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APPRAISAL REPORT OF

JEFFERSON COURT
A 222 UNIT APARTMENT PROJECT
LOCATED AT
415 EAST KNAPP STREET
MILWAUKEE, WISCONSIN 53202
AS OF MAY 27, 1992



AUTHORIZED BY AND PREPARED FOR
JEFFERSON COURT, A LIMITED PARTNERSHIP
C/O GROOTEMAAT INVESTMENT MANAGEMENT CORPORATION
735 NORTH WATER STREET, SUITE 300
MILWAUKEE, WISCONSIN 53202

PREPARED BY

FIRST FINANCIAL REALTY ADVISORS, INC.
245 SOUTH EXECUTIVE DRIVE SUITE 130
BROOKFIELD, WISCONSIN 53005

IN CONJUNCTION WITH

LANDMARK RESEARCH, INC.
P. O. BOX 5633
MADISON, WISCONSIN 53705

September 18, 1992

The Jefferson Court Limited Partnership
c/o Grootemaat Investment Management Corporation
735 North Water Street
Milwaukee, WI 53202

Gentlemen:

We are transmitting the appraisal of Jefferson Court, a 222 unit apartment project located at 415 East Knapp Street, Milwaukee, Wisconsin. This appraisal was prepared in accordance with The Final Guidelines For Determining Appraisals Of Preservation Value Under The Low-Income Housing Preservation And Resident Homeownership Act Of 1990. In addition, this appraisal was prepared in accordance with the Uniform Standards Of Professional Appraisal Practice.

This appraisal was authorized by the Jefferson Court Limited Partnership, which is the owner of the property.

The appraised property consists of 3 interconnected, 3 story multi-family apartment buildings of masonry and wood construction with underground parking. The buildings were constructed in 1972. The buildings include a total of 222 apartment units, which are all one bedroom except for 1 two bedroom manager's apartment. These improvements are situated on a 2.125 acre site.

This appraisal was made for the purpose of estimating the Extension Preservation Value and Transfer Preservation Value of the property as of May 27, 1992. Both Transfer and Extension Preservation Value are estimated in terms of market value. The property rights appraised in this report are those that constitute the leased fee estate.

Based upon a personal inspection of the above property and giving consideration to the data, research, analyses, and conclusions set forth in the following report, it is our opinion that the Extension Preservation Value of the property known as Jefferson Court, located in Milwaukee, Wisconsin, as of May 27, 1992 is: ($5,675,000).

FIVE MILLION SIX HUNDRED SEVENTY FIVE THOUSAND DOLLARS

Final preparation of this report was completed on September 18, 1992.

This appraisal report includes this letter of transmittal, a report section which describes the property and the processes by which it was analyzed, exhibits which help explain, illustrate, and support this appraisal and the conclusions reached herein, and a listing of the assumptions and limiting conditions to which this appraisal is subject.

We appreciate the opportunity to be of service and we are available to answer any questions with respect to this report.

Respectfully submitted,

Dean P. Larkin
First Financial Realty Advisors, Inc.

Jean B. Davis
Landmark Research, Inc.

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SUMMARY OF SALIENT FACTS & CONCLUSIONS

The Property:	Jefferson Court 415 East Knapp Street Milwaukee, Wisconsin 53202
Purpose of Appraisal	To estimate the market value of the leased fee in the above property in terms of its Extension Preservation Value and Transfer Preservation Value.
Effective Date:	May 27, 1992
Building Description:	222 unit apartment project of masonry and wood construction with underground parking consisting of 3 interconnected 3-story buildings. Above-ground gross living area of 126,612 square feet. Building was completed in 1972 and is in good condition. Unit mix consists of 221 one bedroom units and 1 two bedroom unit. Average size of the one bedroom units (about 490 square feet) is small by market standards.
Site Description:	Rectangular site with an estimated area of 2.125 acres. Average dimensions per survey are 361.9 feet by 255.8 feet. Site has frontages on 3 city streets and frontage on a vacated city street, so it comprises an entire city block. Site improvements include concrete walkways, a concrete patio area, landscaping and lighting.
Parking:	Parking consists of 148 underground stalls. Current parking garage layout in utilization creates 75 stalls. Parking ratio is 2 stalls per 3 apartment units. This is below the market standard for new buildings, but is an acceptable ratio for buildings the subject's age or older.
Zoning:	C9A Zoning - Central Business District High Density Residential. Subject is in conformance with zoning requirements. The property is also subject to the requirements of the East Side A Redevelopment District. The subject conforms to these requirements also.

Real Estate Taxes:	1991 net tax of $217,392.60, payable in 1992. 1992's assessment has been increased by $480,000 over 1991's assessment.
Utilities:	All Available.
Easements:	No known or observed adverse easements.
Flood Plain:	Subject is not in the designated flood plain.
Street Access:	Subject has access to East Knapp Street, East Juneau Avenue, and North Milwaukee Street.
Occupancy as of 5/27/92:	99%. Occupancy approaches 100% at this project because it is a low-income project and there is a waiting list for the units.
Rental Structure:	The project is a HUD 236 Project with 20% of the units receiving Section 8 rental assistance. The Basic Rent is currently $268 per month. The landlord provides heat, and the tenants pay their own electric.
Proforma NOI for 1992:	$664,402
Highest and Best Use:	As market rate rental housing.
Estimated Site Value:	$600,000
Indicated Value as Market Rate Rental Housing:	$6,270,000 ($28,243 per apartment unit).
Estimated Conversion Costs to Market Rate Rental:	$595,000
Indicated Extension Preservation Value:	$5,675,000
Indicated Transfer Preservation Value:	$5,675,000
Other:	The subject property has an underground oil storage tank used for a back-up fuel supply for the boilers. It is assumed that this tank has not leaked. The building is reported to be in compliance with DILHR rental energy requirements.

SCOPE OF THE APPRAISAL

An appraisal involves a comprehensive program of research and analysis in the application of the valuation process to the subject property. General steps in the valuation process include:

1. Definition of the valuation problem.
2. Preliminary analysis and data selection and collection.
3. Highest and best use analysis.
4. Land valuation - land as if vacant.
5. Application of valuation methodologies.
6. Reconciliation of value indications and rendering of a final value estimate
7. Reporting of analysis and estimated value.

Specific research and analysis that have been performed as a part of this appraisal included the following:

1. The appraisers inspected the property on May 27, 1992. Mr. Charles Arnemann, resident manager of the project, accompanied the appraisers on their inspection. The appraisers looked at approximately one dozen units and out of these performed detailed inspections of six units.
2. In addition, Dean P. Larkin accompanied Department of Housing and Urban Development ("HUD") representatives when they performed their physical needs assessment inspection on July 10, 1992. Approximately 10% of the total units at the project were inspected during this tour.

3. Regional and city descriptions are based on information contained in FFRA's files, which have been assembled from various sources. The description and analysis of the neighborhood is based on a physical inspection of the area and various interviews (e.g. city officials, area property managers, etc.).

4. Our description and analysis of the property is based on actual physical inspection of the property, along with an examination of blueprints prepared by architect Glen H. Scholz, Ltd., dated January 2, 1971. The owner also provided a survey of the site, showing the building and improvements, dated August 5, 1983.

5. We have studied the HUD Final Guidelines for Determining Appraisals of Preservation Value Under the Low-Income Housing Preservation and Resident Homeownership Act on 1990 (the "Appraisal Guidelines"), as published on May 8, 1992 in the Federal Register in Volume 57, Number 90.

6. Jean B. Davis attended a seminar on the Low-Income Housing Preservation and Resident Homeownership Act of 1990 ("LIHPRHA") sponsored by the National Leased Housing Association. This seminar was held in Chicago on November 12, 1991.

7. Other research was performed to become more familiar with the Section 236 program, LIHPRHA, and subsidized housing in general, including interviews with owners of such housing, inspections of other Section 236 projects, reading of articles and other background materials on the above topics, etc.

8. Market analysis for this assignment included interviews with city officials, local apartment managers, other appraisers, and a physical inspection of neighborhood apartment projects. In addition, we reviewed relevant published information (e.g., market studies, census data, etc.).

9. This assignment calls for the estimation of two potentially different highest and best use scenarios given the need to estimate the Extension Preservation Value and Transfer Preservation Value of the property. We analyzed the highest and best use of the property under both definitions using data assembled in the aforementioned steps, along with input from the valuation approaches.

10. In estimating the value of the subject property, we attempted to utilize the Cost Approach, Sales Comparison Approach, and Income Capitalization Approach. A description and definition of each of the valuation approaches is presented in the VALUATION section of this report.

11. To estimate the value(s) of the property, we collected and analyzed market data to develop the valuation approaches. The data sources used include files maintained at FFRA's office, published sources, interviews with assessors, and discussions with apartment owners and property managers, principals involved in sale transactions, contractors, city officials, mortgage brokers, and HUD officials.

12. We reconciled the final value estimate(s) after analyzing the results of the valuation approaches discussed above, as applicable, with consideration given to the quality of data and reliability of each approach as it relates to the subject property.

Current appraisal standards, as set forth in both the Uniform Standards of Professional Appraisal Practice ("USPAP") and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute require appraisers to have the knowledge and experience to complete an assignment competently. Alternatively, an appraiser is required to disclose the lack of knowledge and/or experience to the client before accepting the assignment. In addition, the appraiser must take all steps necessary or appropriate to complete the assignment competently, and describe in the report the lack of knowledge and/or experience and the steps taken to complete the assignment competently.

Both appraisers have extensive experience in appraising and analyzing apartment properties. In addition, both appraisers have specific experience in the appraisal of government subsidized apartment projects. Ms. Jean B. Davis also specializes in market research for elderly housing.

However, the LIHPRHA appraisal process as set forth in the Guidelines is new. The final Appraisal Guidelines were first published in May of 1992. In fact, the subject property is the first Section 236 project being taken through the LIHPRHA appraisal process in the Milwaukee region (i.e. HUD's Region V). As a result, the appraisers do not have any prior experience appraising apartment properties according to the Appraisal Guidelines. This was disclosed to the Owner during a meeting held at the office of the subject property on Monday, December 9, 1991. The steps taken to gain the knowledge necessary to complete this assignment competently have included:

1. Jean B. Davis attended a seminar sponsored by the National Leased Housing Association on the LIHPRHA process on November 12, 1991.

2. Both appraisers have read and studied the Guidelines. In addition, both appraisers studied the preliminary draft of the Guidelines and submitted comments on them to HUD. Further study on the Guidelines included a review of the comments made on the draft of the Guidelines, published by Warren Gorham Lamont (HDR RF-480 6-1-92).

3. Both appraisers have been involved in meetings and discussions on the LIHPRHA process with other owners of Section 236 projects, attorneys, sponsors of low-income housing, and others having an interest in the process.

4. Both appraisers have read and reviewed other literature on the LIHPRHA process, including other seminar materials, published reports, etc., as well as background material on the Section 236 program.

5. Both appraisers have been involved in the appraisal of government subsidized apartment projects.

In addition to the above competency disclosure, it must be pointed out that HUD requires that the LIHPRHA appraisal be done by an appraiser approved pursuant to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), and that the appraisers must have six years of appraisal experience, including three years of multi-family experience. FIRREA requires that appraisals of certain federally-related transactions must comply with certain minimum standards and that by July 1, 1991 (later extended to January 1, 1993) all depository institutions must use state licensed or certified appraisers for so-called federally-related real estate transactions. Both Dean P. Larkin and Jean B. Davis have the requisite multi-family appraisal experience required by HUD for the LIHPRHA appraisal process. In addition, Dean P. Larkin is a Certified General Appraiser in the State of Wisconsin (Certificate Number 209).

PURPOSE OF APPRAISAL

The purpose of this appraisal is to provide an estimate of the Market Value of the leased fee interest in the Jefferson Court property as of May 27, 1992. In addition, this appraisal is intended to serve as the owner's appraisal for the LIHPRHA appraisal process. As such, it is intended that this appraisal conform with the Appraisal Guidelines for the appraisal process. These requirements are summarized where applicable in this report.

DEFINITION OF MARKET VALUE

The term Market Value, as used in this report, is the definition that is the one used by many federal financial institutions. This definition was established under FIRREA. This definition of market value is:

> 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.[1]

This definition is held by the Appraisal Institute to be compatible with the commonly used definition published in The Dictionary of Real Estate Appraisal (second edition). Since HUD is a federal institution, the preceding FIRREA definition was judged to be the most appropriate definition for use in this report.

The Standards of Professional Appraisal Practice of the Appraisal Institute require that the following items directly related to the market value definition be included in every appraisal report:

1. Identification of the specific property rights to be appraised.

2. Statement of the effective date of the value opinion.

3. Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.

4. If the appraisal is conditioned upon financing or other terms, specification of whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above- or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the valuation estimation must be described and explained.

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[1] Federal Register, vol. 55, no. 163, August 22, 1990, pages 34228 and 34229; also quoted in the introduction to the Standards of Professional Appraisal Practice of the Appraisal Institute.

These items are addressed in this appraisal, so this report is in compliance with this requirement.

Since this appraisal is being used for LIHPRHA purposes, the appraisal will be estimating both the Extension Preservation Value and Transfer Preservation Value of the subject property. Both Extension Preservation Value and Transfer Preservation Value are estimated in terms of market value, which is defined above. Extension preservation Value is defined in the Guidelines as:

> The fair market value of the housing based on the property's highest and best use as unsubsidized market-rate residential property. This value will reflect the deduction of all improvement, repair and conversion costs that apply to that conversion use in the local marketplace.[1]

Transfer Preservation Value is defined in the Guidelines as:

> The fair market value of the housing based on the property's highest and best use (residential or non-residential). The value will reflect the deduction of all improvement, repair, and conversion costs that apply to that conversion use in the local marketplace.[2]

The Guidelines also set forth certain critical assumptions underlying the concepts of Extension Preservation Value and Transfer Preservation Value. These assumptions are listed as follows:

1. Existing federal low-income restrictions have been removed. However, it is assumed that Section 8 housing assistance remains in effect during any conversion period.

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[1] Federal Register, Volume 57, Number 68, May 8, 1992, p. 19982.

[2] Federal Register, p. 19982.

2. Environmental and historic preservation requirements will remain intact and must be considered by the appraiser.

3. It is assumed that existing assisted mortgages are repaid.

4. The plan of conversion complies with prevailing laws and relevant requirements (State and Local).

5. The value that is estimated will reflect an amount that will permit a return expected in the market by a knowledgeable entrepreneur participating in such undertakings.

6. The value will be as of the effective date of the appraisal.[1]

In addition, there are further assumptions regarding the impact that specific use agreements (other than the relevant HUD program), historic status, and rent control might have on value. However, none of these restrictions impact on the subject property so these assumptions will not be discussed further.

PROPERTY RIGHTS APPRAISED

The opinion of market value expressed in this report is the value of the leased fee estate. "A leased fee estate is an ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor (leased fee owner) are specified by contract terms contained

[1] Federal Register, p. 19982.

within the lease."[1] The reason the leased fee estate is the appropriate interest to the valued is because the subject property is a rental property. Further, the LIHPRHA process assumes a continuation of rental residential housing in the estimation of Extension Preservation Value. The assumed conversion period (i.e., the project making a transition from being assisted to becoming market rate residential rental property) has to recognize the rights of existing tenants as part of this process. However, in terms of Transfer Preservation Value, a highest and best use that is a different use than rental residential housing might have to be valued in fee simple (e.g. condominium conversion). This will be addressed if necessary.

USE OF THE APPRAISAL

This appraisal will be supplied to the owners for submission to the local office of HUD as a part of the process required under LIHPRHA. The estimate of Extension Preservation Value will be used as a benchmark to establish the defined equity in the property as a basis for the incentives for extending low income affordability restrictions, should the owner elect to do so. Transfer Preservation Value provides the measure of the price at which the property will be transferred to a purchaser who would agree to extend the low-income affordability restrictions. The latter definition applies if the owner elects

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1 Appraisal Institute, The Appraisal of Real Estate, Tenth Edition (Chicago, Illinois: Appraisal Institute, 1992) p. 123.

to attempt to sell the property to such a group. Again, this appraisal will provide an estimate of both of the above values.

THE APPRAISAL PROCESS UNDER THE LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990

This report section is intended to provide the reader with a summary of LIHPRHA and the Appraisal Guidelines for the LIHPRHA appraisal process. The Appraisal Guidelines provide the source of certain definitions to be used for LIHPRHA appraisals, and they spell out the requirements for LIHPRHA appraisals.

The LIHPRHA process was created because of concerns related to the potential substantial loss of affordable housing. Many low-income multi-family projects were developed during the late 1960's and early 1970's using mortgages insured or assisted under Section 221(d)(3) or Section 236 programs. These mortgages, as originally written, contained provisions whereby the owners were allowed to prepay the mortgage after 20 years, with HUD approval. Upon prepayment, such projects were eligible for conversion from assisted housing (targeted to very low, low and moderate income tenants) to market rate housing or other purposes. In response to concerns raised over this potential loss of affordable housing stock, Congress enacted legislation that placed constraints on an owner's right to prepay these mortgages and at the same time created incentives to retain such housing for the above target groups. The incentives were

intended to encourage owners to either retain the low income affordability restrictions in exchange for receiving a greater return on defined equity, or to transfer the property to a purchaser who would agree to retain the low income affordability restrictions. LIHPRHA was the legislation that provided the permanent authority to deal with HUD-assisted projects where owners have the opportunity to prepay their mortgages. According to LIHPRHA, the basic objectives are to assure that most of this multi-family project inventory that is eligible for prepayment remains affordable to low-income households and to provide opportunities for tenants to become homeowners, while at the same time fairly compensating owners for the value of their properties.[1]

Appraisals for this process are required in the event an owner requests the incentives offered in exchange for extending low-income affordability restrictions, or if the owner seeks to sell the property to a buyer who will agree to extend the low-income affordability restrictions. The appraisal process must provide an estimate of two values on an "as-is" basis. For an owner requesting the incentives and seeking to retain a project, the basis of any incentives is the project's Extension Preservation Value, which is based on the property's highest and best use as unsubsidized market-rate rental housing. (See DEFINITION OF MARKET VALUE, p. 10). For an owner seeking to sell a project, the maximum sales price will be the project's Transfer Preservation Value, which is based on the highest and

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[1] Federal Register p. 19981.

best use of the property, which might not necessarily prove to be rental housing. (See DEFINITION OF MARKET VALUE, p. 10).

Both value estimates must take into account any improvement, repair, or conversion costs necessary to achieve the highest and best use premise that is used as the basis for valuation.

The appraiser is required to estimate both Extension Preservation Value and Transfer Preservation Value. However, it might be that the property has no conversion potential to an alternative use and that the highest and best use is as a market-rate rental multi-family project. In this instance, the two values would be equal, so separate estimation of Transfer Preservation Value would not be required. However, the appraiser must address this in the report.

Another part of the appraisal process, specifically with respect to estimating Extension Preservation Value, is that HUD will perform a capital needs assessment for the property. HUD is supposed to provide the appraiser, within 60 days of the Notice of Intent, a list of required repairs that may be required to bring the property up to good condition. The intent here is to assess what is needed to restore the project to its original physical standards for occupancy. This does not mean that the project will be returned to "like-new" condition, but that the project will meet local codes and be in good condition. HUD will also provide a cost estimate along with the list of required repairs. Notice that HUD may require the owner to increase the number of units that are accessible to handicapped individuals, depending on the extent of project repairs and alterations.

Appraisals for LIHPRHA purposes must be submitted within four months after the date of receipt of the owner's Notice of Intent. The owner filed the Notice of intent on May 13, 1992, and receipt of this notice was acknowledged by HUD in a letter to the owner dated May 21, 1992. Appraisers are required to do the LIHPRHA appraisal in a standard narrative format. However, certain parts of the report must also be transcribed onto HUD forms.[1]

Please note that the above discussion is intended as background only. Specific considerations set forth in the Guidelines that are applicable to the derivation of the respective value estimates will be discussed in the VALUATION section of this report.

IDENTIFICATION OF THE PROPERTY

The subject property is known as Jefferson Court. Jefferson Court is located in downtown Milwaukee and, because the project has three street frontages, is identified by three address:

415 East Knapp Street
414 East Juneau Avenue
1228 North Milwaukee Street

The project is further identified for real estate tax assessment purposes by tax key number 392-1966-110-3. Note that city records use the 419 East Knapp Street address for the listing of the property.

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1 Federal Register, pp. 19981-19987.

According to a survey dated August 5, 1983, the legal description for Jefferson Court is as follows:

> Lots One (1) to Twelve (12) inclusive in Block One Hundred Thirty-Three (133), but excluding vacated North Jefferson Street between East Juneau Avenue and East Knapp Street, in fractional West One-Half (1/2) of the South West One-Quarter (1/4) of Section Twenty-one (21), Township Seven (7), Range Twenty-Two (22) East, in the City of Milwaukee.

This legal description matches that shown on the mortgage documents as well as city records.

PROPERTY HISTORY

Jefferson Court was developed on a site that was part of a redevelopment district that was created by the City of Milwaukee in the mid-1960's. This district is known as the East Side "A" Area. The projects that were developed in this district include the Performing Arts Center, M.G.I.C. Plaza, the Juneau Village Apartments, and the Juneau Village Shopping Center.

Jefferson Court was developed as a part of the overall Juneau Village apartment development, which includes the Juneau Village I mid-rise and high-rise apartments (598 units built in 1965-68), the Juneau Village II garden apartments (125 units built in 1969), and the Juneau Village Shopping Center. Jefferson Court was originally known as Juneau Village III garden apartments. It was the last apartment project built as part of the overall Juneau Village apartment development, with construction completed in 1972. Notice that entities and people involved in the ownership of the subject property were involved in the development of the Juneau Village projects and they

continue to be involved in the current ownership of these projects. Juneau Village III (i.e., Jefferson Court) was built as a HUD Section 236 project and has Section 8 rental assistance for 20% of the apartment units in the project.

As background, the Section 236 program was intended to assist in the financing of multi-family projects designed to provide rental assistance for low-income tenants. The program achieved the former goal by providing mortgage insurance through the Federal Housing Administration ("FHA"). The mortgage insurance provided an incentive to conventional mortgage lenders to make loans on such projects by insurance repayment of the loan. The assistance to low-income tenants under this program was achieved via mortgage loan interest reduction payments and rent subsidies. The mortgage loan interest reduction payments are made by HUD to the mortgage lender to in effect buy down the effective interest rate of the mortgage to about 1%. By having lowered interest payments, the project is then able to charge a lower rent to tenants, which it is required to do by the Regulatory Agreement signed with HUD. This rent to support the project at the 1% mortgage interest rate is known as the Basic Rent. In addition, Section 236 projects were also eligible to receive Section 8 rental assistance from HUD. The subject property is entitled to receive Section 8 rental assistance for 20% of the apartment units in the project. In terms of economic impact, the Section 236 program limited equity dividends to owners to 6% of the defined initial equity in the project. This 6% amount is $19,160 per annum for Jefferson Court. Both the

Section 236 and Section 8 programs regulate the rent that an owner can charge a tenant in an assisted project. However, the 6% limited dividend includes the effect of such limitations and is thus what largely dictated the cash flow economics of such a project.

The above discussion only scratches the surface of the regulations of the Section 236 and Section 8 program requirements that impact on the property. Regulations dealing with the workings of the residual receipts account, tenant recertification, the actual mechanisms of the assisted rent structures, etc. have not been discussed in this report section. These assistance programs are basically "assumed away" for the LIHPRHA appraisal process, with the exception of any carry-over of Section 8 assistance during the conversion period to market-rate rentals assumed for the Extension Preservation Value scenario. However, some understanding of these underlying economics is necessary background information for the assumptions of this conversion period, as well as the price that was paid by the current owner in 1983, which was the only time in its history that the property traded.

In addition, prior to discussing this sale it should be pointed out that the 1983 sale of the project was between affiliated parties. Approximately 33 percent of the selling partnership was owned by the general partners (and affiliates of the general partners) of the Jefferson Court limited partnership. This is not to say that the price was fair or unfair, but rather it is being pointed out that a true arm's-length price is not knowable. Such resyndications of

subsidized projects were fairly common during the early 1980's so it is likely that deal structuring was mainly based on the market's criteria for raising equity for such a venture.

The subject property was purchased by the present owner, which is Jefferson Court, a Wisconsin limited partnership, in September of 1983. The acquisition price of the property was $3,236,400 (i.e., the price paid to the seller) per the transfer tax, although the offering memorandum for equity interests in the partnership indicated a price of $3,342,235. This acquisition was structured based on assuming the outstanding mortgage (balance of $2,328,200 as of June 30, 1983, the anticipated date of closing), with equity of $1,360,000. When using the $3,342,235 price in the offering memorandum as a benchmark, the difference between the debt plus equity ($3,688,200) and the acquisition price of the property ($3,342,235) was the load (e.g., commissions, fees, offering expenses, etc.). Notice that $902,285 of the $1,360,000 contributed as equity was funded via an acquisition note from the seller, which had the effect of creating an acquisition structure that was 97% leveraged. The acquisition note had a term of 3-1/2 years with four installment payments. The transaction was structured in this manner, which was similar of many partnerships of that era, to allow the tax-shelter benefits of the property to shelter the installments of the phased in equity. The cash flow economics of this transaction were thus driven by the characteristics of the limited dividend and the rent subsidies resulting from the Section 236 mortgage and the Section 8 rental assistance. This was largely a tax-shelter

deal, with the tax shelter afforded by then current tax laws (e.g., 200% declining balance depreciation over a 15 year life for buildings, 5 year straight line depreciation for personal property, the phased-in equity and sheltering of the equity, and the ability to use losses to offset other income).

The above sale price equates to unit prices of $15,055 per unit based on the price paid to the seller, and $16,614 per unit based on the effective price to the partnership (i.e., acquisition price plus load). This sale is too dated to be a reliable indicator of current value but, again, reflects the price paid for the property the only time it transferred. Also, the sale price was driven by the assumptions related to the continuation of the applicable subsidy programs and the tax shelter afforded by the deal structure.

In addition to considering prior sales of a property that have taken place during the past three years, current appraisal standards require the appraiser to disclose and consider any agreement of sale, option, or listing of the property being appraised. There are not currently any such contractual arrangements are known to have been made in the recent past. However, it was disclosed that both the Milwaukee School of Engineering ("MSOE") and St. John's Home expressed an interest in buying the property within the past few years. Neither group came close enough to enter into a contract with the owners, but the fact that they expressed interest does provide some clue as to the possible tenant groups that would be targeted by market-rate ownership entities (i.e., students and independent elderly). This will be discussed further in the MARKET ANALYSIS section of this report.

AREA ANALYSIS

INTRODUCTION

The purpose of the AREA ANALYSIS section of this report is two-fold. First, this report section is intended to acquaint the reader with the general area in which the subject property is located. Second, the appraiser needs to analyze the general data related to the four forces that influence property value, which are social, economic, government, and environmental. The analysis of this data will provide the basis for the conclusions reached later in this report.

The appraised property is located in the City of Milwaukee, which is the principal city in the Metropolitan Milwaukee Area. Milwaukee is located in southeastern Wisconsin on the west shore of Lake Michigan. Milwaukee is the county seat of Milwaukee County and is the principal city of Wisconsin, located 80 miles east of the state capital of Madison. In terms of regional location, Milwaukee is 95 miles north of Chicago and 335 miles southeast of Minneapolis. Various regional and local maps are included in the Addenda.

SOCIAL FACTORS

The Metropolitan Milwaukee Area consists of four counties, namely Milwaukee, Waukesha, Washington and Ozaukee. Within the four county area are four cities with over 50,000 in population (Milwaukee, Wauwatosa, West Allis and Waukesha), twenty cities or villages with populations ranging from 10,000 to 50,000 and

seventy-five communities with a population of less than 10,000. The population totals as of 1990 for the four county Metropolitan Statistical Area (MSA) are summarized as follows:

Milwaukee MSA
1990 Population

Milwaukee County	959,275
Waukesha County	304,715
Washington County	95,328
Ozaukee County	72,831
1990 Metropolitan Total	1,432,149

Source: U.S. Census

The Milwaukee-Racine MSA is the 24th largest metropolitan area in the United States. The Milwaukee MSA excluding Racine is the 32nd largest in the United States. The City of Milwaukee, with a 1990 population of 628,088, the 17th largest city in the United States.

For purposes of analysis, historic and current population figures for the Milwaukee MSA excluding Racine were summarized as follows:

Milwaukee MSA
Historical Population

County	1960	1970	1980	1990	%Change 70-80	%Change 80-90
Ozaukee	38,441	54,421	66,981	72,831	4.6%	0.9%
Washington	46,119	63,839	84,848	95,328	6.6%	1.2%
Waukesha	158,249	231,365	280,326	302,715	4.2%	0.9%
Milwaukee	1,036,041	1,054,262	964,988	959,275	(1.9%)	(0.1%)
TOTAL	1,278,850	1,403,887	1,397,143	1,432,149	(0.5%)	0.3%
City						
Milwaukee	741,324	717,372	639,297	628,088	(1.1%)	(0.1%)

Source: U.S. Census, Southeastern Wisconsin Regional Planning Commission
Metropolitan Milwaukee Association of Commerce

The above chart shows that Milwaukee County and the City of Milwaukee have experienced population declines over recent years, while the suburban counties have been growing. This is typical of national trends, where suburban areas have been growing at the expense of central urban areas. Within the metropolitan area, these suburban areas typically offer newer and better quality schools, relatively less expensive and more abundant home sites, and lower tax rates. In addition, the Milwaukee area has an excellent freeway and arterial street network and a bus system that was recently rated as one of the safest in the nation. The transportation links coupled with the medium size of the metropolitan area allows for an easy commute to the central city (i.e., downtown Milwaukee) and eliminates the need to live close to the downtown area in order to work there. The average journey to work in the Milwaukee area is only 20 minutes. Another reason the suburbs have grown at the expense of the City of Milwaukee is because there has been a trend over the past decades for office and industrial employers to locate in the suburbs instead of the City of Milwaukee.

To summarize, the suburbs around Milwaukee have generally experienced growth over the past two decades, with this growth having slowed in the 1980's. Milwaukee itself has been losing population over recent years, with this rate of population loss also having slowed in the 1980's.

Milwaukee's population declines will probably continue to decline in the near future and it is likely the other suburban areas that are currently growing will continue to do so.

ECONOMIC FACTORS

The Milwaukee area is the home of over 35,000 businesses which are currently estimated to employ over 730,000 people. Included in the Milwaukee area businesses are several Fortune 500 companies (e.g., Johnson Controls, A.O. Smith, Briggs and Stratton, Universal Foods, Harnishfeger, Firstar Corporation, Marshall & Ilsley Corporation, and Northwestern Mutual Life). Other large companies located in Milwaukee include Manpower, Mortgage Guaranty Insurance Corporation (MGIC), Harley Davidson Motor Company, the Miller Brewing Company, and the Pabst Brewing Company.

The Milwaukee area economy has experienced a transition in recent years, having been historically dominated by manufacturing but evolving to where the service sector and the wholesale and retail trade sector play almost as important a role as manufacturing. This shift can be traced by examination of the following table detailing percentage employment by sector since 1970:

Percentage Share of Non-Farm Wage and Salary Employees By Industry
Milwaukee MSA
1970-1990

	1970	1975	1980	1985	1990
Total Employment	569,600	594,500	665,300	655,400	730,800
Manufacturing	35.8%	33.1%	38.7%	25.8%	23.8%
Transportation, Communication & Utilities	5.5%	5.0%	5.3%	5.3%	5.0%
Wholesale & Retail Trade	21.3%	21.8%	21.4%	22.6%	23.7%
Finance Insurance & Real Estate	5.1%	5.4%	5.9%	6.8%	6.9%
Service	15.9%	18.9%	20.9%	24.5%	26.2%
Construction	3.7%	3.0%	3.0%	2.9%	3.6%
Government	12.7%	12.8%	12.8%	12.0%	10.6%
	100.0%	100.0%	100.0%	100.0%	100.0%

In spite of this decline in manufacturing employment (i.e., a loss of about 82,000 manufacturing jobs since 1980), information obtained from the Metropolitan Milwaukee Association of Commerce indicates that Milwaukee County is ranked sixth in the nation in terms of per capita manufacturing output. Also, while the Milwaukee MSA is the 32nd largest in the nation in terms of population (the combined Milwaukee-Racine MSA ranks 24th), it is the 17th largest in terms of manufacturing shipments. The above figures and the following table indicate that while there are currently less employees in the manufacturing sector, manufacturing productivity has increased, probably due to automation. Also, the number of manufacturing establishments has grown, indicating a trend towards smaller shops.

While known as a brewing center, less than 1% of the area's work force is employed in brewing. Machinery and equipment manufacturing is the largest manufacturing employer, employing almost half of all manufacturing employees in the area. The manufacturing firms in the Milwaukee area produce a variety of goods, including construction and mining machinery, industrial controls, small engines, x-ray machines, metal castings, auto frames, food and paper products, and leather products. Printing and publishing are other major sectors of manufacturing activity.

Some of the ramifications of the trend away from manufacturing to more of a service-based economy deserve discussion. First, many of the manufacturing jobs lost were relatively high-paying jobs, often union, with comprehensive benefit packages. A significant portion of the new service jobs are lower paying and do not carry benefits.

Also, a number of the workers that have lost manufacturing jobs are older and often times do not have the requisite skills to be competitive in today's labor market. These people eventually either accept a much lower-paying job or become displaced from the work force if they cannot find another opportunity in the manufacturing sector. On the plus side, other service sector jobs are relatively high paying and do include benefits. Also, an increase in service sector employment has a positive impact on demand for office space.

Unemployment statistics for the Milwaukee MSA are summarized below:

Year	Milwaukee MSA Percent Unemployment	U.S. Percent Unemployment
1991	4.7%	6.7%
1990	3.8%	5.5%
1989	3.8%	5.3%
1988	3.8%	5.5%
1987	5.3%	6.2%
1986	6.1%	7.0%
1985	6.4%	7.2%
1984	6.6%	7.5%
1983	10.4%	9.6%
1982	9.3%	9.7%

The Milwaukee area has historically had lower unemployment than the nation as a whole, with this trend upset during the recessionary period that occurred during the early 1980's. Current unemployment figures are again below the national average. The seasonally adjusted unemployment rate for March of 1992 for Metropolitan Milwaukee is 4.4%, versus 4.8% for Wisconsin and 7.3% for the U.S.

To conclude, the Milwaukee area economy has shifted away from being dominated by manufacturing. While the manufacturing sector still plays a significant role, the economy has diversified with the service and trade sectors becoming equally important as sources of jobs.

GOVERNMENT

There are three levels of government that need to be discussed when analyzing this force as an influence on property values and the value of the subject property. These government entities include the City of Milwaukee, Milwaukee County, and State of Wisconsin.

City of Milwaukee

City government is directed by the mayor, who is the chief executive officer of the city, and the common council. The common council is comprised of elected aldermen, with one per district. Districts are areas of the city which are established by the Common Council and which contain approximately equal numbers of people. There are 17 districts in the City of Milwaukee, and therefore 17 aldermen. Each district is composed of wards which are a means of equalizing the population represented per district. There are currently 327 wards in the city, or an average of 19 per district.

The City of Milwaukee offers full-service government, with full time police and fire protection, and departments including public works, sanitation, utilities, tax assessment, schools, public health, building inspection, economic development, parks, engineering, and others. Elected officials include the mayor, city attorney, comptroller and city treasurer. Appointed officials include the police and fire chiefs, commissioner of public works, commissioner of building inspection, commissioner of city development, city engineer, and health commissioner.

With respect to the subject property, it should be noted that the City of Milwaukee has a Housing Authority, which administers rent assistance programs and certain low-income housing projects.

The City of Milwaukee's full range of government services do not come without cost. The 1991 municipal net tax rate total for the City of Milwaukee was $38.77 per $1,000 of assessed valuation. Only two Milwaukee-area cities were higher; West Milwaukee at $44.39 per $1,000 and West Allis at $43.97 per $1,000. It is reasonable to expect that this rate will continue to increase given increasing demand for services and the fact that more state government mandates have to be funded locally. At the same time, it appears likely that the City will have to cut services, streamline programs, and/or eliminate personnel to hold down potential tax increases.

Milwaukee County

Milwaukee County government is directed by an elected County Executive and a 25-member board of Supervisors, who are elected from different geographic areas within the county. The county's largest responsibilities in terms of expenditures are building and maintaining highways, including the expressway system, and operating welfare programs. The County also operates the following:

- County parks, including golf courses, outdoor beaches and pools, the Milwaukee County Zoo, Boerner Botanical Gardens, and Mitchell Park Horticultural Conservatory;
- Milwaukee County Stadium;
- Mitchell International Airport;
- Mass transit system;
- Milwaukee Public Museum;
- Milwaukee County court system;
- Financial Assistance programs (i.e., welfare);
- House of Correction;
- Childrens Home;and
- Milwaukee County Institution Grounds, which includes the Milwaukee Regional Medical Center and will include a research park in the future.

The county is an entity with taxing authority. A portion of the real estate tax payable by a City of Milwaukee property owner is

levied by Milwaukee County. County government has been the subject of recent news media reports that indicate a looming budget crisis, with demands for funding far outweighing budgeted funds.

This means it is likely that the county portion of the tax rate will increase and/or services will be cut.

State of Wisconsin

Besides creating laws setting general governmental policies for Wisconsin, government at the state level impacts on the subject property in three ways. The first two have to do with taxes. First the most important, the State represents one of the components of the local property tax. The State has had a policy of providing property tax relief where needed. In terms of municipalities, the tax relief formula for a given year directs money to places with tax rates in excess of one half of the state wide average. This State tax credit is likely to continue into the foreseeable future, because it is based on the premise that local governments, which provide greater service are taking care of services the State would otherwise have to undertake. The other tax area where the State has an impact is personal income taxes. Such taxes tend to be higher in Wisconsin than elsewhere in the nation, with a top marginal bracket of 6.93%. This makes Wisconsin less competitive as a place to do business because it penalizes highly paid individuals. In an effort to reduce income taxes, the State is continuing in its efforts to force mandated programs to be funded locally, which will increase pressure on city and county-level property taxes. The last area where the State has an impact is in terms of building codes. The State of

Wisconsin is responsible for establishing and sometimes administering building codes. In terms of commercial buildings, local codes might be more prohibitive than State codes, but they are never more lenient.

In summary, the government forces that impact directly on the subject property are derived from three levels of government, which include city, county, and state. As indicated, the full range of services offered by the City of Milwaukee helps foster a more stable environment. These services do not come at a bargain price in terms of the level of taxation, however, although other municipalities in the Milwaukee area have similar or higher taxes. As indicated, there are budgetary pressures at both the city and county level which will likely cause increased tax rates and/or reduced services in the future. Finally, if the State continues to follow its current trend of giving Wisconsin a more competitive business environment, the entire area will benefit.

ENVIRONMENTAL FACTORS

The Metropolitan Milwaukee Area is located in the upper Midwest on the western shores of Lake Michigan. The metropolitan area consists of four counties with a total land area of about 1,456 square miles. The City of Milwaukee accounts of 96 square miles of this area. Topography in the area is gently rolling. According to Rand McNally's Atlas, published in 1986, Milwaukee has an elevation of 634 feet above mean sea level.

Because of its northerly location, the Milwaukee area experiences four distinct seasons. According to the United States Weather

Service date, average monthly temperatures range from 20.9 degrees in January to 70.7 degrees in July. Milwaukee receives precipitation an average of 125 days per year with an average total of 29 inches per year, including 46 inches of snow. (10 inches of snow equals about 1 inch of precipitation).

Milwaukee's location on the western shore of Lake Michigan has a definite effect on its climate. In summer, locations along the lake tend to be markedly cooler than those in the outlying westerly areas. The opposite is true during the winter months, when the eastern reaches of the area tend to be warmer than western locations. The subject property receives some benefit of this so-called lake-effect.

Transportation

One of the main reasons for Milwaukee's early growth and development was because it was a major Lake Michigan port city. Another reason is the fact that Milwaukee was also one of the Midwest's main centers of rail operations. Water and rail transport have declined in importance on a relative basis over the years, being replaced by air and highway-oriented transport.

The metropolitan area is served by over 160 miles of Interstate highways, including Milwaukee County's 69 miles of freeway system. Major routes include I-43 (north-south), I-94 (east-west and north-south), I-894 (southwest beltline). Other major highways that are part of this system include USH 45, the northwest leg of the freeway system, and I-43, the southwest leg of the freeway system. The latter is also known as the Rock Freeway. The efficiency of the freeway system plus the medium size of the Metropolitan Milwaukee

Area allows nearly any part of the metropolitan area to be within a 20-minute drive of another metropolitan location.

Milwaukee County is also served by 65 bus routes. According to the Milwaukee Department of City Development, nearly 90% of all Milwaukee County residents live within one-quarter mile of a bus route. This transit system provides approximately 220,000 passenger trips each day, making it the sixth largest bus system in the country in terms of use. It was also recently rated as one of the safest systems in the country.

The main flow of air traffic for the Metropolitan Milwaukee area is handled at the General Mitchell International Airport, which is located about eight miles south of Milwaukee's downtown. The airport is connected to the I-94 leg of Milwaukee's freeway system via a special extension of the freeway constructed specifically to provide easy access to the airport. According to the Metropolitan Milwaukee Association of Commerce, Mitchell International is serviced by 16 air carriers with non-stop or direct flights to 85 cities. It handles 400 departures and arrivals daily. Both air passenger travel and air freight shipments have shown growth over the past three years. It is likely that growth will continue for two reasons. First, a $44 million expansion to modernize Mitchell International and accommodate anticipated growth was recently completed. Second, it is expected that Mitchell International will grow as a result of spillover traffic from Chicago's O'Hare Airport, which is one the county's busiest airports located about 90 miles to the south.

In terms of rail transport, Milwaukee is served by two freight carriers, which are the Soo Line Railroad Company and the Chicago and Northwestern Railroad. Passenger service is available via Amtrak,

which provides services to all parts of the United States and Mexico.

Utilities

Electric power for the Milwaukee Area is supplied entirely by the Wisconsin Electric Power Company. Area electric rates currently compare favorably with national averages.

Natural gas service is provided to Southeast Wisconsin, including the Milwaukee area, by two companies, namely The Wisconsin Gas Company and Wisconsin Natural Gas Company. Gas service is available to all of Milwaukee County and most of the population of the other three counties that make up the metropolitan area.

Telephone service is available to all parts of the Metropolitan Milwaukee Area, with telephone service provided by a number of companies.

By virtue of its location next to Lake Michigan, the Milwaukee area has an ample supply of water A number of cities tap directly into Lake Michigan for water, with other area municipalities having either deep water wells or purchasing water from the City of Milwaukee.

Utility services are adequate to accommodate the anticipated growth of the metropolitan area.

Education

The Metropolitan Milwaukee Area is adequately serviced by educational facilities. In addition to the over 620 public and private elementary, junior, and senior high schools, the area had 14 institutions of higher education, including two major universities. These institutions graduated a combined total of 85,649 in the

1989-1990 school year.

Area Attractions

The Milwaukee area offers many of the advantages of a metropolitan city while having some of the characteristics of living in a small town. It is know for its cleanliness, relatively low crime rate, and friendliness if its people.

The Milwaukee area offers a wide variety of recreational, leisure facilities and attractions, which include the arts, professional sports, parks, a world-class zoo, and a variety of summer festivals and celebrations (e.g., Summerfest, the Great Circus Parade, various ethnic festivals, etc.). Many of these activities are held in or near downtown Milwaukee.

SUMMARY

The four forces analyzed above generally indicate a favorable investment environment for the Milwaukee area, and the subject property, summarized as follows:

- While the City of Milwaukee has experienced population declines, the Metropolitan Milwaukee Area on the whole is growing.
- The area's loss of manufacturing jobs has been offset by the growth of trade and service oriented jobs and the area economy appears to have become more diversified. The area's employment statistics are better than national averages.
- Government forces were found to help foster an environment that is generally desirable as a residential or commercial location in City of Milwaukee as well as the Metropolitan Milwaukee Area.
- The Milwaukee area is adequately serviced by transportation systems, utilities, and education institutions. The area offers a number of amenities associated with a metropolitan environment (e.g., professional sports, cultural events, etc.) while offering many of the advantages of small town living.

NEIGHBORHOOD ANALYSIS

The purpose of Neighborhood Analysis is to refine the focus from the macro orientation of the Area Analysis, which looks at value influences in general, to a micro viewpoint that examines value influences on the subject property in specific. In other words, neighborhood analysis establishes the context in which the value of the subject property is to be estimated. To perform the neighborhood analysis, one starts with the subject property and investigates the forces that influence value in search pattern that radiates outward from the property. The appraiser then tries to establish the physical boundaries where the influences of the various forces end. By closely studying the neighborhood, indications as to value trends, life state, and future desirability can be discerned.

A neighborhood is defined as a portion of a larger community, or an entire community, in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or man-made barriers or they may be defined by a distinct change in land use or in the character of the inhabitants.[1]

Alternatively, a simpler definition is "that area which closely surrounds the subject property". It is an area comprised of a grouping of complimentary land uses affected by similar operation of the four forces (i.e. social, economic, governmental, and environmental) that affect property value.

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[1] The Appraisal Institute, The Appraisal of Real Estate, Tenth Edition, pp. 171-172.

It should be noted that the term district is usually used to define a neighborhood comprised of a homogenous land use, such as an industrial.[1]

The subject property is generally located on the northern fringe of the downtown area of the City of Milwaukee. More specifically, it consists of a residential area north of the city's central business district that also includes a mix of commercial uses and institutional uses (e.g., MSOE). This area is predominately improved with apartment and condominium-type housing.

The neighborhood is bordered on the north by East Lyon Street, on the west by North Water Street, on the East by North Van Buren Street and on the south by those city blocks between East State Street and East Kilbourn Avenue. The reason that the southern boundary of the neighborhood is stated in the above manner is that some of the land uses on these blocks relate to the neighborhood, whereas others related to the commercial area to the south. Similarly, the western boundary of the neighborhood is not as clearly defined as the northern and eastern boundaries.

The neighborhood boundaries are established by a change in land use or a change in the character of land use. The northern boundary of the neighborhood (Lyon Street) is created by the Park East freeway corridor, which is now being redeveloped with an upscale townhouse style apartment project known as East

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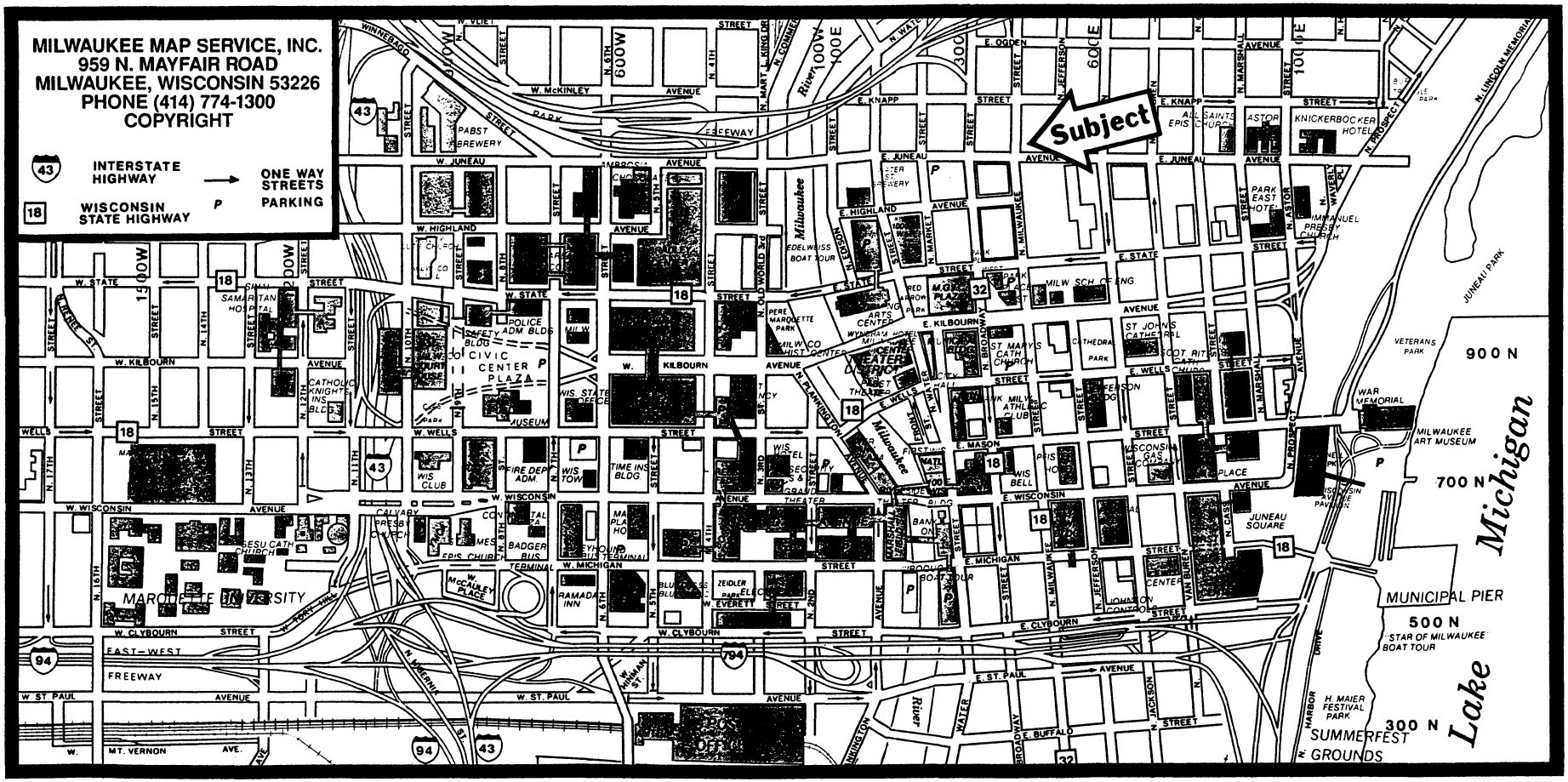
[1] The Appraisal Institute, The Appraisal of Real Estate, Tenth Edition pp. 171-172.

Pointe Commons. The area north of Lyon street is predominantly older single family homes that were built as working class housing in the late 1800's and early 1900's. This residential district comprises its own neighborhood known as Brewery Hill. The western boundary of the neighborhood (Water Street) is not as clearly defined, as mentioned earlier. This boundary is created by a shift from predominantly residential uses to commercial uses. However, it should be pointed out that residential uses stretch beyond this boundary, with a condominium project known as the River Houses found along the Milwaukee River on Edison Street. The eastern boundary is created by a shift in the character of land uses. Those uses on the west side of Van Buren Street were typically developed from the mid-1960's on. The residential uses to the east of North Van Buren Street are typically older uses. The southern boundary of the neighborhood is created by a shift from residential use to major commercial use.

The other critical factor that establishes the boundaries of the neighborhood other than the changes in land uses cited above is the fact that the neighborhood is within walking distance of the main commercial area of downtown Milwaukee. The neighborhood also encompasses MSOE. This means the location would appeal to both downtown workers and MSOE students who wish to be able to walk to work or school. The neighborhood also includes a post office and the Juneau Village Shopping Center, which provides many necessary stores and services (e.g., grocery store, drug store, liquor store, dry cleaner and restaurants). This means that a neighborhood resident can be largely self-sufficient without having to own an automobile.

DOWNTOWN CITY OF MILWAUKEE

$1.50



Neighborhood Map

Land uses immediately surrounding the subject property are mainly residential in nature. Immediately north of the subject property across East Knapp Street is Convent Hill which is a high-rise subsidized public elderly housing project. In the block to the northeast is the Juneau Village II Garden Apartments, a 125 unit project. Immediately east of Jefferson Court across the vacated Jefferson Street right-of-way is the 47 unit L'Hermitage Condominium project. Juneau Village I mid and high-rise apartment complex, with 598 units, is located one block to the southeast of the subject property. Immediately south of the property across East Juneau Avenue is Courtyard Square, a 118 unit garden apartment project that was developed in 1984. Across North Milwaukee Street to the west is a mix of older apartment buildings and buildings owned by MSOE, including a high-rise residence hall.

Other major apartment complexes located in the neighborhood include Yankee Hill, which is a 350 unit project developed in 1987 that includes townhouses and high-rise units. This project is located on the block bordered by State Street, Van Buren Street, Kilbourn Avenue, and North Jackson Street. Another major apartment project that was recently developed in the neighborhood is a project known as the Blatz, which is an adaptive re-use project of certain buildings that formerly housed the Blatz Brewery. This project is located at the southwest corner of Broadway Avenue and Juneau Avenue. This project also includes some new construction and has a total of 198 units. The project was completed in 1988.

The other noteworthy residential project in the neighborhood is East Pointe Commons. As indicated earlier, East Pointe Commons is an upscale townhouse style apartment project being developed on land that was cleared in the mid-1960's for the Park East freeway corridor. The first 188 unit phase of this project is nearing completion, with some of the units already occupied. The project will ultimately include a total of about 700 apartment units. East Pointe Commons will also include a neighborhood shopping center, which will reportedly be anchored by a grocery store. This shopping center is slated for the block bounded by Jefferson Street, Lyon Street, Jackson Street and Ogden Avenue.

One of the trends that has exhibited itself in the downtown Milwaukee area in the past few years is that the major office district appears to be growing to the north along Water Street. Again, the southern boundary of the neighborhood is established by the transition from residential uses to major commercial uses, and these major commercial uses are comprised of office buildings. Some of the office buildings that are located immediately to the south of the subject neighborhood include Plaza East, MGIC, and 1000 North Water. The first building developed in the area was MGIC's building which is a 170,000 square foot building located on East Kilbourn Avenue. The MGIC building was built in 1973. Plaza East is comprised of two towers with a total of 470,000 square feet of office space that were built in 1984. This project is also located on Kilbourn Avenue one block east of the MGIC building. 1000 North Water is the newest major office building in downtown Milwaukee. This

building is a 24-story, 285,000 square foot building that was built in 1991. This building is still going through its lease-up phase.

The other major land user that helps set the tone of the neighborhood is MSOE. MSOE is a private school primarily devoted to engineering education. The MSOE campus takes up approximately 5 square blocks in downtown Milwaukee. The primary campus area is bounded by East Juneau Avenue to the north, North Jackson Street to the east, East Kilbourn Avenue to the south and North Broadway Street to the west. MSOE has exhibited an expansion trend over recent years, having purchased certain vacant sites as well as an office building in the neighborhood. In addition, MSOE recently developed a high-rise residence hall in the neighborhood. As indicated earlier, MSOE had debated whether to build the residence hall or purchase the subject property to accommodate its near term on-campus housing demand.

The neighborhood's transportation linkages provide it easy access to the Milwaukee area. The subject is within walking distance of downtown employment centers. There are also bus routes connecting the area to downtown, the east side, the Mayfair area, and the Airport area. There is a bus stop at the corner of Juneau Avenue and Milwaukee Street. From certain locations within the downtown area one can travel by bus to the Milwaukee Public Museum (Wells Street and 7th Street), Milwaukee County Zoo (Bluemound Road), County Stadium (I-94 West) and the Milwaukee Public Library (8th Street and Wisconsin Avenue).

Located south of subject, along West St. Paul Avenue is an Amtrak train station and on 7th Street is the Greyhound Bus Terminal.

Parking within the area consists mostly of street parking. There is parking available on all streets surrounding the subject. Additional meter parking is found on Broadway Street, Water Street, Juneau Avenue and East Knapp Street. There are parking structures at the southeast corner of Juneau Avenue and Water Street and the southeast corner of Juneau Avenue and Jackson Street.

The primary streets surrounding the subject (Knapp Street, Milwaukee Street and Juneau Avenue) are arterial streets that are concrete paved roads with concrete curb and gutter. Milwaukee Street is a one way street (northbound); the other streets are two way. The streets are in good condition. All usual utilities as well as cable T.V. are available throughout the neighborhood.

The population in the neighborhood was analyzed using demographic information obtained from 1990 Census data compiled from the State Applied Population Lab in Madison and from the City of Milwaukee Legislative Reference Bureau. The census information obtained is organized by census tract. The subject is within Milwaukee County census tract number 113. This triangular-shaped area is bounded to the south by Juneau Avenue, to the east by North Van Buren Street and on the third side by the Milwaukee River. This census tract encompasses an area larger than the subject neighborhood. The area north of Lyon, west of Van Buren to Water Street is not in the neighborhood,

EXHIBIT 2

POPULATION CHARACTERISTICS

CENSUS TRACT 113

	1980	1990	% Change 80-90
Total Population	1477	1506	1.9%

Median Age (From 1487 Surveyed)

Total	29.9 Years
Male	25.2 Years
Female	47.0 Years

Age Distribution - 1990 Census

Age Range (Years)	Number of Persons	Percent of Population
Under 5	24	1.6%
5 - 14	30	2.0%
15 - 19	262	17.4%
20 - 24	274	18.2%
25 - 29	163	10.8%
30 - 39	147	9.8%
40 - 49	89	5.9%
50 - 59	86	5.7%
60 - 65	75	5.0%
65 - 70	88	5.8%
70 - 79	148	9.8%
80 or More	120	8.0%
	1506	100.0%

but is included in census information. This section of the city is part of the Brewery Hill neighborhood to the north.

A summary of population characteristics based on the 1990 U.S. Census is presented on Exhibit 2, which is shown on the facing page. This information will be used to compare figures from within Census Tract 113 to those of the general Milwaukee area.

The tract's slight increase in population indicates primary stability within the area. This compares favorably with the slight (0.1%) decrease in population experienced by the City of Milwaukee over this same time period. The Exhibit shows that 46.4% of the tract's population is between 15-29 years old and approximately 24% is 65 years or older. These figures correspond with our survey of rental properties in the area, which attribute occupy to young professionals, elderly, and some students.

The census data for tract 113 shows that the area has fewer children than the city as a whole. The percentage of population under 18 for the city is 18.8% versus 5.9% under 18 in tract 113. On a percentage basis, tract 113 has more elderly, with 23.6% of the population aged 65 and over versus 12.4% for the City of Milwaukee.

Certain housing characteristics were also contained in the 1990 Census information. The vacancy rate among rental units in tract 113 was listed at 3.8%, which was relatively low when compared to the other tracts surveyed. Also, 68.8% of the households in tract 113 consisted of one person. When one

EXHIBIT 3

Student Enrollment Within Two Miles of Jefferson Court

Institution	Location	Proximity to Subject	Published Enrollment	Comments
Milwaukee School of Engineering (MSOE)	1025 North Milwaukee Street	1 block west	3,160	See Market Analysis
University of Wisconsin-Milwaukee (UWM)	2200 East Kenwood Blvd	2 miles north	25,456	High percentage of commuters
Marquette University	1212 West Wisconsin Avenue	2 miles southwest	11,438	
Milwaukee Area Technical College (MATC)	700 West State Street	1 mile west	21,357	Various campuses around Milwaukee. Main campus is downtown.
Columbia College of Nursing	2121 East Newport Avenue	1/2 mile northwest	N/A	
Keller Graduate School of Management	330 East Kilborn Avenue	3 blocks south	350	Night school
Milwaukee Institute of Art & Design (MIAD)	241 East Erie Street	2 miles south	487	
Stratton College	316 North Milwaukee Street	1.5 miles south	N/A	
Milwaukee Business Training Institute	820 North Plankinton Avenue	1 mile southwest	250	Most students live at home and commute
ITT Technical Institute	738 West Wisconsin Avenue	1.5 miles southwest	N/A	
			62,498	

eliminates owners from consideration, 72.2% of renter-occupied housing in tract 113 were single person households. Notice that this is well in excess of the City's percentage of single person households, which is 30.5%. Those tracts which comprise the downtown and near east side areas had over 60% of households as single person households. This is a positive indicator for a project with one bedroom apartments.

Given the importance attached to being within walking distance of the downtown, some summary statistics on the downtown office employment sectors should be noted. Downtown Milwaukee contains approximately 12 million square feet of office space. If one used a figure 250 square feet of office space per worker, a reasonable estimate for office workers downtown would be 48,000 people. In addition, the downtown has a major retail and service component including the Grand Avenue Regional Mall, various smaller stores, hotels, etc. This nearby worker population can be reasonably assumed to create significant demand for apartment space in the area

Another neighborhood attribute that has a bearing on apartment demand in the downtown market is the location of certain universities and colleges in close proximity to the downtown neighborhood or in the neighborhood itself. These institutions are summarized on Exhibit 3 on the facing page. This chart indicates there are at least over 40,000 students attending colleges within about 2 miles of the subject property. This figure does <u>not</u> include any of MATC's 21,357 student enrollment, which was not included to account for their

scattered campuses. Interviews with property managers in the neighborhood indicates a significant presence of students in the area, with MSOE mainly represented, but students from Marquette, UWM and MIAD represented as well.

Our interviews with local property managers indicated that students generally take two routes in terms of neighborhood apartment housing. Either they double (or triple) up in a two bedroom to share expenses, or they live alone. Graduate students or more serious students tend to prefer living alone and prefer quieter locations. We interviewed apartment living coordinators for Marquette and UWM and learned that undergraduates living off-campus (but not living at home) seek to live close to campus, but that grad students are more environment-sensitive and will live farther from campus to get the right apartment. Notice that Marquette and UWM have sizable graduate student populations, and MSOE students are generally regarded as more serious given the expense of the school. While difficult to exactly quantify, it is clear that students are a significant housing demand generator in this neighborhood. Further, the fact that MSOE is virtually across the street and considered buying the subject property for student housing would indicate MSOE generates significant apartment demand in the subject neighborhood. As discussed in the MARKET ANALYSIS section of this report, given MSOE's enrollment and comparing that to the sum of the percentage of MSOE students that commute from their Milwaukee area home plus MSOE's dormitory capacity, MSOE alone would have over 650 students that require off-campus housing.

