus & Millichap	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$1,375,000
Doc #	40897	Capital Adjustment	$0
		Adjusted Price	$1,375,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
04/2024	Sale	Peace on Benning LLC	Checkmate Ventures Llc	$1,375,000	$105,769 / $174.05

Sale | Residential - Multi-unit Walk-up | No. 8

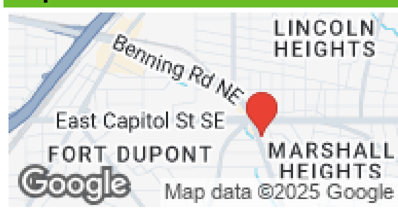
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	7.41
Buyer's Primary Analysis	Yield Capitalization Analysis	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	9.93%	Adjusted Price / sf	$174.05
Projected IRR	N/A	Adjusted Price / Unit	$105,769
Actual Occupancy at Sale	85%		

Financial

Revenue Type	Pro Forma Stabilized	Trailing Actuals
Period Ending	N/A	N/A
Source	Broker	Broker
Price	$1,375,000	$1,375,000
Potential Gross Income	N/A	N/A
Economic Occupancy	N/A	N/A
Economic Loss	N/A	N/A
Effective Gross Income	$185,487	$145,162
Expenses	N/A	N/A
Net Operating Income	$136,493	$99,615
NOI / sf	$17.28	$12.61
NOI / Unit	$10,499	$7,663
EGIM	7.41	9.47
OER	N/A	N/A
Net Initial Yield/Cap. Rate	9.93%	7.24%

Map & Comments



This comparable is a 13-unit multi-family walk-up property located at 4540 Benning Rd SE in the Marshall Heights neighborhood of the District of Columbia. The property consists of one, three-story apartment buildings (plus a partially below grade level). The improvements were constructed in 1947 and were in average condition at the time of sale. The units have full appliance package (white). The amenities include laundry facilities. The unit mix consisted of 6 one-bedroom units and 7 two-bedroom units. The units were individually metered for gas and electric. The apartments were fully subsidized via Master Lease with DCHA. The details about the term of the DCHA Master Lease were not available.

CBRE

Sale | Residential - Multi-unit Walk-up | No. 9

Property Name	Apartments at 113-115 Wilmington Pl SE
Address	113-115 Wilmington Pl SE Washington, DC 20032 United States
Government Tax Agency	DC
Govt./Tax ID	6118-0037

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	33	50%	300	N/A	N/A
2BR/1BA	33	50%	400	N/A	N/A
Totals/Avg	66			$0	$0.00

Improvements

Land Area	0.813 ac	Status	Existing
Net Rentable Area (NRA)	23,100 sf	Year Built	1967
Total # of Units	36 Unit	Year Renovated	N/A
Average Unit Size	642 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick Veneer
Property Features	Flat Roofs		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	Wilmington Properties Investment Group LLC	Marketing Time	N/A
True Buyer	N/A	Buyer Type	Private Investor
Recorded Seller	Quality Housing Group VII LLC	Seller Type	Private Investor
True Seller	N/A	Primary Verification	Broker, Public Records
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	4/29/2024
Proposed Use	Multifamily	Sale Price	$4,050,000
Listing Broker	Greysteel	Financing	N/A
Selling Broker	N/A	Cash Equivalent	$4,050,000
Doc #	40852	Capital Adjustment	$0
		Adjusted Price	$4,050,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
04/2024	Sale	Wilmington Properties Investment Group LLC	Quality Housing Group VII LLC	$4,050,000	$112,500 / $175.32

CBRE

Sale — Residential - Multi-unit Walk-up — No. 9

Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	6.50%	Adjusted Price / sf	$175.32
Projected IRR	N/A	Adjusted Price / Unit	$112,500
Actual Occupancy at Sale	98%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$4,050,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$263,250
NOI / sf	$11.40
NOI / Unit	$7,313
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	6.50%

Map & Comments

This comparable represents the sale of a 36-unit multifamily walk up property located at 113-115 Wilmington Pl SE in the Congress Heights neighborhood in the District of Columbia. The property consists of one- and two-bedroom floorplans. The property sold in April 2024 for $4,050,000 or $112,500 per unit.

Sale | Residential - Multi-unit Garden | No. 10

Property Name	Minnesota Commons
Address	4069-4089 Minnesota Avenue, NE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	Multiple

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	80	96%		N/A	N/A
2BR/1BA	1	1%		N/A	N/A
Studio	2	2%		N/A	N/A
Totals/Avg	83			$0	N/A

Improvements

Land Area	0.308 ac	Status	Existing
Net Rentable Area (NRA)	72,150 sf	Year Built	1942
Total # of Units	83 Unit	Year Renovated	N/A
Average Unit Size	869 sf	Condition	Average
Floor Count	1	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	4069-4089 Minnesota Ave NE LLC	Marketing Time	N/A
True Buyer	4069-4089 Minnesota Ave NE LLC	Buyer Type	Private Investor
Recorded Seller	4069 Minnesota Ave., N.E., LLC	Seller Type	Private Investor
True Seller	4069 Minnesota Ave., N.E., LLC	Primary Verification	Public records, CoStar Group
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	3/28/2024
Proposed Use	Multifamily	Sale Price	$10,790,000
Listing Broker	Greysteel	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$10,790,000
Doc #	2024031847	Capital Adjustment	$0
		Adjusted Price	$10,790,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
03/2024	Sale	4069-4089 Minnesota Ave NE LLC	4069 Minnesota Ave., N.E., LLC	$10,790,000	$130,000 / $149.55

Sale — Residential - Multi-unit Garden — No. 10

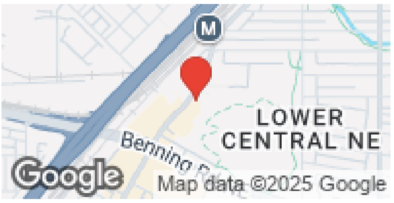
Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	N/A	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	$149.55
Projected IRR	N/A	Adjusted Price / Unit	$130,000
Actual Occupancy at Sale	50%		

Financial

No information recorded

Map & Comments



This comparable represents the sale of a 83-unit multifamily walk up property located at 4069-4089 Minnesota Avenue NE in the Lower Central neighborhood in the District of Columbia. The unit mix consisted of 2 studios, 80 one-bedroom units and 1 two-bedroom unit.
The property sold in March 2024 for $10,790,000.00 or $130,000 per unit. This property is located within one block of the Minnesota Avenue Metrorail Station.

