

HIGH MEADOWS-THE COMMUNITY BUILDERS, AFFORDABLE OPTION

825 Hartford Turnpike
Hamden, Connecticut 06517

APPRAISAL REPORT

Date of Report: January 9, 2024



PREPARED FOR
Town of Hamden
625 Main Street
Hamden, CT 01036

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

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January 9, 2024

Town of Hamden

625 Main Street
Hamden, CT 01036

**RE: High Meadows-The Community Builders,
Affordable Option**

825 Hartford Turnpike
Hamden, Connecticut 06517

To Whom It May Concern::

The subject site is an irregularly-shaped parcel containing a gross site area of 2,190,632 SF (or 50.29-Acres) and is zoned R-4 – “Residence-4” by the Town of Hamden. The site is the former home of the High Meadows School and currently consists of eight buildings, a pool house, an in-ground pool, a cafeteria, a gymnasium, and a pavilion. The total gross building area of the existing buildings is approximately 65,000 SF. The site is laid out as a campus with interior roads connecting the parking areas and buildings.

There are two buildable areas of the site: the existing approximately 16 acres campus on the west side of the site and approximately 5 acres on the east side of the site. Most of the remaining area of the site is identified as wetlands by the CT DEEP (approximately 18 acres).

The Town of Hamden has solicited Development Proposals from several firms for the acquisition and development of the subject site through an RFP dated August 25, 2023. The subject property is in southeastern Hamden, approximately 2 miles from the Marketplace at Hamden, Hamden Mart, and Hamden Plaza.

Community Builders has submitted a letter of intent to build an apartment and single-family complex, totaling 15 buildings. Community Builders is planning to build 145 apartment units across 3 buildings, and 12 for-sale single-family houses across 12 houses. All the apartment units will be affordable units designated to households between 30% to 80% of AMI or less. Additionally, 45 out of the 157 apartment units will be designated to seniors, 62 and over. The 12 for-sale single-family houses units are expected to be built by Habitat for Humanity and will be designated as affordable. In total, the project will consist of 192,767 SF of residential space.

The identified scope of work to be addressed in this report relates to the RFP Response provided by the above noted proponent, which analyzes the following key factors as identified by the client:

- 1) Identify the average construction cost for similar developments.
- 2) Make a statement regarding the financial feasibility of the property.
- 3) Find new construction apartments sales in the New Haven and Eastern Connecticut Area.
- 4) Provide an analysis regarding the amount of open space for the proposed development.
- 5) Make a statement regarding the property development schedule and zoning approach.

As the proposed projects outlined in the RFP Response are very preliminary, there are certain components which were limited or not provided which would allow us to provide more thorough and accurate guidance. These limited or not available items are listed below:

- The quality of finishes for the single-family and apartment units.
- The sizes of the single-family and apartment units.
- If the single-family units will have garages (how many stalls) and if they will have basements.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the analysis. If you have any specific questions or concerns regarding the attached report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

**COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES**



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LETTER OF TRANSMITTAL

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CERTIFICATION

ASSUMPTIONS & LIMITING CONDITIONS

ADDENDA

- Valuation Glossary
- Qualifications of Appraisers
- Qualifications of Colliers International Valuation & Advisory Services

GENERAL INFORMATION

Property Name	High Meadows-The Community Builders, Affordable Option
Property Type	Multifamily - Garden/Low Rise
Address	825 Hartford Turnpike
Town	Hamden
State	Connecticut
Zip Code	06517
County	New Haven
Core Based Statistical Area (CBSA)	New Haven-Milford, CT
Market	New Haven-Milford
Submarket	Waterbury/Meriden/Hamden
Longitude	-72.896786
Latitude	41.358636
Number Of Parcels	1
Census Tract Number	1651.00

SITE INFORMATION

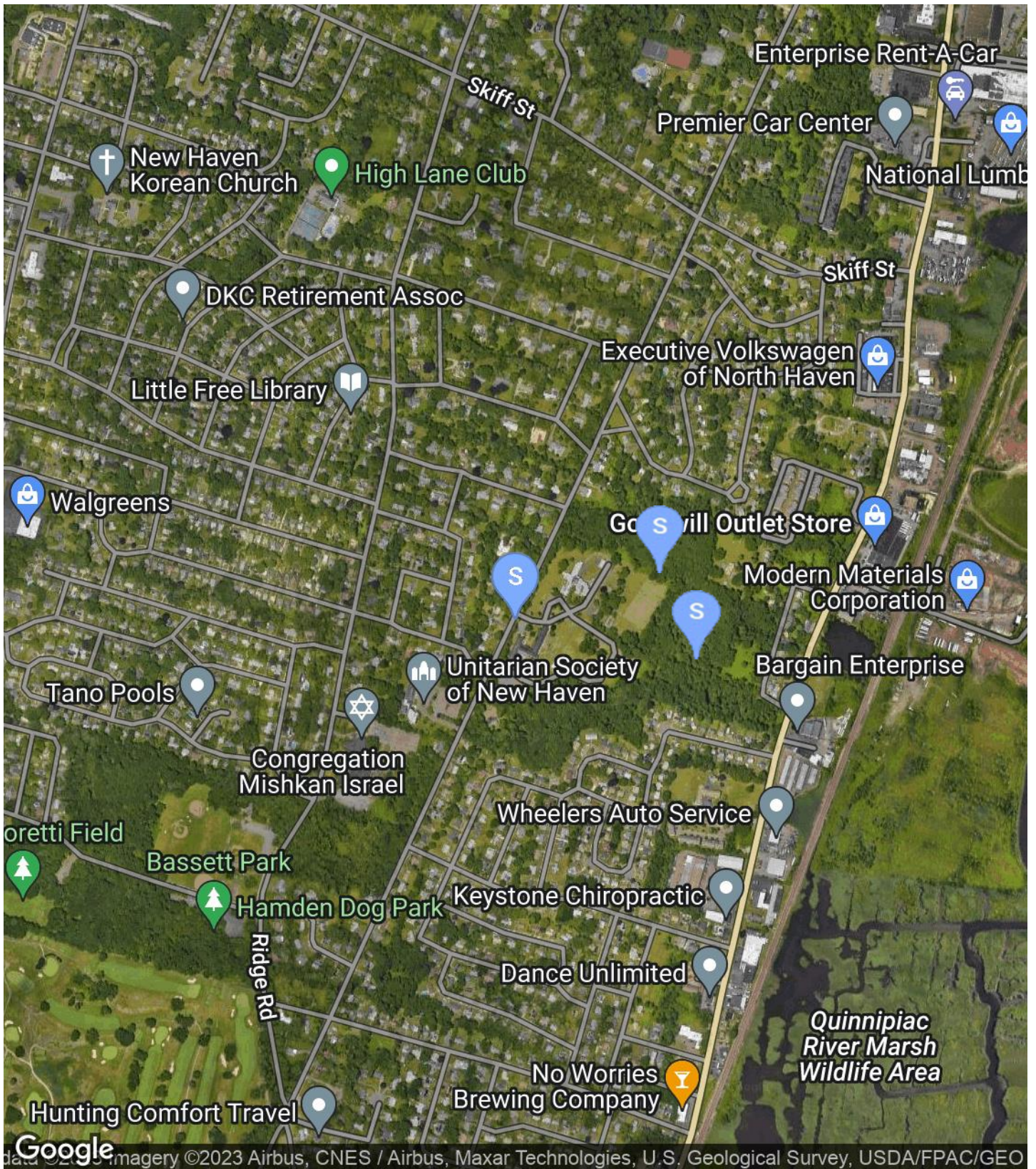
Land Area	Acres	Square Feet
Usable	32.29	1,406,552
Unusable	18.00	784,080
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
Total	50.29	2,190,632
Topography	Sloping below street grade	
Shape	Irregular	
Current Zoning	Residence-4 (R-4)	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Low Risk	

IMPROVEMENT INFORMATION

Number Of Apartment Units	145
Number of Single Family Units	<u>12</u>
Total Units	157
Gross Building Area SF (GBA)	192,767 SF
Number Of Apartment Buildings	15
Number Of Non-Residential Buildings	<u>0</u>
Total Number Of Buildings	15
Type Of Construction	Wood frame
Parking Type	Surface
Number Of Parking Spaces	179
Parking Spaces/Unit	1.2
Property Amenities	The subject's common amenities include: playgrounds, a community room, a fitness center, a wellness center, bike storage, an updated bus shelter to promote public transportation, a pool, and a community garden.

PROPOSED IMPROVEMENT SITE MAP





Google Imagery ©2023 Airbus, CNES / Airbus, Maxar Technologies, U.S. Geological Survey, USDA/FPAC/GEO

1) COST ANALYSIS

In this analysis, we compare the costs of the proposed development against the cost of similar developments in the New England and Mid-Atlantic areas. Below are the total development costs of the proposed development. We separated the apartment component from the single-family component.

APARTMENT COMPONENT

SOURCES AND USES (ENABLING WORK)

SOURCES	TOTAL COST
CT Community Grant	\$2,940,000
TOTAL	\$2,940,000

USES	TOTAL COST
Environmental Demo	\$1,120,000
Utility and Site Work	\$1,200,000
Walking Trail Connector	\$400,000
Pedestrian Upgrade	\$220,000
TOTAL	\$2,940,000

SOURCES AND USES (PHASE 1)

# OF UNITS	100			
SOURCES	BUILDING 1	BUILDING 2	BOTH BUILDINGS	COST/UNIT
Mortgage	\$2,766,086	\$2,766,086	\$5,532,172	\$55,322
Fed LIHTC	\$13,948,605	\$13,948,605	\$27,897,210	\$278,972
Dept. of Housing Soft Funds	\$5,250,000	\$5,250,000	\$10,500,000	\$105,000
City HOME/CDBG	\$1,000,000	\$1,000,000	\$2,000,000	\$20,000
Housing Tax Credit Contribution	\$500,000	\$500,000	\$1,000,000	\$10,000
DECD Community Investment Fund	\$2,000,000	\$2,000,000	\$4,000,000	\$40,000
Deferred Developer Fee	\$236,051	\$236,051	\$472,102	\$4,721
GP Contribution	\$100	\$100	\$200	\$2
Energy Rebates	\$360,000	\$360,000	\$720,000	\$7,200
TOTAL	\$26,060,842	\$26,060,842	\$52,121,684	\$521,217
USES	PHASE 1	PHASE 2	BOTH PHASES	COST/UNIT
Acquisition	\$750,000	\$750,000	\$1,500,000	\$15,000
Site Work	\$600,000	\$600,000	\$1,200,000	\$12,000
Construction	\$17,775,000	\$17,775,000	\$35,550,000	\$355,500
Soft Costs	\$2,517,510	\$2,517,510	\$5,035,020	\$50,350
Financing Costs	\$1,660,658	\$1,660,658	\$3,321,316	\$33,213
Reserves	\$397,165	\$397,165	\$794,330	\$7,943
Developer Fee Paid	\$2,124,458	\$2,124,458	\$4,248,916	\$42,489
Developer Fee Deferred	\$236,051	\$236,051	\$472,102	\$4,721
TOTAL	\$26,060,842	\$26,060,842	\$52,121,684	\$521,217

SOURCES AND USES (PHASE 2)

OF UNITS 45

SOURCES	TOTAL COST	COST/UNIT
HUD 202 Grant/Loan	\$9,800,000	\$217,778
Fed LIHTC	\$8,065,272	\$179,228
Dept. of Housing Soft Funds	\$5,250,000	\$116,667
Owner Contribution	\$25,000	\$556
Deferred Developer Fee	\$158,692	\$3,526
GP Contribution	\$100	\$2
Energy Rebates	\$225,000	\$5,000
TOTAL	\$23,524,064	\$522,757

USES	TOTAL COST	COST/UNIT
Acquisition	\$0	\$0
Site Work	\$596,652	\$13,259
Construction	\$16,147,436	\$358,832
Soft Costs	\$2,545,935	\$56,576
Financing Costs	\$1,521,921	\$33,820
Reserves	\$287,428	\$6,387
Developer Fee Paid	\$2,274,692	\$50,549
Developer Fee Deferred	\$150,000	\$3,333
TOTAL	\$23,524,064	\$522,757

TOTAL COSTS (ENABLING WORK, PHASE 1 AND PHASE 2)

COST ITEM	COST	COST/UNIT	COST/SF
Enabling Work	\$2,940,000	\$20,276	\$17
Phase 1	\$52,121,684	\$359,460	\$296
Phase 2	\$23,524,064	\$162,235	\$134
TOTAL COST INCLUSIVE OF LAND VALUE	\$78,585,748	\$541,971	\$447
TOTAL COST EXCLUSIVE OF LAND VALUE	\$77,085,748	\$531,626	\$438

SINGLE-FAMILY COMPONENT

SOURCES AND USES (PHASE 3)

OF UNITS 12

USES	TOTAL COST/UNIT	TOTAL COST
Acquisition	\$1	\$12
Site Work	\$30,580	\$366,960
Construction	\$148,036	\$1,776,432
Soft Costs	\$9,301	\$111,612
Overhead	\$20,000	\$240,000
Construction Labor and Overhead	\$45,000	\$540,000
Family Services	\$10,000	\$120,000
Administration and Closing	\$1,200	\$14,400
Contingency	\$2,000	\$24,000
TOTAL	\$266,118	\$3,193,416
COST PER UNIT		\$266,118
COST PER SF		\$190

APARTMENT COST COMPARABLES

Below are the cost comparables from the region.