The neighborhood is virtually fully developed, with future development possible via renovation or the razing of an existing structure. The only vacant development site in the neighborhood is the East Pointe Commons site, which will be developed with future apartment phases and the East Pointe Marketplace Shopping Center. This development, along with the recent development of the Yankee Hill and Blatz apartment projects, indicates the neighborhood is approaching a stable life stage as the current development stage winds down. In terms of office growth, while it is true that downtown Milwaukee's office development has moved north toward the subject neighborhood, no near-term growth is foreseen in this sector given the current oversupply conditions in the office market. MSOE is likely to continue to expand its campus and facilities if such opportunity presents itself.

The subject neighborhood creates a supportive environment for multi-family housing. The neighborhood is within walking distance to both employment centers and a college campus (MSOE). The usual amenities sought by apartment dwellers are available in the neighborhood (e.g. shopping, transportation, restaurants, etc.). Occupancy statistics for neighborhood rental housing statistics per census data and our survey of comparable rentals indicate healthy occupancies, and the general area has experienced population growth over the past decade, albeit a small increase. The neighborhood is expected to provide a stable environment for multi-family housing into the foreseeable future.

MARKET ANALYSIS

The purpose of this report section is to recap information and trends from the AREA and NEIGHBORHOOD ANALYSIS sections of this report and refine their focus more specifically to the subject property. In addition, this report section includes summary information intended to help establish the competitive position of the property in the market. This summary information is derived from our research, which includes our own monitoring of the area real estate market, interviews with real estate investors and brokers, interviews with city officials, analysis of published studies, and other types investigation. Gauging the competitive position of the subject property in the market helps set the stage for establishing its highest and best use and then estimating its market value.

There are two separate markets that need to be addressed in this report. The first is the rental market for downtown and near east side apartments. The second is the sales market, requiring an analysis of the current market for the purchase and sale of apartment projects locally. The downtown apartment rental market will first be analyzed on a broad basis, with a continuing refinement in scope to the subject property.

Overall downtown and east side apartment occupancies are at healthy levels. According to the Spring 1991 Metropolitan Milwaukee Apartment Survey, a joint effort by Milwaukee Institute of Real Estate Management and the Building Owners and Managers Association of Milwaukee (the "Apartment Survey"). Overall,

EXHIBIT 4

SUMMARY STATISTICS - SPRING 1991
METROPOLITAN MILWAUKEE APARTMENT SURVEY

Occupancy Percent by Region

Region 1	Units	Vacant	Percent Occupied
Efficiency	306	13	96%
1 Bedroom	824	27	97%
2 Bedrooms	536	28	95%
3 Bedrooms	70	4	94%
Total	1,736	72	96%

Region 2	Units	Vacant	Percent Occupied
Efficiency	182	5	97%
1 Bedroom	1,293	33	97%
2 Bedrooms	672	33	95%
3 Bedrooms	133	0	100%
Total	2,280	71	97%

Average Rent by Region--Heat Included

Region	Efficiency	1 BDRM	2 BDRM	3 BDRM	4 BDRM
1	$ 401	$ 465	$ 862	$1,206	$ -
2	312	444	649	782	-

Average Rental Rates Per Square Foot By Region

	With Heat	Without Heat
Region 1		
Efficiency	$0.77	$ -
1 Bedroom	.67	.58
2 Bedrooms	.76	-
3 Bedrooms	.92	-
Region 2		
Efficiency	$0.81	$0.89
1 Bedroom	.74	.71
2 Bedroom	.68	.55
3 Bedroom	.47	.40

Average Square Feet per Floor Plan by Region

Region	Efficiency	1 BDRM	2 BDRM	3 BDRM	4 BDRM
1	517	690	1,124	1,305	-
2	382	594	956	1,655	-

the Apartment Survey included a sample of 10,197 apartment units throughout the metropolitan area. The sample was by no means scientific but was rather done on a voluntary basis. Overall market occupancy according to the Apartment Survey was 96 percent.

The Apartment Survey also contained an analysis on a regional basis, with the Metropolitan Milwaukee area divided into 14 regions for study purposes. Jefferson Court is located on the border between two of the regions, the Downtown Region (Region 1)[1] and the East Side Region (Region 2)[2]. These two regions include the subject neighborhood as well as a much broader area. As such, the regions include apartment projects of both better and lesser quality than the subject, which means that the apartment survey data is mainly useful as background information only.

Descriptive statistics from the Apartment Survey for the two regions being discussed are presented Exhibit 4 on the facing page.

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[1] The downtown region is bordered by the Milwaukee River on the south, Lake Michigan on the east, Juneau Avenue on the north, and 27th Street on the west.

[2] The East Side region is bordered by Juneau Avenue on the south, Lake Michigan on the east, the Shorewood-Whitefish Bay line on the north, and the Milwaukee River on the west.

The Apartment Survey shows slightly stronger one bedroom occupancy than two bedroom occupancy. The Apartment Survey also shows that one bedroom units in the general area are, on average, larger than the subject's one bedroom units (690 square feet versus 490 +/- square feet). The average size of the subject's one bedroom units approximates the average size of efficiency units in the downtown market. There were 306 efficiencies surveyed, with an average size of 517 square feet.

The supply side of the downtown area market has undergone some change over recent years due to the development of certain higher-end and luxury apartment projects. The addition of these projects had caused increased competition in the upper level of the market. While the subject property would not compete for the same types of tenants interested in these projects, an analysis of current events in this market does provide background information. An article in the May 6, 1991 edition of The Business Journal titled "Downtown Apartments Brace for Price War" summarized the competition among these new luxury units and the effect this had on the market. Basically, certain new projects, Landmark on the Lake (275 unit high-rise at 1660 North Prospect Avenue) and East Pointe Commons (188 unit first phase of a 700 unit townhouse-style project at 731 East Lyon Street) came on line in a period of softer demand and as a result had resorted to price-cutting and other concessions to attract tenants. This, in turn, created pressure on existing projects competing in that market (e.g., The Blatz, Yankee Hill, Juneau Village I) to resort to concessions to attract new tenants. According to our interviews with property managers of downtown apartment projects,

demand conditions have improved since last summer. It was reported that the new luxury projects (Landmark and East Pointe Commons) are still engaged in price-cutting to attract tenants. The existing projects mentioned earlier are attempting to move away from granting concessions now that occupancies are firming. Notice that the projects that would most likely be competing with the subject (i.e., mid-level quality) also experienced greater than normal vacancy last summer and did occasionally resort to concessions to fill their units.

The supply of units in the middle quality range in which the subject would complete is more or less static, because average rents in the market cannot support new construction costs. Therefore, any market analysis has to address the demand side of the market.

Downtown apartment units tend to be occupied by certain groups, which include:

* Professionals, typically working downtown, including couples and singles;
* Elderly; and
* Students.

This is mirrored by neighborhood demographic information, which was discussed earlier in this report (see NEIGHBORHOOD ANALYSIS).

In order to get a clearer picture of the apartment market in which Jefferson Court would compete, we interviewed the managers of neighborhood apartment projects. These interviews are summarized as follows:

1. Mr. Paul Russo, Manager, Juneau Village II. Interviewed August 17, 1997.

Juneau Village II is a 125 unit garden style apartment project located 1 block northeast of Jefferson Court. According to Mr. Russo, the majority of the units are occupied by middle-aged married couples. About 25 percent of the units are occupied by elderly people. This elderly population tends to be very stable with some of these tenants having lived at the project for 10 to 15 years. Another 15 percent or so of Juneau Village II's tenants are students. There are also a significant number of single people living at the project. Mr. Russo indicated that singles and couples on tighter budgets gravitate towards the one bedroom units. It is more common for the students to double up and rent a two bedroom unit. The project allows a maximum of three people in a two bedroom unit. The students living at the project are not necessarily MSOE students, but UWM and Marquette students live there as well.

The project currently has two vacant units (vacancy of 1.6 percent). Mr. Russo reported that there had been more significant vacancy earlier in the summer, with 7 or 8 units vacant (about 6 percent vacancy). He indicated that the new construction in the area probably had something to do with this vacancy.

When asked his opinion about Jefferson Court's market potential, Mr. Russo indicated that he felt the 1 bedroom units might have a market rent of $500 to $510 per unit, with heat furnished. When asked about absorption, he indicated that it might take 12 to 13 months to rent up all the units at the subject.

2. Ms. Dolores Finney, Resident Manager, Juneau Village II. Interviewed August 28,1992.

Ms. Finney is the resident manager of Juneau Village II and has also served as resident manager of Jefferson Court on an interim basis (a few weeks), so she is familiar with both projects. She confirmed the current vacancy of the project as being a couple of units, with occupancy improved since earlier this summer. She said the project had higher vacancy than that over winter, citing less active management (she was not at the project at the time) and general market conditions as the reasons. It was her opinion that occupancy should stabilize. The good location of the project, and the new shopping center (including a grocery store) that will be built a block or so to the north were cited as the main reasons. She confirmed the tenant mix of the project, with primary occupancy by young professionals, downtown workers, and couples, with a mix of elderly

and students (MSOE). She reported that the students who are graduating prefer a nine month lease and that there is greater turnover among student units. She reported that the only way to get the project to work with students and elderly together was by strict rule enforcement and good management. She reported that current rents for one bedroom units at Juneau Village II were $515 per month for the first floor, $535 for the second floor, and $545 for the third floor. She felt there was currently room in the market to increase these rents. They had been granting some concessions to fill vacant units, but this has stopped.

When asked her opinion about Jefferson Court, Ms. Finney felt it would be no problem to fill the project even though the units are small. She indicated that downtown workers, young couples starting out without a lot of furniture, MSOE students, and elderly looking for more affordable housing would all be attracted to the project. When asked her opinion of what the market rent for Jefferson Court units might be, absent any subsidy, she felt $415 to maybe $425 per month was achievable (heated, with appliances).

3. Ms. Marjean Pountain, Manager Juneau Village I high-rise apartments. Interviewed August 20, 1992.

Juneau Village I is a 598 unit project located about one block south east of Jefferson Court.

Ms. Pountain provided information on certain units that might possibly be considered at least an alternative, if not comparable to, the 1 bedroom units at Jefferson Court if allowed to go to market. Juneau Village I has some studio apartments and "bachelor" apartments (i.e., studios with an "L" shaped floor plan with a screen to separate the living from the sleeping area. The true 1 bedroom units at the project range in size from 680 square feet to 750 square feet. Rentals for these units are listed later in this report. Juneau Village I is a high rise, it offers a view amenity that cannot be matched by Jefferson Court, with rents increasing with the elevation of the building. However, because Juneau Village I does have a mix of the above smaller unit types, we thought that background information on the project might have some merit.

In terms of the market, Ms. Pountain reported that this summer has been good for rentals but that the market had sagged over the past year, with perhaps last winter a low point. Current occupancy at the project is about 90 percent, the project had bottomed out at 87 or 88 percent. She noted that smaller, less expensive units were in bigger demand than larger units, which demonstrates a long-term shift in the market. During the 1960's, the project had a waiting list for 2 bedroom units, whereas now most of the project's

vacancy is concentrated in the 2 bedroom units. In terms of tenant profile, Juneau Village I has a fairly high share of elderly residents, with 35 percent or so of the project occupied by this group. The rest of the project is mainly couples and singles, typically with a downtown work orientation. She felt that the ability to walk to work downtown was what defined the market. There are also a few students at the project. Ms. Pountain indicated that MSOE students make better tenants than "typical" students because the school is costly and the students go there to work hard on an education. In addition, Juneau Village I rents out some blocks of apartments to corporate users.

Ms. Pountain did report that she is trying to work away from granting concessions to rent units and that they will soon attempt to cut out giving any concessions but that concessions are sometimes still being given to rent units. Concessions usually take the form of one month's free rent for a one-year lease, or free indoor parking, which is normally $65 per month. Also, a rent increase is usually implemented for Juneau Village I starting on May 1st of a given year, but management decided to hold the line this year and not increase rents. Note that rent concessions are applicable to the larger units competing in the luxury market, which has experienced problems due to new construction.

Ms. Pountain reported that turnover has increased slightly at the project over recent years. This is probably a result of market shifts, e.g., less elderly, current low interest rates attracting renters to be home buyers, etc. The number of units that turn over in a given year is now approaching 40 percent (market norms are about 50 percent). Note that this includes some movement within the project (i.e., a tenant moving from one Juneau Village I unit to another).

When asked for an opinion of what the market rent might be for a Jefferson Court one bedroom with heat, Ms. Pountain thought it might be about $500 per month, plus or minus.

4. Mr. Fred Loeb, Owner, Courtyard Square. Interviewed August 18, 1992.

Courtyard Square is a 118 unit garden-style apartment project located across the street from Jefferson Court. All of the units were built as 2 bedroom-2 bath units. According to Mr. Loeb, the predominant occupancy of Courtyard Square is by young professionals. There is also a significant presence of MSOE students at the project. Mr. Loeb indicated that they used to have more of a student orientation, but have tried to steer away from in in order to stagger lease renewals and stabilize occupancy. The problem

with that student market is the students tend to move in and move out at the same time. He indicated that the MSOE student market is a deep market, but that it's a nine-month market. Their former policy was to "load" the monthly rent so that a nine-month tenancy could make up for some of the rent loss versus having a twelve month lease.

Mr. Loeb indicated that their current occupancy at Courtyard Square was 95 percent. (Another property manager interviewed indicated that Courtyard Square had occupancy problems last year, with up to 26 units vacant last winter). Mr. Loeb said that the unit style is very workable for a roommate situation with the layout and individual bedrooms and bathrooms.

When asked about Jefferson Court, Mr. Loeb did not express an opinion as to rent but did say he thought the project would still appeal to elderly tenants even if converted to market rent.

5. Mr. David Domres, President of the Apartment Association of Milwaukee Inc. and Director of Property Management for Ogden & Company. Interviewed on August 26, 1992.

Ogden & Company manages a number of apartment buildings in the downtown and near east side area. Mr. Domres indicated that the Jefferson Court area market was primarily a student, elderly, and young professional market in terms of tenant profile. The indicated that students and young professionals might mix well in a building but that students and elderly definitely do not mix. He said that the current trend in the student and young professional market is for people to double up in the two bedroom to share costs, with students sometimes adding more people to a unit to hold down costs. He said that it is their experience that the elderly market is a deep market in that general area, but that it is not deep in terms of their ability to pay. The added that the current low interest rates are now hurting elderly incomes, which compounds the problem. However, buildings with elderly populations have very stable occupancies.

He felt strongly that the small size of the units was a problem. Given an average sized one bedroom at over 600 square feet, one is in effect losing an area the size of an extra room with a 490 square foot Jefferson Court Unit. This creates problems if one has any furniture or if one wants to double up. He felt this downward size jump made it impossible to apply unit rents from larger units in an attempt to estimate rent because the small unit size implied a rent penalty.

When asked his opinion as to probable tenant profile, he said one could take the project two ways. The first would be to charge moderate rents and keep the units affordable and attract an elderly population. The second way to go would be to push rents and go for the students and young professionals. He added that it may be possible to accommodate both populations if they could be kept in different building areas, which would imply the need for tight management.

When asked his opinion as to the rent potential of Jefferson Court's units, Mr. Domres' first impression was upper $300's per month, including heat. He manages a building on Prospect with smaller one bedroom units (560 square feet) and the current rental range there is $285 to $315 per month. He said the project is smaller and has a Pullman as opposed to a galley kitchen but that it was in a very well maintained 1954 vintage building . He said they attempted to push the rent into the upper $300's when a unit came vacant not long ago and they could not rent it. He said that project is all elderly. He then thought further on the rent potential and indicated maybe $425 or so could be achieved. In terms of absorption, he felt that 222 units added to the market could be absorbed in a year to eighteen months.

We also interviewed the property mangers of the Blatz and Yankee Hill. While these projects do not offer any units that would be competitive with units at the subject (i.e., the Blatz and Yankee Hill would be superior), these interviews did provide useful market information. First, it should be noted that both projects have a fair number of students as tenants (20 units at Yankee Hill and 15 to 20 units at the Blatz). These students are not necessarily MSOE students; Marquette, UWM, and MIAD are represented as well. The predominant tenant profile in both projects is young professionals, age 25 to 35 or so. Yankee Hill did report a small percentage of elderly tenants. Both property managers indicated an opinion that the market is improving, and the Blatz reported a 99% occupancy rate.

Another aspect of the market that requires further analysis is the fact that two neighborhood institutions expressed an interest in buying the property. As discussed earlier in this report, both MSOE and St. John's Home had expressed an interest in buying Jefferson Court a few years ago. The reasons why these entities were interested in the property and the reasons why the interest did not progress toward more serious negotiations or contracts might provide useful information to help analyze Jefferson Court's position in the market. It should be pointed out, however, that the owners of Jefferson Court requested that we not interview representatives of MSOE or St. John's Home directly. This was because the owner expressed a strong desire to concentrate on taking Jefferson Court through the LIHPRHA process; they indicated they did not have the administrative time to handle LIHPRHA processing and at the same time "educate" a potential buyer as to this process so that the buyer could maybe negotiate with them. It was basically felt that these entities already had their chance to buy the project.

MSOE contacted the owners of Jefferson court about three years ago to discuss their need for student housing. This was before MSOE broke ground on their most recent dormitory project, although it was apparently on the drawing boards at that time. Apparently, there were those on MSOE's administrative staff at that time who felt that acquiring existing housing made more sense than building new. Also, MSOE has exhibited a pattern of attempting to control their neighborhood. Jefferson Court would have afforded them the opportunity to "phase into" the project;

i.e., move students in as demand so warranted. Although no offer was made, the MSOE people did have a building inspector check the property and they did an asbestos test. What apparently swayed MSOE from pursuing the deal further was the fact that they had already received a commitment for development bond funding for the new dorm, and they did not have the financial resources to do both the dorm and buy Jefferson Court. Also, it is reasonable to guess that the City of Milwaukee probably would not have let MSOE use any sort of bond proceeds to buy Jefferson Court and, in effect, displace elderly people. MSOE did build the new dormitory, but this has not taken care of their housing needs. MSOE has a policy where freshmen and sophomore students are required to live in dormitories. The three residence halls they have can accommodate a maximum of 866 students. This involves sharing rooms, making for crowded conditions. Published enrollment for MSOE is 3,160 students, although this includes some night students. Full time students number about 2000.

A fair number of MSOE students are from Milwaukee and live at home; 25% per an MSOE staff member. However, this live-at-home population coupled with dormitory capacity would leave about 650 students requiring off-campus housing. Many of the apartment managers interviewed noted that MSOE students were tenants in their buildings (e.g., Juneau Village I, Juneau Village II, Courtyard Square, the Blatz, Yankee Hill). This evidence suggests that a probable buyer of Jefferson Court may seek to exploit this MSOE student market.

The other entity that had expressed an interest in Jefferson Court was St. John's Home, which is an elderly housing project on

EXHIBIT 5

Market Area Census Summary

Tract Number	Percent Population 15-34	Percent Population 65+	Percent Renter Occupied	Median Contract Rent	Percent Single Person Household	Percent 65+ Population With Incomes $15,000 or Greater	Number of Persons 65+ With Income $15,000 or Greater
113	51.1%	23.6%	88.1%	$282	68.8%	13.7%	49
111	43.5%	18.7%	87.5%	345	63.1%	30.6%	75
110	49.6%	19.1%	92.2%	318	69.5%	4.1%	25
109	39.5%	29.9%	85.4%	452	68.7%	21.8%	347
144	80.5%	9.8%	98.1%	647	62.2%	55.0%	115
143	47.5%	17.2%	89.7%	397	75.8%	46.2%	170
							781

Prospect Avenue. St. John's facilities include a 95 bed skilled care nursing facility and a 175 unit elderly apartment tower. A local broker had attempted to put a deal together between St. John's and Jefferson Court a few years ago. At that time, St. John's administrative staff entertained the idea of using Jefferson Court as an independent elderly housing alternative to be the first stop along their "continuum of care", in effect serving as a feeder project for the apartments and nursing home that comprise their main campus. However, St. John's underwent a management change and interest in the purchase apparently died.

Additional insights into the neighborhood apartment market were gained by expanding the scope of our study of census information beyond that contained in the previous NEIGHBORHOOD ANALYSIS section of this report. This study concentrated on the elderly population within the subject market area. We have already shown that the market for the subject units by downtown workers would probably be a deep market simply by virtue of the number of workers employed within walking distance of the property. In addition, our analysis of downtown colleges, specifically MSOE, demonstrates that demand for the subject units will be generated by students. However, the above history of the property showing the interest expressed by St. John's merits further analysis of the elderly market. Exhibit 5 on the facing page provides further summary information on the neighborhoods population. Certain statistics tend to indicate that the market is deeper for the younger population than it would be the elderly population. Notice first that the percent population of the subject census tract (113) and the surrounding downtown and

east side census tracts (111, 110, 109, 144 and 143) are predominantly a younger population. (For tract map, see Appendix B). While the percent of the population in these tracts aged 65 and over is not insignificant, it is generally held in the marketplace that the older population typically has less spendable income and might therefore be less able to afford the units at the subject property should the rents go to market rate. We tested this hypothesis by examining the percent of the 65 and older population with incomes of $15,000 or more. While the percentages in some of the tracts studied were healthy, given the absolute numbers of elderly in these tracts, the market is obviously not deep. There are only 781 people aged 65 and over in the surrounding census tracts that have incomes of $15,000 or greater. Also, it is noteworthy that the median contract rent in the surrounding census tracts is higher. This would tend to indicate that more units in these tracts have higher rents. Also, it is interesting to note that the predominantly housing units in the subject tract as well as surrounding tracts is by renters as opposed to owners. All of the tracts studied had a minimum of 85% of the housing units in those tracts as renter occupied. Further, the predominant occupancy style is single person households which each of the households in the tracts having 60% or more of the households occupied by single persons. This leads us to a number of conclusions. First, the high percentage of single person households in the subject census tract as well as surrounding tracts is a positive indication for a project with one bedroom apartment units. Second, the elderly

market would appear to be a deep market and given the fact that the housing units in the area are predominantly renter occupied, it is safe to assume that those elderly people in the neighborhood seeking rental housing are already accommodated by rental housing. In other words, it is not like the independent elderly market in other areas where the independent elderly are seeking to eliminate the need to take care of a home and move to an apartment unit. In this area, most everyone is already accommodated by rental housing. Since the elderly population tends to be more stable and less inclined to move, it is reasonable to assume that it is unlikely that the subject units would attract a large number of elderly renters already situated in the area from other units. This, coupled with the low absolute number of elderly in the neighborhood and the larger surrounding area who could afford the units, reinforces the notion that the elderly market for the subject property at market rents is not deep.

The other aspect of the apartment market that needs to be analyzed is the apartment sales market. Activity in the apartment sales market over recent years has been slow. The market is slow because few projects have been available for sale for prices at which buyers are willing to buy. Industry observers attribute this to a combination of factors. These can be summed up by saying that there is no reason to sell a seasoned project that is performing well. The cash returns provided by such a project cannot be replaced elsewhere; low interest rates and an over-heated stock market are not currently attractive alternatives. Current tax law does not provide any favorable

capital gains treatment, implying adverse tax consequences for any gain. Given recent low interest rates, an owner can pull money out of a project by refinancing or adding a second mortgage rather than selling. This slow market is evidenced by a lack of sales activity. One investor interviewed for this assignment said "if you can find me a well-located project with a real 10 percent cash return, I will arrange to buy it within 24 hours. There simply isn't the product out there".

The comparable sales that we were able to locate that might be germane to the subject property are listed in the VALUATION section of this report. However, the information available from these comparables was limited. Thus, while certain comparative units can be developed from these sales for use in the sales comparison approach, no investment parameters could be derived for use in the income approach. Therefore, we conducted a survey of local apartment investors to ascertain current investment criteria.

1. Mr. Fred Loeb, Owner, Capital Associates, a firm active in residential development and ownership. Mr. Loeb owns Courtyard Square. Interviewed August 18, 1992.

   Mr. Loeb indicated that when pricing apartments he uses an all equity capitalization rate of 9 to 11 percent (i.e., unleveraged), with a central tendency of 9-1/2 percent in today's market. His primary criteria are the projects locations, age, and whether or not replacements are necessary during the near term. Any necessary rehab would be credited from the price or an adequate reserve would have to be deducted from income. He does not view management as a profit center over and above the cash flow. He indicated he does maintain a replacement reserve of $150 per unit per year in his projects.

2. Mr. Vaughn Pengelly, owner, 600 apartment units throughout Milwaukee. Interviewed August 19, 1992.

Mr. Pengelly's requirements assume he is a passive investor, i.e., he does not view management as an additional profit center. In other words, he includes management on the expense side, but does not include the ability to get management income as an incentive to pay more for a project. Mr. Pengelly seeks to attain a 10% cash-on-cash return on his equity investment and looks at the investment on a going-in basis. Mr. Pengelly indicated that they try to achieve a 10% cash-on-cash return, but will stretch for good property to 9-1/2% or maybe 9%. He prices properties based on where he perceives the property will be down the road and looks primarily at location and the building in terms of its risk. He indicated that he knew of no good apartment deals as being available for sale.

3. Mr. Steve Wagner, MAI appraiser, and development manager for Continental Properties, a developer involved in multi-family projects. Interviewed August 19, 1992.

   Continental Properties has been involved in the development of apartment projects. They attempt to achieve 10% to 12% return on projected or proforma numbers. This is a cash return. In terms of how this equates to present dollars, it was Mr. Wagner's opinion that this would probably equate to about a 9-1/2% cash-on-cash return or better. They are not involved in any existing stabilized projects and it was his opinion that their pricing with the higher returns reflects the risks of construction and lease-up. He indicated that from an appraisal side he would not be surprised to see high quality existing projects sell on cash-on-cash rates as low as 8%. He related this back to developers or entrepreneurial profit noting that the difference between the 8% to 9-1/2% rates he thought appropriate for existing projects would than equate to the 10% to 12% rates that he quoted for the construction projects. So in effect this spread accounts for the risk of development and entrepreneurial return necessary to attract capital to a development situation.

4. Mr. Barry Zuckerman, owner Capital Alternatives, Ltd., which is a syndication entity primarily involved in subsidized apartments. Interviewed August 17, 1992.

   Mr. Zuckerman indicated that current rule of thumb cash flow rates are about 10%, but that he was not aware of many deals being done. He thought that there were very few good projects available and that it was difficult to attract equity capital to real estate today. He is mainly involved in subsidized projects and so he indicated that his opinion probably was not necessarily applicable to the market assumptions necessary for the LIHPRHA process. However, the 10% cash-on-cash number that he did express what he felt was necessary to

attract equity capital to conventional projects, not subsidized projects. But again, this was not based on current experience or an attempt to price a project, rather what he thought might be necessary to attract equity in this market.

5. Mr. Bill Reilly, partner, Reilly-Joseph, a large Milwaukee area apartment developer and owner. Interviewed August 20, 1992.

   Mr. Reilly is active both as an investor in apartment projects and as a developer of apartment projects, both market rate and subsidized. Mr. Reilly indicated that they seek a 10% cash-on-cash return. They look at projects on a going-in basis and look to buy or develope projects that they feel will have appreciation potential. So they look at the quality relative to return versus other investment options. They do not include a replacement reserve with their projects and it was his opinion that most investors in the market also do not. Rather, they look ahead on a cash flow basis and fund replacement out of cash flow. In terms of the 10% cash-on-cash requirement, after further discussion, Mr. Reilly indicated that a good project in today's market might command a premium and that a good project might actually sell at a 7-8% cash-on-cash rate on legitimate operating numbers. However, that would be for a premium project. He also reinforced the notion that there are no good deals out there. Mr. Reilly was the person mentioned earlier in this report section that said that if someone could deliver a good project with a legitimate 10% cash-on-cash return, he would have a deal put together to buy that project in 24 hours. Mr. Reilly does not price projects based on a projection or IRR but rather looks at going in cash flow which he felt to be typical of this market.

To conclude our market analysis, the subject area lends itself well to rental properties. The area does attract those who wish to live near the downtown area. In addition to the downtown attractions, the area's excellent public transportation, proximity to neighborhood convenience stores as well as the concentration of multi-family housing all positively contribute to the area's desirability for apartment living. Smaller apartment units appear to be currently outperforming larger (i.e., two bedroom) units in terms of occupancy. Our

analysis reinforces the conclusion that the project would tend to attract downtown workers, students, and perhaps some elderly, although it is concluded that the market of those elderly that could afford the units at market rates is not deep. In terms of the sales market, recent sales have been slow due to a lack of good projects being available. We found that local investors base their decisions on achieving target going-in cash-on-cash returns. The investors interviewed displayed a central tendency in terms of required equity return at about 10%. However, most expressed the notion that there were few good properties for sale, and that a good quality project that would come available in the market would probably be sold based on a premium relative to this 10% cash flow requirement (i.e., a rate less than 10%).

SITE DESCRIPTION AND ANALYSIS

The Jefferson Court site is a 2.125 acre site located on the northern fringe of downtown Milwaukee. The site is rectangular in shape. It is bounded on the south, west, and north by three city streets. The site is bordered on the east by a pedestrian walkway that occupies the right of way of vacated Jefferson Street. Given the fact that the site was developed with three building sections that have respective frontages on the three streets, the site has three addresses, although city records use the 415 East Knapp Street address as the recorded address of the site.

The survey for the project reflects slightly different dimensions than are shown on recorded plat information. This is fairly common downtown, and it is probably due to the lack of precision of measuring instruments at the time the area was platted (circa 1850).

This site's three street addresses and the respective frontage that the site has on these streets is listed in the following table, which also includes vacated North Jefferson Street.

Street Address	Frontage Per City Records	Frontage Per Survey
415 East Knapp Street	255.06 ft	255.95 ft
415 East Juneau Avenue	255.06 ft	255.58 ft
1228 North Milwaukee Street	360.00 ft	361.03 ft
Vacated North Jefferson Street	360.00 ft	362.86 ft

The area of the site based on recorded plat information is 360' x 255.06', which equals 91,821.6 square feet, or 2.108 acres. By using the average of the measured dimensions of the site (i.e., 361.945' x 255.765'), we estimated the area to be 92,572.86 square feet, or 2.125 acres. Since the latter estimate is based on actual measurements and reflects exactly what is owned, we will use these figures in our analysis. Copies of the survey and plat map are included in Appendix C.

Given its street frontages, the site occupies the corner of two intersections. The site is located at the northeast corner of East Juneau Avenue and North Milwaukee Street, and it also is located at the southeast corner of East Knapp Street.

Adjacent land uses include L'Hermitage, an upscale condominium complex located immediately east of the subject on the other side of the pedestrian walkway. North of the

condominiums and northeast of the subject, between Jackson and Jefferson are the Juneau Village II Garden Apartments. North of the subject, across Knapp Street, is the Convent Hill Public Housing. To the west are a number of buildings that are part of the Milwaukee School of Engineering (MSOE). To the south across East Juneau Avenue on the southeast corner of Juneau Avenue and Milwaukee Street is additional multi-family housing. This project is the Courtyard Square Apartments. The Juneau Village mid and high-rise apartments are located just east of Courtyard Square. The subject conforms well with surrounding uses in the area. It is located in an area that is primarily improved with multi-family projects.

Pedestrian access to the site is provided by concrete sidewalks that run along all of the street frontages and through the pedestrian walkway. Curb cuts to allow automobile access to/from the parking garage include three ramps along Milwaukee Street and one along Juneau Avenue.

The topography of the site is gently sloping from north to south, with a slight slope from east to west as well. The natural slope of the land does not inhibit the potential development of the site. The landscaping of the site, which includes lawn areas sloping down towards the street frontages, is built over the underground parking garage in some areas. Additional site improvements include concrete walkways, a concrete-paved courtyard with pole-mounted lighting,and concrete aprons to provide access to the garage. The courtyard is also landscaped, with mature trees, garden areas, and lawn areas.

The gutter and storm sewers seem to provide adequate drainage. The landscaped areas of the site do not appear to have any drainage problems.

The exact soil type indigenous to the site could not be identified from property records or published sources. However, the building improvements do not exhibit any signs of soil problems (e.g. foundation cracking, settling, etc.).

All typical utilities are available to the site, including municipal water and sewer, electric, telephone and natural gas. According to Greg Patin, Plan Examiner Specialist with the Milwaukee Department of Building Inspection the site is not in a designated flood plain. The property is located in Zone C, an area of minimal flood hazard. This information is according to Community Panel Number 550278 0005 B.

Street improvements serving the site include previously mentioned streets (Juneau Avenue, Milwaukee Street and Knapp Street). All the surrounding streets are in good condition. They are six-lane (four traffic, two parking), concrete paved streets with concrete curbs and gutters, and street lights.

All surrounding streets have an 80 foot right-of-way. In addition, the streets are improved with the following utilities:

Knapp Street:	6" water main, 12" storm & sanitary, 6" gas main, electrical conduit and telephone conduit
Vacated Street:	6" water main, 15" storm & sanitary, 10" gas main
Milwaukee Street:	20" water feeder, 12" sanitary, 18" combined storm & sanitary, electrical and telephone conduit
Juneau Avenue:	30" combined storm & sanitary, telephone conduit

All surrounding streets do have street parking. There is a stoplight at the intersection of Juneau Avenue and Milwaukee Street. Juneau Avenue is a busy arterial street and Milwaukee Street provides access to the freeway system just north of the subject.

The physical and functional characteristics of the site such as topography, size, frontage, and available utilities suggest that the site could be used for a variety of uses. In addition, the site's location within an area that is orientated towards multi-family housing further suggests that this site would logically be used for its current use.

ZONING ANALYSIS

The purpose of the Zoning Analysis section is two-fold. First, the subject property will be studied to determine whether or not it is a legal, permitted use in terms of the ordinance that governs its location. Second, the permitted uses and limitations on those uses allowed within the zoning district will also be explored, with this information to be applied later in this report when determining the highest and best use of the subject property.

The subject is located in the Central Business District C9A zoning district. According to the zoning ordinance, this High Density Residential district is designed and intended to serve as a highly urban living environment for those desirous of a residential location in close proximity to the city's downtown.

This subdistrict is designed to house relatively tall and massive buildings similar in scale to buildings allowed in nearby commercial districts. This is as opposed to the "B" subdistrict (i.e., C9B), which is intended for smaller buildings. A complete copy of the zoning ordinance for this district along with a copy of the zoning map is included in Appendix D.

The subject's use (a residential multi-family dwelling) is a permitted use within this district. The following are the general categories of permitted uses within the C9A district:

*Residential
*Churches and Schools
*Public and Quasi-Public Uses

Furthermore, the following are special uses in C9A districts which means they are generally acceptable but would require review on a case-by-case basis to determine whether they should be permitted, or denied:

*convents
*dormitories
*schools (day care centers, colleges and speciality schools)
*library
*nursing home
*retail (drug stores, florist shops, etc.)
*commercial hotels
*transportation (passenger stations)

Lot requirements for this district indicate that there shall be the following setbacks and lot size:

*front yard:	10 feet
*side:	5 feet on each side, but not less than 12 feet combined
*rear:	10 feet
*lot size minimum:	7200 sq ft area 60 ft width

With dimensions of and a size of 2.125 acres, the subject site exceeds the 7,200 square foot area minimum and the minimum width requirement. Our inspection and a review of the existing survey indicates conformance with front, side, and rear yard requirements. However, according to Mr. John Balon of the City of Milwaukee Planning Department, the project required a favorable setback interpretation because the garage walls technically have zero setback.

Permitted floor area in the C9A district is based on policy considerations that are translated into equations. Provision of both surface and rooftop open space is encouraged in the High Density Residential Subdistrict. Floor area bonuses are allowed when such open space is provided in association with a construction project. No bonus is given for the development of interior atrium or mall area.

Permitted Floor Area is regulated under the C9A zoning by certain equations which describe required relationships between site size and open space. To understand these equations, the following explanation is given for the variables:

W = The size of the development site.

X = The amount of surface open space.

Y = The amount of qualifying roof top open space.

The following equations set forth how permitted floor area is calculated in the C9A district:

1. When surface open space will comprise 40% or less of the development site, permitted floor area = 2(W) + 7.5(X) + 4(Y).

2. When surface open space will comprise more than 40% but less than 80% of the development site, permitted floor area = 5(W).

3. When surface open space will comprise 80% or more of the development site, permitted floor area = 25(W) - 25(X).

In the case of Jefferson Court, the following would be the variables:

W = 92,565 sq ft
X = 50,361 sq ft
Y = No qualifying roof top open space

Since the open surface space is between 40% and 80% at approximately 54% of the development site, the permitted floor area is calculated by the equation noted in 2 above, that is 5(W) or 5(92,565 sq ft) = 462,825 square feet. The property's actual floor area is 126,612 square feet. Therefore, the property conforms with the allowed floor area set forth by the C9A Zoning District.

In addition, the zoning ordinance specifies that 75 square feet of usable open space shall be provided for each dwelling unit in buildings for which original construction building permits are issued after January 1, 1984. Since the subject building was completed in 1973, this would not apply. The C9A district requires that no building be less than 20 feet in height. Parking requirements for the district state that two parking spaces are required for every three dwelling units. Jefferson Court meets the height requirements, but would require 148 parking spaces to meet the latter requirement. The parking garage, as striped, currently has 75 usable parking stalls. Also, some garage area is used for storage. However, per the original blueprints, if all of the garage were used as parking,

it could be arranged to accommodate 148 cars. This would indicated that the project is in conformance with the parking requirements of the C9A district.

To summarize the zoning analysis, the lot size of the subject property is in compliance with the zoning ordinance. If one assumes a continuation of the favorable interpretation of the setback requirements (i.e., that the setbacks would apply to the superstructure walls as opposed to the parking garage walls), the building meets the setback requirements set forth in the zoning. In addition, the subject's permitted floor area is greater that the actual floor area of the improvements, meaning that subject building complies with the permitted floor area requirement. The height of the improvements is also greater than the 20 foot minimum height restrictions set forth in the C9A district. The property is capable of providing the number of parking spaces required by zoning. Therefore, the subject property, as improved, is in conformance with the requirements of the C9A zoning district.

In addition to the legal constraints implied by the zoning, the property is subject to the requirements set forth in the Redevelopment Plan for the East Side A District. According to the land use map for the East Side A Area, Jefferson Court falls within an area designated as a Multi-Family Residence district. According to the Redevelopment Plan, preferred uses in the Multi-Family Residence District include high, medium, and low-rise multi-family apartment buildings; row and/or townhouses; or a combination of the above. The Multi-Family

Residence District, as set forth in the Redevelopment Plan, has a maximum floor area ration of 4.0, meaning that the improvements can be no larger than 4 times the site area. In addition, the parking requirements for residential uses stated in the Redevelopment Plan require 2 parking spaces for each 3 dwelling units. (See Appendix E). This is the same parking requirement as set forth in the C9A zoning. According to the sale agreement between the Redevelopment Authority and the purchaser of the Jefferson Court site (Juneau Village III, A Limited Partnership), the duration on the covenant as to use set forth in the Redevelopment Plan lasts until January 1, 2000. Therefore, the constraints set forth in the Redevelopment Plan still impact on the subject site. However, given our previous analysis the subject property as improved meets these requirements.

The subject property, as improved, appears to be in compliance with both the applicable zoning ordinance and the Redevelopment Plan that control the use of the subject site.

REAL ESTATE ASSESSMENT AND TAXES

The subject property is identified on the City of Milwaukee tax rolls by tax key number 392-1966-110-3. The 1990, 1991 and 1992 assessments of this property are as follows:

	1990	1991	1992
Land	$ 615,000	$ 615,000	$ 615,000
Improvements	4,985,000	4,985,000	5,465,000
TOTAL	$5,600,000	$5,600,000	$6,080,000

Due to a city-wide revaluation for 1992, the owner has been presented with a notice of assessment as of January 1, 1992,

which is listed above. The City of Milwaukee has adopted a policy whereby the assessment roll is updated every two years to reflect changes in market value. This policy was enacted in response to state law, which requires that municipalities must assess at or near 100 percent of market value. The law requires reassessment in the event that assessments vary from market value by more than 10 percent. An equalization ratio is used as a benchmark to measure the difference between assessed value and market value.

The 1992 assessed value represents the assessor's opinion of full value as of January 1, 1992. The equalization ratio is set by the Department of Revenue late in the year based on an evaluation of prior year sales in a given assessment district. For purposes of this report, the new 1992 assessment provides a reasonable basis for analysis.

The 1992 assessment of $6,080,000 represents an overall opinion of market value of $27,387 per apartment unit. It should be noted that Wisconsin assessment policy requires assessors to assess subsidized housing according to the value it would command if it were free and clear of encumbrances (e.g., rent limitations, subsidy contracts, etc.) In other words, such projects are to be assessed in terms of their fee simple interest, as if available to be put to the highest and best use. (See Property Assessment Manual For Wisconsin Assessors, Volume 1, p. 9-25). This implies that the $6,080,000 value estimate by the assessor is a fee simple value ignoring encumbrances and subsidies.

In order to compare the 1992 assessment with 1991, the 1991 assessment must first be translated to an estimate of market value by application of the 1991 equalization ratio of 96.67%. In other words, 1991's assessment was 96.67% of market value, so the assessor's estimate of market value for 1991 can be derived by dividing the assessment by the equalization ratio. The 1991 assessor's opinion of market value was $5,792,904, so the 1992 assessment represents an increase of 4.96 percent over this amount. Note that the increase in the assessment was attributed entirely to the improvements. The assessment for land did not change. The assessor's opinion of land value based on the 1992 assessment is $6.64 per square foot.

The owner has elected not to protest the 1992 assessments.

In order to gauge the future real estate tax liability for the property, historic taxes were reviewed. The 1991 net tax rate for the City of Milwaukee that was applied to the assessment to determine the tax levy payable in 1992 was $38.77/$1,000 of assessed valuation. By applying this tax rate to the assessment, a real estate tax levy of $217,112 is indicated for the subject property. The property tax indicated by the tax bill is $217,392.60, which includes a $275 fire inspection fee.

As background, the local real estate tax system utilizes assessments that are based on the value of land and improvements as of January 1st of a given year. Tax rolls get finalized in May, and the total tax base of a community is then utilized in the budgeting process the following fall to determine the tax

rate necessary to support the budget. Tax rates are then usually calculated by late November, and tax bills are issued and mailed during early December. Taxes are payable in installments, with one half the tax amount due by January 31st of the following year, and the balance due by July 31st. This means that 1991's tax levy is technically due in 1992 and 1992's tax levy will not be known until late this year. However, property owners wishing to take advantage of the income tax deduction allowed for teal estate tax expenses typically opt to pay their tax by December 31st. Also, mortgage lenders holding tax escrows usually require taxes to be paid in one lump sum and will issue escrow checks by mid to late December to allow a borrower to take advantage of a tax deduction. This means that is common for 1992's taxes (i.e., taxes based on 1991's assessment payable in 1992) to have been paid in 1991.

As indicated, the 1991 tax rate applied to the above assessment was $38.77/$1000 of assessed valuation on a net basis. The various components that comprise the total tax rate are itemized below:

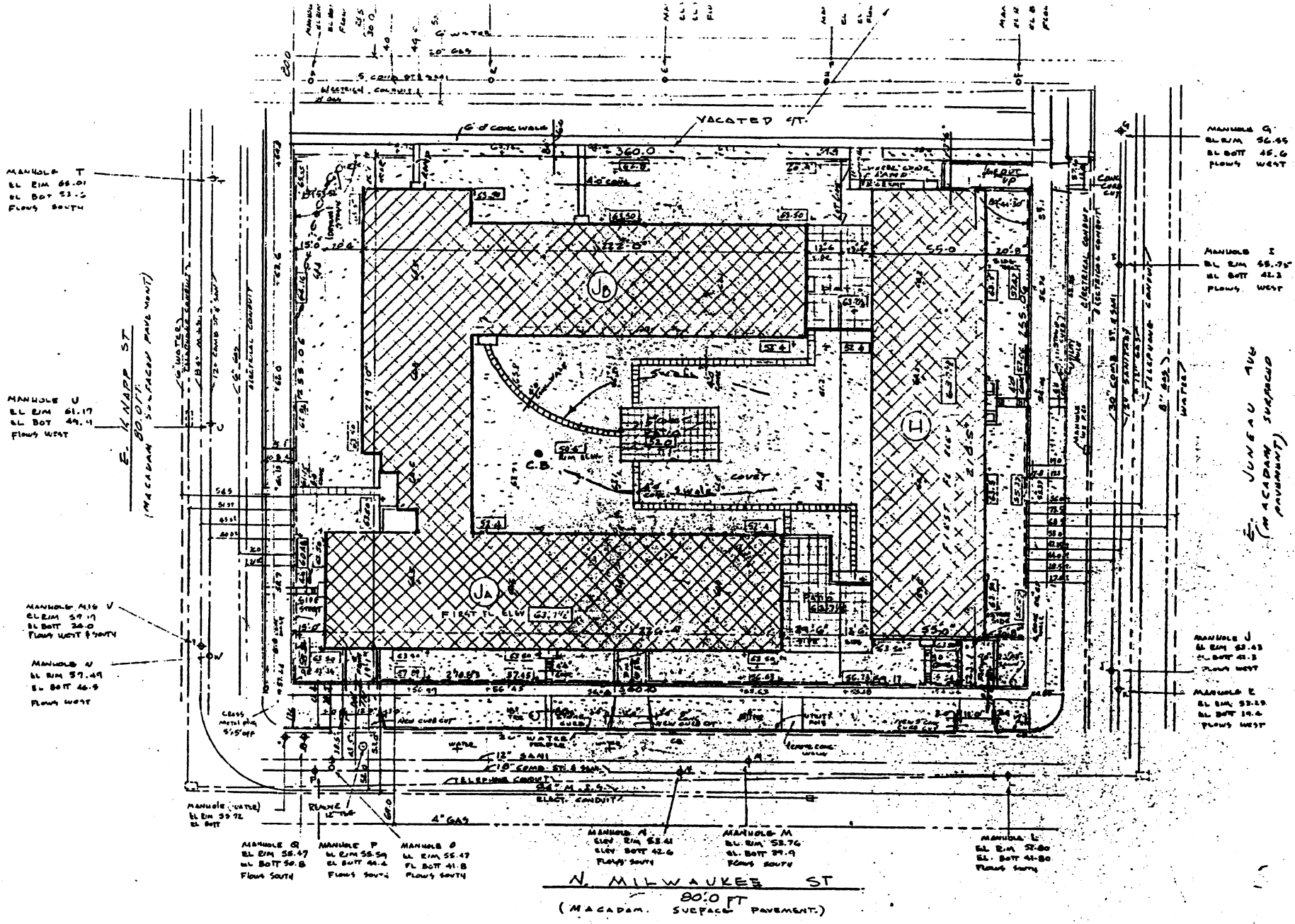
A history of Milwaukee tax rates for the past 6 years is as follows:

Year	Net Tax Rate
1991	$38.77
1990	38.35
1989	38.73
1988	37.12
1987	36.01
1986	34.27

As indicated earlier, certain taxing entities (e.g., Milwaukee County) are under budgetary pressure, which indicates a tax rate increase is likely. At the same time, there is pressure by voters on elected officials to hold down tax increases. Based on the above, a net tax rate of $40.00 per $1,000 of assessed value for 1992 would be a reasonable estimate. This would imply a total real estate tax liability of $243,200 based on the assessment at the $40.00 per $1,000 rate, (plus a $275 fire inspection fee).

Special assessments were also checked for the property. According to the City Treasurer's office and the Special Assessment Office, there are so special assessments outstanding against the property. In addition, no special assessments are currently contemplated which would cause a liability against the subject property.

The property is also subject to an assessment for personal property. The subject had an assessed valuation of $5,680 for personal property for 1991. At a net tax rate of $38.77 per $1000 of assessed valuation, total personal property taxes due for the year 1991 were $220.22. Within the personal property category the city assessor includes office and model improvements as well as those in common areas. Other property that would normally be categorized as personal property, such as appliances, carpeting etc. is included in the market value of the real estate by the assessor.



SITE PLAN

SCALE 1" = 30'-0"

EXHIBIT 6

SITE PLAN

IMPROVEMENTS - DESCRIPTION AND ANALYSIS

The improvements consist of three interconnected three-story multi-family apartment buildings of masonry and wood construction with underground parking. The buildings were constructed in 1972. There is a total of 222 apartment units of which all are one bedroom units except for one two bedroom manager's apartment. The average size of the one bedroom units is about 500 sq ft which is smaller than the market average.

A site layout including the location of the three interconnected buildings and floor plans is included on the facing page as Exhibit 6, and building floor plans are included in Appendix F. The building located at 415 East Juneau Avenue (Building H) is rectangular in shape and has apartment units on all floors. The lower level also includes parking, storage, laundry facilities and a boiler room. The building located at 415 East Knapp Street (Building JB) is primary L-shaped and has apartment units on all floors. The managers unit is on the first floor of this building. Each floor includes a lounge, a laundry room and a locker room. There is parking on the lower level. The last building, located at 1228 North Milwaukee Street (Building JA) is interconnected to Building JB and rectangular in shape. The lower level includes parking, a parking area currently used as boat storage and a laundry room. There are apartment units on all floors and there is a locker room and laundry facility on floors 1 thru 3.

The underground parking areas of each building actually comprise one interconnected parking area with a total of 148

parking spaces. Along the south and west elevations the parking area extends past the superstructure to the ends of the lot lines.

The typical elevation of a building side is 24'-9". The central portion of the site is improved with a courtyard and concrete walkways. There is no street access from the courtyard. Additional site improvements consist of landscaped areas, outdoor patios connecting Building H at either side along the north elevation to the other two buildings. There are also concrete walkways and the site has underground utilities.

Access to Building H is from Juneau Avenue and Milwaukee Street and there is a wheelchair entrance ramp along the building's east side. Access to Building JA is from Milwaukee Street and Knapp Street. Entrance doors for Building JB are from Knapp Street and along the east elevation. There are also doors from the courtyard to the patios for Buildings JA and H and an entrance door for Building JB.

The following is a summary of the construction details for the subject property, based on an examination of blueprints, and actual inspection. Exhibit 7 showing a breakdown of the areas of the various buildings is shown on the facing page.

Building Size and Dimensions

	Gross Building Area	Gross Living Area	Parking
Ground	67,451 sq ft		45,360 sq ft
1	42,204 sq ft	42,204 sq ft	
2	42,204 sq ft	42,204 sq ft	
3	42,204 sq ft	42,204 sq ft	
Totals	194,063 sq ft	126,612 sq ft	45,360 sq ft

Total Gross Building Area	194,063 sq ft
Total Gross Living Area	(126,612)sq ft
Parking Area	(45,360)sq ft
Ground Level Finished Area	22,091 sq ft

The ground level finished area includes apartments and common areas. Gross living area is typically defined as above-grade area, and the ground floor apartment were considered to be partially below grade due to the parking garage being below grade.

As previously mentioned, the ground level garage area extends beyond the above first floor area of each building. The ground level reaches to the end of the lot lines. This garage is one interconnected area with access from several doors. There is an entrance/exit at the southwest corner and an exit at the southeast corner of Building H. Another entrance/exit and an entrance ramp from Building JA along Milwaukee Street.

The one bedroom units have three different layouts (1A, 1B, 1C). The following table notes the predominant unit types and their associated sizes. In addition, representative sketches of each unit type are included in Appendix F.

Type	Number	Size
1A	184	486 sq ft
1B	35	503 sq ft

The majority of the units are either 1A or 1B units, with two 1C units (620 sq ft) and one 1D (700 sq ft) unit in JB. In addition, the total parking spaces (148) are divided among each building. There are actually 75 spaces which can be rented. This number is considerably lower than the total of 148 due to an

EXHIBIT 7
Building Area Summary

Building H - 415 East Juneau Avenue

	Gross Building Area	Gross Living Area *	Parking
Ground	17,791 sq ft		12,652 sq ft
1	12,013 sq ft	12,013 sq ft	
2	12,013 sq ft	12,013 sq ft	
3	12,013 sq ft	12,013 sq ft	
Totals	58,830 sq ft	36,039 sq ft	12,652 sq ft

Total Gross Building Area	53,830 sq ft
Total Gross Living Area	(36,039) sq ft
Parking Area	(12,652) sq ft
Ground Level Finished Area	5,139 sq ft

Building JA - 1228 North Milwaukee Street

	Gross Building Area	Gross Living Area *	Parking
Ground	19,532 sq ft		12,531 sq ft
1	12,301 sq ft	12,301 sq ft	
2	12,301 sq ft	12,301 sq ft	
3	12,301 sq ft	12,301 sq ft	
Totals	56,435 sq ft	36,903 sq ft	12,531 sq ft

Total Gross Building Area	56,435 sq ft
Total Gross Living Area	(36,903) sq ft
Parking Area	(12,531) sq ft
Ground Level Finished Area	7,001 sq ft

Building JB - 415 East Knapp Street

	Gross Building Area	Gross Living Area *	Parking
Ground	30,128 sq ft		20,177 sq ft
1	17,890 sq ft	17,890 sq ft	
2	17,890 sq ft	17,890 sq ft	
3	17,890 sq ft	17,890 sq ft	
Totals	83,798 sq ft	53,670 sq ft	20,177 sq ft

Total Gross Building Area	83,798 sq ft
Total Gross Living Area	(53,670) sq ft
Parking Area	(20,177) sq ft
Ground Level Finished Area	9,951 sq ft

* Includes above-grade areas only. There are apartments on the ground floor, included in the ground level finished area.

enlargement of spaces for the elderly and an elimination of spaces where the slope of the garage was considered too steep for parking. What is classified the boat room is not currently used for parking.

An outline description of the building improvements is as follows:

Site Preparation:	The site was graded to promote drainage to the street. In addition, site was prepared for the sloped landscaping of the land.
Excavation:	Excavation for all three buildings was primarily for foundations and footings, and the underground parking, with extra excavation for elevator pits.
Slab on Ground:	5" concrete floor with 6" x 6" wire mesh over a 6" gravel fill base.
Foundation:	12" pre-cast concrete foundation wall on a continuous concrete footing with 2" of rigid insulation. The foundation wall system also has a 3" drain tile system with bleeders.
Frame:	Framing for the ground and first floors is a system of concrete columns and beams with a load-bearing concrete block foundation wall. The columns and foundations wall system rest on concrete footings. The framing system for the second and third floors consists of load-bearing walls (exterior walls and hallways) with steel posts between the exterior wall and hallways. A header system consisting of multiple 2" x 8"s rests on the steel posts in parallel to the exterior walls and hallways. The joists run perpendicular to the load-bearing walls and post and header system.
Exterior Wall System:	Parking area wall system is 12" concrete block with rigid insulation. In other areas of the building, exterior walls are comprised of 8" concrete block with brick veneer and 3/16" duro-wall every second course with space filled solid with mortar between brick and block. The walls also contain 4" batt insulation.

Windows are found on all elevations of the superstructure. At the building entrances, the windows are aluminum frame windows with tempered class. At the 415 East Knapp Street entrance, windows run from the doorway to the top of the elevation. Windows associated with each rental unit are horizontal slide-by double paned windows having aluminum frames and tempered clear glass. Apartment containing patios have slide-by double paned aluminum frame patio doors with clear tempered glass. The window sections run in vertical columns along each elevation. Instead of brick, these window sections are covered with horizontal lap board wood board siding.

The south elevation of Building H, the north elevation of Building JB and the west elevations of Building JA have balconies on the second and third floors. The balconies are concrete-filled fiberglass pans resting on levered steel beams. There is 3'-6" high railings on each balcony and a 5/8" lap board divider wall between adjoining units.

A Rental Unit Energy-Efficient Standards Certificate of compliance, dated July 11, 1992 was issued to the subject. According to this certificate, the property meets the minimum rental energy-efficient standard set forth by the Wisconsin Department of Industry, Labor and Human Relations. (Appendix F)

Structural Floors: The first floor consists of 20" precast concrete planks with concrete layer and 2-1/2" concrete topping with wire mesh. The remaining levels include wood joists 2" x 8" at 12" and 16" on center over 1/2" drywall ceilings with 1" x 8" sub boards and alternating 5/8" plyscore. The top layer consists of 1-5/8" light weight concrete.

Roof: Wood deck with 6" of blown insulation. Structure includes 2" x 8" wood joists at 24" on center. The roof has a pitch of 3-1/2" per 12" run. The covering includes asphalt shingles over a layer of 15# felt and 1/2" plyscore. Each building also has galvanized box gutters which run with the pitch of the roof, with 5" downspouts.

The roof over the garage area that extends beyond the superstructure walls to the sidewalks, consists of a rubber membrane roof system. This roof layer in this area is not exposed, instead it is covered over with 2"

clay, 3" top soil and a 2" sod layer. This rubber membrane roof system was installed in 1991.

Ground Level Finishes:

Garage:	Concrete floors, concrete block walls and precast concrete ceilings. These same finishes are in the boiler room (building H) and the elevator room and locker room (Building JB).
Laundry Rooms	Concrete floor, painted concrete block walls and precast concrete ceilings
Corridors	Carpeted floors, drywall partitions and suspended drywall ceilings
Stairways	Vinyl tile floors, painted concrete block walls and drywall ceilings

Superstructure Finishes:

Corridors:	Carpet floors, drywall walls and ceilings. Much of the carpeting was replaced in 1991.
Stairways	Vinyl tile (1st floor)/carpet floors (2nd and 3rd floors), drywall partitions and ceilings.
Lobby Entrances:	Ceramic tile floors, wall paper over drywall, and drywall ceilings.
Locker Room and Laundry Room:	Vinyl tile floor and drywall walls and ceiling. Storage rooms and community rooms in JB have the same finishes.

Rental Area Finishes:

Drywall walls and ceilings throughout each unit. Living room is carpeted; bathroom has ceramic tile floors and remaining floor areas are covered with vinyl tile.

The owner has been very active in replacing appliances and carpeting in the units. All the refrigerators should be replaced, as of 12/92 (43% replaced in 1992). Approximately 40% of all stoves will still need replacement after this year. Carpeting will be replaced in 30 units in 1992 and 45 additional units after 1992. The remaining carpeting is either new or replaced within the last 1-2 years. Apartments are painted every 5-7 years or at turnover of units. Carpet is also cleaned at turnover.

Electrical:

Main Electrical Panel: 400 amp 3 phase and 1200 amp. Power for Buildings JA and JB combined: 600 amp 3 phase panel and 1200 amp main panels plus subpanels. Each rental unit has an individual breaker. There are transformers in the courtyard and along the east elevation.

Lighting: Florescent energy-saving lighting in hallways, garage and units. Units also have incandescent fixtures.

Plumbing: Each unit has plumbing for the kitchen and bathroom. Waste piping is all cast iron and incoming water pipes are galvanized. There are floor drains in the garage and laundry rooms. The water main runs from city water, branch #6573 and account #0102-0210-01-7. The building has soil stacks and waste stacks.

Heating, Ventilating and Air Conditioning:

The buildings are heated by a main boiler and a standby located in the lower level of Building H. There are four pumps that supply heat via ductwork to the first, second and third floors. There are heat registers and a thermostat in each rental unit. Exposed heat pipes in the garage help heat the area. The main heat pipes are copper and insulated.

On the roof of each building, there is one 3" bathroom vent from each bathroom, one 4" oval kitchen vent from each kitchen, 12" x 12" corridor exhaust ducts with gravity vents and locker room 12" x 12" ducts with exhaust fans.

In addition, there are laundry room and community room exhaust ducts through the roof of Buildings JA and JB. Each rental unit has an individual wall air conditioning sleeve. The air conditioner must be supplied by tenant.

Both boilers are Cleaver Brooks, Model 4, water tube gas fired boilers. Each is dated May 2, 1971. One boiler has a formula BTU input and 3.3 million BTU output. The other, which is not currently running has a 3 million BTU input and a 2.4 million BTU output. At the time of this appraisal, bidding was in progress to replace one of the boilers.

The property manager indicated that the boilers have a back-up oil system. However, the resident manager indicated this had been disconnected. In any event, there is an underground oil tank still in place underneath the courtyard. The oil fill point is still visible at the southwest corner of the courtyard. There are three hot water heaters with a 65 gallon capacity to service the three buildings. These water heaters are leased from the Wisconsin Gas Company. There is a sump pump in the boiler room. There reportedly have never been problems with high ground water levels at the property and we saw no evidence of seepage..

Fire Protection: The garage area is sprinklered. The entire project has a manual pull system fire alarm, i.e., the alarms do not automatically sound. Each unit is improved with a smoke detector. At the time of inspection it was reported that each smoke detector is checked annually by management. Fire doors separate building sections.

Elevators: Elevators service four stops (i.e. all floors plus lower level). There is one (1) hydraulic elevator located within each building. Each is manufactured by Dover with a 10 passenger or 1500 lbs capacity and has a 2'-8" door.

The size of the elevators in the complex are considered small and tight especially for wheelchair access. Wheelchair access is possible, however, but would be difficult.

Stairs: Building H has one stair tower located on the east, west and south elevation. Building JB has two stair towers on the east elevation, one along the south and another along the north elevation. Building JA has one stair tower along the north, south and west elevation. All of the towers provide access to all four levels.

