Northwest Florida State College Foundation Special Finance Committee Meeting

Tuesday, May 16, 2023 at 8:00 AM Room 302, Building 400 Niceville Campus

AGENDA

 Call to Orde

- II. Public Comments
- III. Foundation Support for Raider Village
- IV. Adjourn

MEMORANDUM

TO: NWFSC Foundation Finance Committee

FROM: Chris Stowers, Executive Director

DATE: May 16, 2023

SUBJECT: Foundation Support for Raider Village

This May 16 Special Meeting of the Foundation Finance Committee was called in order to review and discuss opportunities for the Foundation to support Raider Village.

I. Background on College Courtyard Apartments

In 1997, the Foundation purchased the College Courtyard Apartments, 30 Garden Lane, Niceville, Florida 32578, and in 2007, the Foundation used an internal loan of \$4,907,029 million from the investment pool to renovate and to build an additional four-building apartment complex on the property, 28 Garden Lane, Niceville, Florida 32578. The ninebuilding, 62-apartment complex comprised: 1) four Raider Athletics buildings (32 apartments) housing Raider student athletes along with a laundry facility, and 2) four newly constructed buildings (30 apartments) rented to the public. The Foundation functioned as owner and operator; Foundation staff were involved in the housing business on a granular level.

II. Background on the Foundation's Decision to Sell the College Courtyard Apartments

In November 2019, the College expressed an interest in developing on-campus housing. On-campus housing would not only be safer, closer, and more convenient for student athletes, but it would also offer more students an opportunity to live at the College. The College embarked on a market study by MGT Consulting that indicated market demand for at least 300 units on campus and that the majority of the units could be filled by students other than student athletes.

In light of the College's forecasting, the Foundation sought an appraisal of the College Apartments in January 2020. The appraiser determined that the fair market value of the College Courtyard Apartments was \$5,000,000 and the property had an insurable replacement cost of \$3,570,000. The Foundation followed the appraisal with a reserve study in July 2020. The reserve study allowed the Foundation to forecast major repair expenditures and maintenance needs. The reserve study indicated that several high value repairs must be undertaken in the next six years including totaling more than \$850,000 of necessary expenditures. Over a three-year period, however, the College Courtyard Apartments only earned profits averaging \$26,304. With a FY 2021 beginning fund balance of just over \$426,000, the anticipated expenses result in a negative fund balance starting in 2026.

Given the fast-approaching negative balance and the need for an on-campus housing option, the Foundation Board determined that it was prudent to sell the College Courtyard Apartments, bearing in mind that the College and Foundation needed to collectively work toward a solution to provide student housing on the Niceville Campus.

III. Sale of the College Apartments including Leaseback

In February 2021, ERA American Real Estate, the brokerage firm the Foundation selected to facilitate the potential sale of the College Courtyard Apartments, listed the apartments for sale at a list price of \$6.8 million with the requirement to leaseback the 32 units to the College for a period of up to 36 months. The Foundation finalized the sale of the apartments with BAF Associates, Inc. on June 15, 2021, for a purchase price of \$6,400,000. As agreed by the Foundation Board, after paying off the Foundation's internal loan, the Foundation provided the proceeds from the sale of the College Apartments to the College for expenses associated with the lease, utilities, and future student housing needs. The net proceeds provided to the College from the sale of the College Apartments totaled \$2,949,720.39.

IV. BAF Housing and Seeking an On-Campus Housing Developer

Since June 15, 2021, the College has used the proceeds of the sale to house student athletes in units now owned by BAF. As of April 6, 2023, the College has spent \$878,439 and has \$2,113,055 remaining. The College forecasts spending \$83,243 on the remaining portion of the second year of housing with BAF, and \$691,746 on the year three lease with BAF, leaving approximately \$1,338,066 leftover to continue funding student athlete housing scholarships in oncampus housing.

Simultaneously, the College has sought an on-campus housing developer to bring at least 150 but preferably closer to 300 beds on campus, which will feed College recruitment, enrollment, and retention given the desert of affordable housing available to our students in our service area. Because the College is not permitted to own and operate oncampus housing itself, the College considered two options for on-campus housing: (1) establishing a second direct-support organization for the specific purpose of constructing and managing student housing; or (2) finding a developer to design, build, and manage housing. The College chose to seek a developer due to the expertise necessary for the project and to shift responsibility and risk arising out of the project.

In September 2021, the College issued a request for information to seek firms interested in design-build and property management for student housing. The College received responses from both modular construction firms and from student housing development and management firms. The College then issued an invitation to negotiate proposals to develop on-campus student housing. The Zimmer Development Company, which had previously worked with the College of the Florida Keys and Florida State University – Panama City, submitted the sole proposal. The College proceeded to negotiate with Zimmer to develop 152 beds of on-campus housing for delivery by August 2024.

From the time the College expressed interest in on-campus housing in 2019 to when it began negotiations with Zimmer, the construction and lending markets had changed dramatically. Zimmer reported to the College that lenders were seeking security that the debt can be serviced through high occupancy of units. In other words, Zimmer was seeking a guarantee: the College would guarantee that a certain number of the beds would be filled through students on scholarship. The College cannot commit its scholarship funds in that way, and, even if it could, the exact number and amount of student athlete housing scholarships varies from year to year. The College must be free to adjust spending of scholarship funds as necessitated by available funds and student demand. The College explored with Zimmer whether short-term funding from the Foundation or any other creative option might be available, but ultimately Zimmer did not move forward with financing in the current climate.

V. Offer from The Jay Odom Group

In September 2022, the College began to pursue other options to make Raider Village a reality. The College received an offer to develop on-campus student housing from The Jay Odom Group stating their interest in developing housing by the College's deadline of August 2024. Jay Odom is an alum of the College. His team toured the site on September 29, and the College provided information on the site, the project, and the market study.

By November 2022, The Jay Odom Group created a preliminary site and building design plan, completed a new market study, and dug into financing. They plan to build 192 beds in Phase 1 and an additional 108 beds in Phase 2 for a total of 300 beds, on the originally approved student housing site. The developer completed preliminary plans and began securing construction pricing. The Board of Trustees approved elevations and floor plans on March 28, 2023. The letter of interest, site plan, floor plans, elevations, renderings are enclosed with this memo.

On May 4, the College and The Jay Odom Group met to discuss the financial terms of the ground lease. The proposed term sheet is enclosed. Ultimately, the discussion boiled down again to financing. Lenders are offering approximately 60% loan to value on an estimated \$12 to \$15 million Phase 1 project with 8 to 8.5% interest. The developer made it clear that they are committed to making the student housing project work, however, they are experiencing the same problems with financing as Zimmer had. The developer needs some guarantee or other option to be able to move forward with this project. The College's inability to offer a guarantee on beds has not changed, but the developer also proposed that a short-term loan through the College's Foundation may work as well.

VI. Request from the Foundation

The Jay Odom Group requests a loan from the Foundation to meet the quickly approaching August 2024 deadline for the completion of student housing. The developer proposed two viable versions of the Foundation's involvement through a loan.

The first option is a short term loan of 48 months. The Foundation would finance 35% of the project (not to exceed \$5.25 million) with no less than 6% interest with a personal guaranty. The Foundation would take a second lien on the property with the bank holding the first mortgage and the Foundation holding the second. The College would provide a Letter of Support to the first lienholder stating the history and present success of student athletics, describing the scholarships currently offered by the College, and projecting the anticipated future of athletics and athletic housing. This is the minimum necessary to accomplish the deal. The developer should have some level of equity in the project.

The second loan option is a long term loan of two years interest only with a 30-year amortization and a five-year balloon. The Foundation would finance 80% of the project (between \$9.6 and \$12 million) with no less than 6% interest. The developer would likewise be requested to have a level of equity in the project.

In short:

- 1. A short term loan with a term of 48 months, financing up to and not to exceed \$5.25 million, with 7% interest. This loan would be treated as a special exception to the Foundation's investment policy; OR
- 2. A long term loan of two years interest only with a 30-year amortization and a five-year balloon, financing 80% of the project, up to \$12 million, with 7% interest. This loan would be treated as a special exception to the Foundation's investment policy.

In either scenario, we recommend 7% interest to ensure an appropriate return for the Foundation while also staying lower than the quoted interest rates from lenders of 8 to 8.5%. Prior to final approval of any loan, the Foundation would receive financial due diligence materials. The Foundation will not be responsible for the management of Raider Village or the long-term maintenance costs in any way.

If approved, the loan would be provided from the Foundation's pooled investments and would be treated as a special exception to the Investment Policy.

The College asks the Foundation to support Raider Village through a loan to the developer. The College has explored all other available options. The College has been told that without reaching financial terms 45 days from May 4, 2023, the developer will be unable to meet the August 2024 delivery date. Without the Foundation's involvement, The Jay Odom Group has indicated that the financial terms of the deal will not meet their needs. The College would regroup to consider other options, but no students would have the opportunity to live on-campus for the Academic Year 2024-2025.

REQUEST FOR DISCUSSION:

Based on the two developer-proposed loan options above and the supporting materials we have been able to provide to date, is the Finance Committee willing to move forward with consideration of any type of loan to support the Raider Village project?

NWFSC - Jay Odom Group Raider Village Financial Terms

Foundation-Developer Loan Proposed Terms

Short Term Loan

Term: 4 years

Payment Schedule: 47 months interest only with principal and interest repaid in full in month 48.

% of Project Cost: 35% (Not to exceed \$5.25M)

Anticipated Bank Loan: 60% Equity: 5% Interest: 7% Pre-Payment Penalty: None

Lien PositionBank holds first mortgage, Foundation holds second

Long Term Loan

Term: 7 years

Payment Schedule: 24 months interest only; principal payments plus interest begin in month 25 and continue

through month 83; remaining principal and interest repaid in full in month 84. Payment

amount is calculated on a 30-year amortization schedule.

% of Project Cost: 80% (Not to exceed \$12M)

Equity:20%Interest:7%Pre-Payment Penalty:None

Lien Position Foundation holds first mortgage

Basic Phase One Structure

Phase 1 3 stories, 54 units, 12 2B, 42 4B, 192 beds, central common areas

Phase 1 Project Cost (Includes Phase 2 Parking) \$12-15M

Ad Valorem Taxes Developer will seek full exemption in partnership with the College. The student rent rates

assume no ad valorem taxes.

2B Student Rent Rate\$970/bed/month4B Student Rent Rate\$895/bed/monthStudent lease term12 months

Included in rent Utilities, internet, trash, furnishings

Student Rent Increases Up to 5% annually with a 5-year mark to market, not tied to the debt service ratio, and

annually presented to the College with rationale.

Removing Ineligible Residents Ineligible residents (e.g., those who are expelled, suspended, barred from entering

College property, lost scholarship, or otherwise withdrawn) will be removed from Raider Village. Rent is still owed and collectible from student and/or co-signor. There must be a mechanism by which the College can preserve any upfront paid scholarship dollars for a

removed resident.

NWFSC-Developer Ground Lease

Ground Lease Rent \$50K annually for Phase 1 beginning at substantial completion; and \$25K annually for

Phase 2, beginning at Phase 2 construction (which we anticipate as early as stabilization on Phase 1 [24 months with 90% occupancy]) but no later than 5 years from stabilization

of Phase 1 regardless of status on Phase 2.

Ground Lease Rent Increases 10% every 5 years (with a mark to market as frequently as student rent experiences

mark to market)

Ground Rent Term 75 years

Additional Property and Preference

Buyout

The developer has the exclusive right to develop student housing on the alternate student housing site on the Niceville Campus for 10 years from the ground lease start date, if the College chooses to develop student housing on that site. Developer will pay \$10K rent annually from start date of ground lease. College may at any time at its discretion cancel this portion of the lease by notifying the developer that the College will use the site for a different purpose. Lease concludes at 10-year mark. The developer will also receive a preference in solicitations for any other student housing development on the Niceville campus.

College (or its direct support organization(s)) may buy out developer starting seven years following stabilization (90% occupancy). The purchase price would be the then fair market value based on appraisals obtained by each of the parties. College receives right of first refusal on offers from qualified purchasers decision window described in Section 15.3.

Short-Term Loan Projected Amortization Schedule

5,250,000.00 principal 48.00 months

interest only

7% interest

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16 - 30,625.00 30,625.00 5,250,000.00 17 - 30,625.00 30,625.00 5,250,000.00 18 - 30,625.00 30,625.00 5,250,000.00 19 - 30,625.00 30,625.00 5,250,000.00 20 - 30,625.00 30,625.00 5,250,000.00 21 - 30,625.00 30,625.00 5,250,000.00 22 - 30,625.00 30,625.00 5,250,000.00 23 - 30,625.00 30,625.00 5,250,000.00 24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 -	14	-	30,625.00	30,625.00	5,250,000.00
17 - 30,625.00 30,625.00 5,250,000.00 18 - 30,625.00 30,625.00 5,250,000.00 19 - 30,625.00 30,625.00 5,250,000.00 20 - 30,625.00 30,625.00 5,250,000.00 21 - 30,625.00 30,625.00 5,250,000.00 22 - 30,625.00 30,625.00 5,250,000.00 23 - 30,625.00 30,625.00 5,250,000.00 24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 34 -	15	-	30,625.00	30,625.00	5,250,000.00
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19 - 30,625.00 30,625.00 5,250,000.00 20 - 30,625.00 30,625.00 5,250,000.00 21 - 30,625.00 30,625.00 5,250,000.00 22 - 30,625.00 30,625.00 5,250,000.00 23 - 30,625.00 30,625.00 5,250,000.00 24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 -	17	-	30,625.00	30,625.00	5,250,000.00
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22 - 30,625.00 30,625.00 5,250,000.00 23 - 30,625.00 30,625.00 5,250,000.00 24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	20	-	30,625.00	30,625.00	5,250,000.00
23 - 30,625.00 30,625.00 5,250,000.00 24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	21	-	30,625.00	30,625.00	5,250,000.00
24 - 30,625.00 30,625.00 5,250,000.00 25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	22	-	30,625.00	30,625.00	5,250,000.00
25 - 30,625.00 30,625.00 5,250,000.00 26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	23	-	30,625.00	30,625.00	5,250,000.00
26 - 30,625.00 30,625.00 5,250,000.00 27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	24	-	30,625.00	30,625.00	5,250,000.00
27 - 30,625.00 30,625.00 5,250,000.00 28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	25	-		30,625.00	5,250,000.00
28 - 30,625.00 30,625.00 5,250,000.00 29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	26	-		30,625.00	5,250,000.00
29 - 30,625.00 30,625.00 5,250,000.00 30 - 30,625.00 30,625.00 5,250,000.00 31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00	27	-			
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31 - 30,625.00 30,625.00 5,250,000.00 32 - 30,625.00 30,625.00 5,250,000.00 33 - 30,625.00 30,625.00 5,250,000.00 34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00		-	•		
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34 - 30,625.00 30,625.00 5,250,000.00 35 - 30,625.00 30,625.00 5,250,000.00 36 - 30,625.00 30,625.00 5,250,000.00 37 - 30,625.00 30,625.00 5,250,000.00		-	•	•	
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37 - 30,625.00 30,625.00 5,250,000.00		-			, ,
		-		•	, ,
38 - 30,625.00 30,625.00 5,250,000.00		-		•	
	38	-	30,625.00	30,625.00	5,250,000.00

Month	Principal	Interest	Total	Balance
39	-	30,625.00	30,625.00	5,250,000.00
40	-	30,625.00	30,625.00	5,250,000.00
41	-	30,625.00	30,625.00	5,250,000.00
42	-	30,625.00	30,625.00	5,250,000.00
43	-	30,625.00	30,625.00	5,250,000.00
44	-	30,625.00	30,625.00	5,250,000.00
45	-	30,625.00	30,625.00	5,250,000.00
46	-	30,625.00	30,625.00	5,250,000.00
47	-	30,625.00	30,625.00	5,250,000.00
48	5,250,000.00	30,625.00	5,280,625.00	-
		Total Poturn	6 720 000 00	