Sale — Residential - Multi-unit Walk-up — No. 11

Property Name	Apartments at 2501-2505 12th Pl SE
Address	2501-2505 12th Pl SE Washington, DC 20020 United States
Government Tax Agency	DC
Govt./Tax ID	5876-0048

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1BA	12	50%	956	N/A	N/A
3BR/1BA	12	50%	1,200	N/A	N/A
Totals/Avg	24			$0	$0.00

Improvements

Land Area	0.468 ac	Status	Existing
Net Rentable Area (NRA)	25,872 sf	Year Built	1965
Total # of Units	24 Unit	Year Renovated	N/A
Average Unit Size	1,078 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Sale Summary

Recorded Buyer	12th Street Investment Group LLC	Marketing Time	N/A
True Buyer	Sahara Investments	Buyer Type	Private Investor
Recorded Seller	Comrad Inc.	Seller Type	Private Investor
True Seller	Felton Magee	Primary Verification	Broker
Interest Transferred	Leased Fee	Type	Sale
Current Use	Multifamily	Date	1/20/2024
Proposed Use	Multifamily	Sale Price	$3,264,000
Listing Broker	Graysteel	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	$3,264,000
Doc #	2024008277	Capital Adjustment	$0
		Adjusted Price	$3,264,000

Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/unit and /sf
01/2024	Sale	12th Street Investment Group LLC	Comrad Inc.	$3,264,000	$136,000 / $126.16

Sale Residential - Multi-unit Walk-up No. 11

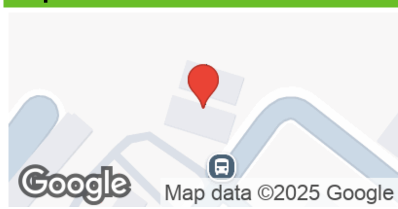
Units of Comparison

Static Analysis Method	Pro Forma (Stabilized)	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	7.40%	Adjusted Price / sf	$126.16
Projected IRR	N/A	Adjusted Price / Unit	$136,000
Actual Occupancy at Sale	95%		

Financial

Revenue Type	Pro Forma Stabilized
Period Ending	N/A
Source	N/A
Price	$3,264,000
Potential Gross Income	N/A
Economic Occupancy	N/A
Economic Loss	N/A
Effective Gross Income	N/A
Expenses	N/A
Net Operating Income	$241,536
NOI / sf	$9.34
NOI / Unit	$10,064
EGIM	N/A
OER	N/A
Net Initial Yield/Cap. Rate	7.40%

Map & Comments



This comparable is a 24-unit multi-family walk-up property located at 2501-2505 12th Pl SE in the Congress Heights neighborhood of the District of Columbia. The property consists of two, three-story apartment buildings. The improvements were constructed in 1965 and were lightly renovated in recent years. The renovation included some common area and in-unit renovations. The units have full appliance package (white). The amenities include laundry facilities. The units are sub metered for eclectic. The unit mix consisted of 12 two-bedroom units (956 SF) and 12 three-bedroom units (1,200 SF). 17 of the existing tenants participated in the Housing Choice Voucher Program (HCVP).

Addendum B

Rent Comparable Data Sheets

Comparable — Residential - Multi-unit Walk-up — No. 1

Property Name	Apartments at 1613 17th Place, SE
Address	1613 17th Place, SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5596 0036

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
3BR/1BA	8	100%	650	$2,362	$3.63
Totals/Avg	8			$2,362	$3.63

Improvements

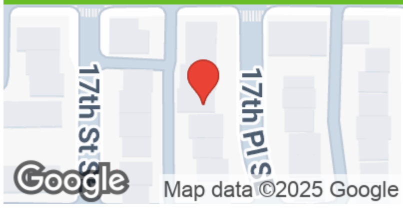
Land Area	0.069 ac	Status	Existing
Net Rentable Area (NRA)	5,200 sf	Year Built	1938
Total # of Units	8 Unit	Year Renovated	2016
Average Unit Size	650 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market (HCVP)	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	N/A	Management	Owner-managed

Comparable Residential - Multi-unit Walk-up No. 1

Map & Comments



This comparable represents an 8-unit walk-up building at 1613 17th Place, SE in the Anacostia neighborhood of the District of Columbia. Project amenities include a laundry room. Units have been fully renovated and include a full appliance package (stainless) with new granite countertops, flooring, and fixtures. Units have a built-in microwave and a washer/dryer. The rental rates have been approved through the DC rent reasonableness standard.

Comparable — Residential - Multi-unit Walk-up — No. 2

Property Name	Apartments at 1719 27th Street, SE
Address	1719 27th Street, SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5626-0816

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1BA	1	17%	650	$2,100	$3.23
3BR/1BA	5	83%	750	$2,500	$3.33
Totals/Avg	6			$2,433	$3.32

Improvements

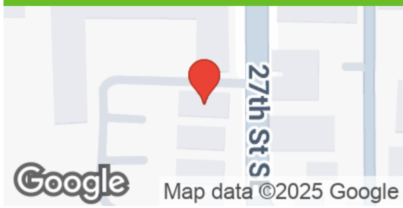
Land Area	0.146 ac	Status	Existing
Net Rentable Area (NRA)	4,400 sf	Year Built	1952
Total # of Units	6 Unit	Year Renovated	N/A
Average Unit Size	733 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	85%	Utilities Included in Rent	All included
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market (HCVP)	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	N/A	Management	Owner-managed

Comparable	Residential - Multi-unit Walk-up	No. 2

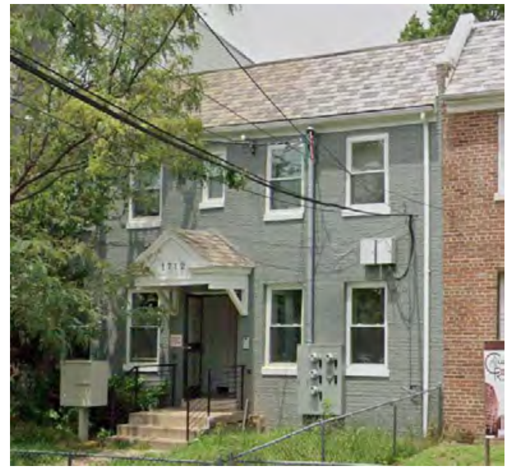
Map & Comments



This comparable represents a six-unit walk-up building at 1719 27th Street, SE in the Hillcrest neighborhood of the District of Columbia. Project amenities include a laundry room and bike storage. Units have a full appliance package (white) with laminate counters. The rental rates have been approved through the DC rent reasonableness standard.

