

IAAO Annual Conference

Tampa, Florida
August 28-31, 2016



82nd Annual International Conference on Assessment Administration

Multi - Family Appraisal

Terry Taylor, CAE, RES, CFE

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04.08.2013

Apartment Inventory																						
Parcel ID	Location	LUC	Acres	NBC	L Value	I Value	C Value	P Value	SP	AV/UT	Date	Imp		Area	unit	Blt	Gr	Cn	Ph	F	E	S/O CvsP
1418-231-0001-000-3	5001 SPARKLING PINES CIR	0300	0.00	AO01	1,500,000	543,300	2,043,300	2,045,100	850,000	\$20,231	12/11/1992	00	APT	0010	57,024	101	1988	Y_C	AV	25%		1.00
1428-703-0001-000-2	N US HWY 1	0300	1.69	YP01	128,900	120,900	249,800	249,800	100	\$22,709	02/26/2013	0111	MFH	0010	5,952	11	1955	Y_D+	AV	63%		1.00
1436-603-0017-000-5	2309 TAMARIND DR	0300	0.00	BL06	223,200	286,000	509,200	509,800	400,000	\$42,433	08/01/1988	01	APT	0010	6,735	12	1973	Y_B	AV	40%		1.00
2401-502-0020-000-4	601 S OCEAN DR	0300	0.00	CP09	187,900	195,500	383,400	313,500	420,000	\$27,386	07/29/2010	0001	APT	0020	5,569	14	1950	Y_C-	FA	28%		1.22
2401-502-0050-000-3	411 S OCEAN DR	0300	0.34	YP13	153,500	106,400	259,900	262,100	100	\$25,990	10/05/2010	0111	APT	0020	5,228	10	1957	Y_C	GD	27%		0.99
2401-503-0026-000-9	661 Hernando St	0300	0.00	CP09	169,800	139,800	309,600	312,200	345,000	\$22,114	07/27/2011	0002	APT	0020	7,124	14	1974	Y_C	AV	40%		0.99
2403-705-0132-000-1	414 Avenue D	0300	0.11	YK02	8,000	43,000	51,000	61,200	332,500	\$5,100	09/28/2007	02	MFH	0020	5,352	10	1926	Y_D-	AV	57%		0.83
2404-516-0011-000-0	1206 N 16th St	0300	0.00	YD02	96,000	257,500	353,500	356,500	210,000	\$22,094	03/19/2012	0112	APT	0010	15,580	16	1986	Y_D+	AV	30%	0%	0.99
2404-517-0001-000-0	100 Bethany Ct	0300	0.00	YD02	325,500	987,200	1,312,700	1,324,000	0	\$21,520	04/26/2012	0111	LITC	0020	51,073	61	1966	Y_C	AV	35%		0.99
2404-608-0032-000-3	N 29th St	0300	0.00	RS09	900,000	2,289,100	3,189,100	3,216,400	1,618,000	\$14,237	09/26/2006	02	LITC	0020	118,380	224	2008	Y_C+		4%		0.99
2404-608-0093-000-0	1655 N 29th St	0300	0.00	RS09	90,000	253,300	343,300	346,200	1,618,000	\$14,304	09/26/2006	02	LITC	0010	17,460	24	2008	Y_C+	AV	4%		0.99
2404-608-0120-000-9	1110 N 29th St	0300	0.00	YD02	810,000	2,603,000	3,413,000	3,444,600	5,000,000	\$16,409	10/11/2012	0118	LITC	0020	83,368	208	1971	Y_C	AV	45%		0.99
2404-610-0001-000-6	1610 N 25th St	0300	0.52	YK02	36,000	100,200	136,200	195,400	130,000	\$9,729	09/08/1995	01	APT	0020	10,136	14	1969	Y_D	AV	55%	0%	0.70
2404-702-0123-000-9	1309 N 19th St	0300	0.00	YD02	37,500	36,900	74,400	75,100	100	\$7,440	12/20/2013	0311	APT	0010	3,281	10	1956	C	AV	60%	0%	0.99
2405-501-0027-000-2	3103 Avenue T	0300	0.00	YD02	63,000	41,400	104,400	104,500	165,000	\$8,700	01/02/1990	01	APT	0010	3,560	12	1969	Y_D	AV	35%	0%	1.00
2405-817-0001-000-4	713 N 25th St	0300	0.00	DD07	112,500	213,100	325,600	328,300	225,000	\$10,175	04/13/1994	00	APT	0010	14,404	32	1968	Y_D+	AV	45%		0.99
2408-143-0001-000-5	2801 Avenue B	0300	0.00	DM03	112,500	245,700	358,200	361,200	310,000	\$25,586	06/22/2011	0112	APT	0010	14,112	14	1989	Y_D+	AV	25%	0%	0.99
2408-434-0001-000-8	705 S 29th St	0300	0.00	DS01	360,000	1,070,200	1,430,200	1,442,500	2,200,000	\$23,837	07/18/2007	00	LITC	0010	55,704	60	1982	Y_C	AV	30%		0.99
2408-504-0002-000-9	2901 Avenue D	0300	0.00	DL03	105,000	360,200	465,200	469,100	925,000	\$12,922	06/10/2008	01	APT	0020	20,296	36	1985	Y_D+	AV	30%		0.99
2409-516-0019-000-1	1116 Orange Av	0300	0.00	YD02	72,000	356,300	428,300	428,300	0	\$35,692	01/21/2014	0311	MFH	0020	7,885	12	1926	Y_D	AV	7%		1.00
2409-603-0020-000-8	435 N 23rd St	0300	0.00	YD02	37,500	111,400	148,900	150,100	60,100	\$3,463	03/11/2014	0111	APT	0010	3,312	43	1981	Y_D-	AV	35%	0%	0.99
2409-820-0022-000-9	1301 Emerald Terr	0300	0.00	YD02	75,000	218,900	293,900	296,300	320,000	\$20,993	03/26/2012	0001	APT	0020	11,160	14	1972	Y_C	AV	40%		0.99
2409-822-0018-000-4	601 S 10th St	0300	0.00	YD02	75,000	152,400	227,400	229,300	100	\$22,740	02/02/2010	0111	APT	0020	5,584	10	1962	Y_C	AV	50%		0.99
2409-825-0003-000-5	622 S 11th St	0300	0.00	DY02	82,500	159,300	241,800	270,900	0	\$10,991	01/09/2012	0111	APT	0020	8,488	22	1981	Y_C	AV	35%		0.89
2410-601-0055-000-0	421 N 8th St	0300	0.00	YD02	73,500	203,300	276,800	279,100	490,000	\$19,771	04/07/2003	00	APT	0020	10,136	14	1968	Y_C	AV	45%		0.99
2410-810-0008-000-4	601 S INDIAN RIVER DR	0300	0.00	IRD1	113,700	340,000	453,700	457,500	500,000	\$26,688	01/25/2011	0002	APT	0020	11,112	17	1964	Y_C+	AV	50%		0.99
2415-312-0001-020-1	595 Ohio Av	0300	0.00	EV01	90,000	111,700	201,700	203,300	230,000	\$16,808	11/30/2010	0001	APT	0010	8,540	12	1979	Y_C-	AV	35%		0.99
2415-312-0007-000-7	506 Quincy Av	0300	0.00	EV01	150,000	245,400	395,400	398,700	283,700	\$10,983	08/18/2000	03	APT	0010	12,120	36	1970	Y_C-	AV	45%		0.99
2415-313-0005-000-6	1910 Mayflower Rd	0300	0.00	EV01	120,000	198,200	318,200	320,800	350,000	\$19,888	07/12/2011	0002	APT	0020	17,000	16	1983	Y_C-	AV	30%		0.99
2415-601-0039-000-7	801 S 6th St	0300	0.00	YD02	135,000	220,900	355,900	358,800	283,700	\$19,772	08/18/2000	03	APT	0020	12,480	18	1969	Y_C+	AV	45%		0.99
2415-601-0461-000-4	823 Sunrise Blvd	0300	0.00	EU05	142,500	361,200	503,700	529,300	485,000	\$26,511	07/17/2013	0001	APT	0020	12,647	19	1974	Y_C	AV	25%		0.95
2416-504-0079-500-9	2001 Georgia Av	0300	0.00	FB01	135,000	309,200	444,200	448,300	880,000	\$16,452	05/25/2012	0205	APT	0010	11,052	27	1985	Y_C	AV	30%		0.99
2416-504-0199-000-1	Nebraska Av	0300	5.47	RS09	123,100	695,300	818,400	832,700	100	\$81,840	06/08/2009	0312	APT	0020	12,540	10	2008	Y_C+	AV	4%		0.98
2417-111-0002-000-1	919 S 25th St	0300	0.00	YD02	780,000	1,300,600	2,080,600	2,098,400	452,000	\$20,006	01/07/2004	00	LITC	0010	116,567	104	2004	Y_C	AV	8%		0.99