GARDEN-STYLE APARTMENT HOUSING												
COMPARABLE #	1				2				3			
COST DATE	2022				2022				2022			
COUNTY/STATE	Fairfield, CT				Fairfield, CT				Nassau, NY			
SIZE (AC)	3.24				10.42				2.04			
# OF RESIDENTIAL UNITS	173				260				71			
TYPE	For Rent, Market and Affordable				For Rent, Market				For Rent, Affordable			
NRA	170,689				281,482				55,178			
GBA	222,169				363,728				69,346			
# OF STORIES	4				4				3			
# OF BUILDINGS	1				5				1			
AMENITIES	Fitness Center, Resident Lounge, Swimming Pool, Courtyard and Deck				BBQ/Picnic Area, Fitness Center, swimming pool, clubhouse, and resident storage				Surface Parking, Elevator			
# OF SURFACE SPACES	194				428				128			
# OF GARAGE SPACES	0				64				0			
# OF TOTAL SPACES	194				492				128			
COST ITEMS	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA
Land	\$12,150,000	\$70,231	\$71	\$55	\$13,600,000	\$52,308	\$48	\$37	\$3,827,500	\$53,908	\$69	\$55
Site/Foundation Work	\$6,800,000	\$39,306	\$40	\$31	\$6,602,705	\$25,395	\$23	\$18	Inc. Below	Inc. Below	Inc. Below	Inc. Below
Hard Costs	\$40,410,444	\$233,586	\$237	\$182	\$51,606,027	\$198,485	\$183	\$142	\$25,841,372	\$363,963	\$468	\$373
Soft Costs	\$7,220,074	\$41,735	\$42	\$32	\$5,561,998	\$21,392	\$20	\$15	\$6,746,579	\$95,022	\$122	\$97
Interest/Financing	\$1,969,482	\$11,384	\$12	\$9	\$4,320,000	\$16,615	\$15	\$12	\$2,223,556	\$31,318	\$40	\$32
Total Costs	\$68,550,000	\$396,243	\$402	\$309	\$81,690,730	\$314,195	\$290	\$225	\$38,639,007	\$544,211	\$700	\$557
Total Costs Exclusive of Land Cost	\$56,400,000	\$326,012	\$330	\$254	\$68,090,730	\$261,887	\$242	\$187	\$34,811,507	\$490,303	\$631	\$502

GARDEN-STYLE APARTMENT HOUSING

COMPARABLE #	4				5				2023			
COST DATE	2021				2023				2023			
COUNTY/STATE	Onandaga, NY				Niagara, NY				Worcester, MA			
SIZE (AC)	0.98				3.3				0.52			
# OF RESIDENTIAL UNITS	199				108				111			
TYPE	For Rent, Market				For Rent, Market				For Rent, Market			
NRA	126,581				115,023				76,001			
GBA	166,871				137,168				104,271			
# OF STORIES	4				4				6			
# OF BUILDINGS	1				1				1			
AMENITIES	Business Center, Common Laundry, Elevators, Fitness Center, Game Room				Clubhouse, Pool, Pickleball Courts, BBQ Grilling Stations, Fitness Center, Dog Park, Business Center,				Garage Parking, Ground Floor Commercial, and a Courtyard			
# OF SURFACE SPACES	0				0				62			
# OF GARAGE SPACES	42				150				0			
# OF TOTAL SPACES	42				150				62			
COST ITEMS	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA
Land	\$5,000,000	\$25,126	\$40	\$30	\$1,200,000	\$11,111	\$10	\$9	\$5,616,600	\$50,600	\$74	\$54
Site/Foundation Work	Inc. Below	Inc. Below	Inc. Below	Inc. Below	\$4,244,332	\$39,299	\$37	\$31	Inc. Below	Inc. Below	Inc. Below	Inc. Below
Hard Costs	\$41,640,120	\$209,247	\$329	\$250	\$17,729,777	\$164,165	\$154	\$129	\$32,156,085	\$289,694	\$423	\$308
Soft Costs	\$10,695,694	\$53,747	\$84	\$64	\$3,951,811	\$36,591	\$34	\$29	\$2,402,321	\$21,643	\$32	\$23
Interest/Financing	\$330,362	\$1,660	\$3	\$2	\$1,411,680	\$13,071	\$12	\$10	\$4,294,625	\$38,690	\$57	\$41
Total Costs	\$57,666,176	\$289,780	\$456	\$346	\$28,537,600	\$264,237	\$248	\$208	\$44,469,631	\$400,627	\$585	\$426
Total Costs Exclusive of Land Cost	\$52,666,176	\$264,654	\$416	\$316	\$27,337,600	\$253,126	\$238	\$199	\$38,853,031	\$350,027	\$511	\$373

SUMMARY OF COST COMPARABLES FOR APARTMENT COMPONENT

PER UNIT BASIS

Below is a summary of the minimum, 1st quartile, median, mean, 3rd quartile and maximum cost per unit for the 6 cost comparables presented on the previous page.

SUMMARY OF CONSTRUCTION DATASET (PER UNIT BASIS)						
COST ITEM	PER UNIT					
	MINIMUM	1ST QUARTILE	MEDIAN	MEAN	3RD QUARTILE	MAXIMUM
TOTAL COSTS INCLUSIVE OF LAND COSTS	\$264,237	\$295,884	\$355,219	\$368,216	\$399,531	\$544,211
TOTAL COSTS EXCLUSIVE OF LAND COSTS	\$253,126	\$262,579	\$295,333	\$324,335	\$344,023	\$490,303

The developer projected a cost for the apartment component of \$541,971 per unit inclusive of land costs and \$531,626 per unit exclusive of land costs. The developer's projected cost per unit inclusive of land costs is at the upper end of the range of the comparable costs. The subject's projected cost per unit exclusive of land costs is well above the maximum of the comparable costs.

PER SF BASIS

Below is a summary of the minimum, 1st quartile, median, mean, 3rd quartile and maximum cost per SF of GBA for the 6 cost comparables presented on the previous page.

SUMMARY OF CONSTRUCTION DATASET (PER SF OF GBA BASIS)						
COST ITEM	PER SF OF GBA					
	MINIMUM	1ST QUARTILE	MEDIAN	MEAN	3RD QUARTILE	MAXIMUM
TOTAL COSTS INCLUSIVE OF LAND COSTS	\$208	\$246	\$327	\$345	\$406	\$557
TOTAL COSTS EXCLUSIVE OF LAND COSTS	\$187	\$213	\$285	\$305	\$358	\$502

The developer projected a cost for the apartment component of \$447 per SF of GBA inclusive of land costs and \$438 per SF of GBA exclusive of land costs. The developer's projected cost per unit inclusive and exclusive of land costs is on the upper end of the cost comparable range.

Overall, the developer's projected cost per unit and cost per square foot for the apartment component is on the upper end of the range of the cost data. A more detailed description and identification of the apartment component would allow for a more detailed analysis of this component and why the costs differ so much (is much higher) than the other proposals.

TOWNHOUSE/SINGLE-FAMILY COST COMPARABLES

In the analysis of the single-family component, we utilized cost comparables and the Marshall & Swift Cost Manual.

Below are the townhouse/single-family cost comparables for the region.

SMALLER TOWNHOUSE-STYLE/SINGLE-FAMILY HOUSE DEVELOPMENTS												
COMPARABLE #	1				2				3			
COST DATE	2022				2022				2023			
COUNTY/STATE	Kent, RI				Hartford, CT				York, ME			
SIZE SIZE (AC)	0.14				1.50				1.21			
# OF RESIDENTIAL UNITS	5				13				12			
TYPE	Townhouse-For Sale											
NRA	7,500				25,680				12,096			
GBA	7,500				25,680				12,096			
# OF STORIES	3				3				2			
# OF BUILDINGS	1				1				6			
AMENITIES	1-Car Attached Garage, In-Unit Laundry				Garage Parking for Some Units, Storage				Surface Parking, Storage			
# OF SURFACE SPACES	5				11				27			
# OF GARAGE SPACES	5				0				0			
# OF TOTAL SPACES	10				11				27			
COST ITEMS	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA	COST	\$/UNIT	\$/SF of NRA	\$/SF of GBA
Land	\$450,000	\$90,000	\$60	\$60	\$0	\$0	\$0	\$0	\$450,000	\$37,500	\$37	\$37
Site/Foundation Work	Inc. Below	Inc. Below	Inc. Below	Inc. Below	Inc. Below	Inc. Below	Inc. Below	Inc. Below	\$383,900	\$31,992	\$32	\$32
Hard Costs	\$1,400,000	\$280,000	\$187	\$187	\$5,568,956	\$428,381	\$217	\$217	\$1,559,900	\$129,992	\$129	\$129
Soft Costs	\$100,000	\$20,000	\$13	\$13	Inc. Above	Inc. Above	Inc. Above	Inc. Above	\$351,500	\$29,292	\$29	\$29
Interest/Financing	Inc. Above	Inc. Above	Inc. Above	Inc. Above	Inc. Above	Inc. Above	Inc. Above	Inc. Above	\$0	\$0	\$0	\$0
Total Costs	\$1,950,000	\$390,000	\$260	\$260	\$5,568,956	\$428,381	\$217	\$217	\$2,745,300	\$228,775	\$227	\$227
Total Costs Exclusive of Land Cost	\$1,500,000	\$280,000	\$187	\$187	\$5,568,956	\$428,381	\$217	\$217	\$2,295,300	\$191,275	\$190	\$190

SUMMARY OF COST COMPARABLES FOR SINGLE-FAMILY COMPONENT

Due to lack of data, we have on townhouse construction development, we also considered information from Marshall and Swift Cost Manual. Below is a summary of the cost estimate.

BUILDING COST ESTIMATE

The following cost approach to value was developed based on replacement cost analysis. Replacement Cost is defined as: The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout.¹

Replacement cost includes both direct and indirect costs. Direct costs are expenditures for labor and materials used in the construction of improvements (also known as hard costs). Indirect costs are expenditures for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract (also known as soft costs). Indirect costs often include real property taxes during construction, professional fees, permanent financing fees, leasing commissions, marketing costs and contingency.

Marshall Valuation Service

Marshall Valuation Service is a comprehensive appraisal guide widely used throughout the United States for developing replacement costs and depreciated values of buildings and other improvements, and is largely considered the authority on building costs.

The table on the following page outlines the process we applied for developing replacement cost new of the subject building improvements with Marshall Valuation Service. First, the subject components were researched to identify the applicable base building costs per square foot. Next, the base building costs were adjusted for square foot refinements, height and size refinements, and current and local cost multipliers to determine an estimate of direct costs. After determining direct costs using Marshall Valuation Service, we then analyzed market evidence to estimate indirect costs. Finally, an appropriate developer's profit was applied to provide an indication of the replacement cost new.

¹ The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

REPLACEMENT COST NEW (BUILDING)

MARSHALL VALUATION SERVICE DIRECT COST

Number of Buildings	12	
Gross Building Area	16,800 SF	1
MVS Building Type		Single-Family
MVS Section/Page/Class		Sec 12 Page 25
Quality Rating		Average
Component SF (Gross)		16,800
Base Cost (Per SF)		\$127.00
SQUARE FOOT REFINEMENTS		
Heating and Cooling		\$0.00
Fire Sprinklers		\$0.00
Elevators		\$0.00
Balconies		\$0.00
Garage Doors		\$0.00
Other		\$0.00
Other		\$0.00
Other		\$0.00
Subtotal		\$127.00
HEIGHT & SIZE REFINEMENTS		
Number of Stories Multiplier		1.000
Height Per Story Multiplier		1.000
Area/Perimeter Multiplier		1.000
Subtotal		\$127.00
COST MULTIPLIERS		
Current Cost Multiplier		0.97
Local Multiplier		1.07
DIRECT COSTS PER SF		\$131.81
Indirect Cost (% of Direct) ¹	15%	15%
INDIRECT COST PER SF		\$19.77
DIRECT & INDIRECT TOTAL PER SF		\$151.59
CALCULATION OF REPLACEMENT COST NEW WITH PROFIT		
Component SF (Gross)		16,800
Direct & Indirect Total		\$2,546,633
ENTREPRENEURIAL PROFIT % ¹	15%	15%
Entrepreneurial Profit \$		\$381,995
FINAL TOTAL REPLACEMENT COST NEW		\$2,928,628

¹Colliers International Estimate

Based on our research, indirect costs are typically 10% to 20% of direct cost for this type of development in the marketplace. Considering the size and project characteristics, we have estimated indirect costs at 15% of direct costs.

Entrepreneurial profit and overhead compensates the developer for project risk and management. It is unlikely that a developer would proceed with a development unless adequate profit is available to justify the effort. Based on anecdotal evidence provided by developers of similar Garden/Low Rise projects, profit is typically based on a percentage of replacement cost, generally 5% to 15%, depending upon project size, location, marketability and risk. An entrepreneurial profit and overhead allocation of 15% was used in this analysis.

REPLACEMENT COST NEW SUMMARY (BUILDING)

MARSHALL VALUATION SERVICE			
Direct & Indirect Costs		\$2,546,633	\$151.59/SF
Entrepreneurial Profit	@ 15%	\$381,995	\$22.74/SF
TOTAL REPLACEMENT COST NEW (RCN)		\$2,928,628	\$174.32/SF

SITE COST ESTIMATE

The replacement cost new of the subject site improvements is presented in the following table. For the site area, we assumed 5 acres. The proposal does not indicate how much square footage the single-family phase will encompass.

SITE IMPROVEMENTS REPLACEMENT COST NEW

ITEM	UNITS	AREA	RCN	TOTAL RCN	INDIRECT 15%	ADJUSTED RCN	PROFIT 15%	TOTAL RCN
Site Improvements	SF	217,800	\$5.00	\$1,089,000	\$163,350	\$1,252,350	\$187,853	\$1,440,203

The site improvements area was calculated by using the approximate amount of land area of the townhouse component of the development. The replacement cost new was estimated at \$0.77/SF with support from Marshall Valuation Service, the developer's cost schedule and cost comparables. Allocations for indirect costs of 15% and profit of 15% were carried forward from the conclusions made within the analysis of building improvements.

TOTAL COST ESTIMATE

The Cost Approach analysis using Marshall Valuation Services and conclusion are presented in the following table.

COST APPROACH VALUE CONCLUSION

IMPROVEMENTS (BUILDING)

Direct & Indirect Costs	\$2,546,633
PLUS: Entrepreneurial Profit	\$381,995
LESS: Total Depreciation	\$0
TOTAL DEPRECIATED VALUE OF IMPROVEMENTS (BUILDING)	\$2,928,628

IMPROVEMENTS (SITE)

Direct & Indirect Costs	\$1,252,350
PLUS: Entrepreneurial Profit	\$187,853
LESS: Total Depreciation	\$0
TOTAL DEPRECIATED VALUE OF IMPROVEMENTS (SITE)	\$1,440,203

SUMMARY (ALL IMPROVEMENTS)

Adjusted Costs/Cost New	\$3,798,983
PLUS: Total Entrepreneurial Profit	\$569,847
TOTAL REPLACEMENT COST NEW	\$4,368,830
LESS: Total Depreciation	\$0
TOTAL DEPRECIATED VALUE OF IMPROVEMENTS	\$4,368,830
PLUS: Land Value (Primary Site)	\$0
INDICATED VALUE	\$364,167/Unit \$260/SF \$4,370,000

Rounded to nearest \$10,000

SUMMARY OF COST COMPARABLES FOR SINGLE-FAMILY COMPONENT

PER UNIT BASIS

Below is a summary of the minimum, median, mean, and maximum cost per unit for the 3 cost comparables presented on the previous page.

SUMMARY OF CONSTRUCTION DATASET (PER UNIT BASIS)				
COST ITEM	PER UNIT			
	MINIMUM	MEDIAN	MEAN	MAXIMUM
TOTAL COSTS EXCLUSIVE OF LAND COSTS	\$191,275	\$280,000	\$299,885	\$428,381

Below is a summary of the minimum, median, mean, and maximum cost per SF of GBA for the 3 cost comparables presented on the previous page.