The stairs from the basement are poured concrete with pipe handrails, whereas those leading to the remaining floors are oak with carpet covered landings and oak handrails and connecting railing.

Access to the roof is from a 36" x 24" roof hatch from the west stair tower in Building H and from south stair tower in Building JA.

Doors:

There are solid core doors with dead bolts to each rental unit on first, second and third floors as well as on ground level. Closets have hollow-core doors. All units and corridors have vinyl trim. There are oak trim board around unit entry doors. Units with patios include 8'-0" x 6'-8" x 1-3/4" sliding aluminum and glass doors. There are interior and exterior aluminum and glass double doors at lobby entrances. The exterior doors have dark gray glass vs clear glass for the interior doors. Each first floor stairwell entrance/exit has one aluminum and glass swing door with dark-gray glass. All garage doors are 10' x 6'-6" overhead plywood doors with automatic door operators.

Miscellaneous:

Two structural notes we found on the blueprints list floor loading and soil bearing date:

1. Design Live Loads

Roof	30 PSF
Stairs	80 PSF
Corridors	80 PSF
Apartments	40 PSF

2. Soil bearing capacity assumed to be 4000 lbs/PSF minimum
   Fire stops are included at all intersections of interior and exterior walls with floors, ceilings and roof are insulated to reduce noise level between units and reduce drafts.

Trash service is provided by a system which services the waste disposal bins in the garage. Access to the garage is provided for trash removal. The entire complex is services by cable TV access. The resident must contract directly with the cable company for service. Without cable, the residents can connect with the master antenna for the property.

Security for the property includes locked lobby entrances as well as an intercom buzzer system with a system buzzer in each unit. In addition, the garage is accessible only by a key and the courtyard can only be accessed through interior building entrances.

The property is also in compliance with the City of Milwaukee door and window security requirements for rental/residential buildings. These requirements state when windows or doors within 10' of the ground, they must be protected by security devices. The requirements for

buildings built before June 24, 1989 became effective in September of 1991. These regulations include non-removable hinge pins for exterior doors, dead bolts for doors to individual units, wood or metal door frames for all doors and sliding doors must be pinned where they overlap. Finally, latches on windows should prevent intruders, but should allow for airing.

The subject is also reportedly free of asbestos. According to a Real Estate Technical Advisor's, Inc. of Wauwatosa, major asbestos problems do not exist. Five samples were taken from the property; pipe elbow installation compound in the boiler room, attic insulation, floor tile, corridor floor tile, and replacement floor tile were all tested and results returned to be negative. The property was inspected in September of 1989 (Appendix G).

Site improvements consist mainly of paving, pole-mounted lighting and landscaping.

Concrete aprons for the garage driveways have reinforced wire mesh and are heated by electric heat for the winter. Additional paving includes that along the walkway on the east elevation as well as the walkways that are in the courtyard.

The courtyard includes paving, landscaped areas and benches. In addition, several tenants use the area near their ground floor window for a gardening area. The courtyard provides a natural park-like setting for the tenants. The perimeter of the lawn area along the lot lines is enclosed by railroad ties.

The side walk slope along the Knapp Street elevation is scheduled to be corrected. The city will do the work at approximately $2.30 per sq ft. In addition, new cement steps with a lesser slope have been installed at the northwest corner of the property at Knapp and Milwaukee Streets.

Representative photos of the property are included in Appendix H.

Overall the property is in very good condition. The management and the owners keep the building in excellent condition for a low income/elderly housing project. The building is of good construction quality and, appears to be structurally sound.

In terms of renovations and remodeling to the project, as previously mentioned, management has been stepping up its replacement of appliances and carpeting. A large percentage of units will have appliances and carpeting replaced in 1992. Personal property is summarized in Appendix I.

The property does not suffer from severe functional obsolescence. However, the property's functional utility is affected by the size of its one bedroom units. The size of these units is smaller than the majority of one bedroom units on the market. This will have an effect on the property's potential market rents and marketability in comparison to other apartment buildings in the surrounding area. It is our opinion that the market is broad enough such that the units will be rented. However, the small size will probably cause higher than average turnover.

The property's physical age of 20 years differs from its effective age of 10-12 years due to the up keep and maintenance of the property. A study of the market and other apartment projects within City of Milwaukee indicates that there are apartment buildings that go back to the early 1900s. With this in mind, it is not unreasonable to assume that this property has a remaining economic life of at least another 40 to 45 years. The property's present condition positively effects its marketability and attractiveness.

HIGHEST AND BEST USE

The highest and best use concepts are defined in The Dictionary of Real Estate Appraisal, Second Edition, published by the American Institute of Real Estate Appraiser, as follows:

> "Highest and best use: The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriate supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.
>
> Highest and best use of a site as though vacant: The use of a property based on assumption that a parcel of land is vacant or can be made vacant through demolition of any improvements.
>
> Highest and best use of property as improved: The use that should be made of a property as it exists."

In order to estimate a property's value, all the factors that influence and contribute to value must be considered. The appraisal and economic principles of supply and demand, substitution, balance, and externalities, all contribute to a property's value. The highest and best use for a property is achieved when these factors are all in balance.

Highest and best use is first determined for the subject parcel as though vacant. In this first analysis, we assume that the subject site is vacant or can be made vacant through the demolition of any and all improvements. The analysis attempts to determine what use should be made of the land. In other words, the appraiser works through the tests of highest and best use to derive a conclusion as to the type of building or other improvements that should be constructed on the land.

The second analysis of highest and best use is for the property as improved, which pertains to the use that should be made of the property as it exists as of the appraisal date.

The purpose of estimating the highest and best use of the property, as vacant and as improved, is to identify the use that creates the greatest value of the property. It is generally held that, to be considered comparable, properties should be similar in terms of highest and best use. This helps the appraiser identify sales (land sales and improved property sales) to be used to help estimate the value of the subject property. In order to estimate the use that provides the greatest value, four criteria must be met. The use must be physically possible, legally permissible, financially feasible, and maximally productive. These criteria are considered sequentially. Only when there is a reasonable possibility that an unacceptable condition can be changed is it appropriate to proceed with the analysis without meeting the prior criteria. For example, if the current zoning does not accommodate a likely candidate for highest and best use, but there is a possibility the zoning can be changed, the proposed use could be considered on that basis.

HIGHEST AND BEST USE AS THOUGH VACANT

An analysis of the subject's highest and best use as though vacant is necessary to set the premise for estimating the subject's land value by identifying appropriate vacant land sales to be used in the land valuation section of the Cost Approach. It also sets up the criteria for the highest and best

use of the property as it is currently improved.

Physically Possible

The physical characteristics of the parcel pose the first constraint on its possible uses. The parcel size, shape, and topography are important elements to the site and impact its overall utility. The total of the sight is 2.125 acres. Its rectangular layout does not place any restrictions on the size or configuration of most likely developments. It must be noted that the underground parking garage of the apartment project developed on the site occupies a significant portion of the site. If the site were vacant, the parking garage excavation would theoretically have to be filled. However, if filled, the gently sloping topography of the site would not pose any constraint to probable development. Also, the fact that the site fronts on three city streets would be a plus in terms of its development potential.

When analyzing what is physically possible when discussing highest and best use as improved, it is noted that the soils indigenous to the site appear to adequately support the existing improvements. Therefore, in terms of the highest and best use of the site as if vacant, it is reasonably safe to assume that improvements of a similar intensity to those currently on the site would be physically possible.

While we were unable to identify the soil type indigenous to the site from published sources, the blueprints that were prepared for the development of the subject property contain a note that soil bearing capacity was assumed to be 4,000 pounds per square foot at a minimum. This bearing capacity is

apparently adequate for low rise development, but it may not be adequate for more intense development.

Legally Permissible

The legal constraints effecting the site's possible uses are represented by the zoning code, and other outside legal encumbrances such as easements or the restrictions placed on the site by virtue of its being in the redevelopment district. In terms of zoning, permitted uses on the site are dictated by the uses allowed in the C9A zoning district. This is a high density residential district. In addition to the residential uses permitted by the district certain institutional uses are also permitted. The surrounding uses (i.e., the surrounding apartment project and the MSOE campus), logical uses for the site would be some sort of residential use or some type of building that would serve the MSOE campus. Notice that dormitories and schools are uses that are permitted as special uses within the C9A district.

The "preferred" uses for the site set forth in the Redevelopment Plan basically include low rise, mid rise, and high rise residential. Both the zoning and the Redevelopment Plan contain restrictions such as setbacks, permitted floor areas, etc. However, the major limiting factor is parking. Both require two parking stalls for every three dwelling units. Given the relatively high unit value of downtown versus suburban land, developers use underground or ramp parking for downtown residential development to maximize site productivity. This in turn drives up cost.

The zoning and redevelopment plan were analyzed in order to estimate the maximum building envelope that could be placed on the site. The redevelopment plan contains a maximum floor area ratio of 4 which means that the site could be improved with a building that would be approximately 370,000 square feet. Calculation of the maximum floor area that is allowed per zoning is a much more difficult task, given the iterations that would be necessary involving the equation for permitted floor area contained in the zoning ordinance. Basically, a developer would first have to design a project and then test the project against the equation in the zoning depending upon the surface open space and qualifying roof top open space that the developer has in the plan. However, it is apparent at a minimum the permitted floor area ratio per the zoning would be a floor area ratio of 5 which is greater than that allowed by the Redevelopment District. In any event, our analysis of both the Redevelopment Plan and the zoning indicate that a much larger building than the subject could legally be built on the site. However, while the redevelopment plan is clear that a building of approximately 370,000 square feet could be built on the site, the zoning is much less clear in that the zoning would require interpretation of an actual plan in order to see what the maximum building envelope would be allowed.

Financially Feasible

Of the logical uses for the site as if vacant, the feasibility or an institutional use such as an extension of MSOE would not be based exclusively on market conditions. Rather, the primary criteria would be administrative philosophy (i.e.,

continue to expand versus stand pat) and whether MSOE had sufficient funds to acquire the land and build some type of building. With respect to a residential use, the NEIGHBORHOOD ANALYSIS and MARKET ANALYSIS SECTIONS of this report discussed the change that has been occurring in the downtown residential market with the development of certain luxury apartment projects. It was noted that the new projects that have come on line have been forced to cut price and/or grant other consciousness in order to secure tenants. Further, the site is located a few blocks from the East Point Commons which has only seen completion of its first phase. This first phase is 186 units, and the total project is slated to be 700 units. These units will be brought on line as market demand so warrants. The main thing to note about the East Point Commons project is the fact that the equity partner in the project is WisPark Corporation, which is a development subsidiary of Wisconsin Energy. This means that East Point Commons has the advantage of having a deep pocketed equity partner. The other thing that has to be pointed out is that current costs are such that relatively high rents have to be achieved to make a project feasible. As a result, any new apartment units that get built are forced by virtue of the necessary high rents to compete at the upper end of the market.

This is the level of the market that has been experiencing problems of late. This means that any speculative multi-family project might be of questionable feasibility at this point in time.

The other element that drives the cost and calls into question the feasibility of a downtown apartment at present is the need for parking. Our analysis of what would be legally permissible on the site indicates that a much larger building would be allowed. Assuming a 370,000 square foot building were built on the site, and assuming that the building was 80% efficient (i.e., at living area represented 80% of the gross area), and using at an average size per apartment unit of 900 square feet, this would imply a building of 330 apartment units. A building of this size would require about 250 parking stalls per the zoning, but would require more parking stalls per market standards. At a 1 to 1 parking ratio, such a building would require 330 parking stalls. This would imply a multiple level underground parking garage. Obviously, this type of construction would drive up costs and hence the rents necessary to support the development. Given the fact that the luxury apartment market is suffering of late, and given the fact that financing for speculative real estate projects is extremely difficult to obtain in today's market, such a project would probably not be feasible. It is reasonable to assume that East Pointe Commons will absorb the demand in the market for 2 bedroom and townhouse style units as such demand presents itself. With East Pointe Commons having an equity partner that is a subsidiary of a utility holding company, a speculative developer attempting to compete with this project would be at a significant disadvantage. This would also be taken into account by any lender who would consider making the loan on a speculative project for the subject site.

Financial feasibility was tested in another fashion. Given the apparent maximum building envelope for the site of 370,000 square feet, a hypothetical new apartment development was tested using the following assumptions. Again, it was assumed that such a building would be 80% efficient, i.e., that gross livable area would represent 80% of total building area. At an average size of 900 square feet per apartment unit, this would imply a development of 330 units. Given the fact that 330 parking stalls would be necessary for marketing purposes for an apartment of this size, again, a multiple level underground parking garage would probably be necessary. Given the open space requirements found in the zoning, the building would probably have to be a mid-rise building. Given the parking requirements and the mid-rise nature of the construction, a reasonable cost per apartment unit, including land, would be approximately $62,500 per unit, or almost $21,000,000 for the entire development. Assuming an 11% constant on cost as a proxy for a return, and assuming expenses are at 50% of gross income (i.e., net income x 2 approximating gross income) the rent a such a development would need to achieve to be feasible would be approximately $1,150 per month per month. This is at the extreme top end of the current market. Given the current conditions in the luxury apartment market (e.g., concessions, relatively high vacancy, new units coming on line, etc.) such a project would be of questionable feasibility.

Financial feasibility was tested in another way. Notice that the development pattern in the neighborhood would suggest that not every owner would attempt to maximize the building

envelope on a given site. This is evidenced by not only the subject property, but also by one of the more recently developed apartment projects in the neighborhood, which is Courtyard Square. Therefore, to test feasibility, reasonable costs for a building the size of the subject were estimated. Because of the difference in framing type, story height, and overall quality, a building such as the subject could be built much more cheaply than the building in the previous example. Given the fact that underground parking would be necessary, a reasonable cost for a building similar to the subject would be in the neighborhood of $40,000 to $45,000 per unit. Note, however, that a developer building a similar sized building would have larger apartment units so therefore less apartments than the subject. Assuming a cost of $45,000 per unit for 180 apartment units, total cost would be $8.1 million. Applying an overall rate or constant of 11% to the total cost would indicate a net income of $891,000 is necessary to support that development cost. Using the same assumptions as above i.e., that expenses are 50% of gross income, the total project income that would be necessary for the project to be feasible would $1,782,000. This means that the apartments would have to rent for $825 per month on average for the project to be feasible. Again, this would be questionable in today's market. The above analysis indicates that current apartment development probably would not be feasible for the subject site. Therefore, if vacant, the site would probably remain vacant until multi-family development were feasible.

Maximally Productive

Based on the above discussion of possible, permissible, and feasible uses, it was found that the logical use of the site, which is as a speculative multi-family residential development, would be of questionable feasibility. The site would remain vacant as an interim use until development was feasible. The other logical use for the site that would be possible and permissible would be as an extension of the MSOE campus. MSOE has displayed a tendency over recent years to acquire land or adjacent buildings in an attempt to control both their campus environment and to secure space for future expansion. What this means is that if the site were vacant, even if a speculative residential project were not currently feasible, it would not be an unreasonable assumption to expect that MSOE might buy the site just to warehouse it. This means that even though a current speculative or income producing use might not be feasible, it does not mean that the vacant site would not trade in the marketplace.

HIGHEST AND BEST USE AS IMPROVED

An analysis of the subject property's highest and best use as improved is crucial in identifying the suitability of the improvements as they exist on the appraisal date for continued use, as well as identifying comparable sales and rentals to be used in the Sales Comparison and Income Capitalization Approaches to value. The highest and best use of the property as improved must also meet the four tests of being physically possible, legally permissible, financially feasible, and

maximally productive.

Physically Possible

Considering the subject parcel size and shape, and considering the fact that the soils adequately support the existing improvements, the existing improvements meet the test of being physically possible. The construction of the existing building is such that it can be altered. The ground floor and first floor are framed with load bearing masonry walls, precast concrete beams, posts and beams, and precast concrete planks. This means that the apartment units do not have interior load bearing walls which means that the interior walls can be rearranged to create different units sizes. The second and third floor framing system is less flexible, but is such that interior unit walls could be partially removed to create different unit sizes. Therefore, in addition to the current building as improved being physically possible, some alterations in unit sizes would also be physically possible.

Legally Permissible

As discussed earlier in the ZONING ANALYSIS section of this report, the current use of the subject improvements as multi-family residential is a permitted use and conforms to the zoning specifications of the C9A district as well as the requirements of the Redevelopment Plan. In addition, a less intense (i.e., larger unit sizes) residential use would also be a permitted use. Conversion of the building to elderly or student housing would also be consistent with the zoning

ordinance and the Redevelopment Plan.

In addition, conversion to condominium ownership would be allowed by the zoning since single family residential is a permitted use in the C9A district. A multi-unit condominium is also consistent with the preferred uses set forth in the redevelopment plan. Such conversion must be addressed when considering Transfer Preservation Value. Conversion of the project to a nonresidential use (e.g., office, retail, hotel) is not suggested by either the market or the building structure and will therefore not be considered in this analysis.

Financially Feasible

Given the purpose of this report (i.e., to estimate extension and transfer preservation value), our market analysis, and the preceding discussion of the initial tests of highest and best use, there are three alternative use scenarios that need to be addressed prior to testing what uses of the project might be feasible uses that should be tested under the maximal productivity criterion. These three alternative use scenarios are:

1. Multi-family housing open and accessible to all age groups which would include singles, couples, parents and children of all ages, and persons with disabilities. This scenario includes the notion of MSOE buying the property as student housing, because the price in this instance would be set by what an apartment investor would pay for the project. Basically, this scenario seeks to answer the question of whether or not the project will work as market rate rental housing without rental or mortgage assistance.

2. Multi-family housing limited to older persons as described in Exemptions and Exclusions section of the Fair Housing Amendments Act of 1988.

3. Condominium conversion.

The latter two scenarios imply greater risk. Elderly housing implies a limited market and the need for capital improvements and the creation of a business component to provide the additional services (e.g., food service, nurse on call, emergency call service, etc.) necessary to attract the elderly tenants. Condominium conversion is also risky given the potential adverse results if the conversion is not successful.

The first two scenarios relate to the extension preservation value of the subject property, whereas the condominium conversion scenario relates to the transfer preservation value of the project.

The subject property produces positive cash flow at the current below market assisted rent structure with the subsidized mortgage. However, we need to test the financial feasibility of the project on a market rate basis absent any subsidy. The first step in this process is to examine the demand for the units at the project. Our market analysis indicates that these units would have broad market appeal (e.g., young professionals working downtown, singles, MSOE students, some independent elderly, etc.). Financial feasibility was tested two ways. First, assuming expenses stay at 1991 levels, the project would need the following rent to achieve break even on an unleveraged basis at 100% occupancy.

1991 Operating Expenses	$628,204
Number of Units	÷ 222
Break Even Rent/Unit/Year	$ 2,830
12 Months/Year	x 12
Break Even Rent/Month	$ 236

This is an average rent of only about $0.47 per square foot per month, which is significantly less than the unit rents of comparable rentals found in the neighborhood. The second test was to reverse the process and do a preliminary leveraged analysis based on pessimistic assumptions (i.e., an easily achievable market rent and assuming 1991 expenses remain constant with higher management fees, compliance costs, etc.) a gross rent of $425 per month was used in this analysis.

Rent per Month	$ 425
Number of Units	x 222
Number of Months	x 12
Gross Income	$1,132,200
Expenses	- 628,204
Net Income	$ 503,996
Debt Coverage Ratio	÷ 1.2
Debt Service	$ 419,996

The default point (i.e., operating expenses plus debt service divided by potential gross income) indicated by this analysis is 92.6%. This means the project would have to achieve 92.6% occupancy at $425 gross rents (with no credit for other income such as laundry and parking) to support a mortgage with debt service of $420,000 per year, which would imply the ability to obtain a mortgage amount of about $4 million in today's market. Not only does the above analysis indicate that the project has significant positive value potential, but these pessimistic assumptions support a debt amount that alone would take out existing investors in the project and provide them with a significant pre-tax gain. The use of the subject, as improved, as market rate rental units is therefore financially feasible.

The potential financial feasibility of elderly housing was first examined in terms of market demand. The project's population is already predominantly an elderly population, with 70% of Jefferson Court residents age 65 and over. We interviewed the owners of Jefferson Court to find out why the project had an older population. The answer was the affordability of the rent and the location, with affordability cited as the primary reason. This means that the elderly population did not necessarily move to Jefferson Court because it was the ideal apartment project for elderly, they moved there because they could afford it. Recall that our market analysis clearly indicated that the elderly market for those persons who could afford the market rent at the subject property is not deep. Given our analysis of the subject census tract added to the much larger area including surrounding census tracts, we found that there were 781 people aged 65 and over in this area who could afford the market rent for the subject property. In addition, the census tracts studied indicated that the housing units in the area are predominantly renter occupied units. Again, of the housing units found in this area, over 85% of the units are renter occupied as opposed to owner occupied. What this means in terms of an independent elderly population is that these people are probably already in apartment units, which is different from the typical scenario of an elderly person moving from a single family home they can no longer afford into some sort of independent elderly apartment complex. In terms of financial feasibility, an apartment project restricted to a

shallow market is far less likely to be feasible than one able to address a broad market. In the context of the subject, with having been demonstrated that the elderly market is not deep, one would seriously question why a developer would limit his or her tenant base to this group. This is especially true given the fact that the location of the project suggests that it would have broad appeal to clerical workers and young professionals working downtown and to MSOE students. Also, as indicated earlier, the notion of attempting to restrict the project to elderly use would require the owner to add certain upgrades and amenities necessary to gear the project to appeal to this market segment. Such improvements would possibly include an intercom or emergency call system, more community room area, a dining room, etc. Again, one would have to seriously question why one would increase his our her risk position by added expenditures in the face of what appears to be a shallow market. Finally, if a new owner held the project available for market occupancy, those elderly that found it convenient to live at the project and/or did not have a problem living with younger groups could still live there. Given the above analysis, and especially the apparent shallow market and risks associated with restricting the project to elderly occupancy only, such an option is of questionable feasibility at best and would be far more risky and less preferable than unrestricted market rate rental housing.

The third scenario examined was the notion of condominium conversion. First, the project does not have the amenities, construction type, or unit sizes that would suggest condominium conversion. Condominium conversions involving projects with

efficiencies and small one bedroom units in the downtown area have historically not been very successful (e.g. The Fenwick). Also, the fact that the subject property does not have 1 to 1 parking mitigates heavily against condominium conversion. Those condominium conversion projects in the downtown area that have been successful are typically luxury projects, or older apartment buildings with large units that have ambiance characteristic of their age (e.g., hardwood floors, unique architectural features, etc.). Given these negatives and the substantial construction that would be necessary to convert the project to condominiums (i.e., an almost total gut and rehab), the likelihood of condominium conversion being feasible is extremely remote. Therefore, there is no difference between extension and transfer preservation value in this case because a higher and better use different from market rate rental housing cannot be demonstrated.

Maximally Productive

The highest and best use that has emerged as being financially feasible for the subject property is market rate rental. Now, it is necessary to evaluate that use in the context of the subject building to determine whether or not the subject improvements should be altered to maximize the productivity of that use. It has been pointed out that the 1 bedroom units are much smaller than market standards. This begs the question of whether or not to alter the floor plan of the property to create larger units in order to increase its productivity. In addition, the other question that must be

answered is whether or not certain amenities would have to be added to the project to make it appeal to the broader market (e.g., exercise room, party room, swimming pool, etc.). However, our market research indicates that one of the reasons the property would appeal to an investor is because it is in the market niche that is currently performing best. That is to say, the market for efficiencies and smaller 1 bedroom units is currently much tighter than that for 2 bedroom units. In addition, our market analysis suggests that there would be a broad enough group of tenants to whom the small units would not present a disadvantage such as students, downtown workers, etc. It is interesting to note that the project across the street (Courtyard Square) actually converted some of its 2 bedroom units to 1 bedroom in order to capture this market segment. Given the construction of the project, it would be possible for an owner to convert some of the 1 bedroom units to 2 bedroom occupancy. It is more likely than not that a buyer would buy the project as is and perhaps tinker with it downstream should occupancies not be as healthy as we are projecting in this appraisal. It is less likely that a new buyer would alter the units up front. In other words, if the units can be rented as is at a healthy return, why would someone alter them? Further, since the per square foot rents of smaller units have been amply demonstrated as being higher than that of larger units, it would only make sense to make the units bigger if the smaller units could not be rented. In terms of the other issue, which is the addition of amenities, the community rooms that exist could be

used as party rooms or for another purpose such as an exercise room. This situation is similar to the situation of whether or not to increase the unit size, in that it is unlikely that a new owner would spend significant dollars to make such alterations unless it was found that the units could not be rented without providing such amenities. Given the apparent broad market for the units, it is more likely than not that the project can be rented without having to make a significant upgrade in terms of amenities. A new owner would, however, certainly make expenditures in terms of redecorating, upgrading and painting the apartment units as necessary as they convert from subsidized to market rate occupancy. This will be addressed in the conversion cost estimate later in this appraisal.

Therefore, it is our conclusion that the highest and best use of the property as improved is a continuation of the present pattern of utilization.

Probable Buyer Profile

Since the use of the property has now been identified, it is also useful to identify the logical buyer type that would be most likely to buy the property if it were offered for sale. Identification of the probable buyer helps in terms of identifying the types of analyses to be used to value the property. Given the small unit sizes and the fact that the property does not have a 1 to 1 parking ratio, it is not likely that the property would appeal to an institutional type of buyer. However, given the magnitude of the probable purchase price for the subject property, the universe of individual

investors who would be interested in buying the property is small. It is most likely that the property would be purchased by a local investor group, familiar with the location and able to provide the management necessary to keep the project operating smoothly given the type of tenant population it will probably attract. The fact that the project would tend to attract students and young professionals just starting out and some elderly would mean higher than average turnover, and the mix of tenants would require stricter management than an all-elderly project. This probable buyer type is also suggested by the fact that a significant number of downtown and near east side apartment are owned by local investor groups. Therefore, the investment criteria for this probable buyer type need to be considered in the valuation of the property.

VALUATION

INTRODUCTION

The actual valuation of the subject property is the culmination of the systematic analysis of the property done in the earlier stages of the appraisal process. This process has provided the framework within which the value of the property will be estimated, in effect setting stage for the application of the various methods that will be used to value the property.

There are three traditional methodologies or approaches that are typically used in the valuation of real property, which are briefly summarized as follows:

1. The Cost Approach, which provides a value indication via estimation of the current cost of reproducing or replacing the property's improvements, less any loss in value from all forms of depreciation and obsolescence, plus the land value;

2. The Sales Comparison Approach, in which a value indication for the subject property is derived by analysis of recent sales of comparable properties; and

3. The Income Approach, which involves evaluation of the property's earning potential to derive an estimate of net income, which is then capitalized at an appropriate rate to indicate value.

Although each approach provides a separate value indication for the property being appraised, the three approaches are interrelated. Analysis and data used in the application of one approach are integrated into the other approaches. The final step of this process is the reconciliation process, which entails an evaluation of the approaches in concert with one another and in the context of the balance of the report to derive a final value estimate.

LAND VALUATION

The first step in the cost approach is valuation of the subject land. As discussed in the Highest and Best Use section of this report, land is valued as if vacant and available for its highest and best use There are numerous methods by which land can be valued, including (1) the sales comparison approach, (2) the allocation method, (3) the development method, and (4) the land residual and ground rent capitalization method.

When there is sufficient data available, the most reliable method of estimating land value is the sales comparison method. First, it is the most direct and easily understood approach;

land value is based on the prices that other, similar parcels have recently sold for. Second, this approach best reflects the behavior of market participants, who gauge the price at which they might buy or sell a parcel by "comparison shopping" in the marketplace.

In the case of the subject property, there are two viewpoints from which one must consider the valuation of the subject site as if vacant. First, the C9A zoning and the Redevelopment Plan restrict the use of the site to multi-family residential. Buyers of apartment land typically view land in terms of dollars that can be expended for land per apartment unit. In other words, given the apartment package that can be built on a site and its budgeted cost, and given the rent potential of the project and the returns necessary to debt and equity, what amount can be paid for the land and still make the overall project work? However, even though apartment developers typically view land in terms of land cost per unit, another likely buyer of the site if it were vacant would be MSOE. Again, MSOE has exhibited a pattern of expansion and a desire to control their environment. MSOE might view the site in the context of other downtown land sales, and it is possible they might pay some sort of premium to control the site. MSOE does have a shortage of housing, so the zoning and Redevelopment Plan restrictions would probably not be viewed as negatives since a likely use of the site would be some sort of student housing.

In order to value the site, we first researched downtown land sales. Notice that there are very few, if any, "clean"

land sales downtown. Since the downtown area is almost 100 percent developed, most sales involve a purchase by an adjoining owner, and assemblage, or purchase of an improved parcel with the need to raze improvements. We reviewed over 30 downtown land sales and have summarized those sales we deem relevant on the following pages. Since there has been only one recent sale of land for multi-family use downtown (East Pointe Commons), we also examined other multi-family land sales in the Milwaukee Area. These summaries are included in the following land sales summaries.

Land Sale Number 1

Location:	501 East State Street Milwaukee, WI 53202
Property Type:	Vacant Commercial Land, C9D Zoning
Sale Date:	February 19, 1989
Sale Price:	$204,000
Size/Area	50,920 square feet
Price per sq ft:	$4.00
Grantor:	Redevelopment Authority of the City of Milwaukee
Grantee:	Milwaukee School of Engineering (MSOE)
Document:	R2302-1476, Doc. # 6251595

Comments:

This sale involved the purchase by MSOE of a parking lot that MSOE had been leasing from the Redevelopment Authority. MSOE lost parking when the Redevelopment Authority condemned the land to create the site for the 1000 North Water Street Office Building. What MSOE did upon losing that parking land was negotiate with the city to cause the city to sell them the parking lot at 501 East State Street that MSOE had been leasing. The sale was based upon an appraisal independently contracted by the Redevelopment Authority. Notice that the relatively low unit price of $4.00 per sq ft is based upon the fact that this site is restricted by the East Side A Redevelopment Plan for use as public or semi-private use. These restrictions were felt to limit the value of the site. This sale provides some background as to what MSOE might be willing to pay for land in the subject neighborhood.

Land Sale Number 2

Location:	408 East State Street Milwaukee, WI 53202
Property Type:	Vacant Commercial Land, C9D Zoning
Sale Date:	April 1, 1992
Sale Price:	$212,725
Size/Area	42,779 square feet
Price per sq ft:	$4.97
Grantor:	Redevelopment Authority of the City of Milwaukee
Grantee:	Milwaukee School of Engineering (MSOE)
Document:	Warranty deed, R2763-847, Doc. # 6599957

Comments:

This property is located at the northeast corner of Milwaukee and State Street. MSOE uses the area as well as the land that is the site of Land Sale Number 3 as an outdoor recreation area. This sale is the result of MSOE exercising an Option to Purchase that was dated November 9, 1981. This option is recorded on reel 1469-1336. This site and the site described in Land Sale Number 3 were optioned under the same agreement. The reason that the option for Land Sale Number 2 was exercised at a later date is because MSOE waited for certain contractual restrictions related to the use of that site set forth in the option agreement to expire, allowing MSOE more freedom as to the use of the site. The option originally called for development of a recreational facility, which MSOE did not want to be forced to develop. This sale provides some background as to the price MSOE is willing to pay for land in the neighborhood. In addition, it reinforces the notion that MSOE is continuing to expand in the neighborhood via ownership and is continuing to attempt to control its environment.

Land Sale Number 3

Location:	428 East State Street Milwaukee, WI 53202
Property Type:	Vacant Commercial Land
Sale Date:	September 16, 1982
Sale Price:	$279,726
Size/Area	69,769 square feet
Price per sq ft:	$4.02
Grantor:	City of Milwaukee
Grantee:	Milwaukee School of Engineering (MSOE)

Comments:

This site was purchased as a result of the exercise of the overall option agreement that controlled the sites at

408-428 East State Street (i.e., Land Sale Number 2 and 3). This site was also part of the site of the former Jefferson Street School, which burned down some years ago. Again, this information is useful in that it provides some background as to what MSOE has been willing to pay for land in the neighborhood. It is reasonable to expect that MSOE would review any land purchases that they have made in the neighborhood when calculating the purchase price of another site that might be available in the neighborhood.

Land Sale Number 4

Location:	1108 North Milwaukee Street Milwaukee, WI 53202
Property Type:	Vacant Residential Land
Sale Date:	September 27, 1983
Sale Price:	$236,000
Size/Area	116,582 square feet
Price per sq ft:	$2.02
Price per Apartment:	$2,000
Grantor:	Redevelopment Authority of the City of Milwaukee
Grantee:	Courtyard Square
Document:	Tax Key Number 393-0423

Comments:

Property subsequently developed with the 118-unit Courtyard Square Apartments. City of Milwaukee provided Housing Authority Bonds to permit low income housing.

Land Sale Number 5

Location:	600 East Kilbourn Avenue and 600 East State Street Milwaukee, WI 53202
Property Type:	Vacant Residential Land
Sale Date:	December 18, 1985
Sale Price:	$510,930
Size/Area	131,750 square feet
Price per sq ft:	$3.87
Price per Apartment:	$1,460
Grantor:	Housing Authority of the City of Milwaukee
Grantee:	Yankee Hill Partners Limited Partnership
Document:	5874476, Reel 1829 Image 72, Tax Key numbers 392-1444-100 and 392-1463-100

Comments:

This is the purchase of the Yankee Hill site, which was developed with two high-rise towers and townhouses that have a total of 350 units.

Land Sale Number 6

Location:	716 East Ogden Avenue, 830 East Ogden Avenue, 916 East Ogden Avenue, 1009 East Ogden Avenue, i.e., land between Ogden Avenue and Lyon Street from Van Buren to Astor Street, also the northwest corner of Ogden and Astor.
Property Type:	Vacant Residential Land
Sale Date:	July 20, 1989
Sale Price:	$150,000
Size/Area	296,112 square feet or 6.797 acres
Price per sq ft:	$0.51
Price per Apartment:	$214.29
Grantor:	Caldwell/MRC Joint Venture
Grantee:	TCR/MRC Joint Venture
Document:	Warranty Deed recorded on R2428-170 Document number 6361493

Comments:

This is the sale of the Park East freeway corridor land from the initial development group to the developer that started the project. TCR is Trammell Crow Residential; MRC is Milwaukee Redevelopment Corporation. The initial developer was unable to secure financing and could not get the project off the ground. The current development groups involves a former partner in TCR (Barry Mandel), with an equity infusion by Wispark Corporation, a subsidiary corporation of Wisconsin Energy. The first phase of this project has been built (188 units), with the total project to include 700 units and a neighborhood shopping center. Since this is a redevelopment project, it is probable that the land price was held low as an inducement to the developer.

Land Sale Number 7

Location:	6100 West Loomis Road Greendale, WI
Property Type:	Vacant Residential Land
Sale Date:	November, 1988
Sale Price:	$450,000
Size/Area	8.9 acres
Price per sq ft:	$1.16
Price per Apartment:	$4,891
Grantor:	St. Alphonsus Church
Grantee:	Continental Properties Company, Inc.

Comments:
Site of Dale Creek Apartment, a 92 unit suburban garden project. This comparable was included because it was an infill site in an almost fully developed area.

Land Sale Number 8

Location:	3400 East Ramsey Avenue Cudahy, WI 53110
Property Type:	Vacant Land Rezoned Residential
Sale Date:	June 19, 1990
Sale Price:	$120,000
Size/Area	2.514 acres
Price per sq ft:	$0.91
Price per Apartment:	$2,308
Grantor:	Ladish Company, Inc.
Grantee:	Parview Development and Management, Inc.
Document:	Reel 2460 Image 640 - Warranty Deed.

Comments:
This site is an infill site in Cudahy which was developed with moderate income elderly housing (52 units) using Section 42 tax credits.

In addition to the above sales, we reviewed over a dozen land sales for suburban low-rise multi-family projects. These sales exhibited a range of $2,300 to $5,000 per apartment unit, with a central tendency of about $3,200 to $3,500 per apartment unit. Typical density of these suburban projects is 12-15 units per acre. The subject's density is just over 100 units per acre. As density increases, unit land prices tend to decrease.

The comparable sales analyzed indicate that MSOE has been paying about $4-$5 per square foot of land for sites in the subject neighborhood. These sites have typically been more restricted in terms of uses allowed per the Redevelopment Plan, meaning that the site would command a premium since it could be more intensively developed. In addition, the site could be developed with a use that would produce more income which is

another reason it would command a premium. Given these historic sales a reasonable premium might be 50% over the level of these sales. This would indicate a unit price range of $6-$7.50 per square foot of land area. Recall that our Highest and Best Use analysis indicated that high-rise multi-family development is currently not feasible for the subject site. Using the current pattern of utilization of the site (i.e. 222 units) the above unit land prices would indicate a range of unit prices per apartment unit of $2,500-$3,125 per unit. Since a multi-family development of an intense scale was shown to be currently infeasible, it is not likely that an apartment developer competing for the site with MSOE would start a bidding war and pay a premium. Therefore, a value towards the lower end of the range is judged more appropriate in this case. Given the above, a value between $6 and $7 per square foot or approximately $6.50 per square foot is judged to be a reasonable estimate of the subject's land value. This would provide for a total land value estimate of $601,672, which will be rounded to $600,000.

THE COST APPROACH

The cost approach to value is based on the principle of substitution which holds that a prudent investor would pay no more for a property than the cost of acquiring a site and constructing improvements of equal desirability and utility provided that such improvements can be built without undue delay. The estimated cost new for the improvements is adjusted for all losses in value found to affect the subject property as a result of all forms of depreciation and obsolescence. Thus,

an indicator of the value of the subject property using the cost approach is derived via an estimate of the cost new of the improvements, less depreciation and obsolescence, plus land value.

The cost approach is held to be a reliable indicator of value when the improvements represent the highest and best use of the land and are relatively new. Also, the cost approach is typically used for special purpose properties. The cost approach is held to be less reliable for properties that are older or which typically suffer from a higher degree of depreciation and/or obsolescence.

The subject valuation problem involves the estimation of value of a project that was designed and built as low-income housing, assuming such housing will be converted to market rate occupancy. What this means is that if built today, an apartment project on the subject site would be designed specifically for such market rate occupancy. As a result, a developer or owner would not have to "live with" any functional obsolescence that is incorporated in the subject as a result of its having been designed for low income occupancy (e.g., small apartment units, limited amenities, less than one-to-one parking, etc.). Also, the subject property is approximately 20 years old, which would make the estimation of depreciation and obsolescence difficult. Given the above, and the fact that apartment investors buy primarily based on income potential, the cost approach is deemed to be inappropriate as a means to estimate the value of the subject property. It will, therefore, not be employed in this

report. However, certain cost analysis will be used in the estimation of the conversion costs of the property from subsidized occupancy to market rate occupancy.

THE SALES COMPARISON APPROACH

The Sales Comparison Approach, or Market Approach, involves deriving an indication of value for the subject property via analysis of recent sales of similar properties. The Sales Comparison Approach rests on the principle that a prudent person would pay no more to buy a property than the cost of buying a comparable or substitute property. This approach is generally favored when an adequate number of sales and comprehensive information about these sales are available. Another advantage of this approach is that it utilizes actual market transactions and therefore incorporates the actions of buyers, sellers, investors, and/or users.

As indicated above, this approach is only applicable when a sufficient number of sales exist to be analyzed and when sufficient information on these sales can be obtained and verified. This is especially critical in today's marketplace given the complexity of transactions and properties. The appraiser must have sufficient information about all of the comparable sales used in the approach in order to be able to adjust for those items of dissimilarity between the comparable and the subject. The approach is considered less reliable when information cannot be obtained to reliably adjust for dissimilar characteristics.

In applying this approach, the sales considered comparable to the subject property are adjusted using relevant units of comparison to account for the differences between the comparable properties and the subject. The adjustments are made from the comparable to the subject, meaning that the sale prices of the comparable are adjusted to provide an estimate of what the comparable might have sold for in today's market if it had the same salient characteristics as the subject.

A variety of units of comparison are used for analysis in the comparison approach, depending on the type of property being appraised and the data that is available. Typical units of comparison for apartment projects might include price per gross square foot and price per apartment unit, along with gross rent multipliers.

In the local market, apartment projects are generally compared on a price per apartment unit basis, as is typical of most markets. Price per gross square foot is sometimes considered also. This comparison can be affected by a number of factors, such as property age, unit mix, construction quality, land to building ratios, property condition, and, of course, relative income and expenses. Also, since any number of these items can vary simultaneously, it is often difficult to account for the variation in unit price accounted for by one given characteristic unless sufficient market evidence allows for its quantification.

Another method of comparison and valuation is the use of multipliers, including the gross rent multiplier ("GRM"), which

is the ratio between sales price and gross rental income and the effective gross income multiplier ("EGIM"), which is the ratio between sales price and effective gross income. The income multiplier method has some credence when it can be demonstrated that a pattern exists between the gross incomes and sale prices of properties having similar financing terms, expense ratios, and occupancy levels.

As indicated earlier in the MARKET ANALYSIS section of this report, the apartment sales market has been relatively slow over recent years. The reasons cited included the fact that there were few good apartment projects for sale. This is primarily due to limited reinvestment options, the lack of favorable capital gains treatment, and current low interest rates (i.e., an owner can simply refinance rather than sell). As a result, there have been few sales from which to draw comparisons in order to perform the market approach.

We have reviewed sales of apartment projects throughout the metropolitan area and remain current on sales activity as it occurs in the market. We have reviewed over 2 dozen sales of larger apartment projects throughout the Metropolitan Milwaukee area including those sales known to have occurred in the downtown and near east side markets. In general, apartments in Milwaukee over the past few years have sold at unit prices ranging from just under $10,000 to just over $50,000 per unit, with a central tendency of between $20,000 and $35,000 per unit. In terms of geographical preference, our sales analysis indicates that certain groups active in the market tend to

concentrate on certain market areas while other investors are not necessarily location-specific. Given the fact that there are not many good apartment projects for sale, it is reasonable to assume that investors interested in owning apartments will expand their scope of search and look throughout the metro area. However, such investors would still look to the specific location of a project in order to gauge market rents and upside potential. Therefore, while some general trends emerge from analyzing sales that have occurred throughout the metropolitan area, apartment investors are still primarily motivated by income and return potential. Recall that the investors interviewed cited their primary criterion as being a reasonable cash flow return, with 10% cash-on-cash typically cited as a necessary initial going-in rate. However, most investors indicated that given the supply of good apartment projects available for sale, they would be willing to accept a lesser cash-on-cash return. It is interesting to note that none of the investors interviewed cited a gross rent multiplier or gross income multiplier as an investment criterion. The investors interviewed also cited location as one of the most critical factors evaluated when analyzing a potential apartment investment.

The above discussion indicates that the primary search for comparable sales should therefore be restricted to the market area in which the subject property interacts. We reviewed recent comparable sales that have occurred in the downtown and near east side markets. Our sources of information included information contained in our files, a search of public records,

and an interview with the assessor responsible for handling apartment assessment in the City of Milwaukee. Based on this search, the comparable sales that were judged to provide insight into the value at which the subject might trade are listed on the following pages. A map showing the location of these sales is found in Appendix J. In addition to actual sales, one current offering was included in our analysis.

In analyzing the comparables, it is necessary to discount Sale 3 because the complexity of the transaction made it impossible to estimate the cash equivalent price of that sale. Also, it was bought prior to a comprehensive remodeling program. Sale 2 provides some background as to what a building with small one bedrooms might sell for, but again, this was a sale of a troubled property that needed work. The remaining sale indicated a range from $25,385 per unit to $34,444 per unit, with the asking price of the current market offering at $29,523 per unit. The sale at the high end of the range is clearly much superior to the subject in that it has larger units and apparently has condominium conversion potential. Also, it is in walking distance of St. Mary's Hospital and close to UWM and investors typically pay higher prices in this neighborhood because of the captive market. Sale 2 is judged to be inferior to the subject property. This project has had a history of problems and was bought on a turn-around basis according to the buyer. The price indicators reflected by the offering are judged to be high since this is an asking price. In addition, the price indicators reflected by the offering (Prospect

Comparable Improved Property Sale Number 1.



Location:	2544 North Frederick Avenue 2545 North Maryland Avenue Milwaukee, Wisconsin
Tax-Key Number:	319-0497-120-3/319-0497-110-6
Legal Description:	2544 North Frederick Avenue - Mitchell Heights in SW 1/4 SEC 15-7-22 blk 9 lot 8 & N 30' of lot 7. 2545 North Frederick Avenue - Mitchell Heights in SW 1/4 SEC 15-7-22 blk 9 lot 1 & N 30' of lot 2.
Site:	
Size	30,480 square feet/.70 acres (15,240 square feet each address)
Dimensions	Each Lot 20' x 127'
Zoning	RB-60
Land to Building Ratio	.547:1
Sales Date:	July, 1991
Sales Price:	$2,341,000
Per sq.ft. of building	$42.00
Per unit	$27,869
Seller:	Julius and Ann C. Garber
Buyer:	Ralph and Roberta Gorenstein
Recording Data:	R2610-945, Doc #6515224
Terms of Sale:	Land contract. $241,000 down with $2,100,000 at 9.2% due in June of 1997.

Cash Equivalency Analysis:	The interest rate on the land contract was about .25% less than market, so this does not imply a significant premium.
Building Description:	
Type of Construction	Both buildings are referred to as Webster Terrace East/West. Each has central heat and an elevator in each building.
Size	55,734 square feet (27,867 square feet each)
Year Built	1964
Floors	3 plus basement
Number of Units	84 total
Number of Rooms	126 per building, 252 total
Unit Breakdown	
12 small 3 bedroom	
72 1 bedroom	
Unit Size	664 square feet
Items included in rent	Heat, hot water, gas, refrigerator, range, carpet, wall air-conditioner
Parking Areas	Open parking below each building. 30 spaces per building.
Income Data:	
Rental Revenue	Current asking rents start at $400 per month.
Parking	Included
Laundry	below
Gross Monthly Income	$34,964 (per assessor)
Gross Annual Income	$419,580
Occupancy	N/A
GIM/GRM	5.7/N/A

Comments:

The property transferred in June of 1990 from Calvin Aken to Garber for $2.39 million ($28,452 per unit). We were unable to confirm why there was an apparent decrease in price/value.

Comparable Improved Property Sale Number 2.



Location:	1029 East Knapp Street Milwaukee, Wisconsin
Tax-Key Number:	360-0991-100-0
Legal Description:	1029 East Knapp Street Condo etc. SW 1/4 SEC 21-7-22. All units as recorded in Declaration Doc #5467800R136-1577 and undivided trust and common areas and facilities (91 units)
Site:	
Size	22,340 square feet/.513 acres
Dimensions	25' x 180' x 17' x 80'x 8' x 100'
Zoning	C9A
Land to Building Ratio	.399:1

Sales Date:	April 27, 1990
Sales Price:	$2,310,000
Per sq.ft. of building	$41.28
Per unit	$25,385.00
Seller:	Shoreline Manor Associates
Buyer:	R. Max Samson and Harry E. Samson (Eastmore Trust) Leonard S. Sobczak and Florence R. Sobczak, Trustees
Recording Data:	R2444-952, Doc #6375753
Terms of Sale:	Samson and Eastmore Trust took out a mortgage for $1,848,000 with Security Savings and Loan in April of 1990.
Cash Equivalency Analysis:	Property sold with third party debt.

Building Description:

Type of Construction	
Size	55,965 square feet
Year Built	1951
Floors	8 plus basement
Number of Units	91
Number of Rooms	275
Unit Breakdown	
42 1 bedrooms at $428	
49 1 bedrooms at $420	
Unit Size	615 square feet
Items included in rent	Heat, hot water, refrigerator, range, air conditioning
Parking Areas	22 spaces at $35 each 22 spaces at $55 each

Income Data:

Rental Revenue	$38,556 per month
Parking	$1,980 per month
Laundry	$250 per month
Gross Monthly Income	$40,786 (estimated)
Gross Annual Income	$489,432
Occupancy	N/A
GIM/GRM	$4.72/N/A

Comments:

The assessor noted that the property was on the market for some time and the seller was in financial trouble before the 1990 sale.

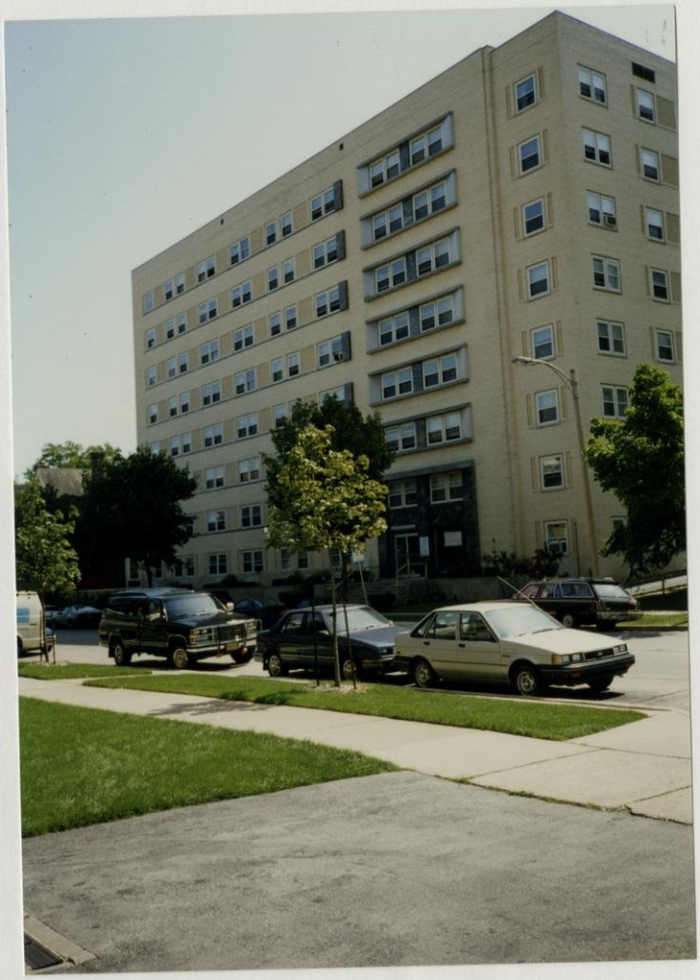
In December of 1984 Real Estate Warehousing, Inc. and Cedarwood Development, Inc. conveyed the property by quit claim deed to Shoreline Manor Associates. In 1989 KCC Shoreline Manor Ltd became the debtor in possession, recorded by warrantee deed Doc #6280915. This deed was delivered subsequent to default under a mortgage in 1984 between Real Estate Warehousing Inc. and Shoreline Manor Associates. The deed was given pursuant to order of the U.S. Bankruptcy Court for the Eastern District of Wisconsin in Case #88-04718. The building is a HUD 608 Building.

We confirmed the $2.31 million sale price and the above rent structure with Mr. Leonard Sobczak. Mr. Sobczak indicated that the building had occupancy problems the time of sale. They bought it because they felt it was favorably priced as more of a turn-around and had upside potential given the positive indicators for the neighborhood (e.g., East Point Commons). He indicated they currently have 18 vacancies (20%) and that the east side market in general is soft. He also felt the small size of the one bedroom units was a problem. He indicated that the property was purchased based on a 12% cash-on-cash return.

The property had deferred maintenance before the 1990 sale. The buyer has not done significant updating or redecorating, which may be contributing to the vacancy.

The condition, location, and vacancy problem would make this comparable inferior to the subject.

Comparable Improved Property Sale Number 3.



Location:	1041 East Knapp Milwaukee, Wisconsin
Tax-Key Number:	360-0812-X
Legal Description:	Eastman's subt of se'ly blk, etc in E 1/2 of SW 1/4 21-7-22. Lots 17-18 and E 35' lot 16 and W 77' lot 2 blk 196 Roger's Add'n and Adj 1' Lot 3 on N
Site:	
Size	29,181 square feet/.67 acres
Zoning	C9A
Land to Building Ratio	.319:1

Sale Date:	January 3, 1990
Sale Price	$3,040,000
Per sq.ft. of building	$33.28
Per unit	$21,870.50
Seller:	Davenport College of Business
Buyer:	Daniel Katz
Recording Data:	R2407-707, document #6343536
Terms of Sale:	College to lease units until April 1991. The school phased-out floor-by-floor until April 1991. Seller responsible for DIHLR energy compliance and asbestos removal. The two parties agree to share tax savings of $90,000 (50/50). Assessors records indicate that there were credits of $140,000 back to Katz in the transaction. Seller financing included a $200,000 mortgage at 8% for 5 years ($1,333.32 payments) with a January 3, 1995 balloon.
Cash Equivalency Analysis:	See below.

Building Description:

Type of Construction	The building has central heat.
Size	91,336 square feet
Year Built	1951
Floors	8 plus basement
Number of Units	139
Number of Rooms	388
Unit Breakdown	
29 - 2 room	
110 - 3 room	
Unit Size	600 square feet
Utilities included in rent	Heat, hot water, refrigerator, range
Parking Areas	
32 surface spaces	
23 garage spaces	

Income Data:

Rental Revenue	All included below per assessors records. Current one bedroom rents start at $400 per month and go up to $525 per month.
Parking	N/A
Laundry	N/A
Gross Monthly Income	$57,325 (with parking and laundry)
Gross Annual Income	$687,900
Occupancy	Currently 98%
GIM/GRM	4.7/N/A

Comments:

Mr. Katz took out a $3,050,000 mortgage with First Financial Bank in 1990. Mr. Katz was planning $340,000 in rehab expenses (i.e., total investment of $24,316 per unit).

The complexity of this transaction makes accurate estimation of a cash equivalent price difficult. However, the favorable terms of the second mortgage and credits back to the buyer indicate an effective price lower than the nominal transaction price. When interviewed, Mr. Katz felt that the cash price actually ended up being close to the nominal price.

The location and condition (before rehab) make this sale inferior to the subject.

Mr. Katz thoroughly redecorated the project and reported it has experienced good leasing activity. He indicated that they currently had only three vacant units left. He reported that the tenant mix is 90% singles, couples, students, and young professionals, with about 10% elderly. He did not include the addition of air conditioners in his rehab, noting that his project with the updated units has been renting, while the project next door (see Sale 2) which has air conditioning still has significant vacancy.

Comparable Improved Property Sale Number 4.



Location:	2535 North Prospect Avenue Milwaukee, Wisconsin
Tax-Key Number:	319-1171-100-4
Legal Description:	Lexington Manor Condominium in SW 1/4 SEC 15-7-22 units 101 thru 118 & 201 thru 218 & 301 thru 318 & undivided interest in the common areas & facilities (54 units)
Site:	
Size	23,075 sq ft/.5297 acres
Dimensions	128.17' x 180' x 128.22' x 180'
Zoning	RB-60
Land to Building Ratio	.5156:1
Sales Date:	September 25, 1989
Sales Price:	$1,820,000
Per sq.ft. of building	$40.66. $41.56 based on C.E.P.
Per unit	$33,704. $34,444 based on C.E.P.
Seller:	Ted Kellner, Alvin K. Krug, Donald S. Wilson, d/b/a TAD Company
Buyer:	Daniel Katz
Recording Data:	R2382-1335
Terms of Sale:	Mortgage for property was assumed at $1,280,873.43. Existing mortgage of 11-3/4% can not be paid until 1991.

Cash Equivalency Analysis:	Property negatively affected by high interest rate on assumed debt. Market rates at that time were 10%+/-. The indicated penalty is $40,000 over 2 years for a C.E.P. of $1,860,000.

Building Description:

Type of Construction	The building has elevator and central heat. Masonry construction
Size	44,751 sq ft
Year Built	1969
Floors	3 plus basement
Number of Units	54
Number of Rooms	204

Unit Breakdown

12 3 room units (1 bdrm, 1 bath)
24 4 room units (1 bdrm, 1 bath)
18 4 room units (2 bdrm, 1 bath)

Unit Size	828 sq ft (Average)
Items included in rent	Heat, refrigerator, gas range, dishwasher, carpet, disposal
Parking Areas	48 basement parking spaces

Income Data:

Rental Revenue	
Parking	Year round parking between $40 and $45 per stall per month
Laundry	N/A
Gross Monthly Income	$29,550
Gross Annual Income	$354,600 - Estimated (Does not include laundry)
Occupancy	Not known.
GIM/GRM	5.24/N/A

Comments:

The property is located on the southwest corner of North Prospect and East Webster and referred to as Lexington Manor.

The buyer has indicated that a 10% cap rate was desired for this transaction before taxes.

The legal description indicates that condominium conversion was contemplated, but this has not taken place.

We confirmed the sale with the buyer, who indicated that this was more of a "yuppie" or upscale project in his opinion. He said he was currently adding parking by paving the area between the buildings.

This project is of better quality and has larger units. Also, it is nearby St. Mary's Hospital and close to UWM. It is superior to the subject.

Comparable Improved Property Listing Number 1.



Location:	1646 North Prospect Milwaukee, Wisconsin
Tax-Key Number:	359-0296-5
Legal Description:	Rogers' Add'n in SE 1/4 SEC 21-7-22 Vol 1 P40 Block 199 NE 100' Lot 17 Exc. R.R. and NWLY 7' for street.
Site:	
Size	28,000 square feet/.64 acres
Dimensions	122.70' x 228.20'
Zoning	RA-85
Land to Building Ratio	.382:1
Time on market:	N/A

Listing Price	$3,100,000
Per sq.ft. of building	$42.33
Per unit	$29,523.81
Owner:	KCC-Prospect Heights Associates, a Missouri Limited Partnership
Building Description:	
Type of Construction	All masonry construction.
Size:	73,232
Year Built:	1951
Floors:	
Number of Units:	105
Number of Rooms:	262
Unit Breakdown:	All one bedroom
Unit Size	460 sq ft
Utilities included in rent	Heat, water, appliances, carpet, air conditioner.
Parking Areas	Combination of garage and surface parking. 80 total stalls.
Income Data:	
Rental Revenue	Current asking rent start at $450 per month for lower floors and progress up to $500 per month. They start at $460 a month and progress to $550 per month for upper floors.
Parking	$50.00 per month for indoor parking, $35 per month for outdoor.
Laundry	N/A
Gross Monthly Income	Estimated at $57,000.
Gross Annual Income	Estimated at $684,000
Occupancy	18 units reported currently vacant. Occupancy of 83%.
GIM/GRM	4.53/N/A

Comments:

Presently, Marcus & Millicap (Chicago, IL) are marketing the property. They claim that extensive replacements and decorating has been done (hallway, lobby and apartment carpet, interior painting and half of all appliances were replaced).

In 1985, Prospect Heights purchased the property from Cedarwood Development, Inc. for $2,078,800 ($19,798.10/unit). It was subsequently sold to Capital Realty Group Properties II, Inc. (Dallas, TX) which controlled the property for approximately 1-1/2 years before filing Chapter 11 in May 1988. In June 1989, Prospect Heights Associates regained ownership through the bankruptcy courts.

A July 10, 1989 article in the Milwaukee Business Journal mentioned that Episcopal Home Management, Inc. (Episcopal Diocese of Milwaukee) planned to purchase the property for $5,000,000 including renovations and a 6,000 sq.ft. add-on. They were planning extensive renovations and conversion to elderly housing. Twenty percent of the property was to be low-income housing ($325-$350/month) and the remainder $550/month. A 1990 Business Journal article mentioned that occupancy would begin by September and that the project was named Kemper Apartments, Inc. KRP Partners (Chicago, IL), were co-developers in the project.

The city assessor indicated that the Episcopal deal fell apart. He stated that in 1991 approximately 60% of the building was vacant and rents had been raised approximately $40/month. As of 1991, the building needed extensive repairs on plumbing, exterior and all individual units. The assessor has noted that the property was for sale in 1991 and the asking price was $2,940,000 or $28,000/unit. The property is a HUD 608 building.

Our interview with the owner (Mr. Marek) indicated that the Episcopal Diocese disclosed their intent to buy the property before serious negotiations took place. This caused the building to empty out, because current tenants were under the impression that they were going to be asked to leave upon the project's conversion to elderly housing. To counteract this vacancy, the owner spent significant dollars on cosmetic repairs as noted in the first paragraph of these comments. They are currently in the stages of leasing up the building with 15 to 18 units still vacant. The owner indicated that leasing has been slower than expected. He indicated that this was unusual in that the property did not have a history of vacancy problems. The owner also disclosed that during the history of the project, expenses approximated 48% of gross collected income.

Heights) are judged to be high due to the fact that it is an asking price. In addition, this project still has significant vacancy, so a purchaser buying it at this point in time would discount it to reflect lease-up. As a result, this project, if sold, would sell for less than the $29,523 per unit asking price. However, in terms of unit size and rent structure it is judged to be similar to the subject. It is our opinion that the subject has a slightly better location do to being within walking distance of the downtown and being in a quieter neighborhood.

In terms of a time adjustment, no time adjustment was applied to any of the comparables analyzed. This is because our interviews with apartment investors indicates that the east side apartment market is not strong. Even though there are few good projects available for sale currently, this is usually the case in this market. However, it has been difficult to raise rents in this market recently.