Multi - Family Apartments

Apartment Property Types

Apartment configurations including:

Low-rise

Mid-rise

High-rise

Duplex

Triplex

Quadplex

Affordable Housing





07.25.2012



03.23.2015

Apartment Type

[illegible]

Inquiries

- Appraisers are recognizing greater ease from lenders financing Multi-Family properties.
- Resulting from The Federal Reserve concluding its quantitative easing program.
- Transitioning to “normal” monetary policy

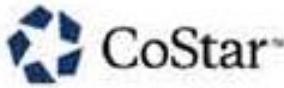


Supply and Demand

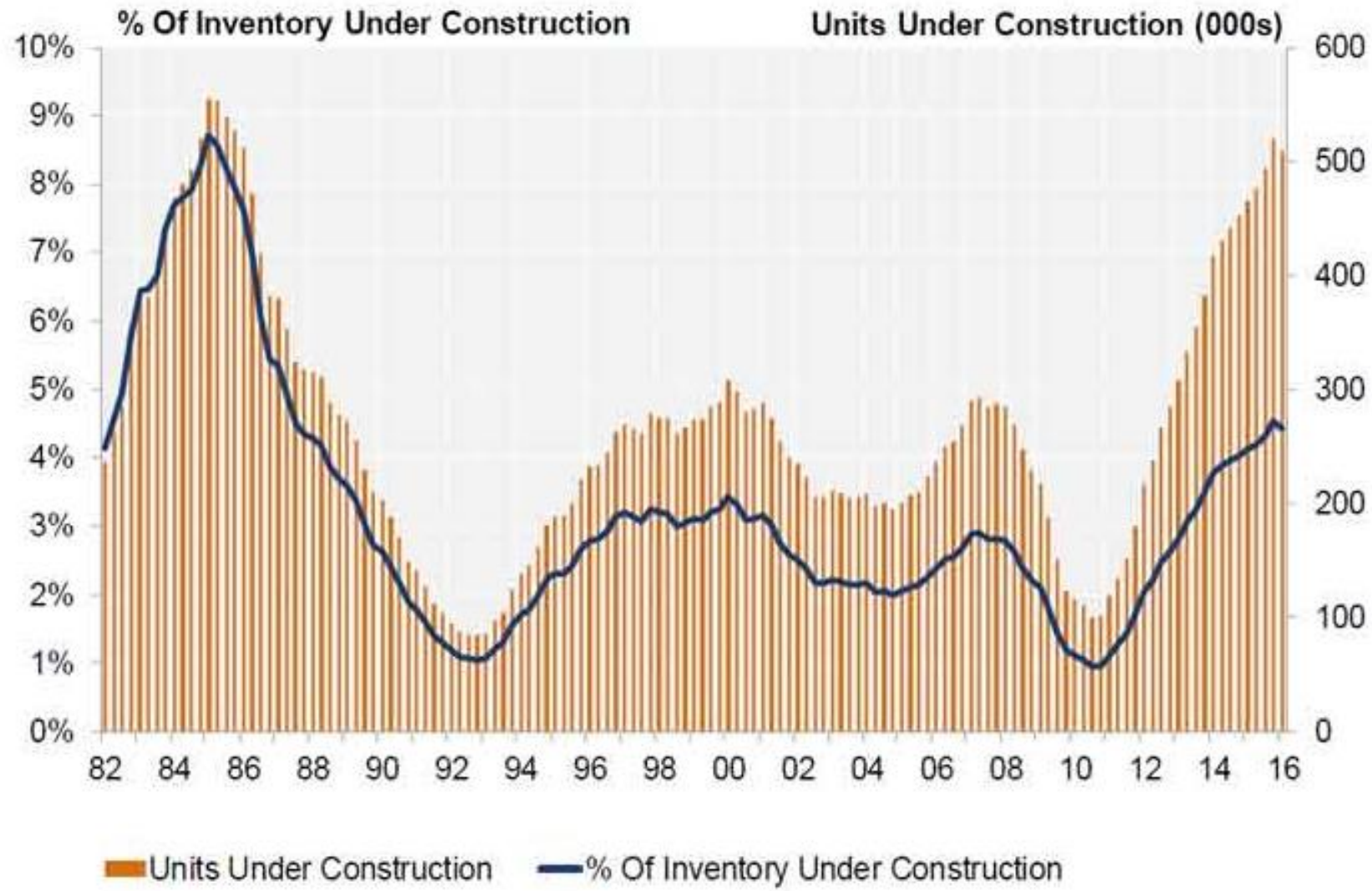
- Permitted units
- Absorption
- Supply Turning up from recession lows
- Demand - Jobs, Population, Interest Rates