SUMMARY OF CONSTRUCTION DATASET (PER SF BASIS)				
COST ITEM	PER SF OF GBA			
	MINIMUM	MEDIAN	MEAN	MAXIMUM
TOTAL COSTS EXCLUSIVE OF LAND COSTS	\$187	\$190	\$198	\$217

Below is a summary of the costs using Marshall Valuation Services.

SUMMARY OF CONSTRUCTION DATASET (M&S SERVICES)	
COST ITEM	PER SF OF GBA AND PER UNIT
	AMOUNT
COST/SF	\$260
COST/UNIT	\$364,167

The developer projected a cost for the single-family component of \$266,118 per unit exclusive of land costs.

The developer projected a cost for the single-family component of \$190 per SF exclusive of land costs.

The developer's projected cost per unit is similar to the expense comparables, but slightly below the cost per unit indicated by Marshall and Swift. Overall, the developer's projections are in line with the cost data on a cost per unit basis.

The developer's projected cost per SF is like the expense comparables, but slightly below the cost per SF indicated by Marshall and Swift. Overall, the developer's projections are in line with the cost data on a cost per SF basis.

The development costs for the single-family component will vary based on such items as the quality of finish, the number of garage spaces, the amount of above grade finished area, and if there will be basements. At a surface level, the developer's projections are at the upper bounds of the data presented; however, they seem reasonable. A more detailed description and identification of the single-family development would allow for a more detailed analysis of this component.

2) FINANCIAL FEASIBILITY - PHASE 1 AND PHASE 2

To test the financial feasibility of the project, we used the Income Approach, which is a common approach to valuation for income producing property. The developer is utilizing affordable housing financing to fund the development.

SOURCES AND USES (PHASE 1)				
# OF UNITS	100			
SOURCES	BUILDING 1	BUILDING 2	BOTH BUILDINGS	COST/UNIT
Mortgage	\$2,766,086	\$2,766,086	\$5,532,172	\$55,322
Fed LIHTC	\$13,948,605	\$13,948,605	\$27,897,210	\$278,972
Dept. of Housing Soft Funds	\$5,250,000	\$5,250,000	\$10,500,000	\$105,000
City HOME/CDBG	\$1,000,000	\$1,000,000	\$2,000,000	\$20,000
Housing Tax Credit Contribution	\$500,000	\$500,000	\$1,000,000	\$10,000
DECD Community Investment Fund	\$2,000,000	\$2,000,000	\$4,000,000	\$40,000
Deferred Developer Fee	\$236,051	\$236,051	\$472,102	\$4,721
GP Contribution	\$100	\$100	\$200	\$2
Energy Rebates	\$360,000	\$360,000	\$720,000	\$7,200
TOTAL	\$26,060,842	\$26,060,842	\$52,121,684	\$521,217
USES	PHASE 1	PHASE 2	BOTH PHASES	COST/UNIT
Acquisition	\$750,000	\$750,000	\$1,500,000	\$15,000
Site Work	\$600,000	\$600,000	\$1,200,000	\$12,000
Construction	\$17,775,000	\$17,775,000	\$35,550,000	\$355,500
Soft Costs	\$2,517,510	\$2,517,510	\$5,035,020	\$50,350
Financing Costs	\$1,660,658	\$1,660,658	\$3,321,316	\$33,213
Reserves	\$397,165	\$397,165	\$794,330	\$7,943
Developer Fee Paid	\$2,124,458	\$2,124,458	\$4,248,916	\$42,489
Developer Fee Deferred	\$236,051	\$236,051	\$472,102	\$4,721
TOTAL	\$26,060,842	\$26,060,842	\$52,121,684	\$521,217

SOURCES AND USES (PHASE 2)		
# OF UNITS	45	
SOURCES	TOTAL COST	COST/UNIT
HUD 202 Grant/Loan	\$9,800,000	\$217,778
Fed LIHTC	\$8,065,272	\$179,228
Dept. of Housing Soft Funds	\$5,250,000	\$116,667
Owner Contribution	\$25,000	\$556
Deferred Developer Fee	\$158,692	\$3,526
GP Contribution	\$100	\$2
Energy Rebates	\$225,000	\$5,000
TOTAL	\$23,524,064	\$522,757
USES	TOTAL COST	COST/UNIT
Acquisition	\$0	\$0
Site Work	\$596,652	\$13,259
Construction	\$16,147,436	\$358,832
Soft Costs	\$2,545,935	\$56,576
Financing Costs	\$1,521,921	\$33,820
Reserves	\$287,428	\$6,387
Developer Fee Paid	\$2,274,692	\$50,549
Developer Fee Deferred	\$150,000	\$3,333
TOTAL	\$23,524,064	\$522,757

TOTAL COSTS (ENABLING WORK, PHASE 1 AND PHASE 2)			
COST ITEM	COST	COST/UNIT	COST/SF
Enabling Work	\$2,940,000	\$20,276	\$17
Phase 1	\$52,121,684	\$359,460	\$296
Phase 2	\$23,524,064	\$162,235	\$134
TOTAL COST INCLUSIVE OF LAND VALUE	\$78,585,748	\$541,971	\$447
TOTAL COST EXCLUSIVE OF LAND VALUE	\$77,085,748	\$531,626	\$438

The following presentation of the appraisal process deals directly with the valuation of the subject property. The paragraphs below describe the standard approaches to value that were considered for this analysis.

Income Approach-Apartment Component

The two fundamental methods of this valuation technique include Direct Capitalization and Effective Gross Income Multiplier.

Development of the Income Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. The subject is an investment property; therefore, the Income Approach represents the decision making process of knowledgeable buyers and sellers of this property type. The Direct Capitalization method is used in this analysis. Discounted Cash Flow analysis does not contribute substantially to estimating value beyond the direct capitalization method and is not used in this analysis.

Income Approach-Condo Component

The bulk discounted market value is the discounted value of the development and is applicable to typical interim purchasers of the product type such as developers, investors, or entrepreneurs. The concept for the bulk discounted market value is essentially the same as the Discounted Cash Flow method for typical income-producing property in which all future income streams are discounted into a present worth or value. The market

value (present worth of all future cash flows) is considered to be the applicable value for purposes of this appraisal report.

The determination of the property value estimate depends largely upon identifying the actual market. The gross sellout would pertain to that portion of the market that purchases a unit for its intended use: typically, in the case of residential condominiums, the homeowner. These buyers would typically purchase one unit at a time and would expect to pay the retail value for the unit. It is unlikely that a homeowner would ever purchase an entire condominium development, thus, a homeowner would not typically be motivated by the gross sellout of the development.

The bulk discounted market value is the discounted value of the development and would be applicable to the interim purchasers such as developers, investors or entrepreneurs. The concept for the bulk discounted market value is essentially the same as the Discounted Cash Flow (DCF) Analysis for typical income-producing properties wherein all future income streams are discounted into a present worth or value. The market value (present worth of all future cash flows) is considered to be the applicable value for this appraisal.

For the Income Approach, the gross retail sellout is estimated via the Sales Comparison Approach – Finished Units. This estimate is then incorporated into the DCF Analysis. The DCF Analysis then entails the development of a net income stream per period (based on an absorption rate), discounting this income stream to a present worth by use of an appropriate discount rate. In the analysis of residential projects, this discounted bulk value analysis is commonly referred to as Subdivision Analysis.

To avoid confusion over subdivision methodology and its related terms, we have cited the following passage from Subdivision Analysis (Appraisal Institute, 1993, Pg. 60-61):

Frequently the final value estimate is labeled *wholesale value* or *retail value* even though such terminology may be completely inconsistent with the stated purpose of the appraisal.

Appraisers should be aware that users of appraisal reports may not be familiar with the exact definitions of the terms they contain. A term such as discounted value can be very misleading because it suggests that the value estimate is somehow less than what the property is actually worth. Discounting is a mathematical process in which forecast incomes are converted into present value estimates. Therefore, discounted value is not a type of value, but the result of the mathematical process used to arrive at a value estimate.

A similar term, wholesale value, also suggests a value estimate that is less than the property's actual worth. Such a term may be meaningless or misleading. Again, if the purpose of the assignment is to estimate market value, then the final estimate should be labeled market value.

Another terminology problem involves the use of the terms *retail value* and *gross sellout value*. These terms do not identify value estimates; they represent the total gross receipts expected to be produced by the project. Value is a point-in-time estimate, based in part on the theory that the value of any good or service is the present value of the future benefits to be derived from its ownership. Since arriving at gross sellout value does not involve consideration of the expenses of disposition or holding or the calculation of present worth, gross sellout is not a value estimate. Labeling expected gross receipts as any kind of value estimate is highly misleading and should be avoided.

DIRECT CAPITALIZATION-APARTMENT COMPONENT-PHASE 1 AND 2

In this section, we value the apartment component of the development.

The first step in the direct capitalization method is to estimate the subject’s durable rental income through reconciliation of the subject’s in-place lease terms and market rent analysis. Next, we analyze other income items including reimbursements and miscellaneous revenue. Then, vacancy allowance and operating expenses are estimated based on analysis of the subject and market indicators. Finally, the resulting net operating income is capitalized at an appropriate supported rate. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

Subject Income History/Concessions

Below is the developer’s projection of current asking rents.

SUBJECT PROJECTED RENTS							
UNIT TYPE	UNIT SUMMARY			UNITS	UNIT %	ASKING RENT	
	OCC	VAC	TOT	PERCENT OF TOTAL	OCC-UPIED	PER UNIT	TOTAL \$/MO
1 Bed at 30% of AMI	0	16	16	11.0%	0%	\$645	\$10,320
1 Bed at 50% of AMI	0	4	4	2.8%	0%	\$886	\$3,544
1 Bed at 60% of AMI	0	14	14	9.7%	0%	\$1,091	\$15,274
1 Bed at 80% of AMI	0	8	8	5.5%	0%	\$1,500	\$12,000
2 Bed at 50% of AMI	0	16	16	11.0%	0%	\$1,063	\$17,008
2 Bed at 60% of AMI	0	24	24	16.6%	0%	\$1,309	\$31,416
2 Bed at 80% of AMI	0	18	18	12.4%	0%	\$1,800	\$32,400
Studio @ 50% of AMI-Senior	0	4	4	2.8%	0%	\$926	\$3,704
1 Bed @ 50% of AMI-Senior	0	41	41	28.3%	0%	\$926	\$37,966
TOTAL/AVG	0	145	145	100%	0.0%	\$1,128	\$163,632

Community Builders did not specifically indicate how it calculated rents. The Sources and Uses of the previous page indicate that they intend to apply for Federal Low-Income Housing Tax Credits. The maximum rents for Federal Low Income Housing Tax Credits are based on median incomes in the New Haven-Meriden CT HUD Metro FMR Area. The maximum rent levels allowed are outlined below. For the purposes of our analysis, we used the maximum rents from the low-income housing tax credit chart to help define the maximum allowed rents. There may be other rent restrictions such as HOME rent restrictions, which may also affect rental levels. A more detailed understanding of how the developer calculated rents would be helpful.

FEDERAL LOW INCOME HOUSING TAX CREDITS MAXIMUM RENT LIMITS

LIHTC Rent Limits for 2023 (Based on 2023 MTSP/VLI Income Limits)								
Bedrooms (People)	Charts	60.00%	30.00%	50.00%	60.00%	80.00%	FMR	
Efficiency (1.0)	▲▲	1,204	802	1,003	1,204	1,806	1,200	
1 Bedroom (1.5)	▲▲	1,290	845	1,075	1,290	1,721	1,334	
2 Bedrooms (3.0)	▲▲	1,549	774	1,291	1,549	2,086	1,629	
3 Bedrooms (4.5)	▲▲	1,789	894	1,491	1,789	2,386	2,001	
4 Bedrooms (6.0)	▲▲	1,996	998	1,683	1,996	2,682	2,258	
5 Bedrooms (7.5)	▲▲	2,203	1,101	1,836	2,203	2,938		

In our analysis, we assume that the landlord pays utilities. It is more typical for landlords to pay some or all of the utilities in affordable developments in the area. To be consistent with the market and our expense comps (which also have landlords paying for some or all the utilities), we assumed that landlord pay for utilities.

Subject Utility Structure

- › **Hot Water** - Included in the rent
- › **Cold Water** - Included in the rent
- › **Sewer** - Included in the rent
- › **Gas** - Included in the rent
- › **Electricity** - Included in the rent

ANALYSIS OF RENTS

We've recently been involved in an affordable housing assignment in Connecticut and found that affordable rents were at or near the maximum rent levels. Additionally, there is notable demand for affordable housing. According to the Market Analysis completed by Camoin Associates in 2020, there has historically been demand for affordable housing. Based on their study, as of 2018, nearly 48% of renters in Hamden spent over 30% of their income in housing. Nearly 37% of homeowners in Hamden spend more than 30% of their income on housing. According to the report, the Town of Hamden can expect an influx of households aged 35 to 44, and 65+. As a result, the developer should expect the affordable rents to be at or near the maximum rent thresholds.

The following tables summarize the various indicators of market rent, and provide the market rent analysis and conclusions for the subject property. **For apartment units, the consideration of the size and corresponding price per SF is most typical. The proposed unit sizes for the subject's development were not made available to us as part of our analysis. We have assumed that the subject units would be of consistent size with the other units surveyed in the market. If it is found that the subject's proposed units differ significantly in size from the comparables presented, an adjustment to the concluded (market) rent would be warranted.**

The developer's projections were slightly below the maximum rent limits; therefore, the developer's projections seemed reasonable. We utilized the developer's projections in our analysis.

STUDIO UNIT CONCLUSION							
SUBJECT ANALYSIS & CONCLUSIONS			ASKING RENT		CONCLUDED RENT		
UNITS	VAC	UNIT TYPE	\$/UNIT	\$/SF	\$/UNIT	\$/SF	
4	4	Studio @ 50% of AMI-Senior	\$926		\$926		

1 BEDROOM UNIT CONCLUSION							
SUBJECT ANALYSIS & CONCLUSIONS			ASKING RENT		CONCLUDED RENT		
UNITS	VAC	UNIT TYPE	\$/UNIT	\$/SF	\$/UNIT	\$/SF	
16	16	1 Bed at 30% of AMI	\$645		\$645		
4	4	1 Bed at 50% of AMI	\$886		\$886		
14	14	1 Bed at 60% of AMI	\$1,091		\$1,091		
8	8	1 Bed at 80% of AMI	\$1,500		\$1,500		

2 BEDROOM UNIT CONCLUSION							
SUBJECT ANALYSIS & CONCLUSIONS			ASKING RENT		CONCLUDED RENT		
UNITS	VAC	UNIT TYPE	\$/UNIT	\$/SF	\$/UNIT	\$/SF	
16	16	2 Bed at 50% of AMI	\$1,063		\$1,063		
24	24	2 Bed at 60% of AMI	\$1,309		\$1,309		
18	18	2 Bed at 80% of AMI	\$1,800		\$1,800		

POTENTIAL RENTAL INCOME

The gross rental income equals the total gross income based the rent conclusions presented previously and is summarized in the following table.