Comparable — Residential - Multi-unit Walk-up — No. 3

Property Name	Apartments at 1712 R Street, SE
Address	1712 R Street, SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5596-0004



Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
3BR/1BA	4	100%	680	$2,400	$3.53
Totals/Avg	4			$2,400	$3.53

Improvements

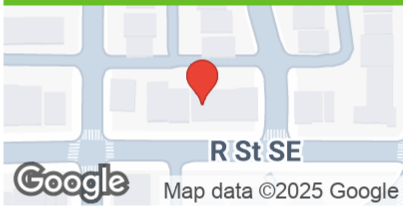
Land Area	0.078 ac	Status	Existing
Net Rentable Area (NRA)	2,720 sf	Year Built	1936
Total # of Units	4 Unit	Year Renovated	N/A
Average Unit Size	680 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market (HCVP)	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	N/A	Management	Owner-managed

Comparable	Residential - Multi-unit Walk-up	No. 3

Map & Comments



This comparable represents a four-unit walk-up building at 1712 R Street, SE in the Anacostia neighborhood of the District of Columbia. There are no major project amenities. Units have a full appliance package (white) with laminate counters. Each unit has a washer/dryer. The rental rates have been approved through the DC rent reasonableness standard.

Comparable Residential - Multi-unit Garden No. 4

Property Name	Penn View
Address	2515 R Street SE Washington, DC 20020 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5626-0815

Unit Mix Detail

Rate Timeframe N/A

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	5	5%	625	$1,270	$2.03
1BR/1BA	59	64%	750	$1,490	$1.99
2BR/1BA	28	30%	875	$1,715	$1.96
Totals/Avg	92			$1,547	$1.98

Improvements

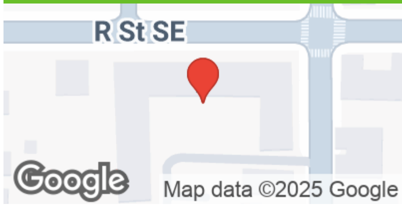
Land Area	2.226 ac	Status	N/A
Net Rentable Area (NRA)	71,875 sf	Year Built	1963
Total # of Units	92 Unit	Year Renovated	N/A
Average Unit Size	781 sf	Condition	Average
Floor Count	4	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Water/sewer, trash
Lease Term	12 - 18 Mo(s).	Rent Premiums	None
Tenant Profile	Market	Concessions	None
Survey Date	05/2025	Owner	N/A
Survey Notes	833-815-6604	Management	WC Smith

Comparable	Residential - Multi-unit Garden	No. 4

Map & Comments



This comparable represents the Penn View apartments, a 92-unit walk-up community in the District of Columbia. There are no major project amenities. Units have a full appliance package (silver) with laminate countertops and built in microwaves and dishwashers.

Comparable | Residential - Multi-unit Garden | No. 5

Property Name	G Street Apartments
Address	4951-4957 G Street SE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5342-0019

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	6	13%	570	$1,231	$2.16
2BR/1BA	7	16%	780	$1,427	$1.83
3BR/2BA	24	53%	875	$2,096	$2.40
4BR/2BA	8	18%	950	$2,558	$2.69
Totals/Avg	45			$1,959	$2.35

Improvements

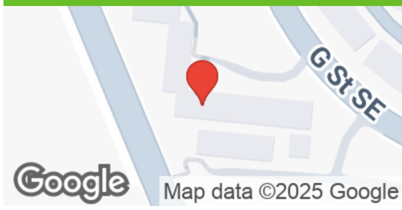
Land Area	0.930 ac	Status	Existing
Net Rentable Area (NRA)	37,480 sf	Year Built	1967
Total # of Units	45 Unit	Year Renovated	N/A
Average Unit Size	833 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick
Property Features	Surface Parking		
Project Amenities	Laundry Facility		
Unit Amenities	N/A		

Rental Survey

Occupancy	85%	Utilities Included in Rent	Water/sewer, gas, trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market/HCVP	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	301-681-2131	Management	Ymos, Inc.

Comparable	Residential - Multi-unit Garden	No. 5

Map & Comments



This apartment complex is located at the southeast corner of Benning Road and G Streets SE in Washington, DC. Appliances include a frost-free refrigerator, gas range, dishwasher, and a garbage disposal. Additional features include window air-conditioning and vertical & mini-blinds. Flooring is carpeting or hardwood in living areas, vinyl in the kitchens, and ceramic tile in the bathrooms. Project amenities include onsite laundry facilities.

Comparable — Residential - Multi-unit Garden — No. 6

Property Name	Astor Place Apartment Homes
Address	5036 Astor Place, SE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5327-0037

Unit Mix Detail

Rate Timeframe N/A

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1BA	6	67%	950	$1,750	$1.84
3BR/1BA	3	33%	950	$2,750	$2.89
Totals/Avg	9			$2,083	$2.19

Improvements

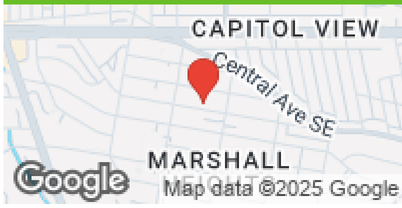
Land Area	0.180 ac	Status	N/A
Net Rentable Area (NRA)	8,541 sf	Year Built	1965
Total # of Units	9 Unit	Year Renovated	N/A
Average Unit Size	949 sf	Condition	Average
Floor Count	N/A	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	89%	Utilities Included in Rent	All included
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market/voucher	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	(202) 446-7706	Management	Owner

Comparable Residential - Multi-unit Garden No. 6

Map & Comments



This comparable represents the Astor Place Apartment Homes, a 9-unit garden-style property located in the Marshall Heights neighborhood of the District of Columbia. The building amenities include a laundry room. Units have been renovated since the owner's 2024 acquisition and include a full appliance package (stainless) with block counters. The units do not have in-unit washer/dryers, dishwashers or built-in microwaves. A 3BR/1BA unit is currently available at $2,750 per-month according to www.affordablehousing.com, the utility the District of Columbia uses when calculating Rent Reasonableness for its HCVP voucher program.

