

Real Estate Consultation Memorandum

Date: 11/15/2023

To: Ron Dupage; Rene DuPage

From: Thomas Walsh, Hercules Labrakis, Liu Tianci, Matthew Ibalio

Re: Apartment Investment Consultation, The DuPages

EXECUTIVE SUMMARY

An analysis has been conducted to evaluate the investment opportunity presented by each of three apartment buildings: The Perennial, The Westchester, and 5700 S Indiana Ave. This analysis was conducted utilizing data sources such as CoStar, STDB, and the websites of competing properties. After close consideration of the data gathered, several of the assumptions included in the broker proforma for the investment have been updated, including: purchase price, expected rental rates, vacancy rates, operating expenses, financing, and sale price. This data was further utilized to conduct an analysis of projected returns of each of the three opportunities at a 12% discount rate, using best-case, worst-case, and most-likely-case scenarios.

It is recommended that Ron pursue the purchase of The Perennial at a targeted purchase price of \$12,901,916. The Perennial has a demonstrated and consistent track record for maintaining high occupancy, and is supported by stable population, growing rents and wages, and a favorable location. The property can provide a stable source of returns at the investors' adopted hurdle rate. Additionally, The Perennial is expected to require the least time and effort to run and maintain the property, which will allow Ron to spend more time traveling and visiting his family.

It is recommended that Rene pursue the purchase of The Westchester at a targeted purchase price of \$13,799,217. The Westchester, is supported by a dense population, growing rents and wages, and a favorable location. The proximity to the campus for University of Chicago's medical campus and law campus are expected to provide a stabilizing effect on demand in the area, and prospective residents can enjoy the numerous amenities the neighborhood has to offer. The Westchester is expected to require more time and maintenance to run than The Perennial, however it is expected to be less cumbersome than the South Indiana property.

PROPERTY ANALYSIS

Property Summary and Location – The Perennial

The Perennial is a 100-unit, 4-story apartment building located on the 2300 block of Black Rd in Joliet, Illinois. All 100 units have two bedrooms and two bathrooms with an average size of 1,100 square feet, which is larger than most two-bedroom units in nearby buildings. The property is of late 60s-early 70s construction, which is consistent with other competitive properties nearby, and it has maintained an occupancy level of 95% for over ten years.

The Perennial sits in a favorable location on Black Rd, offering easy access to major highways such as I-55 and I-80, as well as numerous nearby shopping options. Within approximately 1.5 miles from the subject site, there are numerous grocery stores and national retailers, such as: Jewel Osco, Ross, Hobby Lobby, Burlington, Walmart, Dollar Tree, and Sam's Club. The property is also located within easy walking distance (0.5 miles) from Ascension Saint Joseph Hospital, which may make it an attractive housing option for hospital employees. The convenient location, large unit size, and above average bathroom count differentiate this property from much of the competition and should allow the property to continue its past trend of strong occupancy.

Property Summary and Location – The Westchester

The Westchester is a 96-unit, elevator serviced high-rise apartment building located on the 1200 block of E 53rd St in the Hyde Park neighborhood of Chicago, Illinois. It contains a mix of Studio, 1-bedroom, and 2-bedroom apartments. Its proximity to the University of Chicago's schools of Law and Medicine give this property a nearby source of continuous future demand. The surrounding area features numerous amenities such as parks, museums, access to the lake, and other places to visit. In addition, this location has easy access to the trains which provides another form of transportation for those in the building. These features will make the property more desirable to prospective tenants, and in turn make this a more attractive investment.

Property Summary and Location – S Indiana Ave

The final property to be considered is a 72-unit apartment building located on the 5700 Block of S Indiana Ave in Chicago, Illinois. All 72 apartments are two-bedroom-one-bathroom units. Located next to a major highway, it can bring plenty of renters into the area due to its easy access. Additionally, it is near Washington Park which adds an amenity that people can enjoy and one that adds value to the surrounding area.