Current Supply Wave Almost Reaching '80s Peak



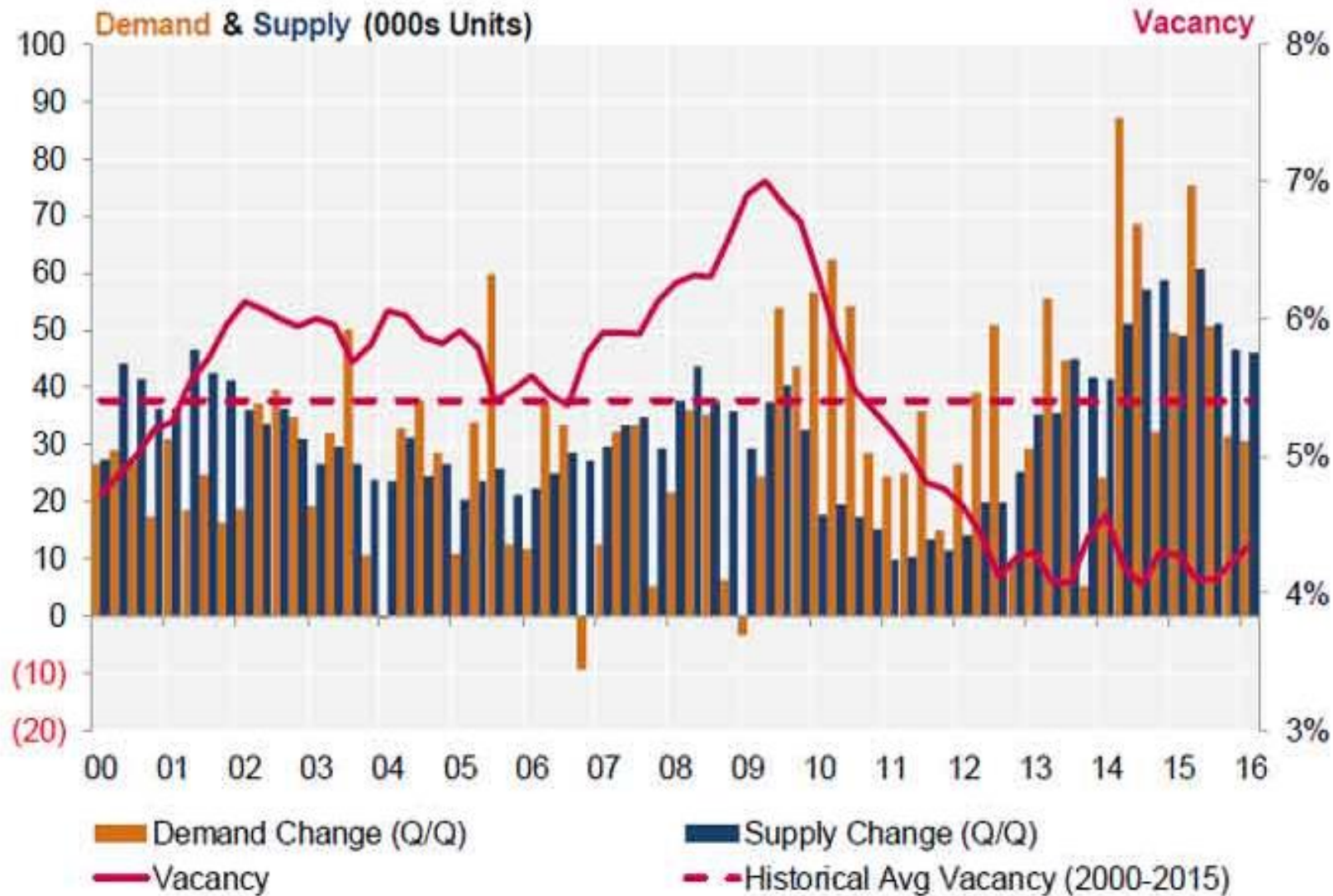
Units Under Construction As A % Of Inventory In Top U.S. Markets



Some Of The Heaviest Supply Levels For The Cycle



National Apartment Supply, Demand, and Vacancy



Resources

- Bergstrom Center for Real Estate Studies
- CoStar Group
- ARA A Newark Company
- Loop Net
- Realty Rates. Com
- Charles Wayne Consulting, Inc.

Marcus & Millichap

Market Fundamentals

Florida Effective Rent

Effective Rent	2010	2011	2012	2013	2014	Feb 2015	%Δ 2014-2015	Annual %Δ 2010-2014
Tampa	\$765	\$786	\$859	\$881	\$883	\$959	8.6%	6.3%
Orlando	\$782	\$806	\$876	\$909	\$919	\$988	7.5%	6.6%
Jacksonville	\$716	\$734	\$792	\$794	\$813	\$849	4.4%	4.6%
Gainesville	\$850	\$869	\$774	\$782	\$790	\$811	2.6%	-1.1%
Fort Myers	\$785	\$764	\$832	\$876	\$906	\$1,035	14.3%	8.0%
Palm Beach	\$1,043	\$1,064	\$1,158	\$1,185	\$1,205	\$1,334	10.7%	7.0%
Tallahassee	\$797	\$830	\$811	\$787	\$819	\$852	4.0%	1.7%
Pensacola	\$714	\$738	\$785	\$823	\$827	\$862	4.2%	5.2%
Melbourne	\$655	\$671	\$718	\$764	\$759	\$820	8.0%	6.3%
Average	\$790	\$807	\$845	\$867	\$880	\$946	7.1%	4.9%