The comparable sales analyzed indicate a range in value of greater than the low unit price indicated by sale 2 ($25,385 per unit) and a lower price than indicated by the sale at the high end of the range ($34,444 per unit). The subject property is felt to have locational advantages, but suffers from lacking 1 to 1 parking. In addition, the major factor that detracts from the subject property is its small units. Therefore, a value below the mid point of the range would be judged appropriate as the indicated value for the subject on an as if converted basis. Given the above, a reasonable unit value for the subject property is concluded to be $28,000 per unit. This reflects a total value of $6,216,000. This estimated price would reflect a gross income multiplier of 4.58 on the annual estimated

gross income for the subject on an as if converted basis. While it has been shown in our analysis that investors do not rely on income multipliers as the basis to calculate purchase price, this gross income multiplier is in line with the multipliers reflected by the comparable sales. No weight is accorded the multiplier analysis because the income information used to derive the multipliers for the comparables is sketchy at best. However, multipliers have to be addressed because the Appraisal Guidelines require the Sales Comparison Approach to include the use of multipliers.

THE INCOME CAPITALIZATION APPROACH

The income capitalization approach, which is also referred to as the income approach, is based on the fact that an income-producing property is typically purchased as an investment. An investor purchasing such a property is, in effect, using today's dollars to buy the right to receive the future benefits available from the property, which include cash flow, tax benefits, and potential gain upon sale. Therefore, the appraiser must directly take into account the way an investor anticipates how income levels, expenses, and property values might behave over time and the way an investor prices the above future benefits. It is also important to note that income-producing real estate is competing for dollars with other alternative investments available to this investor (e.g., stocks, bonds, etc.) and must be analyzed in the context of how it compares to these alternatives.

Like the other approaches to value, the income approach finds its basis in the market with the principle of substitution. The productivity of an income property in terms of rent tends to be set by the market via the rent levels of competing properties. As alluded to before, return expectations of investors are also based on substitutes, including alternative investments as well as competing properties.

The income capitalization approach, then, is the process by which the appraiser quantifies the anticipated future benefits associated with the ownership of an income-producing property and then converts them to present dollars via an appropriate capitalization method. Since dollars to be received in future are worth less than the same amount of dollars receivable today, these anticipated future dollars are discounted to their present value based on the relative risk and time horizon involved. In general, capitalization can be done two ways. Direct capitalization involves the conversion of one year's income stream to value by application of an appropriate rate. Yield capitalization, on the other hand, involves the discounting of a series of income flows to present value based on the application of a required rate of return or yield rate. This process can involve the application of a rate adjusted to account for the pattern of income and, if applicable, property value change to a single year's income. Yield capitalization can also be done via discounted cash flow ("DCF") analysis, where a series of income flows are individually discounted to an estimate of present value at an appropriate yield, or discount rate.

HUD has placed certain restrictions on the income approach methodologies that are allowed for LIHPRHA appraisals. DCF analysis is not allowed except in the case of estimating Transfer Preservation Value as a condominium. The Guidelines require the appraiser to base value via the income approach on capitalizing a stabilized net income less discounted conversion period costs.

Recall that this appraisal is intended to estimate Extension Preservation Value and Transfer Preservation Value. Our analysis of the highest and best use of the project indicates that apartment development on a more intense scale is not currently feasible for the subject site. Further, the highest and best use of the property as improved was concluded to be a continuation of the current pattern of utilization. This means that extension preservation value and transfer preservation value will be equal for the subject property. This report section will be devoted to estimating extension preservation value as prescribed by the Appraisal Guidelines.

INCOME AND EXPENSES

The first step in the income approach is to examine historical income and expense levels for the property as well current rental information. We reviewed historical financial information for the property that was prepared by various certified public accounting firms. The statements reviewed were:

Years Ended December 1987 and 1988 - Arthur Young

EXHIBIT 8

JEFFERSON COURT
HISTORIC INCOME AND EXPENSE REPORT
YEARS ENDING DECEMBER 31, 1988 - DECEMBER 31, 19

	YEAR END 1989	YEAR END 1990	YEAR END 1991
TOTAL RENTAL REVENUE (Potential at 100% Occupancy)	$659,674	$676,315	$708,732
TOTAL VACANCIES	($708)	($1,072)	($2,541)
NET RENTAL REVENUE	$658,966	$675,243	$706,191
TOTAL FINANCIAL REVENUE	$23,072	$27,716	$23,470
TOTAL OTHER REVENUE	$14,779	$21,096	$24,639
TOTAL REVENUE	$696,817	$724,055	$754,300
TOTAL ADMINSTRATIVE EXPENSES	$138,153	$142,268	$164,466
TOTAL UTILITIES EXPENSE	$115,970	$100,886	$119,113
TOTAL OPERATING & MAINTENANCE EXPENSES	$96,589	$120,039	$116,456
TOTAL TAXES AND INSURANCE	$195,581	$227,551	$228,169
TOTAL FINANCIAL EXPENSES	$40,237	$37,066	$34,239
TOTAL COST OF OPERATIONS before DEPRECIATION	$586,530	$627,810	$662,443
PROFIT (LOSS) before DEPRECIATION	$110,287	$96,245	$91,857
TOTAL DEPRECIATION	$82,992	$82,371	$93,110
OPERATING PROFIT (LOSS)	$27,295	$13,874	($1,253)
NET PROFIT (LOSS)	$27,295	$13,874	($1,253)

Years Ended December 1988 and 1989 - Ernst & Young

Years Ended December 1989 and 1990 - Mesick, Steffes, & Krueger S.C.

Years Ended December 1990 and 1991 - Mesick, Steffes, & Krueger S.C.

In addition, we reviewed the current rent roll for the project as well as the 1992 operating budget.

Summary historic income and expense information derived from of these statements is contained on Exhibit 8 on the facing page. A detailed history is included in the Appendix.

The usefulness of this information is limited, however. The income history of the project reflects the effect of the mortgage and rent subsidies. The limitations on the expense history is more of a regulatory nature. The Appraisal Guidelines state that the appraiser must use the greater of actual project operating expenses at the time of appraisal (based on the average of the actual project operating expenses during the preceding three years) or the estimated operating expenses after conversation, assuming a typical long-term operation as market rate housing. The limitations on how the appraiser may derive and apply expense estimates are discussed in greater detail later in this section.

Therefore, given the value definitions that are the subject of this process, the income potential for the project must be analyzed in terms of what the project's income potential will be based on conversion to market rate rental housing. There will be some income effects related to the continuation of Section 8 assistance per contract where applicable. Projected income

would also be affected by the rate of conversion of below-market rents to market rents, and the vacancy implied by any conversion period, However, since DCF cannot be used, this reduced income is treated as a conversion or transition cost deduction from stabilized value rather than as a loss in income potential over a conversion period. The subsequent expense analysis must address the requirement of the three year expense test as set forth in the Appraisal Guidelines, as well as the transition and conversion costs associated the converting the project from subsidized to market rate rent housing.

INCOME ANALYSIS

Exhibit 8 sets forth the historic income for the project, which was restricted based on the rental and mortgage subsidies being received by the subject property. To estimate the income potential of the project assuming conversion to market rate rental housing, the rentals being achieved by neighborhood apartment projects that would present a competing opportunity to the subject property were researched and analyzed. Recall from the NEIGHBORHOOD ANALYSIS and MARKET ANALYSIS sections of this report that the general market area from which to draw comparable information is limited to the northern fringe of the downtown area and the near east side; i.e., the southern Prospect Avenue area. The primary market area is that area perceived to be within walking distance of the main downtown commercial area. This means that the rent comparables drawn from within this primary area are the most representative comparables. The rent comparables researched are included on the following pages. (See Appendix J for location map).

Apartment Rental Comparable Number 1.



Project Name:	Juneau Village II
Address:	1319 North Jackson Street Milwaukee, WI
Number of Buildings:	1
Number of Units:	125
Year Built:	1972
Elevator:	Yes

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
71	1 br/1 bath	$535-$560	600-660	$ .89 - .85
49	2 br/1 bath	$650-$730	840-865	.77 - .84
6	Efficiencies	$405-$440	400	1.01 -1.10

Features Included:
- Range
- Refrigerator
- Hot Water
- Disposal
- Sleeve Air Conditioner
- Heat
- Dishwasher
- Carpeting

Parking:	Indoor
Lease Period:	1 Year
Occupancy:	98%
Verification:	Mr. Paul Russo, Property Manager

Information Current as of: August 17, 1997

Comments:

The project currently has 2 vacant units but had 7 or 8 units vacant earlier this summer. A summary of the interview with the property manger of Juneau Village II is contained earlier in this report (see MARKET ANALYSIS).

Note that we also interviewed Ms. Dolores Finney, on-site manager of the project. Her rental information regarding current rents for one bedroom units differed from Mr. Russo's. Ms. Finney reported one bedroom rents as $510, $535, and $545 for the first, second and third floors, respectively. Since Ms. Finney is handling the day-to-day rental of the property, the lower one bedroom rents that she provided will be used as the basis for our analysis. We did confirm the efficiency rents with Ms. Finney as well.

Apartment Rental Comparable Number 2.



Project Name: Juneau Village I
Address: 1029 North Jackson Street
Milwaukee, WI

Number of Buildings: 3
Number of Units: 598
Year Built: 1956-68
Elevator: Yes

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
312	1 br/1 bath	$543-$700	680-750	$.80 - .93
78	2 br/2 bath	$786-$910	1200	.65 - .76
156	Bachelor Studios	$498-$522	540-560	.92 - .93
52	Efficiencies	$460-$512	480	.96 -1.07

Features Included:

- Range
- Refrigerator
- Hot Water
- Disposal
- Sleeve Air Conditioner
- Heat
- Dishwasher (2 bedroom only)
- Carpeting
- Pool (extra fee - $15 per year)

Parking:	Underground (not 1:1; 350 stalls)
Lease Period:	1 Year
Occupancy:	90%
Verification:	Property Manager

Information Current as of: August 27, 1992

Comments:

Vacancy is concentrated in the two bedroom and efficiency units. Only one bachelor studio was available. A summary of the interview with the property manager of Juneau Village I is contained earlier in this report (see MARKET ANALYSIS).

Apartment Rental Comparable Number 3.



Project Name:	Court Yard Square
Address:	1108 North Milwaukee Street Milwaukee, WI
Number of Buildings:	1
Number of Units:	118
Year Built:	1986-1987
Elevator:	Yes

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
118	2 br/2 bath	$745-$800	950	$.78 -.84

Features Included:

Range	Refrigerator
Cable T.V.	Security Dep.
Exercise Room	Hot Water
Electric	Disposal
A.C./Sleeve	Pets
Blinds	Heat
Dishwasher	Carpeting

Parking: Indoor/$60 per month
Lease Period: Corporate leases available, others typically 1 year +
Occupancy: 90% (Approximately)
Verification: Jan Krueger (271-0777)

Information Current as of: 8/13/92

Comments:

The leasing agent indicates that all apartments are 2 bedroom units, but can be turned into 1 bedroom units, a doorway separates 1 bdrm/1 bath from the remainder of the apartment. The present number of this type of unit could not be established by the agent. The rental rate for 1 bedroom units is $645-$700/month. The occupancy percentage was mentioned to be approximately 90% or above.

A neighboring manager reported that some 2 bedrooms at Courtyard Square had been permanently converted to 1 bedrooms due to the occupancy problems experienced last winter with the 2 bedroom units. This could not be confirmed with the Courtyard Square Manager.

Apartment Rental Comparable Number 4.



Project Name: Blackstone
Address: 709 East Juneau Avenue
Milwaukee, WI

Number of Buildings: 1
Number of Units: 91
Year Built: 1915
Elevator: Yes

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
50	1 br/1 bath	$415	675	$ .62
32	2 br/1 bath	$550	800	.69
9	Efficiency 1 room, bath, closet	$275-$280	250-300	1.10 -.93

Features Included:

- Range (Not Efficiency)
- Refrigerator
- Security Dep.
- Microwave (Efficiency Units Only)
- Hot Water
- Heat

Parking:	Outdoor/$30 per month
Lease Period:	1 year for first 12 months, then month-to-month
Occupancy:	99%
Verification:	Robert Murray, Property Manager 276-5611

Information Current as of: 8/17/92

Comments:

Property Manager indicates that the tenant mix includes some students (MSOE & UWM) with the remaining majority either young single individuals or mid-aged to elderly. The efficiency apartments do not have a kitchen, but do include a microwave and small refrigerator. The surface parking lot is next door to the project. Only the hallways are carpeted, the units have hard-wood floors.

Apartment Rental Comparable Number 5.



Project Name:	Prospect Towers
Address:	1626 North Prospect Avenue Milwaukee, WI
Number of Buildings:	1
Number of Units:	207
Year Built:	1963
Elevator:	Yes (3)

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
60	1 br/1 bath	$670-$750	900	$ .74 - .83
60	1 br/1 bath	$700-$780	900	.78 - .87
48	2 br/2 bath	$1175-$1300	1200	.98 -1.08
39	Studio	$460-$540	450	1.02 -1.20

Features Included:

Range	Refrigerator
Exercise Room	Hot Water
Disposal	A.C./Sleeve (2 Units per Apartment)
Hair Salon	Laundry
Heat	Dishwasher
Carpeting	Pool (Outdoor)

Parking: Indoor/$55 per month
Lease Period: 1 year
Occupancy: 97%
Verification: Julie Ayer (276-1837)

Information Current as of: 8/13/92

Comments:

The leasing agent mentioned that electricity costs for the units range from $15 per month for a one bedroom and $50 per month for a two bedroom. The tenant mix varies from mid 20's to some elderly.

Please note that unit sizes per lease agent differ than those represented in the Appraisal Institute Apartment Rental studies. The Institute lists:

					$Rent/Sq Ft
*60	1 br/1 bath	at	750-788	sq ft	$ .89- .95
*59	1 br/1 bath	at	750-788	sq ft	.93- .98
48	2 br/2 baths	at	1200	sq ft	.98-1.08
*39	Studios	at	420	sq ft	1.09-1.28

Apartment Rental Comparable Number 6.



Project Name: Harborside
Address: 1570 North Prospect Avenue
Milwaukee, WI

Number of Buildings: 1
Number of Units: 125
Year Built: 1963
Elevator:

Unit Breakdown:

Number	Type	$Rent/Month	Sq Ft	$Rent/Sq Ft
66	1 br/1 bath	$514-$714	550	$ .94 -1.30
22	2 br/1 bath	$644-$789	945	.68 -.84
15	2 br/1.5 baths	$814-$874	945	.86 -.93
11	Studio	$449	440	1.02
11	Studio	$529	550	.96

Features Included:

Range	Refrigerator
Hot Water	Disposal
A.C./Sleeve	Heat
Carpeting	Dishwasher (Not Studio)

Parking: Indoor/$35-$45 per month
Lease Period: 1 year
Occupancy: 98%
Verification: Roni Roese (289-0608)

Information Current as of: 8/14/92

Comments:
The leasing agent indicates that the tenant mix is mostly grad students and professional people.

Of the rent comparables listed, the most relevant comparables are the efficiencies and the one bedroom units at Juneau Village II (Rent Comparable Number 1) and the efficiencies and bachelor studios on the lower floors of Juneau Village I (Rent Comparable Number 2). The Juneau Village II building is very similar to Jefferson Court in all characteristics except unit size and mix, and the above two comparables have the same locational attributes as the subject.

The small unit size of the subject units means they offer a tenant a unit that is comparable in size to many efficiency units in the market, but which has the added amenity of a separate bedroom and a full kitchen. As indicated by our market analysis, occupancies for one bedroom units and efficiencies are strong. The vacancy in the subject market is concentrated in the two bedroom units at the upper end of the market. The current rents being obtained for the smaller types of units at the primary comparables are summarized as follows:

Juneau Village Rentals

Project	Unit Type	Current Rent Per Month	Square Feet	Rent Per Square Foot
J.V. II	Efficiency	$405-$440	400	$1.01 -1.10
J.V. II	1 BDRM	$515-$545	600-660	$.82 -.91
J.V. I	Efficiency	$460-$512	480	$.96-1.07
J.V. I	Bachelor	$498-$522	540-560	$.92 -.93

The two comparables offer the same amenity package as Jefferson Court with the exception of the sleeve air conditioners, which are tenant-owned at Jefferson Court. This implies a downward adjustment to Jefferson Court. On the other hand, tenants at Jefferson Court receive domestic electricity, whereas Juneau Village II and Juneau Village I tenants pay their own electric. This would require an upward adjustment. In any event, the above chart clearly shows that smaller apartment units have higher unit (i.e., per square foot) rents. Also, the rents increase with increased elevation in a building. This is due to a view amenity as well as perceived security. In addition, the second and third story units at Juneau Village II, with no extraordinary view amenity, command a premium mainly because they have balconies.

A rent schedule reflecting estimated gross potential rent for the Jefferson Court units was prepared using the unit rents (i.e., rent per square foot per month) from the primary comparables, adjusted for differences between the comparables and the subject. The indicated market rent schedule derived from this analysis was then compared to the other comparables to test it for reasonableness.

The indicated market rent for the Jefferson Court units, prior to adjustments, was based primarily on the rents being obtained for one bedroom and efficiency units at Juneau Village II and efficiencies at Juneau Village I. Since Juneau Village II's efficiencies are smaller, their unit rent is probably a bit higher, although this would be offset by the increased amenity factor of having a one bedroom versus efficiency floor plan. The true efficiencies at Juneau Village I are comparable in size to the subject one bedrooms; the Juneau Village I bachelor studios are actually larger. It is our opinion that Juneau Village I has a superior image, greater prestige, and also has the draw of a pool, so would therefore command a slight rent premium, meaning that there would be a downward adjustment to Jefferson Court. Based on our analysis, it is our opinion that the unadjusted rents for ground floor one bedroom units at Jefferson Court are as follows:

Unit Type	Indicated Rent Per Square Foot Per Month	Indicated Monthly Rent
A - 486 sq ft	$0.94	$457
B - 503 sq ft	$0.91	$463

These rent indications now have to be adjusted from the comparables from which they were derived to the Jefferson Court units to account for the differences in amenities between the projects.

Three primary adjustments are necessary for this process; the first for air conditioning, the second for landlord supplied versus tenant paid domestic electricity, and height. These adjustments were derived as follows:

1. Sleeve Air Conditioners:

The adjustment for sleeve air conditioners was derived based on the cost of such an air conditioner. Research indicates that a priced sleeve air conditioner can be purchased for $400.00. If one seeks a yield of 12% and attempts to recoup such an investment over a period of 5 years, one would have to obtain a monthly payment of approximately $9.00 per month over this 5 year period. This $9.00 per month figure would then be the adjustment for the difference between having versus not having a sleeve air conditioner. In this case, since the comparables offer sleeve air conditioners and the subject does not, there is a negative adjustment, meaning the rent for the comparables is adjusted downward to provide an indication of the subject rent.

During the process of considering this adjustment we also considered whether or not sleeve air conditioners would be a necessary item to be included in the conversion cost estimate. In other words, would a buyer of the project consider adding sleeve air conditioners to all the units in order to rent the project, as opposed to charging a lower rent without sleeve air conditioners and risk vacancy as a result of not having them? Again, the air conditioners themselves at Jefferson Court are currently owned by the tenants. In conducting our market research, we found certain buildings with small one bedroom units that had healthy occupancies that had no air conditioners (e.g., Rent Comparable 4, Sale Comparable 3). In fact, comparing and contrasting Sale Comparable 2 to Sale Comparable 3 seems to indicate that a remodeling program is more important to assure occupancy than is having air conditioners. Further, a landlord could easily decide to add air conditioners later and basically purchase them and rent them back to the tenants for an increased rent. In other words, a landlord could adopt a program of buying air conditioners where necessary and than increasing rent for those tenants that demanded them. It is our opinion that issue is much like the question posed earlier in the highest and best use analysis of altering unit mix. Our conclusion here is similar in that it is our opinion that a landlord would not incur such expenses up front but could tinker with the project during ownership and add air conditioners if it was found that the units could not be rented without them. In terms of adjusting income for this later potential to add air conditioners, we did not feel this was necessary because it would be reasonable to expect that the landlord would increase the rent for the unit by a margin to provide for a return of and on the cost of the air conditioner. In addition, it could be reasonably expected that when some of the tenants move

out during the conversion process, that they might consider leaving or selling their air conditioners at a nominal price, since it is possible such air conditioners will be unusable at their next residence or that their next residence might have air conditioning.

2. Domestic Electricity:

Jefferson Court is improved such that the landlord provides the tenants with domestic electricity, i.e., the electricity used in the units for lighting, operating the refrigerator, and the stove. In this case, an adjustment was derived based on normal apartment electric cost. Based on our interviews with apartment managers, it is our understanding that a typical monthly electric bill for a smaller apartment is in the $10-$12 per month range. However, since the Jefferson Court units are smaller than average, it would be reasonable to expect slightly lower electric consumption. Also, tenants pay a separate extra charge for added electrical use if they have an air conditioner. Therefore, the adjustment that we will use is an $8 per month adjustment. In this instance, since the tenants at the comparable properties are paying their own electricity, one would reasonably expect tenants in the marketplace to pay more for Jefferson Court units if the landlord is paying for electricity. This means that this is an upward adjustment.

3. Height:

The height adjustment used to project the market rents for Jefferson Court was based on the rent schedule for Juneau Village II. Recall that one bedroom units on the first floor of Juneau Village II are currently renting for $515 per month, while units on the 2nd and 3rd floors are renting for $535 and $545 per month, respectively. Therefore, a percentage adjustment can be derived by comparing the 2nd and 3rd floor rents with the 1st floor rents. This percentage adjustment is a positive 3.9% difference between the 1st and 2nd floor, with a 1.9% adjustment between the 2nd and 3rd floor. Interviews with both the on-site and general property manager for Juneau Village II suggest that the main reason for the upper floor apartments all commanding a higher rent is the fact that they all have balconies. However, security, better views, and the fact that the upper floor units are quieter are also contributing factors. Therefore, to account for this, those subject units with balconies all received the maximum percentage adjustment, while the units without balconies only received half of the adjustment. Based on the weighted average of the above adjustments

factored together with the number of A and B unit types that have balconies (20 A's and 5 B's per 2nd and 3rd floor), the combined adjustment factors to estimate the average rental per floor are:

2nd Floor A Units:	1.027
3rd Floor A Units:	1.013
2nd Floor B Units:	1.029
3rd Floor B units:	1.014

By using these adjustments, the following market rents are indicated:

Unit Type A	$ 457
Air Conditioner	- 9
Electric	+ 8
Ground Floor Unit A Rent	$ 456
Rounded to	$ 455
Height (2nd Floor)	x1.027
Second Floor Unit A Rent	$ 467
Rounded to	$ 465
Height (3rd Floor)	x1.013
Third Floor Unit A Rent	$ 471
Rounded to	$ 470
Unit Type B	$ 462
Air Conditioner	- 9
Electric	+ 8
Ground Floor Unit B Rent	$ 461
Rounded to	$ 460
Height (2nd Floor)	x1.029
Second Floor Unit B Rent	$ 473
Rounded to	$ 475
Height (3rd Floor)	x1.014
Third Floor Unit B Rent	$ 481
Rounded to	$ 480

These rents were rounded to the nearest $5.00, which is typical of the market.

Given the design of the parking garage and siting of the building, the first floor units facing certain street frontages are at ground level, because the grass-covered sloped roof of

the garage slopes up to the units. The third floor units situated above the ground floor courtyard units become, in effect, fourth floor units. We did not apply an additional adjustment for these units for two reasons. The first is the decline in magnitude in the adjustments going from first to second floor and then second to third floor (i.e., 3.9% to 1.9%). The second reason is that there is no effective difference in view amenity between the units. In terms of ground floor and first floor units at street level versus first floor courtyard units at an effective second floor elevation, no adjustment was made. This is because it would be difficult from an marketing standpoint to obtain different rents for the same type of unit on the same floor, even if one is effectively at a higher elevation. Therefore, the same rent for a given floor plan will be applied to the ground floor and first floor units.

The market rents for the C and D units at Jefferson Court were also based on the unit rents for the one bedroom and two bedroom units at Juneau Village II. In this case, given the fact that these are larger units, the air conditioner adjustment and the electricity adjustment probably would not effectively cancel each other out. The larger units would consume more electricity, making this a bigger adjustment and outweighing the air conditioner adjustment by a few dollars. Note also that the rent for the two bedroom apartment (D) would suffer because its the only two bedroom in the building. Based on our analysis, it is our opinion that these units would have the following market rents:

Unit Type	Indicated Rent Per Square Foot	Indicated Monthly
C - 620 sq ft	$ .83	$ 515
D - 700 sq ft	$ .82	$ 575

These rents were rounded up to the next nearest $5.00 to account for the added benefit of the landlord paying electricity. In addition, a $5.00 premium was added for the third floor "C" unit.

Based on our analysis, the estimated market rents to be used for a reconstructed income statement for the subject property are indicated to be as follows:

Jefferson Court - Estimated Market Rents

Floor	Unit Type	Rent Per Month
G	A	$455
G	B	$460
1	A	$455
1	B	$460
1	D	$575
2	A	$465
2	B	$470
2	C	$515
3	A	$475
3	B	$480
3	C	$520

Before using the above rents in the reconstructed income statement, we compared the rents for reasonableness against the rental comparables. The overall rent structure is greater than the rents reflected for efficiencies at Juneau Village II, which would make sense because one bedroom units are more desirable and because the Juneau Village II efficiencies are smaller. With respect to Juneau Village I, the rents start at a rate slightly below the comparably sized efficiencies, but do not achieve the amount of rent commanded by the efficiencies on the upper floors. This, too, makes sense because Juneau Village I

has a higher prestige factor, but it is our opinion that having a one bedroom floor plan is preferable to having an efficiency. Therefore, it is reasonable to expect that someone would pay a premium for the view that can not be afforded by Jefferson Court, but that on the whole the rent should be very similar. It is also reasonable to expect that Jefferson Court will command a premium over units at the Blackstone, in spite of the fact that the one bedroom units at the Blackstone are larger. This is because the Blackstone is a much older building, and would not have the redecorating that is assumed for the conversion of the subject. Finally, as background, we compared the estimated Jefferson Court rents to the rents being achieved by similar sized studios at Prospect Towers and the Harborside. This is similar to the comparison that was done with respect to Juneau Village I, in that the base prices (i.e., prices being achieved for lower floor efficiencies) should be similar to the rent for the Jefferson Court one bedrooms. While the small studios at these two buildings do have sleeve air conditioners, they are smaller in size than the Jefferson Court one bedrooms and would suffer from the disadvantage of having an efficiency floor plan versus having a one bedroom floor plan, the latter being judged to be far more desirable. Therefore, it is our conclusion that the above rent schedule is reasonable in the context of the rental comparables that we analyzed.

Parking Income

The income attributable to the indoor parking must also be estimated. The demand for parking will increase sharply assuming conversion of Jefferson Court to market rate rentals.

The current population (lower income, predominantly elderly) have fewer autos. The groups identified as likely tenants for the project typically do have autos. By having only two stalls available for every three units, such demand will most likely outstrip supply. Parking at neighborhood projects is available at the following rates:

Comparable Rents - Parking

Project	Parking Type	Rate Per Month
Juneau Village I	Garage	$65
Juneau Village II	Garage	$55
Courtyard Square	Garage	$60
Blatz	Ramp	$55

Current parking rates at Jefferson Court are currently $31.50 per month, which is a function of the population at the project and is artificially low. However, if the garage were re-striped and used to its maximum potential (e.g., convert storage areas to parking, etc.), a significant number of stalls would be less desirable due to being cramped, being on an incline, having limited clearance, etc. Therefore, an average rent of $50 per month per stall would appear reasonable based on the above comparables.

Even though the subject property does not have one-to-one parking, we do not think that this will cause any vacancy problems. Numerous apartment projects in the area do not have one-to-one parking, so this is typical of the market. In fact, many apartments in the area have no parking, so by comparison the subject has an advantage in this respect over many projects in the neighborhood.

Laundry, Vending, and Other Revenue

The laundry rooms at Jefferson Court are subject to a laundry room lease agreement between the owner and Coin Appliances, Inc. Jefferson Court leases the washers and dryers from Coin Appliances, Inc. The rent in the contract was identified at $14.00 per machine per month and there are 11 washers and 11 dryers total at the project. The original contract expired on May 31, 1991, but was reportedly renewed. A recent invoice for the laundry rental reflected a total charge of $324.94 per month. The way that the laundry room lease works is that Coin Appliances is responsible for providing and servicing the equipment. In addition, they collect the money from the machine and they are allowed to use all utilities at no charge. Coin Appliances then remits back the collections to the owner on a commission basis. Laundry income at Jefferson Court has been fairly steady. This income has averaged approximately $9,770 over the past few years and has been close to $9,900 for 1990 and 1991. Such laundry room lease agreements are very common in the apartment industry and there is no reason to expect this to change if the project goes to market rate rentals. If anything, usage of the laundry rooms, and therefore income, will increase, because it is likely that a younger population would do more laundry than an older population. Therefore, laundry income was projected to be $10,000 for the first year of operations.

In terms of vending income, the project currently has no vending machines (e.g., soft drink machines, cigarette machines, candy machines, etc.). Most larger apartment complexes in the

Milwaukee area do have such vending machines. It is reasonable to expect that an owner, on a market rate basis, would install such machines so a small amount of income was allocated to this profit center. An allowance of $2,000 per year was added to the income of the first year of operations to account for probable vending income.

The income history for the project also shows the receipt of other income. We have been informed that this other income is mainly attributed to an extra charge levied on those tenants that have their own sleeve air conditioners. It is the policy at the project to charge an extra $5.00 per month for those tenants having sleeve air conditioners to account for the fact that there will be extra electrical usage associated with the operation of the air conditioners. This other revenue has averaged approximately $9,025 over the past 4 years although it has shown a sharp increase over the past 2 years (i.e., $11,246 in 1990 and $14,748 in 1991). Since it is reasonable to expect that the landlord will continue a policy to recoup the extra electrical charges for tenant air conditioning, and given the sharp increase shown in the other revenue figures for the past few years, a reasonable assumption for other revenue for first year of operations for the project on a market rate basis is $12,000.

Financial Revenue

The income history of the project has been interest income received as well as income from investments over the prior

years. In terms of the way that the project would perform as market rate rental, certain HUD related requirements would no longer be in place, which would mean that certain accounts would no longer be required of an owner. With respect to HUD 236 projects, there is a residual receipts account, and in addition, HUD requires a reserve for replacements. One the project has prepaid the mortgage and is no longer part of this Section 236 program, the residual receipts account would no longer be a requirement. In addition, our experience and recent interviews in the marketplace shows that most apartment investors do not retain a specific replacement reserve account. Rather, what investors do is fund short term items (e.g., decorating, carpet replacement, painting) out of current cash flow. Major items are usually anticipated in advance, and what will happen is that cash flow distributions will be reduced or suspended to fund such items, or the project will be somehow refinanced (e.g., refinance the first mortgage, take out a small second mortgage). However, there will be some interest income related to the operation of the project as market rate rentals. All projects that we surveyed required tenants to post a security deposit, typically one month's rent. Wisconsin law does not require that any interest earned on security deposits be returned to tenants. Therefore, there will be some interest accruing on the security deposits held by the project. Since this income is attributable to the operation of the project as a rental income property, this income will be included in overall project revenue. This income will be based on the probable dollar amount of security deposits, at some safe rate of interest, say 4%.

VACANCY AND CREDIT LOSS

Upon achieving stabilized occupancy, the subject will still experience some loss of income due to vacancy and bad debts.

According to our market analysis, the sector of the downtown apartment market that is currently experiencing some vacancy problems is the two bedroom luxury sector. Our interviews with local apartment managers and actual project tours indicates a tight market for smaller units (i.e., one bedrooms and efficiencies). According to the Apartment Survey (see MARKET ANALYSIS), vacancy conditions for these unit types was as follows:

	Downtown Region Vacancy	Near East Side Region Vacancy
Efficiencies	4%	3%
One Bedrooms	3%	3%

Juneau Village II is currently reporting a vacancy rate of 1.6%, although vacancy was higher earlier in the year. Juneau Village I is currently reporting a vacancy rate of 10%, although this project is experiencing vacancies since it is competing with the newer projects at the top end of the market. A moderately priced project, the Blackstone at 709 East Juneau Avenue, which has all one bedroom and efficiency units, is currently 99% occupied. The project at 1041 East Knapp (Comparable Sale 3), with all small one bedrooms, currently has a 2% vacancy rate. Contrast this with Courtyard Square, an all 2 bedroom project across the street from the subject with 10% vacancy. Recall that the owner of Courtyard Square has converted some of the two bedroom units to one bedroom units to capture this shift in market preference.

Another direct capitalization method that can be used to estimate value is the band of investment technique. This method assumes the use of leverage (i.e., a mortgage), with a capitalization rate derived by calculating the weighted average of the returns required by the mortgage position and the equity position. The mortgage constant represents the return on and of capital required by a lender. The return necessary to support the equity investment is the equity dividend rate, which represents the combined percentage return of and on equity, usually measured relative to the first year of investment. In other words, the equity dividend rate reflects the relationship between one year's equity income and equity capital, typically expressed in percentage terms.

A survey of lenders was done in order to determine mortgage rates that are appropriate for the subject property. According to Mr. Bill Cox of GMAC Mortgage, which is a direct underwriter servicer for FNMA, typical mortgage terms for an apartment project of the subject type at the effective date of the appraisal ranged from 8-1/2% for 7 year money up to 9-1/4% for 15 year money. These are best rate quote-on-quote quotes for $1,000,000+ deals. Amortization under this program can be up to 30 years, with 25 years as typical. These rates would be fixed for the term of the loan, and the loans would be on a nonrecourse basis. FNMA also has a prior approval program that entails a slight premium of 3/8% over the previously quoted rates with one point to the lender. Note that older projects, projects with functional obsolescence, or projects in suboptimal locations would require a rate premium over the above quoted

interest rates. Quoted debt coverage ratios ranged from 1.15 to 1.2 to 1 and a typical loan-to-value ratio would be 75%. We checked the above quote against the National Mortgage Commitment Survey contained in the Appraiser News, published by the Appraisal Institute. We used the July, 1992 addition of the Appraiser News because the National Mortgage Commitment Survey in this publication included a survey of lenders conducted during the first business week of May, 1992, which corresponds to the effective date of our appraisal. The mortgage survey published in the Appraiser News indicated that for multi-family loans of less than $5,000,000 interest rates ranged from 9.19% for 3-5 year money up to 9.56% for 7-10 year money with the rate for loan terms greater than 10 years at 9.72%. The average loan-to-value ratio from the survey was 71.4% with debt coverage ratios at 1.24. Amortization periods ranged from 10-30 years. This survey information corresponds closely with the mortgage quote from GMAC Mortgage. Given the current low interest rates, most borrowers are attempting to lock-up long term money at the favorable rates. Therefore, based on the above survey information, a reasonable rate for a 10 year loan for the subject property would be at a 9-1/2% rate over a 25 year amortization period with a 75% loan-to-value ratio. The mortgage constant for such a loan would be .104843, which would be rounded to .1048.

An equity dividend rate appropriate to the subject property was estimated based on equity dividend rates which were obtained during our interview process. Recall from the MARKET ANALYSIS

section of this report that participants in the apartment market indicated appropriate equity dividend rates in today's market would range from about 8% to 10%. However, such equity dividend rate data would be applicable to unsubsidized properties that do not need conversion. Since there is some risk associated with the conversion process, the equity dividend rates not reflecting such risk would require upward adjustment. Accordingly, some element of entrepreneurial return associated with the conversion needs to be reflected in the equity dividend rate applied to the subject property. One of the market participants that we interviewed for the MARKET ANALYSIS section of this report did provide an indication of the spread between an entrepreneurial equity dividend rate versus the equity dividend rate for a stabilized project. The range of returns that was quoted as being required by the market on pro forma numbers in a development situation was a 10-12% equity dividend rate. In other words, this difference between the 10-12% range and the 8-10% would be the spread between a stabilized versus a more risky development or conversion type of situation. It is our opinion that the risks associated with this conversion process are not as great as a variety of other entrepreneurial real estate situations (e.g., subdivision development, speculative building development, renovation projects, etc.). The subject property would provide an investor with the opportunity to purchase a completed building in good condition located nearby demand generators for apartment units (downtown Milwaukee, MSOE, etc.). In addition, this subject property will provide some

income during the conversion process because certain tenants will remain in place while conversion is underway. Therefore, an equity dividend rate of 11% was used for our analysis.

The above parameters were used to derive an overall rate by the band of investment formula as follows:

$$Ro = M \times Rm + (1-M) \times Re$$

Where:

Ro = Overall Capitalization Rate
M = Loan to Value Ratio
Rm = Mortgage Constant
(1-M) = Equity Ratio
Re = Equity Dividend Rate

$$Ro = .75 \times .1048 + (1 - .75) \times .11$$
$$Ro = .0786 + .0275$$
$$Ro = .1061$$

Rounded to 10.6%

The above parameters were used to estimate the value of the subject property as follows:

$$\text{Value} = \frac{\text{NOI}}{\text{Overall Rate (Ro)}}$$

$$\text{Value} = \frac{\$664,402}{.106}$$

Value = $6,267,943
Rounded to $6,270,000

Therefore, direct capitalization using the band of investment technique would indicate the stabilized value of the subject property on a post-coversion basis to be $6,270,000. This equates to a value of $28,243 per apartment unit.

CONVERSION COST ESTIMATE

The LIHPRHA appraisal process as set forth in the Appraisal Guidelines basically calls for the appraiser to estimate the

as-is value of the project as market rate rental property and then adjust this value for the net effect of converting the property from subsidized to market rate status. First, the appraiser must consider the fact that the subsidized nature of the project might inhibit the project's ability to attract unsubsidized market tenants. Other factors suggested by the Appraisal Guidelines that might combine to reduce revenues and add costs during this conversion period including:

1. The turnover and absorption rates at which current tenants, unable to pay market rents, will move out and be replaced by market rate households.

2. The estimated number of Section 8 units which will extend through all or part of the conversion period. Note that Jefferson Court has a HAP contract in place which has a current term that runs through August 31, 1993. This contract may be renewed for one additional 5-year period at the option of HUD and the owner. In other words, since both the owner and HUD must mutually agree to exercise the option, if the owner chooses not to do so the HAP contract will lapse. Therefore, the revenue for the Section 8 units will be dictated by the HAP contract for that period during which that HAP contract applies during the conversion period.

3. Revenues will include estimated revenue projections for units that will continue to be occupied during the conversion period.

4. Costs may include estimated income loss due to vacancy from the start of repairs to the point of the project reaching sustained occupancy.

5. There may be legal costs associated with conversion, e.g., evictions, etc.

6. The landlord may be required to pay relocation costs per local law. We checked with the redevelopment authority of the City of Milwaukee and other city agencies and were not made aware of any such local requirement for the landlord to help pay relocation costs.

7. There may be financing costs associated with any mortgage that a buyer would use to purchase the property.

8. There will be costs associated with redecorating and other improvements assumed to be necessary to produce the rent that is estimated as the market rent for the units.

9. There will be costs associated with the leasing of the units after conversion including leasing personnel, a model apartment, and advertising.

The Appraisal Guidelines require the appraiser to discount total net conversion costs related to renting the apartment units to an unsubsidized market rate tenancy at a discount rate equal to the local prevailing interest rates on savings accounts in depository institutions.

The above list was merely suggested by the Appraisal Guidelines; it requires modification to suit the needs of a particular property. Any additional costs particular to the subject will be included in our analysis. Prior to estimating these costs, the following background will be provided to establish the context for the process. First, the project is in good condition overall, with recently upgraded common areas and a history of good maintenance and having replacements made when necessary. Second, it is not uncommon in the downtown and near east side markets to have apartments with a mix of various types of tenants (e.g., students, couples, young professionals, and elderly). The low-income population at the project is predominantly elderly. It is reasonable to assume that the elderly people at the project would be more concerned with the other groups moving in than the other groups would be about moving into a project with some proportion of elderly in the tenant population. In any event, the relatively tight market for smaller, more affordable apartment units within walking

distance to the downtown commercial area and MSOE would create demand conditions that would outweigh any slight negative perception associated with the remaining low-income, predominantly elderly population.

Another point that needs to be made is that there are no projects which provide clear benchmarks to help estimate absorption. No projects that are at all similar to the subject have been developed downtown during recent years. All of the most recent developments have been projects with upscale units. However, some idea as to absorption can be gained from this history. The first Yankee Hill Tower (200 units) came on line in the spring of 1986 and was leased up within four to five months (i.e., 44 units per month on average). The second tower (149 units) to the north came on line in late 1987 and took seven months to lease up (i.e., 21 units per month). The person at Oakbrook Corporation that was the source of this information felt they timed the first tower just right, coming on line into a market with pent-up demand during the prime leasing season. In addition, the pace at which projects filled units after the recent market downturn provides some clues as to absorption potential. Again, this vacancy tended to be concentrated in the larger, two bedroom units that are competing with the new luxury units that have recently been developed in the market. Juneau Village II reported eight units vacant earlier this summer, with two units left when we surveyed the project. Another indicator as to potential absorption is the opinions of area property managers. One manager interviewed thought the 222 units could

be absorbed in 12 to 13 months, another thought it would take a year to 18 months. (See MARKET ANALYSIS).

With this background in mind, conversion costs were estimated for the following categories.

Turnover and Absorption

Of the 222 units, 44 are Section 8 units which would have the tenants remain in place until the HAP contract expired on August 31, 1993. Of the remaining 178 units, the one-year leases that are in place would have the following expiration pattern:

January	6
February	13
March	18
April	8
May	12
June	19
July	14
August	19
September	15
October	16
November	16
December	12
TOTAL	178

The second factor that needs to be considered is how many of the tenants could afford to stay at the project after conversion. Assuming a tenant would be willing to spend between 35 and 40 percent or, say, 37.5 percent of gross income on rent (which is slightly high but elderly spend a higher percentage of income on rent), there would be 35 tenants at the project who could afford to stay at new rents.

Based on the above, it would be reasonable to expect at least two thirds of the tenants who could afford to do so to

stay at the new rent. This would leave 155 non-Section 8 units to be rented. Given the effective date of May 27, and assuming the owner began the process of not renewing leases or providing property notice prior to the effective date, there could theoretically be a move-out pattern that mirrors the above expiration pattern. THIS ASSUMES THAT THERE IS NO POLITICAL INTERVENTION TO PREVENT THE ASSUMED TRANSITION TO MARKET RATE OCCUPANCY. IT IS FURTHER ASSUMED THAT THOSE TENANTS REQUIRED TO LEAVE THE PROJECT WILL DO SO REGARDLESS OF WHETHER OR NOT EQUALLY DESIRABLE HOUSING IS AVAILABLE IN THE MARKETPLACE. Given the market evidence, a reasonable transition absorption pattern for the non-Section 8 units would start on June 1, 1992 and take one year. This is a more conservative estimate than suggested by the absorption comparable (Yankee Hill) and the property managers interviewed. However, the process cannot go much faster due to the lease expiration pattern. With 155 units assumed available, this would imply absorption of 13 or so units per month. This pattern produces the following income loss relative to instant conversion. Note that no units were assumed leased for the first projected month to account for a vacancy time lag to allow units to turn over and be refurbished as necessary.

Current rent roll information on the property is found in Appendix L.

Month	Number of Units	Average Market Rent	Basic Rate	Income Loss
1	155	$465	$268	$ 30,535
2	142	465	268	27,974
3	129	465	268	25,413
4	116	465	268	22,852
5	103	465	268	20,291
6	90	465	268	17,730
7	77	465	268	15,169
8	64	465	268	12,608
9	51	465	268	10,047
10	38	465	268	7,486
11	25	465	268	4,925
12	12	465	268	2,364
				$197,394

The present value of the above rent loss, discounted at 4% on a monthly basis, is $194,375.

Section 8 Contract Tenants

Analysis regarding the income loss due to the remaining Section 8 tenants would be similar to the above analysis. The opportunity cost related to the inability to convert the Section 8 units to market would be reflected by the difference in market versus contract rent. Thus, there would be a period between the effective date of the appraisal and the expiration of the HAP contract, with all 44 of the units then theoretically coming vacant at the same time (i.e., on August 31, 1993). This assumes the landlord gives the tenants one year notice of the expiration of the contract. Realistically, what might happen is for some tenants to start looking for other housing before the year was up, probably with vouchers. The owner would not be eligible for 80 percent Section 8 rent on any units that came vacant because the unit would no longer be available for Section 8 occupancy. Given our absorption estimates, it would take 3

months to absorb the 44 Section 8 units. This absorption would probably start earlier than September 1, 1993 due to early move-outs. A reasonable pattern would be as follows, again

Month (1993)	Number of Units	Average* Market Rent	Contract Rent	Income Loss
6/92-6/93	44	$465	$268	$104,016
7/93*	44	480	276	8,976
8/93	37	480	276	7,548
9/93	30	480	276	6,120
10/93	15	480	276	3,060
				$129,720

*Assume 3% increase in market and contract rent.

The above rent loss stream, when discounted to present value at 4% on a monthly basis, equates to $127,158.

Income Loss - Vacancy

The Appraisal Guidelines suggest consideration of income loss due to the start of repairs to a point of reaching sustained occupancy. With Jefferson Court, massive repairs and redecorating are unnecessary. Common areas were recently redecorated. Certain apartments will have to be carpeted and painted and some new appliances will be necessary, but overall condition is good. Further, a large number of units will practically be in move-in condition upon transition, save cleaning, touch-up painting, and carpet shampoo, which are normal turnover expenses. There is not any anticipation of major disruption and hence vacancy due to repairs. The above turnover and absorption models account for the income loss during the conversion period.

Legal Costs

The Appraisal Guidelines also suggest there may be certain legal costs associated with conversion. Some evictions may be necessary as tenants may find replacement housing difficult to locate, or they may simply not understand the process. It is reasonable to assume that tenants unable to locate housing in a conventional scenario might be given vouchers for rent. Since some eviction costs might be necessary, an allowance of $200 for 6 of the units was established, which amounts to $1,200.

Relocation Costs

We checked with representatives of the Redevelopment Authority and Housing Authority and did not discover any local law requiring payment of relocation costs by an owner.

Financing Costs - New Mortgage

At 75% of value, a debt amount of $4,702,500 could be supported by the property. Based on the one point fee for FNMA's prior approval program, points would be $47,025. In addition, costs would include an appraisal, phase one environmental, and legal fees, which could reasonably total $15,000. With miscellaneous costs, a total of $65,000 would be a reasonable estimate for financing costs.

In addition, there might be a holdback of mortgage funds due to the transition. Upon stabilization, the indicated debt coverage ratio is 1.35 to 1.0. However, if one subtracts the appropriate rent loss streams from stabilized NOI, a reasonable estimate of first year NOI would be about $350,000. This would be negative debt coverage on the annual debt service of

$493,027. The lender would probably fund a base amount of $3,338,000 (i.e., $350,000/.1048), with the balance drawn on an earn-out as target debt coverage is achieved. Realistically, the buyer would structure the purchase deal with a base price to the seller to match the financing, with earn-out provisions as target NOI's are achieved to match the lender's earn-out. To estimate the associated cost in this case, it is assumed that the lender would do a set-aside and warehouse the difference between the base price and maximum loan. A reasonable estimate of this cost would be to assume that half of this difference is outstanding for a period of 15 months (i.e., until the Section 8 units are close to absorption) at a spread between the 9.5% mortgage rate and a 4% safe rate, as follows:

Total Mortgage	$4,702,500
Base Funding	-3,338,000
Warehoused Funds	$1,364,500
50% Average Balance	$ 682,250
Interest - 15 months at 5.5%	$ 46,904
Rounded to	$ 50,000

The above estimate was rounded up to include the probable costs to structure the agreement.

This was tested against an alternative scenario whereby funding would occur up-front and the buyer would post a letter of credit ("LOC") against the rent shortfall. The buyer would then fund the rent shortfall out of pocket. We have already calculated what this rent shortfall is ($327,114). The project will break even upon achieving gross income of $1,157,529. This would be occupancy of 207 units at the market rental. Since this would occur close to the end of the absorption period, it

is assumed that the LOC would stay in place for 15 months. Since lenders require LOCs to be at some multiple of the rent shortfall amount, a reasonable LOC amount would be $500,000, or 145% of the rent shortfall. At a one point per year fee, the letter of credit would cost $6,250.

Obviously, a buyer group that could afford the LOC would go the latter route. Since it is reasonable to assume that a buyer of a $6 million property could afford to post a $500,000 LOC, the latter cost of $6,250 will be used as the conversion cost for allowing the assumed mortgage to be funded into the rent shortfall during the absorption period.

Total estimated costs associated with financing the project are thus $71,250.

Redecorating, Upgrading, and Miscellaneous Construction

The project has received good maintenance over the years and has been upgraded as necessary. However, to achieve the market rate rental that is postulated, it is reasonable to assume that a buyer would immediately upgrade the appliances and carpet that have not been replaced recently. Based on our inspection and the personal property log for the property as of the effective date of the appraisal, the project would need replacement of 11 refrigerators, 126 stoves, and carpeting in 90 units. However the owner has certain replacements in the budget that are scheduled for the time period between the effective date and submission of the appraisal. In order not to penalize the owner for replacements that will occur in the near future, we based

our redecorating and upgrading budget on the budgeted replacements. Given the date of report preparation, we were able to confirm with the owner that these replacements actually took place. Therefore, budgeted expenses for this category are as follows:

Refrigerators	1 units at $370/unit =	$	370
Stoves	0 units	$	0
Carpets	70 units at $400/unit =	$28,000	
	Total	$28,370	

In addition, a number of units would have to be painted upon move-out as a part of the conversion process. Assuming 75% of the units are painted at $150 per unit, an estimated cost would be about $25,000. Also, some units would need new kitchen floors. While most of the kitchen floors were in good shape, many are original and show signs of wear. A reasonable cost of replacing 25% of the floors at $120 each would total $6,700.

In addition, the roof on the project is original and one boiler is due for replacement. These costs need to be analyzed because no replacement reserve was included in the estimate in the income approach. The roof would have an expected life of another 5 or so years. The approximate area of the roof is 60,000 square feet, and a reasonable cost to shingle over the roof today would be $1.35 per square foot. This would provide for an indicated cost today of $81,000. Since projecting this cost forward for 5 years by a 4% inflation factor and then discounting it back at 4% would produce no net change, the $81,000 estimate will be used as the amount reserved for roof replacement. Current estimates being obtained for the boiler replacement are in the neighborhood of $30,000.

Another item that needs to be addressed is the standby oil tank. The boilers have a standby oil system in the event gas service is interrupted. The oil tank for the standby system is buried in the courtyard. A purchaser would require, at the very least, some assurance that there has been no leakage. Assuming there has been no leakage (i.e., that no remediation is necessary), the cost of a tank tightness test or a soil boring would reasonably be expected to be about $2,000.

Total costs associated with redecorating, upgrades, and miscellaneous construction are estimated to be:

Appliances and Carpet	$ 28,370
Painting	25,000
Kitchen Floors	6,700
Roof Reserve	81,000
Boiler	30,000
Oil Tank	2,000
Total	$173,070

Marketing and Leasing Costs

The HUD Guidelines suggest consideration of the marketing and leasing costs related to the conversion of the units from subsidized to market rate occupancy. Among the suggested cost for consideration were advertising, model units, and leasing personnel. However, our expense pro format includes advertising from a market expense comparable, so this is already accounted for. It would be reasonable to assume that the on-site manager could handle leasing the units. Also, our pro forma includes an expense for a model apartment, which would double as an office. New furnishings for a model might cost $2,000. Also, a new brochure would be necessary, so $1,500 was allocated for this cost. Therefore, total marketing costs were estimated to be $3,500.

HUD Capital Needs Guidelines

The Appraisal Guidelines require that the appraiser subtract the cost of improvements and of the required repairs to bring the project up to a quality standard necessary to attract market rate tenancy. HUD estimated certain costs to restore the project to its original physical standards for occupancy as part of the capital needs assessment (Appendix M). The total costs identified in the capital needs assessment were $32,460. However, the boiler cost in this assessment has already been accounted for in our analysis. The HUD costs account for sidewalk repairs and patio repairs that we did not include to avoid double counting. Adjusting these costs for the boiler, the total miscellaneous costs estimated by the capital needs assessment are $23,660 (i.e., $32,460 - $8,800). Notice that it is our opinion that some of the HUD cost items are unrealistic in that an owner or buyer would not consider making such repairs (e.g., repair of radiator covers, repair minor nicks in kitchen cabinet, etc.).

Conversion Cost Summary

The following is a summary of the conversion costs estimated above:

Rent Loss	$194,375
Rent Loss - Section 8 Units	127,158
Legal Costs	1,200
Financing Costs	71,250
Redecorating, Upgrading, Miscellaneous Construction	173,070
Marketing/Leasing Costs	3,500
HUD Capital Needs Assessment	23,660
Total Conversion Costs	$594,213
Rounded to	$595,000

Income Approach - Summary and Conclusion

Based on our analysis, the indicated value of the subject property via the income approach on a stabilized basis after conversion is estimated to be $6,270,000. After taking all necessary conversion costs into consideration, total conversion costs to achieve the market rate occupancy assumed in the above stabilized value estimate were estimated to be $595,000. Therefore, the extension preservation value of the subject property via the income approach is concluded to $5,675,000 as follows:

Stabilized Value After Conversion To Market Rate Rental	$6,270,000
Conversion Cost Total	- 595,000
Indicated Extension Preservation Value	$5,675,000

This indicated value represents a unit value of $25,563 per apartment unit.

RECONCILIATION AND FINAL VALUE ESTIMATE

The reconciliation process involves an evaluation and summary of the preceding steps of the appraisal process with the goal of reaching a conclusion to provide an answer to the problem that the appraisal is intended to solve. More simply put, reconciliation is the process by which the report is tied together and a final conclusion reached.

Reconciliation involves a review of the appraisal process as applied to the property including the factual data about the property and its location, the analysis of the data and the property, and the approaches used to estimate the value of the

property, and the approaches used to estimate the value of the property. The strengths and weaknesses of the data are examined as well as the logic and consistency of the analysis. Since more than one approach to value is typically used in the appraisal and a separate value conclusion derived for each, the appropriateness and relative quality of each approach must be reviewed and weighed. This analysis is used to arrive at a final value estimate. In addition, the process is intended to guide the user of the report through the logic and reasoning used by the appraiser in reaching this conclusion.

This appraisal has relied primarily on the income approach, with the sales comparison approach considered to be more useful as background information. The indicated value for the subject property on an as-if converted basis as estimated by the sales comparison approach was $6,216,000, or $28,000 per apartment unit. This is only slightly less than the as-if converted value indicated by the income approach of $6,270,000, which translates to $28,243 per unit. The opinion of value reached in the sales comparison approach was derived by the conclusion that the indicated position appropriate for the subject within the range of unit values indicated by the comparables was below the mid-point. The as-if converted value indicated by the income approach is in keeping with this conclusion. It should also be pointed out that the indicated extension preservation value on a unit basis ($25,563 per apartment unit) is comparable to what were in essence the pre-conversion values indicated by Comparable Sales 2 and 3. Local apartment investors primarily

although those investors interviewed did appear to use unit values as some basis of comparison. Therefore, our approach of relying primarily on the income approach while using the conclusions derived by the sales comparison approach as background is consistent with local market behavior. The above reconciliation analysis indicates that the conclusions reached via the income approach are consistent with the indications derived via our sales comparison approach analysis.

As indicated, primary weight was placed on the income approach since this best reflects investor behavior. This approach is considered a strong approach since it takes into account the in-depth market analysis we performed in gauging the rental potential of the project. In addition, the expenses estimated for the post-conversion operations of the subject relied not only on a detailed history of the subject property, but were also compared to industry indicators as well as a neighboring property that is of similar construction. The capitalization rate used was based on the primary criteria employed by local market investors, so it should therefore be a reliable tool for deriving a value estimate. Therefore, based on the analysis contained in the preceding report text, it is our opinion that the Extension Preservation Value of the property known as Jefferson Court, located at 415 East Knapp Street, Milwaukee, Wisconsin as of May 27, 1992 is:

$5,675,000

FIVE MILLION SIX HUNDRED SEVENTY FIVE THOUSAND DOLLARS

Of this value estimate, $600,000 is allocated to the land. Also, the property contains certain personal property. Such personal property is primarily made up of the appliance package that goes with each unit. Although most of the appliances are relatively new, such property has limited value on the open market. Therefore, allocating a value of $400 per apartment unit to the appliance package, an indicated value of $88,800 is indicated for the personal property. This will be rounded up to $90,000 to account for other miscellaneous personal property.

CERTIFICATION OF APPRAISER

I certify that, to the best of my knowledge and belief:

- I have personally inspected the property that is the subject of this report.
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No person or persons other than those acknowledged below or in the report prepared the analyses, conclusions and opinions concerning real estate set forth in this report.

Date: 9/18/92 Certified By: Dean P. Larkin

Dean P. Larkin
First Financial Realty Advisors, Inc.

Date: 9/18/92 Certified By: Jean B. Davis

Jean B. Davis
Landmark Research, Inc.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to the following conditions and to such other specific and limiting conditions which are set forth by the appraiser within the report:

The legal description used in this report is assumed to be correct.

No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.

No responsibility is assumed for matters of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and marketable.

Information furnished by others is assumed to be true and correct, and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser.

All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and management.

It is assumed that there are no hidden or inapparent condition of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

It is assumed that all the mechanicals in any building improvement such as, but not limited to, plumbing, electrical, heating system, air conditioning system, well and pump, and septic system, are operable and sufficient to serve the property under appraisal unless otherwise informed.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report. The existence of potentially hazardous material introduced on site or in proximity to the site as a result of nearby existing or former uses in the neighborhood, or the existence of toxic waste or other building materials such incorporated in property improvements must be disclosed by the owner to the appraiser. The appraiser is not qualified to detect such substances nor is he obliged to do so. Nevertheless, the existence of potentially hazardous material found on the subject property or in proximity to the site may have an adverse effect on the value and market price of the property. The property owner or those relying on this appraisal are urged to retain, at their discretion, an expert in this field of hazardous materials.

Since the projected mathematical models used in the appraisal process are based on estimates and assumptions, which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

It is assumed that the utilization of the land and improvements are within the boundaries or property lines of the property described and that there is not encroachment or trespass unless noted within the report.

The appraiser will not be required to give testimony or to appear in court or any pretrial conference or appearance required by subpoena, with reference to the property in question, unless timely arrangements have been previously made therefore, at prevailing per diem rates.

Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent to the appraiser, and in any event only with property qualification and only in its entirety.

Neither all or any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without written consent and approval of the appraiser. Nor shall the appraiser, firm or professional organization with which the appraiser is affiliated by identified without the written consent of the appraiser.

The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

No environmental impact studies were either requested or made in conjunction with this appraisal, and the appraiser retains the right to alter, amend, revise or rescind any of the value opinions based upon any subsequent environmental impact studies, research or investigation.

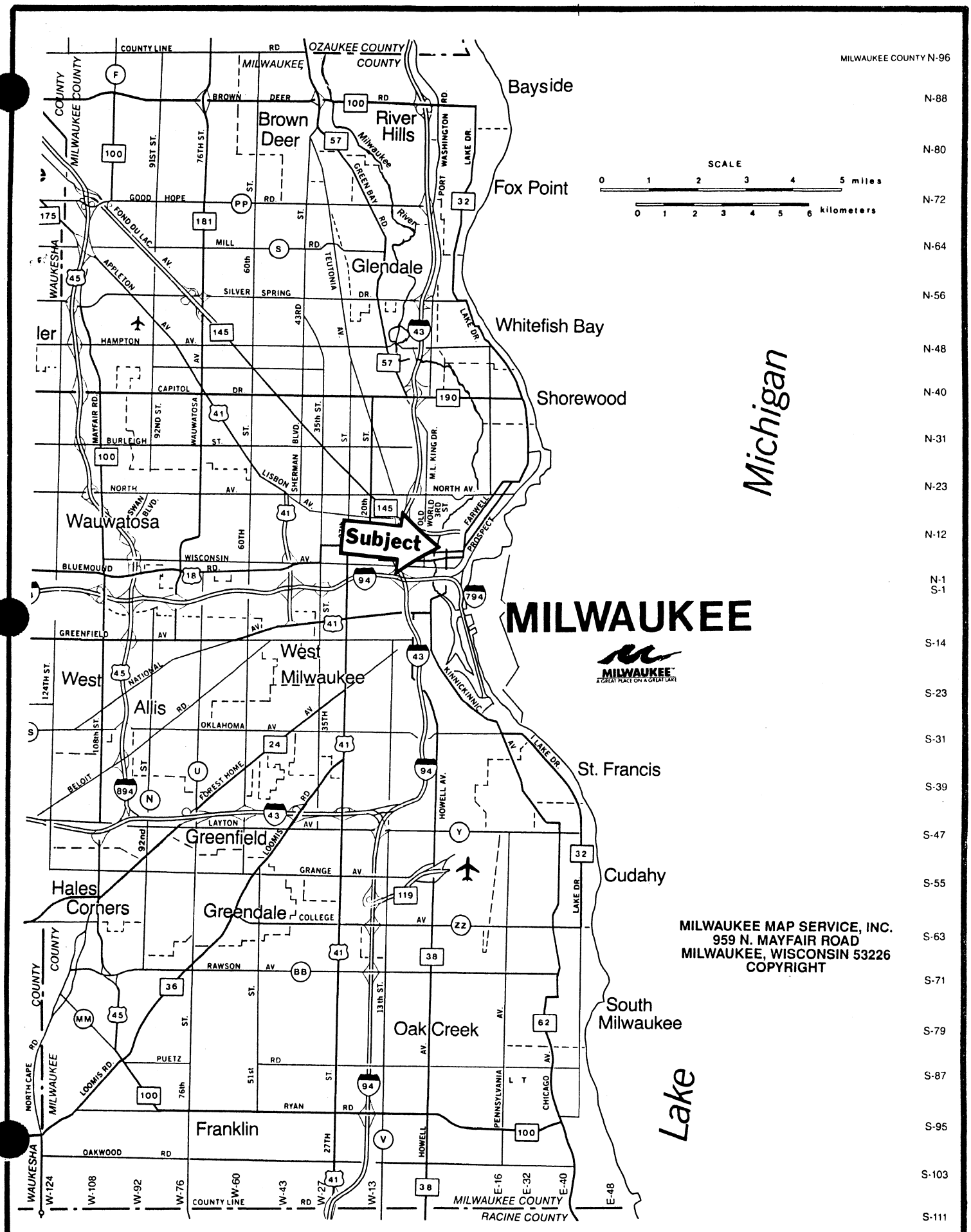
The appraiser's duties, pursuant to this employment to make the appraisal, are complete upon delivery of the appraisal report.