APARTMENT POTENTIAL GROSS INCOME								
UNIT TYPE	UNITS	VAC	ASKING RENT			CONCLUDED MARKET RENT		
			\$/UNIT (MO.)	MONTHLY	ANNUALLY	\$/UNIT (MO.)	MONTHLY	ANNUALLY
Studio @ 50% of AMI-Senior	4	4	\$926	\$3,704	\$44,448	\$926	\$3,704	\$44,448
1 Bed at 30% of AMI	16	16	\$645	\$10,320	\$123,840	\$645	\$10,320	\$123,840
1 Bed at 50% of AMI	4	4	\$886	\$3,544	\$42,528	\$886	\$3,544	\$42,528
1 Bed at 60% of AMI	14	14	\$1,091	\$15,274	\$183,288	\$1,091	\$15,274	\$183,288
1 Bed at 80% of AMI	8	8	\$1,500	\$12,000	\$144,000	\$1,500	\$12,000	\$144,000
1 Bed @ 50% of AMI-Senior	41	41	\$926	\$37,966	\$455,592	\$926	\$37,966	\$455,592
2 Bed at 50% of AMI	16	16	\$1,063	\$17,008	\$204,096	\$1,063	\$17,008	\$204,096
2 Bed at 60% of AMI	24	24	\$1,309	\$31,416	\$376,992	\$1,309	\$31,416	\$376,992
2 Bed at 80% of AMI	18	18	\$1,800	\$32,400	\$388,800	\$1,800	\$32,400	\$388,800
TOTAL	145		\$1,128	\$163,632	\$1,963,584	\$1,128	\$163,632	\$1,963,584

¹ Contract + Market (Vacant Units Projected At Market Level)

The developer's projections were slightly below the maximum rent limits; therefore, the developer's projections seemed reasonable. We utilized the developer's projections in our analysis. **It is important to note that we do not have the sizes of the units. We assume that the unit sizes are similar to the comparable developments.**

INCOME & EXPENSE ANALYSIS

Operating expenses include those items necessary to maintain the subject property and generate income at the forecasted level. Expenses associated with debt financing, depreciation, or other accounting items are disregarded. The following section provides supporting information and discusses the individual expense conclusions for the subject property.

COLLIERS PROFORMA			
YEAR	COLLIERS FORECAST		
	PROFORMA		
INCOME ITEMS	TOTAL	\$/UNIT	%EGI
Potential Rental Income	\$1,963,584	\$13,542	103.0%
TOTAL RENTAL INCOME	\$1,963,584	\$13,542	103.0%
OTHER INCOME			
Other Income	\$43,500	\$300	2.3%
TOTAL OTHER INCOME	\$43,500	\$300	2.3%
POTENTIAL GROSS INCOME (PGI)	\$2,007,084	\$13,842	105.3%
Vacancy	(\$78,543)	(\$542)	(4.1%)
Credit Loss	(\$19,636)	(\$135)	(1.0%)
Other Income Vacancy & Credit Loss	(\$2,175)	(\$15)	(0.1%)
EFFECTIVE GROSS INCOME (EGI)	\$1,906,730	\$13,150	100.0%
EXPENSE ITEMS			
Real Estate Taxes	(\$362,608)	(\$2,501)	(19.0%)
Property Insurance	(\$145,000)	(\$1,000)	(7.6%)
Utilities	(\$290,000)	(\$2,000)	(15.2%)
Repairs & Maintenance	(\$232,000)	(\$1,600)	(12.2%)
Off-Site Management	(\$95,336)	(\$657)	(5.0%)
Payroll	(\$253,750)	(\$1,750)	(13.3%)
Advertising	(\$3,625)	(\$25)	(0.2%)
General & Administrative	(\$87,000)	(\$600)	(4.6%)
Reserves	(\$65,250)	(\$450)	(3.4%)
TOTAL EXPENSES	(\$1,534,570)	(\$10,583)	(80.5%)
NET OPERATING INCOME (NOI)	\$372,160	\$2,567	19.5%

Above is our operating income and expense conclusion. Below are the developer's projections.

DEVELOPER'S PROJECTIONS	
ITEM	AMOUNT
NOI BEFORE TAXES	\$504,918
REAL ESTATE TAXES	-\$249,089
NET OPERATING INCOME AFTER TAXES	\$255,829

OTHER INCOME

In the following section, we analyzed and made conclusions for the other income items of the subject property.

OTHER INCOME ANALYSIS & CONCLUSIONS

OTHER INCOME				ANALYSIS
YEAR	SUBJECT			The other income concluded amount is based on the expense comparables' other income. Other income for the affordable component consists of items such as common area laundry, late charges, and damages and fees.
	TOTAL	\$/UNIT	%EGI	
CONCLUSION	\$43,500	\$300	2.3%	

Vacancy and Credit Loss

Our conclusions are summarized in the table below:

GENERAL VACANCY CONCLUSION			
MPF	2023 Q3	LAST YR	AVG LAST 5
New Haven-Milford	4.7%	3.8%	3.7%
Waterbury/Meriden/Hamden	3.3%	3.5%	3.4%
GENERAL VACANCY RATE CONCLUSIONS			4.0%

INCOME LOSS	
General Vacancy Rate	4.0%
Credit Loss Conclusion	1.0%
TOTAL	5.0%

Analysis of Operating Expenses

Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual expense conclusions for the subject property. The operating expenses for the subject property were presented previously. The following chart summarizes comparable expenses.

EXPENSE COMPARABLES							
COMPARABLE	COMP 1	COMP 2	COMP 3	COMP 4	LOW	HIGH	AVG
City	Nassau	Cumberland	Oxford	Hampshire	-	-	-
State	NY	ME	ME	MA	-	-	-
Expense Year	2022	2023	2023	2022	2022	2023	2023
Actual/Budget	Budget	Actual	Budget	Actual	-	-	-
Units	71	104	33	15	15	104	56
Year Built	2024	1904-2016	2024	1900	1900	2024	1983
Rental Income	\$18,609	\$16,646	\$8,520	\$8,293	\$8,293	\$18,609	\$13,017
Other Income	\$141	\$543	\$120	\$72	\$72	\$543	\$219
Other Income % EGI	0.8%	3.2%	1.4%	0.9%	0.8%	3.2%	1.5%
EGI (\$/UNIT)	\$18,750	\$17,189	\$8,640	\$8,365	\$8,365	\$18,750	\$13,236
EXPENSE ITEMS	\$/UNIT	\$/UNIT	\$/UNIT	\$/UNIT	LOW	HIGH	AVG
Real Estate Taxes	\$1,557	\$1,397	\$950	\$626	\$626	\$1,557	\$1,133
Property Insurance	\$1,155	\$1,184	\$667	\$898	\$667	\$1,184	\$976
Utilities	\$1,014	\$1,476	\$1,629	\$2,090	\$1,014	\$2,090	\$1,552
Repairs & Maintenance	\$1,394	\$1,446	\$1,785	\$2,554	\$1,394	\$2,554	\$1,795
Off-Site Management	\$1,313	\$798	\$511	\$621	\$511	\$1,313	\$811
Payroll	\$1,988	\$2,174	\$874	\$1,192	\$874	\$2,174	\$1,557
Advertising	\$42	\$17	\$23	-	\$17	\$42	\$27
General & Administrative	\$498	\$826	\$298	\$328	\$298	\$826	\$488
Reserves	\$250	\$530	\$450	-	\$250	\$530	\$410
TOTAL EXPENSES (\$/UNIT)	9,211	\$9,848	\$7,187	\$8,309	\$7,187	\$9,848	\$8,639

Conclusion of Operating Expenses

In the following section we discuss the individual expense conclusions for the subject property.

Real Estate Taxes

EXPENSE ANALYSIS & CONCLUSIONS

REAL ESTATE TAXES				ANALYSIS			
YEAR	SUBJECT			EXPENSE COMPS			The concluded expense is all inclusive of costs associated with real estate taxes. The concluded taxes are based on the projected taxes. Please see the analysis below for an outline of the calculated taxes.
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI	
				1	\$1,557	8.3%	
				2	\$1,397	8.1%	
				3	\$950	11.0%	
				4	\$626	7.5%	
CONCLUSION	\$362,608	\$2,501	19.0%	AVG	\$1,133	8.7%	

Below is our tax calculation. The tax calculations for the apartment component is based on the Town's instructions in Addendum 6 of the RFP. Per the instructions, we utilized a loaded cap rate of 8% in our analysis.

ESTIMATED STABILIZED TAXES	
EFFECTIVE GROSS INCOME	\$1,906,730
OPERATING EXPENSES BEFORE RE TAXES	-\$1,171,961
NOI BEFORE TAXES	\$734,768
CAP RATE	8.00%
PROJECTED MARKET VALUE	\$9,184,604
70% ADJUSTMENT	70%
PROJECTED ASSESSED VALUE	\$6,429,223
x	5.64%
= Stabilized Taxes Estimate (rounded)	\$362,608
Stabilized Taxes/SF of NRA	\$2,501

PROPERTY INSURANCE

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$1,155	6.2%
				2	\$1,184	6.9%
				3	\$667	7.7%
				4	\$898	10.7%
CONCLUSION	\$145,000	\$1,000	7.6%	AVG	\$976	7.9%

ANALYSIS

This expense includes all premiums and costs incurred for insurance covering structures, public liability, rental value, and equipment. The conclusion is based on the expense comparable information.

UTILITIES

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$1,014	5.4%
				2	\$1,476	8.6%
				3	\$1,629	18.9%
				4	\$2,090	25.0%
CONCLUSION	\$290,000	\$2,000	15.2%	AVG	\$1,552	14.5%

ANALYSIS

Utilities include gas, electricity, water, sewer, and trash removal. The conclusion is based on the expense comparable information.

REPAIRS & MAINTENANCE

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$1,394	7.4%
				2	\$1,446	8.4%
				3	\$1,785	20.7%
				4	\$2,554	30.5%
CONCLUSION	\$232,000	\$1,600	12.2%	AVG	\$1,795	16.8%

ANALYSIS

This expense covers the cost of all routine maintenance and repairs. The conclusion is based on the expense comparable information.

OFF-SITE MANAGEMENT

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$1,313	7.0%
				2	\$798	4.6%
				3	\$511	5.9%
				4	\$621	7.4%
CONCLUSION	\$95,336	\$657	5.0%	AVG	\$811	6.2%

ANALYSIS

This expense reflects the professional management service for the subject. The conclusion is based on the expense comparable information.

PAYROLL

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$1,988	10.6%
				2	\$2,174	12.6%
				3	\$874	10.1%
				4	\$1,192	14.2%
CONCLUSION	\$253,750	\$1,750	13.3%	AVG	\$1,557	11.9%

ANALYSIS

This expense consists of all payroll and associated employee benefits related to the subject's personnel directly involved in the management and maintenance of the subject. The conclusion is based on the expense comparable information.

ADVERTISING

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$42	0.2%
				2	\$17	0.1%
				3	\$23	0.3%
				4	-	-
CONCLUSION	\$3,625	\$25	0.2%	AVG	\$27	0.2%

ANALYSIS

This expense includes marketing, advertising and promoting the subject property. The conclusion is based on the expense comparable information.

GENERAL & ADMINISTRATIVE

YEAR	SUBJECT			EXPENSE COMPS		
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI
				1	\$498	2.7%
				2	\$826	4.8%
				3	\$298	3.4%
				4	\$328	3.9%
CONCLUSION	\$87,000	\$600	4.6%	AVG	\$488	3.7%

ANALYSIS

This expense includes office supplies, accounting, legal fees, other professional fees, and all other administrative costs. The conclusion is based on the expense comparable information.

RESERVES							ANALYSIS
YEAR	SUBJECT			EXPENSE COMPS			
	TOTAL	\$/UNIT	%EGI	COMP	\$/UNIT	%EGI	
				1	\$250	1.3%	Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. The expense conclusion considers the subject's age and condition and typical standards. The conclusion is based on the expense comparable information.
				2	\$530	3.1%	
				3	\$450	5.2%	
				4	-	-	
CONCLUSION	\$65,250	\$450	3.4%	AVG	\$410	3.2%	

TOTAL EXPENSES			CONCLUSION
	LOW	HIGH	
EXPENSE COMPARABLES \$/UNIT	\$7,187	\$9,848	Our projected expenses per unit are slightly higher than the comparables' expenses per unit mainly due to higher real estate taxes.
EXPENSE COMPARABLES %EGI	49.1%	99.3%	
TOTAL EXPENSES \$/UNIT	\$10,583		
TOTAL EXPENSES %EGI	80.5%		
TOTAL EXPENSES	\$1,534,570		

DEVELOPMENT OF CAPITALIZATION RATE

The going-in capitalization rate, also known as overall rate (OAR), can be determined using several sources and methods. In developing our opinion of OAR, the following techniques were used:

- › Comparable Sales (Sales Comparison Approach)
- › Investor Surveys

Comparable Sales

The following table presents a summary of comparable sales.

LIHTC/AFFORDABLE CAPITALIZATION RATE COMPARABLES (OAR)									
#	NAME	CITY	ST	SALE DATE	YR BLT	UNITS	\$/UNIT	SALE PRICE	CAP RATE
1	Northwood Apartments	Waterbury	CT	June 13, 2022	1968	178	\$103,525	\$18,427,500	4.46%
2	Overlook at Avalon	Frederick	MD	December 8, 2022	2016	113	\$212,566	\$24,020,000	6.59%
3	Courtyard Apartments	Saint Cloud	MN	August 14, 2023	1968	108	\$23,148	\$2,500,000	6.99%
4	Dry Ridge and Crittenden	Dry Ridge	KY	August 2, 2023	1997	47	\$38,298	\$1,800,000	7.63%
5	Ridge View	Martinsville	VA	August 14, 2022	2001	48	\$51,389	\$2,466,670	5.80%
LOW				June 2022					4.46%
HIGH				August 2023					7.63%
AVERAGE				January 2023					6.29%
MEDIAN				December 2022					6.59%

For this analysis, we have provided five primary sales comparables. These five primary sales have capitalization rates ranging from 4.46% to 7.63%, with an average of 6.29% and a median of 6.59%.

Investor Surveys

The following table provides capitalization rate statistics as surveyed by investors that we considered to be relevant to the subject property and our independent market participant interviews.