Demographics – The Perennial

Market Demographics for The Perennial										
2023		Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter
	0.25 Miles	1,010	396	403	2.54	39%	2%	\$67,736	\$82,925	\$19,110
	0.5 Miles	4,427	1,892	1,955	2.33	38%	3%	\$65,883	\$85,588	\$19,964
	0.75 Miles	9,799	4,312	4,493	2.24	46%	4%	\$55,552	\$73,131	\$17,430
2028		Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter
	0.25 Miles	1,035	410	411	2.51	38%	0%	\$75,000	\$92,852	NA
	0.5 Miles	4,441	1,915	1,975	2.31	37%	3%	\$71,748	\$94,601	NA
	0.75 Miles	9,697	4,312	4,514	2.22	45%	5%	\$59,572	\$81,061	NA
Source: Site to Do Business - Community Profile										

Demographic information for the surrounding area was analyzed in radii of 0.25, 0.50, 0.75, 1.0, and 3.0 miles from the property. Current overall demographics for the surrounding area indicate a population that will remain

relatively flat with growing wages and a strong percentage of renter-occupied housing. This indicates that housing demand is likely to stay consistent, while reports indicate that no major new housing developments are planned for the next few years, meaning that supply is also expected to remain consistent and therefore that vacancies are not expected to grow.

The high percentage of renter-occupied housing with a vacancy rate of only 4% suggest that the subject property is surrounded by an appropriate demand to continue the strong occupancy which it has enjoyed in the past, and the average household spend on shelter aligns well with market rent comps and projected rents for the subject property (discussed further in the following financial analysis section).

Grouped by Tapestry segment, the largest segments of the population within a ¾ mile radius are made up of “Old and Newcomers” (43.2%), “Metro Fusion” (26.6%), and “Rustbelt Traditions” (12.7%). The Rustbelt Traditions group has the highest home ownership rate of the three (71.2%) as well as being less than half of the size of the next largest group (Metro Fusion). They have a median age of 39 years and an average household size of 2.47. While they will make up a portion of the potential renters for the subject property, the high home-ownership rate and larger family size indicate the primary focus should be on Old and Newcomers, and Metro Fusion.

As indicated in the above table, forecasts from STDB show that the area will remain relatively flat within the ¾ mile radius. Population is projected to contract very slightly; however, number of occupied households is expected to stay the same, indicating that the dip in population is due to reduction to average household size, not out-migration. While vacancy rate is expected to rise slightly to 4.5%, this is due to a small increase in the number of available housing units. Meanwhile, average household income is expected to rise from approximately \$73,000 to above \$81,000 which will help to support capacity for rent growth.

Demographics – The Westchester

Market Demographics for The Westchester										
2023		Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter
	0.25 Miles	6,338	3,247	3,695	1.89	59%	12%	\$52,058	\$92,634	\$22,662
	0.5 Miles	18,783	9,235	10,408	1.89	59%	10%	\$54,443	\$100,103	\$24,536
	0.75 Miles	39,140	20,310	22,878	1.81	57%	11%	\$58,483	\$100,996	\$24,732
2028		Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter
	0.25 Miles	6,259	3,241	3,715	1.87	58%	13%	\$60,625	\$107,340	NA
	0.5 Miles	18,451	9,278	10,446	1.86	58%	11%	\$63,790	\$114,910	NA
	0.75 Miles	38,786	20,425	22,948	1.78	56%	11%	\$68,783	\$116,623	NA
Source: Site to Do Business - Community Profile										

Demographic information for the area surrounding The Westchester was analyzed in radii of 0.25, 0.50, 0.75

miles from the property. The property is in a densely populated, affluent area with a high percentage of housing being renter-occupied. This indicates that there is a large base of potential renters to draw from, who can afford to pay for the relatively high rents in the area. While total population is projected to contract slightly, the total number of households is projected to increase, and incomes are projected to continue strong growth. This suggests that the slight decrease in population is likely due to the decreasing average household size rather than a trend of out-migration, and that the area will continue to support high rents and occupancy.

Demographics – S Indiana Ave

Market Demographics for S Indiana Ave										
2023	Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter	
	0.25 Miles	3,308	1,314	1,535	2.51	70%	14%	\$26,143	\$39,141	\$9,490
	0.5 Miles	8,710	3,411	3,956	2.54	72%	14%	\$28,232	\$43,377	\$10,546
	0.75 Miles	16,438	6,660	7,885	2.46	71%	16%	\$23,713	\$41,718	\$10,080
2028	Population	Households	# Housing Units	Avg HH Size	Renter Occupied	Vacancy Rate	Median HH Income	Avg HH Income	Avg Spent Shelter	
	0.25 Miles	3,208	1,302	1,539	2.46	68%	15%	\$28,263	\$43,029	NA
	0.5 Miles	8,460	3,386	3,963	2.49	71%	15%	\$31,433	\$48,611	NA
	0.75 Miles	16,074	6,650	7,903	2.41	70%	16%	\$25,914	\$46,735	NA
Source: Site to Do Business - Community Profile										

Demographic information for the surrounding area was analyzed in radii of 0.25, 0.50, 0.75 miles from the property. The property is in a densely populated but low-income area. The majority (over 70%) of households are renter-occupied, meaning that the area will not support high rents, but will have a strong demand for apartment units. Projected demographics do show contracting population and household count, indicating that out-migration is expected, and vacancy will continue to rise, albeit marginally.