Total Return: 6,720,000.00 Gain: 1,470,000.00

Long-Term Loan Projected Amortization Schedule

12,000,000.00 principal

24.00 months interest only

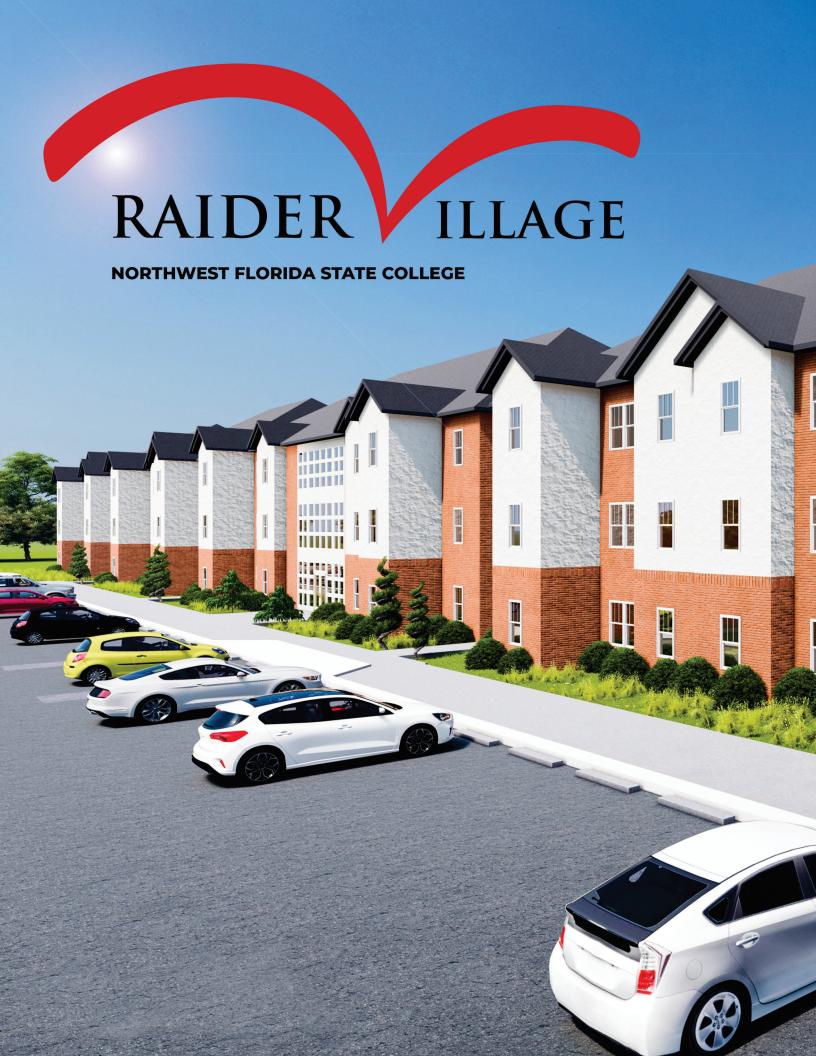
P&I; amortized 360 months 60.00 months

7% interest

Month	Principal	Interest	Total	Balance
1	-	70,000.00	70,000.00	12,000,000.00
2	-	70,000.00	70,000.00	12,000,000.00
3	-	70,000.00	70,000.00	12,000,000.00
4	-	70,000.00	70,000.00	12,000,000.00
5	-	70,000.00	70,000.00	12,000,000.00
6	-	70,000.00	70,000.00	12,000,000.00
7	-	70,000.00	70,000.00	12,000,000.00
8	-	70,000.00	70,000.00	12,000,000.00
9	-	70,000.00	70,000.00	12,000,000.00
10	-	70,000.00	70,000.00	12,000,000.00
11	-	70,000.00	70,000.00	12,000,000.00
12	-	70,000.00	70,000.00	12,000,000.00
13	-	70,000.00	70,000.00	12,000,000.00
14	-	70,000.00	70,000.00	12,000,000.00
15	-	70,000.00	70,000.00	12,000,000.00
16	-	70,000.00	70,000.00	12,000,000.00
17	-	70,000.00	70,000.00	12,000,000.00
18	-	70,000.00	70,000.00	12,000,000.00
19	-	70,000.00	70,000.00	12,000,000.00
20	-	70,000.00	70,000.00	12,000,000.00
21	-	70,000.00	70,000.00	12,000,000.00
22	-	70,000.00	70,000.00	12,000,000.00
23	-	70,000.00	70,000.00	12,000,000.00
24	-	70,000.00	70,000.00	12,000,000.00
25	9,836.30	70,000.00	79,836.30	11,990,163.70
26	9,893.68	69,942.62	79,836.30	11,980,270.02
27	9,951.39	69,884.91	79,836.30	11,970,318.63
28	10,009.44	69,826.86	79,836.30	11,960,309.19
29	10,067.83	69,768.47	79,836.30	11,950,241.36
30	10,126.56	69,709.74	79,836.30	11,940,114.80
31	10,185.63	69,650.67	79,836.30	11,929,929.17
32	10,245.05	69,591.25	79,836.30	11,919,684.12
33	10,304.81	69,531.49	79,836.30	11,909,379.31
34	10,364.92	69,471.38	79,836.30	11,899,014.39
35	10,425.38	69,410.92	79,836.30	11,888,589.01
36	10,486.20	69,350.10	79,836.30	11,878,102.81
37	10,547.37	69,288.93	79,836.30	11,867,555.45
38	10,608.89	69,227.41	79,836.30	11,856,946.55

Month	Principal	Interest	Total	Balance
39	10,670.78	69,165.52	79,836.30	11,846,275.78
40	10,733.02	69,103.28	79,836.30	11,835,542.75
41	10,795.63	69,040.67	79,836.30	11,824,747.12
42	10,858.61	68,977.69	79,836.30	11,813,888.51
43	10,921.95	68,914.35	79,836.30	11,802,966.56
44	10,985.66	68,850.64	79,836.30	11,791,980.90
45	11,049.74	68,786.56	79,836.30	11,780,931.15
46	11,114.20	68,722.10	79,836.30	11,769,816.95
47	11,179.03	68,657.27	79,836.30	11,758,637.92
48	11,244.25	68,592.05	79,836.30	11,747,393.67
49	11,309.84	68,526.46	79,836.30	11,736,083.83
50	11,375.81	68,460.49	79,836.30	11,724,708.02
51	11,442.17	68,394.13	79,836.30	11,713,265.85
52	11,508.92	68,327.38	79,836.30	11,701,756.94
53	11,576.05	68,260.25	79,836.30	11,690,180.88
54	11,643.58	68,192.72	79,836.30	11,678,537.31
55	11,711.50	68,124.80	79,836.30	11,666,825.81
56	11,779.82	68,056.48	79,836.30	11,655,045.99
57	11,848.53	67 <i>,</i> 987.77	79,836.30	11,643,197.46
58	11,917.65	67,918.65	79,836.30	11,631,279.81
59	11,987.17	67,849.13	79,836.30	11,619,292.64
60	12,057.09	67,779.21	79,836.30	11,607,235.55
61	12,127.43	67 <i>,</i> 708.87	79,836.30	11,595,108.13
62	12,198.17	67,638.13	79,836.30	11,582,909.96
63	12,269.33	67,566.97	79,836.30	11,570,640.63
64	12,340.90	67,495.40	79,836.30	11,558,299.73
65	12,412.88	67,423.42	79,836.30	11,545,886.85
66	12,485.29	67,351.01	79,836.30	11,533,401.56
67	12,558.12	67,278.18	79,836.30	11,520,843.43
68	12,631.38	67,204.92	79,836.30	11,508,212.05
69	12,705.06	67,131.24	79,836.30	11,495,506.99
70	12,779.18	67,057.12	79,836.30	11,482,727.81
71	12,853.72	66,982.58	79,836.30	11,469,874.09
72	12,928.70	66,907.60	79,836.30	11,456,945.39
73	13,004.12	66,832.18	79,836.30	11,443,941.27
74	13,079.98	66,756.32	79,836.30	11,430,861.30
75	13,156.28	66,680.02	79,836.30	11,417,705.02
76	13,233.02	66,603.28	79,836.30	11,404,472.00
77	13,310.21	66,526.09	79,836.30	11,391,161.79
78	13,387.86	66,448.44	79,836.30	11,377,773.93
79	13,465.95	66,370.35	79,836.30	11,364,307.98
80	13,544.50	66,291.80	79,836.30	11,350,763.47
81	13,623.51	66,212.79	79,836.30	11,337,139.96
82	13,702.98	66,133.32	79,836.30	11,323,436.98

Month	Principal	Interest	Total	Balance
83	13,782.92	66,053.38	79,836.30	11,309,654.06
84	11,309,654.06	65,972.98	11,375,627.04	-
		Total Return:	17,765,968.74	
		Gain:	5,765,968.74	





May 11, 2023

Northwest Florida State College Attn: Tanner McKnight mcknighs@nwfsc.edu

RE: Northwest Florida State College On-Campus Student Housing (Raider Village)

Dear Tanner:

We are extremely honored that The Jay Odom Group has been selected by Northwest Florida State College to provide student housing on the Niceville main campus. We understand the College will lose the offsite student housing it currently occupies by August of 2024 and are committed to the opening of Raider Village by then.

Included with this letter is a duplication of the loan package we sent Alan Wood and Jean Supple at CCB Community Bank, Jonathan Ochs at Trustmark Bank, and Dewayne Youngblood and Lane Redding at United Community Bank (formerly Progress Bank). The only changes are that we increased the land lease to \$50,000/year (as we all agreed to last week) and added a 10% contingency to our operating costs. As we discussed, our recent insurance premiums are approximately 3 times what they were last year, and utilities have increased substantially over the past few years. We have tried to estimate these numbers as best we could, but there are still too many uncertainties not to have a contingency.

We went to these three lenders first given their relationship with the College and their previously expressing interest in the project. As we have discussed, the banking industry has changed substantially over the last 6-12 months. The loan-to-cost ratios and interest rates we were able to achieve when we first discussed this project last September are no longer achievable. As you have heard from multiple lenders, they like the Raider Village project but are constrained by today's current lending regulations and environment.

The Foundation's ability to lend money on this project is the best way to ensure that Raider Village is built and opened by August 2024. To meet that deadline, we need to start construction (site work) in the next 40 days. We are committed to starting construction within this timeframe with our own money if we have a commitment on the financing for the project (we can start construction on the project prior to the loan closing).

Tanner McKnight NWFSC May 11, 2023 Page 2

After reviewing the two potential Foundation financing options you have presented, we believe the best route for the Foundation, and ourselves, would be the option where the Foundation is the sole lender on the project and we bring 15-20% of our own money to the project (you will see our loan package was based on an 85% loan-to-cost loan). This option provides the quickest source of financing as we work to meet the August 2024 opening goal. It also gives the Foundation added security that we have our equity in the project as well.

We have taken significant steps to keep the project cost down as much as possible. We have designed the project to be as efficient as possible. We are bulk-purchasing items using the buying power generated from our 312-unit luxury apartment complex we are currently building in Fort Walton Beach, and we are building the project ourselves (we are a fully licensed State Certified General Contractor). This week we received the completed set of the construction plans, including mechanical, electrical, structural and plumbing engineering, that will help us finalize the total construction cost. We are confident the ultimate construction number will be below \$15,000,000 and that no one can build this project as cost efficiently as we can.

After you have reviewed the enclosed package, please let us know if you have any questions. We look forward to building this beautiful addition to the Northwest Florida State College Campus and to welcoming the first student residences in August of 2024.

Sincerely,

Jay Odom

Jay Odom



May 11, 2023

XXXXXXXXX Bank XXXXXXXXXXXXXXX XXXXXXXXXXXXXXX

RE: Northwest Florida State College On-Campus Student Housing (Raider Village)

Dear XXXXXXXXXX:

The Jay Odom Group has been selected by Northwest Florida State College to provide student housing on the Niceville main campus. The college currently has no on-campus student housing. The college will lose the offsite student housing it currently occupies by August of 2024. The college needs housing for all its scholarship athletes, coaches, and other students. The market study done by Reinhold P. Wolff Economic Research, Inc. in 2022/2023 shows an immediate need for 500 beds of student housing.

This student housing project is named Raider Village. The site is 6.24 acres located at the main entryway off College Boulevard (see Exhibit A). The site is planned for two phases with 192 beds in the first phase and 134 beds in the second phase (see Exhibit B Site Plan and Exhibit C Building Plan). Phase 1 (Loan package is for Phase 1) will provide 192 beds in a 3- story building with 54 units (12 two-bedroom units and 42 four-bedroom units) and 253 parking spaces. There are 2,119 square feet of common area on each floor for student social activities, study areas, and an onsite management office. Each occupant will have their own private bedroom and bathroom with a shared living/kitchen area for two or four occupants.

The site will be a long-term ground lease to Raider Village, LLC. Raider Village will be built, owned, and managed by Raider Village, LLC which is owned by The Jay Odom Group. The housing is fully ADA compliant and meets the Fair Housing Standards.

The civil engineering plans by Jenkins Engineering are complete, and the construction plans are currently being done by English & Associates Architects in Atlanta, Georgia. These should be complete by April 25, 2023.

Each unit will be fully furnished with living room furniture, dining table and chairs, washer and dryer, dishwasher, stove, refrigerator, and sink with garbage disposal. Each bedroom will have an extra-long twin size bed with a mattress and a 30" desk.

The exterior finish will be a combination of brick (matching the other college buildings) and stucco.

STUDENT HOUSING LOAN REQUEST TOTAL PROJECT COST \$15,875,685 (Estimated) LOAN REQUEST AMOUNT \$13,494,332

72,291 square foot 3-story building

12 - 2-bedroom units

42 4-bedroom units

Parking area for 253 cars

This will be enough parking for Phase 1 with 192 beds and Phase 2 with 134 beds.

	*COSTS
Building Construction	\$
Site Work	
Offsite Utility Work	\$
Furniture including bathroom mirrors	\$
Kitchen Appliances	\$
Bathroom vanity, toilet, and tub/shower	\$ \$ \$ \$ \$
Flooring	\$
Soft Cost	
Site Planning	\$
Civil Engineering	\$ \$ \$
Architectural Plans	\$
Surveying	\$
Geo Tech Testing	\$
Environmental Report	\$
TOTAL DEVELOPMENT COST	\$15,000,000*
Interest Reserve	\$ 425,685
Developer Fee	\$ 450,000
TOTAL PROJECT COST	\$15,875,685

^{*}This cost is an estimate. We are working towards the exact cost as the plans become more complete. We feel confident this cost is on the high side.

REVENUE

	Monthly	Annually
12 two-bedroom units with 24 beds (24 x \$950.00 plus \$10 WIFI and \$10 valet trash = \$970.00/monthly)	\$23,280	\$279,360
42 four-bedroom units with 168 beds (168 x \$875.00 plus \$10 WIFI and \$10 valet trash = \$895.00/monthly)	\$150,360	\$1,804,320
Sales Tax (if required)		

GROSS REVENUE

Rent includes electrical power, water and sewer, trash disposal, valet trash pickup at each room (\$10.00 per month per bedroom), all common area janitorial, landscape maintenance, building maintenance, onsite management, security system with cameras, and high speed WIFI in each unit and common area.

\$173,640

\$2,083,680

EXPENSES

		ANNUALLY
Marketing Management Maintenance includ Landscaping Payroll Utilities (Power and Insurance Reserves Land lease		\$ 10,000 \$ 62,510 (3% of gross revenue) \$ 90,000 \$ 60,000 \$160,000 \$150,000 \$125,000 \$ 38,400 (\$200 per bed) \$ 50,000
TOTAL OPERATING	Subtotal Contingency (10%) COSTS	\$745,910 \$74,591 \$820,501

NORTHWEST FLORIDA STATE COLLEGE STUDENT HOUSING - RAIDER VILLAGE

 Total Revenue
 \$2,083,680

 5% Vacancy
 \$1,979,496

 Total Expenses
 (\$820,501)

 NET INCOME
 \$1,158,995

4652 Gulfstarr Drive, Destin, FL 32541 Phone: 850.654.4126 www.TheJayOdomGroup.com

Total Project Cost	\$15	,875,685
Loan Amount – 85%	\$13	,494,332
Annual payment interest only @ 6.5%	\$	877,132
Amortized 30-year loan @ 6.0%	\$	966,034

Revenue @ 95% occupancy	\$1,979,496
Expenses	<u>(\$820,501)</u>
NET INCOME	\$1,158,995

Loan payment interest only @ 6.5%	\$877,132
Loan payment for 30 years @ 6.0%	\$966,034

Debt Coverage Ratio: \$1,158,995 =

\$ 966,034 **1.2 DCR**

GUARANTEED LEASES

80 bedrooms leased by Northwest Florida State College

10 beds per two-bedroom units = \$970 per month x 10 = \$9,70070 beds per four-bedroom units = \$895 per month x 70 = \$62,650

> \$72,350/MONTHLY \$868,200/ANNUALY

 Debt Service
 \$ 966,034

 Expenses
 \$ 735,910

 DEBT SERVICE PLUS EXPENSES =
 \$1,701,944

80% occupancy will cover the debt service and expenses.

I would like to borrow 85% of the total project cost as a 24-month construction loan, interest only with monthly draws, then a 5-year rollover at a fixed rate amortized over 30 years.

Thank you for your consideration of this project loan. Being a local company and as I am a graduate of Okaloosa Walton Jr. College (now NWFSC), we are very excited about being part of the future and the history of NWFSC.