Source: ALN Apartment Data Inc., Beshears & Associates Market Research

Market Fundamentals

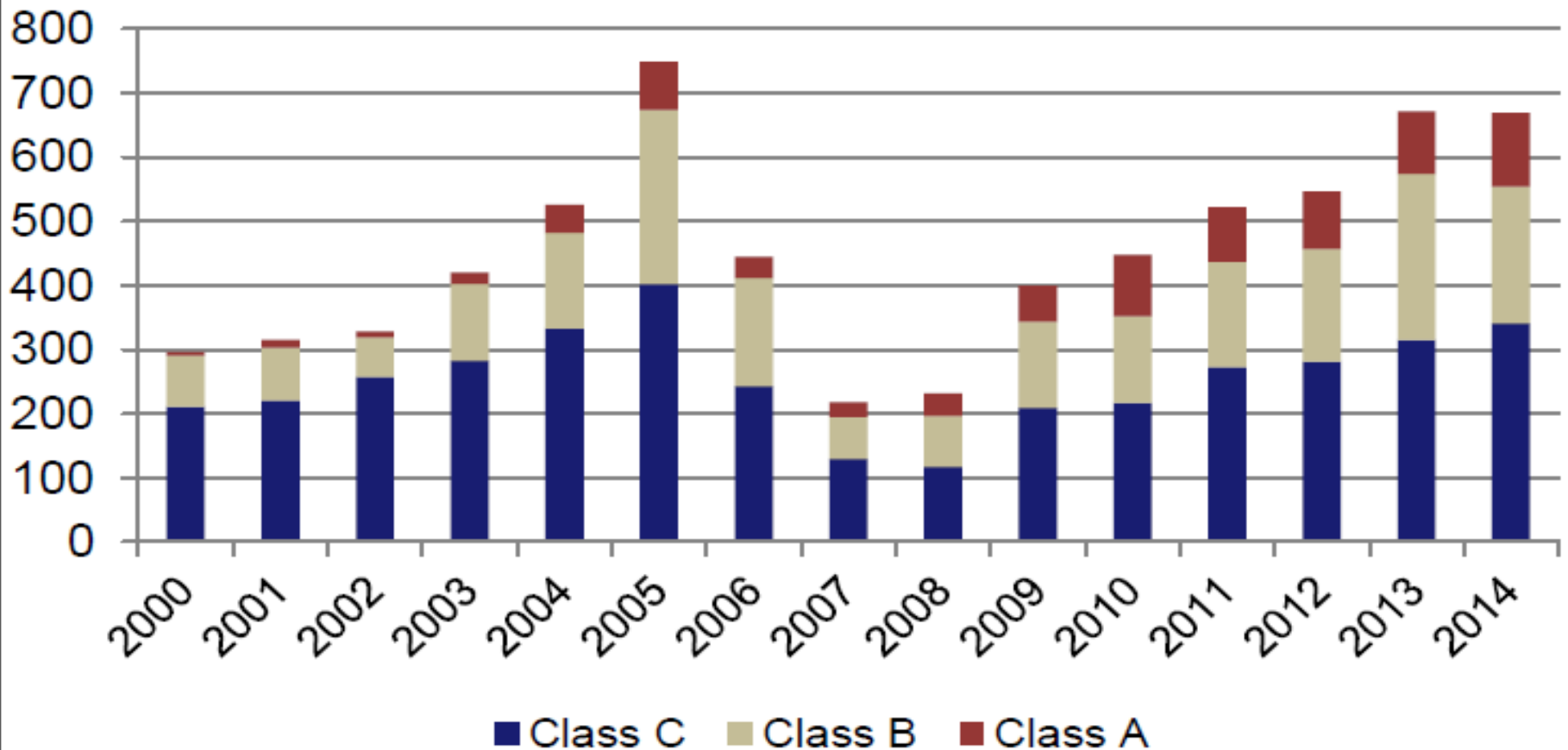
Florida Vacancy Rates

Vacancy Rates	2010	2011	2012	2013	2014	Feb 2015	%Δ 2014-2015	Annual %Δ 2010-2014
Tampa	9.20%	8.50%	7.20%	6.40%	7.66%	7.60%	-0.8%	-4.3%
Orlando	10.00%	8.40%	6.80%	6.00%	6.98%	6.90%	-1.1%	-7.8%
Jacksonville	14.10%	11.80%	10.00%	8.70%	8.21%	8.00%	-2.5%	-10.8%
Gainesville	11.30%	7.80%	8.10%	5.40%	4.65%	4.60%	-1.0%	-14.8%
Fort Myers	10.50%	6.80%	5.70%	5.90%	4.75%	4.80%	1.0%	-13.6%
Palm Beach	7.80%	6.80%	5.90%	5.40%	4.90%	4.90%	0.1%	-9.3%
Tallahassee	9.80%	9.00%	7.70%	6.50%	6.93%	6.90%	-0.4%	-7.4%
Pensacola	11.40%	10.50%	8.30%	6.30%	5.68%	5.60%	-1.4%	-12.7%
Melbourne	11.40%	10.50%	7.00%	5.70%	4.09%	4.00%	-2.3%	-16.2%
Average	10.61%	8.90%	7.41%	6.26%	5.98%	5.92%	-1.0%	-11.0%