Market – The Perennial

Market Comps for The Perennial								
Property	Year Built	Vacancy %	Total Units (Property)	# of Two-Bed Units	Available Units	Weighted Average Rent	Weighted Avg Size SF	Adjusted Rent
Burton Place Apartments	1973	0.10%	188	47	0	\$1,057	850	\$1,368
Pine Meadows Apartments	1968	0.10%	186	48	0	\$1,026	675	\$1,672
Stone Falls	1963	0.20%	213	71	0	\$913	912	\$1,101
Sutton Place Apartments	2003	0.60%	180	84	0	\$1,536	1,166	\$1,449
The Birches Apartments	1967	0.10%	261	72	2	\$1,359	838	\$1,784
Willow Run of Crest Hill	1973	3.90%	211	102	2	\$1,291	994	\$1,428
Source: CoStar								

There are 15 apartment buildings which have two-bedroom apartments and are within a ¾ mile radius of the subject property, containing a cumulative total of 667 two-bedroom units, 17 (2.5%) of which are vacant. Only

seven of these buildings contain 50 or more total units, but 607 of the 667 two-bedroom units are in these seven properties. While CoStar market data, indicates there are approximately 1,440 total Multi-Family units (760 proposed, and 680 under construction) which are forecasted to be added to the North Will County submarket over the next two years, these projects are not close enough to the subject property to impact the competitive set (primarily in Plainfield, Shorewood, and New Lenox).

Rents and current vacancies at the 7 properties within the competitive set have been evaluated utilizing CoStar to establish realistic expectations for the subject property. Factors which have been considered in weighing the relevancy of respective rents for two-bedroom units, include: comparative age of the building, whether the property contained any affordable housing units, size of units, number of bathrooms, and notable amenities. Larkin Village had the highest number of differences such as numerous affordable housing units, lack of two-bathroom units, free TV/internet, and free heat/water/gas utilities. As a result, it was given the least weight out of the competitive set. Willow Run of Crest Creek was the most comparable property as it is a similar age, and contains a similar number of two bedroom units - most of which have two bathrooms and are only slightly smaller than the units in subject property.

Market – The Westchester

Market Comps for Westchester								
Property	Year Built	Vacancy %	Total Units (Property)	Bedrooms	# of Units	Available Units	Weighted Average Rent	Weighted Avg SF
Ivy at Fairfax	1960	7.3%	97	1	44	4	\$ 1,275	627
				2	31	3	\$ 1,651	874
				3	8	1	\$ 2,620	1,248
				Studio	14	0	\$ 973	286
Ivy at Picadilly	1920	12.9%	78	1	21	3	\$ 1,240	681
				2	24	1	\$ 2,116	1,240
				3	15	0	\$ 2,426	1,810
				Studio	18	0	\$ 1,019	640
Ivy Villas	1913	15.2%	92	1	45	2	\$ 1,350	655
				2	7	2	\$ 1,690	731
				Studio	40	1	\$ 1,027	480
Scholars Corner Apartments	1933	5.4%	95	1	52	0	\$ 1,241	653
				2	4	1	\$ 2,248	875
				Studio	39	3	\$ 1,305	459
The Versailles Apartments	1919	2.1%	101	1	60	2	\$ 1,680	478
				2	1	0	\$ 2,253	905
				Studio	40	6	\$ 1,393	334

Source: CoStar

When examining the market for The Westchester, primary focus was placed upon other nearby high-rise apartment buildings with a similar unit mix. Competitive rents were then evaluated and size-adjusted for Studio, 1-bedroom, and 2-bedroom apartments. The low number of available units across the competitive set indicates

that the market is supportive of the relatively high rents. The demographic forecast discussed earlier also reinforces that there is not likely to be a significant shift in demand over the near future.