Sincerely,

Jay Odom
Jay Odom

EXHIBIT A

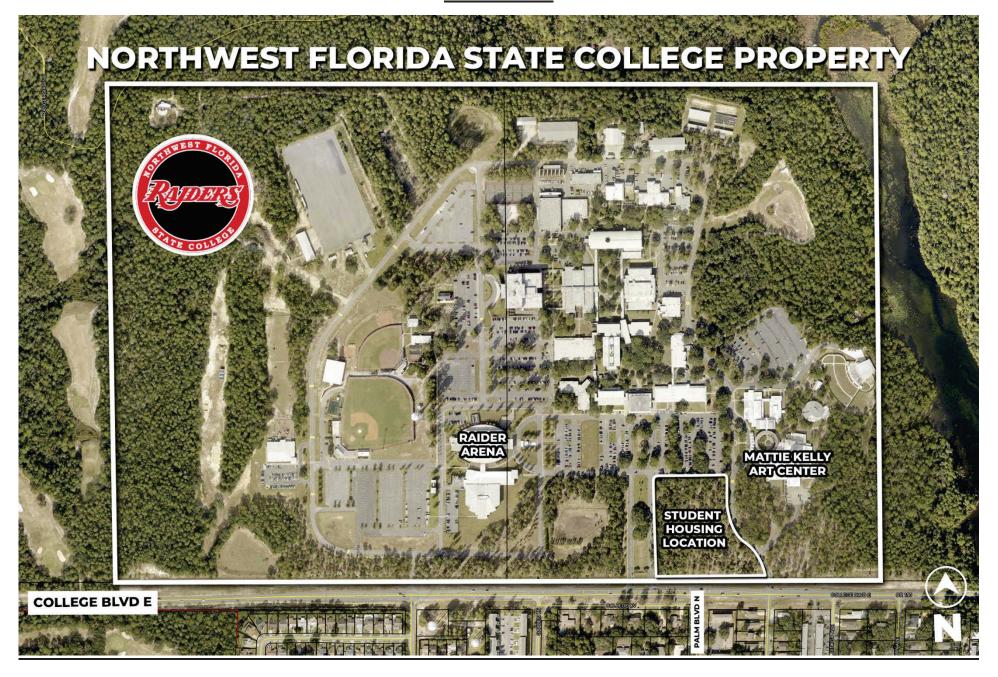
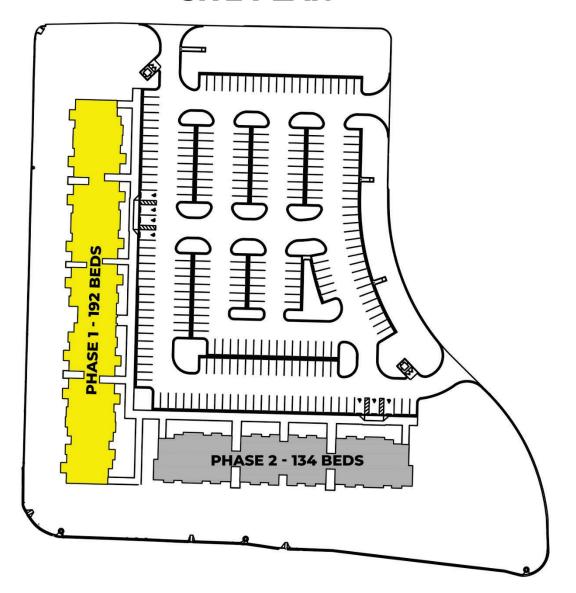


EXHIBIT B



EXHIBIT B

SITE PLAN

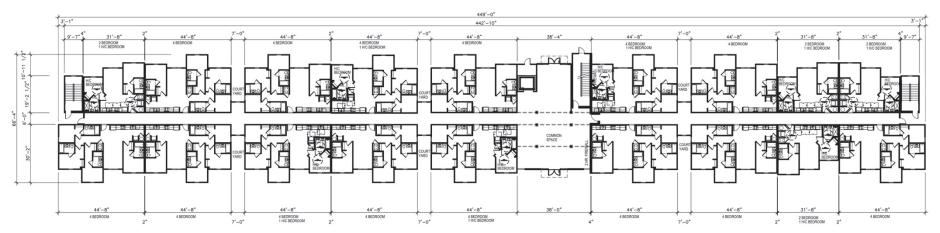




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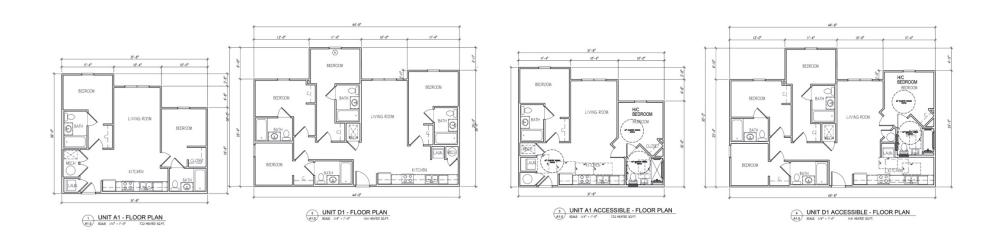
EXHIBIT C

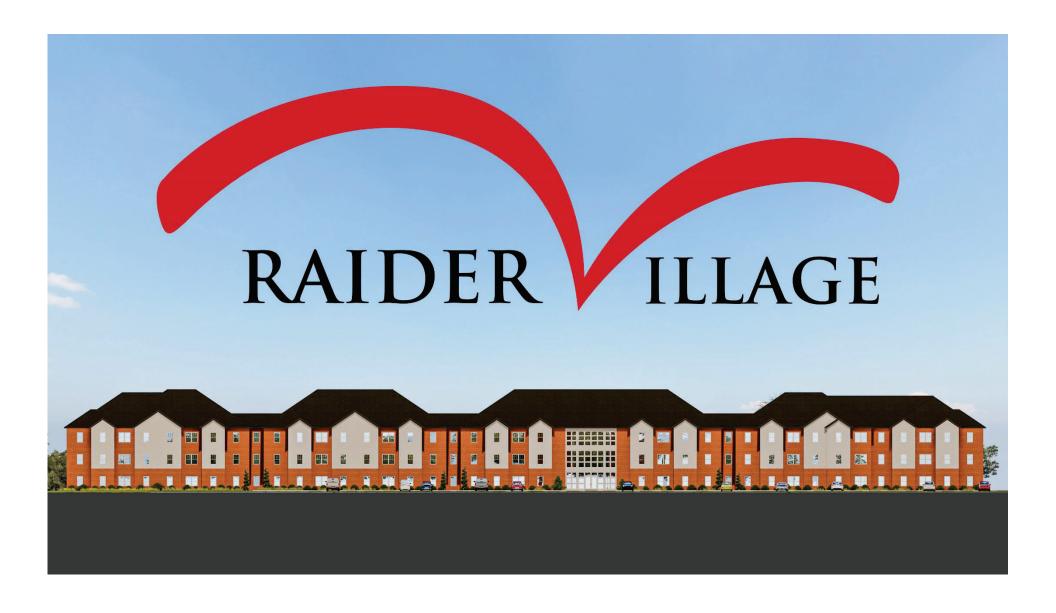
FLOOR PLAN



1 PROPOSED FLOOR PLAN 18 UNITS PER FLOOR - 192 BEDS

A2.0 SCALE: 1/16" = 1'-0"
4-2 BEDROOM UNIT PER FLOOR
12-4 BEDROOM UNIT PER FLOOR











Raider Village Supporting Materials



September 19, 2022

Northwest Florida State College Attn: Dr. G. Devin Stephenson, President Attn: Board of Trustee Members 100 College Boulevard Niceville, Florida 32578

Re: Student housing opportunity on NWFSC Niceville Campus

Dear Dr. Stephenson and Trustees,

Thank you for the opportunity to present this non-binding Letter of Interest to you for the development of an on-campus student housing project ("Project") at the Northwest Florida State College ("NWFSC") Niceville Campus. As a graduate of the college, this would be a tremendous personal honor for me to contribute back to a campus that gave me so much. I would not be where I am today without the education I received at NWFSC (see "Exhibit A").

The Jay Odom Group ("JOG") has been developing in the Florida panhandle for the last 35 years. We specialize in mixed-use developments, master-planned communities, multi-family developments and hospitality. Our current projects include:

- Hammock Bay in Freeport, Florida
 - 3,000-acre master planned community including:
 - Approximately 1,800 developed single-family home lots with another 500 under construction
 - 232-unit multi-family complex with another 168-units under construction
 - Town Center
 - Freeport Sports Complex
 - Location for the new Freeport Middle School
 - 700-acre conservation easement (dedicated to Alaqua Animal Refuge)
- Freedom Tech Center in Fort Walton Beach, Florida
 - Awarded an RFP from the United State Air Force to develop 52-acres of land owned by Eglin Air Force Base on Lewis Turner Blvd. Project will consist of:
 - 312-multi-family units
 - Scheduled to break ground in early 2023



- 126-room Home2 Suites by Hilton with +/- 4,000 SF of meeting space
 - Construction started and schedule to open in late 2023
- 115-room Holiday Inn Express and Suites
 - Scheduled to break ground in early 2023
- Multiple office buildings totaling in excess of 150,000 SF
- 4 restaurant/commercial pad sites along Lewis Turner Blvd
- Bay Vita in Walton County, Florida
 - Located 1-mile north of the Choctawhatchee Bay along Highway 331 in Walton County (south of Freeport). Project will consist of:
 - 126-room Home2 Suites by Hilton
 - 115-room Holiday Inn Express and Suites
 - 20,000 SF Specialty Vet Surgery Center
 - 120,000 SF CubeSmart climate control storage facility
 - Mulit-family workforce housing
 - F&B outparcels
 - Convenience Store
- Natureview in Walton County, Florida
 - 793-lot residential community located east of Freeport on Highway 3280

Some of our past projects include Upton Station in Fort Walton Beach, The Island Hotel and Resort on Okaloosa Island, Destin Jet in Destin, Latitude (now Infinity) at Hammock Bay Apartments in Freeport and the Destiny Communities (Destiny East, Destiny by the Sea and Destiny West) in Destin.

With all our projects, we pride ourselves on creating lasting projects that better our local communities. We are from here and live here. Our children go to school here. This is our home. Every one of our projects represents our love for the Emerald Coast. This project is extra special to us because it would allow us to impact the lives of the next generation of leaders on the Emerald Coast.

While we are honored to have recently been presented this opportunity, we have just begun our due diligence and research on the Project, and further due diligence and discussions with NWFSC are necessary to determine the viability of the Project and finalize the terms of the ground lease. We anticipate a structure that would include the following terms:

- A to-be-formed entity, owned and managed by Jay Odom, ("JOG Newco") will sublease the property (as identified on the attached Exhibit B) from NWFSC for no less than 75 years
- JOG Newco will be responsible for all costs of the Project including management, operations, and maintenance.



- JOG Newco will have the right to develop all future NWFSC housing needs on the Niceville campus.
- NWFSC will have an option to purchase the Project upon mutually agreed upon terms

We have begun our planning and market studies on the project. The results of this work will ultimately determine the financial terms of our agreement. We envision the following structure:

- Minimum base ground lease amount beginning upon completion of the first 152-bed (approximate bed size) facility
- Percentage rent based on gross rental revenue generated
 - We believe it is in NWFSC best interest not to have to participate in the annual budget process or worry about the expenses management requires to operate the Project.

We anticipate completing our necessary due diligence on planning, construction costs and market rents within 30 to 45 days of the date of this letter. At that time, we will present NWFSC with the financial terms we are able to develop the Project under. We are committed, and excited, to develop this Project as long as our due diligence shows it is financially viable. We understand the timeline NWFSC has for this Project is to open the new student housing facility by the start of the Fall 2024 semester.

Thank you again for considering out company for this opportunity and we look forward to working together to bring this exciting Project to the NWFSC Niceville Campus.

Sincerely

Jay A. Odom

Okaloosa-Walton Community College Class of 1977

1997 Distinguished Alumni Recipient





NORTHWEST FLORIDA STATE COLLEGE **FOUNDATION**

(https://nwfscfoundation.org)

Exhibit A

Ways To Give

Get Involved ▼

Faculty & Staff

News & Events ▼

About Us ▼

Jay Odom, Class of 1977 (https://nwfscfoundation.org/1997/05/15/987/)

DISTINGUISHED ALUMNI WINNERS (HTTPS://NWFSCFOUNDATION.ORG/CATEGORY/ALUMNI-WINNERS/)

/MAY 15, 1997 3:28 PM

1997 DISTINGUISHED ALUMNI RECIPIENT

My experience at Okaloosa-Walton Community College provided me with a solid educational foundation which allowed me to be accepted by the Engineering Department at Florida Atlantic University. The education and skills I acquired at OWCC enabled me to excel in Florida Atlantic's rigorous engineering program. OWCC provided me an excellent education from intelligent, highly skilled, caring faculty who showed daily their commitment to quality education. Receiving an Associate of Arts degree at a price I could afford set the stage for me to obtain my degree in Ocean Engineering at Florida Atlantic University, after which I was offered an excellent engineering job with a prominent company.

This first-job-after-college engineering position turned out to be the financial foundation I needed to move from engineering into the successful real estate career I have today. Crystal Beach Development began with a dream which OWCC helped to make a reality. I firmly believe in public education and the community college system which presents to everyone an incredibly affordable opportunity to better themselves.

Tags: 1997 (https://nwfscfoundation.org/tag/1997/), Distinguished Alumni (https://nwfscfoundation.org/tag/distinguished-alumni/)

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MISSION STATEMENT

Utilizing your gifts to support the college, enhance our community and improve students' lives. A Registered 501(c)3 Nonprofit Organization

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(https://www.voutube.com/user/nwfstatecollege)





H & ASSOCIATE RCHITECTS, INC. ENGL

JOB PROGRESS:

REVISIONS: TAG:

This drawing, as an instrument of service, is and shall remain the property of the Architect Of Record and shall not be published, reproduced or used in any way without the written permission of the Architect Of Record. DO NOT scale this drawing. All questions to be

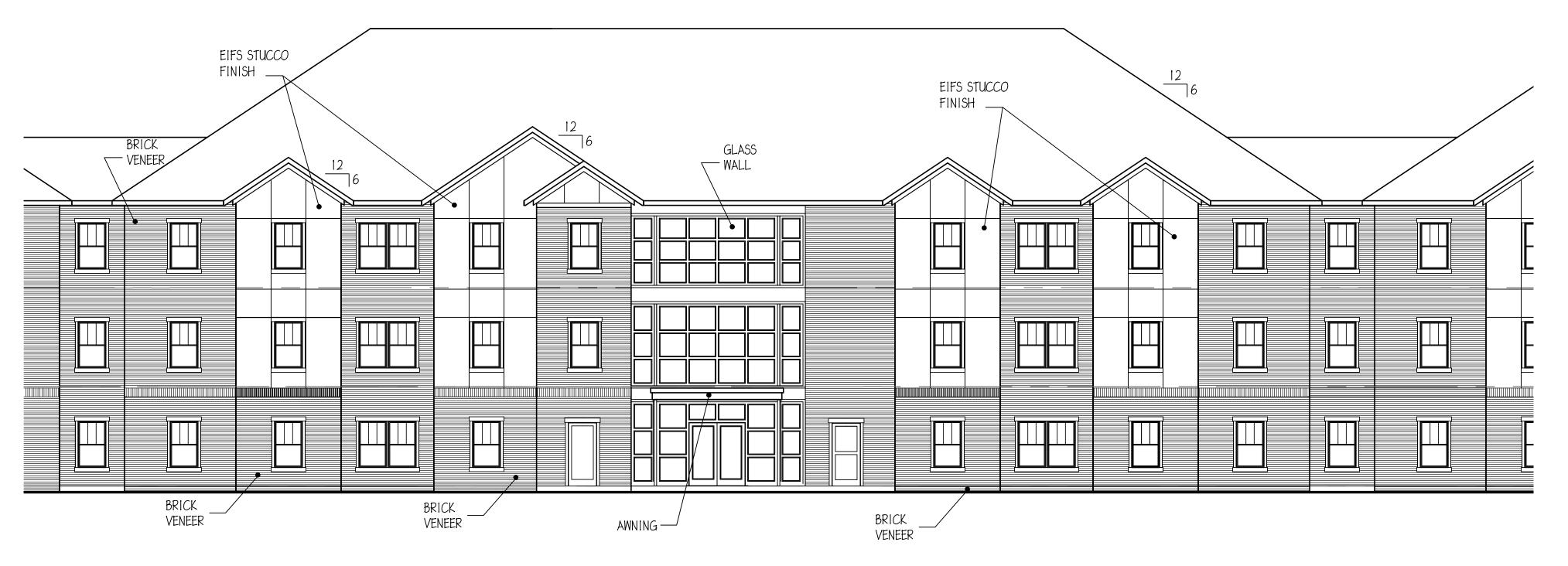
STUDENT

JOB NUMBER: 2301

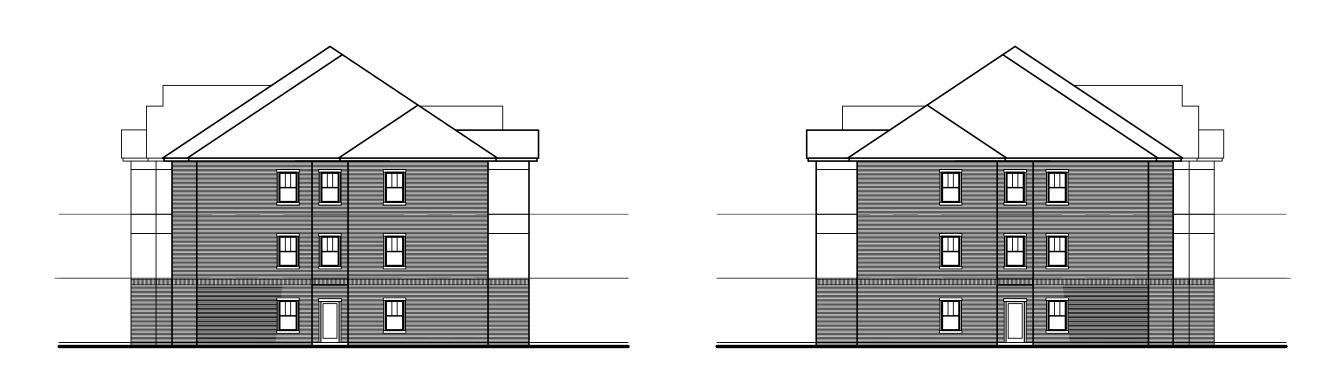
CHECKED BY: BUILDING PLAN AND ELEVATION SHEET NO.