CAPITALIZATION RATE SURVEYS (OAR)				
SOURCE	QUARTER	RANGE		AVG
PriceWaterhouse Coopers				
National Apartment Market	4Q 23	4.00%	to 8.00%	5.59%
Market Participant Interview				
Rick Chozick, Chozick Realty	4Q 23	5.50%	to 6.50%	6.00%
AVERAGE		4.75% to 7.25%		5.80%

Rick Chozick-President and CEO-Chozick Realty- Rick recently sold Pleasant View Estates in Griswold and indicated that the cap rate was around 6.00%. He indicated that a lot of borrowers were hesitant to go much lower on the cap rate because that would create too much negative leverage. He indicated that a recent Fannie Mae interest rate quote he was given for a new construction project was in the low 6's.

Capitalization Rate Conclusion

Taking all factors into consideration, the following table summarizes the various capitalization rate indicators and provides the final capitalization rate conclusion.

CAPITALIZATION RATE CONCLUSION (OAR)			
SOURCE	QUARTER	RANGE	AVG
Supplemental Comparable Sales		4.46% to 7.63%	6.29%
Investor Surveys	4Q 23	4.75% to 7.25%	5.80%
Rick Chozick, Chozick Realty	4Q 23	5.50% to 6.50%	6.00%
AVERAGE		4.90% to 7.13%	6.03%
CAPITALIZATION CONCLUSION			6.00%

We took the following factors into consideration when reaching our capitalization rate conclusion.

- Recent sales reported capitalization rates ranging from 4.40% to 5.98% with an average of 5.18%.
- National investor surveys from PwC indicate a nation-wide average cap rate for apartments of 5.01% for 4Q 2023 sales, which is a 70 basis points increase from the prior year.
- It has been 40 years since the U.S. economy has experienced a dramatic rise in inflation and interest rates. Massive government monetary stimulus to combat negative financial effects of the pandemic resulted in an overstimulated economy fueling an unprecedented consumer spending spree and a resultant spike in inflation. Slowing the rise of inflation through targeted interest rate increases, which is now a significant policy priority for the current administration. Irrespective, tight monetary policy and rising interest rates are present through the first half of 2023 and it is unknown as to how Fed Funds Rate will be impacted for the balance of this year. Theoretically, rising interest rates place upward pressure on capitalization rates.

In this instance, we considered data from comparable property sales, investor surveys and market participants. In view of the available data, we emphasize the indications from the cited sale data with secondary support from the market participant. The investor surveys were considered for supplementary support but are generally reflective of a broad range of institutional quality sales and it is reasonable that an appropriate indication for the subject property is similar to the midpoint of the investor surveys.

The dilemma in developing a capitalization rate for an affordable housing property is the lack of directly comparable real market data for the specific property type. Affordable housing is not typically purchased for real estate alone and is influenced by a variety of subsidies and intangible benefits. Moreover, it does not have the typical ratio of debt and equity. Consequently, the capitalization analysis for such an investment is one based on the market data available and reasonable adjustments for the benefits and risks associated with the program.

Typically, cap rates are slightly higher for affordable housing properties than market rate developments. We increased the cap rate 25 basis points above our market rate cap rate of 5.75% and conclude at 6.00%.

DIRECT CAPITALIZATION WITH NO TAX ABATEMENT

The table below summarizes the Direct Capitalization method with no tax abatement.

DIRECT CAPITALIZATION SUMMATION TABLE				
INCOME ITEMS	%PGI	%EGI	\$/UNIT	TOTAL
Potential Rental Income			\$13,542	\$1,963,584
TOTAL RENTAL INCOME			\$13,542	\$1,963,584
OTHER INCOME				
Other Income			\$300	\$43,500
TOTAL OTHER INCOME			\$300	\$43,500
POTENTIAL GROSS INCOME (PGI)			\$13,842	\$2,007,084
INCOME LOSS	%PGI		\$/UNIT	TOTAL
Vacancy	(4.0%)		(\$542)	(\$78,543)
Collection Loss	(1.0%)		(\$135)	(\$19,636)
Other Income Vacancy & Credit Loss	(5.0%)		(\$15)	(\$2,175)
TOTAL INCOME LOSS	(5.0%)		(\$692)	(\$100,354)
EFFECTIVE GROSS INCOME (EGI)	95.0%		\$13,150	\$1,906,730
EXPENSE ITEMS	%PGI	%EGI	\$/UNIT	TOTAL
Real Estate Taxes	(18.1%)	(19.0%)	(\$2,501)	(\$362,608)
Property Insurance	(7.2%)	(7.6%)	(\$1,000)	(\$145,000)
Utilities	(14.4%)	(15.2%)	(\$2,000)	(\$290,000)
Repairs & Maintenance	(11.6%)	(12.2%)	(\$1,600)	(\$232,000)
Off-Site Management	(4.8%)	(5.0%)	(\$657)	(\$95,336)
Payroll	(12.6%)	(13.3%)	(\$1,750)	(\$253,750)
Advertising	(0.2%)	(0.2%)	(\$25)	(\$3,625)
General & Administrative	(4.3%)	(4.6%)	(\$600)	(\$87,000)
Reserves	(3.3%)	(3.4%)	(\$450)	(\$65,250)
TOTAL EXPENSES	(76.5%)	(80.5%)	(\$10,583)	(\$1,534,570)
NET OPERATING INCOME (NOI)	18.5%	19.5%	\$2,567	\$372,160
Capitalization Rate				6.00%
Capitalized Value				\$6,202,669
PROSPECTIVE VALUE UPON STABILIZATION			\$42,759	\$6,200,000
Lease- Up Costs				
Rent Loss	(23.3%)	(24.6%)		(\$468,320)
Total Lease-Up Costs	(23.3%)	(24.6%)		(\$468,320)
Entrepreneurial Profit	(2.3%)	(2.5%)		(\$46,832)
TOTAL LEASE-UP COSTS	(25.7%)	(27.0%)		(\$515,152)
INDICATED VALUE			\$39,172	\$5,680,000
Construction Costs Exclusive of Land Costs	(3840.7%)	(4042.8%)		(\$77,085,748)
INDICATED VALUE			(\$492,414)	(\$71,400,000)

Rounded to nearest \$10,000

It is noted that the developer projected an NOI of \$255,829 . Below are the developer's calculations.

DEVELOPER'S PROJECTIONS	
ITEM	AMOUNT
NOI BEFORE TAXES	\$504,918
REAL ESTATE TAXES	-\$249,089
NET OPERATING INCOME AFTER TAXES	\$255,829

ADJUSTMENTS TO VALUE

Adjustments to the capitalized value were necessary for lease up costs and construction costs.

Lease-Up Analysis

Regarding lease-up costs, the subject property has a current occupancy of 0.0%, which is below our stabilized occupancy estimate of 95.0%. As such, lease-up costs associated with the subject achieving stabilization are warranted in arriving at the As-Is Market Value.

The following table shows the absorption costs for the subject, based on the rental conclusions of this report and current 100.0% vacancy rate.. A 10.00% profit component is also included. We assumed that 20 of the units would pre-lease. Thereafter, 15units per month would lease.

LEASE-UP ANALYSIS					
TOTAL UNITS	145	UNITS PRELEASED	20		
ABSORPTION RATE UNITS/MONTH	15	PGI/UNIT/MONTH	\$1,153		
STABILIZED OCCUPANCY (138 UNITS)	95.0%				
MONTH	UNITS ABSORBED	UNITS REMAINING	UNITS OCCUPIED	RENT LOSS (PER MONTH)	PRESENT VALUE OF RENT LOSS
1	15	103	35	\$118,810	\$118,810
2	15	88	50	\$101,508	\$101,508
3	15	73	65	\$84,205	\$84,205
4	15	58	80	\$66,903	\$66,903
5	15	43	95	\$49,600	\$49,600
6	15	28	110	\$32,298	\$32,298
7	15	13	125	\$14,995	\$14,995
8	13	0	138	\$0	\$0
TOTAL LOST RENTAL INCOME					\$468,320
PROFIT @ 10.0% of \$468,320					\$46,832
TOTAL LOST INCOME					\$520,000

Rounded to nearest \$10,000

ABSORPTION SUPPORT

Below is absorption support for the lease up.

ABSORPTION SUPPORT				
PROJECT	# OF UNITS	YEAR BUILT	LEASE UP PERIOD (MONTHS)	MONTHLY ABSORPTION
243 Residences at Steele Road	190	2017	14	13.2
Heirloom Flats I	215	2018	12	17.2
Highcoft Rise	96	2019	8	12
The Ridge at Talcott Mountain	304	2019	-	7.9
Highcroft Ridge	128	2017	8	15.2
Aspen Green	181	2019	23	7.7

SOURCE RCLCO

Construction Costs

Below are the construction costs for this phase of the development.

TOTAL COSTS (ENABLING WORK, PHASE 1 AND PHASE 2)

COST ITEM	COST	COST/UNIT	COST/SF
Enabling Work	\$2,940,000	\$20,276	\$17
Phase 1	\$52,121,684	\$359,460	\$296
Phase 2	\$23,524,064	\$162,235	\$134
TOTAL COST INCLUSIVE OF LAND VALUE	\$78,585,748	\$541,971	\$447
TOTAL COST EXCLUSIVE OF LAND VALUE	\$77,085,748	\$531,626	\$438

CONCLUSION-PHASE 1 AND 2

After deducting lease up costs and the construction costs from the stabilized value, the resulting residual land value is **(\$71,400,000)**. The indicated value means the project is not currently feasible. However, the developer also intends to get favorable affordable housing financing through LIHTC credits, DOH Soft Funds, City HOME/CDBG, DECD Community Investment Fund.

INCOME APPROACH CONDOMINIUM/SINGLE-FAMILY SELLOUT

The Income Approach is an appropriate measure of value for income-producing properties, as the value estimate derived by this approach mimics the decision-making process of real estate investors. In the case of the residential condominium component of the subject property, an Income Approach methodology, the discounted cash flow analysis (DCF) is utilized. The specifics of this analysis are provided as follows. We are valuing a single-family subdivision; however, commonly accepted nomenclature is condo sell-out.

DISCOUNTED CASH FLOW ANALYSIS

The Discounted Cash Flow analysis is utilized to make a series of deductions from the gross sellout (retail unit price times number of units) to account for profit and holding costs involved when unit sales occur over an extended absorption period. Inherent within the process is the premise that as the anticipated absorption period is extended, the differential between the gross sellout and retail market value of the project increases. Conversely, when the anticipated absorption period is shortened, then the differential between gross sellout and retail market value decreases.

Analyzing the subject's projected income stream to be derived from the sale of condominium units to a value over a projected or absorption period requires the use of a discount rate. The discount rate reflects the cost of money on a risk position both for borrowed funds and for equity funds. It is also necessary to account for expenses occurred over the absorption period including sales and overhead expenses and real estate taxes, as well as accounting for entrepreneurial profit.

Following is an overview of the steps used in the Discounted Cash Flow Analysis:

- Estimate unit absorption and average unit sale price. This involves utilizing a reconciled absorption rate and the average lot price as analyzed within the Sales Comparison Approach.
- Estimate sell-off expenses. Sell-off expenses include real estate taxes, marketing and closing costs, administrative costs and common area assessments.
- Select an appropriate discount rate from the market to calculate the present value of future cash flows.
- Reconcile a value indication for the Discounted Cash Flow Analysis.

SUBJECT UNIT BREAKDOWN

The developer plans to sell single-family houses to households for households between 40% to 80% of AMI. The developer plans to have Habitat for Humanity construct the development.

HOME OWNERSHIP UNIT BREAKDOWN				
# OF HOUSES	# OF BEDROOMS	AMI LIMIT	SALE PRICE RANGE	
			MIN	MAX
12	3	80%	\$185,000	to \$295,000

We weren't provided with how the developer backed into the projected sale prices. As such, we utilized the Town of Hamden's Formula to project sale prices. Below are the calculations. We assumed that the real estate assessment is 100% of market value and used the current mil rate. We assumed an HOA fee for the single-family subdivision of \$100/month/year. We assumed a mortgage interest rate of 6.50% based on a 30-year amortization. We assumed mortgage rates slightly below today's rates considering that many projections have mortgage rates declining soon. Per the guidelines outlined in the Hamden we assumed 20% down and a household size of 4.50 people based on a 3-bed count (1.5 people/bed).

The implied sale price range is between \$110,000 to \$230,000 . In our analysis, we assumed **an average sale price of \$200,000.**

SALE PRICE RANGE FOR AFFORDABLE UNITS							
		40% of AMI			80% of AMI		
		4 Persons	4.5 Persons	5 Persons	4 Persons	4.5 Persons	5 Persons
Median Household Income		\$45,040	-	\$48,680	\$90,080	-	\$97,360
% of Total Income on House Payments	X	<u>30%</u>	-	<u>30%</u>	<u>30%</u>	-	<u>30%</u>
		\$13,512	-	\$14,604	\$27,024	-	\$29,208
Number of Months in Year	/	<u>12</u>	-	<u>12</u>	<u>12</u>	-	<u>12</u>
Mortgage, HOA Fee and RE Taxes		\$1,126	-	\$1,217	\$2,252	-	\$2,434
RE Taxes	-	\$494	-	\$538	\$1,037	-	\$1,124
HOA Fee	-	<u>\$100</u>	-	<u>\$100</u>	<u>\$100</u>	-	<u>\$100</u>
Mortgage (6.50%, 30 Years)	=	\$532	-	\$579	\$1,115	-	\$1,210
Mortgage Payment		\$84,128	-	\$91,590	\$176,456	-	\$191,379
Equity (20% Down)	+	\$21,032	-	\$22,897	\$44,114	-	\$47,845
Total Sale Price	=	\$105,160	-	\$114,487	\$220,570	-	\$239,224
ROUNDED		\$110,000	-	\$110,000	\$220,000	-	\$240,000
SALE PRICE LIMIT FOR 4.50 PERSONS			\$110,000			\$230,000	

MARKETING AND ABSORPTION

The houses are expected to be built by Habitat for Humanity. Based on the RFP, the developer plans to build 3-4 houses per year. Considering the developer's schedule, we assume that 1 house is built per quarter from the 3rd quarter of our sellout onward. The sellout starts in the third quarter of the construction period. Due to the developer's development schedule, we assume a construction period that lasts throughout the entire holding period.

ESTIMATED EXPENSES

The following expense commentary is predicated upon our knowledge and our experience regarding residential condominium properties in the marketplace. Our projections are based on a review of the subject's specific information as provided by management and ownership, comparable properties and our professional experience in the market.

Construction Costs

We utilized the construction costs (not including profit) of \$3,193,416.