Source: ALN Apartment Data Inc., Beshears & Associates Market Research

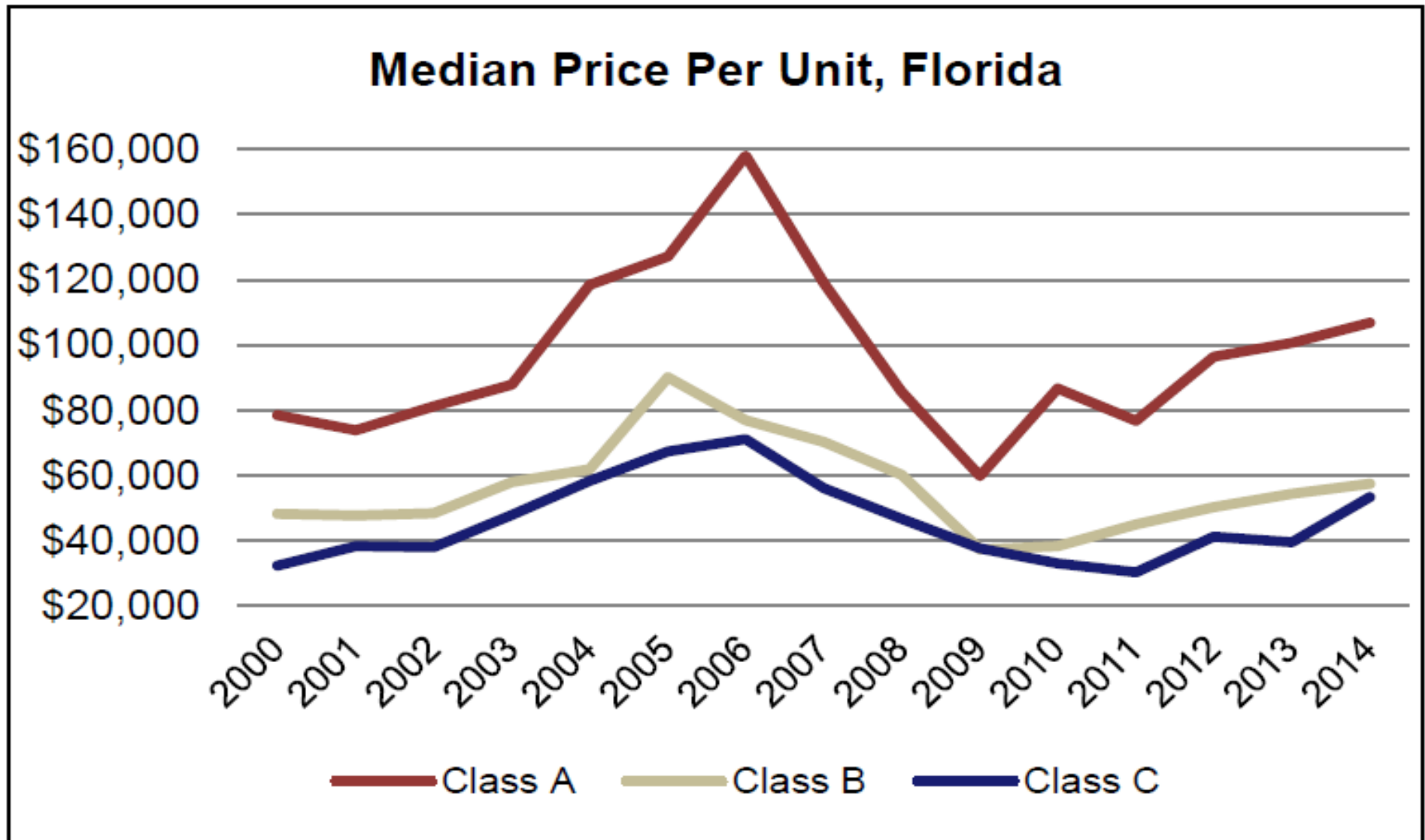
Multi Family Market

Number of Apartment Transactions, Florida



Source: CoStar, Beshears & Associates Market Research

Multi Family Market



Source: CoStar, Beshears & Associates Market Research

Apartment Inventory

Parcel ID	Location	LUCA	Acres	NBC	L Value	I Value	C Value	P Value	SP	AV/UT	Date	Imp		Area	unit	Blt	Gr	Cn Ph	F	E	S/O	CvsP		
1418-231-0001-000-3	5001 SPARKLING PINES CIR	0300	0.00	AO01	1,500,000	543,300	2,043,300	2,045,100	850,000	\$20,231	12/11/1932	00	APT	0010	57,024	101	1988	Y_C	AV	25%			1.00	
1428-703-0001-000-2	NUSHWY1	0300	1.69	YP01	128,900	120,900	249,800	249,800	100	\$22,709	02/26/2013	0111	MFH	0010	5,952	11	1955	Y_D+	AV	63%			1.00	
1436-603-0017-000-5	2309 TAMARIND DR	0300	0.00	BL06	223,200	286,000	509,200	509,800	400,000	\$42,433	08/01/1988	01	APT	0010	6,735	12	1973	Y_B	AV	40%			1.00	
2401-502-0020-000-4	601 S OCEAN DR	0300	0.00	CP09	187,900	195,500	383,400	313,500	420,000	\$27,386	07/23/2010	0001	APT	0020	5,569	14	1950	Y_C-	FA	28%			1.22	
2401-502-0050-000-3	411 S OCEAN DR	0300	0.34	YP13	153,500	106,400	259,900	262,100	100	\$25,990	10/05/2010	0111	APT	0020	5,228	10	1957	Y_C	GD	27%			0.99	
2401-503-0026-000-9	661 Hernando St	0300	0.00	CP09	169,800	139,800	309,600	312,200	345,000	\$22,114	07/27/2011	0002	APT	0020	7,124	14	1974	Y_C	AV	40%			0.99	
2403-705-0132-000-1	414 Avenue D	0300	0.11	YK02	8,000	43,000	51,000	61,200	332,500	\$5,100	09/28/2007	02	MFH	0020	5,352	10	1926	Y_D-	AV	57%			0.83	
2404-516-0011-000-0	1206 N 16th St	0300	0.00	YD02	96,000	257,500	353,500	356,500	210,000	\$22,094	03/19/2012	0112	APT	0010	15,580	16	1986	Y_D+	AV	30%	0%		0.99	
2404-517-0001-000-0	100 Bethany Ct	0300	0.00	YD02	325,500	987,200	1,312,700	1,324,000	0	\$21,520	04/26/2012	0111	LITC	0020	51,073	61	1966	Y_C	AV	35%			0.99	
2404-608-0032-000-3	N 29th St	0300	0.00	RS09	900,000	2,289,100	3,189,100	3,216,400	1,618,000	\$14,237	09/26/2006	02	LITC	0020	118,380	224	2008	Y_C+		4%			0.99	
2404-608-0033-000-0	1655 N 29th St	0300	0.00	RS09	90,000	253,300	343,300	346,200	1,618,000	\$14,304	09/26/2006	02	LITC	0010	17,460	24	2008	Y_C+	AV	4%			0.99	
2404-608-0120-000-9	1110 N 29th St	0300	0.00	YD02	810,000	2,603,000	3,413,000	3,444,600	5,000,000	\$16,409	10/11/2012	0118	LITC	0020	83,368	208	1971	Y_C	AV	45%			0.99	
2404-610-0001-000-6	1610 N 25th St	0300	0.52	YK02	36,000	100,200	136,200	195,400	130,000	\$9,729	09/08/1995	01	APT	0020	10,136	14	1969	Y_D	AV	55%	0%		0.70	
2404-702-0123-000-9	1309 N 19th St	0300	0.00	YD02	37,500	36,900	74,400	75,100	100	\$7,440	12/20/2013	0311	APT	0010	3,281	10	1956	C	AV	60%	0%		0.99	
2405-501-0027-000-2	3103 Avenue T	0300	0.00	YD02	63,000	41,400	104,400	104,500	165,000	\$8,700	01/02/1990	01	APT	0010	3,560	12	1969	Y_D	AV	35%	0%		1.00	
2405-817-0001-000-4	713 N 25th St	0300	0.00	DD07	112,500	213,100	325,600	328,300	225,000	\$10,175	04/13/1994	00	APT	0010	14,404	32	1968	Y_D+	AV	45%			0.99	
2408-143-0001-000-5	2801 Avenue B	0300	0.00	DM03	112,500	245,700	358,200	361,200	310,000	\$25,586	06/22/2011	0112	APT	0010	14,112	14	1989	Y_D+	AV	25%	0%		0.99	
2408-434-0001-000-8	705 S 29th St	0300	0.00	DS01	360,000	1,070,200	1,430,200	1,442,500	2,200,000	\$23,837	07/18/2007	00	LITC	0010	55,704	60	1982	Y_C	AV	30%			0.99	
2408-504-0002-000-9	2901 Avenue D	0300	0.00	DL03	105,000	360,200	465,200	469,100	925,000	\$12,922	06/01/2008	01	APT	0020	20,296	36	1985	Y_D+	AV	30%			0.99	
2409-516-0019-000-1	1116 Orange Av	0300	0.00	YD02	72,000	356,300	428,300	428,300	0	\$35,692	01/21/2014	0311	MFH	0020	7,885	12	1926	Y_D	AV	1%			1.00	
2409-603-0020-000-8	435 N 23rd St	0300	0.00	YD02	37,500	111,400	148,900	150,100	60,100	\$3,463	03/11/2014	0111	APT	0010	3,312	43	1981	Y_D-	AV	35%	0%		0.99	
2409-820-0022-000-9	1301 Emerald Terr	0300	0.00	YD02	75,000	218,900	293,900	296,300	320,000	\$20,993	03/26/2012	0001	APT	0020	11,160	14	1972	Y_C	AV	40%			0.99	
2409-822-0018-000-4	601 S 10th St	0300	0.00	YD02	75,000	152,400	227,400	229,300	100	\$22,740	02/02/2010	0111	APT	0020	5,584	10	1962	Y_C	AV	50%			0.99	
2409-825-0003-000-5	622 S 11th St	0300	0.00	DY02	82,500	159,300	241,800	270,900	0	\$10,991	01/09/2012	0111	APT	0020	8,488	22	1981	Y_C	AV	35%			0.89	
2410-601-0055-000-0	421 N 8th St	0300	0.00	YD02	73,500	203,300	276,800	279,100	490,000	\$19,771	04/07/2003	00	APT	0020	10,136	14	1968	Y_C	AV	45%			0.99	
2410-610-0006-000-4	601 S INDIAN RIVER DR	0300	0.00	IRD1	113,700	340,000	453,700	457,500	500,000	\$26,688	01/25/2011	0002	APT	0020	11,112	17	1964	Y_C+	AV	50%			0.99	
2415-312-0001-020-1	595 Ohio Av	0300	0.00	EV01	90,000	111,700	201,700	203,300	230,000	\$16,808	11/30/2010	0001	APT	0010	8,540	12	1979	Y_C-	AV	35%			0.99	
2415-312-0007-000-7	506 Quincy Av	0300	0.00	EV01	150,000	245,400	395,400	398,700	283,700	\$10,983	08/18/2000	03	APT	0010	12,120	36	1970	Y_C-	AV	45%			0.99	
2415-313-0005-000-6	1910 Mayflower Rd	0300	0.00	EV01	120,000	198,200	318,200	320,800	350,000	\$19,888	07/12/2011	0002	APT	0020	17,000	16	1983	Y_C-	AV	30%			0.99	
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2415-601-0461-000-4	823 Sunrise Blvd	0300	0.00	EU05	142,500	361,200	503,700	529,300	485,000	\$26,511	07/17/2013	0001	APT	0020	12,647	19	1974	Y_C	AV	25%			0.95	
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2416-504-0199-000-1	Nebraska Av	0300	5.47	RS09	123,100	695,300	818,400	832,700	100	\$81,840	06/08/2009	0312	APT	0020	12,540	10	2008	Y_C+	AV	4%			0.98	
2417-111-0002-000-1	919 S 25th St	0300	0.00	YD02	780,000	1,300,600	2,080,600	2,098,400	452,000	\$20,006	01/07/2004	00	LITC	0010	116,567	104	2004	Y_C	AV	8%			0.99	