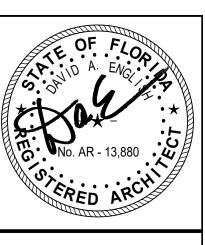
PROPOSED BUILDING REAR ELEVATION A2.1



PARTIAL BUILDING ELEVATION A2.1 SCALE: 1/8'' = 1'-0''



PROPOSED BUILDING END ELEVATION A2.1 SCALE: 1/16" = 1'-0"



ENGLISH & ASSOCIATES ARCHITECTS, INC.

JOB PROGRESS:

ITEM: DATE:

REVISIONS:

This drawing, as an instrument of service, is and shall remain the property of the Architect Of Record and shall not be published, reproduced or used in any way without the written permission of the Architect Of Record. DO NOT scale this drawing. All questions to be submitted as a formal request for information to the Architect Of Record.

STUDENT

JOB NUMBER: 2301 DRAWN BY:

CHECKED BY:

BUILDING PLAN AND ELEVATION SHEET NO.



RAIDER ILLAGE



Portfolio Review

Confidential - Prepared for Northwest Florida State College Foundation (Finance Committee) on April 02, 2023

McGovern, O'Dell & Associates

Raymond J. McGovern, CPWA®
Managing Director
Senior Resident Director
Portfolio Manager

Shane O'Dell, CFP®, CRPC®, C(k)P® Senior Vice President Wealth Management Advisor Portfolio Manager



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- 5. Money Weighted Rate of Return by Period: Yearly
- 6. Time Weighted Rate of Return by Account: Yearly
- 7. Money Weighted Rate of Return by Account: Yearly

Account List



As of Close of Business: 03/31/2023

Merrill					
Account Number/NickName	Account Title	Credit Type	Account Registration	Market Value(\$)	% of Total
XXX-XX017 "ANNUITY ALT INVEST"		Cash	ENDOWMENT	7,706,902	13.33
XXX-XX003 "EQUITY"	Service Type: BlackRock Sub-Advised Investment Manager/Model: BLACKROCK WDP TR ALL EQ (R) Manager Style: Multi Asset	Cash	TMA	37,057,724	64.10
XXX-XX004 "FIXED INCOME"	Service Type: BlackRock Sub-Advised Investment Manager/Model: BLACKROCK INTMTAX FIX INC (R) Manager Style: Intermediate Duration	Cash	TMA	13,048,349	22.57
Total				57,812,976	100

Unless otherwise indicated, assets and investment accounts included in this Report are held at Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), Member SIPC.

Bank deposits are held at the Bank of America, N.A. and affiliated banks or other depository institutions and are covered by FDIC insurance up to applicable limits. Bank deposits are not protected by SIPC.

All reports other than the Balances report contain brokerage information only.

Total Portfolio Review



5.94

11.19

0.91

1.41

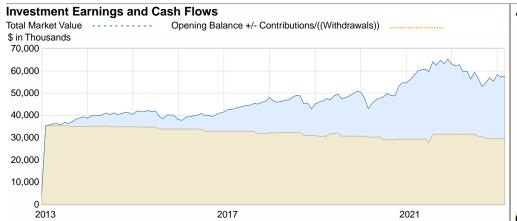
6.43

1.42

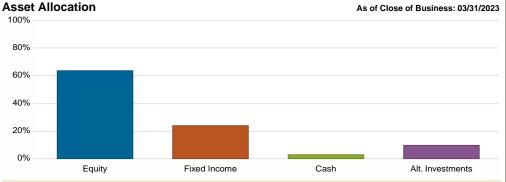
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12.59

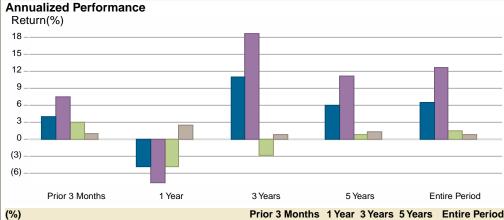
Performance period: 02/01/2013 to 03/31/2023



20.0			
Categories	Prior 3 Months	Prior 12 Months	Entire Period
Opening Balance(\$)	55,419,307	62,838,224	5,141,579
Contributions/(Withdrawals)(\$)	133,983	(1,921,047)	24,504,561
Interest/Dividends(\$)	444,158	1,162,874	10,870,487
Appreciation/(Depreciation)(\$)	1,815,528	(4,267,075)	17,296,349
Closing Balance(\$)	57,812,976	57,812,976	57,812,976



	Current Ho	oldings
Asset Class	Amount(\$)	Percent(%)
Equity	36,862,317	63.78
Fixed Income	13,637,257	23.60
Cash	1,727,551	2.99
Alt. Investments	5,569,295	9.64
SubTotal	57,796,420	100.00
Other	16,556	
Total	57,812,976	



4.08

7.50

2.97

1.07

(4.79)

(7.73)

(4.83)

2.50

11.03

18.60

(2.82)

0.89

Returns for periods longer than one year are annualized.

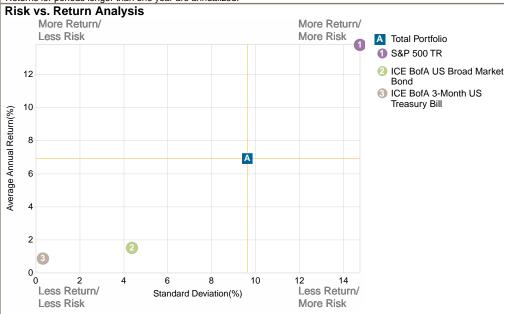
Total Portfolio

■ ICE BofA US Broad Market Bond

■ ICE BofA 3-Month US Treasury Bill

Consumer Price Index (All Urban NSA)

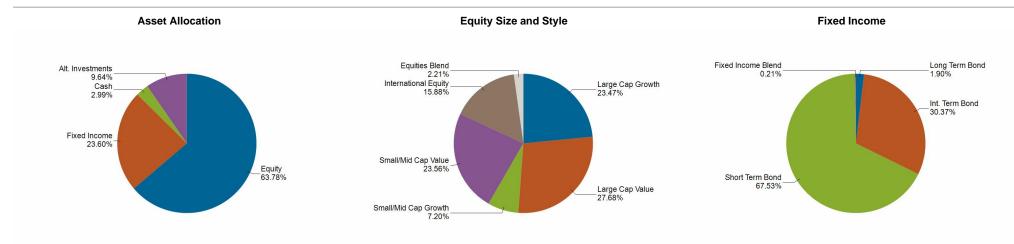
S&P 500 TR



Asset Allocation Overview

As of Close of Business: 03/31/2023





Asset Class	Market Value(\$)	% of Total Size & Style	Market Value(\$)	% of Total Maturity	Market Value(\$)	
■ Equity	36,862,317	63.78 ■ Large Cap Growth	8,650,724	23.47 ■Long Term Bond	259,047	1.90
Fixed Income	13,637,257	23.60 ■Large Cap Value	10,205,316	27.68 ■ Int. Term Bond	4,141,548	30.37
■ Cash	1,727,551	2.99 ■ Small/Mid Cap Growth	2,652,875	7.20 Short Term Bond	9,208,592	67.53
■ Alt. Investments	5,569,295	9.64 ■ Small/Mid Cap Value	8,683,015	23.56 ■ Fixed Income Blend	28,070	0.21
Subtotal	57,796,420	100.00 International Equity	5,854,234	15.88 Total	13,637,257	100.00
Other	16,556	Equities Blend	816,153	2.21		
Total	57,812,976	Total	36,862,317	100.00		

Account Summary			
		Market	% of
Account	Account Type/Manager	Value(\$)	Total
XXX-XX003 "EQUITY"	BLACKROCK WDP TR ALL EQ (R)	37,057,724	64.10
XXX-XX004 "FIXED INCOME"	BLACKROCK INTMTAX FIX INC (R)	13,048,349	22.57
XXX-XX017 "ANNUITY ALT INVEST"	ENDOWMENT	7,706,902	13.33
Total		57,812,976	100.00

Top Holdings (Based on Market Value)				
Security Description	Quantity	Price(\$)	Market Value(\$)	% of Total
ISHARES CORE S&P MID-CAP ETF	17,881	250.16	4,473,111	7.74
PARTNERS GROUP PRIVATE EQUITY MASTER FUND LLC CLASS A	303,865	7.71	2,343,651	4.05
IRONWOOD MULTI-STRATEGY FUND LLC	1,941	1,125.26	2,183,765	3.78
JNL PERSPECTIVE II B	1	0	1,839,528	3.18
ISHARES TR RUSSELL 2000	9,570	178.40	1,707,288	2.95
BLF FEDFUND CASH RESERVE	1,588,872	1.00	1,588,872	2.75
MICROSOFT CORP	5,403	288.30	1,557,685	2.69
JLL INCOME PROPERTY TRUST, INC. CLASS A	64,654	13.76	889,634	1.54
AMAZON COM INC COM	8,569	103.29	885,092	1.53
APPLE INC	5,104	164.90	841,650	1.46
COMCAST CORP NEW CL A	16,328	37.91	618,994	1.07
Total			18,929,271	32.74

Time Weighted Rate of Return by Period: Yearly



Performance period: 02/01/2013 to 03/31/2023

	Opening	Contributions/	Interest/	Appreciation/	Closing	ROR	ROR
Period	Balance(\$)	(Withdrawals)(\$)	Dividends(\$)	(Depreciation)(\$)	Balance(\$)	Period(%)	Cum(%)
2023	55,419,307	133,983	444,158	1,815,528	57,812,976	4.08	88.37
2022	65,350,760	(2,055,030)	1,197,414	(9,073,837)	55,419,307	(12.03)	80.99
2021	54,696,180	2,205,990	928,512	7,520,078	65,350,760	15.41	105.75
2020	50,736,242	(1,320,828)	994,667	4,286,100	54,696,180	10.89	78.29
2019	42,886,595	(319,972)	1,094,857	7,074,762	50,736,242	19.11	60.78
2018	46,244,358	(924,957)	1,159,272	(3,592,079)	42,886,595	(5.40)	34.99
2017	41,078,153	(1,000,012)	928,767	5,237,450	46,244,358	15.08	42.69
2016	39,672,676	(994,671)	878,532	1,521,616	41,078,153	6.11	23.99
2015	41,206,869	(1,032,282)	1,255,871	(1,757,782)	39,672,676	(1.26)	16.86
2014	39,427,858	(154,994)	1,236,915	697,092	41,206,869	4.90	18.35
2013	5,141,579	29,967,333	751,523	3,567,422	39,427,858	12.82	12.82
Total	5,141,579	24,504,561	10,870,487	17,296,349	57,812,976		88.37

Money Weighted Rate of Return by Period: Yearly



Performance period: 07/01/2022 to 03/31/2023

	Opening	Contributions/	Interest/	Appreciation/	Closing	ROR	ROR
Period	Balance(\$)	(Withdrawals)(\$)	Dividends(\$)	(Depreciation)(\$)	Balance(\$)	Period(%)	Cum(%)
2023	55,419,307	133,983	444,158	1,815,528	57,812,976	4.08	6.15
2022	56,360,630	(2,055,030)	487,271	626,435	55,419,307	2.02	2.02
Total	56,360,630	(1,921,047)	931,430	2,441,963	57,812,976		6.15

Time Weighted Rate of Return by Account: Yearly



Performance period: 02/01/2013 to 03/31/2023

Period		Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
XXX-XX017 INVEST"	"ANNUITY ALT	5,141,579	583,908	1,609,678	371,737	7,706,902	·	33.64
2023		7,413,589	133,982	188,451	(29,121)	7,706,902	2.14	33.64
2022		9,056,352	(1,075,030)	273,421	(841,154)	7,413,589	(6.26)	30.83
2021		8,185,499	234	72,841	797,778	9,056,352	10.59	39.56
2020		8,854,487	(432,958)	145,522	(381,552)	8,185,499	(2.66)	26.20
2019		7,749,966	598,626	200,128	305,766	8,854,487	6.30	29.64
2018		7,647,197	0	186,171	(83,402)	7,749,966	1.34	21.95
2017		6,983,283	0	77,079	586,835	7,647,197	9.51	20.33
2016		5,904,777	1,100,000	93,229	(114,723)	6,983,283	(0.76)	9.89
2015		5,309,259	759,970	250,296	(414,749)	5,904,777	(2.42)	10.73
2014		5,284,031	(201,955)	121,868	105,315	5,309,259	4.24	13.48
2013		5,141,579	(298,962)	669	440,744	5,284,031	8.86	8.86
XXX-XX003	"EQUITY"	0	11,761,169	6,134,469	19,162,086	37,057,724		141.15
2023		35,218,315	1	143,676	1,695,732	37,057,724	5.22	141.15
2022		42,402,489	(980,000)	556,541	(6,760,715)	35,218,315	(14.73)	129.18
2021		35,392,110	(796,799)	535,413	7,271,765	42,402,489	22.24	168.78
2020		31,422,478	(950,000)	517,170	4,402,462	35,392,110	16.29	119.89
2019		26,402,524	(2,028,579)	577,098	6,471,435	31,422,478	27.59	89.09
2018		30,179,810	(1,224,957)	693,244	(3,245,572)	26,402,524	(8.90)	48.21
2017		25,875,153	(1,000,011)	578,476	4,726,192	30,179,810	20.66	62.69
2016		24,242,285	(594,671)	493,486	1,734,053	25,875,153	9.27	34.83
2015		26,490,967	(1,792,252)	694,202	(1,150,632)	24,242,285	(1.67)	23.39
2014		24,974,618	46,960	827,397	641,992	26,490,967	5.87	25.49
2013		0	21,081,476	517,768	3,375,374	24,974,618	18.53	18.53
XXX-XX004 INCOME"	"FIXED	0	12,159,484	3,126,340	(2,237,475)	13,048,349		12.53
2023		12,787,403	0	112,030	148,917	13,048,349	2.04	12.53
2022		13,891,919	0	367,451	(1,471,968)	12,787,403	(7.95)	10.28
2021		11,118,571	3,002,556	320,258	(549,466)	13,891,919	(1.74)	19.80
2020		10,459,277	62,130	331,974	265,190	11,118,571	5.68	21.93
2019		8,734,104	1,109,981	317,631	297,561	10,459,277	6.43	15.37
2018		8,417,352	300,000	279,858	(263,105)	8,734,104	0.18	8.40
2017		8,219,717	(1)	273,212	(75,576)	8,417,352	2.41	8.21
2016		9,525,614	(1,500,000)	291,817	(97,714)	8,219,717	1.80	5.66
2015		9,406,643	0	311,373	(192,402)	9,525,614	1.27	3.79
2014		9,169,209	0	287,649	(50,216)	9,406,643	2.59	2.49
2013		0	9,184,818	233,086	(248,695)	9,169,209	(0.09)	(0.09)