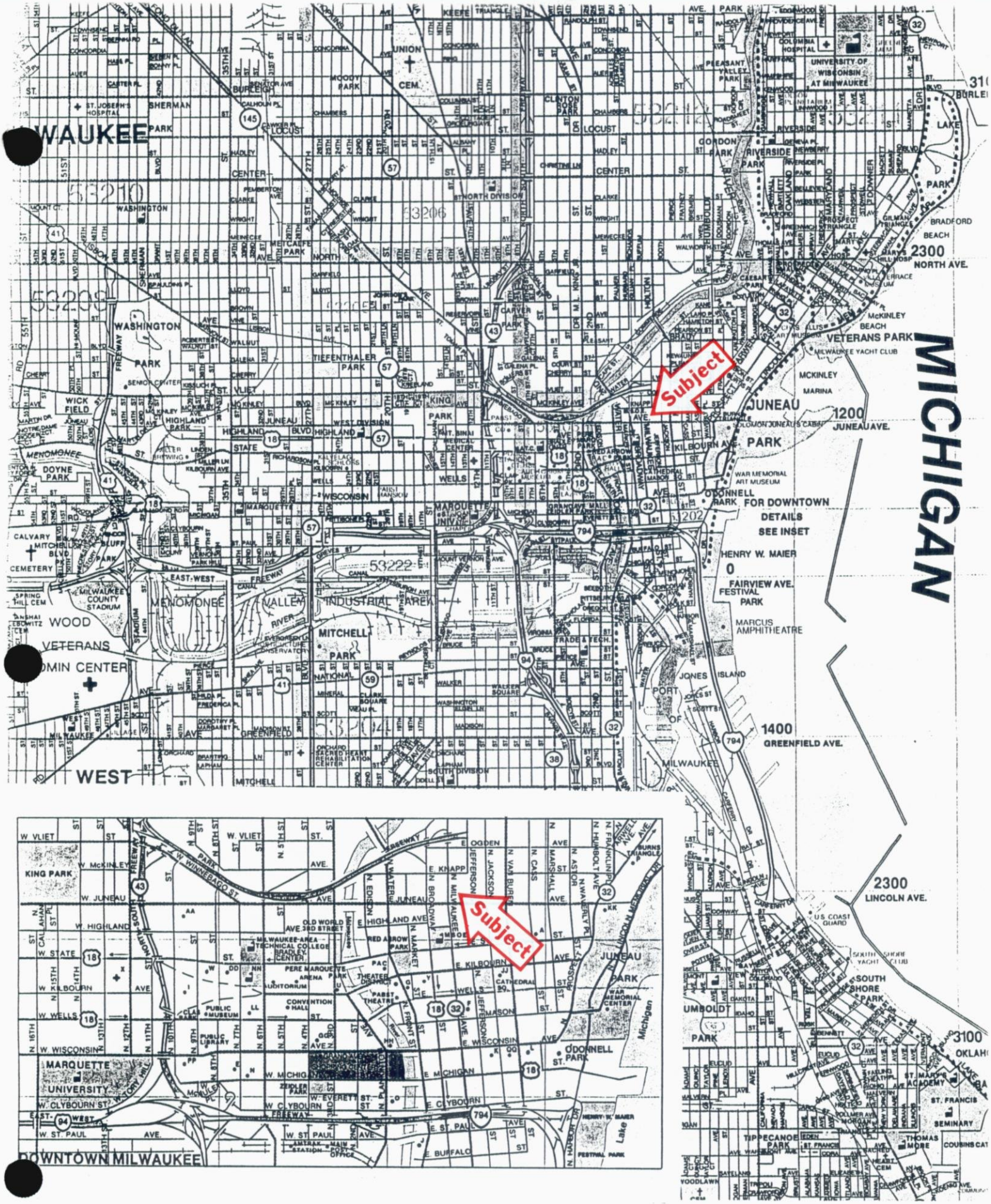
LIST OF APPENDICES

APPENDIX	DESCRIPTION
A	Location Maps
B	Census Map
C	Survey
D	Zoning Map and Ordinance
E	Redevelopment Plan Summary Information
F	Building Floor Plans
G	Energy Compliance Letter (DILHR Rental Energy Standards) and Asbestos Inspection Report
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I	Summary Information - Personal Property
J	Sale and Rent Comparable Location Maps
K	Historic Profit and Loss Statements and Summary
L	Rent Roll Information
M	HUD Capital Needs Assessment
N	HUD Forms
O	Qualifications of Appraisers

APPENDIX A

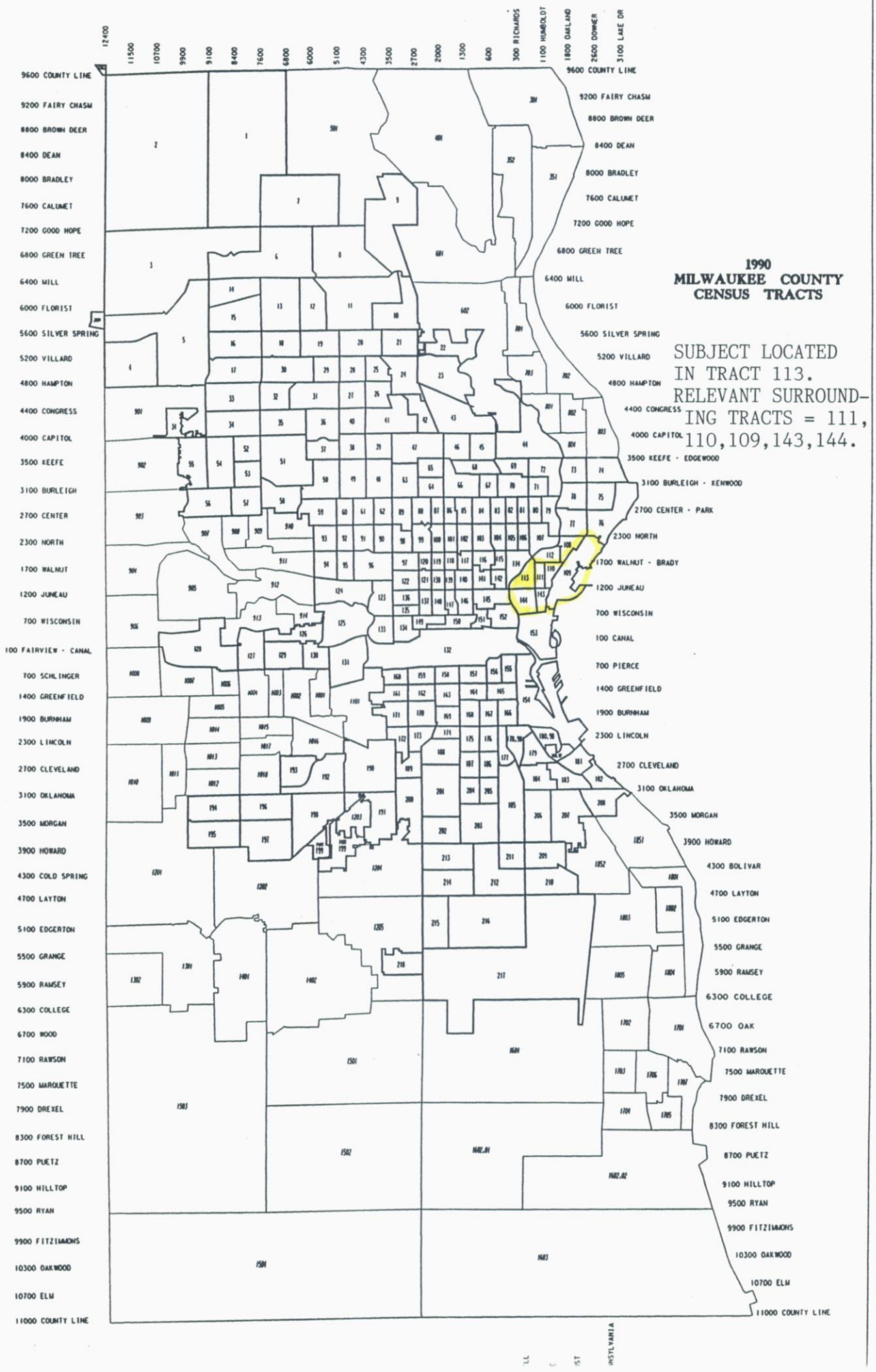
LOCATION MAPS


MILWAUKEE COUNTY N-96
N-88
N-80
N-72
N-64
N-56
N-48
N-40
N-31
N-23
N-12
N-1
S-1
S-14
S-23
S-31
S-39
S-47
S-55
S-63
S-71
S-79
S-87
S-95
S-103
S-111
SCALE
0 1 2 3 4 5 miles
0 1 2 3 4 5 6 kilometers
Bayside
Brown Deer
River Hills
Fox Point
Glendale
Whitefish Bay
Shorewood
Wauwatosa
Subject
MILWAUKEE
West Milwaukee
West Allis
Greenfield
St. Francis
Cudahy
Hales Corners
Greendale
South Milwaukee
Oak Creek
Franklin
Lake Michigan
MILWAUKEE
A GREAT PLACE ON A GREAT LAKE
MILWAUKEE MAP SERVICE, INC.
959 N. MAYFAIR ROAD
MILWAUKEE, WISCONSIN 53226
COPYRIGHT
COUNTY LINE RD
OZAUKEE COUNTY
MILWAUKEE COUNTY
WAUKESHA COUNTY
BROWN DEER RD
GOOD HOPE RD
MILL RD
SILVER SPRING DR
HAMPTON AV
CAPITOL DR
NORTH AV
WISCONSIN AV
BLUEMOUND RD
GREENFIELD AV
LAYTON AV
GRANGE AV
COLLEGE AV
RAWSON AV
PUETZ RD
RYAN RD
OAKWOOD RD
NORTH CAPE RD
LOOMIS RD
FOND DU LAC AV
APPLETON AV
LISBON AV
NATIONAL AV
OKLAHOMA AV
FOREST HOME AV
BELOIT RD
PROSPECT AV
FARWELL AV
LAKE DR
KINNICKINNIC RIVER
HOWELL AV
PENNSYLVANIA AV
CHICAGO AV
MILWAUKEE COUNTY
RACINE COUNTY
W-124
W-108
W-92
W-76
W-60
W-43
W-27
W-13
E-16
E-32
E-40
E-48


MICHIGAN
Subject
Subject
DOWNTOWN MILWAUKEE
WEST
MILWAUKEE
WAUKEE
JUNEAU
PARK
1200
JUNEAU AVE.
2300
NORTH AVE.
1400
GREENFIELD AVE.
2300
LINCOLN AVE.
3100
FOR DOWNTOWN
DETAILS
SEE INSET
HENRY W. MAIER
0
FAIRVIEW AVE.
FESTIVAL
PARK
MARCUS
AMPHITHEATRE
VETERANS PARK
MILWAUKEE YACHT CLUB
MCKINLEY
MARINA
MCKINLEY
BEACH
BRADFORD
BEACH
WAR MEMORIAL
ART MUSEUM
O'DONNELL
PARK
KILBOURN AVE
WISCONSIN
MARQUETTE
UNIVERSITY
MITCHELL
PARK
INDUSTRIAL PARK
MENOMONEE
VALLEY
WOOD
VETERANS
CEMETERY
MILWAUKEE
COUNTY
STADIUM
CALVARY
CEMETERY
DOYNE
PARK
WICK
FIELD
HIGHLAND
PARK
WASHINGTON
PARK
TIEFENTHALER
PARK
KING
PARK
CARVER
PARK
UNION
CEM.
MOODY
PARK
CLINTON ROSE
PARK
RIVERSIDE
PARK
GORDON
PARK
LAKE
PARK
SOUTH
SHORE
PARK
UMBOLDT
PARK
TIPPECANOE
PARK
JONES
ISLAND
PORT
OF
MILWAUKEE
U.S. COAST
GUARD
SOUTH SHORE
YACHT CLUB
ST. FRANCIS
SEMINARY
THOMAS
MORE
COUSINS CAT
KING PARK
MARQUETTE
UNIVERSITY
O'DONNELL
ST. PARK
JUNEAU
PARK
Lake
Michigan
53210
53206
53205
53222
53212
53202

APPENDIX B

CENSUS MAP



1990
MILWAUKEE COUNTY
CENSUS TRACTS

SUBJECT LOCATED IN TRACT 113. RELEVANT SURROUNDING TRACTS = 111, 110, 109, 143, 144.

Census Tract: Tract 113
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	0	0	0	0	0	0	0	0	0	0	0	0
1- 2	9	0	9	9	0	9	0	0	0	0	0	0
3- 4	7	7	0	7	7	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7- 9	10	0	10	10	0	10	0	0	0	0	0	0
10-11	0	0	0	0	0	0	0	0	0	0	0	0
12-13	8	8	0	8	8	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	9	9	0	0	0	0	9	9	0	0	0	0
16	4	4	0	0	0	0	4	4	0	0	0	0
17	10	10	0	6	6	0	4	4	0	0	0	0
18	81	62	19	81	62	19	0	0	0	0	0	0
19	175	120	55	162	120	42	4	0	4	0	0	0
20	80	62	18	74	56	18	0	0	0	0	0	0
21	50	32	18	43	32	11	0	0	0	0	0	0
22-24	141	90	51	134	83	51	0	0	0	0	0	0
25-29	164	94	70	124	68	56	21	13	8	0	0	0
30-34	84	51	33	84	51	33	0	0	0	0	0	0
[illegible]	86	56	30	74	44	30	12	12	0	0	0	0
40-44	10	0	10	10	0	10	0	0	0	0	0	0
45-49	72	40	32	72	40	32	0	0	0	0	0	0
50-54	44	38	6	44	38	6	0	0	0	0	0	0
55-59	61	33	28	52	33	19	9	0	9	0	0	0
60-61	26	7	19	26	7	19	0	0	0	0	0	0
62-64	26	14	12	19	7	12	7	7	0	0	0	0
65-69	79	48	31	70	39	31	9	9	0	0	0	0
70-74	71	0	71	63	0	63	8	0	8	0	0	0
75-79	45	8	37	45	8	37	0	0	0	0	0	0
80-84	93	22	71	85	22	63	8	0	8	0	0	0
85+	42	0	42	42	0	42	0	0	0	0	0	0
0- 4	16	7	9	16	7	9	0	0	0	0	0	0
5-17	41	31	10	24	14	10	17	17	0	0	0	0
18-24	527	366	161	494	353	141	4	0	4	0	0	0
25-44	344	201	143	292	163	129	33	25	8	0	0	0
45-64	229	132	97	213	125	88	16	7	9	0	0	0
65+	330	78	252	305	69	236	25	9	16	0	0	0
Total	1,487	815	672	1,344	731	613	95	58	37	0	0	0
Median age	29.9	25.2	47.0	30.8	24.7	47.7	37.3	29.6	58.6	.	.	.

Census Tract: Tract 113
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3 [Machine-Readable Data File]
(revised 4/28/92)

Census Tract: Tract 113
County: Milwaukee County
State: Wisconsin Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	6	0	8	18	7	14	53
$ 5,000- 9,999	23	16	0	6	0	57	65	167
$10,000-14,999	7	21	6	8	13	44	36	135
$15,000-24,999	19	30	15	14	8	13	7	106
$25,000-34,999	22	21	26	0	0	0	7	76
$35,000-49,999	5	6	22	0	14	0	14	61
$50,000-74,999	6	13	0	16	0	0	8	43
$75,000-99,999	0	0	0	6	11	0	0	17
$100,000 or more	0	6	0	10	0	0	0	16
Total	82	119	69	68	64	121	151	674
Mean								$23,173

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	7	0	8	15
$ 5,000- 9,999	0	13	0	0	9	8	0	30
$10,000-14,999	0	0	0	0	0	9	0	9
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	8	0	0	0	0	0	8
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	21	0	0	16	17	8	62
Mean								$9,428

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Mean								.

Source: Census of Population and Housing, 1990: Summary Tape File 3 [Machine-Readable Data File] (revised 4/28/92)

Census Tract: Tract 113
County: Milwaukee County
State: Wisconsin
Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	0
$ 100 - $149	124
$ 150 - $199	28
$ 200 - $249	101
$ 250 - $299	107
$ 300 - $349	37
$ 350 - $399	52
$ 400 - $449	48
$ 450 - $499	16
$ 500 - $549	63
$ 550 - $599	14
$ 600 - $649	7
$ 650 - $699	30
$ 700 - $749	20
$ 750 - $999	13
$1000 or more	0
No cash rent	6
Median gross rent	$286

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other Race	Not of Hispanic Origin	Hispanic Origin
With cash rent:							
$ 0 - $199	117	35	0	0	0	152	0
$ 200 - $299	187	21	0	0	0	208	0
$ 300 - $499	142	11	0	0	0	153	0
$ 500 - $749	123	0	0	11	0	134	0
$ 750 - $999	13	0	0	0	0	13	0
$1000 or more	0	0	0	0	0	0	0
No cash rent	6	0	0	0	0	0	6

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms: None	1	2	3+
With cash rent:				
$ 0 - $199	19	133	0	0
$ 200 - $299	15	189	0	4
$ 300 - $499	13	64	72	4
$ 500 - $749	0	31	70	33
$ 750 - $999	0	0	8	5
$1000 or more	0	0	0	0
No cash rent	0	0	6	0

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	5	$444
No meals included	655	$342

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	283
No extra payment for any utilities	383

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

Income	Percentage of Household Income: 0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	8	8	69	37	116	25
$10,000-19,999	43	26	54	35	54	0
$20,000-34,999	43	21	18	11	4	0
$35,000-49,999	50	12	0	0	0	0
$50,000 +	32	0	0	0	0	0

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder: 15-64	65 +
Less than 20 %	127	49
20 - 24 %	42	25
25 - 29 %	47	94
30 - 34 %	37	46
35 + %	114	60
Not computed	25	0

Census Tract: Tract 113
County: Milwaukee County
State: Wisconsin
Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3 [Machine-Readable Data File] (revised 4/28/92)

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	0	0	0	0	0	0	0	0	0	0	0	0
1- 2	0	0	0	0	0	0	0	0	0	0	0	0
3- 4	6	6	0	6	6	0	0	0	0	0	0	0
5	6	0	6	6	0	6	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7- 9	7	0	7	7	0	7	0	0	0	0	0	0
10-11	5	0	5	5	0	5	0	0	0	0	0	0
12-13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
16	4	0	4	4	0	4	0	0	0	0	0	0
17	6	6	0	6	6	0	0	0	0	0	0	0
18	56	51	5	44	39	5	6	6	0	0	0	0
19	71	59	12	66	59	7	0	0	0	0	0	0
20	117	93	24	117	93	24	0	0	0	0	0	0
21	96	96	0	84	84	0	6	6	0	0	0	0
22-24	192	78	114	173	72	101	7	0	7	0	0	0
25-29	449	224	225	399	206	193	16	7	9	0	0	0
30-34	198	163	35	191	156	35	7	7	0	0	0	0
35-39	209	101	108	199	101	98	10	0	10	0	0	0
40-44	119	60	59	103	53	50	9	0	9	0	0	0
45-49	120	50	70	120	50	70	0	0	0	0	0	0
50-54	84	55	29	84	55	29	0	0	0	0	0	0
55-59	42	16	26	42	16	26	0	0	0	0	0	0
60-61	11	6	5	11	6	5	0	0	0	0	0	0
62-64	23	16	7	23	16	7	0	0	0	0	0	0
65-69	78	18	60	78	18	60	0	0	0	0	0	0
70-74	36	18	18	36	18	18	0	0	0	0	0	0
75-79	23	6	17	23	6	17	0	0	0	0	0	0
80-84	34	11	23	34	11	23	0	0	0	0	0	0
85+	47	0	47	47	0	47	0	0	0	0	0	0
0- 4	6	6	0	6	6	0	0	0	0	0	0	0
5-17	28	6	22	28	6	22	0	0	0	0	0	0
18-24	532	377	155	484	347	137	19	12	7	0	0	0
25-44	975	548	427	892	516	376	42	14	28	0	0	0
45-64	280	143	137	280	143	137	0	0	0	0	0	0
65+	218	53	165	218	53	165	0	0	0	0	0	0
Total	2,039	1,133	906	1,908	1,071	837	61	26	35	0	0	0
Median age	30.1	29.0	35.7	31.0	29.3	36.6	28.6	25.7	35.8	.	.	.

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	11	13	0	6	0	0	0	30
$ 5,000- 9,999	14	13	12	0	0	0	16	55
$10,000-14,999	0	27	5	8	19	6	32	97
$15,000-24,999	35	41	28	22	7	53	22	208
$25,000-34,999	48	61	18	27	0	22	18	194
$35,000-49,999	13	77	39	56	5	0	0	190
$50,000-74,999	0	90	77	18	5	0	0	190
$75,000-99,999	0	52	14	13	3	6	0	88
$100,000 or more	0	20	17	8	18	0	0	63
Total	121	394	210	158	57	87	88	1,115
Mean								$41,552

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	10	0	0	0	0	10
$25,000-34,999	0	9	0	0	0	0	0	9
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	9	0	0	0	0	9
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	9	19	0	0	0	0	28
Mean								$40,472

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Mean								.

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	0
$ 100 - $149	7
$ 150 - $199	0
$ 200 - $249	0
$ 250 - $299	0
$ 300 - $349	38
$ 350 - $399	15
$ 400 - $449	41
$ 450 - $499	108
$ 500 - $549	26
$ 550 - $599	111
$ 600 - $649	132
$ 650 - $699	149
$ 700 - $749	80
$ 750 - $999	314
$1000 or more	86
No cash rent	3
[redacted]ian gross rent	$675

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other Race	Not of Hispanic Origin	Hispanic Origin
With cash rent:							
$ 0 - $199	7	0	0	0	0	7	0
$ 200 - $299	0	0	0	0	0	0	0
$ 300 - $499	174	28	0	0	0	202	0
$ 500 - $749	482	0	0	11	5	486	12
$ 750 - $999	308	0	0	6	0	298	16
$1000 or more	72	14	0	0	0	81	5
No cash rent	3	0	0	0	0	3	0

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms: None	1	2	3+
With cash rent:				
$ 0 - $199	0	7	0	0
$ 200 - $299	0	0	0	0
$ 300 - $499	84	97	15	6
$ 500 - $749	46	384	50	18
$ 750 - $999	6	16	287	5
$1000 or more	0	6	75	5
No cash rent	0	0	0	3

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	0	.
No meals included	1,107	$720

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	964
No extra payment for any utilities	146

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

Income	Percentage of Household Income: 0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	7	0	0	0	77	5
$10,000-19,999	0	22	0	36	165	0
$20,000-34,999	41	47	63	86	52	0
$35,000-49,999	73	91	29	5	0	0
$50,000 +	273	29	0	6	0	3

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder: 15-64	65 +
Less than 20 %	375	19
20 - 24 %	189	0
25 - 29 %	79	13
30 - 34 %	80	53
35 + %	219	75
Not computed	8	0

Census Tract: Tract 144
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 143
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	0	0	0	0	0	0	0	0	0	0	0	0
1- 2	3	3	0	3	3	0	0	0	0	0	0	0
3- 4	3	0	3	3	0	3	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7- 9	6	6	0	6	6	0	0	0	0	0	0	0
10-11	0	0	0	0	0	0	0	0	0	0	0	0
12-13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
16	0	0	0	0	0	0	0	0	0	0	0	0
17	11	6	5	6	6	0	5	0	5	0	0	0
18	17	5	12	17	5	12	0	0	0	0	0	0
19	37	32	5	37	32	5	0	0	0	0	0	0
20	70	30	40	70	30	40	0	0	0	0	0	0
21	48	15	33	48	15	33	0	0	0	0	0	0
22-24	224	150	74	208	134	74	0	0	0	5	5	0
25-29	353	159	194	316	151	165	37	8	29	0	0	0
30-34	319	181	138	284	161	123	9	0	9	0	0	0
35-39	147	95	52	114	77	37	26	18	8	0	0	0
40-44	76	60	16	69	53	16	0	0	0	7	7	0
45-49	139	70	69	127	70	57	0	0	0	5	0	5
50-54	86	56	30	86	56	30	0	0	0	0	0	0
55-59	153	81	72	147	81	66	0	0	0	0	0	0
60-61	39	27	12	39	27	12	0	0	0	0	0	0
62-64	67	39	28	67	39	28	0	0	0	0	0	0
65-69	97	60	37	97	60	37	0	0	0	0	0	0
70-74	79	31	48	79	31	48	0	0	0	0	0	0
75-79	40	0	40	40	0	40	0	0	0	0	0	0
80-84	36	12	24	36	12	24	0	0	0	0	0	0
85+	93	25	68	93	25	68	0	0	0	0	0	0
0- 4	6	3	3	6	3	3	0	0	0	0	0	0
5-17	17	12	5	12	12	0	5	0	5	0	0	0
18-24	396	232	164	380	216	164	0	0	0	5	5	0
25-44	895	495	400	783	442	341	72	26	46	7	7	0
45-64	484	273	211	466	273	193	0	0	0	5	0	5
65+	345	128	217	345	128	217	0	0	0	0	0	0
Total	2,143	1,143	1,000	1,992	1,074	918	77	26	51	17	12	5
Median age	34.7	34.6	34.9	35.0	34.8	35.5	29.5	36.4	28.5	42.5	40.7	47.5

Census Tract: Tract 143
County: Milwaukee County
State: Wisconsin

Summary level = 140

Page 2 of 29

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 143
County: Milwaukee County
State: Wisconsin

Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	20	21	0	8	19	12	15	95
$ 5,000- 9,999	45	35	7	6	20	27	56	196
$10,000-14,999	69	29	18	14	19	6	7	162
$15,000-24,999	50	139	54	31	25	39	23	361
$25,000-34,999	35	97	31	17	14	0	14	208
$35,000-49,999	14	80	18	36	47	19	8	222
$50,000-74,999	5	38	24	5	18	7	0	97
$75,000-99,999	0	7	6	30	26	8	8	85
$100,000 or more	0	11	0	11	24	23	21	90
Total	238	457	158	158	212	141	152	1,516
Mean								$41,080

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	10	0	0	0	0	0	10
$15,000-24,999	0	10	8	0	0	0	0	18
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	9	18	0	0	0	0	27
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	29	26	0	0	0	0	55
Mean								$25,349

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	5	0	0	0	0	0	0	5
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	7	0	0	0	0	7
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	5	0	7	0	0	0	0	12
Mean								$14,833

Census Tract: Tract 143
County: Milwaukee County
State: Wisconsin

Summary level = 140

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Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 143
County: Milwaukee County
State: Wisconsin

Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	0
$ 100 - $149	6
$ 150 - $199	19
$ 200 - $249	24
$ 250 - $299	133
$ 300 - $349	173
$ 350 - $399	329
$ 400 - $449	224
$ 450 - $499	152
$ 500 - $549	172
$ 550 - $599	79
$ 600 - $649	40
$ 650 - $699	57
$ 700 - $749	14
$ 750 - $999	57
$1000 or more	27
No cash rent	15
Median gross rent	$415

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other Race	Not of Hispanic Origin	Hispanic Origin
With cash rent:							
$ 0 - $199	18	0	7	0	0	19	6
$ 200 - $299	143	14	0	0	0	151	6
$ 300 - $499	803	41	6	23	5	873	5
$ 500 - $749	328	28	0	0	6	362	0
$ 750 - $999	57	0	0	0	0	57	0
$1000 or more	27	0	0	0	0	27	0
No cash rent	15	0	0	0	0	11	4

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms			
	None	1	2	3+
With cash rent:				
$ 0 - $199	19	6	0	0
$ 200 - $299	120	37	0	0
$ 300 - $499	319	516	43	0
$ 500 - $749	0	139	212	11
$ 750 - $999	0	12	40	5
$1000 or more	0	0	21	6
No cash rent	0	7	8	0

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	0	.
No meals included	1,506	$455

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	1,129
No extra payment for any utilities	392

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

	Percentage of Household Income					
Income	0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	0	6	6	6	262	19
$10,000-19,999	18	63	112	68	142	0
$20,000-34,999	233	102	49	20	24	8
$35,000-49,999	186	40	5	0	0	0
$50,000 +	152	0	0	0	0	0

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder 15-64	Age of Householder 65 +
Less than 20 %	544	45
20 - 24 %	199	12
25 - 29 %	141	31
30 - 34 %	81	13
35 + %	318	110
Not computed	21	6

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 111
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	25	25	0	25	25	0	0	0	0	0	0	0
1- 2	16	9	7	12	5	7	0	0	0	0	0	0
3- 4	10	10	0	5	5	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0	0	0	0
6	4	4	0	0	0	0	0	0	0	0	0	0
7- 9	9	9	0	9	9	0	0	0	0	0	0	0
10-11	8	8	0	8	8	0	0	0	0	0	0	0
12-13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	19	19	0	19	19	0	0	0	0	0	0	0
16	23	7	16	23	7	16	0	0	0	0	0	0
17	11	7	4	7	7	0	4	0	4	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0	0
19	6	6	0	6	6	0	0	0	0	0	0	0
20	28	23	5	28	23	5	0	0	0	0	0	0
21	19	13	6	13	7	6	6	6	0	0	0	0
22-24	130	76	54	118	71	47	7	0	7	0	0	0
25-29	263	151	112	211	131	80	45	13	32	0	0	0
[illegible]4	82	59	23	76	53	23	0	0	0	6	6	0
35-39	149	96	53	123	76	47	9	9	0	6	0	6
40-44	81	62	19	76	57	19	5	5	0	0	0	0
45-49	76	41	35	65	41	24	6	0	6	0	0	0
50-54	59	7	52	59	7	52	0	0	0	0	0	0
55-59	51	28	23	51	28	23	0	0	0	0	0	0
60-61	6	0	6	6	0	6	0	0	0	0	0	0
62-64	16	4	12	16	4	12	0	0	0	0	0	0
65-69	51	26	25	51	26	25	0	0	0	0	0	0
70-74	64	26	38	64	26	38	0	0	0	0	0	0
75-79	30	0	30	30	0	30	0	0	0	0	0	0
80-84	21	7	14	21	7	14	0	0	0	0	0	0
85+	37	8	29	37	8	29	0	0	0	0	0	0
0- 4	51	44	7	42	35	7	0	0	0	0	0	0
5-17	74	54	20	66	50	16	4	0	4	0	0	0
18-24	183	118	65	165	107	58	13	6	7	0	0	0
25-44	575	368	207	486	317	169	59	27	32	12	6	6
45-64	208	80	128	197	80	117	6	0	6	0	0	0
65+	203	67	136	203	67	136	0	0	0	0	0	0
Total	1,294	731	563	1,159	656	503	82	33	49	12	6	6
Median age	34.6	30.0	40.4	35.8	30.5	45.3	27.7	29.0	27.1	35.0	32.5	37.5

Census Tract: Tract 111
County: Milwaukee County
State: Wisconsin

Summary level = 140

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Census Tract: Tract 111
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State: Wisconsin

Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	6	7	11	16	0	0	6	46
$ 5,000- 9,999	28	9	21	13	6	5	15	97
$10,000-14,999	19	25	28	10	5	13	30	130
$15,000-24,999	14	72	28	31	6	13	8	172
$25,000-34,999	2	46	28	6	13	12	0	107
$35,000-49,999	8	0	20	8	0	6	7	49
$50,000-74,999	0	20	6	7	7	14	0	54
$75,000-99,999	0	0	7	0	0	7	8	22
$100,000 or more	0	0	0	0	0	0	0	0
Total	77	179	149	91	37	70	74	677
Mean								$23,535

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	7	0	0	0	0	0	0	7
$10,000-14,999	0	22	0	6	0	0	0	28
$15,000-24,999	0	7	0	0	0	0	0	7
$25,000-34,999	0	9	0	0	0	0	0	9
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	7	38	0	6	0	0	0	51
Mean								$15,496

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Mean								.

Census Tract: Tract 111
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 111
County: Milwaukee County
State: Wisconsin

Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	0
$ 100 - $149	7
$ 150 - $199	30
$ 200 - $249	63
$ 250 - $299	76
$ 300 - $349	78
$ 350 - $399	123
$ 400 - $449	92
$ 450 - $499	32
$ 500 - $549	28
$ 550 - $599	43
$ 600 - $649	8
$ 650 - $699	21
$ 700 - $749	19
$ 750 - $999	25
$1000 or more	9
No cash rent	18
[redacted]ian gross rent	$380

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other * Race *	Not of Hispanic Origin	Hispanic Origin
With cash rent:					*		
$ 0 - $199	37	0	0	0	0 *	37	0
$ 200 - $299	111	28	0	0	0 *	132	7
$ 300 - $499	275	9	0	7	34 *	291	34
$ 500 - $749	115	4	0	0	0 *	119	0
$ 750 - $999	25	0	0	0	0 *	25	0
$1000 or more	9	0	0	0	0 *	9	0
No cash rent	18	0	0	0	0 *	18	0

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms: None	1	2	3+
With cash rent:				
$ 0 - $199	29	8	0	0
$ 200 - $299	110	22	7	0
$ 300 - $499	57	159	102	7
$ 500 - $749	0	41	63	15
$ 750 - $999	0	0	13	12
$1000 or more	0	0	9	0
No cash rent	0	6	7	5

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	0	.
No meals included	654	$415

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	399
No extra payment for any utilities	273

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

Income	Percentage of Household Income: 0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	0	7	0	6	137	6
$10,000-19,999	7	51	76	48	88	5
$20,000-34,999	92	26	25	13	7	7
$35,000-49,999	14	6	4	0	0	0
$50,000 +	38	9	0	0	0	0

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder: 15-64	65 +
Less than 20 %	131	20
20 - 24 %	83	16
25 - 29 %	89	16
30 - 34 %	67	0
35 + %	180	52
Not computed	11	7

Census Tract: Tract 111
County: Milwaukee County
State: Wisconsin
Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 110
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	14	7	7	7	0	7	0	0	0	0	0	0
1- 2	46	9	37	31	9	22	15	0	15	0	0	0
3- 4	0	0	0	0	0	0	0	0	0	0	0	0
5	9	9	0	9	9	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7- 9	25	9	16	8	0	8	17	9	8	0	0	0
10-11	7	0	7	7	0	7	0	0	0	0	0	0
12-13	0	0	0	0	0	0	0	0	0	0	0	0
14	9	9	0	9	9	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
16	14	14	0	14	14	0	0	0	0	0	0	0
17	5	5	0	5	5	0	0	0	0	0	0	0
18	40	0	40	40	0	40	0	0	0	0	0	0
19	178	0	178	170	0	170	8	0	8	0	0	0
20	98	53	45	82	43	39	16	10	6	0	0	0
21	62	45	17	62	45	17	0	0	0	0	0	0
22-24	398	202	196	270	139	131	96	53	43	0	0	0
25-29	461	278	183	392	230	162	59	38	21	0	0	0
30-34	380	232	148	284	154	130	96	78	18	0	0	0
35-39	232	101	131	220	95	125	0	0	0	0	0	0
40-44	147	80	67	129	70	59	8	0	8	0	0	0
45-49	93	55	38	72	44	28	21	11	10	0	0	0
50-54	47	27	20	47	27	20	0	0	0	0	0	0
55-59	98	47	51	87	36	51	11	11	0	0	0	0
60-61	81	42	39	81	42	39	0	0	0	0	0	0
62-64	50	42	8	40	32	8	10	10	0	0	0	0
65-69	88	29	59	88	29	59	0	0	0	0	0	0
70-74	130	43	87	116	43	73	14	0	14	0	0	0
75-79	202	36	166	202	36	166	0	0	0	0	0	0
80-84	155	62	93	144	62	82	11	0	11	0	0	0
85+	66	11	55	66	11	55	0	0	0	0	0	0
0- 4	60	16	44	38	9	29	15	0	15	0	0	0
5-17	69	46	23	52	37	15	17	9	8	0	0	0
18-24	776	300	476	624	227	397	120	63	57	0	0	0
25-44	1,220	691	529	1,025	549	476	163	116	47	0	0	0
45-64	369	213	156	327	181	146	42	32	10	0	0	0
65+	641	181	460	616	181	435	25	0	25	0	0	0
Total	3,135	1,447	1,688	2,682	1,184	1,498	382	220	162	0	0	0
Median age	32.7	31.8	34.0	34.1	32.9	35.6	28.3	30.0	25.2	.	.	.

Census Tract: Tract 110
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 110
County: Milwaukee County
State: Wisconsin

Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	60	17	28	18	8	17	42	190
$ 5,000- 9,999	74	86	115	20	33	47	123	498
$10,000-14,999	110	99	30	0	9	20	7	275
$15,000-24,999	52	126	50	56	64	0	0	348
$25,000-34,999	39	53	47	0	0	0	0	139
$35,000-49,999	0	103	38	0	20	8	0	169
$50,000-74,999	0	23	10	10	9	0	7	59
$75,000-99,999	0	0	0	0	0	10	0	10
$100,000 or more	0	8	0	0	0	0	0	8
Total	335	515	318	104	143	102	179	1,696
Mean								$18,178

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	8	22	0	0	0	0	0	30
$ 5,000- 9,999	19	10	8	0	21	14	0	72
$10,000-14,999	25	32	0	11	0	0	0	68
$15,000-24,999	10	31	0	0	0	0	0	41
$25,000-34,999	0	21	0	0	0	0	0	21
$35,000-49,999	9	13	0	10	0	0	0	32
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	71	129	8	21	21	14	0	264
Mean								$14,942

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	0	0	0	0	0	0	0
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Mean								.

Census Tract: Tract 110
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 110
County: Milwaukee County
State: Wisconsin

Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	42
$ 100 - $149	145
$ 150 - $199	74
$ 200 - $249	243
$ 250 - $299	179
$ 300 - $349	330
$ 350 - $399	299
$ 400 - $449	255
$ 450 - $499	145
$ 500 - $549	60
$ 550 - $599	33
$ 600 - $649	46
$ 650 - $699	0
$ 700 - $749	0
$ 750 - $999	10
$1000 or more	0
No cash rent	11
Median gross rent	$338

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other Race *	Not of Hispanic Origin	Hispanic Origin
With cash rent:					*		
$ 0 - $199	179	82	0	0	0 *	254	7
$ 200 - $299	354	55	0	13	0 *	416	6
$ 300 - $499	870	135	0	0	24 *	972	57
$ 500 - $749	125	14	0	0	0 *	139	0
$ 750 - $999	10	0	0	0	0 *	10	0
$1000 or more	0	0	0	0	0 *	0	0
No cash rent	11	0	0	0	0 *	11	0

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms: None	1	2	3+
With cash rent:				
$ 0 - $199	25	236	0	0
$ 200 - $299	271	138	6	7
$ 300 - $499	120	768	124	17
$ 500 - $749	0	46	60	33
$ 750 - $999	0	0	0	10
$1000 or more	0	0	0	0
No cash rent	0	11	0	0

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	0	.
No meals included	1,861	$336

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	1,262
No extra payment for any utilities	610

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

Income	Percentage of Household Income: 0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	35	6	102	111	528	9
$10,000-19,999	53	83	139	100	142	11
$20,000-34,999	141	169	0	9	0	0
$35,000-49,999	177	10	0	0	0	0
$50,000 +	47	0	0	0	0	0

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder: 15-64	65 +
Less than 20 %	394	59
20 - 24 %	253	15
25 - 29 %	152	89
30 - 34 %	177	43
35 + %	592	78
Not computed	11	9

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 109
County: Milwaukee County
State: Wisconsin

Summary level = 140

P13/14/15. Race by Sex by Age (Continued onto Page 3)

	Total Persons			White			Black			American Indian Eskimo or Aleut		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Under 1	23	15	8	23	15	8	0	0	0	0	0	0
1- 2	11	0	11	11	0	11	0	0	0	0	0	0
3- 4	14	7	7	14	7	7	0	0	0	0	0	0
5	7	7	0	7	7	0	0	0	0	0	0	0
6	8	0	8	8	0	8	0	0	0	0	0	0
7- 9	0	0	0	0	0	0	0	0	0	0	0	0
10-11	15	0	15	15	0	15	0	0	0	0	0	0
12-13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	5	5	0	0	0	0	5	5	0	0	0	0
16	8	8	0	8	8	0	0	0	0	0	0	0
17	16	16	0	16	16	0	0	0	0	0	0	0
18	17	8	9	17	8	9	0	0	0	0	0	0
19	30	30	0	15	15	0	0	0	0	0	0	0
20	67	32	35	53	18	35	0	0	0	0	0	0
21	64	20	44	56	20	36	0	0	0	0	0	0
22-24	507	243	264	507	243	264	0	0	0	0	0	0
25-29	765	396	369	661	331	330	10	10	0	32	14	18
[illegible]4	632	372	260	562	344	218	48	21	27	0	0	0
[illegible]9	454	261	193	391	235	156	55	18	37	0	0	0
40-44	335	136	199	302	103	199	33	33	0	0	0	0
45-49	170	91	79	170	91	79	0	0	0	0	0	0
50-54	279	162	117	251	150	101	28	12	16	0	0	0
55-59	176	52	124	143	28	115	33	24	9	0	0	0
60-61	49	31	18	35	17	18	0	0	0	0	0	0
62-64	178	93	85	161	93	68	17	0	17	0	0	0
65-69	149	70	79	132	63	69	17	7	10	0	0	0
70-74	330	128	202	296	101	195	17	10	7	0	0	0
75-79	356	85	271	348	85	263	8	0	8	0	0	0
80-84	241	48	193	241	48	193	0	0	0	0	0	0
85+	485	85	400	447	77	370	38	8	30	0	0	0
0- 4	48	22	26	48	22	26	0	0	0	0	0	0
5-17	59	36	23	54	31	23	5	5	0	0	0	0
18-24	685	333	352	648	304	344	0	0	0	0	0	0
25-44	2,186	1,165	1,021	1,916	1,013	903	146	82	64	32	14	18
45-64	852	429	423	760	379	381	78	36	42	0	0	0
65+	1,561	416	1,145	1,464	374	1,090	80	25	55	0	0	0
Total	5,391	2,401	2,990	4,890	2,123	2,767	309	148	161	32	14	18
Median age	40.8	35.8	49.6	41.3	35.6	50.4	50.6	43.0	55.3	27.5	27.5	27.5

[illegible]sus Tract: Tract 109
County: Milwaukee County
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Summary level = 140

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Census Tract: Tract 109
County: Milwaukee County
State: Wisconsin

Summary level = 140

P82 through P88. Household Income in 1989 by Age and Race/Hispanic Origin of Householder
(Universe: Households)

	White							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	65	17	29	0	0	14	10	135
$ 5,000- 9,999	0	49	19	29	8	60	92	257
$10,000-14,999	48	41	48	22	17	63	64	303
$15,000-24,999	121	206	126	76	34	41	85	689
$25,000-34,999	76	203	121	47	16	15	63	541
$35,000-49,999	22	195	119	30	18	30	33	447
$50,000-74,999	26	85	68	52	59	0	38	328
$75,000-99,999	0	63	22	38	16	0	19	158
$100,000 or more	0	11	0	40	9	10	24	94
Total	358	870	552	334	177	233	428	2,952
Mean								$39,945

	Black							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	21	0	0	14	0	35
$ 5,000- 9,999	0	0	0	0	8	0	0	8
$10,000-14,999	0	0	7	0	0	10	0	17
$15,000-24,999	0	20	19	7	0	0	0	46
$25,000-34,999	0	21	0	0	0	0	0	21
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	12	0	0	12
$100,000 or more	0	0	0	0	12	0	0	12
Total	0	41	47	7	32	24	0	151
Mean								$28,162

	American Indian, Eskimo, or Aleut							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
$ 0- 4,999	0	0	0	0	0	0	0	0
$ 5,000- 9,999	0	0	0	0	0	0	0	0
$10,000-14,999	0	0	0	0	0	0	0	0
$15,000-24,999	0	0	0	0	0	0	0	0
$25,000-34,999	0	18	0	0	0	0	0	18
$35,000-49,999	0	0	0	0	0	0	0	0
$50,000-74,999	0	0	0	0	0	0	0	0
$75,000-99,999	0	0	0	0	0	0	0	0
$100,000 or more	0	0	0	0	0	0	0	0
Total	0	18	0	0	0	0	0	18
Mean								$33,794

Census Tract: Tract 109
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

Census Tract: Tract 109
County: Milwaukee County
State: Wisconsin

Summary level = 140

H43/44. Gross Rent (Universe: Specified renter-occupied housing units)

With cash rent:	Units
$ 0 - $ 99	26
$ 100 - $149	66
$ 150 - $199	53
$ 200 - $249	43
$ 250 - $299	128
$ 300 - $349	187
$ 350 - $399	333
$ 400 - $449	383
$ 450 - $499	318
$ 500 - $549	297
$ 550 - $599	215
$ 600 - $649	110
$ 650 - $699	128
$ 700 - $749	101
$ 750 - $999	200
$1000 or more	92
No cash rent	34
Median gross rent	$469

H45/46. Gross Rent by Race of Householder (Universe: Specified renter-occupied housing units)

	White	Black	Amer Ind Esk & Al	Asian & Pac Isl	Other Race	Not of Hispanic Origin	Hispanic Origin
With cash rent:							
$ 0 - $199	116	17	0	12	0	145	0
$ 200 - $299	133	27	0	11	0	171	0
$ 300 - $499	1,119	69	0	22	11	1,193	28
$ 500 - $749	829	0	11	11	0	831	20
$ 750 - $999	179	21	0	0	0	200	0
$1000 or more	92	0	0	0	0	92	0
No cash rent	34	0	0	0	0	34	0

H34. Bedrooms by Gross Rent (Universe: Specified renter-occupied housing units)

	Number of Bedrooms: None	1	2	3+
With cash rent:				
$ 0 - $199	26	112	7	0
$ 200 - $299	129	35	0	7
$ 300 - $499	169	982	62	8
$ 500 - $749	42	391	372	46
$ 750 - $999	0	22	112	66
$1000 or more	0	0	81	11
No cash rent	0	34	0	0

H47/48. Meals Included in Rent (Universe: Specified renter-occupied housing units paying cash rent)

	Units	Mean Gross Rent
Meals included	0	.
No meals included	2,680	$508

H49. Inclusion of Utilities in Rent (Universe: Specified renter-occupied housing units)

Pay extra for 1 or more utilities	2,158
No extra payment for any utilities	556

H50. Household Income in 1989 by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occupied housing units)

Income	Percentage of Household Income: 0-19%	20-24%	25-29%	30-34%	35%+	Not Computed
<$10,000	26	26	47	20	267	87
$10,000-19,999	30	92	144	137	265	0
$20,000-34,999	258	278	128	87	77	13
$35,000-49,999	264	81	22	13	0	11
$50,000 +	308	23	10	0	0	0

H51. Age of Householder by Gross Rent as a Percentage of Household Income in 1989 (Universe: Specified renter-occup. hsng unts)

% of Income	Age of Householder: 15-64	65 +
Less than 20 %	770	116
20 - 24 %	389	111
25 - 29 %	221	130
30 - 34 %	127	130
35 + %	419	190
Not computed	102	9

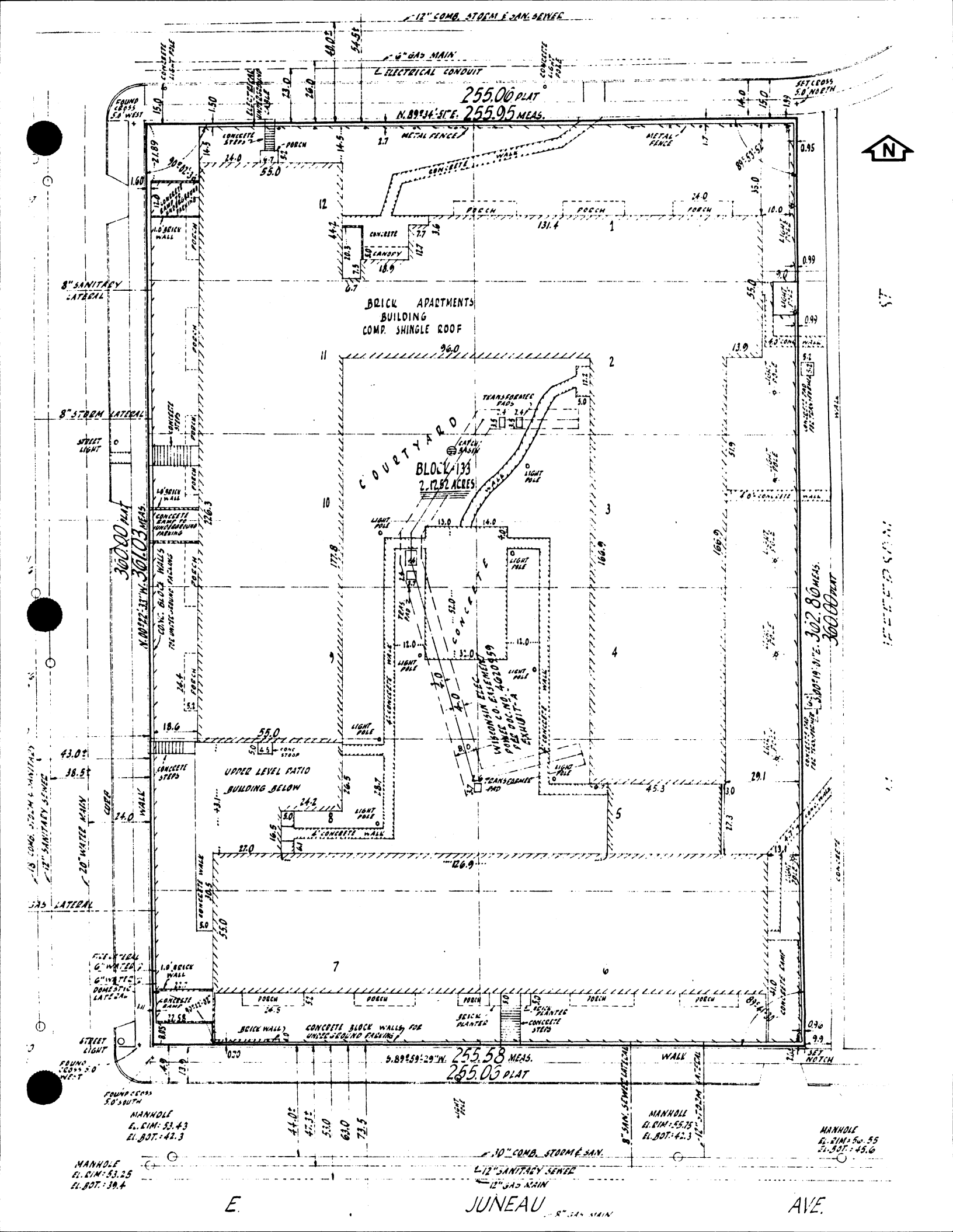
Census Tract: Tract 109
County: Milwaukee County
State: Wisconsin

Summary level = 140

Source: Census of Population and Housing, 1990: Summary Tape File 3, Corrected Version 9/1/92 [Machine-Readable Data File]

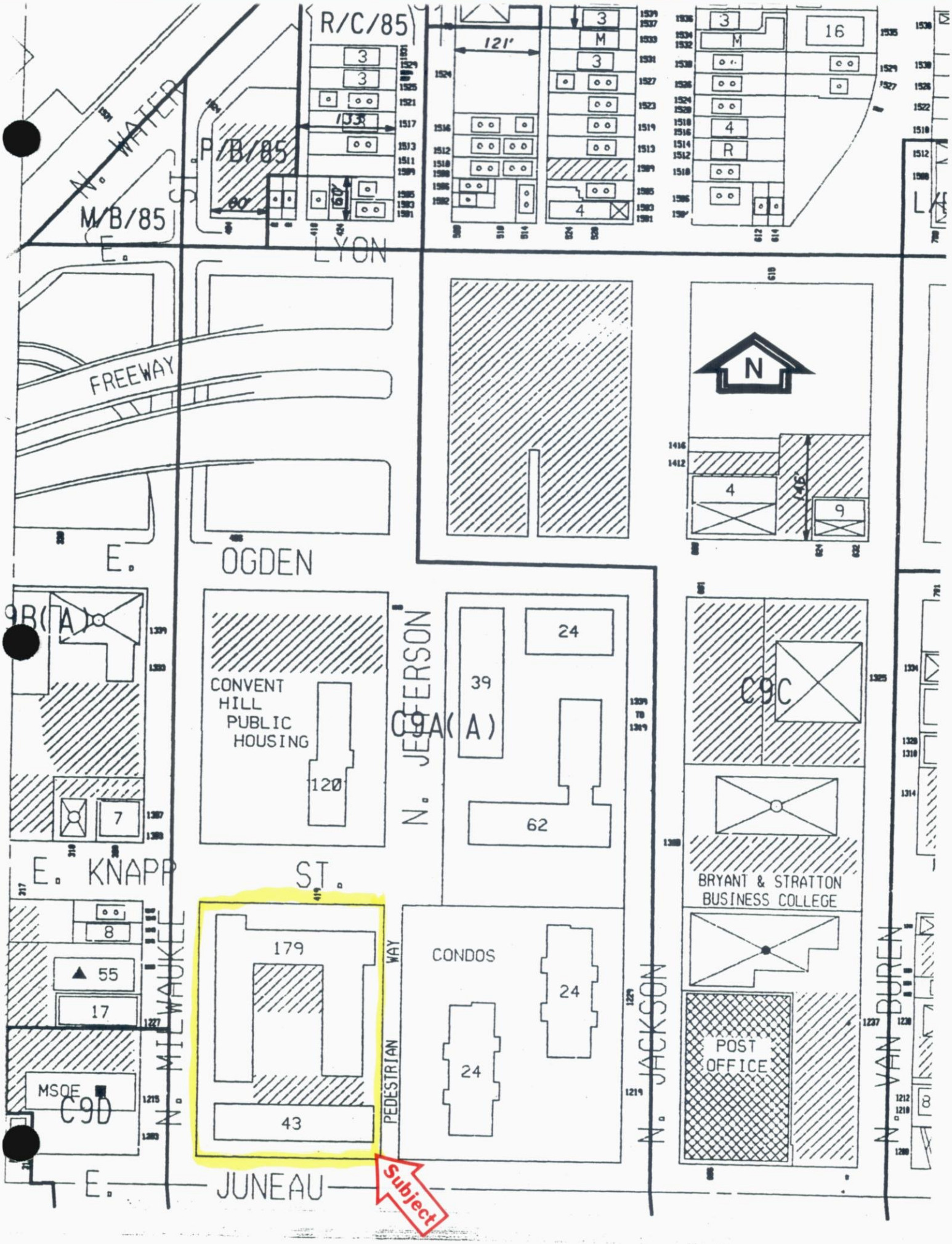
APPENDIX C

SURVEY


12" COMB. STORM & SAN. SEWER
6" GAS MAIN
ELECTRICAL CONDUIT
255.00 PLAT
N. 89°34'51"E. 255.95 MEAS.
SET CROSS 5.0 NORTH
FOUND CROSS 5.0 WEST
METAL FENCE
CONCRETE WALK
BRICK APARTMENTS BUILDING
COMP. SHINGLE ROOF
8" SANITARY LATERAL
8" STORM LATERAL
COURTYARD
BLOCK 133
2.1282 ACRES
CATCH BASIN
TRANSFORMER PADS
WISCONSIN ELEC. POWER CO. EASEMENT DOC. NO. 4620459 EXHIBIT A
TRANSFORMER PAD
UPPER LEVEL PATIO
BUILDING BELOW
CONCRETE STEPS
CONCRETE STOOP
CONCRETE WALK
CONCRETE BASE TO UNDERGROUND FEEDING
CONCRETE BLOCK WALLS FOR UNDERGROUND FEEDING
1.0' BRICK WALL
BRICK PLANTER
CONCRETE STEPS
CONCRETE RAMP
STREET LIGHT
LIGHT POLE
PORCH
FOUND CROSS 5.0' SOUTH
MANHOLE EL. RIM: 53.43 EL. BOT.: 42.3
MANHOLE EL. RIM: 53.25 EL. BOT.: 39.4
MANHOLE EL. RIM: 55.75 EL. BOT.: 42.3
MANHOLE EL. RIM: 54.55 EL. BOT.: 45.6
8" SAN. SEWER LATERAL
30" COMB. STORM & SAN.
12" SANITARY SEWER
12" GAS MAIN
S. 89°59'29"W. 255.58 MEAS.
255.06 PLAT
SET NOTCH
N. 00°22'33"W. 301.03 MEAS.
300.00 PLAT
S. 00°19'01"E. 302.86 MEAS.
300.00 PLAT
E. JUNEAU AVE.
N

APPENDIX D

ZONING MAP AND ORDINANCE


R/C/85
P/B/85
M/B/85
N. WATER ST.
E. LYON
E. OGDEN
FREEWAY
N. JEFFERSON
N. JACKSON
N. VAN BUREN
E. KNAPP ST.
E. JUNEAU
CONVENT HILL PUBLIC HOUSING
120
C9A(A)
C9C
C9D
BRYANT & STRATTON BUSINESS COLLEGE
POST OFFICE
CONDOS
MSOE
179
43
PEDESTRIAN WAY
Subject
N

SUBCHAPTER 17
CENTRAL BUSINESS DISTRICTS

295-400. Districts Established. For the purpose of regulating and restricting the use of land in the city of Milwaukee, 8 central business districts are established and numbered C9A to C9H.

295-411. C9A (High Density Residential): Purpose. The high density residential district is designed and intended to serve as a highly urban living environment for those persons or families desirous of a residential location in close proximity to the city's downtown. The district is divided into 2 subdistricts. Subdistrict A is designed to house relatively tall and massive buildings similar in scale to buildings allowed in nearby commercial districts. Subdistrict B is intended for smaller residential buildings.

295-412. C9A (High Density Residential): Permitted Uses. The following are permitted uses in C9A districts:

2. RESIDENTIAL. a. Single-family, 2-family and multi-family dwellings.

b. Family day care homes.

c. Foster family homes.

d. Small foster homes, subject to s. 295-14-1.

e. Family and small group shelter care facilities.

f. Community living arrangements for not more than 15 persons, subject to s. 295-14-1.

g. Bed and breakfast establishments, subject to s. 295-14-11.

3. CHURCHES AND SCHOOLS. a. Churches.

b. Elementary and secondary schools.

4. PUBLIC AND QUASI-PUBLIC. a. Public parks and playgrounds.

b. Public police and fire facilities.

16. SIGNS. On premise canopy, hood, wall and permanent ground signs.

17. ACCESSORY. Accessory uses exclusive of signs which are not detrimental to the residential character of the neighborhood by reason of the emission of odor, smoke, dust or noise, or the open storage of materials or equipment.

295-413. C9A (High Density Residential): Special Uses. The following are special uses in C9A districts:

2. RESIDENTIAL. a. Convents.

b. Large group shelter care facilities, subject to s. 295-14-1.

c. Community living arrangements, subject to s. 295-14-1 as follows:

c-1. For 16 or more persons.

c-2. Those determined by the common council to be a nuisance under s. 62.23(7)(i), Wis. Stats.

d. Dormitories.

e. Fraternities and sororities.

f. Rooming houses.

g. Residential hotels.

3. SCHOOLS. a. Day care centers.

b. Colleges.

c. Specialty schools.

4. PUBLIC AND QUASI-PUBLIC. a. Commercial uses in public parks and playgrounds.

b. Libraries, art galleries and museums.

c. Community centers.

5. HEALTH AND SOCIAL SERVICES. a. Social service facilities.

b. Nursing homes.

c. Health clinics.

d. Hospitals.

6. OFFICES. a. Offices.

b. Banks and other financial institutions.

c. Membership organizations.

7. RETAIL SALES. Retail sales as follows:

a. Drug stores.

b. General purpose grocery stores.

c. Specialty food stores.

d. Florist shops.

e. Book stores and newspaper and magazine shops, but excluding adult book stores.

g. Tobacco shops.

h. Bakeries.

i. Gift stores.

j. Art works.

8. MOTOR VEHICLE. Commercial parking.

9. SERVICES. a. Personal service establishments.

b. Dry cleaning and laundry situations.

c. Laundromats.

d. Laundries.

10. ENTERTAINMENT AND RECREATION. a. Recreation facilities.

b. Commercial hotels.

c. Type "A" restaurants.

d. Taverns including those with live entertainment or amusement machine premises.