Market – S Indiana Ave

Market Comps for S Indiana Ave								
Property	Year Built	Vacancy %	Total Units (Property)	# of Two-Bed Units	Available Units	Weighted Average Rent	Weighted Avg SF	Size Adjusted Rent
5901 S Michigan Ave	-	3.10%	27	10	0	\$1,165	700	\$1,262
5950 S King Dr	1914	18.20%	25	15	0	\$985	876	\$852
Ironwood	1915	4.50%	48	39	0	\$975	834	\$886
Washington Park Apartments	1910	0.00%	72	64	0	\$965	720	\$1,016
Source: CoStar								

When examining the market surrounding the property at S Indiana Ave, primary focus was placed on nearby non-high-rise apartment buildings with 25 or more units and containing two-bedroom units. The rents of competing properties are relatively low, which means that the potential rents at the subject property will also be limited. While the demographics of the area, as mentioned above, show a high level of general vacancy in the area, properties in the competitive set have no currently available units. This indicates that the competitive set and the subject property are out-performing the market occupancy. While this is a positive sign as it suggests that there is demand for the right type of units, it also means that there is higher vacancy risk, because the property must continue to greatly out-perform the market in order to maintain the current returns.

Site/Building Analysis

Listed as an item, but not included for the purposes of this memo.

FINANCIAL ANALYSIS

Assumptions/Broker Proforma Adjustments

	Best Case	Probable Case	Worst Case
Perennial			
Monthly Rents	\$1,500	\$1,300	\$1,150
Vacancy Rates	1.50%	5.00%	6.00%
Operating Expenses (% of GR)	25%	25%	30%
Taxes	10.00%	10.00%	10.00%
Purchase Price	\$14,913,808	\$12,913,916	\$11,070,537
The Westchester			
Monthly Rents	\$2,004	\$1,822	\$1,457
Vacancy Rates	5.00%	5.00%	7.50%
Operating Expenses (% of GR)	30%	30%	35%
Taxes	9.45%	9.45%	9.45%
Purchase Price	\$14,924,455	\$13,799,217	\$10,731,750
S Indiana Ave			
Monthly Rents	\$1,067	\$970	\$776
Vacancy Rates	5.00%	5.00%	7.50%
Operating Expenses (% of GR)	25%	25%	30%
Taxes	9.00%	9.00%	9.00%
Purchase Price	\$6,181,491	\$5,687,576	\$4,375,870

Numerous assumptions from the broker proforma have been adjusted, primarily utilizing data gathered from STDB and CoStar. Assumptions for monthly rents, vacancy rates, and operating expenses were adjusted for each of the three properties based on data gathered to establish the probable case scenario. In determining best-case and worst-case scenarios, each of these factors was adjusted upwards and downwards respectively. Purchase price in each of these scenarios was recalculated to achieve the clients' desired rate of return.

In the case of The Perennial, the availability of a greater number of published asking and achieved rents allowed for developing specific projections of best-case and worst-case rental rates. Vacancy rates are adjusted to 1.5% in the best-case scenario, as high occupancy of competing buildings indicates that a higher occupancy may be achievable at the Perennial. Operating expenses reflect that expenses are unlikely to decrease in a best-case scenario but may increase in a worst-case scenario.

In the cases of The Westchester and S Indiana Ave, monthly rents in the best-case and worst-case scenarios represent a 10% increase and 20% decrease (respectively) versus the probable case rents. Additionally, both properties reflect that both vacancy and operating expenses are unlikely to decrease in a best-case scenario, though they are likely to increase in a worst-case scenario.

Proposed Financing

Available Financing			
	The Perennial	The Westchester	S Indiana Ave
Loan Amount	\$9,240,000	\$6,090,000	\$2,817,576
Interest Rate	5.50%	5.50%	6.50%
Term Length	10 Years	10 Years	10 Years
Amortization	25 Year	25 Year	25 Year

Partially-amortizing-constant-payment mortgage loans have been secured for each of the three subject properties. Term length for all three available loans is 10 years, with a 25-year amortization period. The partially amortizing structure of the loans is an attractive option, as it will decrease the debt service costs and increase returns. The loans for The Perennial and The Westchester are both available at a 5.5% rate of interest, while the interest rate available for the loan on the S Indiana Ave property is at 6.5%. It is recommended that all available debt be utilized in the respective purchases due to the below-market interest rates.