Comparable | Residential - Multi-unit Walk-up | No. 7

Property Name	4933 Nannie Helen Burroughs Avenue, SE
Address	4933 Nannie Helen Burroughs Avenue, SE Washington, DC 20019 United States
Government Tax Agency	District of Columbia
Govt./Tax ID	5180-0032

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
3BR/1BA	4	100%	900	$2,549	$2.83
Totals/Avg	4			$2,549	$2.83

Improvements

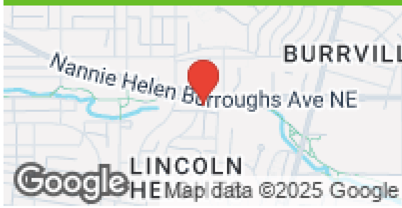
Land Area	0.123 ac	Status	Existing
Net Rentable Area (NRA)	3,600 sf	Year Built	1947
Total # of Units	4 Unit	Year Renovated	N/A
Average Unit Size	900 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	N/A		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	75%	Utilities Included in Rent	Water/sewer, trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Market/voucher	Concessions	None
Survey Date	06/2025	Owner	N/A
Survey Notes	N/A	Management	Owner-managed

Comparable Residential - Multi-unit Walk-up No. 7

Map & Comments



This comparable represents a four-unit walk-up building at 4933 Nannie Helen Burroughs Avenue, SE in the Deanwood neighborhood of the District of Columbia. There are no building amenities. Units have a full appliance package (black) with laminate counters. Each unit has a washer/dryer; however, the units do not have dishwashers or built-in microwaves. A 3BR/1BA unit is currently available at $2,549 per-month according to www.affordablehousing.com, the utility the District of Columbia uses when calculating Rent Reasonableness for its HCVP voucher program.

Comparable Residential - Multi-unit Walk-up No. 8

Property Name	Lucky 7
Address	177 36th Street, NE Washington, DC 20019 United States
Government Tax Agency	DC
Govt./Tax ID	5046-E-0042

Unit Mix Detail

Rate Timeframe Monthly

Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	2	50%	600	$1,700-$1,962	$3.05
2BR/2BA	2	50%	700	$1,885-$2,089	$2.84
Totals/Avg	4			$1,909	$2.94

Improvements

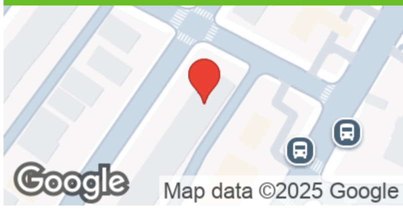
Land Area	0.062 ac	Status	Existing
Net Rentable Area (NRA)	4,100 sf	Year Built	1941
Total # of Units	4 Unit	Year Renovated	2022
Average Unit Size	1,025 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	Flat Roofs		
Project Amenities	N/A		
Unit Amenities	N/A		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Water/sewer, trash
Lease Term	12 - 18 Mo(s).	Rent Premiums	None
Tenant Profile	HCVP	Concessions	None
Survey Date	06/2025	Owner	LEITCH JOANN M (TE)
Survey Notes	N/A	Management	N/A

Comparable	Residential - Multi-unit Walk-up	No. 8

Map & Comments



This comparable represents an 4-unit walk-up building at 177 36th Street NE in the Marshall Heights neighborhood of the District of Columbia. Project amenities include a laundry room. The units have been renovated to include a full appliance package (stainless steel) with stone countertops, flooring, and fixtures. The rental rates are based on data provided by affordablehousing.com.

Addendum C

Buyer Proforma Data

4935 NANNIE HELEN

Sources & Uses

Sources		Uses	
Construction Loan	$ 651,134	Purchase Price	$ 160,000
Mez Loan		Hard Costs	$ 339,000
Owner Equity	$ (83,734)	Soft Costs	$ 10,000
		Closing Costs	$ 13,435
		Interest Carry/Reserve	$ 32,164
		Carry Costs	$ 12,800
Total:	$ 567,399	**Total:**	$ 567,399

Sales Proforma

Sales Value	$ 1,001,744
Cost Basis	$ 567,399
Selling Costs	$ 60,105
Net Profit:	**$ 374,240**
% ROI (total)	**66%**
Annualized ROI (cash on cash)	

Rental Proforma

Income & Expenses	Current Market	1 yr Projection	3 yr Projection	7 yr Projection
Annual Rent	$ 137,088	$ 140,515	$ 147,629	$ 167,028
Solar Credit/SREC	$ -	$ -	$ -	$ -
Annual Taxes	$ (6,800)	$ (6,970)	$ (7,323)	$ (8,083)
Annual Electric	$ (1,200)	$ (1,230)	$ (1,292)	$ (1,426)
Annual Gas		$ -	$ -	$ -
Annual Water	$ (6,480)	$ (6,642)	$ (6,978)	$ (7,703)
Annual Trash service		$ -	$ -	$ -
Lawn Maintenance	$ (3,000)	$ (3,075)	$ (3,231)	$ (3,566)
Grounds Maintenance / Cleaning	$ (10,400)	$ (10,660)	$ (11,200)	$ (12,362)
Snow Removal	$ (2,000)	$ (2,050)	$ (2,154)	$ (2,377)
Annual insurance	$ (2,160)	$ (2,214)	$ (2,326)	$ (2,568)
Annual repairs/maintenance	$ (4,000)	$ (4,100)	$ (4,308)	$ (4,755)
Elevator Maintenance		$ -	$ -	$ -
Security Cameras	$ (500)	$ (513)	$ (538)	$ (594)
Pest Control	$ (1,200)	$ (1,230)	$ (1,292)	$ (1,426)
Accounting	$ (1,800)	$ (1,845)	$ (1,938)	$ (2,140)
Turnover Expenses	$ (2,520)	$ (2,583)	$ (2,714)	$ (2,995)
Marketing Expenses	$ (500)	$ (513)	$ (538)	$ (594)
Replacement Reserves ($250 per yea	$ (1,000)	$ (1,025)	$ (1,077)	$ (1,189)
7% Bad Debt / Vacancy	$ (9,596)	$ (9,836)	$ (10,334)	$ (11,407)
6% management Fee	$ (8,801)	$ (9,021)	$ (9,478)	$ (10,462)
Operating Income	**$ 75,131**	**$ 77,009**	**$ 80,908**	**$ 93,381**

Stabilized Loan

Stabilized Value (7.5 cap)	$ 1,001,744	$ 1,100,129	$ 1,155,823	$ 1,334,011
Mortgage Payment (1.25 DSCR)	$ 5,009	$ 5,134	$ 5,394	$ 6,225
Loan Amount (30 yr Am @ 6%)				
Net Cash Flow	$ 15,026.16	$ 15,401.81	$ 16,181.53	$ 18,676.15