Apartment Analysis															
Name	Location	Type	Efficient	1b1b	2b1b	2b2b	3/2.5	3b2b	3B3B	4b2b	4b3b	Total Units	Occupied	Comments	
Heatherway Apts	Indrio	Market	\$440.00	\$ 570.00	\$670.00	\$690.00						101	100%	JET	
Tamarind Apts	Island/Beach	Market										21		On cost approach, TT handled	
Turtle Beach Apts	Island/Beach	Market		\$1,200.00								11		Furnished, cable/utilities included, weekly rate	
Sea House Apts	Island/Beach	Market	\$870.00	\$ 880.00	\$920.00							11	100%	JET	
Pearly Sands	Island/Beach	Market		\$ 550.00		\$625.00						10	100%	On cost approach JET	
713 N 25th St	Fort Pierce	Market										18		JET	
NOPAL Apts	Fort Pierce	Market										14		No rental info	
Orangewood Village	Fort Pierce	Market				\$774.00		902				60	100%	JET 3b-1ba	
Indian River Apts	Fort Pierce	Market										20			
Orange Ave Apts	Fort Pierce	Market		\$ 500.00								12		City Owned	
23rd St B-house	Fort Pierce	Market										10		JET	
Emerald Terrace Apt	Fort Pierce	Market			\$600.00							14	100%	JET	
601 S 10th St	Fort Pierce	Market		\$ 675.00								10	80%	JET	
622 11th St	Fort Pierce	Market										11		JET	
Texas Court Apts	Fort Pierce	Market		\$ 700.00	\$800.00	\$850.00						8	100%		
Summer Village Apt	Fort Pierce	Market			\$750.00							14		JET	
601 S Indian R Dr	Island/Beach	Market										10			
Charles Apts	Fort Pierce	Market										12			
Quincy Apts	Fort Pierce	Market		\$ 560.00								20	100%	JET	
Las Palmas	Fort Pierce	Market										16		JET	
The Regency House	Fort Pierce	Market		\$ 500.00								18	100%	JET	
Parkside Village	Fort Pierce	Market			\$695.00							19	100%	JET	
Frontier Apts	Fort Pierce	Market										15			



06/22/2011

Apartment Analysis

Location	NBC	L Value	C Value	S Price	SP/UT	Date	NAL	Imp		Area	UNITS	Blt	Ratio
601 S OCEAN DR	CP09	187,900	383,400	420,000	\$30,000	07/29/2010	0001	MFH	0020	5,569	14	1950	0.91
661 Hernando St	CP09	169,800	309,600	345,000	\$24,643	07/27/2011	0002	APT	0020	7,124	14	1974	0.90
1301 Emerald Terr	YD02	75,000	293,900	320,000	\$22,857	03/26/2012	0001	APT	0020	11,160	14	1972	0.92
601 S INDIAN RIVER DR	IRD1	113,700	453,700	500,000	\$29,412	01/25/2011	0002	APT	0020	11,112	17	1964	0.91
595 Ohio Av	EV01	90,000	201,700	230,000	\$19,167	11/30/2010	0001	APT	0010	8,540	12	1979	0.88
1910 Mayflower Rd	EV01	120,000	318,200	350,000	\$21,875	07/12/2011	0002	APT	0020	17,000	16	1983	0.91
823 Sunrise Blvd	EU05	142,500	503,700	485,000	\$25,526	07/17/2013	0001	APT	0020	12,647	19	1974	1.04
4712 OKEECHOBEE RD	YI03	1,785,200	4,565,100	4,969,000	\$37,644	10/15/2010	0001	APLU	0020	148,529	132	2007	0.92
2703 Virginia Ave	FN03	270,000	643,700	720,000	\$11,613	01/26/2012	0002	APT	0020	28,600	62	1965	0.89
				LOW	\$11,613							LOW	0.88
				High	\$37,644							High	1.04
				mean	\$24,749							mean	0.92
				median	\$24,643							median	0.91

Stratify

- Less than \$10, 000 per unit
- \$11,000 to \$15,000
- \$15,000 to \$20,000
- \$20,000 to \$25,000
- Over \$25,000





03/04/2006

Ken Pruitt

Saint Lucie County Property Appraiser
2300 Virginia Av. Ft. Pierce, FL 34982

Income and Expense Survey

Confidential § 195.027 Florida Statute
Year end 2013

Parcel Number: 1418-231-0001-000-3 Use Code: 0300

Add property name and if owner's mailing address is incorrect, make the necessary corrections in this box. Sign and date on reverse side.

SECTION I.	RENT ROLL WORKSHEET * asking rents as of 1/1/2014				attach rent roll
------------	---	--	--	--	------------------

	# BEDRMS	# BATHS	# UNITS	ASKING RENT	OCCUPANCY
Apartments	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____

List the unit mix of bedrooms / bathrooms. Number of units, asking rent and annual occupancy.