Best Case Analysis – The Perennial

In a best-case scenario, rents may achieve \$1,500 per month, vacancy at the property may be as low as 1.5%, and Operating Expenses (excluding Real Estate Taxes) will hold at approximately 25% of Potential Gross Income. This results in a year 1 NOI of \$1,088,000 and a projected sale price of \$19,725,952 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Best Case Analysis – The Westchester

In a best-case scenario, rents may achieve \$2,004 per month, vacancy will hold at 5%, and Operating Expenses (excluding Real Estate Taxes) will hold at approximately 30% of Potential Gross Income. This results in a year 1 NOI of \$1,244,432 and a projected sale price of \$22,457,880 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Best Case Analysis – S Indiana Ave

In a best-case scenario, rents may achieve \$1,067 per month, vacancy will hold at 5%, and Operating Expenses (excluding Real Estate Taxes) will hold at approximately 25% of Potential Gross Income. This results in a year 1 NOI of \$507,752 and a projected sale price of \$9,326,875 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Worst Case Analysis – The Perennial

In a worst-case scenario, rents may fall as low as \$1,150 per month, vacancy at the property may be as high as 6%, and Operating Expenses (excluding Real Estate Taxes) will increase to approximately 30% of Potential Gross Income. This results in a year 1 NOI of \$690,200 and a projected sale price of \$12,597,820 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Worst Case Analysis – The Westchester

In a worst-case scenario, rents may fall as low as \$1,457 per month, vacancy at the property may be as high as 7.5%, and Operating Expenses (excluding Real Estate Taxes) will increase to approximately 35% of Potential Gross Income. This results in a year 1 NOI of \$768,501 and a projected sale price of \$14,681,654 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Worst Case Analysis – S Indiana Ave

In a worst-case scenario, rents may fall as low as \$776 per month, vacancy at the property may be as high as 7.5%, and Operating Expenses (excluding Real Estate Taxes) will increase to approximately 30% of Potential Gross Income. This results in a year 1 NOI of \$304,098 and a projected sale price of \$5,977.982 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Probable Case Analysis – The Perennial

In a probable-case scenario, rents will be \$1,300 per month, vacancy at the property will remain at 5%, and Operating Expenses (excluding Real Estate Taxes) will remain at 25% of Potential Gross Income. This results in a year 1 NOI of \$881,000 and a projected sale price of \$16,016,743 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Probable Case Analysis – The Westchester

In a probable-case scenario, rents will be \$1,822 per month, vacancy at the property will remain at 5%, and Operating Expenses (excluding Real Estate Taxes) will remain at 30% of Potential Gross Income. This results in a year 1 NOI of \$1,127,963 and a projected sale price of \$20,370,897 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Probable Case Analysis – S Indiana Ave

In a probable-case scenario, rents will be \$970 per month, vacancy at the property will remain at 5%, and Operating Expenses (excluding Real Estate Taxes) will remain at 25% of Potential Gross Income. This results in a year 1 NOI of \$456,629 and a projected sale price of \$8,410,810 based on a 7.5% exit cap rate. Total NPV for the investment in this scenario is \$0 with an IRR of 12.00%.

Partitioned IRR

Financial Analysis			
	The Perennial	The Westchester	South Indiana
Equity Required	\$3,673,916	\$7,709,217	\$2,817,576
Simple Return Measures			
Cash-on-Cash Return (before tax)	5.23%	8.74%	7.86%
Cash-on-Cash Return (after tax)	4.51%	6.68%	5.75%
Discounted Return Measures			
Internal Rate of Return	12.00%	12.00%	12.00%
% From Operations	34.11%	56.54%	60.75%
% From Sale	65.89%	43.46%	39.25%
Net Present Value @ 12%	\$0	\$0	\$0

For each of the three scenarios calculated at each of the three subject properties, NPV of the investment is calculated at \$0, and IRR is calculated to be 12%. The above snapshot breaks down key return metrics for the probable case scenario for each of the three properties. Detailed calculations are available for all scenarios at each of the properties in the excel workbook which has been provided separately.

Of the three properties, The Westchester provides the highest cash-on-cash return rate before and after tax, followed by South Indiana, and lastly by The Perennial. This is important to consider, as it is an indication of how much return will actually be received on the investment during the holding period.

The Partitioned IRR is a useful way to quantify how much of the total potential return comes from regular operations of the property versus from the assumed sale price. When examining the Partitioned IRR at the three properties, the property at South Indiana has the highest percent of returns attributable to operations, followed by The Westchester, and finally The Perennial. Generally, a greater percentage of the IRR that is attributable to the assumed sale price equates to greater risk of not achieving the projected returns due to the unpredictability

of future sale prices; however, the property at S Indiana Ave is believed to have a higher probability of experiencing a worst-case scenario.

RECOMMENDATIONS

It is recommended that Ron pursue the purchase of The Perennial. The Perennial has a demonstrated and consistent track record for maintaining high occupancy, and is supported by stable population, growing rents and wages, and a favorable location. The property can provide a stable source of returns at the investors' adopted hurdle rate. Additionally, The Perennial is expected to require the least time and effort to run and maintain the property, which will allow Ron to spend more time traveling and visiting his family.