Money Weighted Rate of Return by Account: Yearly



Performance period: 04/01/2013 to 03/31/2023

Period		Opening Balance(\$)	Contributions/ (Withdrawals)(\$)	Interest/ Dividends(\$)	Appreciation/ (Depreciation)(\$)	Closing Balance(\$)	ROR Period(%)	ROR Cum(%)
XXX-XX017 "AN	NUITY ALT INVEST"	5,269,990	583,908	1,609,525	243,479	7,706,902		30.33
2023		7,413,589	133,982	188,451	(29,121)	7,706,902	2.15	30.33
2022		9,056,352	(1,075,030)	273,421	(841,154)	7,413,589	(6.45)	27.67
2021		8,185,499	234	72,841	797,778	9,056,352	10.59	37.34
2020		8,854,487	(432,958)	145,522	(381,552)	8,185,499	(2.77)	23.23
2019		7,749,966	598,626	200,128	305,766	8,854,487	6.19	27.80
2018		7,647,197	0	186,171	(83,402)	7,749,966	1.34	19.76
2017		6,983,283	0	77,079	586,835	7,647,197	9.51	18.56
2016		5,904,777	1,100,000	93,229	(114,723)	6,983,283	(0.34)	6.80
2015		5,309,259	759,970	250,296	(414,749)	5,904,777	(3.05)	7.61
2014		5,284,031	(201,955)	121,868	105,315	5,309,259	4.37	10.83
2013		5,269,990	(298,962)	517	312,486	5,284,031	6.11	6.11
XXX-XX003 "EQ	UITY"	20,765,688	(8,795,307)	6,131,991	18,955,353	37,057,724		139.28
2023		35,218,315	1	143,676	1,695,732	37,057,724	5.22	139.28
2022		42,402,489	(980,000)	556,541	(6,760,715)	35,218,315	(14.76)	128.53
2021		35,392,110	(796,799)	535,413	7,271,765	42,402,489	22.32	157.94
2020		31,422,478	(950,000)	517,170	4,402,462	35,392,110	15.91	113.85
2019		26,402,524	(2,028,579)	577,098	6,471,435	31,422,478	28.00	85.90
2018		30,179,810	(1,224,957)	693,244	(3,245,572)	26,402,524	(8.53)	48.57
2017		25,875,153	(1,000,011)	578,476	4,726,192	30,179,810	20.67	60.10
2016		24,242,285	(594,671)	493,486	1,734,053	25,875,153	9.27	33.50
2015		26,490,967	(1,792,252)	694,202	(1,150,632)	24,242,285	(1.76)	22.27
2014		24,974,618	46,960	827,397	641,992	26,490,967	5.87	24.27
2013		20,765,688	525,000	515,290	3,168,640	24,974,618	17.45	17.45
XXX-XX004 "FIX	ED INCOME"	9,758,281	2,449,666	3,089,136	(2,248,734)	13,048,349		9.00
2023		12,787,403	0	112,030	148,917	13,048,349	2.04	9.00
2022		13,891,919	0	367,451	(1,471,968)	12,787,403	(7.95)	6.25
2021		11,118,571	3,002,556	320,258	(549,466)	13,891,919	(1.89)	18.84
2020		10,459,277	62,130	331,974	265,190	11,118,571	5.68	21.77
2019		8,734,104	1,109,981	317,631	297,561	10,459,277	6.39	15.07
2018		8,417,352	300,000	279,858	(263,105)	8,734,104	0.19	8.06
2017		8,219,717	(1)	273,212	(75,576)	8,417,352	2.41	7.75
2016		9,525,614	(1,500,000)	291,817	(97,714)	8,219,717	2.18	5.34
2015		9,406,643	0	311,373	(192,402)	9,525,614	1.27	3.15
2014		9,169,209	0	287,649	(50,216)	9,406,643	2.59	1.86
2013		9,758,281	(525,000)	195,882	(259,954)	9,169,209	(0.68)	(0.68)

Important Information About Reference Indices



Market indices are included in this report to provide a reference point when reviewing the performance of your account(s). Indices provide a general source of information on how various market segments and types of investments have performed in the past. The index illustrated may be a single index, a combination of indices, or may include the performance of a Merrill allocation model. The characteristics of the indices provided may differ from your actual account(s). You should discuss with your Financial Advisor the reference indices selected and how they compare with your account(s).

XXX-XX017: Account Performance Range: 01/14/2005 - CURRENT

Advisor Defined Style Index Performance Range: 01/01/2005 - 02/28/2023 *

Fixed Allocation Blend Index:

20.00% ICE BofA 3-Month US Treasury Bill Cash: AI: 60.00% HFRI Fund of Funds Composite *

12.00% S&P 500 TR Equity:

Fixed Income: 8.00% ICE BofA US Corporate & Government 1-10Yr A Rtd+

XXX-XX004: Account Performance Range: 02/19/2013 - CURRENT

Style Index:

02/01/2013 - 02/28/2023 (100.00% BBG Barclays US Aggregate Intermediate Bond TR) *

XXX-XX003: Account Performance Range: 02/19/2013 - CURRENT

Style Index:

02/19/2013 - 08/31/2016 (25.00% S&P 500 TR, 25.00% MSCI AC World ex US TR Net, 17.50% Russell 1000 Value TR, 17.50% S&P 500 Growth TR, 5.00% S&P Mid Cap 400 Value TR, 5.00% MSCI World Small Cap TR Net, 5.00% MSCI

Emerging Markets TR Net)

09/01/2016 - CURRENT (60.00% MSCI AC World ex US TR Net. 40.00% MSCI USA TR Gross)

Additional Comparatives: The following indices are further reference points to various broad market indices. Based on the exhibits selected, these indices may or may not be included in this report.

S&P 500 TR

ICE BofA 3-Month US Treasury Bill

Russell 1000 Value TR

ICE BofA US Corporate, Government & Mortgage

ICE BofA US Broad Market Bond

ICE BofA US Corporate, Government & Mortg 1-10Yr

BBG Barclays US Aggregate Intermediate Bond TR

Consumer Price Index (All Urban NSA)

A Style Index is designed to provide a relevant market comparison to the performance of an account and where applicable, an investment manager or Financial Advisor's investment strategy. It can either be a single index benchmark or a combination of indexes. A Style Index is determined by Merrill based on several factors such as the Manager's investment philosophy and style if applicable, the asset mix over time, the range and average market capitalization of stock holdings over time, and maturities and duration of fixed income holdings.

An Advisor Defined Style Index is the reference index selected by your Advisor as the primary comparative index for your account(s). If risk statistics such as alpha or the information ratio have been included in the analysis, this index will be used in calculating those statistics. The following are type(s) of index blends your Financial Advisor selected:

Fixed Allocation Blend Index - weighs the performance of the indices selected for each asset class based on the allocation displayed. If daily performance is available for each component index leveraged, your Fixed Allocation Blend is calculated based on the actual performance start date. If performance data is not available daily for one or more component indices, your Fixed Allocation Blend will leverage full month performance returns for those indices and months.

A Custom Index when presented, is calculated using the same market indices included in the Style Index, but leverages the actual asset allocation of your account(s). The difference between the Style and Custom Indices provides an indication of positive/negative asset allocation impact. Please note, the Custom Index can leverage indices not included in your Style Index and, therefore, may not have the same data availability.

Allocation Score: This score is designed as a measure of the incremental rate of return added by the investment manager's asset allocation decisions. Mathematically, it is derived by subtracting the Style Index Return from the Custom Index Return, thus "isolating" out the effect of the manager's active asset allocation decisions in the Custom Index, as compared with the static or passive allocation guidelines in the Style Index.

Selection Score: This is designed as a measure of the value added by the investment manager or Financial Advisor's active security selection. Mathematically, it is derived by subtracting the Custom Index return from the actual portfolio's return, thus "isolating" out the effect of the manager or Financial Advisor's active security selection decisions versus the passive alternative of the market indices used in the Custom Index.

Active Management Score: This score indicates the incremental rate of return added by the investment manager or Financial Advisor through security selection and asset allocation. The score is derived by comparing the actual, actively managed portfolio's returns to those of a "passive" portfolio, the Style Index. Mathematically, the Active Management Score is computed as the difference between the actual portfolio return and the Style Index return. It is also equal to the sum of the Selection and the Allocation Scores, since it "cumulates" the manager's or the Financial Advisor's contribution in both areas.

Reference Indices may be included as a general source of information regarding the performance of certain types of investments (e.g., US equities, international equities, fixed income, cash, etc.). Direct investment into an index cannot be made. Additional information regarding the indices shown is available from your Financial Advisor.

Important Information About Reference Indices



The Russell Indexes are marks of Frank Russell Company.

Performance data for indices is generally available on a "Close of Business" or monthly basis for the performance date range.

* The noted indices do not have performance information available as of "Close of Business" or for partial month portfolio returns. In these cases, the indices reflect full month performance returns. It is important to understand this if you are using any indices for performance comparisons relative to your account(s) and the overall market.



This analysis is a brokerage report that provides you with a detailed review of your investment strategy. including current financial positions, asset allocation and investment performance. In conjunction with a Financial Advisor's assistance, this report can help you make informed investment decisions in order to support your financial objectives. Merrill offers brokerage, investment advisory and other services. For more information about any of these services and their differences, including the type of advice and assistance offered, see your Financial Advisor. Please note that security classifications and definitions of objectives described below can be changed from time to time at the discretion of Merrill. It is important for you to understand that this report is not a comprehensive financial plan. If you are interested in a formal analysis of your entire financial situation, ask your Advisor about Merrill's financial planning services, including the fees that may be applicable.

Please note that it does not provide information on any unsupervised (i.e., unmanaged) assets that may be held in your account(s).

An (R) after the name of the investment objective means that you have imposed one or more restrictions on the management of your account.

For accounts enrolled in managed account programs such as the Merrill Lynch Investment Advisory Program, BlackRock Private Investors ("BR PI"), Strategic Portfolio Advisor ("SPA"), client agreements, disclosure statements, and profiles (if applicable) can provide additional information about these programs, including applicable fees, restrictions and other terms.

Merrill is both a broker-dealer and an investment adviser, and it offers both brokerage and investment advisory services. There are important differences between these services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. Brokerage services are also regulated under different laws and rules than advisory services. It is important for you to understand these differences, particularly when determining which service or investments you might select.

Pricing of Securities

Pricing of securities is provided for your information. Your Account Statement is your official record of holdings, balances, and security values for your accounts at Merrill and sold to you by your Financial Advisor. Unless you or a third party have provided the values for any External Assets, values reflect information as of the "Close of Business" date reflected at the top of each exhibit. Values for External Assets (if you have chosen to include them) will reflect information as of the "Close of Business" date indicated, provided pricing information for the particular security is available to Merrill. Otherwise, pricing information for External Assets are based on values you or a third party have provided to Merrill. Please contact your Financial Advisor if you have questions relating to pricing information. Please see the "External Assets" section at the end of this Report for important information relating to External Assets generally, including reviewing the External Assets with your Financial Advisor on a regular basis.

Annuities and life insurance products are not held in your account. Their values are listed in the report for your convenience. Life Insurance Cash Values and Annuity Contract Values are used to calculate Total Portfolio Value. These values are as of "close of one business" day prior to the "as of" date shown. Cash values may not reflect immediately available funds due to loan balances and/or policy changes. Annuity Contract Values may not reflect immediately available funds due to contract changes. All market values include accrued interest, unless otherwise indicated.

Performance

Account values, cash flows and returns may differ from other sources due to differing methods of pricing, accounting or calculation. This Report is prepared on a trade date basis using accrued income when sufficient data is available and thus will differ from a report prepared on a settlement date basis (e.g., your Merrill account statement). From time to time, asset valuation or transaction data may be adjusted, which in turn may impact the portfolio performance calculations and other information shown in the report. In addition, if your account(s) holds "when issued securities," which are not valued by Merrill until the settlement date, your asset allocation may not be accurately reflected.

Rate of returns presented "Net of Fees" reflect the deduction of the Investment Advisory Program fee, where applicable. The deduction of the **Investment Advisory Program** fee, where applicable, is also reflected in the Appreciate/Depreciation section. Other than the applicable program fee, net returns do not reflect the deduction of fees that may be charged directly to an underlying account, including, but not limited to brokerage-related commissions, transfer taxes, margin interest, certain redemption fees, exchange or similar fees (such as American Depositary Receipts) charged by third parties, including issuers, electronic fund, wire or other account transfer fees, annual investor fees and repurchase fees relating to exchange-traded notes and other charges imposed by law.

Rate of returns presented "Gross of Fees" are shown before the deduction of advisory fees where applicable in order to make them comparable to the returns of the market indices. Rate of returns are presented "Net of Fees" unless noted as "Gross of Fees."

Please refer to the applicable ADV Brochure and Client Agreement for a full description of investment advisory fees for accounts enrolled in an investment advisory program.

Market indices or other benchmark returns are shown for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved. Market indices are unmanaged. It is not possible to invest in an index. Depending on how account fees are paid (see below), the account returns may be shown after the deduction of fees for certain periods. When the fee is deducted directly from this account(s), information will be shown both before and after the deduction of fees. When the fee is deducted directly from another account(s), information will be shown before the deduction of fees. When the fee is paid via invoice:

- For periods prior to September 1998, information will be shown before the deduction of fees.
- For periods after September 1998, information will be shown both before and after the deduction of fees.

It is very important that you provide Merrill with current information regarding the management of your account(s). We encourage you to contact a Financial Solutions Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your account(s) or reasonably modify existing restrictions. If you would like to receive a free copy of the current Form ADV Brochure(s) for the investment advisory program(s) in which your account(s) is enrolled, please send a written request with your account number(s) to: Managed Accounts Processing and Services, 4800 Deer Lake Drive West, Building 1, 3rd Fl., Jacksonville, FL 32246. You may also obtain a copy of the various Merrill advisory program brochures by accessing the Securities and Exchange Commission ("SEC") website at www.adviserinfo.sec.gov.

The valuation of hedge funds is prepared based upon information from third party sources. The information has not been verified and cannot be guaranteed. This data may include estimates and is subject to revision.

If an account has been managed by more than one manager, the manager name in the Report reflects the current manager. However, return and standard deviation information may be calculated using the entire history of each account. This Report may also include information for account(s) that are not managed by an investment manager (i.e., where you make the investment decisions).

Classification of Securities

For Asset Class, Sector or Size and Style Analysis reports, securities are generally classified by asset class, sector, size and style and, for Fixed Income, maturity.

- For Size and Style, security classification is as follows: a capitalization breakpoint of \$19.70 billion defines the size Large Cap, \$19.70 billion to \$6.40 billion for Mid Cap, and less than \$6.40 billion for Small Cap for domestic equity securities. Small/Mid Cap (SMID) is defined as less than \$19.70 billion. The style (Growth, Core or Value) for these securities is defined by a proprietary procedure which utilizes a series of quantitative and qualitative metrics (e.g., expected earnings growth, analyst coverage, etc.).
- For Equity Sector, security classifications are based on Global Industry Classification Standard ("GICS"). Source: Morgan Stanley Capital International ("MSCI") and Standard & Poor's ("S&P"), a division of the McGraw Hill Companies, Inc.
- For Fixed Income, maturity breakpoints are as follows: Short-Term: 0-5 years, Intermediate-Term: 5-15 years. Long-Term greater than 15 years.
- For Fixed Income, Non-Securitized US Agency, US Government Sponsored Enterprise, and Super National debt are classified as US Government / Quasi Government. All Securitized Agency and Government Sponsored Enterprise debt are classified as Securitized.



- For Fixed Income, bonds are classified as either Investment Grade or High Yield based on the bond's composite rating as determined by a methodology set out in the Composite Rating Explanation, with the exception of bonds pre-refunded or maturity to escrow (including partial redemptions). Bonds pre-refunded or maturity to escrow (including partial redemptions) are classified as investment grade and placed in their respective fixed income sector.
- Equity Region classifications are based on country of domicile and mapped to BofA Global Research Group global regions.
- Convertible securities and options are classified as Equities.
- Preferred Stock is classified as Fixed Income.
- Life Insurance products are classified as Other.
- For Alternative Investments, Exchange Funds, Hedge Funds, Private Equity, Managed Futures, Precious Metals and select Market-Linked Investments may be included.
- For "Other" and "Hard" Assets, items that are not easily classified into the asset classes above (such as business interests, investment real estate, options, and life insurance) are shown for informational purposes only and are not part of your analysis.
- When External Assets are included in a Report (as described further in the External Assets section of this Appendix), securities and/or strategies are generally classified, where available, as indicated above. If a classification is not available, External Assets are classified as "Other".
- When available, Market-Linked Investments are classified by the nature of the referenced or linked security or market measure associated with that market-linked investment which may be an individual security, index, or other investment such as a mutual fund or exchange traded fund.
- For mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities, the fund may be shown by holdings or, optionally, by profile (fund objective).
- When shown by holdings, the fund is classified by the asset class, sector, size and style or maturity breakdown of those securities. When shown by profile, the fund is classified by the asset class, sector, or size and style provided by vendors and mapped to Merrill's GWIM Chief Investment Office allocation schema in order to report the industry's or Merrill's interpretation of the objective of the fund/pooled investment vehicle. Note that the data used for this classification is obtained from a variety of sources and may not be current (see "Data As Of" date shown in the Details Section for the date the portfolio securities and/or strategies were reported by the fund). Mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities may change their portfolio securities on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds, exchange traded funds, closed end funds, and the investment options of underlying annuities may not accurately reflect the current composition of these funds. The classification of these securities may differ from other sources due to differing methods of classification (e.g. shown and classified by holdings versus by profile). As such, this Report may differ from other reports (e.g., your Merrill account statement, in which these funds are always shown by profile) depending on whether the funds are shown by holdings or by profile in this Report. In particular, Non-Traditional Funds (NTFs), mutual funds and exchange traded funds that pursue alternative strategies or provide alternative asset exposure, may be classified as alternative investments when shown by profile, but when shown by holdings, the NTF will be classified by the asset class, sector, size and style or maturity breakdown of its holdings, which may reflect no allocation to alternative investments.
- If the holdings or profile data for mutual funds, exchange traded funds, or closed end funds is not available, the fund is classified by its predominant asset class ("Data As Of" date shown as "N/A" in the Details Section).
- If the holdings or profile data for the investment options of underlying annuities is not available, fixed annuities and market value adjusted annuities are classified as Fixed Income and variable annuities are classified as Equities. Note that annuities and life insurance products are not held in your account but are included here for your information.
- For investment advisory programs, asset allocation information may be based on your actual securities and/or strategies, model portfolio holdings or the mandated style. Your Financial Advisor can provide additional information.