SOURCES AND USES (PHASE 3)

# OF UNITS	12	
USES	TOTAL COST/UNIT	TOTAL COST
Acquisition	\$1	\$12
Site Work	\$30,580	\$366,960
Construction	\$148,036	\$1,776,432
Soft Costs	\$9,301	\$111,612
Overhead	\$20,000	\$240,000
Construction Labor and Overhead	\$45,000	\$540,000
Family Services	\$10,000	\$120,000
Administration and Closing	\$1,200	\$14,400
Contingency	\$2,000	\$24,000
TOTAL	\$266,118	\$3,193,416
COST PER UNIT		\$266,118
COST PER SF		\$190

Cost of Sales (Marketing and Closing)

Typically, a brokerage firm reduces its percent of sales fee when the firm is selling out the entire development. Our recent experience with several larger condominium developments indicates a fee of around 2.50%-5.00% range. It is typical to hire a broker for this service. In consideration of the subject's number of units (12), we have projected a higher fee **5.0%** for cost of sales in our economic analysis as a percentage of the transaction price, which is consistent with the projections given to us by the market participants in the area.

Real Estate Taxes

As indicated in the Real Estate Tax Analysis, the current taxes are not reflective of the subject's as proposed condominium development. We developed the projected tax amount of **\$2,000 per unit per quarter** when the condos are being developed. We also assumed a tax cost of **\$15,000 per quarter** during the first few quarters when the infrastructure is being put in place.

Below are our tax calculations. We used the actual projected sale price to determine the real estate taxes. We used the actual sale price considering that the market value of the units will be restricted by an affordable covenant.

REAL ESTATE TAX CALCULATION

PROJECTED SALE PRICE PER UNIT	\$200,000
# OF UNITS	<u>12</u>
TOTAL SALE PRICE	\$2,400,000
70% ADJUSTMENT	70%
PROJECTED ASSESSED VALUE	\$1,680,000
MIL RATE	5.640%
TOTAL TAXES	\$94,752
TOTAL TAXES/UNIT/YEAR	\$7,896
TOTAL TAXES/UNIT/QUARTER	\$1,974
TOTAL TAXES/UNIT/QUARTER (ROUNDED)	<u>\$2,000</u>

Administrative Fee

These charges are inclusive of costs associated with any additional administrative or marketing charges, insurance, legal fees and other miscellaneous charges and holding costs. This expense has been estimated at **\$2,000 per month, or \$6,000 per quarter.**

Insurance

These charges are inclusive of costs associated with general property insurance during the holding period. This expense has been estimated at **\$1,500 per month or \$4,500 per quarter**.

Homeowner's Association Fees

Homeowner's association (HOA) fees are typically project specific and vary based on the amenities and level of service provided. According to the developer the subject as proposed will have average to good amenities. The HOA fees also include some utility costs. The developer is projecting an average condominium fee of **\$100 per unit per month, or \$300 per unit per quarter**.

Growth Rates

Based on our observations of the subject's market we have projected a **2.50% annual growth rate**, which will be factored into our Year 1 model start date in our discounted sellout model.

Discount Rate

The final step in the Discounted Cash Flow analysis is the selection of an appropriate discount rate. The discount rate is estimated by considering trends in interest rates, and national, regional and local surveys in order to estimate an appropriate discount rate (i.e.; yield rate, internal rate of return - IRR) for the subject.

The latest PWC Survey indicates that discount rates for land development vary from 12% to 30% and average 19.20%.

Taking the individual attributes of the subject into consideration and the subject's suburban location and relatively low risk relative to other developments, we are of the opinion that an appropriate discount rate is **12%** equating to a compounded quarterly rate of **2.68%**.

BULK SALE VALUE DISCOUNTED CASH FLOW ANALYSIS

QUARTER ENDING		1	2	3	4	5	6	7
ABSORPTION FORECAST								
Market Rate Units								
Remaining Units at Start of Quarter		12.00	12.00	12.00	11.00	10.00	9.00	8.00
Units Sold Per Period		0.00	0.00	1.00	1.00	1.00	1.00	1.00
Cumulative Unit Sales		0.00	0.00	1.00	2.00	3.00	4.00	5.00
REVENUE								
Market Rate Units								
Multiplied by Quarterly Closed Sales		0.00	0.00	1.00	1.00	1.00	1.00	1.00
Total Sales Income		\$0	\$0	\$202,508	\$203,773	\$205,047	\$206,329	\$207,618
TOTAL SALES REVENUE		\$0	\$0	\$202,508	\$203,773	\$205,047	\$206,329	\$207,618
CONSTRUCTION COSTS								
Residential Component		(\$228,101)	(\$229,527)	(\$230,961)	(\$232,405)	(\$233,857)	(\$235,319)	(\$236,790)
Commercial Component		\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOLDING/SELLOUT COSTS								
Sales and Marketing	5.0%	\$0	\$0	(\$10,125)	(\$10,189)	(\$10,252)	(\$10,316)	(\$10,381)
Real Estate Taxes*	\$2,000 /Unit/Qtr	(\$15,000)	(\$15,094)	(\$24,301)	(\$22,415)	(\$20,505)	(\$18,570)	(\$16,609)
Condo Fees*	\$300 /Unit/Qtr	\$0	\$0	(\$3,645)	(\$3,362)	(\$3,076)	(\$2,785)	(\$2,491)
Insurance*	\$4,500 /Qtr	\$0	\$0	(\$4,556)	(\$4,585)	(\$4,614)	(\$4,642)	(\$4,671)
Administrative Fees*	\$6,000 /Qtr	\$0	\$0	(\$6,075)	(\$6,113)	(\$6,151)	(\$6,190)	(\$6,229)
TOTAL EXPENSES		(\$243,101)	(\$244,621)	(\$279,664)	(\$279,069)	(\$278,455)	(\$277,823)	(\$277,171)
<i>*These expenses are grown to estimated future dollar value by applying the growth rate and time to completion.</i>								
PROJECTED CASH FLOW		(\$243,101)	(\$244,621)	(\$77,157)	(\$75,295)	(\$73,408)	(\$71,494)	(\$69,553)
NPV DISCOUNTED AT:	2.68% /	(\$1,070,000)			=	BULK DISCOUNTED VALUE		

BULK DISCOUNTED CASH FLOW ANALYSIS (CONTINUED)

8	9	10	11	12	13	14	TOTAL
7.00	6.00	5.00	4.00	3.00	2.00	1.00	
1.00	1.00	1.00	1.00	1.00	1.00	1.00	
6.00	7.00	8.00	9.00	10.00	11.00	12.00	
\$208,916	\$210,222	\$211,535	\$212,857	\$214,188	\$215,527	\$216,874	
1.00	1.00	1.00	1.00	1.00	1.00	1.00	
\$208,916	\$210,222	\$211,535	\$212,857	\$214,188	\$215,527	\$216,874	\$2,515,393
\$208,916	\$210,222	\$211,535	\$212,857	\$214,188	\$215,527	\$216,874	\$2,515,393
(\$238,270)	(\$239,759)	(\$241,257)	(\$242,765)	(\$244,282)	(\$245,809)	(\$247,346)	(\$3,326,448)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$10,446)	(\$10,511)	(\$10,577)	(\$10,643)	(\$10,709)	(\$10,776)	(\$10,844)	(\$125,770)
(\$14,624)	(\$12,613)	(\$10,577)	(\$8,514)	(\$6,426)	(\$4,311)	(\$2,169)	(\$191,727)
(\$2,194)	(\$1,892)	(\$1,587)	(\$1,277)	(\$964)	(\$647)	(\$325)	(\$24,245)
(\$4,701)	(\$4,730)	(\$4,760)	(\$4,789)	(\$4,819)	(\$4,849)	(\$4,880)	(\$56,596)
(\$6,267)	(\$6,004)	(\$6,042)	(\$6,079)	(\$6,117)	(\$6,156)	(\$6,194)	(\$73,617)
(\$276,500)	(\$275,509)	(\$274,798)	(\$274,068)	(\$273,318)	(\$272,548)	(\$271,757)	(\$3,798,402)
(\$67,584)	(\$65,288)	(\$63,263)	(\$61,211)	(\$59,130)	(\$57,021)	(\$54,883)	(\$1,283,009)

CONCLUSION-SINGLE-FAMILY HOMES

After deducting for the costs associated with the construction and absorption of the single-family sales and applying an appropriate discount rate, the resulting residual land value is **(\$1,070,000)**. At this point, the project is not feasible. The developer most likely plans to utilize other sources of funding like grants to develop the property. Lastly, this does not account for any other subsidies, credits, or grants that the developer may seek. We assumed the developer’s phased approach (3-4 sales per year) identified in the RFP in our analysis.

3) SALES

Below are sales of larger affordable properties in the region and in the US.

SALES APPROACH

Presentation

The following Sales Summation Table, Location Map and photographs summarize the improved sales data. Following these items, the comparable sales are adjusted for applicable elements of comparison and the opinion of value by the Sales Comparison Approach is concluded.

IMPROVED SALES SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	High Meadows-Community Builders-Market-Rate Component	Elizabeth Harvey Apartments	Hillcrest Acres Apartments	Morgan Glen Townhomes	Willowbrook I Senior Apts	Woodland Hills Apartments	Riveredge Village Apartments
Address	825 Hartford Turnpike	525 Oliver Street	1101 Hillside Avenue	400 Park St	2605 N Bend Rd	330 Highland Avenue	993 Manton Avenue
City	Hamden	North Tonawanda	Attleboro	Cardington	Ashtabula	Torrington	Providence
State	CT	NY	MA	OH	OH	CT	RI
Zip	06517	14120	02703	43315	44004	06790	02909
County	New Haven	Niagara	Bristol	Morrow	Ashtabula	Litchfield	Providence

PHYSICAL INFORMATION

Project Design	Garden/Low Rise	LIHTC Tax Credit Housing	LIHTC Tax Credit Housing	LIHTC Tax Credit Housing	LIHTC Tax Credit Housing	LIHTC Tax Credit Housing	LIHTC Tax Credit Housing
NRA (SF)		15,360	145,236	31,650	69,278	214,907	82,960
Units	145	24	100	32	80	176	99
Average Unit SF	0	640	858	989	865	1,045	837
Density	2.9	18.0	10.8	6.9	8.5	9.3	28.7
Land Area (AC)	50.3	1.3	9.3	4.6	9.4	18.9	3.4
Land Area (SF)	2,190,632	58,235	402,930	201,247	409,900	824,155	150,021
Year Built	-	2002	1974	1997	2000	1970	1980
Stories	-	2	3	-	1	2	6

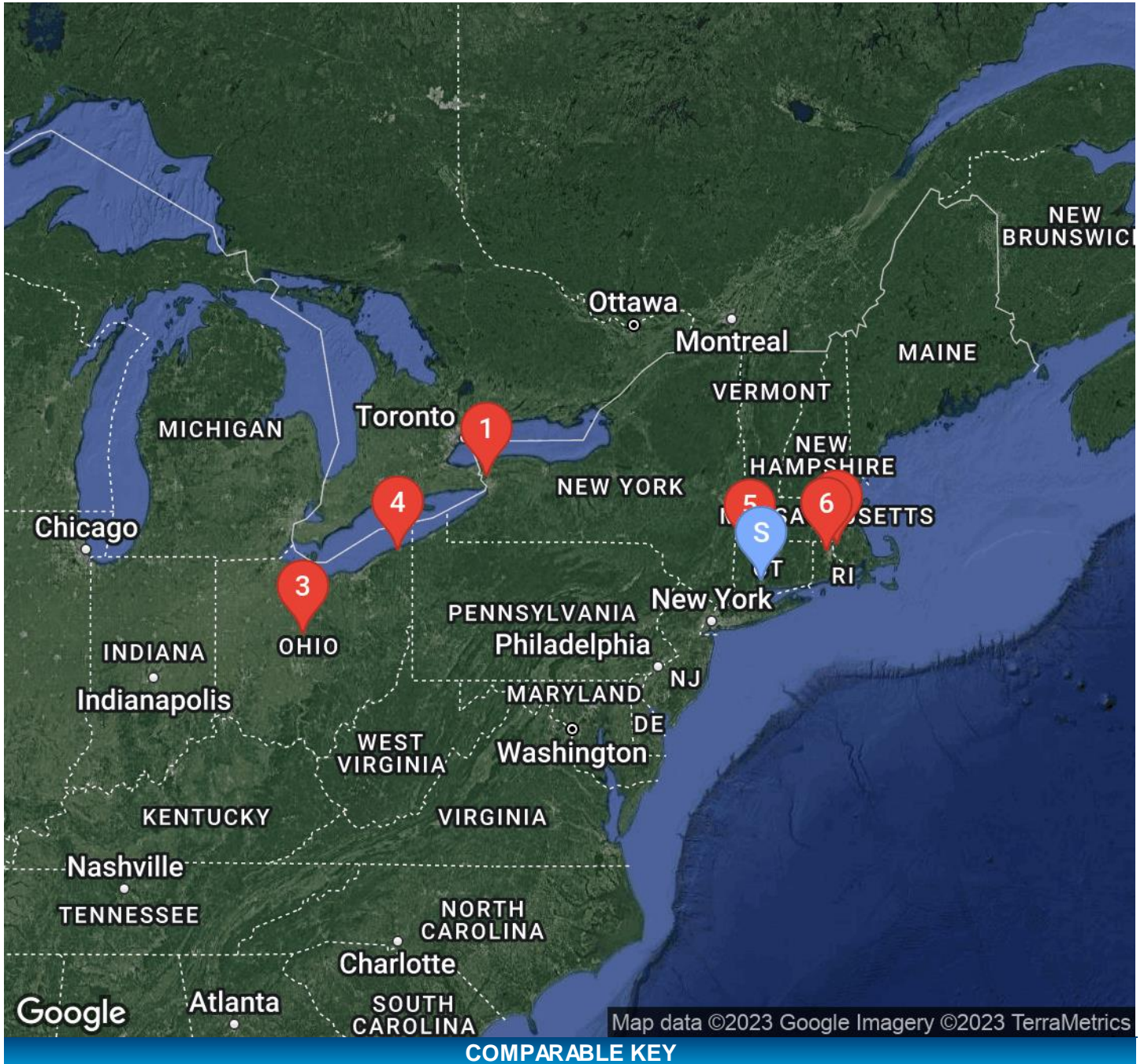
UNIT MIX DETAILS

Studio	3%	0%	0%	0%	0%	0%	0%
1 Bed	57%	83%	16%	0%	0%	14%	90%
2 Bed	40%	17%	72%	38%	99%	61%	10%
3+ Bed	0%	0%	12%	63%	1%	25%	0%
Average Unit (SF)	0	640	858	989	865	1,045	837

SALE INFORMATION

Date	12/14/2022	9/19/2022	5/4/2021	4/21/2022	3/21/2022	4/28/2022
Status	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Sale Conditions	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
Rights Transferred	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
Transaction Price	\$1,264,000	\$10,500,000	\$1,375,000	\$3,340,156	\$15,350,000	\$15,056,139
Transaction \$/Unit	\$52,667	\$105,000	\$42,969	\$41,752	\$87,216	\$152,082
Transaction \$/SF NRA	\$82	\$72	\$43	\$48	\$71	\$181
Analysis Price	\$1,264,000	\$10,500,000	\$1,375,000	\$3,340,156	\$15,350,000	\$15,056,139

SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	SALE DATE	\$/UNIT
SUBJECT	-	High Meadows-The Community Builders, Affordable Option	825 Hartford Turnpike, Hamden, CT	-	
No. 1	327.3 Miles	Elizabeth Harvey Apartments	525 Oliver Street, North Tonawanda, NY	12/14/2022	\$52,667
No. 2	93.3 Miles	Hillcrest Acres Apartments	1101 Hillside Avenue, Attleboro, MA	9/19/2022	\$105,000
No. 3	524.8 Miles	Morgan Glen Townhomes	400 Park St, Cardington, OH	5/4/2021	\$42,969
No. 4	410.6 Miles	Willowbrook I Senior Apts	2605 N Bend Rd, Ashtabula, OH	4/21/2022	\$41,752
No. 5	33.4 Miles	Woodland Hills Apartments	330 Highland Avenue, Torrington, CT	3/21/2022	\$87,216
No. 6	80.7 Miles	Riveredge Village Apartments	993 Manton Avenue, Providence, RI	4/28/2022	\$152,082

COMPARABLE SALES PHOTOGRAPHS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4



COMPARABLE 5



COMPARABLE 6

SALES ANALYSIS

The following table summarizes the comparable sales' price per unit.