It is recommended to submit an initial bid for The Perennial of \$11,070,537 to leave some room for negotiation and counter-offers, and target a final purchase price of \$12,913,916. In no event should Ron exceed a purchase price of \$14,913,808, above which the investment is unlikely to yield the desired return even in favorable market conditions.

It is recommended that Rene pursue the purchase of The Westchester. The Westchester, is supported by a dense population, growing rents and wages, and a favorable location. The proximity to the campus for University of Chicago's medical campus and law campus are expected to provide a stabilizing effect on demand in the area, and prospective residents can enjoy the numerous amenities the neighborhood has to offer. The Westchester is expected to require more time and maintenance to run than The Perennial, however it is expected to be less cumbersome than the South Indiana property.

It is recommended to submit an initial bid for The Westchester of \$10,731,750 to leave some room for negotiation and counter-offers, and target a final purchase price of \$13,799,217. In no event should Ron exceed a purchase price of \$14,924,455, above which the investment is unlikely to yield the desired return even in favorable market conditions.

The purchase of the property on South Indiana Ave is not recommended for either Ron or Rene at this time. While the property does make an attractive investment opportunity financially, the high vacancy and crime in the area and low rents and wages mean that this property is likely to require a large amount of time and attention to run, which does not fit with either of the DuPages' goals.