13. TRANSPORTATION. Transportation passenger stations.

295-414. C9A (High Density Residential): Lot Requirements. The following lot requirements apply in C9A districts:

1. SETBACKS. a. Except as provided in par. b and s. 295-12-4, setbacks for principal and accessory buildings in C9A districts shall be:

a-1. Front: 10 feet.

a-2. Side: 5 feet on each side but not less than 12 feet combined.

a-4. Rear: 10 feet.

a-5. River: 10 feet.

b. Front, side and rear setbacks are not required for residential-nonresidential mixed use buildings or totally nonresidential buildings.

6. LOT SIZE. Every lot shall comply with the following minimum requirements:

a. Area: 7,200 square feet.

b. Width: 60 feet.

295-416. C9A (High Density Residential): Floor Area Requirements. 1. POLICY. In a C9A district, provision of both surface and roof top open space is encouraged. Floor area bonuses are allowed when such open space is provided in association with a construction project. No bonus is given for the development of interior atrium or mall space.

2. PERMITTED FLOOR AREA. The variables used in this subsection are defined and calculated as provided in s. 295-12-8.

a. When surface open space will comprise 40% or less of the development site, permitted floor area = 2(W) + 7.5(X) + 4(Y).

b. When surface open space will comprise more than 40% but less than 80% of the development site, permitted floor area = 5(W).

c. When surface open space will comprise 80% or more of the development site, permitted floor area = 25(W) - 25(X).

3. USABLE OPEN SPACE. In a C9A district 75 square feet of usable open space shall be provided for each dwelling unit in buildings for which original construction building permits are issued after January 1, 1984.

295-417. C9A (High Density Residential): Height Limitations. 1. MINIMUM. In a C9A district no building may be less than 20 feet in height.

2. MAXIMUM. In a subdistrict B of a C9A district no structure may exceed 40 feet in height.

295-421. C9B (Residential and Specialty Use): Purpose. The residential and specialty use district is designed and intended to allow a compatible mix of urban activities which together result in a cohesive district offering a variety of residential, employment generating and neighborhood serving or specialty retail uses. The district is divided into 2 subdistricts. Subdistrict A is designed to house medium sized buildings compatible with the older buildings existing in the area. Subdistrict B is designed to house taller and more massive buildings for office and commercial uses.

295-422. C9B (Residential and Specialty Use): Permitted Uses. The following are permitted uses in C9B districts:

2. RESIDENTIAL. a. Single-family, 2-family and multi-family dwellings.

b. Family day care homes.

c. Foster family homes.

d. Small foster homes, subject to s. 295-14-1.

e. Family and small group shelter care facilities.

f. Community living arrangements for not more than 15 persons, subject to s. 295-14-1.

3. CHURCHES AND SCHOOLS. a. Churches.

b. Elementary and secondary schools.

4. PUBLIC AND QUASI-PUBLIC. a. Public parks and playgrounds.

b. Libraries, art galleries and museums.

c. Public police and fire facilities.

6. OFFICES. a. Offices.

b. Banks and other financial institutions.

c. Membership organizations.

7. RETAIL SALES. a. General retail establishments except those primarily engaged in selling:

a-1. Furniture and floor coverings.

a-2. Major appliances.

a-3. Paint and wallpaper.

b. General purpose grocery stores.

c. Mail order and catalog sales centers.

d. Ticket offices and travel agencies.

APPENDIX E

REDEVELOPMENT PLAN SUMMARY INFORMATION

EAST 2104 13 REEL 210 IMAG 1122 4129366

REGISTER'S OFFICE } ss
MILWAUKEE COUNTY, WIS.
RECORDED AT 10:51 A M
on SEP 10 1964 in
Reel 210 Image 1122 to
Clyde M. Haberman 1152 inc
REGISTER OF DEEDS

CERTIFICATE OF RECORDING OFFICER

The undersigned hereby certifies, as follows:

(1) That he is the duly qualified and acting Secretary of the Redevelopment Authority of the City of Milwaukee, herein called the "Applicant", and the keeper of its records; including the journal of proceedings of the Redevelopment Authority of the City of Milwaukee herein called the "Governing Body".

(2) That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Governing Body held on the 9th day of April, 1964, and duly recorded in his office;

(3) That said meeting was duly convened and held in all respects in accordance with law and to the extent required by law due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting, and a legally sufficient number of members of the Governing Body voted in the proper manner and for the adoption of said resolution; and all other requirements and proceedings under law incident to the proper adoption or passage of said resolution, have been duly fulfilled, carried out, and otherwise observed;

(4) That if an impression of the seal has been affixed below, it constitutes the official seal of the Applicant and this certificate is hereby executed under such official seal. If no seal has been affixed below, the Applicant does not have and is not legally required to have an official seal;

(5) That the undersigned is duly authorized to execute this certificate.

IN WITNESS WHEREOF the undersigned has hereunto set his hand this 13th day of August, 1964.

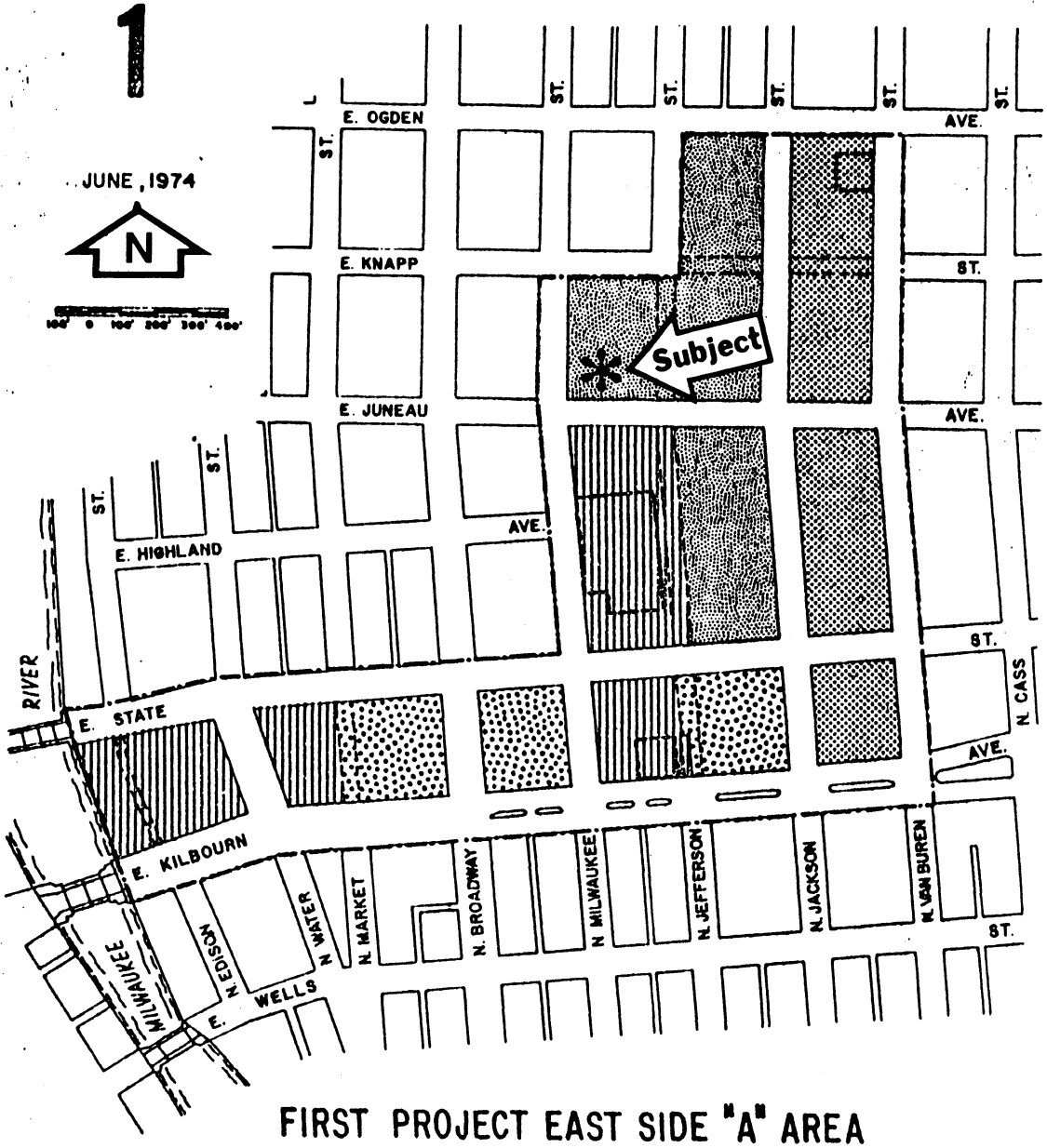
(SEAL)

Richard W. E. Perrin,
Secretary

SEP-10-64 5277721 4129366 1st B Rec

1

JUNE, 1974



FIRST PROJECT EAST SIDE "A" AREA

LAND USE MAP

- MULTI-FAMILY RESIDENCE
- MULTI-FAMILY RESIDENCE AND/OR COMPATIBLE RETAIL & SERVICE USES
- MULTI-FAMILY RESIDENCE AND/OR COMMERCIAL
- PUBLIC & SEMI-PUBLIC

AMENDMENT No. 2

- PROJECT BOUNDARY
- PARCEL EXCLUDED FROM ACQUISITION
- PROPOSED EASEMENT

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, MILWAUKEE, WISCONSIN

2) Controls and Restrictions to be Imposed by the Plan on the Sale, Lease, or Retention of All Real Property Acquired

The Redevelopment Plan has set forth three areas within the project boundaries for planned unit residential and commercial development. The areas as identified in the land use map are as follows:

a) Multi-Family Residence

Preferred Uses: High-, medium-, and low-rise multi-family apartment buildings; row and/or town houses; a combination of the above.

Prohibited Uses: Single and two-family houses; all incompatible non-residential uses. The compatibility of proposed non-residential uses will be determined by the Redevelopment Authority upon review of submitted site plans and proposals.

Maximum Floor Area Ratio: 4.0

Parking Requirements - Residential: Two parking spaces for each 3 dwelling units shall be provided.

Each parking space shall consist of a minimum of 160 square feet. If other than attendant parking is proposed a functional layout of drives, lanes, or aisles shall also be provided.

Parking and Loading Requirements - Non-Residential: The parking and loading requirements are identical to those outlined under Multi-Family Residence and Compatible Retail and Service Uses.

b) Multi-Family Residence and Compatible Retail and Service Uses

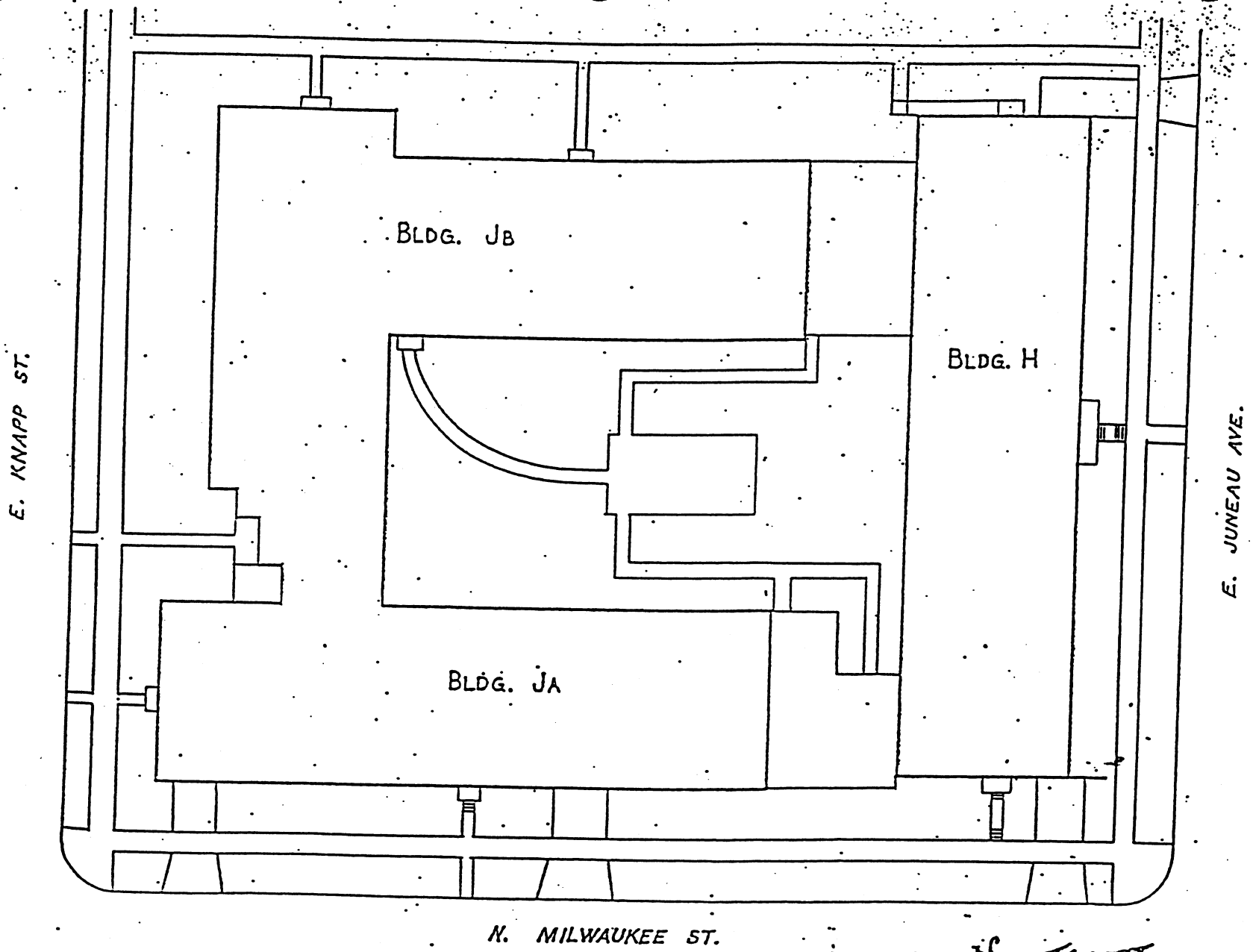
Preferred Uses: Same as Multi-Family Residence except that compatible local serving retail and service uses are also preferred.

Prohibited Uses: Same as Multi-Family Residence

Maximum Floor Area Ratio: 5.0

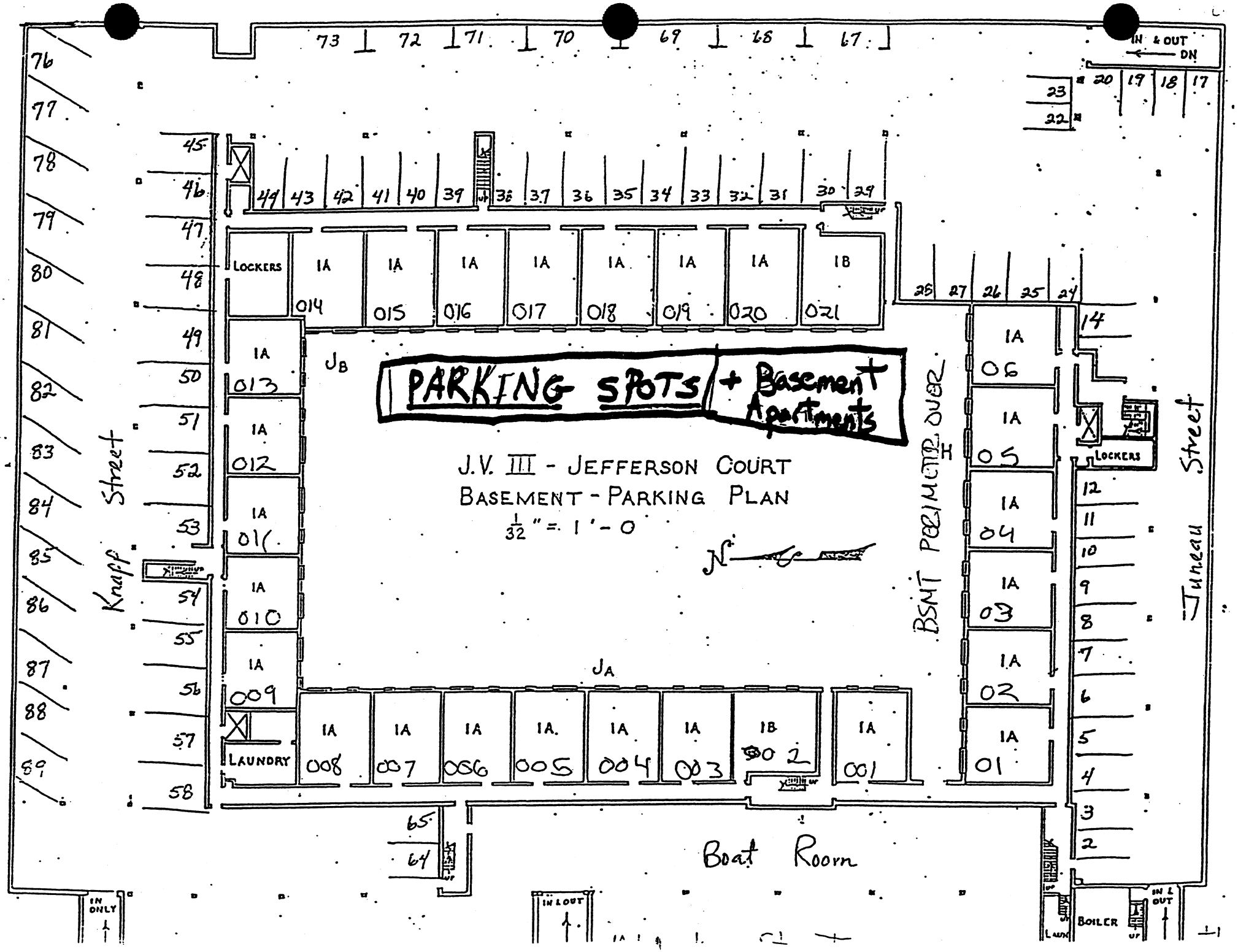
APPENDIX F

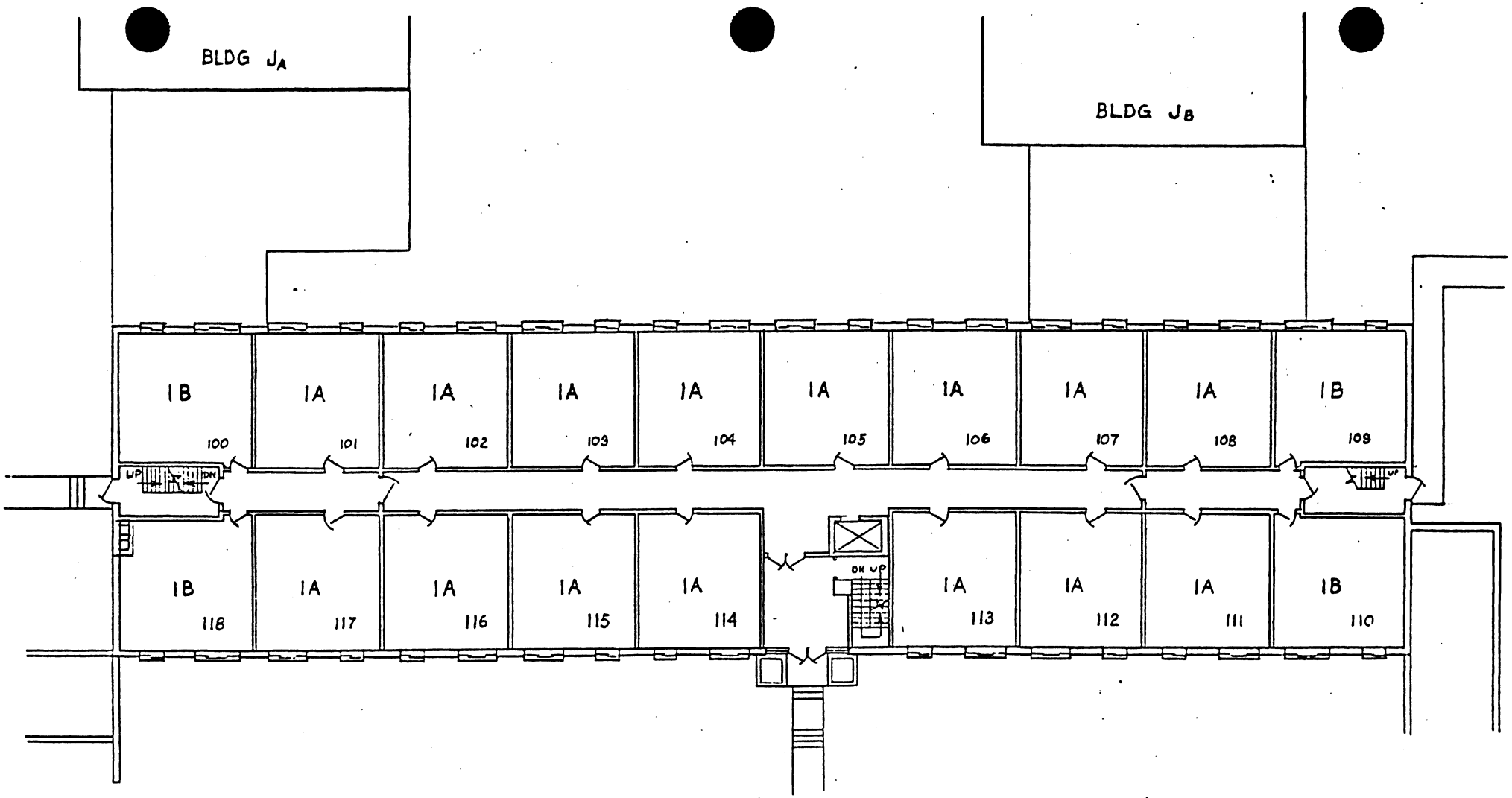
BUILDING FLOOR PLANS



J.V. III - JEFFERSON COURT SITE PLAN

NO SCALE


PARKING SPOTS + Basement Apartments
J.V. III - JEFFERSON COURT
BASEMENT - PARKING PLAN
1/32" = 1'-0
Knapp Street
Juneau Street
BSMT PED. OVER
IN & OUT
DN
LOCKERS
LAUNDRY
Boat Room
BOILER
IN ONLY
IN & OUT
JA
JB
1A
1B

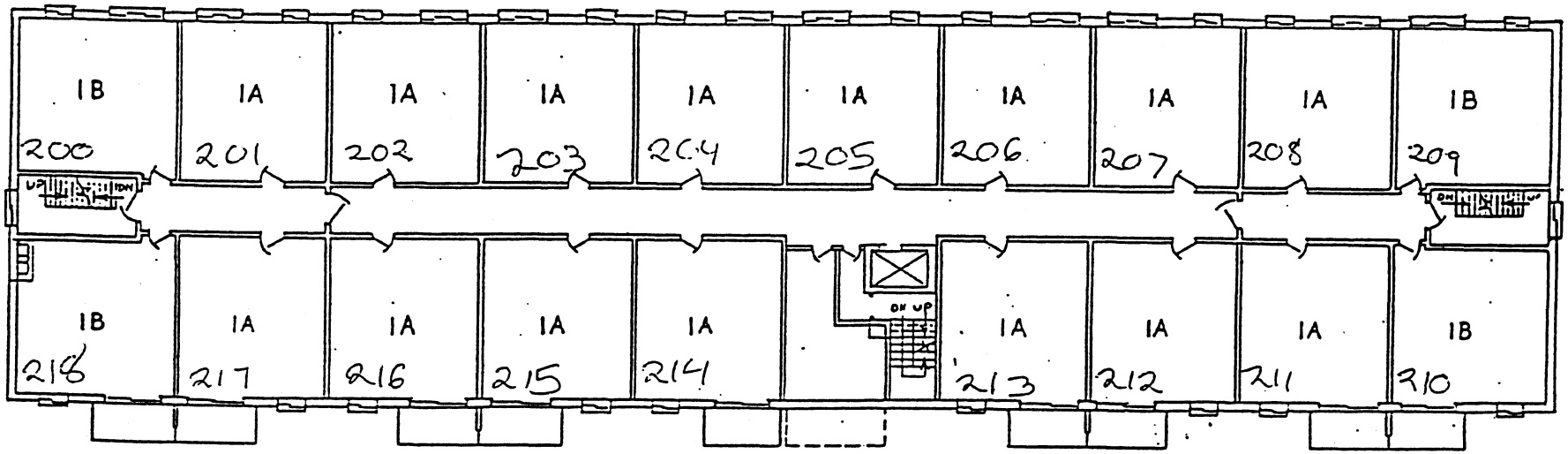


Juneau

J.V. III - JEFFERSON COURT
BUILDING H - FIRST FLOOR
1/4" = 1'-0

N

Juneau

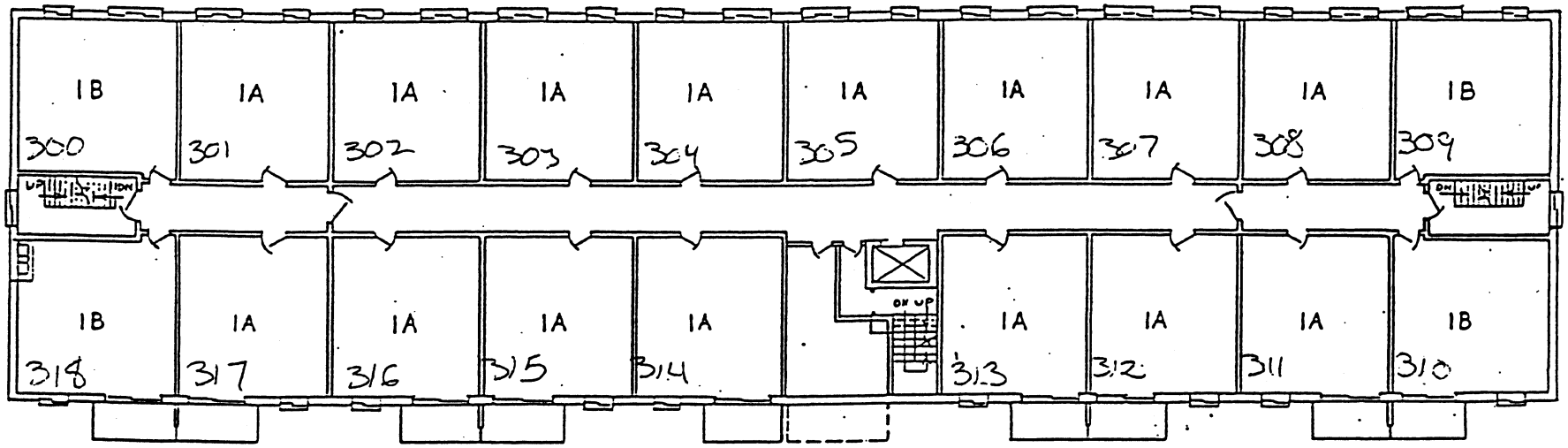


Juneau

J.V. III - Jefferson Court
Building H - Second Floor
1/24" = 1'-0

N

Juneau



Sunead

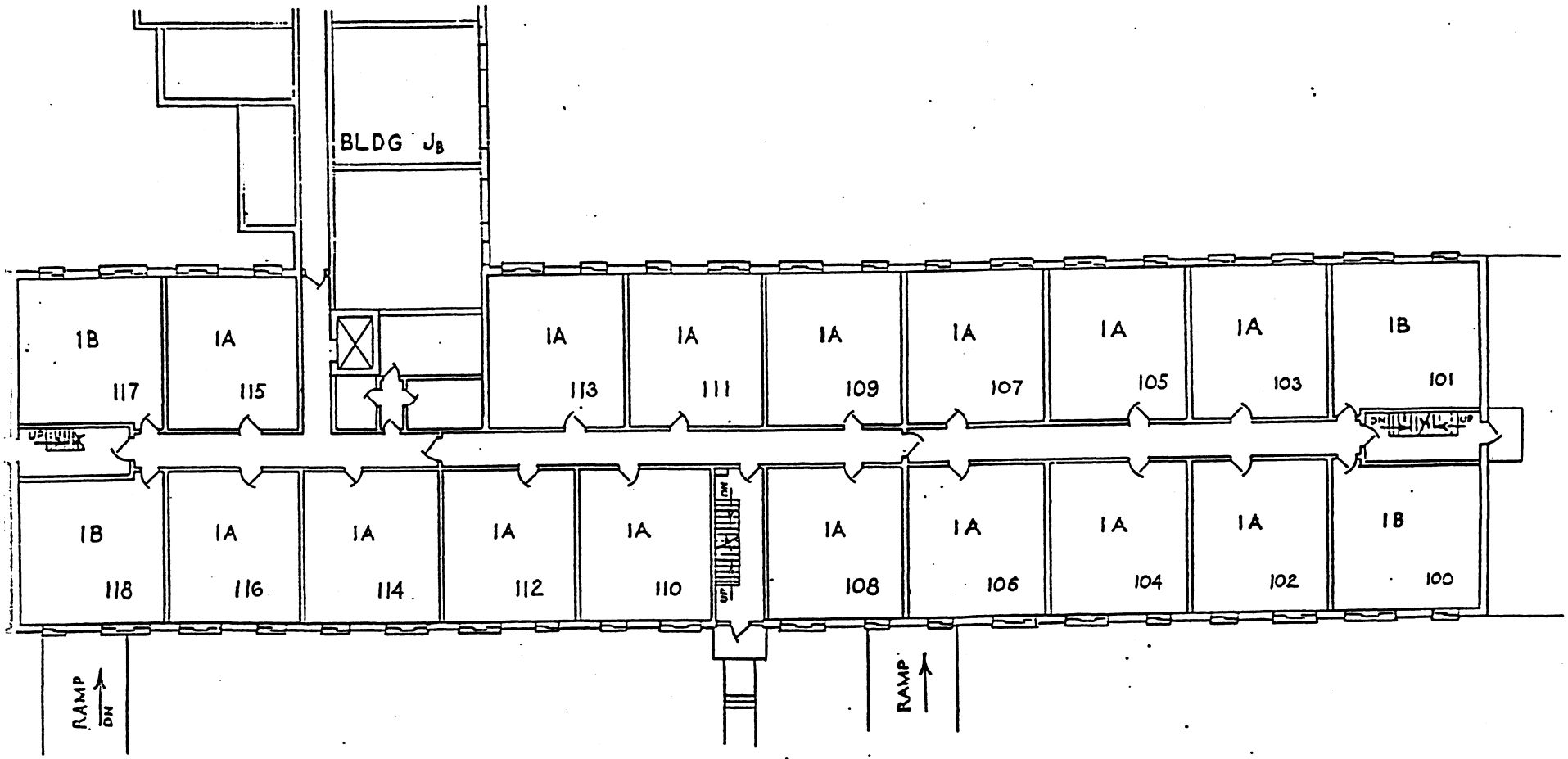
J.V. III - Jefferson Court

Building H - Third Floor

$\frac{1}{24}$" = 1'-0

N

Sunead



Milwaukee

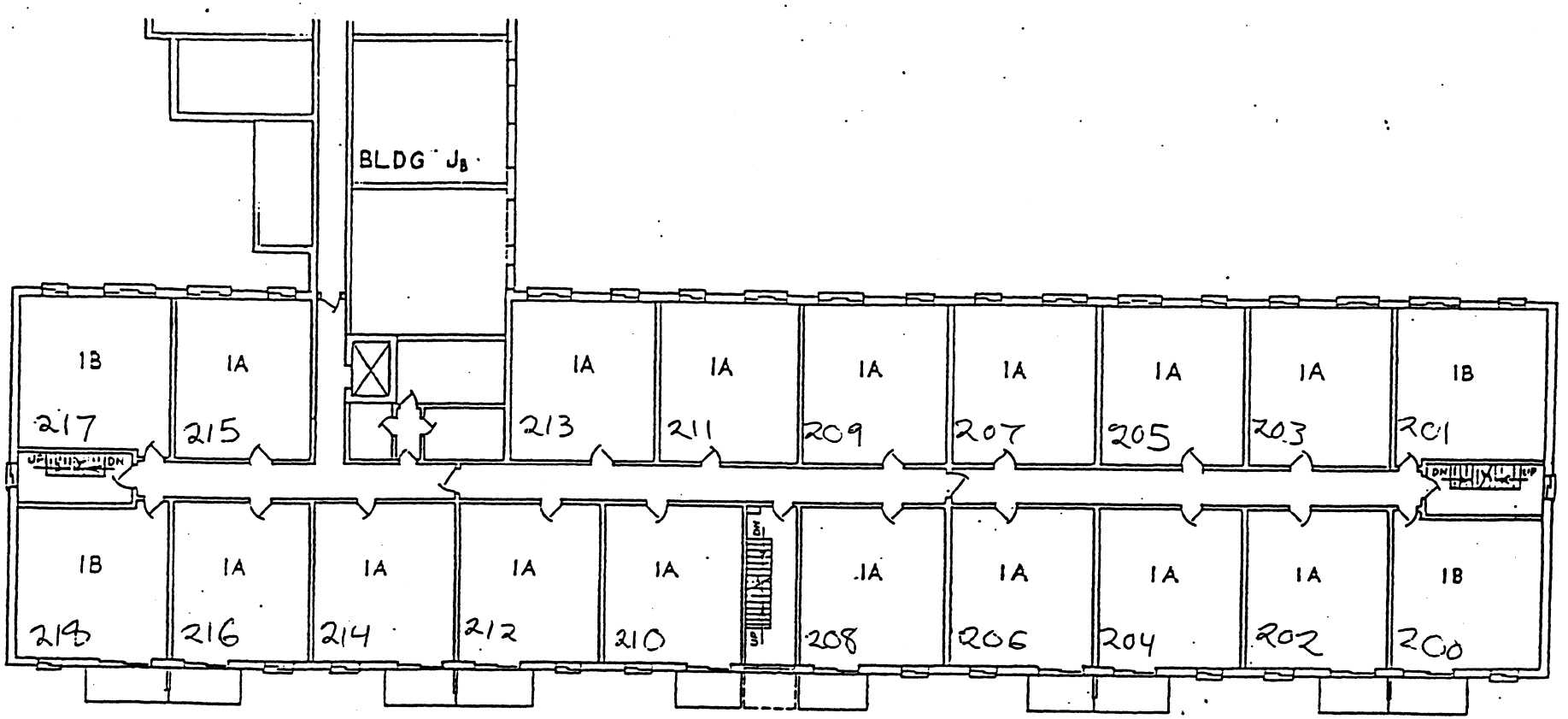
J. V. III - JEFFERSON COURT

BUILDING JA - FIRST FLOOR

$\frac{1}{24}$" = 1'-0

N

Milwaukee



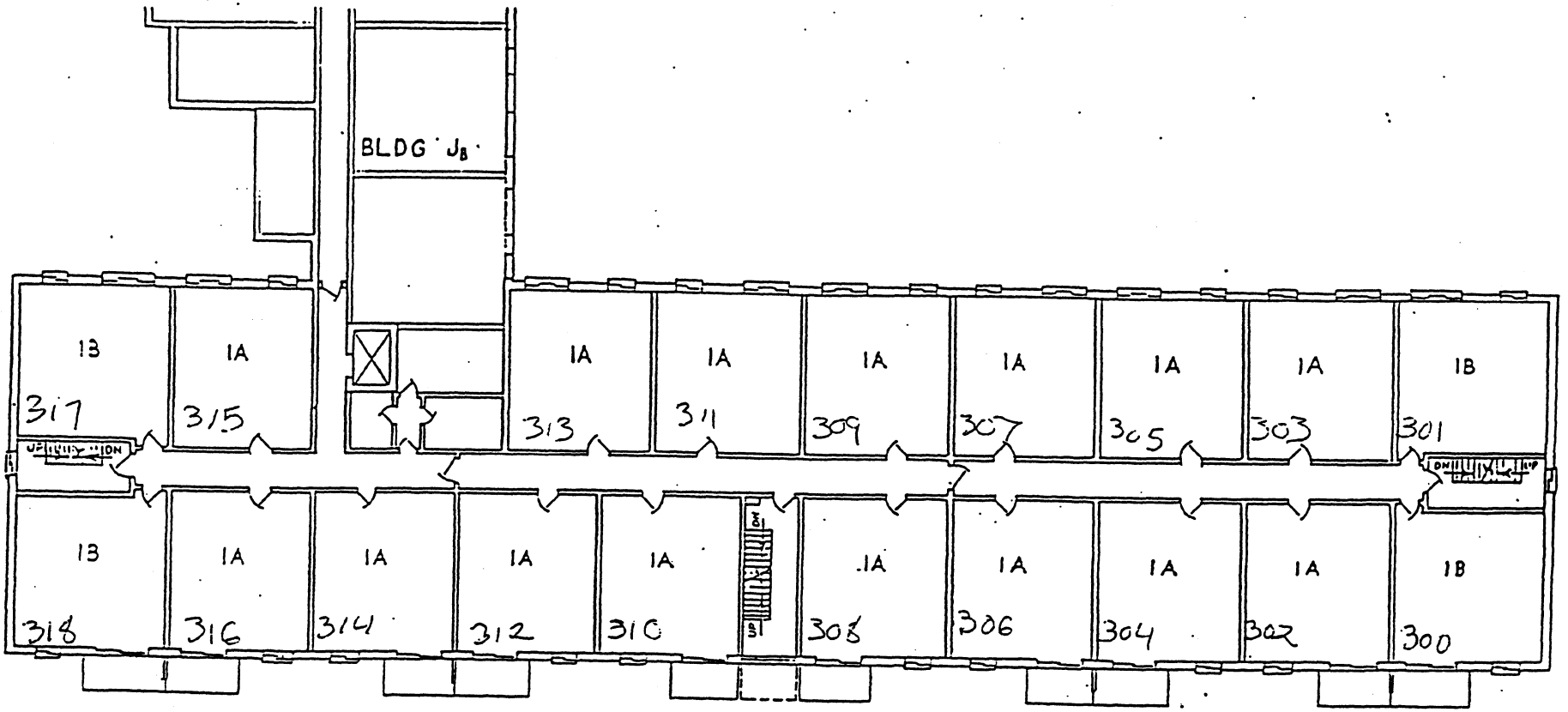
Milwaukee

J. V. III - JEFFERSON COURT

BUILDING J_A - Second floor

$\frac{1}{24}$" = 1'-0

N



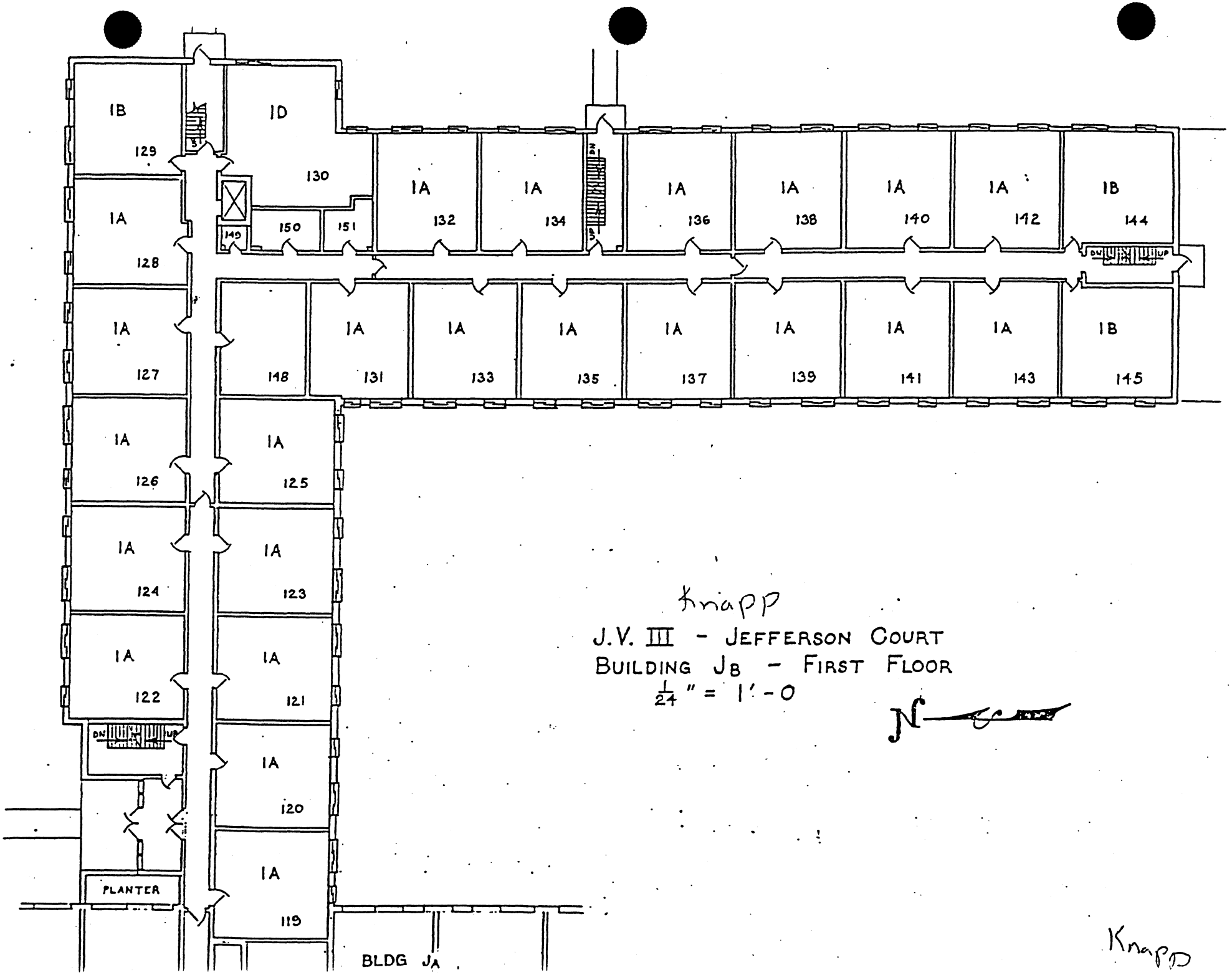
Milwaukee

J. V. III - JEFFERSON COURT

BUILDING JA - Third Floor

$\frac{1}{24}$" = 1'-0

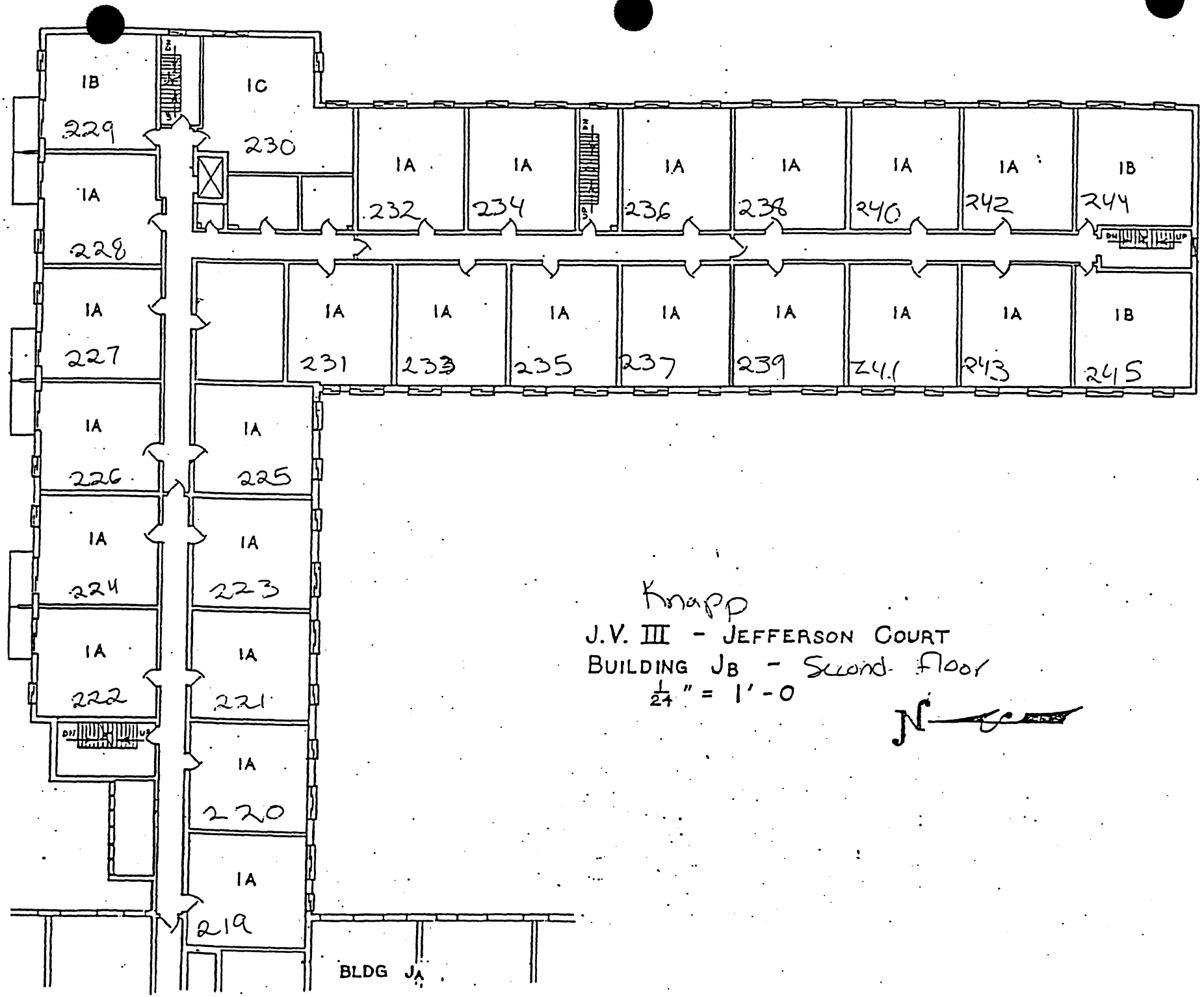
N



Knapp

J.V. III - JEFFERSON COURT
BUILDING JB - FIRST FLOOR
$\frac{1}{24}$" = 1'-0

Knapp



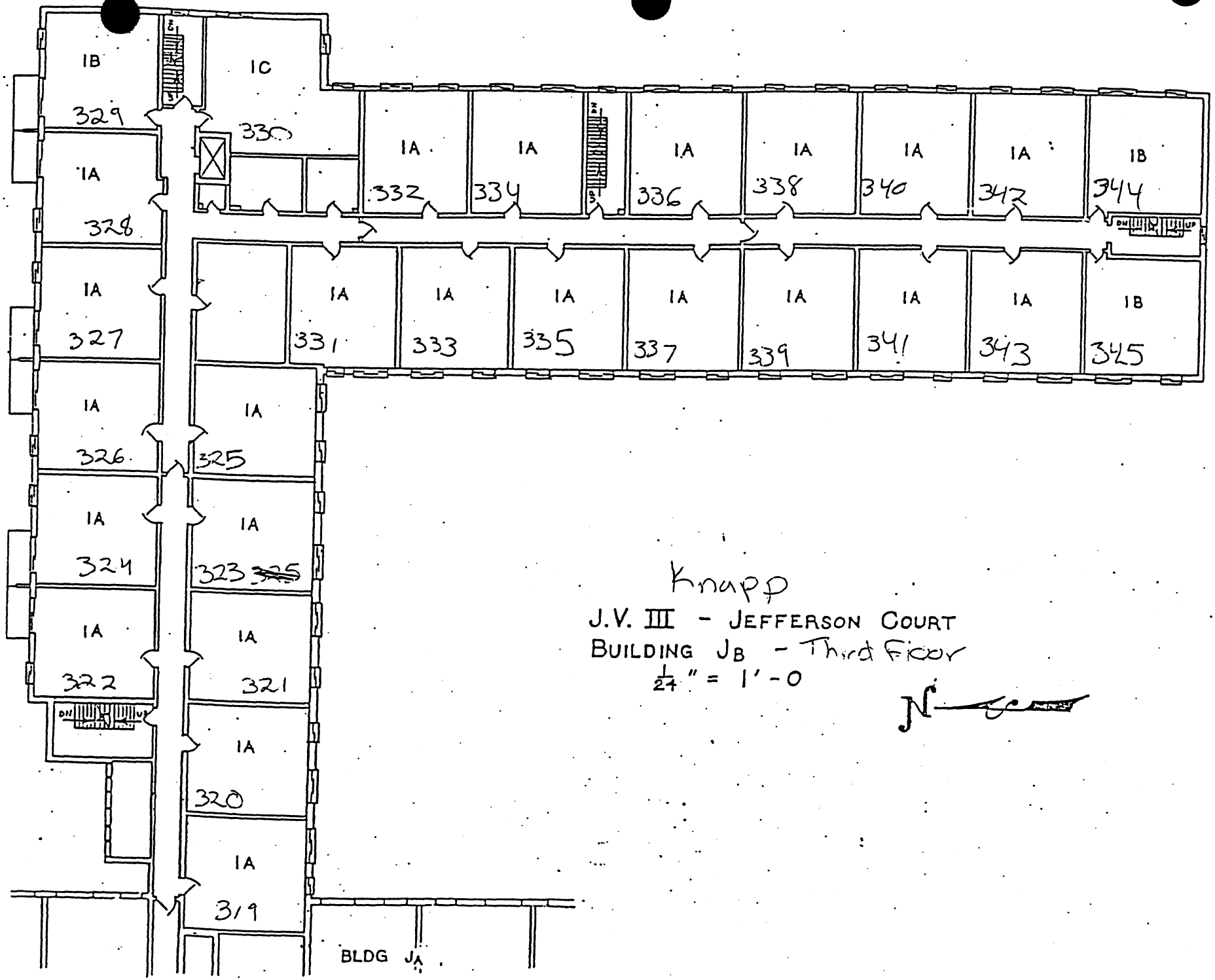
Knapp

J.V. III - JEFFERSON COURT

BUILDING JB - Second floor

$\frac{1}{24}$" = 1'-0

N



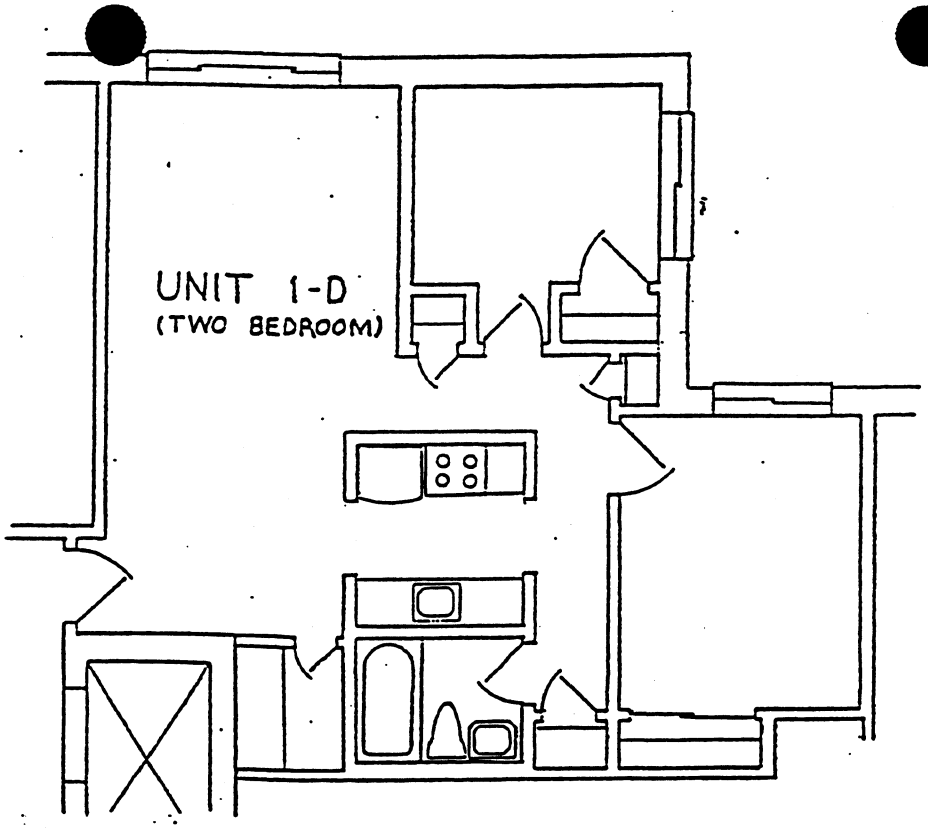
Knapp

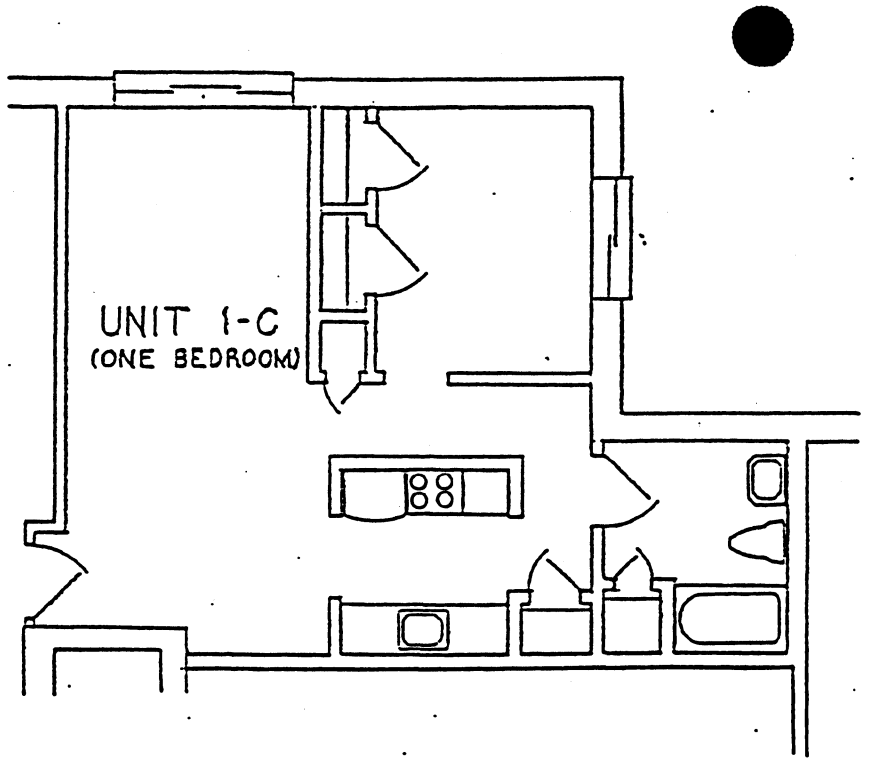
J.V. III - JEFFERSON COURT

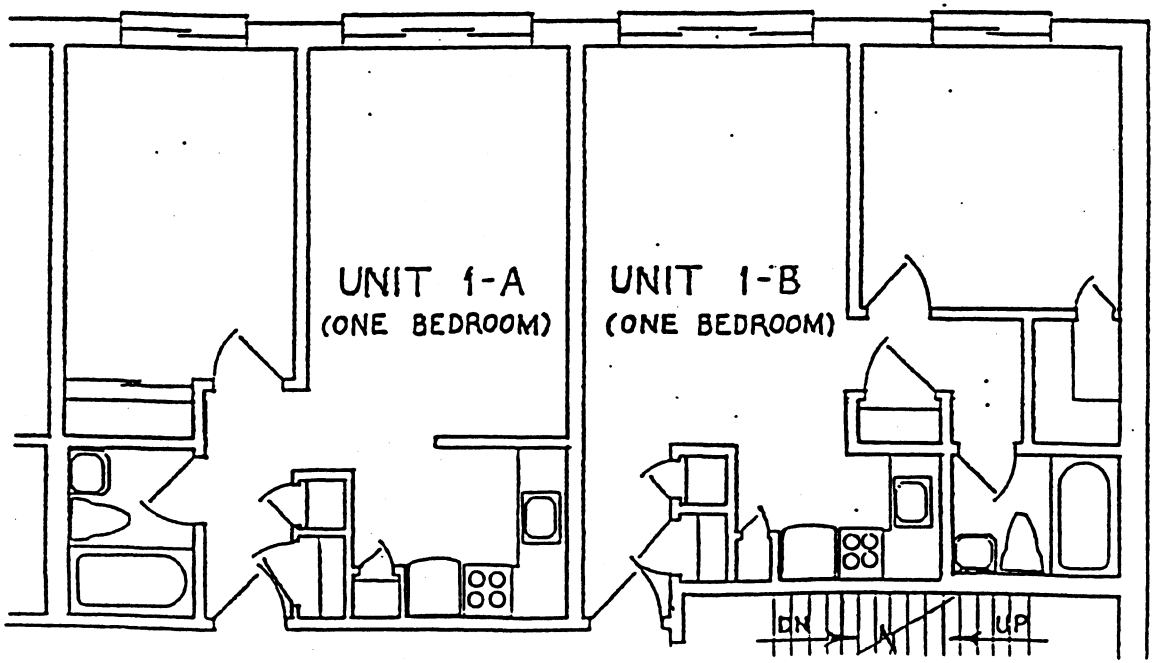
BUILDING JB - Third Floor

$\frac{1}{24}$" = 1'-0

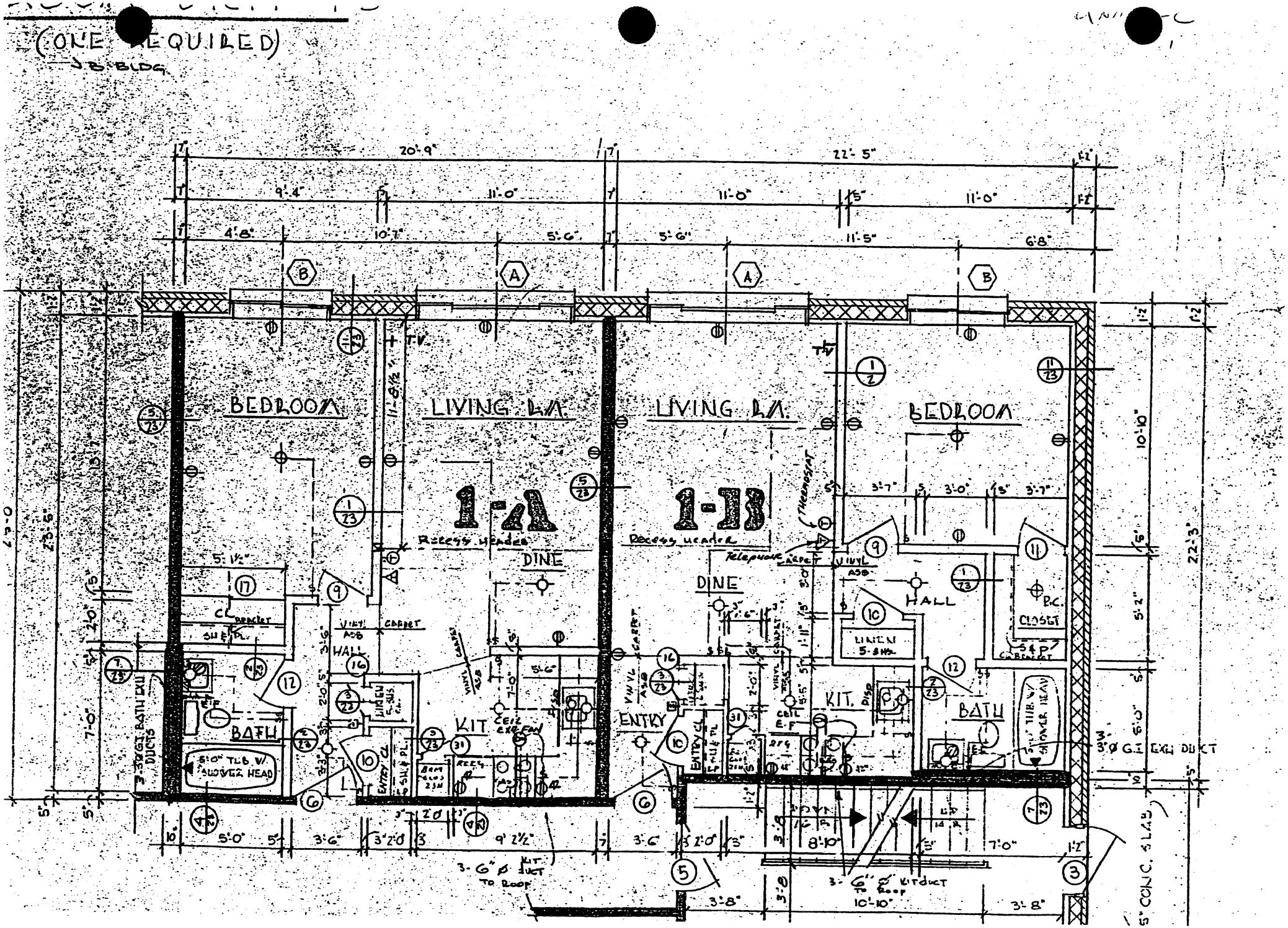
N

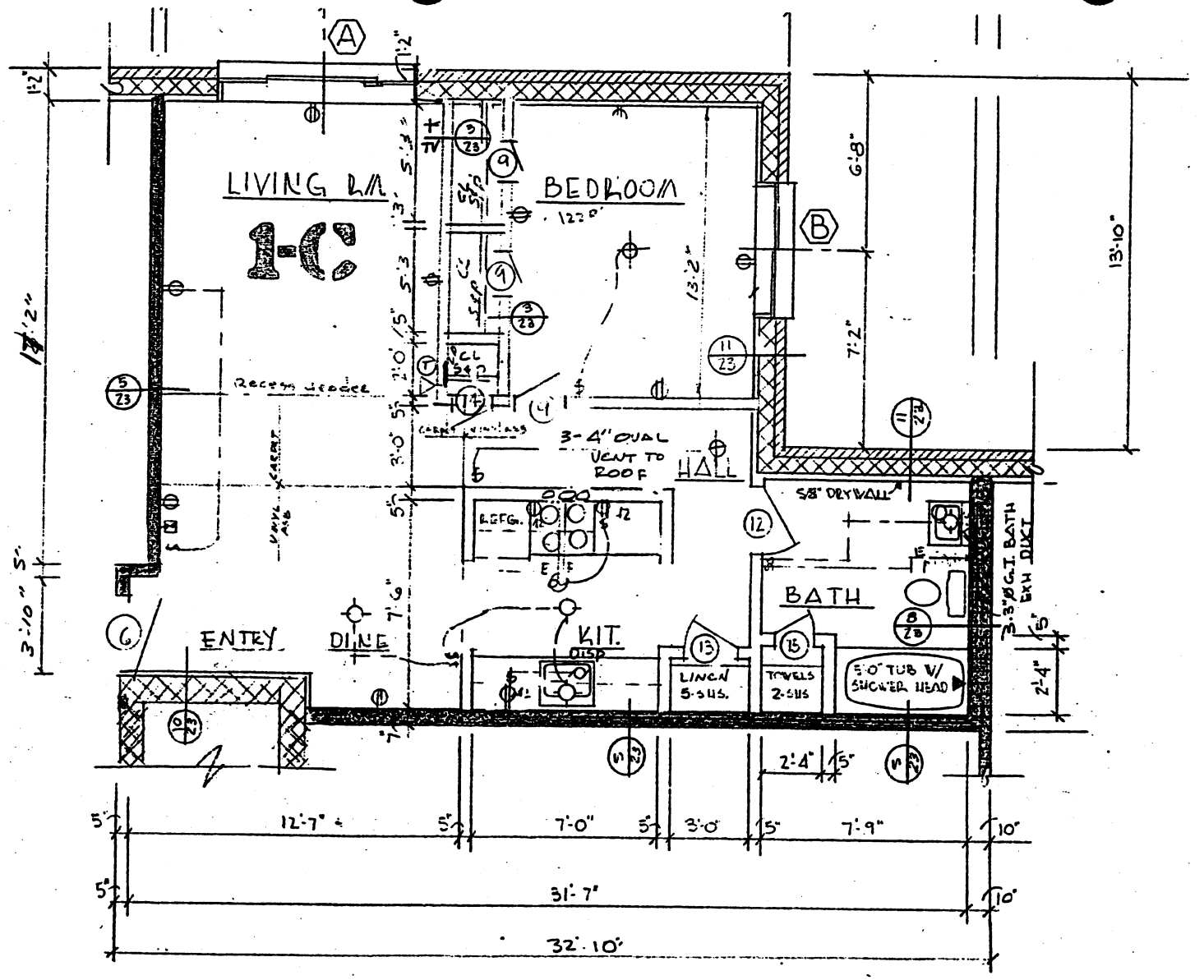






J.V. III - JEFFERSON COURT
TYPICAL UNITS
$\frac{1}{8}$" = 1'-0


(ONE REQUIRED)
SB BLDG.
20'-9"
22'-5"
9'-4"
11'-0"
11'-0"
11'-0"
4'-8"
10'-7"
5'-6"
5'-6"
11'-5"
6'-8"
BEDROOM
LIVING L/A.
LIVING L/A.
BEDROOM
1-1A
1-1B
Recess Header
Recess Header
DINE
DINE
HALL
LINEN
CLOSET
KIT.
KIT
BATH
BATH
ENTRY
5'-0" TUB W/ SHOWER HEAD
3-30 GI. BATH EXH. DUCTS
3-8"ø G.I. EXH. DUCT
3-6"ø KIT. DUCT TO ROOF
3-6"ø KITDUCT
5" CONC. SLAB
THERMOSTAT
TELEPHONE
VINYL ASB.
CARPET
R.C.
S & P
CEIL. EXH. FAN
ENTRY CL.
LINEN S. SHS.
BRACKET
SW
EF
T.V.