The Details Section may also provide summary information regarding accounts enrolled in managed account programs such as the Investment Advisory Program (utilizing Managed or Custom Managed strategies), Consults, BlackRock Private Investors ("BR PI"), and MFA, classification detail for the

managed account is not based on your actual holdings but on the investment style that has been identified for the specific investment manager/style.

Your Financial Advisor can also provide a report based on the account's actual holdings.

When External Assets are included in a Report (as described further in the External Assets section of this Appendix), holdings are generally classified, where available, as indicated above and are based on classification types established by Merrill. The Merrill classification types may differ from those used at those institutions where your External Assets are maintained. These differences in classification may cause the External Assets in your External Accounts to be displayed in asset allocations and/or sector information on your Merrill Reports that differ from how they appear in those other institutions. These differences in classification types do not impact the valuation of the External Assets. Allocations reported when a classification is not available for External Accounts and External Account Proxies are classified as "Other".

Classification details for mutual funds, closed end funds, certain managed accounts, annuities and External Account Proxies are identified in "Details for Managed Assets and Pooled Investments" ("Details Section").

"External Account Proxy" are External Accounts that you have generally identified in the aggregate and not by specific holdings. Be sure to periodically review these accounts with your Financial Advisor and advise if there have been any changes to the holdings in or value of these Accounts.

When External Accounts and External Account Proxies are included in a Report (as described further in the External Assets section of this Report), holdings are generally classified, where available, as indicated above. If a classification is not available, External Accounts and External Account Proxies are classified as "Other".

If "Portfolio Detail" reports are included, the value shown for mutual funds, exchange traded funds, closed end funds and the investment options of underlying variable annuities is the proportionate dollar value of a fund's holdings, as classified by asset class, sector, size and style or maturity, respectively.

Date of Composition Information Obtained for Pooled Investments

If the accounts included in this Report hold mutual funds, closed end funds, annuities, and/or other pooled investments, the holdings reported by the fund or carrier as appropriate, as of the date identified below, are reflected in the Report. Note that mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, this Report may not reflect the current composition of the accounts included.

External Assets

The following important information is provided to help you better understand the external assets information that has been provided in this report, if applicable, and to advise you of action you may need to take by periodically reviewing those assets. If you have requested your Financial Advisor include your external assets in this report, your disclosed external assets are reflected in Appendix: Client Profile in the "Investment Assets Not Held at Merrill or Bank of America" section. For purposes of the following information, both External Accounts and External Account Proxies are referred to generally as "External Assets".

• External Assets may include securities, values and other information that have been supplied: (1) by you to your Financial Advisor: (2) by you through a direct custodial feed (or) through a third party data aggregation service which combines your External Assets and provides that information to Merrill. External Assets information may not be included in every exhibit in this Report. Please make sure you periodically review your External Assets and if you have provided External Assets-related information to your Financial Advisor for inclusion in this or other reports and analyses, it is important that you provide your Financial Advisor with updated values, as appropriate.



External Assets information is not included in every exhibit in this Report. External Assets information is only included in the following exhibits:

- Account List
- Asset Allocation
- Asset Allocation Overview
- Asset and Account Allocation
- Asset Class Analysis Account Detail
- Asset Class Analysis Account Summary
- Asset Class Analysis Detail
- Asset Class Analysis Summary
- Balances
- Historical Allocation by Asset Class
- Holdings by Account/Product
- Holdings by Product

- Holdings by Product (MRP)
- Holdings by Product/Account
- Portfolio Overview
- · Portfolio Summary by Account
- Potential Wealth
- Progress to Goals
- Research Ratings
- Sector Analysis Detail
- Sector Analysis Summary
- Size and Style Analysis Detail
- Size and Style Analysis Summary
- Total Portfolio Review

Please make sure you periodically review your External Assets and if you have provided External Assets-related information to your Financial Advisor for inclusion in this or other reports and analyses, it is important that you provide your Financial Advisor with updated values, as appropriate.

Your Financial Advisor and Merrill will not update information relating to your External Assets, except for pricing information, if pricing information for the particular security is available to Merrill. Please refer to "Pricing of Securities" Important Information About This Report for additional information.

- Your Merrill Account Statement is your official record of holdings, balances, and security values for your accounts at Merrill and sold to you by your Financial Advisor. Any investments sold to you by your Merrill Advisor will be included on your Merrill Account Statement. Any information contained in this Report does not replace or supersede information on your Merrill Account Statement or any third party account statement for your External Assets. If there is any inconsistent information reflected for the External Assets information included in this Report, please refer to the statement or report sent to you by the third party and notify the Office Management Team at your Merrill branch office so that we may update the information.
- Merrill does not independently verify the accuracy of the information supplied, by you or any third party used through My Financial Picture.
- Although Merrill may be providing you with information relating to External Assets, Merrill does not
 provide investment advice with respect to External Assets unless otherwise agreed to between you
 and Merrill.

Important Note about Alternative Investments

Alternative investments can provide diversification benefits not obtained from more traditional investments, but should be carefully considered based on your investment objectives, risk tolerance, liquidity needs and time horizon. Certain types of products that implement alternative investment strategies (such as hedge funds and private equity) are often long-term, illiquid investments that are not easily valued, while other types of products that implement alternative investment strategies, such as Non-Traditional Funds (NTFs) (mutual funds and exchange traded funds that pursue alternative strategies or provide alternative asset exposure) are generally liquid. NTFs, hedge funds, private equity funds and other products that implement alternative investment strategies may be reflected in the alternative investment asset allocation.

- For Alternative Investments, Exchange Funds, Hedge Funds, Private Equity, Managed Futures Precious Metals and select Market-Linked Investments may be included.
- For "Other" and "Hard" Assets, items that are not easily classified into the asset classes above (such as business interests, investment real estate, options, and life insurance) are shown for informational purposes only and are not part of your analysis.

Alternative Investment Risks

For investors who may want to consider alternative investments as part of a diversified portfolio, careful consideration should be given to the associated risks of these investments. The investor's investment objectives, time horizon, risk tolerance, liquidity needs and net worth should be appropriate as certain types of products that implement alternative investment strategies (such as hedge funds and private equity) are often long-term, illiquid investments that are not easily valued.

Often specific levels of net worth and liquidity are required in making certain alternative investments available (e.g., for some alternative investments, such as hedge funds and private equity, net worth of \$5 million or more is required). In addition, the timing of capital calls and distributions may not be predictable; periodic pricing or valuation information may not be available; and complex tax structures may be utilized and there may be delays in distributing important tax information. Certain alternative investment products (such as hedge funds and private equity) are sold pursuant to exemptions from registration with the SEC and may not be subject to the same regulatory requirements as other investment products. Certain alternative investments require tax reports on Schedule K-1 to be prepared and filed. As a result, investors will likely be required to obtain extensions for filing federal, state, and local income tax returns each year. Certain other investments in your portfolio may also be classified as alternative investments. Non-Traditional funds (NTFs) are mutual funds and exchange-traded funds that are classified as alternative investments because their principal investment strategies utilize alternative investment strategies or provide for alternative asset exposure as the means to meet their investment objectives. Though the portfolio holdings of NTFs are generally made up of stocks and bonds, NTFs may also hold other asset classes and may use short selling, leverage and derivatives. While the strategies employed by NTFs are often used by hedge funds and other alternative investment vehicles. unlike hedge funds. NTFs are registered with the SEC and thus subject to a more structured regulatory regime and offer lower initial and subsequent investment minimums, along with daily pricing and liquidity. While these investment vehicles can offer diversification within a relatively liquid and accessible structure, it is absolutely essential to understand that because of this structure, NTFs may not have the same type of non-market returns as other investments classified as alternative investments (such as hedge funds) and thus may serve as an imperfect substitute for such other investment vehicles. The risk characteristics of NTFs can be similar to those generally associated with traditional alternative investment products (such as hedge funds). No assurance can be given that the investment objectives of any particular alternative investment will be achieved. Like any investment, an investor can lose all or a substantial amount of his or her investment. In addition to the foregoing risks, each alternative investment vehicle is subject to its own varying degrees of strategy-specific or other risks. Whether a particular investment meets the investment objectives and risk parameters of any particular client must be determined case by case. You must carefully review the prospectus or offering materials for any particular fund/pooled vehicle and consider your ability to bear these risks before any decision to invest.

Asset Allocation Models

Merrill, through the CIO, has developed asset allocation models for investment guidance that are based on various risk tolerance and time horizon metrics. These asset allocation models and guidance are subject to change as market conditions change in the future. Alternatively, your Financial Advisor may have customized an asset allocation for your specific situation which may or may not be based on an asset allocation model. Asset allocation does not assure a profit or protect against a loss in declining markets. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns.

Asset allocation models that include alternative investments as an asset class are predicated on various client liquidity profiles. In general, including alternative investments, particularly traditional hedge funds and private equity funds, may only be in the best interest of clients with lower liquidity needs. In adopting an asset allocation model or strategy that includes alternative investments or in investing in alternative investments, you should consider your liquidity needs and assets available to you to meet those needs. You should regularly review your asset allocation with your Financial Advisor.

• When a Wealth Management Analysis is included, the Portfolio Assets Rate of Return represents the after-tax rate of return that your portfolio assets are projected to generate for the purposes of this analysis. Liquidating your portfolio assets would be more costly than the financing alternatives with lower interest rates because you would be losing a greater amount of investment income than you would be paying in interest costs. Interest expense may not be deductible for all taxpayers. Please consult your tax advisor.

IMPORTANT DISCLOSURES

Merrill Lynch, Pierce, Fenner & Smith Incorporated (also referred to as "MLPF&S" or "Merrill") makes available certain investment products sponsored, managed, distributed, or provided by companies that are affiliates of Bank of America Corporation ("BofA Corp."). MLPF&S is a registered broker-dealer, registered investment adviser, Member SIPC, and a wholly owned subsidiary of BofA Corp.



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Trust and fiduciary services are provided by Bank of America, N.A., Member FDIC, and a wholly-owned subsidiary of BofA Corp.

Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC, and wholly owned subsidiaries of BofA Corp.

Investment products offered through MLPF&S and insurance and annuity products offered through MLLA:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
Are Not Deposits	Are Not Insured by Any Federal Government Agency	Are Not a Condition to Any Banking Service or Activity

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Northwest Florida State College Foundation, Inc.

Statement of Financial Position As of March 31, 2023 (in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 31-Mar-2023	Prior Year Total as of 31-Mar-2022	% Change
Asset						
Cash and Cash Equivalents	2,004,902	780,908	(2,101,126)	684,683	681,967	0%
Investments	68,225	504,588	57,677,480	58,250,293	63,152,043	▼8%
Accounts Receivable (Net)	7,091	43,181	39,025	89,298	193,921	▼54%
Due from Other Funds	0	0	0	0	0	0%
Prepaid Expenses	76,125	0	0	76,125	4,265	1,685%
Depreciable Capital Assets (Net)	0	0	0	0	0	0%
Non-Depreciable Capital Assets	0	0	12,830	12,830	15,975	▼20%
Total Assets	2,156,343	1,328,678	55,628,209	59,113,230	64,048,171	▼8%
Liabilities						
Accounts Payable	1,768	0	0	1,768	100	1,668%
Deferred Revenue	0	0	0	0	0	0%
Total Liabilities	1,768	0	0	1,768	100	1,668%
		'	'			
Fund Balance						
Total Fund Balance	2,154,575	1,328,678	55,628,209	59,111,461	64,048,071	▼8%
Total Liabilities and Fund Balance	2,156,343	1,328,678	55,628,209	59,113,230	64,048,171	▼8%

Northwest Florida State College Foundation, Inc.

Statement of Activities
July 1, 2022 through March 31, 2023
(in whole numbers)

	Unrestricted Operating	Temporary Restricted Gift	Permanent Restricted Endowed	Current Total as of 31-Mar-23	Prior Year Total as of 31-Mar-22	% Change
Revenue						
Gifts/Contributions	106,392	371,406	105,235	583,033	1,034,724	▼44%
Grants	0	176,000	0	176,000	15,975	1,002%
Memberships	0	58,550	0	58,550	57,225	2%
Special Events	0	23,648	0	23,648	22,831	4%
Market Gains/(Losses)	103,542	15,986	2,430,991	2,550,518	(1,035,680)	346%
Interest and Dividends	9,509	7,304	1,030,325	1,047,139	1,055,732	▼1%
Rental Income	0	0	0	0	46,492	0%
Other Non-Operating Revenues	0	0	0	0	2,515,652	0%
Other Operating Revenues	31,388	0	0	31,388	29,484	6%
Total Revenue	250,830	652,895	3,566,551	4,470,275	3,742,433	19%
Direct Expenditures						
Communication Service	0	0	0	0	547	0%
Freight and Postage	0	0	0	0	0	0%
Insurance	3,489	0	0	3,489	11,853	▼71%
Office Materials and Supplies	427	0	0	427	28	1,404%
Other Expenses	0	0	0	0	0	0%
Other Materials and Supplies	28,660	0	0	28,660	26,436	8%
Other Services	980	0	0	980	1,204	▼19%
Plant Maintenance Supplies	0	0	0	0	2,861	0%
Printing and Duplication	375	0	0	375	1,895	▼80%
Professional Fees/Support Services	289,706	0	188,205	477,911	495,624	▼4%
Repairs and Maintenance	0	1,261	0	1,261	5,455	▼77%
Scholarships	2	356,607	0	356,609	328,977	8%
Support to College	12,000	1,832,991	142	1,845,133	4,244,801	▼57%
Taxes and Licenses	36	149	0	185	215	▼14%
Travel	0	0	0	0	0	0%
Utilities	0	0	0	0	14,974	0%
Total Direct Expenditures	335,675	2,191,007	188,347	2,715,029	5,134,874	▼47%
Tuesday						
Transfers						
Transfer In-Admin Fee Income	304,644	0	0	304,644	348,709	▼13%
Transfer In-Donor Principal	0	0	0	0	0	0%
Transfer In-End Spending Allocation	0	2,040,576	0	2,040,576	3,067,174	▼33%
Transfer In-Other Undistributed	0	0	0	0	44	0%
Transfer Out-Admin Fee Expense	(1,286)	(4,263)	(299,095)	(304,644)	(348,709)	13%
Transfer Out-Donor Principal	0	0	0	0	0	0%
Transfer Out-End Spending Allocatio	0	0	(2,040,576)	(2,040,576)	(3,067,174)	33%
Transfer Out-Other Undistributed	0	0	0	0	(44)	0%
Total Transfers	303,358	2,036,313	(2,339,671)	0	0	0%
					,,,,,,	
Net Increase/(Decrease) In Fund Balance	218,513	498,200	1,038,533	1,755,246	(1,392,440)	226%

NORTHWEST FLORIDA STATE COLLEGE FOUNDATION, INC. INVESTMENT REPORT

July 1, 2022 - March 31, 2023

Merrill Lynch EMA Account							(st	atements provid	ded m	onthly)
		Income		Expense	N	et Income	(Gain/(Loss)		Total
1st Quarter: Jul / Aug / Sep	\$	275,733	\$. 64,361	\$	211,372	\$	(2,621,316)	\$	(2,409,944
2nd Quarter: Oct / Nov / Dec		308,649		60,320	\$	248,329		3,280,095		3,528,424
3rd Quarter: Jan / Feb / Mar		445,944		63,523	\$	382,420		1,875,753		2,258,173
4th Quarter: Apr / May / Jun						-				-
YTD Total	\$	1,030,325	\$	188,205	\$	842,121	\$	2,534,532	\$	3,376,653
		Cost		Market						
Beginning Balance	\$	46,964,085	\$	56,355,827						
Transfers Out of EMA	Ф		Ф							
Transfers In to EMA		(2,055,000) 133,982		(2,055,000) 133,982						
Net Investment Income		842,121		842,121						
Gains (Loss) YTD Total		2,534,532 48,419,720		2,534,532 57,811,462						
TID Total	Ψ	40,419,720		37,011,402						
Vanguard Wellington Account							(st	atements provid	ded qu	uarterly)
		Income		Expense	N	et Income	(Gain/(Loss)		Total
1st Quarter: Jul - Sep	\$	2,176	\$	-	\$	2,176	\$	(22,387)	\$	(20,211
2nd Quarter: Oct - Dec		2,824		-		2,824		26,460		29,284
3rd Quarter: Jan - Mar		2,305		-		2,305		11,913		14,217
4th Quarter: Apr - Jun				-		-				
YTD Total	\$	7,304	\$	-	\$	7,304	\$	15,986	\$	23,290
		Cost		Market						
Beginning Balance	\$	372,511	\$	415,541						
Transfers Out of Vanguard	Ψ	-	Ψ	-						
Transfers In to Vanguard		_		_						
Net Investment Income		7,304		7,304						
Gains (Loss)		15,986		15,986						
YTD Total	\$	395,801	\$	438,831						
		333/601	<u> </u>	100,001						
Total Holdings										
	N	Merrill Lynch		Vanguard		Total		Allocation	Ta	rget Range
		1 0 4 6 2 4 0	\$	7,811	\$	1,954,160		3.35%		2% - 89
Cash & Money	\$	1,946,349	Ф	7,011	Ψ	.,55 ., . 55		3.3370		270 07
Cash & Money Equity	\$	1,946,349 35,621,629	φ	288,093	\$	35,909,722		61.65%		
Equity	\$		Þ							45% - 659
-	\$	35,621,629	Ψ		\$	35,909,722		61.65%		45% - 65% 5% - 15% 25% - 45%

Draft Report

July 21, 2021



Submitted by:

KASEY M. PRICE, ED.D.