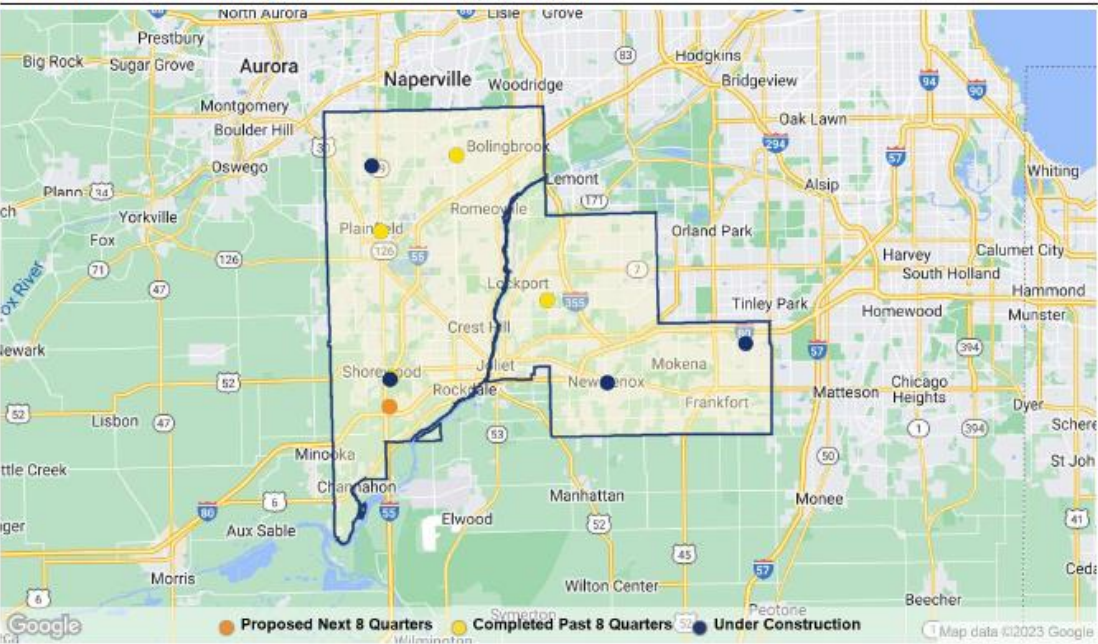
EXHIBITS

EXHIBIT I – CoStar Will County Unit Deliveries – The Perennial

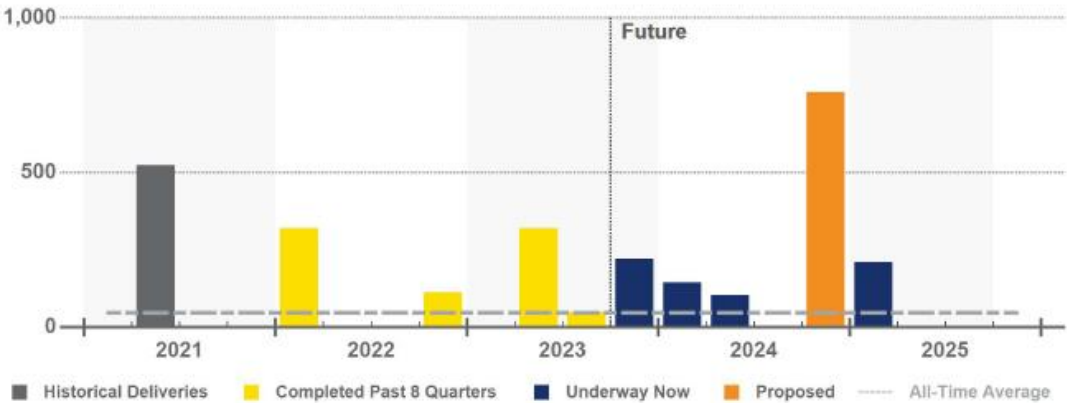
Construction

North Will County Multi-Family			
All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
188	800	680	760

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN UNITS



CoStar North Will
County-MultiFamily

EXHIBIT II – Tapestry Segmentation, Top Segments



Tapestry Segmentation Area Profile

2300 Black Rd, Joliet, Illinois, 60435
Ring: 0.75 mile radius

Prepared by Esri
Latitude: 41.53663
Longitude: -88.13833

Top Twenty Tapestry Segments						
Rank	Tapestry Segment	2023 Households		2023 U.S. Households		Index
		Percent	Cumulative Percent	Percent	Cumulative Percent	
1	Old and Newcomers (8F)	43.2%	43.2%	2.3%	2.3%	1892
2	Metro Fusion (11C)	26.6%	69.8%	1.4%	3.7%	1,837
3	Rustbelt Traditions (5D)	12.7%	82.5%	2.1%	5.9%	596
4	Midlife Constants (5E)	7.4%	89.9%	2.4%	8.3%	307
5	Social Security Set (9F)	4.4%	94.3%	0.8%	9.1%	525
Subtotal		94.3%		9.0%		
6	Home Improvement (4B)	4.2%	98.5%	1.7%	10.8%	251
7	Comfortable Empty Nesters (5A)	1.0%	99.5%	2.4%	13.2%	40
8	Parks and Rec (5C)	0.5%	100.0%	2.0%	15.2%	25
Subtotal		5.7%		6.1%		
Total		100.0%		15.2%		659



Tapestry Segmentation Peren



Tapestry Segmentation West



Tapestry Segmentation S Indi

EXHIBIT III – STDB Community Profile



Community Profile

2300 Black Rd, Joliet, Illinois, 60435
Rings: 0.25, 0.5, 0.75 mile radii

Prepared by Esri
Latitude: 41.53663
Longitude: -88.13833

	0.25 miles	0.5 miles	0.75 miles
Population Summary			
2010 Total Population	910	4,295	9,792
2020 Total Population	982	4,445	9,807
2020 Group Quarters	3	23	145
2023 Total Population	1,010	4,427	9,799
2023 Group Quarters	3	23	143
2028 Total Population	1,035	4,441	9,697
2023-2028 Annual Rate	0.49%	0.06%	-0.21%
2023 Total Daytime Population	524	2,513	11,081
Workers	47	343	6,069
Residents	477	2,170	5,012
Household Summary			
2010 Households	372	1,852	4,257
2010 Average Household Size	2.45	2.32	2.27
2020 Total Households	384	1,863	4,305
2020 Average Household Size	2.55	2.37	2.24
2023 Households	396	1,892	4,312
2023 Average Household Size	2.54	2.33	2.24
2028 Households	410	1,915	4,312
2028 Average Household Size	2.51	2.31	2.22
2023-2028 Annual Rate	0.70%	0.24%	0.00%
2010 Families	241	1,121	2,414
2010 Average Family Size	3.00	2.95	2.97
2023 Families	242	1,076	2,285
2023 Average Family Size	3.21	3.08	3.02
2028 Families	249	1,084	2,270
2028 Average Family Size	3.19	3.06	3.00
2023-2028 Annual Rate	0.57%	0.15%	-0.13%
Housing Unit Summary			
2000 Housing Units	471	1,998	3,994
Owner Occupied Housing Units	39.5%	50.7%	52.8%
Renter Occupied Housing Units	59.0%	47.1%	42.3%
Vacant Housing Units	1.5%	2.2%	4.8%
2010 Housing Units	377	1,908	4,457
Owner Occupied Housing Units	74.8%	63.5%	49.8%
Renter Occupied Housing Units	24.1%	33.6%	45.7%
Vacant Housing Units	1.3%	2.9%	4.5%
2020 Housing Units	388	1,926	4,480
Vacant Housing Units	1.0%	3.3%	3.9%
2023 Housing Units	403	1,955	4,493
Owner Occupied Housing Units	59.1%	58.6%	49.8%
Renter Occupied Housing Units	39.2%	38.2%	46.1%
Vacant Housing Units	1.7%	3.2%	4.0%
2028 Housing Units	411	1,975	4,514
Owner Occupied Housing Units	62.0%	60.3%	50.9%
Renter Occupied Housing Units	38.0%	36.7%	44.6%
Vacant Housing Units	0.2%	3.0%	4.5%
Median Household Income			
2023	\$67,736	\$65,883	\$55,552
2028	\$75,000	\$71,748	\$59,572
Median Home Value			
2023	\$184,420	\$208,849	\$210,039
2028	\$218,640	\$228,571	\$227,475
Per Capita Income			
2023	\$31,667	\$35,711	\$32,542
2028	\$35,672	\$39,843	\$36,411
Median Age			
2010	36.2	38.0	35.8
2023	38.6	39.8	38.4
2028	39.6	40.9	39.4