Code Analysis

Neigborhood	
Zone	
Lot size	
Lot Occupancy	
Max Height	
FAR	
Gross Sqft	
Net Sqft	

Sale Values

Unit Mix	Decsription	Living space	Sales Price	Rent per SF
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
				#DIV/0!
	TOTAL SALES:		$ -	

2023 IZ SALES (80% MFI)(MULTI)

Efficiency	$214,700
1 Bedroom	$222,300
2 Bedrom	$245,100
3 Bedroom	$287,800
4 Bedroom	$339,100

Rent Roll

Unit Mix	Decsription	Living space	Monthly Rent	Rent per SF
Unit 1	2BD/1BA		$ 1,700	#DIV/0!
Unit 2 & Unit 3 combined	5BD/2BA		$ 5,400	#DIV/0!
Unit 3	2BD/1BA		$ 1,700	#DIV/0!
Unit 4 & 5 combined	3BD/2BA		$ 2,624	#DIV/0!
				#DIV/0!
				#DIV/0!
			$ 11,424	

2023 IZ RENTS (60% MFI)

Efficiency	$1,390
1 Bedroom	$1,480
2 Bedrom	$1,780
3 Bedroom	$2,080
4 Bedroom	$2,360

2023 IZ RENTS (50% MFI)

Efficiency	$1,140
1 Bedroom	$1,230
2 Bedrom	$1,480
3 Bedroom	$1,730
4 Bedroom	$1,970

ASSUMPTIONS

**Units will be modified. The exisiting 3bd units will become 2bd

Addendum D

Rent Roll

Order	Property	Unit #	Existing BR	Tenant	Move-in	Rent	Have Lease	Feb 25 pmt
101	4935 Nannie	1	3	Latoia Harris		2,090	yes	2,030
102	4935 Nannie	2	2	vacant		2,090		
103	4935 Nannie	3	2	Ashleigh Palmer		2,090	yes	
104	4935 Nannie	4	3	Dijonia Hines		2,030	yes	2,030
104.1	4935 Nannie	5	2	Rodger Otey		2,090	yes	
104.2	4935 Nannie	6	2	vacant		2,090		

Addendum E

Client Contract Information

CBRE, Inc.
8350 Broad Street, Suite 1100
McLean, VA 22102
www.cbre.us/valuation

May 16, 2025

Aleksandra Villena Lanzi
Vice President

Andrew Michael
FOUNDATION SPECIALTY FINANCE
801 Pacific Coast Highway, Suite 201
Seal Beach, CA 90740
Phone: 301-466-7432
Email: AMichael@FoundationSpecialtyFinance.com

RE: Assignment Agreement | CB25US048435
Residential
10 Properties – Multiple Locations

Dear Mr. Michael:

CBRE, Inc. ("CBRE") is pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose:	To estimate the Market Value of the referenced real estate
Premise:	As Is, As if Complete, and As if Stabilized for each of the 10 properties under separate appraisal reports
Rights Appraised:	Leased Fee
Intended Use:	Mortgage Lending
Intended User:	The intended user is FOUNDATION SPECIALTY FINANCE ("Client"), and such other parties and entities (if any) expressly recognized by CBRE as intended users (each an "Intended Users" and collectively the "Intended Users") provided that any Intended User's use of, and reliance upon, any report produced by CBRE under this Agreement shall be subject to the Terms and Conditions attached hereto and incorporated herein (including, without limitation, any limitations of liability set forth in the attached Terms and Conditions).
Reliance:	Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof, whether as a result of its direct dissemination or by any other means, may not use or rely upon any opinions or conclusions contained in the report or such portions thereof,

and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Unless otherwise expressly identified in this Agreement, there are no third-party beneficiaries of this Agreement pertaining to this appraisal assignment or any reports produced by CBRE under this Agreement, and no other person or entity shall have any right, benefit or interest under this Agreement or with respect to any reports produced by CBRE under this Agreement.

Scope of Inspection:	A full interior and exterior inspection of the property will be conducted and arranged with the property contact and performed by CBRE Valuations. If this expected property inspection is not possible due to unforeseen issues (such as lack of on-site personnel cooperation, physical obstructions, or appraiser/property contact health and safety concerns), the client will be promptly advised. The client may continue this assignment based on other inspection options agreed upon by CBRE and client or provide CBRE with a written notice to cancel. If CBRE determines that a credible appraisal result cannot be achieved due to inspection limitations, it will promptly provide the client with a written cancellation of this assignment.
Valuation Approaches:	The Sales Comparison and Income Capitalization Approaches will be completed.
Report Type:	Appraisal Report
Appraisal Standards:	USPAP/FIRREA
Appraisal Fee:	$50,000 ($5,000 per property). If cancelled by either party before a completion, the fee will be based on CBRE's hourly rates for the time expended; plus actual expenses. A full retainer is required prior to commencing work.
Expenses:	Fee includes all associated expenses except to the extent otherwise provided in the attached Terms and Conditions.
Retainer:	A full retainer is required for this assignment.
Payment Terms:	Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The full appraisal fee is considered earned upon delivery of the draft report. We will invoice you for the assignment in its entirety at the completion of the assignment.
Delivery Instructions:	CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report. An Adobe PDF file via email will be delivered to **AMichael@FoundationSpecialtyFinance.com.**The client has requested 0 bound final copy (ies).
Delivery Schedule:	06/02/2025 and 06/04/2025 We anticipate having 5 reports completed by 06/02/2025 and the remainder by 06/04/2025
Preliminary Value:	On or before 06/04/2025

Draft Report:	06/02/2025 and 06/04/2025 We anticipate to have 5 reports completed by 06/02/2025 and the remainder by 06/04/2025
Final Report:	Upon Client's request
Start Date:	The appraisal process will start upon receipt of your signed agreement and the property specific data.
Acceptance Date:	These specifications are subject to modification or withdrawal if this proposal is not accepted within 5 business days from the date of this letter. When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties, including all intended users, hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,
CBRE, Inc.
Valuation & Advisory Services

Aleksandra Villena Lanzi
Vice President
As Agent for CBRE, Inc.
T 703-593-3458
Aleksandra.VillenaLanzi@cbre.com

Enclosures:

PROPERTY LIST			
Property Name	**Property Location**	**Report Type**	**Appraisal Fees**
4400 Hunt Place, NE	4400 Hunt Pl NE, Washington, DC 20019	Appraisal Report	$5,000
2501 Naylor Road, SE	2501 Naylor Rd SE, Washington, DC 20020	Appraisal Report	$5,000
2440 S Street, SE	2440 S St SE, Washington, DC 20020	Appraisal Report	$5,000
4301-4313 Wheeler Road SE	4301-4313 Wheeler Road SE, Washington, DC 20032	Appraisal Report	$5,000
945 Longfellow Street, NW	945 Longfellow St NW, Washington, DC 20011	Appraisal Report	$5,000
1416 Eastern Avenue NE	1416 Eastern Ave NE, Washington, DC 20019	Appraisal Report	$5,000
4935 Nannie Helen Burroughs Avenue, NE	4935 Nannie Helen Burroughs Ave NE, Washington, DC 20019	Appraisal Report	$5,000
4010 9th Street, SE	4010 9th St SE, Washington, DC 20032	Appraisal Report	$5,000
4263-67 6th St SE	4263-67 6TH ST SE, Washington, DC 20032	Appraisal Report	$5,000
3968 Martin Luther King Junior Ave SW	3968 Martin Luther King Junior Ave SW, Washington, DC 20032	Appraisal Report	$5,000
Assignment Total:			**$50,000.00**

AGREED AND ACCEPTED

FOR FOUNDATION SPECIALTY FINANCE ("CLIENT"):

Corey Oliver
Signature

May 19, 2025
Date

Corey Oliver
Name

Senior Vice President, Operations
Title

(817) 800-6736
Phone Number

coliver@foundationspecialtyfinance.com
E-Mail Address

ADDITIONAL OPTIONAL SERVICES

Assessment & Consulting Services: CBRE's Assessment & Consulting Services group has the capability of providing a wide array of solution-oriented due diligence services in the form of property condition and environmental site assessment reports, ALTA Surveys, and other necessary due diligence service (seismic risk analysis, zoning compliance service, construction risk management, annual inspections, etc.).Initial below if you desire CBRE to contact you to discuss a proposal for any part or the full complement of consulting services, or you may reach out to us at **ACSProposals@cbre.com**. We will route your request to the appropriate manager. For more information, please visit **www.cbre.com/assessment.**

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an assignment agreement (the "Agreement") for appraisal services ("Services") between CBRE, Inc. ("CBRE") and the client signing this Agreement and for whom the Services will be performed (the "Client") for the property identified herein (the "Property") and shall be deemed a part of such Agreement as though fully set forth therein. In addition, with respect to any appraisal report prepared by CBRE pursuant to the Agreement (the "Report"), any use of, or reliance on, the Report by any Intended User constitutes acceptance of these Terms and Conditions as well as acceptance of all qualifying statements, limiting conditions, and assumptions stated in the Report. The Agreement shall be governed and construed by the laws of the state where the CBRE office executing this Agreement is located without regard to conflicts of laws principles.

2. Client shall be responsible for the payment of all fees stipulated in this Agreement. Payment of the fees and preparation of the Report are not contingent upon any predetermined value or on any action or event resulting from the analyses, opinions, conclusions, or use of the Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft Report is requested, the fee is considered earned upon delivery of the draft Report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed Report. In such event, the Client is obligated to pay CBRE for the time and expenses incurred (including, but not limited to, travel expenses to and from the job site) prior to the effective date of cancellation, with a minimum charge of $500. Hard copies of the Reports are available at a cost of $250 per original color copy and $100 per photocopy (black and white), plus shipping fees of $30 per Report.

3. If CBRE is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls and conferences (except routine meetings, phone calls and conferences with the Client for the sole purpose of preparing the Report), litigation, or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this assignment, the Report, CBRE's expertise, or the Property, Client shall pay CBRE's additional out-of-pocket costs and expenses, including but not limited to CBRE's reasonable attorneys' fees, and additional time incurred by CBRE based on CBRE's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Report), meeting participation, and CBRE's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional Services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed Report has been delivered to Client at the time of such request.

4. CBRE shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.

5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the CBRE office executing this Agreement is located. **EACH PARTY, AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION IN ANY WAY RELATED TO THIS AGREEMENT.**

6. CBRE assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for CBRE to prepare a valid Report hereunder. Client acknowledges that such additional expertise is not covered in the fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.

7. Client acknowledges that CBRE is being retained hereunder as an independent contractor to perform the Services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and CBRE. Unless otherwise stated in this Agreement, Client shall not designate or disclose CBRE or any of its agents or employees as an expert or opinion witness in any court, arbitration, or other legal proceedings without the prior written consent of CBRE.

8. This assignment shall be deemed concluded and the Services hereunder completed upon delivery to Client of the Report discussed herein.

9. All statements of fact in the Report which are used as the basis of CBRE's analyses, opinions, and conclusions will be true and correct to CBRE's actual knowledge and belief. CBRE does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to CBRE by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, CBRE DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE EVEN IF KNOWN TO CBRE. Furthermore, the conclusions and any permitted reliance on and use of the Report shall be subject to the assumptions, limitations, and qualifying statements contained in the Report.

10. CBRE shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Report will not constitute a survey of the Property analyzed.

11. Client shall provide CBRE with such materials with respect to the assignment as are requested by CBRE and in the possession or under the control of Client. Client shall provide CBRE with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.

12. The data gathered in the course of the assignment (except data furnished by Client, “Client Information”) and the Report prepared pursuant to the Agreement are, and will remain, the property of CBRE. With respect to Client Information provided by Client, CBRE shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential and proprietary Client Information furnished to CBRE. Notwithstanding the foregoing to the contrary, CBRE is authorized by Client to disclose all or any portion of the Report and related data as may be required by applicable law, statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CBRE or its employees and agents to comply with the Bylaws and Regulations of the Appraisal Institute as now or hereafter in effect.

13. Unless specifically noted, in preparing the Report CBRE will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, “Hazardous Materials”) on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there are no major or significant repairs, improvements or deferred maintenance of the Property that would require the expertise of a professional cost estimator, engineer, architect or contractor. If any such repairs, improvements or maintenance are needed, the estimates for such repairs, improvements or maintenance are to be prepared by other parties pursuant to a separate written agreement in Client’s sole discretion and direction, and are not deemed part of the Services or otherwise covered as part of the fee hereunder.