SALE PRICE PER UNIT INDICATIONS	
COMP	TRANSACTION PRICE
1	\$52,667
2	\$105,000
3	\$42,969
4	\$41,752
5	\$87,216
6	\$152,082
LOW	\$41,752
HIGH	\$152,082

¹Cumulative ²Additive

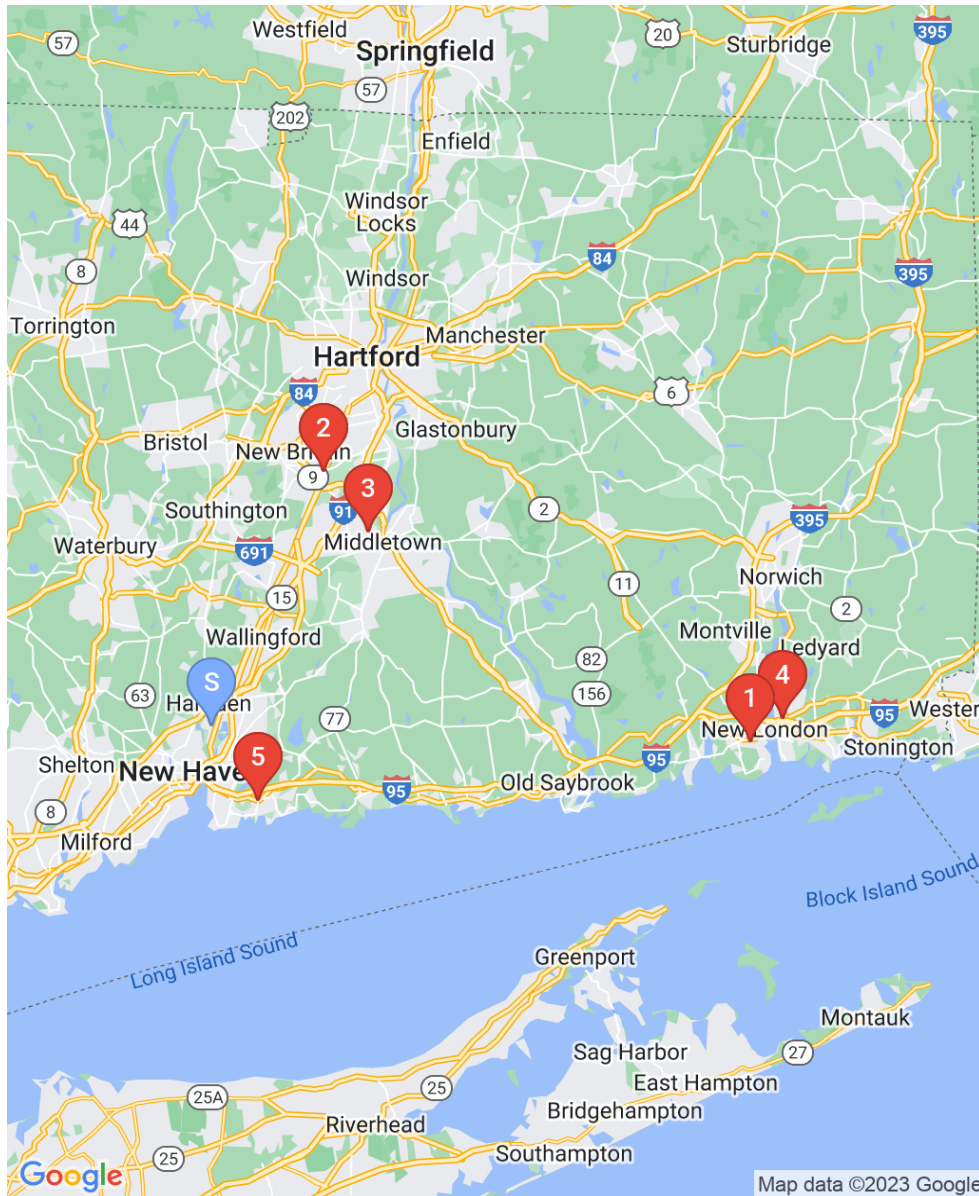
The sales reflect and sale price per unit range from \$41,752 to \$152,082. It is noted that our indicated stabilized values for the apartment component of the development was \$42,759.

Some issues, which have lowered values in Hamden and the area include the third highest tax rate in the state, and softening market conditions.

4) OPEN SPACE STUDY

As part of our analysis, we studied the typical amount of open space for large scale multifamily development. On this page is a map of the multifamily developments. On the next page is a description of 5 developments in the area and the amount of open space in each development.

LOCATION MAP



MAP GUIDE

- # PROJECT**
- 1 Waterford Woods (Phase 2)
 - 2 Beach Hill Riverfront Apartments
 - 3 Springside Middletown
 - 4 Triton Square
 - 5 Kelson Row

AMOUNT OF RECREATIONAL/OPEN/GREEN SPACE IN LARGE-SCALE MULTIFAMILY DEVELOPMENTS

#	NAME OF PROJECT	ADDRESS	CITY/TOWN	STATE	# OF RESIDENTIAL UNITS	AMOUNT OF TOTAL SPACE	AMOUNT OF OPEN/RECREATIONAL/GREEN SPACE	% OF OPEN/RECREATIONAL/GREEN SPACE TO TOTAL SITE AREA	COMMENTS
1	Waterford Woods (Phase 2)	394 Willetts Avenue	Waterford	CT	313	27 Acres	11 Acres	41%	Waterford Woods, Phase 2 is one phase of a larger development that consists of 6 phases. Reportedly, about 2 acres is dedicated to recreational space and a separate 9-acres is dedicated to open space, equating to a total open/recreational space of 11 acres. It is noted that the developer gave up more open space than was required. The actual open space requirement by the Town is 20% of the total lot area, or 5.32 acres.
2	Beach Hill Riverfront Apartments	404 Berlin Turnpike	Berlin	CT	200	33 Acres	16 Acres	50%	Beachhill Riverfront Apartments is Phase 2 of a 4-Phase Development. The total acreage across all the 4 phases is approximately 33 acres. Phase 1 consists of a gasoline station, phase 2 is the apartment development, phase 3 is neighborhood retail, and phase 4 is a 100-room hotel. According to a representative at the town planning office, about 1/2 of the site was going to be used as open space. The part of the site that will be utilized as open space also features wetlands and utility easements.
3	Springside Middletown	494 Newfield Street	Middletown	CT	414	49 Acres	20 Acres	40%	Springside Middletown is a 414-unit apartment development on three adjacent sites in Middletown, CT. The developer provided 9.85 acres of usable open space, which is well above the reported amount required (6.69 acres). Additionally, there was about 10 acres of unusable wetland space on the site. In total, there was about 10+9.85=19.85 acres of open space.
4	Triton Square	55 Seely School Drive	Groton	CT	304	14 Acres	7 Acres	50%	Triton Square is a 304-unit apartment development on one site in Groton, CT. Based on conversations with the planning office, the town requires 100 SF/unit of recreation/community space. The developer offered 81,100 SF (1.86 acres) of recreation/community space. The site also had about 5 acres of unusable wetland/upland area. In total, there was about 7 acres of open space.
5	Kelson Row	1 Kelson Row	Rocky Hill	CT	213	12 Acres	4 Acres	34%	Kelson Row is a 213-unit apartment development on one site in Rocky Hill, CT. This site is the former Ames Headquarters. Based on conversations with the planning office, 34% of the total site size was open space with a pocket park, a meditation area, an open lawn area, and landscaped/planting areas.

OPEN SPACE STUDY CONCLUSION

The comparable properties indicate an open space to total site area percentage range of 34% to 50%, and average 43%. The developer proposes 31.30 acres remain open space out of 50.29 acres, equating to an open space to total site area percentage of 62.24%. The developer's projected open space is higher than the comparable property open space requirements.

5) DEVELOPMENT SCHEDULE AND ZONING APPROACH

A. DEVELOPMENT SCHEDULE

Below is the developer’s schedule.

10. Development Schedule

The Community Builders' projected development schedule, from proposal submission through stabilization, is below. TCB will make all best efforts to adhere to this schedule, notwithstanding any contingencies related to the approval process. TCB will be in frequent communication with the Town of Hamden regarding all milestones.

The affordable housing financing required to support this vision requires upfront coordination and support from the Town of Hamden, not only on zoning approvals but on enabling work including demolition of existing buildings and associated abatement and installation of new roads and infrastructure. Potential resources for this work include the Community Challenge Grant and Community Investment Fund Grant, both available through the CT DECD. Upon Notice of Award, TCB looks forward to working closely with the Town to refine the proposed schedule and approach, as the resources to support this enabling work will need to be secured before the housing phases can break ground.

Once the enabling work is complete, the project will need to be completed in phases due to limited resources available through the CT Department of Housing and the Connecticut Housing Finance Authority. There are efficiencies in reducing the number of phases and TCB would make every effort to minimize phasing. Given the resources currently available, we would anticipate three distinct phases: a Multifamily Rental Phase with two buildings, Phase 1A and Phase 1B, a Senior Phase, and a Homeownership Phase by Habitat for Humanity.

A conceptual development schedule is below which shows an acquisition closing in 2026, following securing of zoning approvals and in parallel with securing DECD grants for the enabling work. Development of all 157 residential units is projected to be completed within 72 months of award or by 2029.

Task	Date
RFP Response Due	09/2023
Notice of Award/Contract	01/2024
Inspection/Financing Period & Community Engagement	07/2024
Master Planning & Zoning	01/2025
Zoning Approvals Obtained, Appeals Period Closes	02/2025
<i>Acquisition Closing</i>	<i>2026</i>
Enabling Phase	
TCB/Town of Hamden Applications to DECD:	
Community Challenge Grant/ Community Investment Fund Grant	2024-2025
Demolition & Abatement; New Infrastructure & Roads	2026
Multifamily Rental Phase – Phase 1A	
TCB Applies for Financing	11/2025

Financing Awarded	03/2026
Initial Financing Closing	04/2027
Construction Begins	04/2027
Construction Complete	04/2028
Commence Housing Lottery and Marketing	10/2027
Lease up Start	04/2028
Lease up Complete / Full Occupancy	07/2028
Multifamily Rental Phase– Phase 1B	
Financing	2026
Closing/Construction	2028
Occupancy	2029
Senior Phase	
TCB Applies for HUD Section 202 Financing	2025
HUD Financing Awarded	2026
TCB Applies for State Financing	2026
Financing Awarded	2026
Initial Financing Closing	2027
Construction Begins	2027
Construction Complete	2028
Commence Housing Lottery and Marketing	2027
Lease up Start	2028
Lease up Complete / Full Occupancy	2028
Homeownership Phase For-Sale (by Habitat)	
Habitat Closing	04/2025
Sales (estimate 4 closings/year)	2025-2027

CONSTRUCTION TIMELINES-APARTMENT BUILDINGS						
COMP #	COUNTY	STATE	TYPE	PROJECT SIZE (UNITS)	TYPE	CONSTRUCTION LENGTH OF TIME (MONTHS)
1	Hillsborough	NH	Market-Rate	250	Multifamily	24
2	Hartford	CT	Market-Rate	360	Multifamily	18 to 24
3	Fairfield	CT	Affordable	69	Multifamily	9 to 11
4	Hampshire	MA	Affordable	34	Multifamily	14 to 16
5	Middlesex	MA	Affordable	168	Multifamily	19 to 21
6	Cumberland	ME	Market-Rate	181	Multifamily	24
7	Suffolk	MA	Market-Rate	219	Multifamily	21
8	Norfolk	MA	Market-Rate	465	Multifamily	30
9	Worcester	MA	Market-Rate	268	Multifamily	24
10	Fairfield	CT	Market-Rate	173	Multifamily	19 to 21

CONSTRUCTION TIMELINES-TOWNHOUSE BUILDINGS						
COMP #	COUNTY	STATE	TYPE	PROJECT SIZE (UNITS)	TYPE	CONSTRUCTION LENGTH OF TIME (MONTHS)
1	York	ME	Market-Rate	12	Tow nhouse	9
2	Norfolk	MA	Market-Rate	8	Tow nhouse	14
3	Worcester	MA	Market-Rate	33	Tow nhouse	19
4	Worcester	MA	Market-Rate	16	Tow nhouse	8

The developer expects the Phase 1A (50 units) apartment schedule is expected to last from April 2027 to April 2028, or 12 months. The developer expects Phase 1B (50 units) to last a similar length of time. The developer expects the Senior Phase (45 units) to last from 2027 to 2028. Based on the comparable data, the developer’s projections are reasonable.

The developer is expecting to build several phases of affordable housing. All of the phases require some level of federal or state funding. The lack of ability to obtain funding in a timely manner could delay the development timeline. Community Builder’s indicated that, “the project will need to be completed in phases due to limited resources available through the CT Department of Housing and the Connecticut Housing Finance Authority.”

A. ZONING APPROACH

Below is an outline of the current zoning setback regulations.