TYPICAL 1-C UNIT

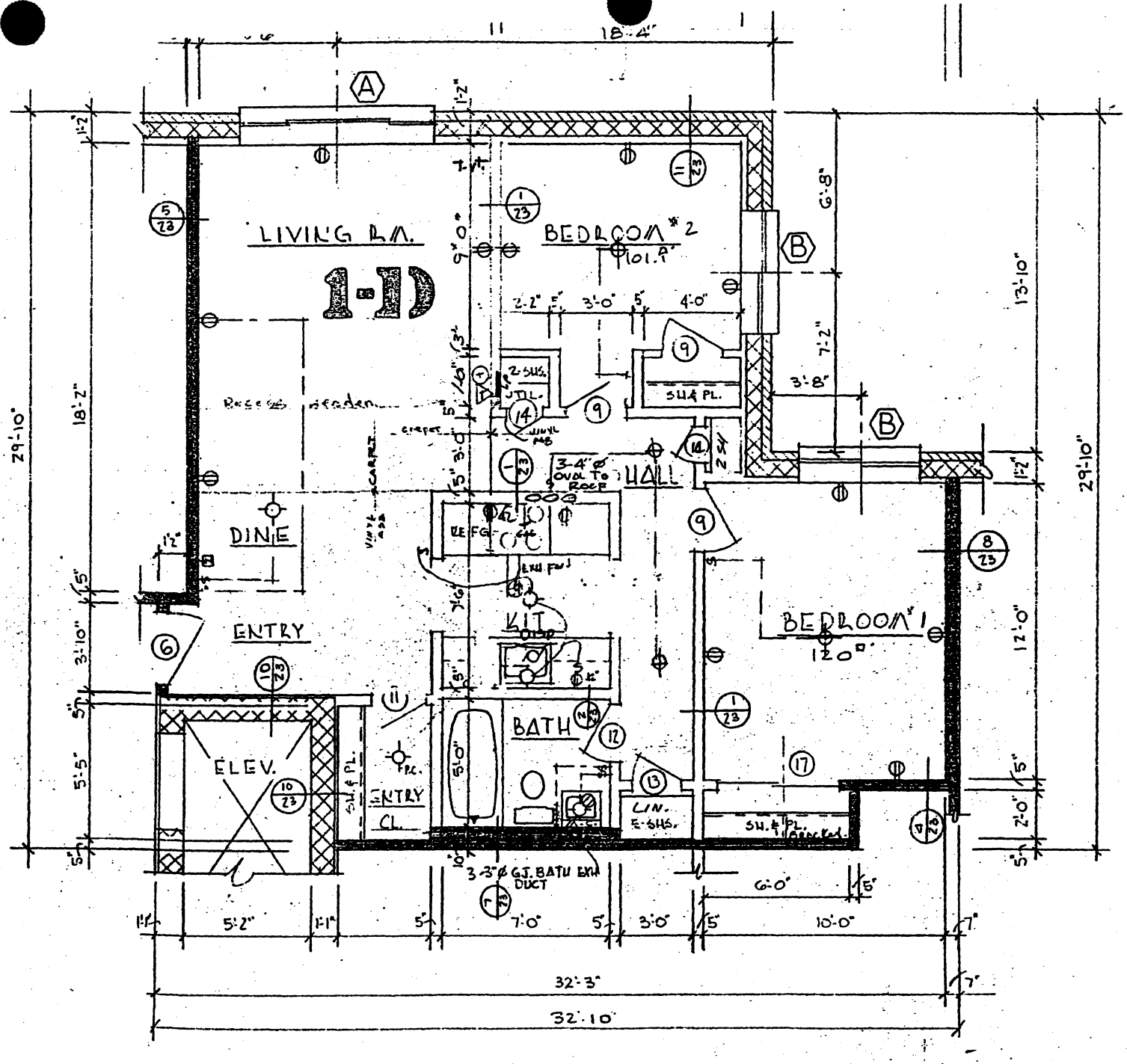
SCALE 1/4"=1'-0"

(TWO REQUIRED)

JB BLDG

UNIT 1-C

1-D



TYPICAL TWO BEDROOM UNIT

APPENDIX G

ENERGY COMPLIANCE LETTER
(DILHR RENTAL ENERGY STANDARDS)
AND ASBESTOS INSPECTION REPORT

DILHR CONTROL #

TYPE OR PRINT USING **BLACK INK**

Rental Unit Energy Efficiency Standards

Certificate of Compliance

This instrument Was Drafted By:
Wisconsin Department of Industry, Labor and Human Relations
Safety & Buildings Division
Rental Weatherization Program
P.O. Box 7971, Madison, WI 53707
(608) 266-0671

Owner's Name(s): Grootemaat Corporation

Rental Building Location – Street Address: 415 E. Knapp Street (419)

Recording Information (Leave Blank)

Street Address: 735 N. Water Street

City: Milwaukee — County: Milwaukee

City: Milwaukee, WI — State & Zip Code: 53202

Number of Rental Buildings on Property: 1 — **Total Number of Rental Units:** 222

Owner's Telephone Number (include area code): (414) 289-3453

Has this unit ever been issued a Stipulation? ☐ Yes ☒ No — Stipulation No. S- _____

Legal Description of Rental Unit Property (may attach separate sheet):

Fractional West ½ of SW 1/4 Sec 21-7-22 or
Gammon Float-Block 133, Lots 1 to 12 incl.
City of Milwaukee, County of Milwaukee.

Certificate Instructions

This certificate is to be completed and signed by an inspector currently licensed by the Department of Industry, Labor and Human Relations for Rental Unit Energy Efficiency inspection. The original copy must be retained by the owner of the rental unit for use at time of transfer of ownership. Further, the department recommends that it be recorded. **NOTICE TO INSPECTORS: Per ILHR 67.08(1), the yellow copy of this certificate must be forwarded to the department within 15 business days of the certificate issuance. A copy of the Field Inspection Report should be attached to the yellow DILHR Certificate copy.**

CERTIFICATE CHECKLIST

	REQUIREMENT	INSULATION LEVEL Initial	INSULATION LEVEL Final	Fail Dates	PASS DATE	DILHR Exemption Number (or Comments)	NOT Applicable	NOT Accessible
1	[redacted]ors				4/18/92			
2	[redacted]ndows			41892	7/11/92			
3	Caulking				4/18/92			
4	Weatherstripping				4/18/92			
5	Box Sill	R =	R =					X
6	Floors Over Vented Spaces	R =	R =				X	
7	Forced Air Ducts	R =	R =				X	
8	Steam Heating Pipes	R = 4	R =		4/18/92			
9	Hydronic Heating Pipes	R =	R =				X	
10	Water Heater Jacket						X	
11	Domestic Water Pipes	R = 2	R =		4/11/92			
12	Heating Equipment Insp.				4/11/92			
13	Shower Flow Restrictors			41892	7/11/92			
14	Air Conditioner Covers				4/18/92			
15	Side Walls	R =	R =				X	
16	Access Panels and Doors	R = 19	R =		4/11/92			
17	Attic Insulation	R = 19	R =		4/11/92			
18	Moisture Control: Attic & Crawl				4/11/92			

INSPECTION DATES	
1	4/11/92
2	4/18/92
3	7/11/92

PURPOSE: Section 101.122(4) and (6), Wis. Stats., requires that a properly authorized Certificate of Compliance, Stipulation or Waiver accompany the transfer documents at the time of recordation. This process is further explained in Chapter ILHR 67.08 and 67.10, Wisconsin Administrative Code. Receipt of a Certificate of Compliance from a currently licensed inspector is proof of conformance with energy conservation standards of ILHR 67.05. In lieu of the Certificate of Compliance, the purchaser may accept responsibility for future conformance with either a Stipulation or Waiver.

CERTIFICATE OF COMPLIANCE

The rental unit described above is certified as meeting the minimum rental unit energy efficiency standards of ILHR 67. Each applicable item on the checklist complies with ILHR 67.05 or has been issued an exemption number. **Certificate not valid unless signed and dated by the inspector.**

Inspector's Name (Print)	Inspector's Telephone Number	Certified Inspector's Number
Joseph J. Loukotka	(414) 251-7200	2766

Date Rental Unit Certified: 7/11/92

This Certificate is valid for 5 years from the date of the inspector's signature and is transferable during that period.

Inspector Signature

DILHR Transfer Authorization Number: C- 3 3 4 4 8 [redacted]

Copy Distribution: White-Owner; Yellow-DILHR; Green-Inspector; Pink-Other

REAL ESTATE TECHNICAL ADVISORS, INC.

Professional Building Inspection, Design & Advisory Services

September 25, 1989

REAL ESTATE TECHNICAL ADVISORS, INC.
Professional Building Inspection, Design & Advisory Services

William A. Ibach, AIA
President

2347 N. 100th St.
Wauwatosa, WI 53226
(414) 453-9510

Mr. James Groth
Grootemaat Company
735 North Water Street
Milwaukee, WI 53202

Re: Jefferson Court Apartments
415 East Knapp
Milwaukee, Wisconsin

Dear Mr. Groth:

On September 19, 1989 I inspected the subject property for asbestos with Mr. Jeff Lucas, the manager. A walk-through was done of all public areas, the boiler room, one attic, and the management office (which I was informed is typical of all apartments). All accessible materials were considered for asbestos content and only those which were judged to be candidates based on typical industry knowledge and experience were sampled and submitted to a testing laboratory for scientific analysis.

Five bulk samples were taken each of which represents a suspect type of material. More samples of each type could have been taken to further reduce the margin for error but the sampling protocol used is considered sufficient to determine the presence of major asbestos problems.

The five samples were as follows:

- Pipe elbow insulation compound in the boiler room
- Attic insulation
- Floor tile from foyer of Apt. 313
- Corridor floor tile
- Replacement floor tile

All five samples tested negative indicating that no asbestos was present. A copy of the laboratory report with the locations of the samples is enclosed. These determinations are not 100% conclusive when projected out over the entire building, but should provide sufficient comfort that a major asbestos problem does not exist.

Please call if you should have any questions.

Sincerely,

William A. Ibach, AIA

SOMMER-FREY LABORATORIES, INC.
Environmental, Industrial & Food Analysis since 1900

Real Estate Technical Advisors
2347 N. 100th St.
Wauwatosa, Wisconsin 53226

September 21, 1989
Project # E-6886

Attn: Mr. William A. Ibach, AIA

Asbestos Bulk Identifications

Several samples of materials were brought to the lab with the request that they be tested for the possible presence of Asbestos.

The samples were examined by means of Dispersion Staining Microscopy, a specialized polarized light microscopy technique. This approach is routinely employed by NIOSH, OSHA and EPA.

Sample Identification:	Pipe Insulation
Asbestos Present/Not Present:	Not Present
If Present: Type of Asbestos:	
Estimated Percent Asbestos:	
Other Materials Noted:	Mineral Aggregate, Rock Wool
Sample Identification:	Attic
Asbestos Present/Not Present:	Not Present
If Present: Type of Asbestos:	
Estimated Percent Asbestos:	
Other Materials Noted:	Glass Fiber
Sample Identification:	Old Floor Tile, no mastic
Asbestos Present/Not Present:	Not Present
If Present: Type of Asbestos:	
Estimated Percent Asbestos:	
Other Materials Noted:	Mineral Aggregate, Plastic Resin

6125 West National Avenue, P.O. Box 14513, Milwaukee, Wisconsin 53214
(414) 475-6700 FAX:(414) 475-7216

• Dept. of Health State Certified Laboratory #168 • Dept. of Natural Resources State Certified Laboratory #241249360 •
• USDA Accredited Laboratory #5581 • NIOSH Proficiency Analytical Testing Program •

SOMMER-FREY LABORATORIES, INC.
Environmental, Industrial & Food Analysis since 1900

Sample Identification:	Corridor Floor Tile, no mastic
Asbestos Present/Not Present:	Not Present
If Present: Type of Asbestos:	
Estimated Percent Asbestos:	
Other Materials Noted:	Mineral Aggregate, Plastic Resin
Sample Identification:	Replacement Floor Tile, no mastic
Asbestos Present/Not Present:	Not Present
If Present: Type of Asbestos:	
Estimated Percent Asbestos:	
Other Materials Noted:	Mineral Aggregate, Plastic Resin

Edward L. Kelley
Analytical Chemist

Edward J. Carroll
Asst. Mgr.

6125 West National Avenue, P.O. Box 14513, Milwaukee, Wisconsin 53214
(414) 475-6700 FAX:(414) 475-7216

• Dept. of Health State Certified Laboratory #168 • Dept. of Natural Resources State Certified Laboratory #241249360 •
• USDA Accredited Laboratory #5581 • NIOSH Proficiency Analytical Testing Program •

APPENDIX H

BUILDING AND NEIGHBORHOOD PHOTOGRAPHS

All building and neighborhood photographs were taken by Dean P. Larking on May 27, 1992 with a Yashica 35mm camera. The exterior building pictures are arranged to guide the viewer on a "walk" around the building, with representative views starting at the corner of East Juneau Avenue and North Milwaukee Street. The exterior photos presented progress clockwise around the building. The exterior building photos are followed by photographs of building details and systems. The next set of photographs are interior views of the building, followed by neighborhood photos and street scenes.



View of the southwest corner of Jefferson Court, camera facing northeast. This street corner shown is the northeast corner of East Juneau Avenue and North Milwaukee Street. Notice the driveway immediately north of the intersection.



View of Milwaukee Street facade showing Milwaukee Street entrance, camera facing east. This provides a good view of the sloped lawn over the roof of the parking garage.



View along north Milwaukee Street at the corner of North Milwaukee Street and East Knapp Street, camera facing southeast. This photo shows the garage entrance at the northwest corner of the project.



View along East Knapp Street at the corner of North Milwaukee Street and East Knapp Street, camera facing east. This photo also shows the garage entrance.



Close-up of the East Knapp Street entrance to the project, camera facing southwest.



Close-up of the East Knapp Street facade, camera facing east.



View of east project facade that faces pedestrian walkway, camera facing south.



View of southeast corner of Jefferson Court and the pedestrian walkway, camera facing north. This photo also shows a garage entrance/exit.



View along the East Juneau Avenue project frontage, camera facing northwest. The garage entrance from the previous photo is shown at right, with the southwest corner of the project that was in the first photo visible at left. The steps leading to the Juneau Avenue entrance to the project are also shown.



View of the Juneau Avenue entrance to the project, camera facing northwest. This photo also shows the sloped lawn area over the garage roof.



View of the courtyard, camera facing northwest. This photo was taken from the roof of the passage that connects Building H to Building Ja.



View of the courtyard, camera facing northeast. This photo was taken from the roof of the passage that connects Building Ja to Building Jb.



Ground-level view of courtyard, camera facing north.



Ground-level view of the courtyard and the passage that connects Building Ja to Building Jb.



View of project roof showing courtyard, camera facing northeast. Photo taken from roof hatch.



View of project roof, camera facing east. Photo taken from roof hatch.



Interior view of attic showing roof structure and blown-in insulation. This photo was taken at the roof hatch.



Interior view of parking garage showing wall system and sloped roof system. Note sprinkler.



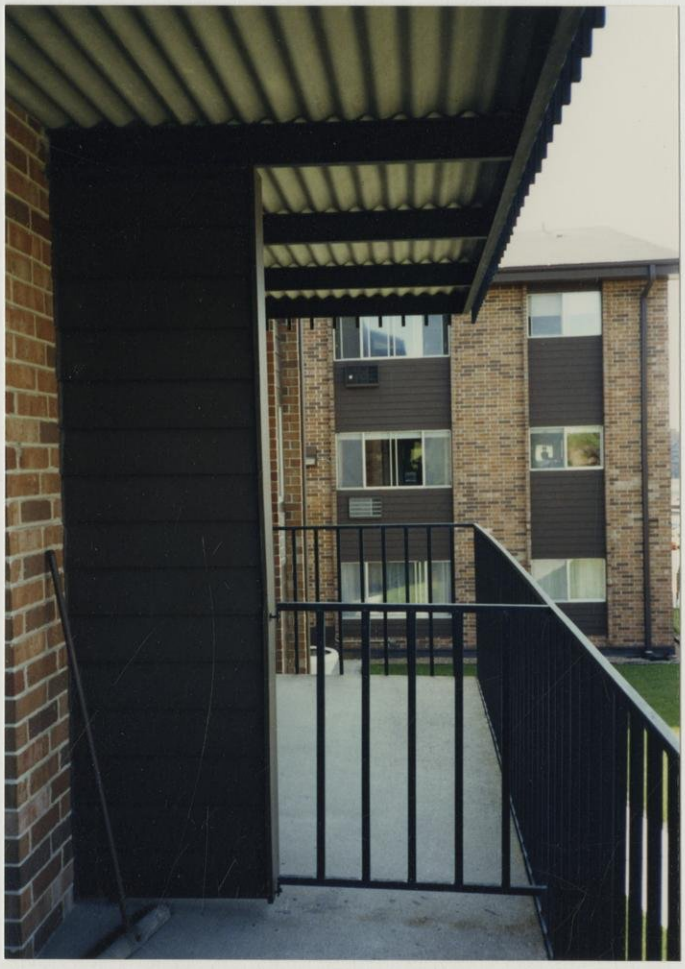
Close-up of garage exit at the southwest corner of the project (i.e., at the northeast corner of Juneau Avenue and Milwaukee Street). The door to the boiler room is shown between the vent and garage door.



Close-up of the northwest corner of the building showing the flashing for the membrane over the garage roof. Also shown at right is a garage vent.



Close-up of Milwaukee Street entry.



Close-up showing balcony construction. Taken from balcony fronting on East Knapp Street, camera facing west.

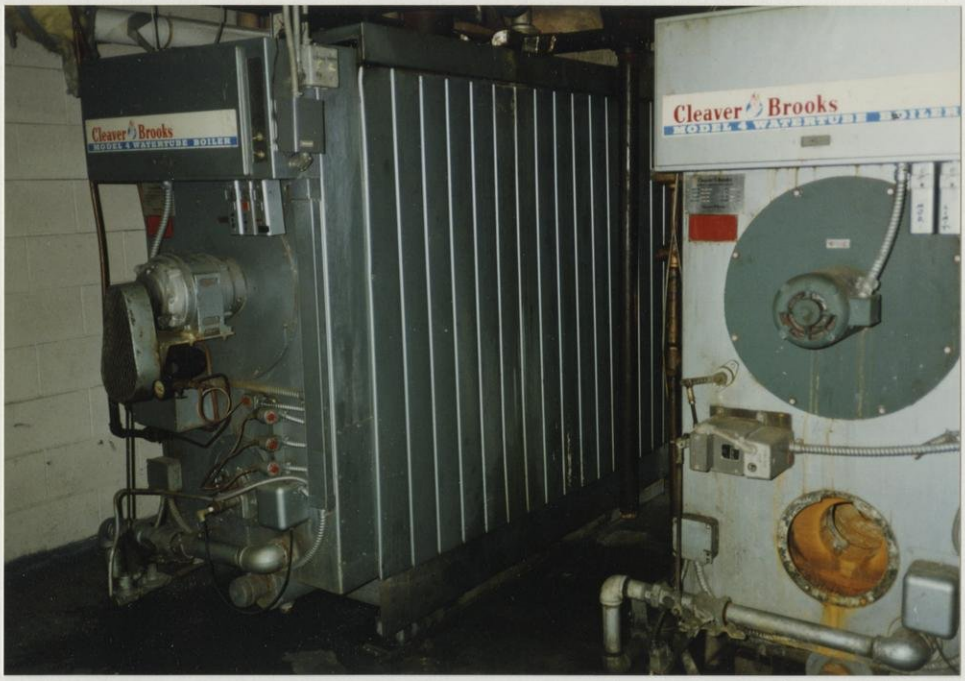
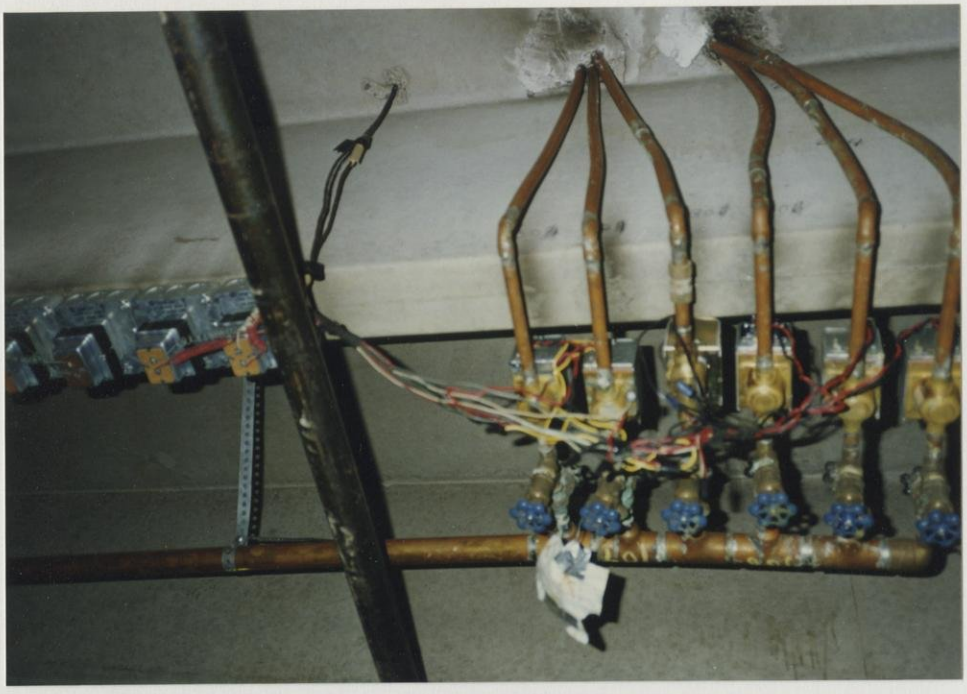


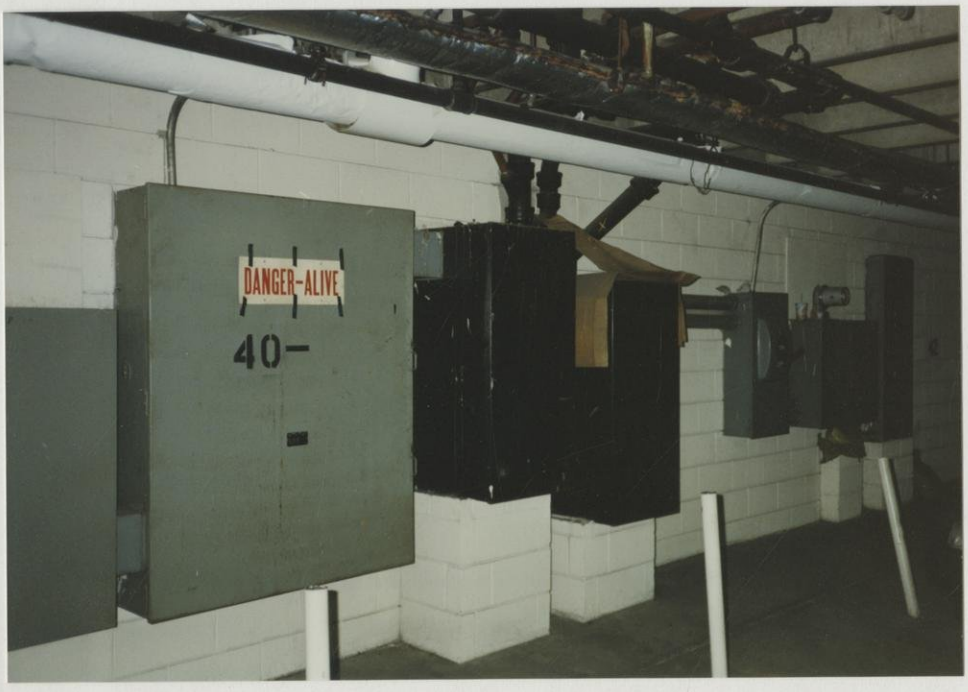
Photo of boilers.



Photo of water heaters (leased from Wisconsin Gas).



View of typical heat supply piping, valves, and solenoid controls. Photo taken inside garage, pointing at garage ceiling.



Typical electrical distribution panels, taken inside garage.



Typical interior hallway.



View of typical stairwell.



Typical elevator door.



Community room.



Laundry room.



Laundry room.



Storage lockers.



Interior view, Milwaukee Street entry lobby.



View of typical kitchen. (This and the following interior apartment photos are all taken in Unit 224).



View from living room showing kitchen, storage pantry, and front entry hall (left).



View showing kitchen pantry, front entry hall, and bath.



Bathroom.



Living room.



Bedroom, showing closet.



View across Milwaukee Street from the project, camera facing northwest. MSOE residence hall shown at left.



View across Milwaukee Street from the project taken from the northeast corner of Knapp and Milwaukee Streets, camera facing southwest.



Street scene showing East Knapp Street and the northwest corner of the project. Picture taken from the southwest corner of Knapp and Milwaukee Streets. Convent Hill is visible to the left, and Juneau Village II is in the center background.



Street scene along East Juneau Avenue, camera facing west. Jefferson Court is visible on the right.



Street scene across East Juneau Avenue from Jefferson Court, showing courtyard square in the foreground and the Juneau Village I high-rise.



Street scene toward the downtown business district along North Milwaukee Street, camera facing south. Photo taken from the northeast corner of Juneau Avenue and Milwaukee Street.

APPENDIX I

SUMMARY INFORMATION - PERSONAL PROPERTY

5/15/92

JEFFERSON COURT APPLIANCES AND CARPETING

REFRIGERATORS:

	Amount	Estimated Age
Hotpoint - 1-Door	5	25 Years
Small Whirlpool - 2-Door - Gold	1	12-15 Years
Crosley - 2-Door	4	10-12 Years
Norge - 2-Door	1	5-10 Years
Kenmore - 2-Door	15	5-7 Years
Whirlpool - 2-Door	86	4-1 Years
Whirlpool - 2-Door	105	New
tenant's own	~~222~~ 217 5 ~~223~~	NEW 5/25/92

STOVES:

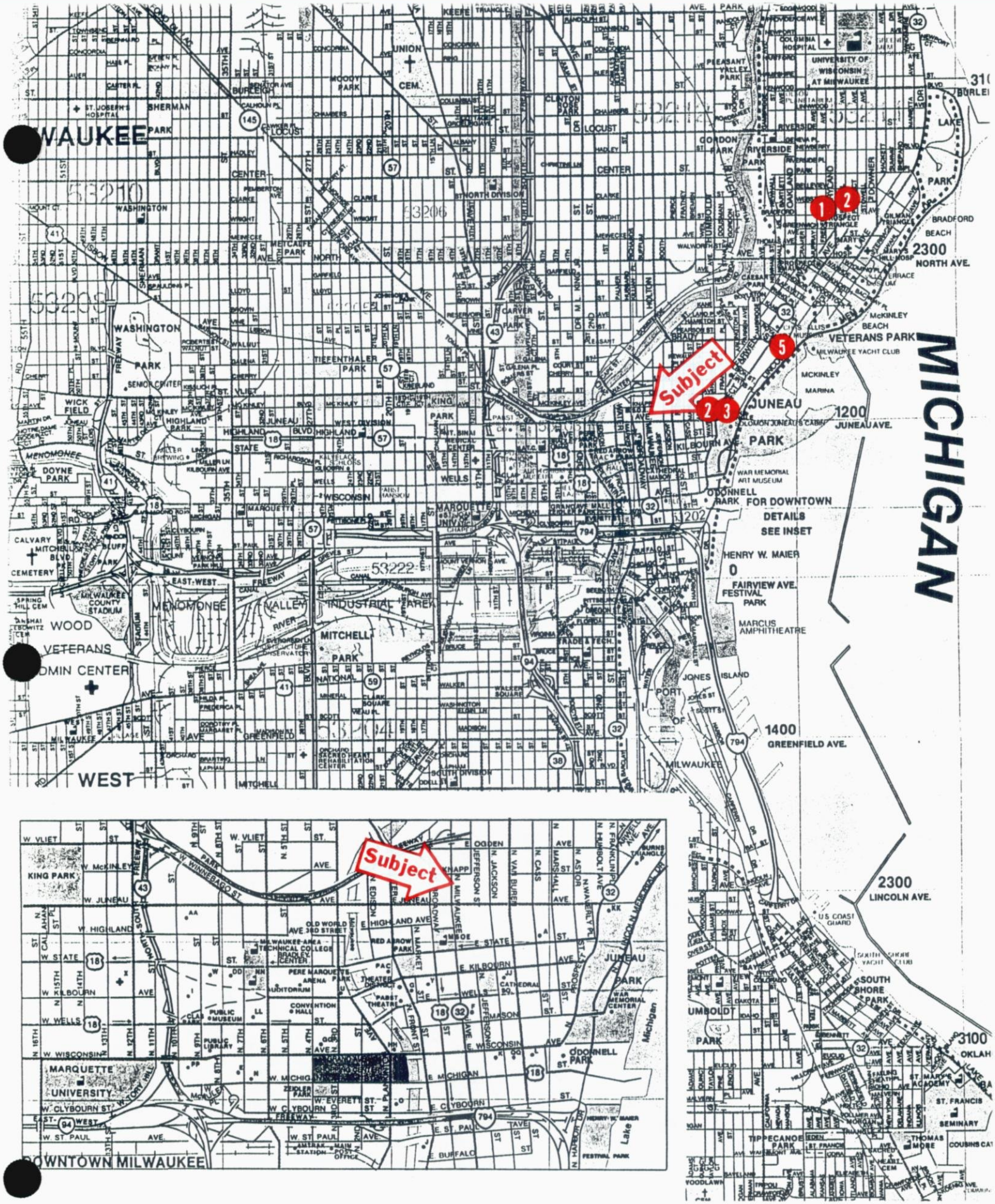
Hotpoint	124 - 18 = 106	25 Years
Hardwick	1	15 Years
Crosley	4	12-15 Years
Kenmore	15	10-15 Years
Whirlpool	34	4 Years
Roper	6	1-3 Years
Roper	38	New
	222	
Roper (New) Have in Building to Put into Apartments	18	

CARPETS:

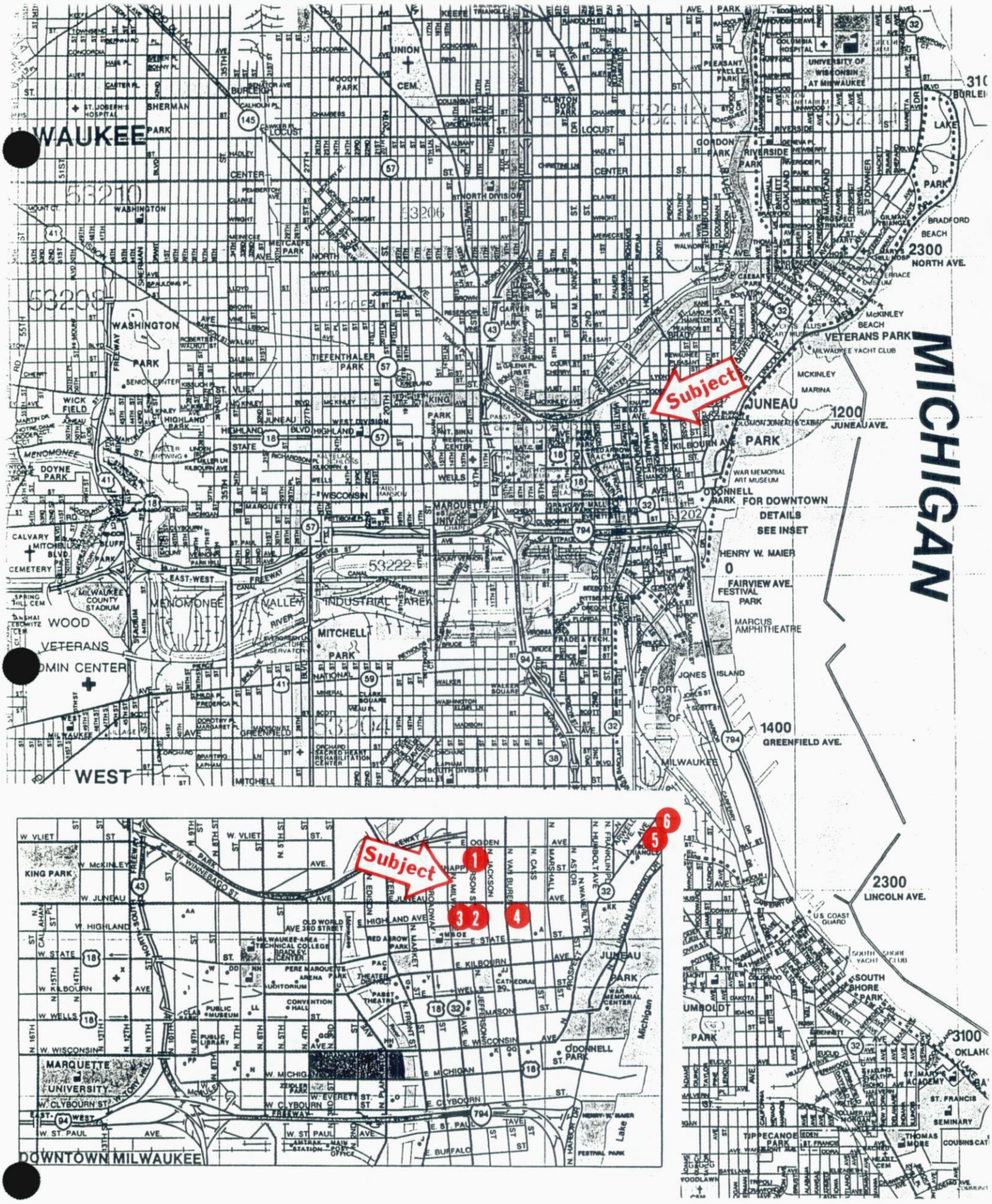
As Soon As Possible	51	25 Years
1-2 Years Replacement	39	15-20 Years
Fairly Good	26	12-15 Years
Good	103	2-10 Years
New	3	New
	222	

APPENDIX J

SALE AND RENT COMPARABLE LOCATION MAPS



SALE COMPARABLE LOCATION MAP



RENT COMPARABLE LOCATION MAP

APPENDIX K

HISTORIC PROFIT AND LOSS STATEMENTS AND SUMMARY

JEFFERSON COURT
419 E. KNAPP STREET

STATEMENT OF PROFIT AND LOSS
YEARS ENDING DECEMBER 31, 1988 - DECEMBER 31, 1991

	YEAR END 1988		YEAR END 1989		YEAR END 1990		YEAR END 1991	
RENTAL INCOME								
Apartments or Member Carrying Charges	$621,732.00		$639,538.00		$656,202.00		$681,732.00	
Garage and Parking Spaces	$20,311.00		$20,136.00		$20,113.00		$27,000.00	
TOTAL RENTAL REVENUE (Potential at 100% Occupancy)		$642,043.00		$659,674.00		$676,315.00		$708,732.00
VACANCIES								
Apartments	($3,202.00)		$1,713.00		($1,072.00)		($2,541.00)	
Garage and Parking Spaces	($620.00)		($2,421.00)					
TOTAL VACANCIES		($3,822.00)		($708.00)		($1,072.00)		($2,541.00)
NET RENTAL REVENUE		$638,221.00		$658,966.00		$675,243.00		$706,191.00
FINANCIAL REVENUE								
Interest Income-Project Operations	$1,538.00		$5,474.00		$6,717.00		$4,278.00	
Income from Investments-Residual Receipts	$12,000.00		$15,215.00		$19,573.00		$17,787.00	
Income from Investments-Reserve for Replacement	$2,038.00		$1,582.00		$1,421.00		$1,405.00	
Income form Investments-Misc.	$365.00		$801.00		$5.00			
TOTAL FINANCIAL REVENUE		$15,941.00		$23,072.00		$27,716.00		$23,470.00
OTHER REVENUE								
Laundry and Vending	$9,867.00		$9,167.00		$9,850.00		$9,891.00	
Damages and Cleaning Fees	$44.00							
Other Revenue (a/c rentals and other)	$4,491.00		$5,612.00		$11,246.00		$14,748.00	
TOTAL OTHER REVENUE		$14,402.00		$14,779.00		$21,096.00		$24,639.00
TOTAL REVENUE		* $668,564.00		* $696,817.00		* $724,055.00		* $754,300.00
ADMINISTRATIVE EXPENSES								
Advertising	$11.00				$238.00		$1,413.00	
Other Renting Expense	$7,774.00		$8,117.00		$4,834.00		$4,260.00	
Office Salaries					$582.00		$1,464.00	
Office Supplies	$1,794.00		$3,745.00		$1,715.00		$4,335.00	
Management Fee	$75,205.00		$77,679.00		$79,359.00		$82,688.00	
Manager salary	$27,716.00		$29,643.00		$31,753.00		$29,496.00	
Legal Expenses (Project)	$837.00		$1,275.00		$1,226.00		$1,405.00	
Auditing Expenses (Project)	$5,200.00		$7,200.00		$6,000.00		$5,800.00	
Bookkeeping Fees/Accounting Services	$4,920.00		$4,920.00		$6,420.00		$6,510.00	
Telephone and Answering Service	$2,407.00		$2,193.00		$3,885.00		$2,277.00	
Bad Debts	$262.00						$421.00	
Misc. Administrative Expenses	$5,972.00		$3,381.00		$6,256.00		$24,397.00	
TOTAL ADMINSTRATIVE EXPENSES		$132,098.00		$138,153.00		$142,268.00		$164,466.00
UTILITY EXPENSE								
Electricity	$54,897.00		$52,539.00		$47,646.00		$57,768.00	
Water	$12,751.00		$12,414.00		$12,927.00		$15,197.00	
Gas	$51,638.00		$51,017.00		$40,313.00		$46,148.00	
TOTAL UTILITIES EXPENSE		$119,286.00		$115,970.00		$100,886.00		$119,113.00

OPERATING AND MAINTENANCE EXPENSES				
Janitor and Cleaning Payroll	$12,705.00	$14,433.00	$18,252.00	$19,002.00
Janitor and Cleaning Supplies	$760.00	$959.00	$1,275.00	$799.00
Janitor and Cleaning Contract	$2,873.00	$2,214.00	$2,275.00	$2,587.00
Exterminating Payroll/Contract	$2,059.00	$2,195.00		
Exterminating Supplies			$2,155.00	$1,915.00
Garbage and Trash Removal	$6,866.00	$8,404.00	$9,063.00	$10,515.00
Security Payroll/Contract	$9,140.00	$9,939.00	$11,777.00	$11,587.00
Grounds Payroll	$1,779.00	$42.00	$575.00	$2,318.00
Grounds Supplies	$3,784.00	$700.00	$1,544.00	$1,313.00
Grounds Contract	$696.00	$3,077.00	$8,971.00	$316.00
Repairs Payroll				$3,223.00
Repairs Material	$3,202.00	$2,945.00	$4,938.00	$3,147.00
Repairs Contract	$41,307.00	$29,708.00	$20,969.00	$15,122.00
Elevator Maintenance/Contract	$5,158.00	$4,813.00	$4,956.00	$5,331.00
Heating/Cooling Repairs and Maintenance	$1,983.00	$3,879.00	$3,291.00	$7,750.00
Snow Removal	$304.00	$1,437.00	$788.00	383
Decorating Payroll/Contract	$8,703.00	$3,545.00	$13,341.00	$18,188.00
Decorating Supplies	$2,823.00	$2,795.00	$3,333.00	$1,727.00
Vehicle & Maint. Equip. Operation and Repairs	$769.00	$281.00	$4,540.00	$989.00
Misc. Operating & Maintenance Exp.	$9,727.00	$5,223.00	$7,995.00	$10,244.00
TOTAL OPERATING & MAINTENANCE EXPENSES	$114,639.00	$96,589.00	$120,039.00	$116,456.00
REPLACEMENT RESERVE DEPOSITS FOR YEAR	$13,485.00	$13,485.00	$13,485.00	$13,485.00
REPLACEMENT RESERVE RELEASES FOR YEAR	$11,496.00	$3,800.00	$15,135.00	$15,199.00
TAXES AND INSURANCE				
Real Estate Taxes	$167,793.00	$175,064.00	$215,041.00	$217,393.00
Payroll Taxes (FICA)	$3,131.00	$3,538.00		
Misc. Taxes, Licenses and Permits	$224.00	$269.00	$1,267.00	
Property and Liability Insurance (Hazard)	$15,992.00	$13,250.00	$10,850.00	$10,776.00
Health Insurance & Other Employee Benefits	$3,402.00	$3,460.00	$393.00	
TOTAL TAXES AND INSURANCE	$190,542.00	$195,581.00	$227,551.00	$228,169.00
FINANCIAL EXPENSES				
Interest on Mortgage Payable	$31,248.00	$28,955.00	$26,514.00	$23,897.00
Mortgage insurance Premium/Service Charge	$10,917.00	$10,741.00	$10,552.00	$10,342.00
Misc. Financial Expenses		$541.00		
TOTAL FINANCIAL EXPENSES	$42,165.00	$40,237.00	$37,066.00	$34,239.00
TOTAL COST OF OPERATIONS before DEPRECIATION	* $598,730.00	* $586,530.00	* $627,810.00	* $652,443.00
PROFIT (LOSS) before DEPRECIATION	** $69,834.00	** $110,287.00	** $96,245.00	** $91,857.00
TOTAL DEPRECIATION	$96,209.00	$82,992.00	$82,371.00	$93,110.00
OPERATING PROFIT (LOSS)	*** ($26,375.00)	*** $27,295.00	*** $13,874.00	*** ($1,253.00)
NET PROFIT (LOSS)	*** ($26,375.00)	*** $27,295.00	*** $13,874.00	*** ($1,253.00)

JEFFERSON COURT
AUDIT HISTORY

4/14/92
history

	1989	1990	1991	3 YR AVERAGE	OR 1991 IF HIGHER	ONE TIME/EXTRA-ORDINARY EXPENSES
ADMINISTRATIVE EXPENSES						
Advertising	0	238	1,413	550	1,413	91/Ad for new onsite mgmt.
Other Renting Expense	8,117	4,834	4,260	5,737	5,737	89/includes laundry equipment rental
Office Salaries	0	582	1,464	682	1,464	91/Grootemaat support staff during change in onsite mgmt.
Office Supplies	3,745	1,715	4,335	3,265	4,335	91/Software & copier purchase
Office or Model Apt. Rent	0	0	0	0	0	
Management Fee	77,679	79,359	82,688	79,909	82,688	
Manager or Sup. Salaries	29,643	31,753	29,496	30,297	30,297	
Manager or Sup. Rent Free	0	0	0	0	0	
Legal Expenses(Project)	1,275	1,226	1,405	1,302	1,405	
Auditing Expenses(Project)	7,200	6,000	5,800	6,333	6,333	90/91 New auditors
Bookkeeping Fees	4,920	6,420	6,510	5,950	6,510	
Telephone and Answering Svc.	2,193	3,885	2,277	2,785	2,785	90/Reimb. JVI for telephone system
Bad Debts	0	0	421	140	421	
Miscellaneous Adm. Exp. (specify)	3,381	6,256	24,397	11,345	24,397	91/In lieu of the annual distribution,
TOTAL ADMINISTRATIVE EXPENSES *	138,153	142,268	164,466	148,296	167,786	the partners voted to use the $19,160 for costs related to LIHPRHA processing such as the appraisal and legal costs.

JEFFERSON COURT
AUDIT HISTORY

4/14/92
history

	1989	1990	1991	3 YR AVERAGE	OR 1991 IF HIGHER	ONE TIME/EXTRA-ORDINARY EXPENSES
OPERATING AND MAINT. EXP.				0	0	
Janitor and Cleaning Payroll	14,433	18,252	19,002	17,229	19,002	
Janitor and Cleaning Supplies	959	1,276	799	1,011	1,011	
Janitor and Cleaning Contract	2,214	2,275	2,587	2,359	2,587	
Exterminating Payroll/Contract	2,195	0	0	732	732	
Exterminating Supplies	0	2,155	1,915	1,357	1,915	
Garbage and Trash Removal	8,404	9,063	10,515	9,327	10,515	
Security Payroll/Contract	9,939	11,777	11,587	11,101	11,587	
Grounds Payroll	42	575	2,318	978	2,318	
Grounds Supplies	700	1,544	1,313	1,186	1,313	
Grounds Contract	3,077	8,971	316	4,121	4,121	90/Extensive grounds work
Repairs Payroll	0	0	3,223	1,074	3,223	
Repairs Material	2,945	4,938	3,147	3,677	3,677	90/New water heater controls
Repairs Contract	29,708	20,969	15,122	21,933	21,933	89/90 Hallway decorating
Elevator Maint./Contract	4,813	4,956	5,331	5,033	5,331	
Heating/Cooling Repairs	3,879	3,291	7,750	4,973	7,750	91/New Boiler controls
Swimming Pool Maint.	0	0	0	0	0	
Snow Removal	1,437	788	383	869	869	
Decorating Payroll/Contract	3,545	13,341	18,188	11,691	18,188	90/91 Add'l. carpet/painting
Decorating Supplies	2,795	3,333	1,727	2,618	2,618	
Vehicle & Maint. Equip.	281	4,540	989	1,937	1,937	90/Pipes were insulated
Miscellaneous Operating	5,223	7,995	10,244	7,821	10,244	90/91 Includes laundry equipment rental
TOTAL OPERATING & MAINT. EX *	96,589	120,039	116,456	111,028	130,871	91/Additional hardware purchases

JEFFERSON COURT
AUDIT HISTORY

4/14/92
history

		1989	1990	1991	3 YR AVERAGE	OR 1991 IF HIGHER	ONE TIME/EXTRA-ORDINARY EXPENSES
UTILITIES EXPENSE						0	
Fuel Oil/Coal		0	0	0	0	0	
Electricity		52,539	47,646	57,768	52,651	57,768	91/13 bills paid
Water		12,414	12,927	15,197	13,513	15,197	91/change in billing cycle
Gas		51,017	40,313	46,148	45,826	46,148	
Sewer		0	0	0	0	0	
TOTAL UTILITIES EXPENSE	*	115,970	100,886	119,113	111,990	119,113	

JEFFERSON COURT
AUDIT HISTORY

4/14/92
history

		1989	1990	1991	3 YR AVERAGE	OR 1991 IF HIGHER	ONE TIME/EXTRA-ORDINARY EXPENSES
TAXES AND INSURANCE					0	0	
Real Estate Taxes		175,064	215,041	217,393	202,499	217,393	
Payroll Taxes(FICA)		3,538	0	0	1,179	1,179	90/91 Included in payroll
Miscellaneous Taxes		269	1,267	0	512	512	91/Sales tax offset parking income
Property and Liability Ins.		13,250	10,850	10,776	11,625	11,625	
Fidelity Bond Ins.		0	0	0	0	0	
Workmen's Comp.		0	0	0	0	0	
Health Ins. & Other		3,460	393	0	1,284	1,284	90/91 Included in payroll
Other Insurance(specify)		0	0	0	0	0	
TOTAL TAXES AND INSURANCE	*	195,581	227,551	228,169	217,100	231,994	

APPENDIX L

RENT ROLL INFORMATION

U.S. Department of Housing and Urban Development
Milwaukee Office, Region V
Suite 1380
310 West Wisconsin Avenue
Milwaukee, Wisconsin 53203-2289

MAR 19 1992

Mr. James L. Groth
Vice President
Grootemaat Real Estate Management Corp.
735 North Water Street
Milwaukee, WI 53202

Dear Mr. Groth:

SUBJECT: Project No. 075-44043-LDP/M8
Jefferson Court
Milwaukee, Wisconsin

We have approved the revised Rent Schedule, HUD-92458, which you submitted showing a gross potential annual dwelling rent income of $712,392 for basic rent and $835,104 for market rent.

You will provide the services and equipment listed on the enclosed form HUD-92458, Rent Schedule.

You or your agent shall furnish each tenant, whose rent will increase, a 30-day written notice before it may be put into effect. This notice shall state that the rent increase does not exceed the rent schedule approved by the U.S. Department of Housing and Urban Development. This rent increase cannot be placed into effect until the tenant's present lease expires or unless the tenant voluntarily agrees to the change.

If your project is governed by Section 236 Rent Supplement, or Loan Management Section 8 regulations, you are required to amend HUD-50059, Owners Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures, when the increase is placed into effect.

Please make known to your tenants by posting or delivery in the same manner as before, the reason for our approving the rent increase which is increased costs of operations, especially utilities and real estate taxes.

If you should have any questions, please contact Robert Moser of our Loan Management staff at (414) 297-1050.