14. In the event Client intends to use the Report in connection with a tax matter, Client acknowledges that CBRE provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Report or otherwise disagree with Client’s tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Report. Client agrees that CBRE shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other

compensation from CBRE relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.

15. **LIMITATION OF LIABILITY**. NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY:

(A) EXCEPT TO THE EXTENT ARISING FROM SECTION 16, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER PARTY, FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR OTHER EXEMPLARY LOSSES OR DAMAGES, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, REGARDLESS OF THE FORESEEABILITY OR THE CAUSE THEREOF.

(B) EXCEPT TO THE EXTENT ARISING FROM SECTION 16, OR SECTION 17 IF APPLICABLE, AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES AND COSTS REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO CBRE UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS ($10,000).

(C) CBRE SHALL HAVE NO LIABILITY WITH RESPECT TO ANY LOSS, DAMAGE, CLAIM OR EXPENSE INCURRED BY OR ASSERTED AGAINST CLIENT ARISING OUT OF, BASED UPON OR RESULTING FROM CLIENT'S OR ANY INTENDED USER'S FAILURE TO PROVIDE ACCURATE OR COMPLETE INFORMATION OR DOCUMENTATION PERTAINING TO ANY SERVICES OR REPORT ORDERED UNDER OR IN CONNECTION WITH THIS AGREEMENT, INCLUDING CLIENT'S OR ANY INTENDED USER'S FAILURE, OR THE FAILURE OF ANY OF CLIENT'S OR ANY INTENDER USER'S RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PRINCIPALS, AGENTS OR EMPLOYEES, TO PROVIDE A COMPLETE AND ACCURATE COPY OF THE REPORT TO ANY THIRD PARTY. CBRE SHALL HAVE NO LIABILITY WHATSOEVER FOR REPORTS OR DELIVERABLES THAT ARE SUBMITTED IN DRAFT FORM.

(D) THE LIMITATIONS OF LIABILITY IN SUBSECTIONS 15(A) AND 15(B) ABOVE SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

16. (a) Client shall not disseminate, distribute, make available or otherwise provide any Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Report, in whole or in part, in any offering, including, but not limited to any offering of the Property or any securities offering as defined by applicable law, or other material intended for review by other third parties) except (i) to any third party (a) identified in the Agreement as an Intended User subject to the terms and conditions of this Agreement or (b) otherwise expressly acknowledged in a separate writing executed by CBRE, such third party and Client, setting forth that such third party is an "Intended User" of the Report and providing CBRE with an acceptable release from such third party with respect to such Report or wherein Client provides acceptable indemnity protections to CBRE against any claims resulting directly from the distribution of the Report to such third party; (ii) to any third party service provider (including accountants, attorneys, rating agencies and auditors) using the Report in the course of providing Services for the sole benefit of an Intended User and limited to the Intended Use of the Report as defined in this Agreement, or (iii) to the extent required by applicable law, statute, government regulation, legal process, or judicial decree.

(b) In the event CBRE consents, in writing, to Client incorporating or referencing the Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such other materials available to any such parties unless and until Client has provided CBRE with complete copies of such offering or other materials and CBRE has approved the inclusion of the Report, or reference to the Report and/or CBRE, in such offering and other materials in writing. Further, CBRE's consent to such inclusion of the Report, or reference to the Report and/or CBRE, in any securities offering is subject to (i) CBRE's and CBRE's securities counsel's review and approval, in writing, of any inclusion of the Report, or reference to the Report and/or CBRE, in such securities offering; (ii) Client shall not modify the Report, any such inclusion of or reference to the Report and/or CBRE in such securities offering once approved by CBRE and its securities counsel in writing; and (iii) Client shall reimburse CBRE for its out-of-pocket costs and expenses, including attorneys' fees, arising from legal review of such securities offering and related materials on CBRE's behalf.

(c) In the absence of satisfying the conditions of this Section 16 with respect to any party who is not designated as an Intended User, in no event shall the receipt of a Report by such party extend any right to the party to use and rely on such Report, and CBRE shall have no liability for such unauthorized use and reliance on any Report.

(d) In the event Client breaches the provisions of this Section 16, Client shall indemnify, defend and hold CBRE and its affiliates and their officers, directors, employees, contractors, agents and other representatives (CBRE and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Report.

17. In the event Client incorporates or references the Report, in whole or in part, in any offering, including, but not limited to any offering of the Property or any securities offering as defined by applicable law, or other material intended for review by other parties, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the Report or the engagement of or performance of Services by any Indemnified Party hereunder, (ii) any Damages claimed by any user or recipient of the Report, whether or not an Intended User, (iii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iv) an actual or alleged violation of applicable law by an Intended User (including, without limitation, securities laws) or the negligent or intentional acts or omissions of an Intended User (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of CBRE (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.

18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with Section16 and Section 17, CBRE and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement, (b) any Services or Reports under this Agreement or (c) any acts or conduct relating to such Services or Reports, shall be filed within two (2) years from the date of delivery to Client of the Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

19. Miscellaneous.

(a) This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof. This Agreement may not be amended, modified or discharged, nor may any of its terms be waived except by written agreement of both parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. A signed copy of this Agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

(b) Neither party shall assign this Agreement in whole or in part (other than by operation of law) to any person or entity without the prior written consent of the other party. Subject to the foregoing, this Agreement and all of its provisions shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns.

(c) No consent or waiver, either expressed or implied, by a party to or of any breach or default, shall be construed to be a consent or waiver to or of any other breach or default in the performance of any obligations hereunder. Failure of a party to complain or declare the other party in default shall not constitute a waiver by such party of rights and remedies hereunder.

(d) Except as hereinafter provided, no delay or failure in performance by a party shall constitute a default hereunder to the extent caused by Force Majeure. Unless the Force Majeure substantially frustrates performance of the Services, Force Majeure shall not operate to excuse, but only to delay, performance of the Services. If Services are delayed by reason of Force Majeure, CBRE promptly shall notify Client. Once the Force Majeure event ceases, CBRE shall resume performance of the Services as soon as possible. As used herein, “Force Majeure” means any event beyond the control of the Party claiming inability to perform its obligations and which such Party is unable to prevent by the exercise of reasonable diligence, including, without limitation, the combined action of workers, fire, acts of terrorism, catastrophes, changes in laws, condemnation of property, governmental actions or delays, national emergency, war, civil disturbance, floods, unusually severe weather conditions, endemic or pandemic, or other acts of God. Inability to pay or financial hardship shall not constitute Force Majeure regardless of the cause thereof and whether the reason is outside a party’s control.