ZONING SUMMARY	
Municipality Governing Zoning	Town of Hamden Planning & Zoning Department
Current Zoning	Residential 4 (R-4)
Permitted Uses	Some permitted uses within this zoning district include an accessory building, a truck garden, keeping of animals, keeping of hens, keeping falconry raptors, mentally ill adults, family day care home, roomers and boarders, single-family accessory dwelling unit, accessory dwelling unit (other), single-family, and student housing.
Current Use	School
Is Current Use Legally Permitted?	Yes
Zoning Change	Not Likely
Proposed Use	Multifamily and Townhouse/Single Family
Is Proposed Use Legally Permitted?	No

ZONING REQUIREMENTS	
Minimum Site Area (SF)	10,000 SF
Minimum Site Area/Dwelling Unit	1 Dwelling Unit Per 10,000 SF
Minimum Lot Width	80 Feet
Maximum Building Coverage	25%
Max. Total Impervious Surface	30%
Minimum Front Yard From Street Line	25 Feet
Minimum Front Yard From Centerline	50 Feet
Minimum Yard Setbacks	
Rear (Feet)	25 Feet
Side (Feet)	12 Feet
Subject Density (Units/Acre)	6.1
Maximum Building Height	35 Feet

SUBJECT PARKING REQUIREMENT			
FLOOR PLAN	UNITS	REQUIRED SPACES/UNIT	REQUIRED SPACES
1 Bed at 30% of AMI	16	1.50	24
1 Bed at 50% of AMI	4	1.50	6
1 Bed at 60% of AMI	14	1.50	21
1 Bed at 80% of AMI	8	1.50	12
2 Bed at 50% of AMI	16	2.00	32
2 Bed at 60% of AMI	24	2.00	48
2 Bed at 80% of AMI	18	2.00	36
Studio @ 50% of AMI-Senior	4	1.50	6
1 Bed @ 50% of AMI-Senior	41	1.50	61.5
3-Bed Single-Family	12	2.00	24
Required Parking Spaces	157		270.5
Parking Spaces Provided			179

Source: Town of Hamden Planning & Zoning Department

Multifamily is allowed to use via a special permit. Because of the allowed use limitations and other regulations, the development would need permitting to be allowable.

REAL ESTATE TAX BENEFIT

One of the benefits to the town of creating such a high-density development is the amount of real estate taxes that are generated. In total, utilizing our calculations, the project is estimated to generate approximately \$457,360 per year.

TOTAL TAXES	
ITEM	ANNUAL PROJECTED TAXES
Phase 1 and 2-Apartment Taxes	\$362,608
Single Family Housing	\$94,752
TOTAL TAXES	\$457,360

POSSIBLE ISSUES RELATED TO THE DENSITY OF DEVELOPMENT

Below are some possible issues related to the high density of development.

- Many municipalities require traffic studies during the permitting process. It is recommended that a traffic study being conducted to understand if there will need to be additional public and private infrastructure upgrades.
- Many municipalities require an understanding of how the town and private utilities will be impacted by the additional units. Typically, a town will want an understanding of how the new development will affect the utilities before the permitting process is completed.
- Considering that 2- and 3-bedroom units encompass approximately 40% of the proposed apartment development, it would be helpful to understand the stresses that the existing school system will encounter with additional students.
- There will be a large amount of public open space on the site. It would be helpful to understand who will be liable for maintaining and providing security for the open space.

CONCLUSION

Below is a qualitative analysis of the subject property according to the community concerns outlined in the RFP. The RFP identifies 13 categories. The higher the development addresses the issue, the higher the score. If the developer obtains the highest score in a category (superior-high), then the developer scores 10 points in that category. If the developer obtains the lowest score in a category (inferior-high), then the developer scores 0 points in that category. An average score across all 13 categories is 5 Points X 13 Categories = 65 points.

COMMUNITY CONCERNS

	TYPICAL MARKET			SUPERIOR			
	INFERIOR	STANDARD	SLIGHT	MARKET STANDARD	SLIGHT	MODERATE	HIGH
PRESERVATION OF OPEN SPACE							
Retaining A Portion of the Site As Open Space and Preserving the Existing Wetland							X
Walking Trails and Paths as Part of the Development Open to the Public							X
Have an Open Space Plan							X
SUSTAINABILITY							
Consider Re-Use of Existing Buildings and Structures			X				
Highest Possible Level of Sustainability in the Design and Construction of the Improvements					X		
Develop LEED Standards with a minimum LEED Silver Standard or equivalent			X				
HOUSING USES							
55+ and Senior Housing Units for older Hamden Residents					X		
Support for the Development of Affordable Housing Units Beyond the 20% requirement imposed by the Town						X	
Development of family-size units to attract families to the Town						X	
Possibility of developing intergenerational housing opportunities					X		
OTHER NEIGHBORHOOD CONCERNS							
Concerns about the impact on the character of the neighborhood				X			
Impact New Development will have on traffic				X			
Pedestrian Safety				X			
TOTAL NUMBER OF ITEMS	0	0	2	3	3	2	3
TIMES CATEGORY SCORE	0	2	4	5	6	8	10
SUBTOTAL SCORE	0	0	8	15	18	16	30

SCORE OF COMMUNITY CONCERNS

SUBJECT SCORE	87
AVERAGE SCORE	65
PERCENTAGE ABOVE (BELOW) AVERAGE	34%

CONCLUSION (CONTINUED)

Overall, the developer addresses many of the community concerns including the preservation of open space, senior housing, having an affordability component, intergenerational housing opportunities, and including larger units (2- & 3-bedroom units) in the development. However, there are some drawbacks to the development. Since the development is 100% affordable, the project won't generate as much tax revenue as a market-rate development (without tax abatements). Also, because the property 100% affordable, the ability to project the timing of the project will be difficult considering that the development is very reliant on state and federal resources.

Valuation Glossary

Qualifications of Appraisers

Qualifications of Colliers International Valuation & Advisory Services

Valuation Glossary 2023

Unless specified otherwise, these definitions were extracted from the following sources or publications:

The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).

Uniform Standards of Professional Appraisal Practice, 2020-2023 Edition (USPAP).

The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. *(Dictionary)*

Ad Valorem Tax

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction

A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

As-Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. *(Dictionary)*

Assessed Value

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)

In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment

A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price

The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area

The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent

The actual rental income specified in a lease. *(15th Edition)*

Cost Approach

A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. *(Dictionary)*

Deferred Maintenance

Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation

In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called *hard costs*. *(Dictionary)*

Discounted Cash Flow (DCF) Analysis

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate

A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement

The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life

The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date

The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

Effective Gross Income Multiplier (EGIM)

The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent

The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive

The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit

A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. *(Dictionary)*

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. *(Dictionary)*

Exposure Time

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. *(USPAP)*

Extraordinary Assumption

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. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value

In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.

As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis

A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

Floor Area Ratio (FAR)

The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. *(Dictionary)*

Going-concern

An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)

Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

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 purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing

costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. *(Dictionary)*

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 reversion right when the lease expires. *(Dictionary)*

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. *(Dictionary)*

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study

An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)

The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)

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. (Interagency Appraisal and Evaluation Guidelines, Federal Register, December 10, 2010.

Marketability Analysis

The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis

The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease, or fully net lease*. *(Dictionary)*

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs

Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs*. *(Dictionary)*

On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)

The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio

The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. *(Dictionary)*

Potential Gross Income Multiplier (PGIM)

The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment

An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment

In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area

The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. *(Dictionary)*

Replacement Cost for Insurance Purposes

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. *(Dictionary)*

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." *(Dictionary)*

Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types

Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. *(Dictionary)*

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income (*PGI*) made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss*. *(Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*



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Area of Expertise

Christopher Moore is a Valuation Specialist in the Boston office of Colliers Valuation & Advisory Services. He has been actively engaged in the appraisal profession since 2011. Mr. Moore began his appraisal career at Peter Scotti and Associates and worked as an appraiser at CBRE New England and Newmark Knight Frank.

Mr. Moore's appraisal experience includes appraising both residential and commercial properties. Recent assignments include a variety of assignments in Massachusetts, Rhode Island, Maine, and New Hampshire. Property types appraised include single family properties, residential condominiums, apartment properties, residential subdivisions, affordable housing, vacant land, office properties, retail properties, special use properties, industrial properties, schools, day cares, net lease properties, and solar panels.

Affiliations or Memberships

Practicing Affiliate for Appraisal Institute.

Professional Background

Peter Scotti & Associates-Appraiser
CBRE- Appraiser
Newmark-Appraiser

Appraisal Courses

- 15 Hour National USPAP
- Basic Appraisal Principles
- Basic Appraisal Procedures
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Sales Comparison Approach
- General Appraiser Report Writing and Case Studies
- Statistics Modeling and Finance
- General Appraiser Income Approach 1 & 2
- Residential Market Analysis and Highest & Best Use
- Residential Appraiser Site Valuation and Cost Approach
- Residential Sales Comparison and Income Approach
- Residential Report Writing and Case Studies
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Area of Expertise

Chris Stickney serves as the Managing Director of Colliers' Boston Office which provides valuation and advisory services throughout New England. He also serves as the National Practice Leader of the Company's Hospitality Valuation Group. Prior to joining Colliers in 2016, he worked for the Boston office of Joseph J. Blake & Associates, and Petersen LaChance Regan Pino, LLC where he began his career as an appraiser in 2013.

Affiliations or Memberships

Designated Member – Appraisal Institute
Board of Directors and Treasurer –
Massachusetts, Rhode Island, and Maine
Chapter of the Appraisal Institute

Professional Background

Mr. Stickney's appraisal experience includes properties of all types and varying levels of complexity from single-tenant buildings to multi-billion dollar mixed-use assets. He is experienced in the valuation of core property types including multifamily, retail, office, and industrial uses. His experience also includes specialized assets: hotels, life science, college / university campuses, schools, ski resorts, marinas, golf courses, large tract developments, and portfolio valuations.

Mr. Stickney has completed appraisal assignments throughout all of New England, Delaware, New Jersey, New York, Pennsylvania, Virginia, California, and Washington D.C.

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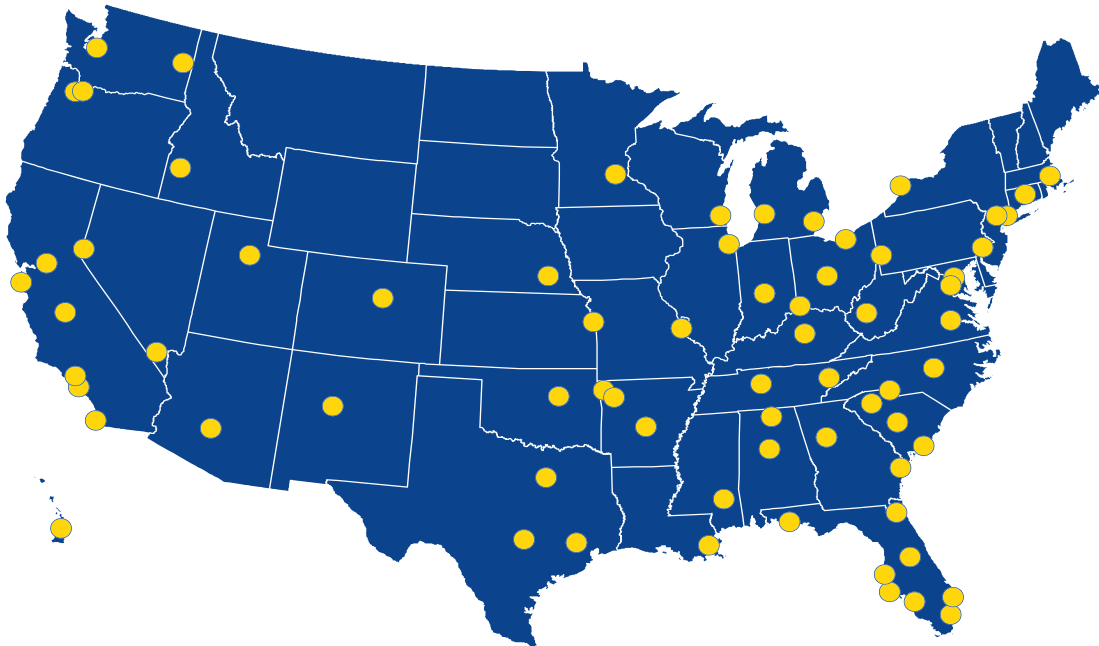
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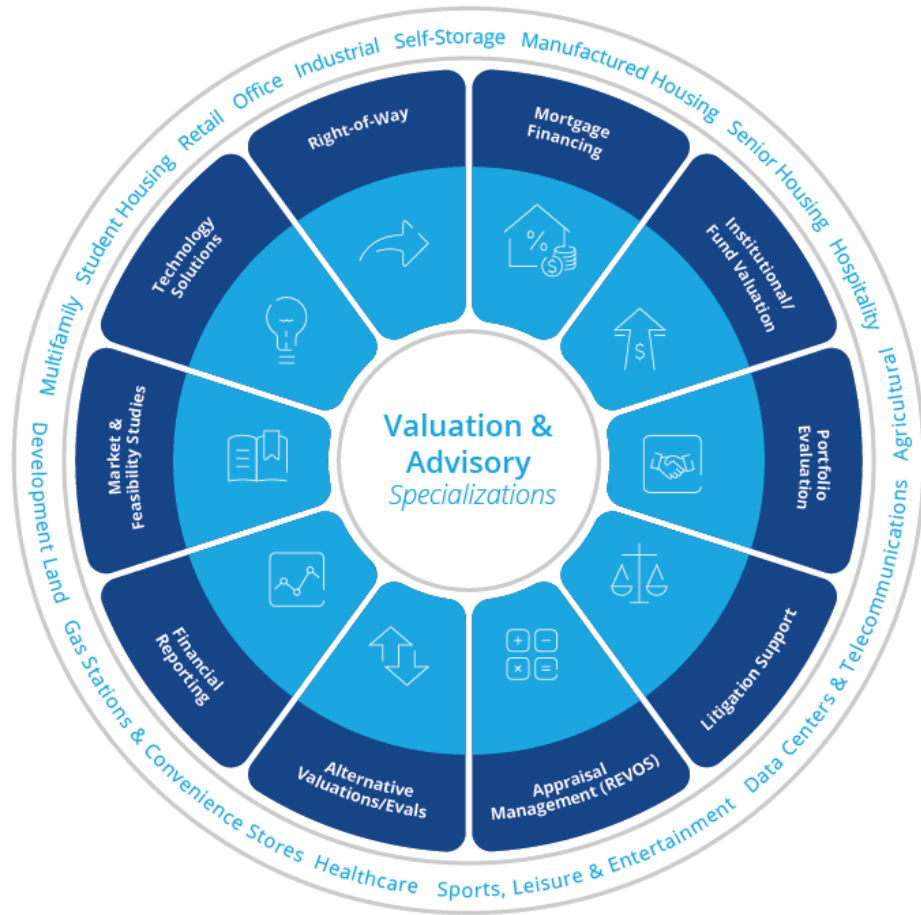
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Our Experts

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