Data Notes: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: Esri forecasts for 2023 and 2028. U.S. Census Bureau 2000 and 2010 decennial Census data converted by Esri into 2020 geography.



Community Profile, Community_Profile_2300 Black Rd, Joliet 2300 Black Rd Joliet, Community Profile, Community_Profile_5700 S Indiana Ave, 1200 E 53rd St, Chic

EXHIBIT IV – STDB ACS Housing Summary



ACS Housing Summary

2300 Black Rd, Joliet, Illinois, 60435
Ring: 0.25 mile radius

Prepared by Esri
Latitude: 41.53663
Longitude: -88.13833

	2017-2021 ACS Estimate	Percent	MOE(±)	Reliability
TOTALS				
Total Population	894		215	High
Total Households	369		63	High
Total Housing Units	384		74	High
OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS				
Total	260	100.0%	77	High
Housing units with a mortgage/contract to purchase/similar debt	164	63.1%	76	High
No Second Mortgage and No Home Equity Loan	151	58.1%	75	High
Multiple Mortgages	10	3.8%	15	Low
Second mortgage and Home Equity Loan	5	1.9%	10	Low
Only Home Equity Loan	2	0.8%	6	Low
Only Second Mortgage	3	1.2%	10	Low
Home Equity Loan without Primary Mortgage	3	1.2%	9	Low
Housing units without a mortgage	96	36.9%	54	High
AVERAGE VALUE BY MORTGAGE STATUS				
Housing units with a mortgage	\$164,171		\$105,905	High
Housing units without a mortgage	\$148,320		\$116,775	Low
2021 Total Population (ACS 5-Yr)	894			
OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS & SELECTED MONTHLY OWNER COSTS				
Total	260	100.0%	77	High
With a mortgage: Monthly owner costs as a percentage of household income in past 12 months				
Less than 10.0 percent	20	7.7%	39	Low
10.0 to 14.9 percent	44	16.9%	42	Low
15.0 to 19.9 percent	33	12.7%	43	Low
20.0 to 24.9 percent	7	2.7%	9	Low
25.0 to 29.9 percent	24	9.2%	51	Low
30.0 to 34.9 percent	26	10.0%	35	Low
35.0 to 39.9 percent	2	0.8%	6	Low
40.0 to 49.9 percent	0	0.0%	0	Low
50.0 percent or more	9	3.5%	14	Low
Not computed	0	0.0%	0	Low
Without a mortgage: Monthly owner costs as a percentage of household income in past 12 months				
Less than 10.0 percent	63	24.2%	58	Low
10.0 to 14.9 percent	7	2.7%	9	Low
15.0 to 19.9 percent	7	2.7%	25	Low
20.0 to 24.9 percent	10	3.8%	19	Low
25.0 to 29.9 percent	4	1.5%	7	Low
30.0 to 34.9 percent	1	0.4%	3	Low
35.0 to 39.9 percent	1	0.4%	5	Low
40.0 to 49.9 percent	0	0.0%	0	Low
50.0 percent or more	2	0.8%	7	Low
Not computed	0	0.0%	0	Low

Source: U.S. Census Bureau, 2017-2021 American Community Survey

Reliability: High medium Low

September 30, 2023

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ACS Housing Summary, 1200 E 53rd St, Joliet, IL 60435



ACS Housing Summary, 5700 S Inc, Joliet, IL 60435



ACS Housing Summary, 2300 Black Rd, Joliet, IL 60435