AMENITIES

List amenities offered at this property. _____

INCOME DATA

Actual Rents Received	_____
Vacancies and Rent Loss	_____
Parking / Laundry/Vending	_____
Rent Concessions	_____

What type of rent concessions did you give? _____

INCLUSIONS IN RENT *check all that apply

<input type="checkbox"/> Yard Service	<input type="checkbox"/> Pest Service	<input type="checkbox"/> Sewer	<input type="checkbox"/> Water	<input type="checkbox"/> Electric
<input type="checkbox"/> Cable	<input type="checkbox"/> Housekeeping	<input type="checkbox"/> Telephone	<input type="checkbox"/> Other _____	

SECTION II.	OPERATING EXPENSES *Exclude Taxes, Interest & Depreciation
-------------	--

Utilities	_____
Repairs and Maintenance	_____
Administration (on site salaries and supplies)	_____
Management	_____
Services	_____
Property Insurance	_____
Franchise Fees / Other _____	_____
Reserves for Replacement	_____

SECTION III.**APPRAISAL / SALE / OTHER INFORMATION**

Has there been an appraisal on the property within the past two years? Yes / No

Appraised Value: _____ Date: _____

Is the property currently listed for sale? Yes / No

Asking price: _____ Listing Broker: _____

Time on market: _____ Activity / Offers: _____

Has there been any new construction within the past 5 years? Yes / No

Date of Construction: _____ Cost: _____

Is the property currently in foreclosure? Yes / No

How Long? _____ By Whom? _____

Have any capital/tenant improvements been made on the property in the past year? Yes / No

What was done? _____

How much was spent on the project? _____

Is there a mortgage currently on the property? Yes / No

Which Institution? _____

Date of the Mortgage? ____/____/____ Amount Financed? _____

Duration of the Loan? _____

Interest Rate? _____ Balloon Payment? _____

What is your opinion of value as of January 1, 2013? _____

What is the basis of your opinion? _____

SECTION IV.**ADDITIONAL COMMENTS**

SECTION V.**CONTACT DATA**

Person Preparing Form _____ Owner / Employee / Agent

Phone (____) _____ Fax (____) _____ If Agent, company name _____

E-mail _____ Signature _____ Date ____/____/____

Supply and Demand

- ARA A Newark Company 4Q 15
Demand continues to outweigh supply
- Investment Outlook remains positive with Strong occupancy and rent expectations

Cap rates as low as 5.6%

Yield expectations greater



- Debt Capital rose to record highs of 1.1 trillion

Investment Outlook

- CoStar

Real Estate Information written by Mark Heschmeyer

Publicly offered securities included loans backing
890 Apartment Complexes with 162,065 units
Average of 182 units per complex

- Vacancies 5.4% to 5.9%
- Values Appraised \$15billion \$92,500 unit
Loaned \$ 7.5 \$46,300
- Interest Rates Averaged 4.667%
- Income \$10,350 gross \$5,450 net
- Debt Coverage Ratio 2.06



Investment Outlook

- Multi-family lending
 - 2nd largest for banks in 2014
 - up 13% overall
- Slightly behind Construction and Development Lending
- Bank volume increased \$35 billion in 1st Q15

\$37 Billion 2016



Investment Credibility 2015

Jamie Woodwell

Mortgage Bankers Association's

Vice President commercial real estate research

“Lenders will take more risk and borrowers will increase their appetite to take out more loans ”

Steve Guggenmos

Senior Director

Freddie Mac Multifamily Investments & Research

“Demand and Absorption rate to remain high due to favorable demographics and a sturdier economy”



Investor Credibility 2016

Jamie Woodwell

“Strong fundamentals and strong property prices , as well as still low interest rates, continue to support the performance of commercial and multifamily mortgages”.

Michael Allison

Co President Opus Bank, Irving CA

“In spite of industry chatter about commercial and multifamily real estate, we have tremendous confidence in our ability to continue growing our leading multifamily lending platform”.



National Multi Family Leaders

- Most apartment units financed
 1. Texas (40,759 units)
 2. Michigan (16,255)
 3. Ohio (16,128)
 4. Florida (14,499)
 5. New York (12,420 units)



National Multi Family Leaders

Sales Volume Growth	Percentage Change (Year-over-Year)
Suburban Virginia	271.2%
Richmond	150.7%
Baltimore	140.6%
Boston	127.4%
Salt Lake City	108.5%
Philadelphia	107.7%
Miami	105.7%
St. Louis	91.2%
Palm Beach	87.8%
Detroit	70.2%
Kansas City	63.7%
Northern New Jersey	60.7%
Suburban Maryland	53.1%
Manhattan	39.1%
San Diego	37.7%
Portland	36.0%
Tampa	34.9%
Chicago	31.7%
Charlotte	30.1%
Cleveland	27.8%

Source: Newmark Grubb Knight Frank Research, Real Capital Analytics

Regional Statistics

Region	Cap Rate	PPU
Mid-Atlantic	5.5%	\$197,656
Midwest	6.4%	\$139,264
Northeast	4.6%	\$386,949
Southeast	6.5%	\$121,461
Southwest	5.3%	\$126,925
West	5.7%	\$220,340

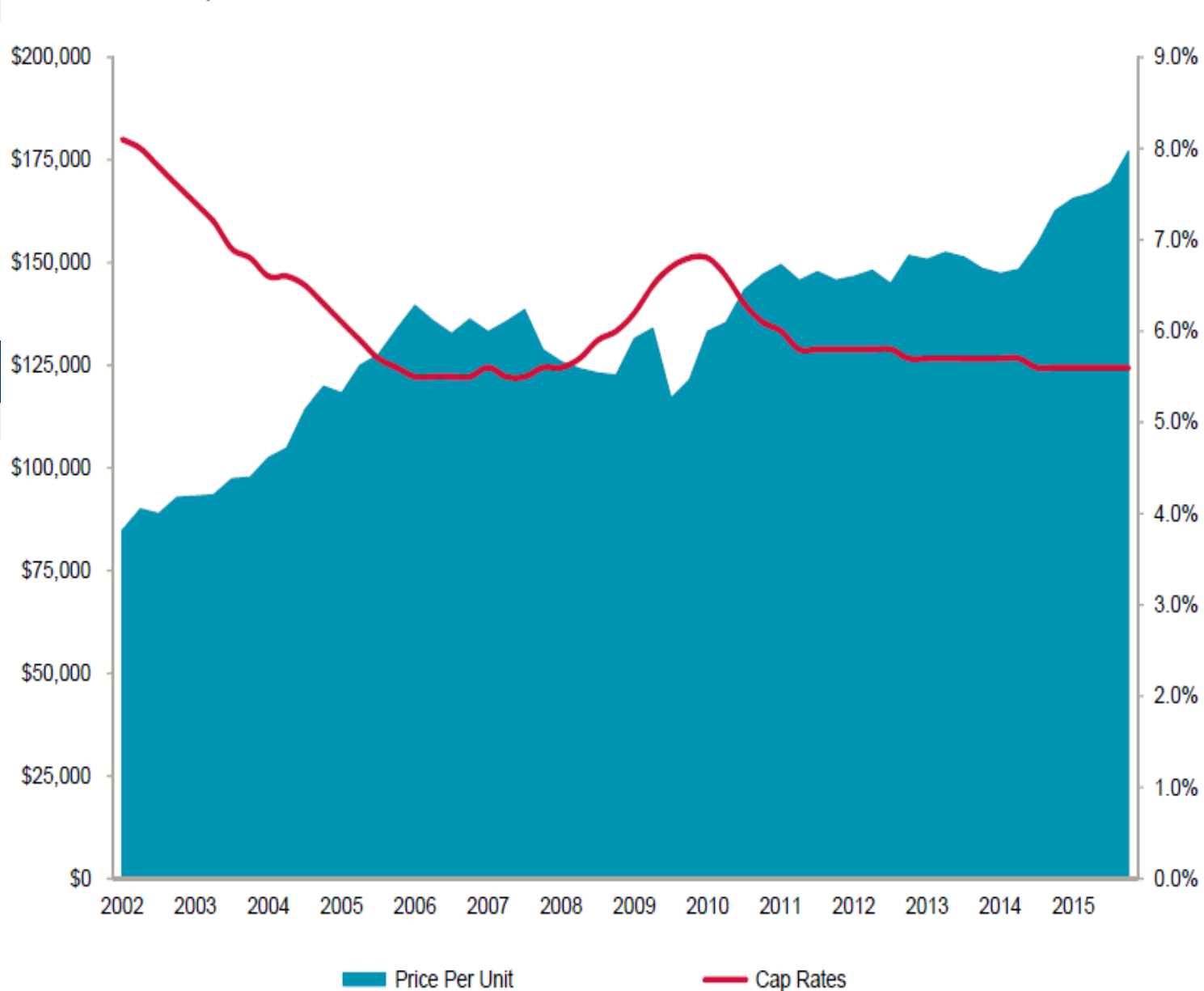
Cantor Fitzgerald Proprietary Multihousing MetroView Model