DIRECTOR

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Market Analysis and Proforma Update

NORTHWEST FLORIDA STATE COLLEGE



NORTHWEST FLORIDA STATE COLLEGE

MARKET ANALYSIS AND PROFORMA UPDATE | DRAFT REPORT July 21, 2021

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Executive Summary

Northwest Florida State College (NWFSC) retained MGT Consulting Group (MGT) to provide a market study to determine the magnitude of demand for new on-campus student housing in March 2019. The study consisted of focus groups, an analysis of the off-campus housing market, a student survey, a demand analysis, and a project pro forma. In May 2021, MGT was retained to update the Off-Campus Market Analysis and the Financial Pro Forma based on current market rates and environments. Additional advisory services to aid in future decision-making after the report updates will also be provided in addition to this supplemental report.

Off-Campus Market Analysis

Available off-campus housing near the NWFSC continues to be in high demand and experiencing rental rate increases. This review consisted of 19 properties that are an average distance of 16.6 miles from campus. No apartment complexes were available for rent within 10 miles of campus. Between the analysis in 2019 and 2021, the available rental rates for apartments have increased approximately 73.3%, with two-bedroom apartments experiencing a 109% increase over 2019 rates. Of the 1908 apartment complex units reviewed for this study, only 56 are currently available or will become available in the next 30-60 days. Houses for rent are more affordable and located in closer proximity to campus but have even more limited selection.

Pro Forma

The financial component of the Housing study served to validate and update the numbers from the 2019 report. The 2019 report examined the need for a new 300 bed residence hall to replace the. In order to fund this project, existing funds and potential funding sources should be examined. Potential funding sources would involve Public Private Partnerships (P3), bond issuances, loans, and support from third parties such as a donor.

Little has changed since 2019 and the project cash flow has improved. Construction costs have increased but the cost utilized in 2019 is consistent with current RS Means data in 2021. Property acquisition was included in the 2021 analysis and insurance was adjusted as both costs and expectations for coverage have increased. Interest rates have continued to remain low creating an environment where projects can maintain the expected 1.20 debt service coverage while charging rents that students can afford.

Off-Campus Market Analysis

National and State Multifamily Trends

According to CBRE, the 2021 national apartment market is stabilizing earlier than expected¹. The overall vacancy rate is expected to be 4.7%. Average rent is down 4.2% year over year. Additionally, multifamily demand will remain sufficient to absorb most of the new supply. CBRE attributes "seasonality, widespread vaccinations, an improving economy, additional fiscal stimulus and a return of office workers will all contribute to further multifamily market improvement over the next two quarters."

Overall, in Niceville, Florida the median monthly gross rent between 2015 and 2019 is \$1,117 according to the 2020 American Community Survey.² This figure includes the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer).

According to the American Community Survey and HUD, no 5+ multifamily building permits have been issued for Niceville since 2015³.

Methodology

MGT examined two types of properties which serve as the local student housing market – apartment complexes and individually rented townhomes and houses. Data for these two types of housing are presented separately in this report. MGT also researched multi-family permit history in the region.

Data were collected from 7 apartment complexes and 12 individually rented homes/units; data included unit types, size, rent, policies, and amenities when available. The sample represents over 1,920 units.

Housing for Northwest Florida State College students is widely distributed in the local apartment market because available rental housing in Niceville is limited, as shown in **Figure 1**.

³ HUD Multifamily Housing Permits, 2021. https://socds.huduser.gov/permits/output_monthly.odb

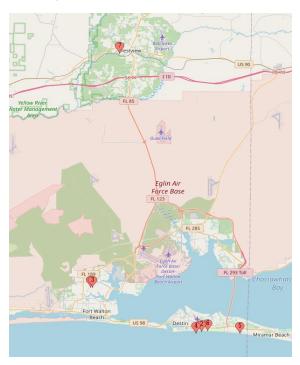


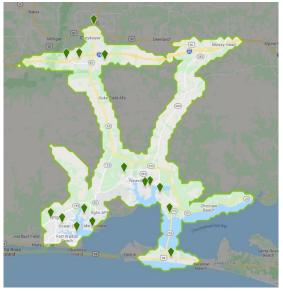
¹ CBRE 2021 Multifamily Outlook, May 27, 2021. https://www.cbre.us/research-and-reports/US-Multifamily-Figures-Q1-2021

² American Community Survey, June 29, 2021. https://www.census.gov/quickfacts/nicevillecityflorida

Figure 1. Map of Included Local Properties.

	Off-Campus Apartments
1	The Charles
2	Legacy on the Bay
3	Chez Elan Apartment Homes
4	Sea Glass
5	The Preserve at Henderson Beach
6	ARIUM Emerald Isle
7	Spring Creek
	Off-Campus House
1	63 Norwich Cir
2	804 Wild Egret Ln
3	4232 Shadow Ln
4	4083 Rocky Dr
5	335 Pontevedra Ln
6	146 Poquito Rd
7	721 Lime Lane
8	4707 Connor Dr
9	76 4th Ave
10	201 Bob Sikes Blvd
11	235 Grand Key Loop E
12	25 Kelly Way





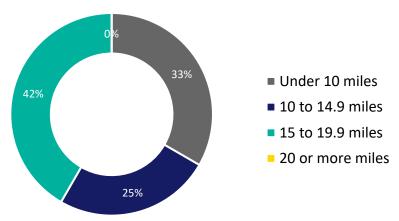
All 19 properties in the analysis are located within 20.1 miles of campus (with an average distance of 16.6 miles for apartments and 11.0 miles for houses). As shown in **Figure 3**, no available apartment complexes were available under 10 miles and the majority (72%) are between 15-19.9 miles away. Rental houses are available closer to campus, with 58% being located within 14.9 miles of campus, as displayed in **Figure 2**.



Under 10 miles
 10 to 14.9 miles
 15 to 19.9 miles
 20 or more miles

Figure 2. Houses Distance from Campus.





While one apartment complex was constructed in 1989, the remaining complexes were constructed in 2000 or later, with a median opening date of 2009.

Apartment Complex Properties

Rental Rates and Occupancy

The apartment complex properties in this analysis represent 1,908 units. Every property in the sample offers one- and two-bedroom units. One complex offers a studio configuration and two offer three-bedroom units, so more caution should be used when considering these data as the sample size is so small. **Figure 4** displays the ranges by unit type with the median rents ranging from \$1,867 for a one-bedroom apartment to \$2,394 for a two-bedroom unit; some properties offer multiple models of some



unit types. High and low rent varies greatly within the one- and two-bedroom unit categories, which may indicate differences in quality of the housing. Occupancy ranges from 94% to 99%, with a median of 97%. It is notable that many complexes in the area did not have units currently available and could not be included in this analysis that could indicate a strong housing demand in the area and a lack of options for students.

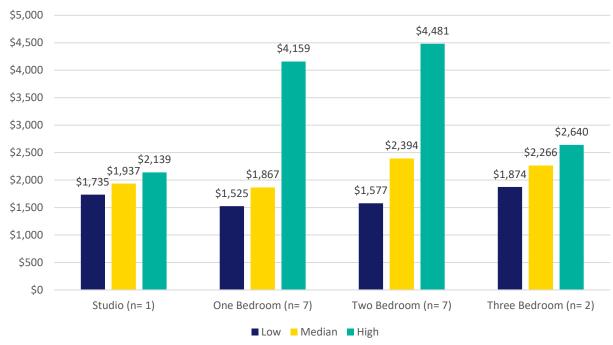


Figure 4. Apartment Complex Rental Rates Per Unit.

Median unit rental rates and subsequent rents per person (assuming one person per bedroom), are shown in **Figure 5.** Not surprisingly, as apartment occupancy rises, per person costs decline. The median rate for a student in a studio apartment is \$1,937 per month, while one living in a four-bedroom until would pay \$755 per month.

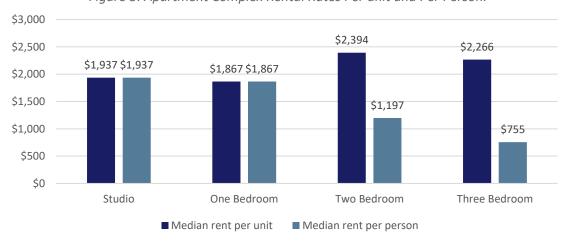


Figure 5. Apartment Complex Rental Rates Per unit and Per Person.

Additionally, rent per square foot declines considerably from a studio unit at \$3.05 per square foot to \$1.44 per square foot for a three-bedroom unit, as displayed in **Figure 6**.



Figure 6. Apartment Rent per Square Foot.

Policies and Amenities

A 12-month lease was available at 57% of apartments in the sample, but some are willing to offer alternatives, as **Figure 7** indicates. Other lease options included terms between six or nine months. Several seem to offer a range of lease terms, offering flexibility for the tenant. This serves the students well when their programs have an irregular duration or demand they serve elsewhere. Most properties do not include the cost of utilities in the rent. High speed Internet is becoming increasingly available at apartment complexes, however, connection to the offered service is typically an additional fee.

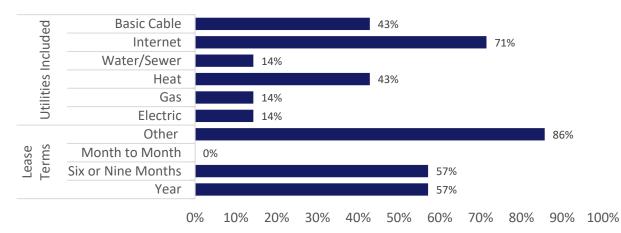


Figure 7. Apartment Complexes Utilities and Terms.

Properties in the market sample vary in their amenity packages as well. While most have air conditioning, dishwashers, and washer/dryer in unit, a **Figure 8** shows, few have furnished units

available. All allow pets (with some restrictions and an additional fee), have a fitness center, pool, and offer on-site parking.

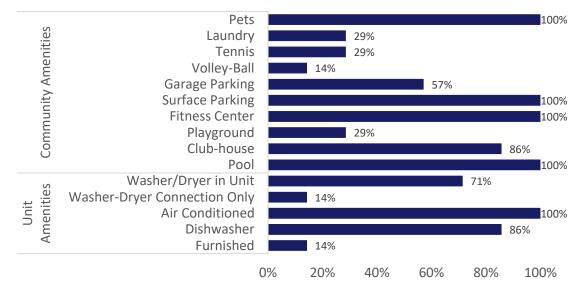
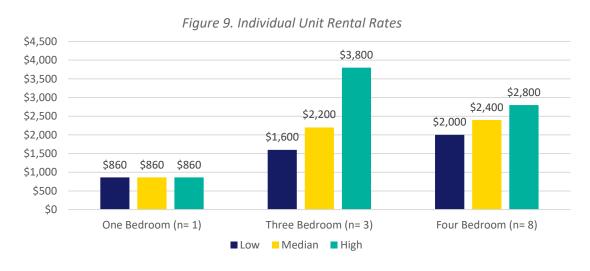


Figure 8. Apartment Complex Unit and Community Amenities.

Individually Rented Properties / Houses

Rental Rates and Occupancy

Twelve individual rental units (including condos, homes, and townhouses) were reviewed separately from the apartment complexes. The properties offered either one, three, or four bedrooms, and **Figure 9** displays rental rate ranges for each size. Median rents range from \$860 for a one-bedroom unit to \$2,400 for a four-bedroom unit.



Median unit rental rates and subsequent rents per person (assuming one person per bedroom), are shown in **Figure 10**. The median rate for a student in a three-bedroom individually rented is \$733 per month, while one living in a four-bedroom unit would pay \$600 per month.

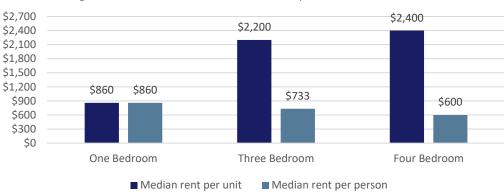


Figure 10. Individual Unit Rental Rates per Unit and Per Person.

Additionally, rent per square foot is relatively steady per square foot, ranging from \$1.08 for one- and four-bedroom units to \$1.39 for a three-bedroom unit, as displayed in **Figure 11.**

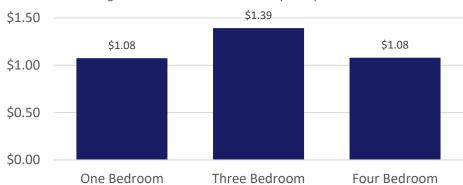


Figure 11. Individual Unit Rent per Square Foot.

Policies and Amenities

A 12-month lease term was offered at all individually rented units except one. Most properties do not include the cost of utilities in the rent. Just one included electric, gas, and heat, and water/sewer costs within the rental rates, the most expensive rental property in this analysis.

Properties in the market sample vary in their amenity packages as well. Most of the available units offer dishwashers and air conditioning and offer a washer/dryer connection as shown in **Figure 12**.

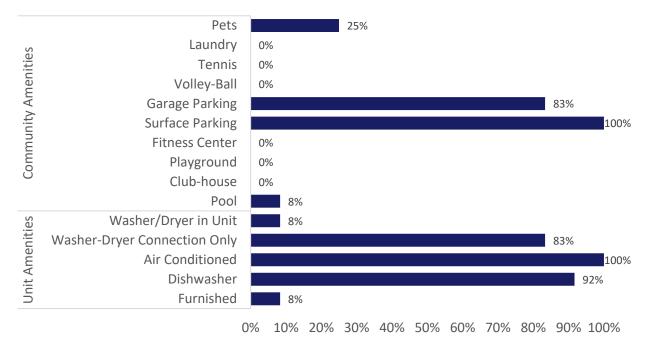


Figure 12. Individual Unit Amenities.

Pipeline

Figure 13 shows the number of approved building permits since 2001 for the city and for the remainder of Okaloosa County for multi-family structures of five or more units. When examining building permits issued since 2001, construction of larger – with five or more units – multi-family housing in Okaloosa County peaked in 2004 and 2005, when more than 777 permits were issued. Few permits were issued in Niceville early in the timeline in the area surrounding Northwest Florida State College. No permits for multi-family facilities have been issued since 2016.

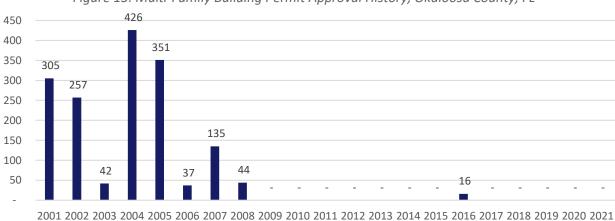


Figure 13. Multi-Family Building Permit Approval History, Okaloosa County, FL

Pro Forma Updates

The financial component of the Housing study served to validate and update the numbers from the 2019 report. The 2019 report examined the need for a new 300 bed residence hall to replace the. In order to fund this project, existing funds and potential funding sources should be examined. Potential funding sources would involve Public Private Partnerships (P3), bond issuances, loans, and support from third parties such as a donor.

The unit mix remained the same in 2021 as was originally developed for the initial study in 2019. The unit mix is outlined below in **Figure 14**. Occupancy is projected at 95% for the academic year and 20% for the summer term. If the summer occupancy projection is accurate, the campus could develop a summer camp program that would provide additional income not reflected in the pro forma. Revenue is not projected for summer programs as a camp program takes time to establish and the growth would likely be incremental.