Sincerely,

Gladys A. Kane
Director
Housing Management Division, 5.8HM

Enclosure

Post-It™ brand fax transmittal memo 7671 | # of pages ▸ 3

To Dean Larkin	From Sue Sorkina
Co.	Co.
Dept.	Phone #
Fax #	Fax #

4-14-92

Jefferson Court

* - ESTIMATE
NA - INFORMATION NOT AVAILABLE

65+

V = Vacancy
M = Management Uni

Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual for 1992	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987	Tenant Rent	# of Tena	DOB
01/01/92	61	1		Harrington, Tracy	8,453	6,948	6,544	8,453	6,325	6,948	4,150	6,544	8,198	258		1959
10/01/91	61	2		Lindberg, Vieno	7,008	5,028	4,867		7,008		5,028	4,562	4,867	175		1913 ✓
02/01/92	61	3		Tupper, Dorothy	4,209	4,579	5,493	4,209	4,096	4,579		5,493		102		1918 ✓
12/01/91	61	4		Tombak, Ludmila	10,974	14,257	8,480		10,974		14,257	8,811	8,480	258		1946
02/01/92	61	5		Grady, Lillian	8,162	7,403		8,162	7,065	7,403				258		1921 ✓
		5		Snarski, John			11,156			7,264	7,600	11,156 *	11,156			
09/14/91	61	6		Olusoji, Oyesanya	7,512			ND	7,512					258		1957
		6		Notaro, Tony					9,855	9,869						
		6		Green, Rose		1,324	(615)				1,324 *	1,324	(615)			
04/01/91	61	100		Maringo, Evelyn	7,471	6,755	6,336	7,471	7,211	6,755	5,878	6,336	6,206	180		1906 ✓
12/01/91	61	101		Whalen, Paul	12,758	8,567	8,862		12,758	12,758	8,567	9,278	8,862	303		1925 ✓
09/25/91	61	102		Vega, Carmen	6,733	0	0		6,733					258		1922 ✓
		102		Kotlyar, Mikhail	0	9,011	8,278				9,011	9,011	8,278			
05/01/91	61	103		Schmegner, Alfred	6,600	0	0	ND	6,600	6,600				258	2	1911 ✓
		103		Lauer, Josephine	0	4,592	4,874			4,808	4,592	4,874	4,874 *			
04/01/92	61	104		Boheim, Margaret	6,160	7,925	7,207	6,160	4,768	7,925	7,114	7,207	7,288	119		1923 ✓
02/15/92	61	105		Boulet, Mary	16,386 X	0	0	16,386						258		1927 ✓
		105		Papasotirin, Stacia	0	15,315	15,315			15,315	15,315	15,315				
		105		Levin, Yelena		0	0		8,580					258		1967
04/01/91	61	106		Calio, Frank	11,882	5,151	0	ND	11,882	5,288	5,151			297	2	1926 ✓
		106		Geller, Lya	0	0							6,395			
		106		Fernandez, Sandra	0	0	10,363					10,363				
08/01/91	61	107		Henning, Linda	11,648	7,020	0		11,648	13,104	7,020			291		1946
		107		McMackin, Michael	0	0	0					10,290				
		107		Burr, Alphalee	0	0	5,678						5,678			
06/01/91	61	108		Arnemann, Kelly	9,363	0	0		9,363					258		1967
		108		Erickson, James		10,400	6,988		8,473	8,473	10,400	9,120	6,988			

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Jefferson Court

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Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987	Tenant Rent	# of Tena	DOB
11/01/91	61	109		Raychel, Anne	8,383	9,381	8,057		8,383	9,381	9,381	8,951	8,057	258		1911
03/01/92	61	110		Wright, Marion	6,110	5,480	5,267	6,110	5,597	5,480	5,480	5,267	5,180	140		1927
06/01/91	61	111		Roberts, Anita	14,103X	12,000	12,000		14,103	12,000	12,000		12,000	303		1961
11/01/91	61	112		Willig, Verna	9,773	8,293	7,556		9,773	8,222	8,293	6,985	7,556	258		1918
12/01/91	61	113		Schenk, Marvin	8,941	8,289	8,455		8,941	9,427	8,289	8,544	8,455	258	2	1914
12/01/88	61	114	CA	Moths, Mark		4,916	6,229				4,916	4,916	6,229	243		1951
04/01/92	61	115		Goszkowicz, Tessie	9,745	10,445	8,217	9,745	9,934	10,445	10,327	8,217	7,053	258		1899
03/14/92	61	116		Maltseva, Yelena	6,900	0	0	6,900						258	2	1939
		116		Colla, Audi		0	0		4,333					258		1924
		116		Bauers, Mildred	0	4,156	4,470			4,156	3,990	4,470	4,073			
03/01/92	61	117		Wroblewski, Virginia	5,777	4,265	5,046	5,777	5,323	4,265	5,249	5,046	4,806	133		1929
04/01/91	61	118		Malauckis, John	13,085	13,085	13,085	ND	13,085	13,085	13,085	13,085 *	13,085 *	303		1906
04/01/91	61	200		Wittliff, Reinhold	15,512X	15,512	15,512	ND	15,512	15,512	15,512	15,512 *	15,512 *	303	1	1907
04/01/91	61	201		Mcneal, Willie	15,609X	15,609	15,609	ND	15,609	15,609	15,609 *	15,609 *	15,609 *	303		1925
		201	CA	McQuality, Rose	0	0	0									
11/01/91	61	202		Kapul, Vladimir	19,305X	0	0		19,305							
		202		Eidenberger, Randy		16,416	6,380		16,416	16,416	16,416	9,636	6,380	303	2	1950
	61	203	CA	Sanfelippo, Anna	4,709	4,709	4,709		4,709 *	4,709 *	4,709 *	4,709 *	4,709	233		1908
10/01/91	61	204		Levin, Boris	6,213	7,125	7,125		6,213	7,125	7,125 *	7,125 *	7,125 *	258	2	1928
		204	CA	Triebe, Josephine	0	0	0									
12/01/91	61	205		Clark, Pamela	10,400	7,696	10,296		10,400	10,920	7,696		10,296	273		1962
04/01/91	61	206		Lehmann, Gladys	11,600	11,600	0	ND	11,600	11,600	11,600	11,600 *		290		1914
05/01/88	61	207	CA	Field, Kathleen	5,498	5,498	5,498		5,498	5,498 *	5,498 *	5,498 *	5,498 *	258		1924
03/01/92	61	208		Donnelly, Maryon	11,596	10,976	9,912	11,596	11,254	10,976	10,463	9,912		281		1907
10/01/91	61	209		Ermisch, Mary	4,366	3,993	3,287		4,366	3,930	3,993	3,808	3,287	89		1907
04/01/91	61	210		Modrzynski, Emily	17,317X	17,317	17,317	ND	17,317	17,317	17,317	17,317 *	17,317 *	303		1913
05/01/91	61	211		Matter, Leona	9,938	9,051	8,279	ND	9,938	9,705	9,051	8,776	8,279	258		1912

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Jefferson Court

Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987	Tenant Rent	# of Tena	DOB
02/01/92	61	212		Taylor, Dorothy	6,204	6,234		6,204	6,311	6,234	6,457			258		1917
		212		Klein, Cord	0	0	10,361					10,361	9,333			
03/01/92	61	213		Richardson, Jeannette	6,489	5,081	5,325	6,489	5,535	5,081	5,325	5,325		138		1921
		213		Breen, Hjalmar								7,389				
08/15/91	61	214		Hirai, Sumiye	12,936	0	0		12,936					303		1915
		214		Kogan, Ilya	0	13,608	13,608			13,608	13,608	13,608	13,608			
03/01/91	61	215		Peterson, Marcella	10,733	10,147	9,498	10,733	10,534	10,147	9,728	9,498	9,043	263		1915
	61	216	CA	Johnson, Lucille		0	0							233		~~1924~~
10/01/91	61	217		Lewer, Althea	5,841	5,270	5,179		5,841	5,593	5,270	5,392	5,179	58		1908
03/01/92	61	218		Clark, Carol	6,874	2,468	3,484	6,874	5,201	2,468	3,484	3,484	4,836	130		1933
04/01/91	61	300		Spiering, Margaret	15,316 X	15,316	15,316	ND	15,316	15,316	15,316	15,316 *	15,316 *	303		1917
04/01/91	61	301		Feygina, Ida	13,250	13,250	13,250	ND	13,250	13,250	13,250	13,250 *	13,250	303		1940
01/01/92	61	302		Haggerty, Frances	13,416	0	0	13,416	13,434					303		1930
		302		Bell, Maryanne	0	10,913	9,237			10,913		9,237				
04/01/91	61	303		Mangano, Josephine	8,482	7,690	7,516	ND	8,482	8,310	7,690	7,516	7,516 *	258		1903
05/01/92	61	304		Turov, Robert	6,900	0	0	6,900							2	
		304		St. Louis, Doris	0	12,143	0		12,143	12,143	11,205			303		1939
		304		McGovern, Gladys	0	0	(2,678)					(2,678)				
06/01/92	61	305		Schauer, Norman	12,114	11,507	11,158	12,114	11,840	11,507		11,158	10,423	296		1920
05/01/92	61	306		Steppe, Susan	19,295 X	17,458	17,458	19,295	17,458	17,458	17,458	17,458 *	17,458 *	303		1950
04/01/91	61	307		Gelbart, Erina	12,910	12,910	12,910	ND	12,910	12,910	12,910	12,910 *	12,910 *	303		1948
08/01/91	61	308		Aykens, Genevieve	8,710	6,590	10,945		8,710	8,659	6,590	6,590	10,945	258		1913
10/01/91	61	309		Mercer, Alice	6,404	5,546	4,940		6,404	5,888	5,546	5,419	4,940	121		1907
10/01/91	61	310		Trawicki, Irene	5,539	4,884	4,764		5,539	5,327	4,884	4,841	4,764	139		1919
10/01/91	61	311		Zimmerman, Tess	6,350	7,831	7,313		6,350	7,505	7,831	7,451	7,313	258		1918
08/01/91	61	312		Smith, John	9,312	11,289	11,289		9,312	15,688	11,289		11,289 *	258	2	1906
08/01/91	61	313		Gehrke, William	9,291	9,285	9,058		9,291	9,396	9,285	8,967	9,058	258		1920

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Jefferson Court

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05/01/92	61	314		Papasotirin, Stacia	15,315 X	0	0	15,315	15,315					303		1922
		314		Radun, Mae	0	5,774	5,227			5,774	5,322	5,227	5,040			
10/01/91	61	315		John, Eleanor	5,786	5,361	4,469		5,786	5,455	5,361	4,580	4,469	96		1902
04/01/92	61	316		Koehn, Eleanor	20,820 X	7,063	6,473	20,820	7,454	7,063	6,689	6,473	6,968	258		1905
03/01/92	61	317		Hawke, Esther	5,766	9,858	9,057	5,766	7,414	9,858	9,041	9,057	8,769	258		1908
04/01/91	61	318		Gardipee, Patricia	13,113	13,113	0		13,113	13,113	13,113			303		1912
		318		Freudenfeld, Bernice	0	0	7,315					8,676	7,315			
06/01/91	62	1		Bertoluzza, Charles	12,114	11,005	10,379		12,114	10,061	11,005	10,707	10,379	303		1917
04/01/91	62	2		Breitling, Philip	13,075	13,075	5,862	ND	13,075	13,075	13,075	5,862	5,862 *	303		1919
04/01/91	62	3		Black, Dorothy	11,640	11,640	9,706		11,640	11,640	11,640	12,866	9,706	291		1917
06/01/92	62	4		Levshets, Yudko	11,740	9,360	9,360	11,740	10,920	9,360	9,360 *	9,360 *	9,360 *	273	2	1931
		4		Jones, Katherine	0	0	0									
09/01/91	62	5		Oryol, Tamara	16,797 X	16,797	0		16,797	16,797 *	16,797 *			303		1937
		5		Rush, Harry	0	0	8,680					8,585	8,680			
10/15/91	62	6		Whitlow, John	21,587 X	0	0		21,587					303		1914
		6		Pfeil, Ernest	0	5,837	5,837			5,837 *	5,837 *	5,837 *	5,837 *			
10/01/90	62	7		Buenrostro, Jesus	9,981	9,185	8,440		9,981 *	9,981	9,185	5,846	8,440	168	2	1904
04/01/91	62	8		Caputa, John	13,056	13,056	13,056	ND	13,056	13,056	13,056	13,056 *	13,056 *	303	2	1909
03/01/91	62	100		Kusch, Bette	6,585	5,296	4,911	6,585	5,175	5,296	5,080	4,911		129		✓ 1929
04/01/91	62	101		Bannister, Joyce	14,641 X	14,641	14,641	ND	14,641	14,641	14,641	14,641	14,641 *	303		1933
04/01/91	62	102		Holt, Roy	13,595 X	13,595	13,595	ND	13,595	13,595	13,595	13,595 *	13,595 *	303		1916
09/01/91	62	103		Heimhardt, Lieselotte	6,218	9,360	9,141		6,218	7,788	9,360	8,452	9,141	258		1914
04/01/91	62	104		Gluch, Mary	7,072	6,457	5,654	7,072	6,727	6,457	5,851	5,654		258		1905
03/01/92	62	105		Dunne, Thomas	5,606	5,663	0	5,611	5,606	5,663	5,663			140		1921
		105		Pflug, Elsie	0	0	5,591					5,591	5,591 *			
01/01/92	62	106		Comstock, Virginia	8,121	16,649	16,690	6,838	8,121	6,768	16,649	16,690	16,690 *	258		1922
08/01/91	62	107		Morissey, Gerald	6,784	6,244	6,015		6,784	6,552	6,244	6,015	6,015 *	258		1925

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11/01/91	62	108		Field, Kandes	10,107	7,800	7,165		10,107	5,385	7,800	7,300	7,165	258		1959
	62	109		Garczynski, Stephen		0	0							258		~~1931~~
		109	CA	Zwicki, Christine	0	0	0									
04/01/91	62	110		Winnington, Albertina	21,956 X	0	0	ND	21,956	21,956				303		1925
		110		Barlow, June	0	4,804	4,788			5,505	4,804	5,502	4,788			
07/01/91	62	111		Lovely, Susan	10,870	11,339	9,221		10,870	10,086	11,339	11,339	9,221	272		1908
06/01/92	62	112		Alaimo, Salvatore	11,836	10,336	9,736	11,836	10,755	10,336	9,771	9,736	9,441	269		1910
04/01/91	62	113		Daly, Robert	15,296 X	15,696	15,696		15,296	15,296	15,696		15,696	303		1927
09/01/91	62	114		Klesser, Frank	8,910	9,338	7,997		8,910	8,047	9,338	7,997	7,997 *	258	2	1908
12/14/91	62	115		Hackel, Lydia	15,253 X	0	0		15,253					258		1902
		115		Vosburg, Earladine		6,814	6,814		7,437	8,949	6,814	6,814	6,814 *	258		~~1923~~
03/01/92	62	116		Williamson, Lile	5,201	5,787	8,197	5,201	5,254	5,787	5,787	8,197		131		1922
08/01/88	62	117	CA	Keusch, Helen		0	0							258		~~1917~~
02/01/92	62	118		Joppich, Elna	8,221	8,326	9,130	8,221	8,154	8,326	9,130	9,130 *	9,130 *	258		1919
04/01/91	62	200		Zufall, Julie	14,624 X	14,624	10,774	ND	14,624	14,624	14,624	14,624 *	10,774	303		1962
		200		VanBlaricom, Dorothy	0	0						8,987				
02/01/92	62	201		Tillman, Rose	9,306	0	0	9,306	9,725					258		1928
		201		Hawkinson, Kenneth	0	9,289	7,924			9,289	8,904	7,924				
		201		Schuessler, Carl									12,654			
10/01/91	62	202		Liesch, Irene	10,378	0	0		10,378	9,952				260		1909
		202		Bischoff, Bernice	0	7,591	8,095			9,446	7,591	8,078	8,095			
03/01/92	62	203		Reich, Mary	3,666	5,216	4,712	3,666	4,934	5,216	4,453	4,712		123		1922
05/01/92	62	204		St. Louis, Doris	12,143	0	0	12,143								?
10/01/91		204		Peters, Harriet	0	9,714	8,275		9,714	9,714 *	9,714 *	8,275		258		~~1909~~
11/01/91	62	205		Manning, Dorothy	9,311	9,638	8,692		9,311	9,903	9,638	9,476	8,692	258		1917
12/01/91	62	206		Irwin, Harriet	6,067	6,683	6,099		6,067	6,683	6,683	6,050	6,099	258		1908
12/01/91	62	207		Lee, Irene	13,292	11,623	11,623		13,292	11,623	11,623	11,623	11,623 *	291		1921

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04/01/92	62	208		Levin, Aleksandr	8,951	6,081	6,081	8,951	8,670	6,081	6,081 *	6,081 *		258	2	1925
12/01/91	62	209		Desbien, Ruby	4,453	3,609	4,377		4,453	4,283	3,609	4,042	4,377	111		1917
10/01/91	62	210		Kuehn, Gertrude	9,440	9,253	4,220		9,440	9,253	9,253	4,531	4,220	258		1919
03/01/92	62	211		Nilson, Olive	11,187	11,013	9,813	11,187	11,013	11,013		9,813		275		1914
04/01/92	62	212		Rogers, Petrina	9,125	9,404	9,419	9,125	9,934	9,404	8,851	9,419	10,642	258		1914
06/01/91	62	213		Sultanovich, Maya	8,843	0	0		8,843					258		1953
		213		Gehrke, William	0	8,967	8,967			8,967 *	8,967 *	8,967	8,967 *			
03/01/92	62	214		Endres, Virginia	5,782	5,813	6,106	5,782	5,863	5,813	5,813	6,106	5,057	258		1919
07/01/91	62	215		Jarvis, Mabel	12,060	11,101	9,398		12,060	11,441	11,101	10,447	9,398	302		1914
03/01/91	62	216		Mugridge, Alice	5,477	5,955	6,172	ND	5,477	5,955	5,955	4,522	6,172	137		1907
10/01/91	62	217		Fazio, Josephine	7,748	8,183	6,025		7,748	7,650	8,183	6,584	6,025	258		1915
04/01/92	62	218		Rieser, Sandra	5,200	0	0	5,200	2,460					258		1943
		218		Patterson, John	0	9,266	8,909		9,700	9,266	8,909	8,909	8,204			
05/01/92	62	300		Wolf, Emma	9,142	7,995	7,088	9,142	7,995	7,995	7,451	7,088	6,547	258		1895
05/01/89	62	301		Izumi, Masaaki	23,460X	23,460	23,460	ND	23,460	23,460 *	23,460	23,460	23,460 *	303	2	1953
03/01/92	62	302		Musha, Audrey	6,227	6,555	5,204	6,227	6,438	6,555	6,555	5,204	4,814	161		1929
05/01/92	62	303		Kalley, Edith	7,612	9,447	8,257	7,612	8,216	9,447	7,951	8,257	7,792	258		1909
05/01/91	62	304		Burger, Leone	9,712	14,166	14,166		9,712	14,166	14,166	10,988	14,166	258		1918
04/01/91	62	305		Neal, Ruth	11,538	11,538	9,252		11,538	11,538	11,538	11,538 *	9,252	289		1924
12/07/91	62	306		Vosburg, Earladine	7,437	0	0		7,437							
		306		Facette, Bernice		5,712	5,533		5,712	5,712 *	5,712 *	5,533	5,533 *	143	7.	~~1906~~
01/01/92	62	307		Stolin, Aron	27,252X	17,741	17,741	27,252	17,741	17,741 *	17,741 *	17,741 *		293	2	1932
04/01/92	62	308		Walker, Frances	7,357	7,603	7,634	7,357	8,232	7,603	7,562	7,634	7,146	258		1903
02/01/92	62	309		Veiksans, Maria	7,677	7,450	6,108	7,677	7,727	7,450	7,512	6,108	5,637	258		1917
07/01/91	62	310		Mantey, Patricia	203	16,250	15,931		203		16,250	16,250	15,931	258		1938
04/01/91	62	311		Redd, Joseph	12,613	12,788	0	ND	12,613	12,788	12,788 *			303		1921
		311		Frank, Erna	0	0	5,134					5,134	5,134 *			

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03/01/92	62	312		Fenech, Giselda	5,616	5,055	5,158	5,616	5,415	5,055	5,506	5,158	3,508	135		1920
03/01/92	62	313		Lohrbach, Donald	6,017	5,928	0	6,017	5,928	5,928	11,138			148	2	1941
		313		Terkleson, Norma	0	0	7,865					7,865				
06/01/90	62	314		Banner, Genevieve	13,068	13,068	8,008		13,068 *	13,068	13,068	13,098	8,008	303		1918
11/01/91	62	315		Gorelik Samuil	8,999	5,657	0		8,999	6,286	5,657	14,369		258	2	1924
		315		Siefert, Dorothy			400					400	400 *			
01/25/92	62	316		Greditor, Yevgenity	6,900	0	0	6,900							2	
		316		Otto, Rose		5,688	5,525		5,681	5,688	5,688	5,525	5,138	142		1920
08/01/91	62	317		Sanfilippo, Rose	5,334	8,793	9,063		5,334	9,134	8,793	8,361	9,063	258		1916
04/01/91	62	318		Chmiel, Edward	15,780 X	16,486	0	ND	15,780	15,780	16,486	16,486 *		303		1927
04/01/91	63	9		Eldridge, Carol	5,582	16,118	12,552	ND	5,582	5,582	16,118	16,118 *	12,552	258		1924
10/01/90	63	10		Holota, Anna	19,955 X	19,955	0		19,955 *	19,955	19,955 *			303		1931
		10		Liesch, Irene	0	0	12,194					12,194	12,194 *			
04/01/91	63	11		Janicek, Mary Ann	14,084 X	0	0	ND	14,084	12,589				303		1930
		11		Tennis, Ellen	0	5,798	8,530			6,344	5,798	6,490	8,530			
02/01/92	63	12		Mence, Richard	24,440 X	16,800	15,434	24,440	15,434	16,800	15,434	15,434	10,603	303		1940
02/01/92	63	13		Lauterbach, Verna	6,052	0	0	6,052	5,872					258		1919
		13		Pease, Lucille	0	13,373	13,373			13,373 *	13,373	13,373 *	13,373			
07/01/91	63	14		Mantekas, Robert	6,588	7,169	0		6,588	6,709	7,169			258		1934
		14		Miller, Esther	0		12,161				12,161	12,161 *	12,161 *			
02/15/92	63	15		Karmalyuk, Michael	24,420 X	0	0	24,420						258	2	1935
		15		Titlair, Margaret		5,379	3,970		7,946	5,379	4,087	3,970	5,507	199		1903
10/01/91	63	16		Wenaas, Lawrence	6,626	6,529	6,105		6,626	6,892	6,529	4,923	6,105	258		1925
01/01/92	63	17		Olson, Mary	6,158	6,252	5,959	6,158	6,563	6,252	6,089	5,959	5,973	258		1913
04/01/91	63	18		Anderson, Virginia	17,103 X	17,103	17,103	ND	17,103	17,103	17,103	17,103	17,103 *	303		1922
09/01/91	63	19		Miller, Marie	10,971	5,808	5,690		10,971	5,855	5,808	5,723	5,690	274		1920
03/01/92	63	20		Kenny, Harriet	6,090	5,283	5,502	6,090	5,853	5,283	5,502	5,502		146		1923

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04/01/91	63	21		Keip, Carol	11,802	11,802	0	ND	11,802	11,802	11,802	10,715			295		1949
		21		Boynton, Louis	0	0	5,450						5,450				
07/01/91	63	119		Morgan, Thomas	8,564	6,964	6,964		8,564	8,383	6,964	6,964	6,964	*	258	2	1918
04/01/91	63	120		Hero, Christine	13,333	0	0	ND	13,333	13,333					303		1948
		120		Farrell, Dorothy	0	7,292	17,813			7,292	7,292	17,813	17,813	*			
05/01/92	63	121		Shultis, June	5,912	4,795	4,758	5,912	5,384	4,795	4,795	4,758			135		1923
12/01/88	63	122		Office Management	6,320	6,320	6,320	ND	6,320	6,320	6,320	6,320	6,320	* M	258		1925
08/01/91	63	123		Goodburne, Gladys	8,712	8,551	8,199		8,712	8,321	8,551	8,278	8,199		258		1901
04/01/91	63	124		Winkka, Marie	18,290	11,600	0		18,290	18,290	11,600				303		1910
		124		Albrecht, Arvilla	0	0	11,354					11,354	10,579				
06/01/91	63	125		Ruchalski, Florence	13,400	0	0		13,400						303		1920
		125		King, Viola	0	7,780	6,562				7,780	7,189	6,562				
10/01/91	63	126		David, Augusta	6,510	6,254	5,376		6,510	6,133	6,254	5,194	5,376		258		1914
05/01/92	63	127		Langenohl, Mary	13,278	13,278	0	13,278	13,278	13,278					303		1910
		127		Zeidler, Ruth	0	0	6,281					6,281					
04/01/91	63	128		Schaefer, Della	16,282	16,282	16,282	XXX	16,282	16,282	16,282	16,282	16,282	*	303		1925
11/01/91	63	129		Thornton, Ruth	6,256	4,299	4,937		6,256	4,631	4,299	4,642	4,937		156		1916
06/01/91	63	130		Arnemann, Charles	26,400	0	0		26,400						409	2	1938
		130		Brinkman, Jonathan	0	12,000	12,000			12,000	12,000	12,000	12,000	*			
02/01/92	63	131		Walsh, Virginia	6,194	0	0	6,194	6,526						258		1923
		131		Edelstein, Lawrence		19,300	19,300			19,300	19,300	19,300	19,300	*			
04/01/91	63	132		Kjos, Carola	13,062	13,062	7,360	NA	13,062	13,062	13,062	7,399	7,360		303		1920
06/01/90	63	133		Holtz, Angeline	11,711	11,711	11,711	NA	11,711	11,711	11,711	11,711	11,711	*	293		1907
06/01/90	63	134		Bain, Angela	12,001	0	0		12,001	12,001					300		1969
		134		Meinig, Sheila	0	9,362	0				9,362						
		134		Kuester, Lillian	0		5,169				6,723	6,570	5,169				
04/01/91	63	135		Kaminski, Eleanor	16,425	16,425	9,559	ND	16,425	16,425	16,425	10,456	9,559		303		1911

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04/01/88	63	136	CA	Soden, Elizabeth		0	0							248	1937
03/01/92	63	137		Graven, Louise	7,359	7,642	6,528	7,359	7,319	7,642	6,868	6,528	6,703	258	1901
05/01/91	63	138		Erickson, James	8,473		6,988	ND	8,473				6,988	258	1956
				Hawley, Mary Ann	0	7,426	0			8,515	7,426	7,426 *			
11/01/88	63	139	CA	Wall, James	5,635	5,635	5,635		5,635	5,635 *	5,635 *	5,635 *	5,635 *	258	1914
04/01/91	63	140		Blakey, Vernon	15,939 X	15,939	15,939	ND	15,939	15,939	15,939	15,939 *	15,939	303	1953
09/01/91	63	141		Ades, Jeannetta	6,787	6,474	5,003		6,787	6,086	6,474	5,989	5,003	258	1901
09/15/91	63	142		Wojciuk, Caroline	13,638	0	0		13,638					303	1937
		142		Zufall, Julie	0	0	11,009					11,009	11,009 *		
		142		Wright, Laura	0	19,473	0			19,473	19,473 *				
02/01/92	63	143		Bartol, Nettie	3,579	6,952	4,203	3,579	3,579	6,952	6,952	4,203	4,575	258	1913
12/01/91	63	144		Swanson, Regina	7,325	8,823	7,051		7,325	8,597	8,823	8,209	7,051	258	1917
04/01/91	63	145		Wallrath, Anita	14,179 X	10,794	0		14,179	14,179	10,794			303	1924
		145		Harris, Agnes	0	0	2,878					2,829	2,878		
05/01/92	63	219		George, Stevenson	5,956	5,702	0	5,956	5,956	5,702				258	1927
		219		Schuette, Anne	0	0	5,789				5,756	5,789	5,443		
04/01/91	63	220		Poppendorf, Wayne	16,511 X	0	0	ND	16,511	16,511 *				303	1935
		220		Last, Laura	0	9,686	9,786				9,686	9,343	9,786		
09/01/91	63	221		Williams, Ruby	10,315	9,298	8,832		10,315	9,772	9,298	9,049	8,832	258	1916
05/01/92	63	222		Hansen, Eva	9,836	7,928	8,957	9,836	9,684	7,928	8,931	8,957	8,957	258	1912
09/01/91	63	223		Johnson, Kimi	7,330	9,370	7,495		7,330	8,123	9,370	8,584	7,495	258	1913
03/01/92	63	224		Sperzel, Erna	11,803	10,420	10,060	11,803	11,262	10,420	10,799	10,060		282	1916
10/01/91	63	225		Jennings, Joan	15,372 X	9,410	7,556		15,372	8,063	9,410	8,799	7,556	303	1943
04/01/91	63	226		Miller, Esther	12,161	12,161	0	ND	12,161	12,161	12,161			303	1915
		226		Hansen, Dolores	0	0	3,050					4,530	3,050		
12/01/91	63	227		Talesnik, Julia	1,820	11,700	11,700		1,820	11,700	11,700		11,700	258	1930
		227		Hansman, Tess	0	0	0					6,254			

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Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987	Tenant Rent	# of Tena	DOB
12/01/91	63	228		Rush, Harry	9,991	10,676			9,991	10,810	10,676			270		1909
		228		Kemnitz, Irene	0	0	6,494					6,494	6,494 *	ok		
03/03/92	63	229		Erickson, Bridget	5,981	5,834	4,040	5,981	5,521	5,834	3,930	4,040	7,217	138		1921
07/01/91	63	230		Snarski, John	15,368X				15,368	7,600			moved from ?	303	2	1922
		230		Wandel, Mary		6,739	6,379				6,739	5,941	6,379			
03/01/92	63	231		Davie, Carol	5,969	4,243	1,926	5,969	3,029	4,243	1,926	1,926	7,271	76		1924
06/01/90	63	232		Smith, Marie	11,702	11,098	10,559	ND	11,702 *	11,702	11,098	10,634	10,559	293		1908
01/01/88	63	233	CA	Lusiak, Anna		0	0							258		~~1902~~
04/01/91	63	234		Foelske, Florence	15,260 X	15,260	15,260	ND	15,260	15,260	15,260	15,260 *	15,260 *	303		1908
10/01/91	63	235		Mathias, Anna	8,212	6,394	4,689		8,212	6,962	6,394	4,558	4,689	205		1906
07/01/91	63	236		Dowd, James	10,973	7,869	9,613		10,973	9,684	7,869	7,914	9,613	274	2	1902
03/01/92	63	237		Ades, Donna	6,169	4,649	0	6,169	4,649	4,649	7,675			116		1920
		237		Bernhardt, Abraham	0	0	7,439					7,439				
03/01/92	63	238		Pellowski, Angeline	5,157	5,713	5,600	5,157	6,014	5,713	5,713	5,600	5,384	150		1909
04/01/91	63	239		Downs, Neil	12,432	0	0	ND	12,432	12,432				303		√ 1930
		239		Lamere, Virginia	0	5,676	0				5,676					
		239		Stankiewicz, Cecilia	0	0	15,989						15,989			
04/01/92	63	240		Morgan, Thomas	6,633	6,105	5,300	6,633	6,537	6,105	6,105	5,300	3,804	164	2	1926
11/01/89	63	241		Farrell, Nellie	11,876	11,876	9,486		11,876	11,876 *	11,876	10,925	9,486	297		1906
09/01/91	63	242		Claude, Sally	6,577	6,367	5,469		6,577	6,048	6,367	5,733	5,469	258		1907
03/01/92	63	243		Egelston, Betty	8,226	6,170	7,200	8,226	3,752	6,170	6,170	7,200	7,200	94		1927
10/01/91	63	244		Schilling, Amanda	7,529	7,506	5,431		7,529	8,078	7,506	6,163	5,431	188		1905
03/01/92	63	245		Dobrindt, Corinne	5,039	5,440	4,965	5,039	5,435	5,440	5,440	4,965	4,902	136		1908
11/01/91	63	319		Williamson, Joyce	7,052	0	0		7,052	9,025				258		1934
		319		Gilkerson, Isabel	0	4,478	4,870				4,478	4,623	4,870			
06/01/90	63	320		Boehm, Bridget	11,730	11,703	8,641	ND	11,730 *	11,730	11,703	11,107	8,641	293		1917
10/01/91	63	321		Breen, Judith	7,175	6,200	5,661		7,175	6,560	6,200	6,020	5,661	179		1946

4-14-92

Jefferson Court

* - ESTIMATE
NA - INFORMATION NOT AVAILABLE

V = Vacancy
M = Management Uni

Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987	Tenant Rent	# of TenaDOB
04/01/91	63	322		Groysman, Semion	13,727	13,727	13,727	ND	13,727	13,727	13,727	13,727	13,727	303	1920
10/01/91	63	323		Eidenberger, Randy	16,416	0	0		16,416						
		323		Stankiewicz, Cecilia		15,989	0		15,989	15,989	15,989			303	1918
		323		Reilly, Donald			5,552					5,081	5,552		
06/01/90	63	324		Badami, Natale	33,636	33,636	33,636		33,636 *	33,636	33,636	33,636 *	33,636 *	303	1906
03/01/92	63	325		Ligorio, Roberta	6,017	5,705	3,708	6,017	5,422	5,705	5,094	3,708	5,304	136	1939
06/01/91	63	326		Berna, Irene	5,586	7,128	7,387		5,586	5,586	7,128	8,243	7,387	140	1912
		326		Dorr, Jeannette	0	0							18,622		
10/01/91	63	327		Voellinger, Michael	7,778	6,602	6,378		7,778	7,109	6,602	6,730	6,378	194	1919
02/01/92	63	328		Goeke, Marilyn	8,715	13,562	17,592	8,715	13,562	13,562	17,592	17,592 *	17,592	303	1935
		328		Gagliano, Mary	0	0	0						2,809		
06/01/90	63	329		Peterson, Wesley	11,710	10,651	10,501	ND	11,710 *	11,710	10,651	10,760	10,501	293	1922
12/01/91	63	330		Manders, Rose	6,802	8,012	6,311		6,802	7,745	8,012	7,619	6,311	258	1915
11/01/88	63	331	CA	Blakey, Evelyn		0	0							233	1918
04/01/91	63	332		Manders, Dennis	29,763	29,763	29,763	ND	29,763	29,763	29,763	29,763 *	29,763 *	303	1942
04/01/91	63	333		Jasiecki, Phyllis	13,211	13,211	13,200	ND	13,211	13,211	13,211	13,200	13,200 *	303	1920
06/01/92	63	334		Mccormick, Ruth	4,098	5,676	5,424	4,098	5,988	5,676	5,424	5,424 *		150	1929
		334	CA	Sholta, Katherine	0	0	0								
04/01/92	63	335		Eichorst, Stanley	10,858	0	0	10,858	8,744						
		335		Reasby, Antoine		4,371	4,371		4,371	4,371 *	4,371 *	4,371 *		258	1971
10/01/91	63	336		Collova, Rose	8,010	8,735	7,282		8,010	8,387	8,735	6,927	7,282	258	1909
06/01/91	63	337		Werhun, Dorothy	8,813	9,151	3,285		8,813	9,804	9,151	3,484	3,285	258	1923
10/01/91	63	338		Scheller, Alma	7,030	7,039	6,832		7,030	7,337	7,039	7,593	6,832	114	1895
09/01/91	63	339		Gerbitz, Rose	7,862	7,129	6,379		7,862	7,376	7,129	6,772	6,379	258	1908
04/01/91	63	340		Rembold, Regina	18,145	18,145	18,145	ND	18,145	18,145	18,145	18,145 *	18,145 *	303	1907
11/01/91	63	341		Koller, Walter	7,996	0	0		7,996					258	1924
		341		Mills, Shirley	0	14,456	14,856				14,456		14,856		

4-14-92

Jefferson Court

* - ESTIMATE
NA - INFORMATION NOT AVAILABLE

V = Vacancy
M = Management Uni

Last Cert. Date	Bldg	Unit #	City Assist	Tenant Name	Adj. Annual	Adj. Annual 2 Yrs. Prior	Adj. Annual 4 Yrs. Prior	Adj. Annual Income 1992	Adj. Annual Income 1991	Adj. Annual Income 1990	Adj. Annual Income 1989	Adj. Annual Income 1988	Adj. Annual Income 1987		Tenant Rent	# of TenaDOB	
02/01/92	63	342		Trythall, James	10,920	0	0	10,920	14,305								
		342		Eichorst, Stanley		10,931	5,226		8,744	10,931	10,169	5,226	9,157		258		1904 ✓
04/01/91	63	343		Zeleski, Sophie	12,023	11,528	11,528	ND	12,023	12,023	11,528	11,528	11,528	*	301		1920 ✓
04/01/91	63	344		Johnson, Connie	12,997	12,997	10,745	ND	12,997	12,997	12,997	10,623	10,745		303		1903 ✓
12/01/91	63	345		Pytlik, Wanda	10,098	9,357	10,350		10,098	9,737	9,357	9,357	10,350		258		1908 ✓
															0		

APPENDIX M

HUD CAPITAL NEEDS ASSESSMENT

HUD Representative's Trip Report

U.S. Department of Housing and Urban Development
Office of Public Housing

1 of 3

RMS No. HI-00525R (expires 5/87) CAPITAL NEEDS ASSESSMENT

Project Name	Project No.	Schedule Progress	Actual Progress	Date of Visit
JEFFERSON CT. APTS.	075-44043-LDP			7/10/92

No. Buildings	No. of Dwelling Units	Locality	Contractor
3	222	Milwaukee, WI	

A — Evaluation: Details — Concerning:

1. Contractor's organization, operations and supervision.
2. Administration of Construction Contract.
3. Architect's supervision and services.
4. Special circumstances, occupancy, delays, claims, disputes, etc.
5. Non-compliances in the work.
6. Payments to the contractor; Labor and EEO Provisions.

CAPITAL NEEDS ASSESSMENT

Observations: Of the units inspected, the following typical work items were identified

1. 27% required some minor touch-up of wood window stools.
2. 40% required some repair of nicks and gouges (minor) in kitchen cabinets
3. 3% required touch-up of stained wood base mould.
4. 20% required minor touch-up of bath tub/shower tile grout.
5. 18% required some minor repair and touch-up of window dry-wall returns.
6. 13% required repair of leaky faucets.
7. 10% required some minor dry wall repair.
8. 3% required some kitchen vinyl repair.

B — All items listed must be covered in this report and all adverse findings shall be discussed with PHA or architect.

C — Trip Included Examination of Portions of interior & ext. | Dwelling Units in Bldgs. Nos.

D — Arrived (Date and Hour) 7/10/92 9:00 | Departed (Date and Hour) 7/10/92 11:20

Report No. CAPITAL NEEDS ASSESSMENT | Date 7/21/92 | Signature (HUD Representative)

(Previous Editions Are Obsolete) HUD-5379 (6-84)

HUD Representative's Trip Report

U.S. Department of Housing and Urban Development
Office of Public Housing

2 of 3

RMS No. HI-00525R (expires 5/87)

Project Name	Project No.	Schedule Progress	Actual Progress	Date of Visit
JEFFERSON COURT APTS	075-44043-LDP			7/10/92

No. Buildings	No. of Dwelling Units	Locality	Contractor
3	222	Milwaukee, WI	

A — Evaluation: Details — Concerning:

1. Contractor's organization, operations and supervision.
2. Administration of Construction Contract.
3. Architect's supervision and services.
4. Special circumstances, occupancy, delays, claims, disputes, etc.
5. Non-compliances in the work.
6. Payments to the contractor; Labor and EEO Provisions.

CAPITAL ASSESSMENTS (cont'd)

9. 13% required some minor repair of kitchen cabinetts.

10. 3% required some minor repair of deteriorated window sills.

11. 13% required some minor window repair.

12. Club rooms and laundry rooms required minor touch-up of painted surfaces.

13. Resident lockers required no work items.

14. Roof required re-seal along flashings at penetrations.

15. Garage required no work items.

16. Corridors and stairwells required minor dry wall touch-up and paint touch-up

17. 60% of units and one corridor required repair of fin tube covers.

B — All items listed must be covered in this report and all adverse findings shall be discussed with PHA or architect.

C — Trip Included Examination of: Portions of int. and ext.	Dwelling Units in Bldgs. Nos.
D — Arrived (Date and Hour) 7/10/92 9:00	Departed (Date and Hour) 7/10/92 11:20
Report No. CAPITAL NEEDS ASSESSMENT	Date 7/21/92
Signature (HUD Representative)	

(Previous Editions Are Obsolete)

HUD-5379 (6-84)

HUD Representative's Trip Report

U.S. Department of Housing and Urban Development
Office of Public Housing

3 of 3

RMS No. HI-00525R (expires 5/87) CAPITAL NEEDS ASSESSMENT

Project Name	Project No.	Schedule Progress	Actual Progress	Date of Visit
JEFFERSON COURT APTS	075-44043-LDP			7/10/92

No. Buildings	No. of Dwelling Units	Locality	Contractor
3	222	Milwaukee, WI	

A — Evaluation: Details — Concerning:

1. Contractor's organization, operations and supervision.
2. Administration of Construction Contract.
3. Architect's supervision and services.
4. Special circumstances, occupancy, delays, claims, disputes, etc.
5. Non-compliances in the work.
6. Payments to the contractor; Labor and EEO Provisions:

CAPITAL NEEDS ASSESSMENT (cont'd)

18. Elevator equipment room required no work.

19. Boiler room required replacement of one boiler.

20. 10% of exterior = concrete required jacking or joint repair.

21. Mechanicals, in general, appeared to be in good repair and well maintained.

B — All items listed must be covered in this report and all adverse findings shall be discussed with PHA or architect.

C — Trip Included Examination of Portions of int. and ext.	Dwelling Units in Bldgs. Nos.
D — Arrived (Date and Hour) 7/10/92 9:00	Departed (Date and Hour) 7/10/92 11:20
Report No. CAPITAL NEEDS ASSESSMENT / Date 7/21/92	Signature (HUD Representative)

(Previous Editions Are Obsolete)

HUD-5379 (6-84)

JEFFERSON CT. APTS
OTS - 44043 L.O.A. 1 of 2

FROM AN INSPECTION REPORT of CAPITAL NEEDS ASSESSMENT THE FOLLOWING ESTIMATES of COST ARE MADE

1.	MINOR PAINT TOUCH-UP WINDOWS IN 60 UNITS @ $40. EACH	$2400.
2.	REPAIR MINOR KNICKS AND GOUGES IN KIT CABS. @ $25. EACH X 90	$2250.
3.	REFINISH STAINED WOOD BASE SAY 10 UNITS @ $25. EACH	$250.
4.	REGROUTING TUB AREAS OF SAY 44 UNITS @ $35. EACH	$1,540
5.	REPAIR DRYWALL RETURNS AT WINDOWS SAY 40 UNITS @ $50 EACH	$2000.
6.	REPAIR LEAKY FAUCETS (ASSUME ONLY WASHERS) 30 UNITS @ $25 EACH	$750.
7.	DRYWALL REPAIRS IN 20 UNITS @ $40. EACH	$800.
8.	REPAIR OF KITCHEN VINYL FLOORS IN 10 UNITS @ $50. EACH	$500.
9.	MINOR REPAIRS OF KITCHEN CABINETS IN 30 UNITS @ $75. EACH	$2250
10.	REPAIR of DETERIORATED WINDOW SILLS IN 10 UNITS @ $60.	$600.
11.	REPAIR of WINDOWS - (SASH OR FRAME) IN 30 UNITS @ $100.	$3000.
12.	COMMUNITY AREAS AND LAUNDRY ROOMS PAINT TOUCH-UP	$300.

Ralph H. Evans

SUB TOTAL P.1 $

JEFFERSON CT. APTS.
075-44043 L.O.A.

CAPITAL NEEDS ASSESSMENT - COST ESTIMATES - CONT'D.

13. No Cost

14. Roof - Sealing of flashings at all penetrations $500.

15. No Cost

16 Corridors and Stairways Minor Drywall Patch and Repaint $1000.

17. Repair of Covers for Fin Tube Radiation $1500.

18. No. Cost

19. Boiler of UNDETERMINED Size Needs Replacement, estimate based on a 40 BHP - 1,336M BTU average Unit $8,000.

20. Exterior walks and Patios Require mud jacking or Joint Repairs $2,500

21. No Cost

SUB TOTAL Pg 2	$ 13,500
Pg 1	16,040
SUB TOTAL	$ 29,504
Contingency	2,956
CAPITAL NEEDS ASSESSMENT TOTAL	$ 32,460.

Robert H Pond

APPENDIX N

HUD FORMS

FHA FORM NO. 2264
Rev. 5/76

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

RENTAL HOUSING

PROJECT INCOME ANALYSIS AND APPRAISAL

☐ SAMA
☐ Feasibility (Rehab)
☐ Conditional
☐ Firm LIHPRHA

Project Name	Project No.
JEFFERSON COURT APARTMENTS	075-44043-LDP/R-1/MB

A. LOCATION AND DESCRIPTION OF PROPERTY:

1. Street Nos.	2. Street	3. Municipality	4a. Census Tract No.	4b. Placement Code	5. County
415	EAST KNAPP ST.	MILWAUKEE	113		MILWAUKEE

6. State and Zip Code	7. Type of Project:	8. No. Stories	9. Foundation:
53202	☒ Elevator ☐ Walkup ☐ Row (T.H.) ☐ Detached ☐ Semi-Detached	3	☐ Slab on Grade ☐ Full Bsmt. ☒ Partial Bsmt. ☐ Crawl Space

9.a Basement Floor:	10.	11. Number of Units		12. No. of Bldgs.	13. List Accessory Bldgs. and Area	13a. List Recreation Facilities and Area
		Revenue	Non-Rev.			
☐ Structural Slab ☒ Slab on Grade	☐ Proposed ☒ Existing	222		3	NONE	OUTDOOR COURTYARD

SITE INFORMATION	BUILDING INFORMATION			
14. Dimensions:	16. Yr. Built	16.a ☐ Manufactured Housing ☐ Modules ☐ Components ☒ Conventionally Built		
361.9 ft. by 255.8 ft. or 92,565 sq. ft.	1972			
15. Zoning: *(If recently changed, submit evidence)*	17. Structural System	17.a Floor System	17.b Exterior Finish	18. Heating-A/C System
C9A - HIGH DENSITY RESIDENTIAL	REIN. CONCRETE AND STEEL POST AND WOOD BEAM	PRECAST CONC & WOOD JOIST & PLYSCORE	MASONRY AND WOOD SIDING	CENTRAL HOT WATER HEAT - SLEEVE A/C

B. INFORMATION CONCERNING LAND OR PROPERTY:

19. Date Acquired	20. Purchase Price	21. Additional Costs Paid or Accrued	22. If Lease-Hold, Annual Ground Rent	23.a Total Cost	23.b Outstanding Balance	24. Relationship-Business, Personal or Other Between Seller and Buyer
9/83	$ 3,236,400	$ N/A	$ N/A	$ 3,236,400	$ N/A	BUSINESS AFFILIATES

25. Utilities - Public	Community	Distance From Site
Water ☒	☐	
Sewers ☒	☐	

26. Unusual Site Features -
☐ Cuts ☐ Fills ☐ Rock Formations ☐ Erosion ☒ None
☐ Poor Drainage ☐ High Water Table ☒ Retaining Walls
☐ Other *(Specify)* _____ ☐ Off Site Improvements

C. ESTIMATE OF INCOME:

27. No. of Each Family Type Unit	Rentable Living Area (Sq. Ft.)	Composition of Units	Unit Rent Per Month	Total Monthly Rent For Unit Type
221 1-BDR	486-503	LR, K, B, 1 BR	#455-520 $ AVG 465	$ INC. BELOW
1 2-BDR	700	LR, K, B, 2 BR	575	
		(SEE P. 161 FOR		103,350
		RENT SCHEDULE)		x 12
NOTE:	INCOME AND EXPENSES SHOWN ON			
28.	POST-CONVERSION BASIS	TOTAL ESTIMATED RENTALS FOR ALL FAMILY UNITS		$ 1,240,200

29. No. Parking Spaces-		
☐ Attended ☒ Self Park 148	Open Spaces _____ @ $ _____ per month	
	Covered Spaces 148 @ $ 50 per month x 12	88,800
30. Commercial*		
	Area-Ground Level NONE Sq. Ft. @ $ _____ per sq. ft./mo.	
	Other Levels NONE Sq. Ft. @ $ _____ per sq. ft./mo.	
*Attach Documentation	ANNUAL LAUNDRY, VENDING, OTHER INCOME	28,100
31.	TOTAL ESTIMATED GROSS PROJECT INCOME AT 100% OCCUPANCY	$ 1,357,100
32.	TOTAL ANNUAL RENT *(Item 31 x 12 months)*	$ 1,357,100

33. Gross Floor Area-	34. Net Rentable Residential Area-	35. Net Rentable Commercial Area-
194,063 Sq. Ft.	148,703 Sq. Ft.	PARKING 45360 Sq. Ft.

36. NON-REVENUE PRODUCING SPACE

Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project
N/A		N/A	N/A

D. EQUIPMENT AND SERVICES INCLUDED IN RENT: *(Check Appropriate Items)*

37. EQUIPMENT -
☒ Ranges *(Gas or Elec.)* ☒ Disposal
☒ Refrig. *(Gas or Elec.)* ☐ Dishwasher
☐ Air Cond. *(Equip. Only)* ☒ Carpet
☒ Kitchen Exhaust Fan ☐ Drapes
☒ Laundry Facilities ☐ Swimming Pool
☐ Other _____ ☐ Tennis Court

38. SERVICES -
GAS: ☒ Heat ☒ Hot Water ☐ Cooking ☐ Air Conditioning
ELEC: ☐ Heat ☐ Hot Water ☒ Cooking ☐ Air Conditioning ☒ Lights, etc. in Unit
OTHER FUEL: ☐ Heat ☐ Hot Water
☒ WATER ☐ OTHER _____

39. SPECIAL ASSESSMENTS:
NONE
a. ☐ Prepayable ☐ Non-Prepayable
b. Principal Balance $ _____
c. Annual Payment $ _____
d. Remaining Term _____ Years

PREVIOUS EDITION OF THIS FORM ARE OBSOLETE

E. ESTIMATE OF ANNUAL EXPENSE: 1992

ADMINISTRATIVE–

1. Advertising	$ 5,550	
2. Management	58,000	
3. Other	28,682	
4. TOTAL ADMINISTRATIVE		$ 92,232

OPERATING–

5. Elevator Main. Exp.	$ 5,544	
6. Fuel *(Heating and Domestic Hot Water)*	46,148	
7. Lighting & Misc. Power	54,757	
8. Water	14,054	
9. Gas	FUEL	
10. Garb. & Trash Removal	11,250	
11. Payroll	32,289	
12. Other SECURITY	12,050	
13. TOTAL OPERATING		$ 176,092

MAINTENANCE–

14. Decorating	$ 21,639	
15. Repairs	34,822	
16. Exterminating	2,400	
17. Insurance	12,090	
18. Ground Expense	6,099	
19. Other JANITORIAL, MISC	35,158	
20. TOTAL MAINTENANCE		$ 112,208
21. Replacement Reserve (.0060 x total structures Line 41) N/A		$ -0-
22. TOTAL OPERATING EXPENSE		$ 380,532

TAXES–

23. Real Estate: Est. Assessed Value $ 6,080,000 @ $ 40.00 per $1000	$ 243,200	
24. Personal Prop. Est. Assessed Value $ @ $ per $1000	836	
25. Empl. Payroll Tax	INCL. ABOVE	
26. Other FIRE INSP.	275	
27. Other		
28. TOTAL TAXES		$ 244,311
29. TOTAL EXPENSE *(Attach Worksheet)*		$ 624,843

F. INCOME COMPUTATIONS:

30. Estimated Project Gross Income *(Line C 32 Page 1)*	$ 1,357,100	
31. Occupancy *(Entire Project)* Percentage	95 %	
32. Effective Gross Income *(Line 30 x Line 31)*	$ 1,289,245	
33. Total Project Expenses *(Line 29)*	$ 624,843	
34. Net Income to Project *(Line 32 – Line 33)*	$ 664,402	
35. Expense Ratio *(Line 29 ÷ Line 32)*	48.4 %	

G. ESTIMATED REPLACEMENT COST:

36a. Unusual Land Improvements	$
36b. Other Land Improvements	
36c. Total Land Improvements	$
STRUCTURES–	
37. Main Buildings	$
38. Accessory Buildings	
39. Garages	
40. All Other Buildings	
41. TOTAL STRUCTURES	$
42. General Requirements	$
FEES–	
43. Builder's Gen. Overhead @ %	$
44. Builder's Profit @ %	
45. Arch. Fee-Design @ %	
46. Arch. Fee-Supvr. @ %	
47. Bond Premium	
48. Other Fees	
49. TOTAL FEES	$
50. TOT. For all Imprmts. (Lines 36c, 41, 42 & 49)	$
51. Cost Per Gross Sq. Ft.	$
52. Estimated Construction Time	Months
CARRYING CHARGES & FINANCING–	
53. Int. Mos. @ % on $	$
54. Taxes	
55. Insurance	
56. FHA Mtg. Ins. Pre. (0.5%)	
57. FHA Exam. Fee (0.3%)	
58. FHA Inspec. Fee (0.5%)	
59. Financing Fee (%)	
60. AMPO (%)	
61. FNMA/GNMA FEE (%)	
62. Title & Recording	
63. TOTAL CARRYING CHGS. & FINANCING	$
LEGAL, ORGANIZATION, & AUDIT FEE	
64. Legal	$
65. Organization	$
66. Cost Certification Audit Fee	$
67. TOTAL LEGAL, ORGANIZATION, AUDIT FEES	$
68. Builder and Sponsor Profit & Risk	$
69. Consultant Fee	$
70. Supplemental Management Fund	$
71. Contingency Reserve	$
72. TOTAL EST. DEVELOPMENT COST *(Excl. of Land or Off-site Cost)* (50+63+67+68+69+70+71)	
73. Warranted Price of Land – J-14(3) ____ sq. ft. @ $ ____ per sq. ft.	$
74. TOTAL ESTIMATED REPLACEMENT COST OF PROJECT *(Add 72+73)*	$

H. MAXIMUM PERMISSIBLE RENTAL ANALYSIS:

1. Rent Formula Residential Total Rent Per Month _____

APARTMENT TYPE	0 BEDROOM	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM
2. Monthly Administrative Rent Limits *(NOTE: Each limit must be followed by E for exception or R for regular)*	$	$	$	$	$
3. Personal Benefit Expenses					
4. Administrative Rent Limits Less Personal Benefit Expenses					
5. Unit Basic Rents					
6. Unit Market Rents by Rent Formula					
7. Unit Market Rents by Comparison*					

*Attach Documentation

I. ESTIMATE OF OPERATING DEFICIT:*

Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st	$	%	$	$	$	$	$
2. 2nd	$	%	$	$	$	$	$
						3. TOTAL OPERATING DEFICIT	$

Comparison*

J. PROJECT SITE ANALYSIS AND APPRAISAL:

1. Is Location and Neighborhood Acceptable - ☒ YES ☐ NO
2. Is Site Adequate in Size for Proposed Project ☒ YES ☐ NO
3. Is Site Zoning Permissive for Intended Use ☒ YES ☐ NO
4. Are Utilities Available Now to Serve the Site ☒ YES ☐ NO
5. Is there a Market at this Location for the Rents by Comparison shown in Section C ☒ YES ☐ NO
6. ☐ Site Acceptable for type of Project Proposed under Section _____
   ☐ (If checked, acceptance subject to qualifications listed below)
7. ☐ Site not acceptable for reasons stated below.

Date of Inspection: _____

By: _____

8. VALUE FULLY IMPROVED:

LOCATION OF PROJECT: L.U.I. NUMBER _____ SIZE OF SUBJECT SITE: _____ Sq. Ft.

COMPARABLE SALES ADDRESS*	Date of Sale	Sales Price	Size Sq. Ft.	Price per Sq. Ft.	Units Permitted	Price per Unit	ADJUSTMENTS (%) Time	Location	Zoning	Plottage	Demolition	Piling, Etc	Other	Total Adjust Factor	Adjust Sq. Ft. Price	Indicated Value by Comparison
1. 501 E. STATE	2/89	$204,000	50920	4.00	INST.				+50%					+50%	6.00	555,390
2. 408 E. STATE	4/92	212,725	42,725	4.97	INST.				+50%					+50%	7.50	644,237
3. 428 E. STATE	9/88	279,726	69,769	4.02	INST.				+50%					+50%	6.00	555,390
4. 1108 N. MILWAUKEE	9/93	236,000	116,582	2.02	C9A	2,000	+40%							+40%	2,800/U	621,600
5.																

* Attach Land Sales Data

Remarks: SEE PP. 111 - 115

9. Value of Site Fully Improved: $ 600,000

10. VALUE "AS IS"

			Ft./Acres											

11. Value of Site "As Is" by Comparison: $ _____

12. ACQUISITION COST: (Last Arms-Length Transaction)

Buyer JV III LP. Address: _____

Seller REDEVL. ATHTY - CITY Address _____

Date OF MILW Price $ 184,000

Source DEED 2/3/71

13. OTHER COSTS:

(1) Legal Fees and Zoning Costs ---------- _____
(2) Recording and Title Fees ---------- _____
(3) Interest on Investment ---------- _____
(4) Other ---------- _____
(5) Acquisition Cost (From "12" Above) ---------- _____
(6) Total Cost to Sponsor ---------- $ _____

14. VALUE OF LAND AND COST CERTIFICATION:

(1) Fair Market Value of Land fully improved (From "9" above) ---------- $ _____
(2) Deduct unusual items included in Section G, item 36a ---------- $ _____
(3) Warranted price of land fully improved (Replacement Cost items excluded– enter in Line G–72) $ _____

FOR COST CERTIFICATION PURPOSES -

(3)(a) Deduct cost of demol. $ _____ and req'd off-sites $ _____ to be paid by Mtgor. or by special assessments ---------- $ _____
(4) Estimate of "As Is" by subtraction from improved value ---------- $ _____
(5) Estimate of "As Is" by direct comparison with similar unimproved sites (From "11" above) -- $ _____
(6) "As Is" based on acquisition cost to sponsor (From 13(6) above) ---------- $ _____
(7) Commissioner's estimated value of land "As Is" (The lesser of 4 or 5 above)* ---------- $ _____
(If "As Is" is more than 13(6), complete explanation is required.)

*Where land is purchased from LPA or other Governmental authority for specific reuse lesser of 4, 5 or 6.

K. INCOME APPROACH TO VALUE:

1. Estimated Remaining Economic Life 40-45 Yrs.
   Income Approach to Value:
2. Capitalization Rate Determined By: [ ] Overall Rate From Comparable Projects.
   [X] Rate From Band of Investment [ ] Cash Flow to Equity.
3. Rate Selected 10.6 %
4. Net Income *(Line F 34)* - - - - - - - - $ 664,402
5. Capitalized Value *(Line 4 ÷ Line 3)* - - $ 6,270,000

6. Value of Leased Fee *(If any)* N/A
   Ground Rent $ _____ ÷ Cap. Rate ____ %
   = Value of Leased Fee $ _____

L. COMPARISON APPROACH TO VALUE:

7.	Address of Comparable Sale	Date	Sale Price	No. Units				PRICE PER UNIT
a.	2544 N. FREDERICK	7/91	2,241,000	84				$27,869
b.	1029 E. KNAPP	4/90	2,310,000	91				25,385
c.	2535 N. PROSPECT	9/89	1,820,000	54				34,444

8. Indicated Value of Subject by Comparison $ 28,000/UNIT

APPRAISAL SUMMARY

9. CAPITALIZATION $ 6,270,000 SUMMATION $ _____ COMPARISON $ 6,216,000
   The fair market value (or replacement cost) of the property, as of the date below, is $ 6,270,000

M. TO BE COMPLETED BY CONSTRUCTION COST ANALYST:

COST NOT ATTRIBUTABLE TO DWELLING USE-

10. Parking - $ _____
11. Garage - _____
12. Commercial - _____
13. Special Ext. Land Improvements - - - - - - - - - - - _____
14. Other - _____
15. TOTAL - - - - - - - - - - - - - - - $ _____
    _____ %

TOTAL EST. COST OF OFF-SITE REQUIREMENTS-

16. Off-Site — Est. Cost
    _____ $ _____
    _____ _____
    _____ _____
    _____ _____
    _____ _____
    _____ _____
17. TOTAL OFF-SITE COSTS- - $ _____

N. TO BE COMPLETED BY VALUATION SECTION:

CALCULATION OF BUDGETED CONSTRUCTION COST-

18. Maximum Mortgage Amount (from 2264a) ÷ 90% or × 100%- - - - - - - - - - - - - $ _____
    (Whichever is Appropriate)
19. FHA Land Value *(Line G 73)* $ _____
20. Carrying Charges and Fin.- - _____
21. Legal, Organization, Audit Fees _____
22. Consultant Fee - - - - - - - - _____
23. Design Architect - - - - - - - _____
24. Supervisory Architect - - - - _____
25. Bond Premium - - - - - - - - - _____
26. Supplemental Management Fund _____
27. Contingency Reserve- - - - - _____
28. Other Fees- - - - - - - - - - - _____
29. Total 19 thru 28 – Deduct - $ _____
30. Balance available for construction - - - - - - - - $ _____
31. This includes builder's fee of $ _____
    or Bldrs. Ovhd. & BSPRA of $ _____

O. REMARKS, CONCLUSIONS AND SIGNATURES:

EXPLAIN – [ ] UNUSUAL LAND IMPROVEMENTS *(Sec. G 36a)* HANDBOOK 4465.1, PAGES 2-2 AND 2-3
[ ] OTHER FEES *(Sec. G 48)* HANDBOOK 4450.1, PAGE 5-10 [ ] LOW MAINTENANCE MATERIALS

_____ _____ _____
(Architectural Processor) *(Date)* *(Architectural Reviewer)*

_____ _____ _____
(Valuation Processor) *(Date)* *(Valuation Reviewer)*

_____ _____ _____
(Cost Processor) *(Date)*

Conclusions: _____

_____ _____ _____ _____
Coordinator *Date* *Director HPMC Division/Chief Underwriter* *Date*

_____ _____ _____
Director Area or Insuring Office/Deputy *(Date)*

HOUSING – FEDERAL HOUSING COMMISSIONER

OPERATING EXPENSE ANALYSIS WORKSHEET

JEFFERSON COURT

075-44043
LDP/R-1/MS

CITY: MILWAUKEE

ANTICIPATED DATE OF INITIAL PROJECT OCCUPANCY (Mo. & Yr.):

SIGNATURE OF PROCESSOR | SIGNATURE OF REVIEWER | DATE

| | | |

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING—FEDERAL HOUSING COMMISSIONER

ESTIMATES OF MARKET RENT BY COMPARISON

1. UNIT TYPE	2. SUBJECT PROPERTY	A. JUNEAU VILLAGE II	B. JUNEAU VILLAGE I	C.	D. JV II - EFFICIENCY	E.
1 BDRMS	JEFFERSON COURT	1 BEDRM.				

CHARACTERISTICS	DATA	A. ADDRESS DATA	A. ADJUSTMENTS −	A. ADJUSTMENTS +	B. ADDRESS DATA	B. ADJUSTMENTS −	B. ADJUSTMENTS +	C. ADDRESS DATA	C. ADJUSTMENTS −	C. ADJUSTMENTS +	D. ADDRESS DATA	D. ADJUSTMENTS −	D. ADJUSTMENTS +	E. ADDRESS DATA	E. ADJUSTMENTS −	E. ADJUSTMENTS +
3. Eff. Date of Rental	5/92	8/92		N/A	8/92						8/92					
4. Type of Project/Stories	ELEVATOR/3	SAME			HIGH RISE	10%	USE	LOWER FLOOR RENTS			SAME					
5. Year Built	1972	1969			1965						1969					
6. Sq. Ft. Area (ABOVE GRADE	126,612	SEE UNIT SIZE			SEE UNIT SIZE						SEE UNIT SIZE					
7. Number of Bedrooms	222 - 1'S	1			EFF						EFF					
8. Number of Baths	ALL 1	1			1						1					
9. Number of Rooms	3	3			2						2					
10. Balc./Terrace/Patio	2ND, 3RD FLR	SIMILAR			SIMILAR						SIMILAR					
11. Garage or Carport	GAR.	GAR			GAR						GAR.					
12. EQUIP: a. A/C	TENANT	LANDLORD	9.00		LANDLORD	9.00					LANDLORD	9.00				
b. Range/Oven	YES	SAME			SAME						SAME					
c. Refrigerator	YES	SAME			SAME						SAME					
d. Disposal	YES	SAME			SAME						SAME					
e. Vent Fan	YES	SAME			SAME						SAME					
f. Dishwasher	NO	SAME			SAME						SAME					
g. Carpet/Drapes	CARPET	SAME			SAME						SAME					
h. Pool/Rec. Area	NO	SAME			POOL	−2%	(SEPARATE FEE)				SAME					
13. SERV: a. Heat/Type	HOT WATER	SAME			SAME						SAME					
b. Cook/Type	ELECT.	SAME			SAME						SAME					
c. Electricity	YES	NO		8.00	NO		8.00				NO		8.00			
d. Water Cold/Hot	YES	SAME			SAME						SAME					
14. Storage	LOCKER	SAME			SAME						SAME					
15. Project Location	DOWNTOWN	SAME			SAME						SAME					
16. Other	LAUNDRY	SAME			SAME						SAME					
	CARPET	SAME			SAME						SAME					
	UNIT SIZE	LARGER	−15%		UNIT SIZE -	SAME					SMALLER		+10%			
17. Unit Rent Per Month		535-560			460-512						405-440					
18. Net Adjustment w/o Trend and Spec. Adj.																
19. Indicated Rent w/o Trend and Spec. Adj.		455-480			455-480						455-480					

NOTE: *If prevailing vacancy rates are lower than 5%, indicating a tight rental market, the correlated subject rent should be derived from the high end of the range of the indicated rents from Line 19.*

20. Correlated Subject Rent	
Occupancy Date _____ 21. Trend _____ % _____ %	
22. Subject Rent With Trend	
23. Spec. Adjustments a. Mgt./Amen. _____ %	
b. Financing _____ %	
24. Adjusted Subject Rent	

SECTION 8 PROJECTS ONLY

	W/O DIRECTOR'S ADJUSTMENTS	W DIRECTOR'S ADJUSTMENTS
25. Mtg. Ins. Processing Rent		
26. Sec. 8 Rent Estimate (Include financing adjustments, if appropriate)		

REMARKS

RENTAL ADJUSTMENTS SET FORTH ON PP 155-161. JV II AND JV I USED AS PRIMARY RENT COMPARABLES DUE TO SIMILARITY IN LOCATION. OTHER COMPARABLES USED IN REPORT USED FOR BACKGROUND AND GENERAL COMPARISON PURPOSES.

NOTE: *In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use reverse to explain adjustments as needed.*

_____ (Signature of Appraiser) _____ (Date) _____ (Signature of Reviewer) _____ (Date)

HUD-92273 (9-78)

Replaces FHA Form 2273 which is obsolete

APPENDIX O

QUALIFICATIONS OF APPRAISERS

QUALIFICATIONS OF DEAN P. LARKIN

DEAN P. LARKIN, Age 35, Vice President, Director and Shareholder of First Financial Realty Advisors, Inc. ("FFRA"). FFRA is a Brookfield, Wisconsin firm specializing in the acquisition of investment real estate and in real estate consulting. FFRA acts as a general partner of partnerships which own a variety of commercial and industrial properties throughout Wisconsin. Mr. Larkin works in the areas of property management, acquisition, finance, syndication and partnership administration. In addition, he performs FFRA's consulting services, which include real estate appraisal and tax assessment challenge work. He has a strong background in real estate valuation and finance. His real estate experience includes involvement with all major property types.

Prior to cofounding FFRA, Mr. Larkin was with RAL Asset Management, a Brookfield based real estate investment firm. His duties were primarily in the areas of acquisition, partnership structuring, and partnership administration. Previously, he worked in the income property finance division of the Grootemaat Corporation, a Milwaukee, Wisconsin mortgage banking firm. Duties at Grootemaat included the finding, structuring, and placement of real estate mortgage and equity investments, equity account appraisals, and the sale of securities in private placement real estate investments. Prior to that, Mr. Larkin worked for two Milwaukee area appraisal firms, doing appraisals, market studies, and feasibility studies involving all property types. He received an M.S. degree in Real Estate Appraisal and Investment Analysis in 1981 and a B.A. degree in Economics in 1978, both from the University of Wisconsin - Madison. Both his undergraduate and graduate course work also included a concentration in urban and regional planning. Mr. Larkin is also on the staff of the University of Wisconsin - Milwaukee School of Business where he has taught valuation of real estate since 1984. Community activities include membership on the Park and Recreation Commission of the Town of Pewaukee and being an alumnus of Future Milwaukee. Professional affiliations include being a candidate for membership as an MAI in the Appraisal Institute. Mr. Larkin is also a certified general appraiser and a licensed real estate broker in the State of Wisconsin.

JEAN B. DAVIS

EDUCATION

Master of Science - Real Estate Appraisal and Investment Analysis
University of Wisconsin - Madison

Master of Arts - Elementary Education
Stanford University

Bachelor of Arts
Stanford University (with distinction)

Additional graduate and undergraduate work:
Columbia Teachers College and the University of Wisconsin.

PROFESSIONAL EDUCATION

Society of Real Estate Appraisers

Appraising Real Property	Course 101
Principles of Income Property Appraising	Course 201

American Institute of Real Estate Appraisers

Residential Valuation	(Formerly Course VIII)

Appraisal Institute
Standards of Professional Practice

PROFESSIONAL DESIGNATIONS

MAI (Candidate) - Appraisal Institute

PROFESSIONAL AFFILIATIONS

Wisconsin Association of Homes and Services for the Aging, Inc.
Appraisal Institute

PROFESSIONAL EXPERIENCE

Trained in appraisal and investment analysis under the guidance of the late James A. Graaskamp, Ms. Davis is President of Landmark Research, Inc., and specializes in market and survey research in order to estimate effective demand for elderly housing, residential development, and for office and retail projects. In addition, she appraises both commercial properties and rehabilitated older commercial properties and she represents property owners in assessment appeals. Ms. Davis has been retained by the State of Wisconsin Investment Board to secure and review appraisals for their portfolio and for selected potential acquisitions.