Markets with above average growth prospects in 2016

1	Las Vegas
2	Jacksonville
3	Sacramento
4	Orlando
5	San Diego
6	Miami
7	Phoenix
8	San Bernardino/Riverside
9	Palm Beach
10	Fort Lauderdale
11	Tampa-St. Petersburg
12	Oakland-East Bay
13	Atlanta
14	Los Angeles
15	Fort Worth
16	Raleigh-Durham
17	Portland
18	Denver
19	Orange County
20	Seattle

Historical United States Pricing Trends

Price Per Unit vs. Cap Rates



*Based on transactions \$25 million and greater

Source: Newmark Grubb Knight Frank Research, Real Capital Analytics

Florida Sales Leader

2015

	Price	/ unit
Azure Apartments, St. Petersburg	\$54million	\$175,324
Heritage on Millenia, Orlando	\$40million	132,013
La Costa Apartments, Boynton	\$36.8	112,195
Fishermen's Landing Coconut Creek	\$33,200,000	\$123,881



Inquiries

- Michael Varadi
Guardian Life
Underwriter

256 unit complex

I bed I bath		\$900
2	2	\$1200
3	2	\$1500

Great Population Growth

Demand. First new complex out of ground





03.23.2015





1206

01/31/2013

Conclusion

- Healthy

Vacancy rates below 6% nationwide

Rents increasing 6% since 2010

4 % increase the past year

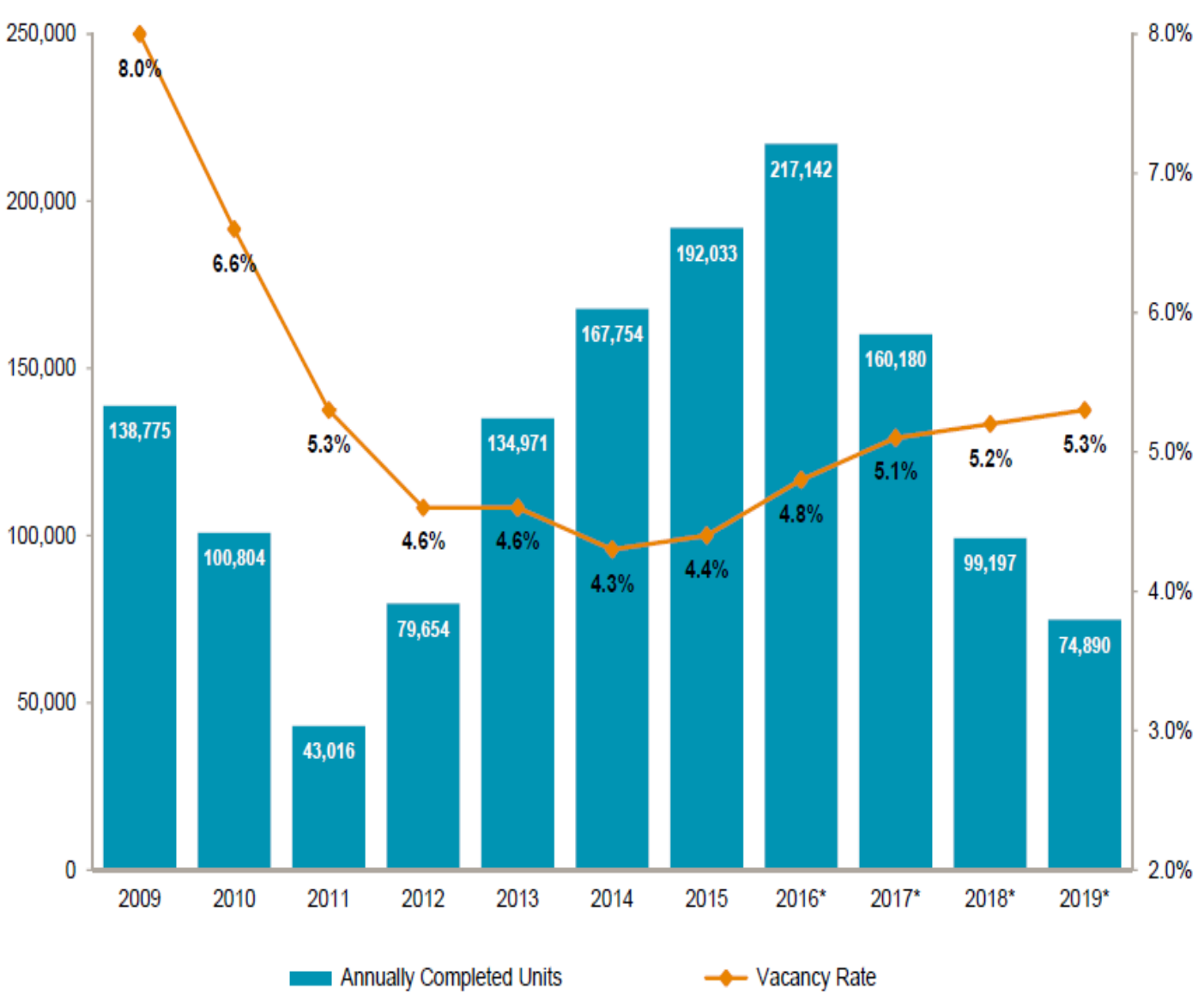
Capitalization rates remain low

Growth expected to Soften 2.5 - 3%



Historical United States Supply and Demand

Annually Completed Units vs. Vacancy Rates



- With annually completed units up 14.5% year-over-year and vacancy steady at 4.4%, market fundamentals show stability.
- As demand for multihousing has surged, several single-family homebuilders such as Lennar and Toll Brothers have aggressively pursued expansion in the space.

2016 Inventory Growth		
Rank	Market	% Change
1	New York	5.8%
2	Austin	4.8%
3	Greenville	4.0%
4	Palm Beach	3.9%
5	Seattle	3.8%

Multi - Family Appraisal

Terry Taylor, CAE, RES, CFE

Commercial Real Estate Manager
Saint Lucie County

Taylorlort@paslc.org
772 460 3321