(e) Any provision of this Agreement that, by its language, contemplates performance or observation subsequent to any termination or expiration of this Agreement shall survive such termination or expiration and shall continue in full force and effect.

(f) If any provision of this Agreement, or application thereof to any person or circumstance, shall to any extent be invalid, then such provision shall be modified, if possible, to fulfill the intent of the parties reflected in the original provision. The remainder of this Agreement, or the application of such provision to person or circumstance other than those as to which it is held invalid, shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

SPECIFIC PROPERTY DATA REQUEST

In order to complete this assignment under the terms outlined, CBRE, Inc., Valuation & Advisory Services, will require the following specific information for the property:

1. **PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.**

2. Current title report and title holder name
3. Legal description
4. Survey and/or plat map
5. Site plan for the existing development
6. Building plans and specifications, including square footage for all buildings and units
7. Current county property tax assessment or tax bill
8. Details on any sale, contract, or listing of the property within the past three years
9. Engineering studies, soil tests or environmental assessments
10. Ground lease, if applicable
11. Details regarding the development costs, including land cost, if developed within the past three years
12. Three-year and YTD property income and expenses
13. Current year property income and expense budget
14. Detailed occupancy report for the past three years and current YTD
15. Detailed current rent roll indicating any vacant units
16. Details regarding any pending changes to the rent roll, including deposits for future occupancies
17. Details regarding any concessions currently being offered or provided for all leases pending or signed over the prior 12 months
18. Details regarding all personal property, including furniture, fixtures, and equipment
19. Details regarding the historical and future replacement schedule (i.e., carpets, appliances, cabinetry, laundry facilities, HVAC, etc.)
20. Details regarding capital expenditures made within the last 12 months, or scheduled for the next 12 months
21. Marketing plan and/or local competitive study, if available
22. Any previous market/demand studies or appraisals
23. Name and telephone number of property contact for physical inspection and additional information needed during the appraisal process
24. Any other information that might be helpful in valuing this property

If any of the requested data and information is not available, CBRE, Inc., reserves the right to extend the delivery date by the amount of time it takes to receive the requested information or make other arrangements. Please have the requested information delivered to the following:

Aleksandra Villena Lanzi
Vice President
Aleksandra.VillenaLanzi@cbre.com
CBRE, Inc.
Valuation & Advisory Services
8350 Broad Street, Suite 1100
McLean, VA 22102

Addendum F

Qualifications

VALUATION & ADVISORY SERVICES

Joe Nassau, MAI

Executive Vice President, McLean, Virginia
T +1 703 734 4774
E joseph.nassau@cbre.com

Select Clients Represented

- Akelius Real Estate Management
- Capital One Bank
- EagleBank
- HSBC
- M&T Bank
- Manulife Financial
- Pacific Western Bank
- PNC Bank
- Sandy Spring Bank
- Santander Bank
- TD Bank
- TIAA
- United Bank
- Walker & Dunlop

Education

- Bachelor of Science Degree in Finance and Political Science from American University in Washington, DC

Professional Experience

Joe Nassau, MAI is Executive Vice President in the Valuation & Advisory Services Group's Washington, DC regional office with over 15 years of real estate appraisal and market research experience specializing in the Mid-Atlantic region primarily in the Washington, DC and Baltimore markets.

Mr. Nassau is a Designated Member (MAI) of the Appraisal Institute and a Certified General Real Estate Appraiser in the Commonwealth of Virginia, the State of West Virginia, the State of Maryland and the District of Columbia.

Mr. Nassau has expertise in the appraisal of a diverse range of property types including multifamily, office, industrial and retail properties. His assignment specialties include multifamily residential properties (both conventional market-rate and affordable properties), residential condominium properties, retail properties, mixed-use developments, ground leases, redevelopments and new construction projects. He also has additional specialized experience relating to supply and demand and highest and best use analysis, as well as the valuation of Low-Income Housing Tax Credit (LIHTC) properties, and is part of the National Multi-Housing Valuation Group with CBRE. Assignments have included portfolio valuation, highest and best use analysis, feasibility studies, appraisal report review, tax appeal and litigation support.

Professional Affiliation & Accreditations

- Designated Member, Appraisal Institute (MAI)
- CBRE Top 25 U.S. Producer, Valuation & Advisory Services (2012-2023)

The Department of Licensing and Consumer Protection grants this license, in support of and under the authority of the:

District of Columbia Real Estate Appraisers

To: JOSEPH NASSAU

As a: Appraiser Certified General

Affiliated With:
1606 Stowe Road
Reston, VA 20194

License Number:	Issuance Date:	Expiration Date:
GA11639	3/22/2010	2/28/2026

Tiffany Crowe
Director
Department of Licensing and Consumer Protection

DLCP

CBRE

Delivering more than just a number

At CBRE, we offer more than expert appraisal services, we consult and advise to help you see the full picture of a property or portfolio.

Valuation & Appraisal

Understand all aspects of value

- Lending & Debt Valuations
- Portfolio Valuations
- Institutional Fund Valuations
- Litigation Support & Testimony
- Right-of-Way & Eminent Domain
- Evaluations/Alternative Valuations

cbre.com/appraisal

Assessment & Consulting

Understand all aspects of value

- Property Condition Assessments
- Environmental Site Assessments
- Land Surveying
- Seismic Risk Analysis
- Radon, Asbestos, Indoor Air Quality
- Zoning Reports & Compliance

cbre.com/assessment

Property & Transaction Tax

Understand all aspects of value

- Assessment Reviews & Appeals
- Real Estate Transaction Tax
- Property Tax Payment Services
- Pre-Acquisition Due Diligence
- Pre-Construction Due Diligence
- Budgeting & Accruals

cbre.com/propertytax

Quality You Can Count On

Reliable valuations depend on accurate insights. Our quality and risk management (QRM) framework ensures the highest-quality reports and analyses, giving you confidence in our calculations.

Upfront conflict and qualification checks	Embedded risk detection and leadership reviews	Landmark training, practice guidelines and governance	Dedicated, global team of QRM experts

Industry-leading people, data and technologies

Experience You Can Trust

CBRE is the global leader in commercial real estate services, with more than 100 years of industry experience. We provide unmatched market coverage and sector expertise across every dimension of our Valuation & Advisory Services, delivering insights you can't get anywhere else

90+	80K+	600k+	200+
U.S. Valuation Offices	U.S. Yearly Assignments	Global Yearly Assignments	Global Valuation Offices