Figure 14. Program Detail

	PROGRAM	DETAIL			
Students	Beds/ Unit	Units		Total B	eds
Double Bedroom Semi-Suite	4	12	units	48	beds
Single Bedroom Semi-Suite	2	25	units	50	beds
Single Bedroom Suite	4	12	units	48	beds
Single Bedroom Suite	2	24	units	48	beds
Double Bedroom Apartment	4	12	units	48	beds
Single Bedroom Apartment	4	13	units	52	beds
Staff	0	7	units	6	Beds
Single Bedroom Semi-Suite	1	6	units	6	Beds
Two Bedroom Apartment	0	1	units	-	Beds
Totals		112	units	306	beds

The new 300 bed residence hall for Northwest Florida State is projected to cost \$ 27,808,400 in 2021 dollars. The new residence hall is projected to open in the Fall of 2023. This would require construction to begin in the summer of 2022 to allow for an opening in August 2023. The overall project cost has increased due to increased escalation based on the current market. If construction material prices return to prepandemic levels, then costs would likely be more consistent with the 2019 projected cost of \$26,757,000.

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Figure 15, Total Project Cost Comparison

	Total Project Cost Comparison												
	2019	2021											
Construction	\$ 19,785,300	\$ 19,785,300											
Project Cost	\$ 24,404,700	\$ 24,821,600											
Escalation	\$ 499,100	\$ 1,006,900											
Financing	\$ 1,853,200	\$ 1,979,900											
Total	\$ 26,757,000	\$ 27,808,400											

The construction cost used to develop the total cost was retrieved from RS Means data for residence halls (Appendix A) in the panhandle area of Florida. The current cost of construction is \$189.20. This was inflated by 5% and rounded to the nearest dollar to arrive at the \$200 per square foot construction cost shown on the Assumptions tab of the workbook. The total development cost including design, furniture and other soft costs brought the total cost for construction to \$297.31 per square foot. This is a 2.5% increase over the total cost per square foot of \$289.47 projected in the 2019 report.

The ground rent was left at \$0 as the development cost will include \$400,000 to purchase the property. This was not included as a cost in the 2019 financial projections.

The interest rate used in the pro forma calculations was reduced from 5% in 2019 to 3.5% in 2021. This decision is based on the campus' experience with the market and the overall market for tax-exempt financing. This significantly reduces the amount of interest paid each year as shown in **Figure 16**

Figure 16. Interest Paid

rigare 10. merest raid															
	Interest Paid														
Year	2019	2021	Difference												
1	\$ 1,431,795	\$ 1,029,399	\$ 402,396												
2	\$ 1,410,244	\$ 1,009,458	\$ 400,786												
3	\$ 1,387,616	\$ 988,819	\$ 398,797												
4	\$ 1,363,857	\$ 967,458	\$ 396,399												
5	\$ 1,338,909	\$ 945,350	\$ 393,559												
6	\$ 1,312,714	\$ 922,467	\$ 390,247												
7	\$ 1,285,210	\$ 898,784	\$ 386,426												
8	\$ 1,256,330	\$ 874,271	\$ 382,059												
9	\$ 1,226,006	\$ 848,901	\$ 377,105												
10	\$ 1,194,166	\$ 822,643	\$ 371,523												
Total	\$ 13,206,847	\$ 9,307,550	\$ 3,899,297												
30 Year Total	\$ 27,248,292	\$ 18,562,709	\$ 8,685,583												

The interest rate reduction also impacted the debt service coverage increasing it to 1.40 in the first year in which no capitalized interest was included; well above the benchmark of 1.20. The debt service



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increases in subsequent years of operation as shown on the Operating pro forma tab. The first 10 years of debt service coverage for the 2019 and 2012 analyses are shown below in Figure 17.

Figure 17. Debt Service Coverage Ratio

	Debt Service Coverage Ratio														
Year	1	2	3	4	5	6	7	8	9	10					
2019	2.49	1.21	1.24	1.28	1.32	1.36	1.40	1.44	1.48	1.53					
2021	2.78	1.40	1.44	1.49	1.53	1.58	1.62	1.67	1.72	1.77					

Debt service coverage at 1.40 provides flexibility for the institution in the following ways:

- More dollars could be spent on construction allowing for increased costs/upgrades and/or additional amenities.
- Rents could be reduced to make the price point more attractive to students.
- It would provide a cushion if the facility did not reach the projected occupancy levels.
- Or any combination of the options listed above.

Student rent was left unchanged from the 2019 report. Rents are shown below in **Figure 18** for each type of unit.

Figure 18. Rent per Bed

Students	Rent per	Bed
	Academic Year	Summer
Double Bedroom Semi-Suite	\$6,483	\$1,441
Single Bedroom Semi-Suite	\$8,067	\$1,793
Single Bedroom Suite	\$9,796	\$2,177
Single Bedroom Suite	\$10,660	\$2,369
Double Bedroom Apartment	\$9,508	\$2,113
Single Bedroom Apartment	\$11,236	\$2,497
Staff		
Single Bedroom Semi-Suite	-	-
Two Bedroom Apartment	-	-

As stated above, given the level of debt service coverage, the campus will have the ability to decrease the initial rent if it believes it can meet the occupancy projections for the academic year and summer term.

Insurance costs have been increased since the 2019 study was conducted. Two significant events have impacted insurance costs. The first being Hurricane Michael which devastated the area just east of Niceville. The second event is the pandemic. During the pandemic, most campuses emptied their residence halls moving to online instruction and either refunded collected rent or simply not being able



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to collect rent for empty bedspaces. Lien holders today are going to expect the new residence hall to carry business interruption insurance to cover this potential loss.

Coverages that will likely be required in the financing documents are:

- Facility at replacement cost
- Personal Property at replacement cost
- Business Interruption at a level to cover repayment and maintenance of the facility.
- Given the campus location, lenders may also want additional insurance to protect against hurricane and flood damage.

Finally, there is the potential for some "Other Revenue." This line item was not included in the revenue component as it is unpredictable and a common mistake in building pro formas is to overestimate the amount that can be collected. Examples of other revenue would be the previously mentioned summer camps, laundry (if a central laundry is available), and forfeited deposits.

In summary, little has changed since 2019 and the project cash flow has improved. Construction costs have increased but the cost utilized in 2019 is consistent with current RS Means data in 2021. Property acquisition was included in the 2021 analysis and insurance was adjusted as both costs and expectations for coverage have increased. Interest rates have continued to remain low creating an environment where projects can maintain the expected 1.20 debt service coverage while charging rents that students can afford.



COVID-19 Considerations

The COVID-19 global pandemic has had a direct impact on higher education, specifically student housing, as many courses that were traditionally delivered in a face-to-face environment are being delivered fully online, in a hybrid format, or with a mixture of online, hybrid, and in-person.

Despite the increasing number of students who are participating in online courses, research shows that living in student housing while participating in online classes contributes to positive learning and social experiences⁴. According to the study, students indicate that despite the COVID-19 pandemic restrictions, they found living on campus to support their academic pursuits by having solid internet connections, quiet places to study, and increased socialization. Students who participated in the study indicated a strong sense of community and reported following campus health protocols. This is great news to support future student housing interest and demand.

The full impact and duration of the impact of COVID-19 is not fully understood at this time and vaccines are becoming readily available to college-age students and older adults across the country.

Legal Disclaimer

MGT's analysis of the feasibility of new housing at Northwest Florida State College (NWF State College) relies on the accuracy of information provided by NWF State College as well as near-term and long-term assumptions influenced by factors outside of MGT's control and for which may adversely impact NWF State College's expansion plans. Changes such as NWF State College's financial health, construction materials, and costs, as well as state, local, and global economic conditions, may impact both the demand for the program, costs, and/or the project's financial feasibility. Additional risks to the expansion plans include but are not limited to changes to program demand, competitive programs, regulatory changes, as well as general acts of disaster.

⁴ Did Students in College Housing Learn Better? Retrieved on December 4, 2020 from: https://www.insidehighered.com/news/2020/12/03/survey-students-campus-housing-had-better-social-and-learning-outcomes



Appendix 1: Off-Campus Market Analysis

										Studio					(One Bedroom		
Anartment Complex	Units left Address Phone		Phone	Low	Rent	Ave. Rent	High Ren	t SF	Ave. Rent/S	F Lo	ow Rent	Ave. Rent	High Rent	SF	Ave. Rent/SF			
The Charles	12	1021 Highway	y 98 E, Destin,	FL 32541		(850) 905-10							\$	1,540	\$ 1,580	\$ 1,620	782	\$ 2.02
Legacy on the Bay	6	251 Vinings V	Vay Blvd, Dest	in, FL 32541	((850) 502-44							\$	2,040	\$ 2,560		790	\$ 3.24
Chez Elan Apartment Homes		317 Racetrack	k Rd NW, Fort	Walton Beach	, FL 32547	(877) 363-07	22						\$	1,610	\$ 1,650		1	\$ 2.37
Sea Glass	12	4320 Commor	ns Dr W, Desti	n, FL 32541		(850) 634-450							\$	2,559	\$ 3,359	\$ 4,159	733	\$ 4.58
The Preserve At Henderson Beach	11	4131 W Comn	nons Dr, Desti	n, FL 32541		(833) 685-23		1,735	\$ 1,937	\$ 2,13	9 636	\$3.05	\$	2,160	\$ 2,510	\$ 2,860	803	\$ 3.13
ARIUM Emerald Isle		214 Racetrack				(844) 845-87							\$	1,525	\$ 1,867	\$ 2,208		\$ 2.77
7 Spring Creek	2	800 Spring Cr	eek Blvd, Cres	tview, FL 3253	6	<u>(844) 709-87:</u>							\$	1,808	\$ 1,808		1	\$ 2.25
						Low		1,735	\$ 1,937	\$ 2,13	9 636	\$	3 \$	1,525	\$ 1,580	\$ 1,620	673	\$ 2
Campus Address for Distance Calculations						Median	\$:	1,735	\$ 1,937	\$ 2,13	9 636	\$	3 \$	1,808	\$ 1,867	\$ 2,208	782	\$ 3
100 E College Blvd, Niceville, FL 32578						High	\$:	1,735	\$ 1,937	\$ 2,13	9 636	\$	3 \$	2,559	\$ 3,359	\$ 4,159	803	\$ 5
Northwest Florida State College						complex cou	ınt 1	1	1	1	1	1		7	7	7	7	7
				Two Bedroon	n				Thr	ee Bedroo	n				Lease T	erms		
Apartment Complex	Units left	Low Rent	Ave. Rent	High Rent	SF	Ave. Rent/SF	Low Re	nt A	ve. Rent	High Rent	SF	Ave. Rent/SF		YR	6/9 Mo.	M-M	Other	Security Deposit
1 The Charles	12	\$ 1,965	\$ 1,980	\$ 1,995	1201	\$1.65	\$ 2,5	580 \$	2,610	\$ 2,640	1,412	\$1.85		Υ	Y	N	Υ	N
Legacy on the Bay	6	\$ 2,731	\$ 3,496	5 \$ 4,260	1138	3 \$3.07								Υ	Υ	N	Υ	Υ
Chez Elan Apartment Homes	5	\$ 2,300	\$ 2,340	\$ 2,379	1176	\$1.99	\$ 1,8	374 \$	1,922	\$ 1,969	1,880	\$1.02		N	N	N	N	Υ
Sea Glass	12	\$ 3,102	\$ 3,792	2 \$ 4,481	. 1105	\$3.43								Υ	Υ	N	Υ	Υ
The Preserve At Henderson Beach	11	\$ 2,670	\$ 3,188	3 \$ 3,705	1111	1 \$2.87								Υ	Υ	N	Υ	Υ
ARIUM Emerald Isle	8	\$ 1,940	\$ 2,394	1 \$ 2,848	939	\$2.55								N	N	N	Υ	N
7 Spring Creek	2	\$ 1,577	\$ 1,57	7 \$ 1,577	1121	\$1.41								N	N	N	Υ	N
		\$ 1,577	\$ 1,577	\$ 1,577	939	\$ 1	\$ 1,8	74 \$	1,922	\$ 1,969	1412	\$	1	4	4	0	6	Y
Campus Address for Distance Calculations		\$ 2,300	\$ 2,394	\$ 2,848	1121	\$ 3	\$ \$ 2,2	27 \$	2,266	\$ 2,305	1646	\$	1	0	0	0	0	S
100 E College Blvd, Niceville, FL 32578		\$ 3,102	\$ 3,792	\$ 4,481	1201	\$ 3	\$ 2,5	80 \$	2,610	\$ 2,640	1880	Ś	2	0	0	0	0	\$
Northwest Florida State College		7	7	7	7	7	2		2	2	2	2		3	3	7	1	N
Horatwest Fortal State Correge					Utilities I	ncluded		•				Amenities				•	-	
Apartment Complex	Units left	Security Deposit	Elec	Gas	Heat	w/s	Inter-net	Basic	Cable F	urn.	DW		NDC O	nly \	WD T			
1 The Charles	12	N	N	N	N	N	N	,	Υ	N	N	Υ	N		Υ			
Legacy on the Bay	6	Y	N	N	Y	N	N	_		N	Y	Y	N		N			
Chez Elan Apartment Homes	5	Y	N	N	N	N	Y			N	Y	Y	N		Y			
4 Sea Glass	12	Y	N	N	N	N	Υ	1	N	N	Υ	Υ	N		Υ			
The Preserve At Henderson Beach	11	Y	N	N	Υ	N	Υ		N	N	Υ	Υ	N		Υ			
6 ARIUM Emerald Isle	8	N	Y	Υ	Υ	Υ	Υ	,	Υ	Υ	Υ	Υ	N		Υ			
7 Spring Creek	2	N	N	N	N	N	Υ	,	Υ	N	Υ	Υ	Υ		N			
									•		_	7			_			
		Υ	0	1	3	1	5		3	1	6	/	1		5			
Campus Address for Distance Calculations		Y S	0 0	1 0	3 0	1 0	5 0		3 0	0	0	0	0		0			
•			-					(_		-						
Campus Address for Distance Calculations 100 E College Blvd, Niceville, FL 32578 Northwest Florida State College		S	0	0	0	0	0		0	0	0	0	0					



APPENDIX 1: OFF-CAMPUS MARKET ANALYSIS

								Community	Amenities																		
Apartment Co	mplex		Units					Surface	Garage/Co	overed					Pets	N	Viles from Ye	ar Built	# of Units	Specials	ŀ	Notes					
			left	Pool	Club-house	e Play-groun	d Fitness Ctr	Parking	Parki		Volley-Ball	Ten	nis L	aundry			Campus			·							
1 The Charles			12	Υ	Y	N	Y	Υ	N		N	N	ı	N	Υ		17.7	2021	197	N	https://www.ar	partme	ents.com/th	e-charles	s-destin-fl	/573400m/	
2 Legacy on the Bay			6	Υ	Υ	Υ	Υ	Υ	Υ		N	N		Υ	Υ			2000	300	N						lestin-fl/bhjnn0	
3 Chez Elan Apartment Hom	es		5	Υ	Υ	N	Υ	Y	Y		Υ	Y		N	Y	_		2006	267	N							/alton-beach-fl/tf64g88/
4 Sea Glass			12	Υ	Y	N	Y	Y	N		N	N		N	Y			2017	288	N	https://www.ap					* * * *	
5 The Preserve At Henderson	n Beach		11	Y	Y	N	Y	Y	Y		N	N		N	Y	-		2009	340	N							destin-fl/yqj8xtt/
6 ARIUM Emerald Isle 7 Spring Creek		-	8 2	Y	N Y	N Y	Y	Y	N Y		N N	Y N		N N	Y			1989 2011	262 254	N	https://www.ar					ort-walton-bea	Cn-II/Y10I23I/
- Spring creek				0	6	2	7	7	4		1	2		2	7			2008	1908	Total	nttps://www.d	partition	CIRO.COIII/O	oning cicc	JK CICSTW	CW 11/y y14C11/	
Campus Address for Dist	ance Calcu	ulations		0	0	0	0	0	0		0	0		0	0			1989	1908	Low							
100 E College Blvd, Nic				0	0	0	0	0	0		0	0		0	0			2009	267	Median							
Northwest Florida S				0	1	5	0	0	3		6	5		5	0			2021	340	High							
Horatwest Horada	tate corre	-BC												-				LULI	540								
		Units												Or	ne Bedr	oom		_				Inree	e Bedroon	n			
House		left				Address			Pho	ne	Low Re		Ave. Re		High R		SF	Av	e.	ow Rent	Ave. Rent		ligh Rent	SF	_	Ave.	
											LOW Re	111	Ave. N	ent	nigii k	ent	31	Rent	/SF	ow Kent	Ave. Kent	-	iigii keiit	31	-	Rent/SF	
1 63 Norwich Cir		1	63 1	Norwich C	ir. Nicevi	lle, FL 325	78		(850) 389	-8533																	
2 804 Wild Egret Ln		1	_			tview, FL 3			(850) 398																		
3 4232 Shadow Ln		1	_			ille, FL 32!			(850) 389													1					
			_																					+			
4 4083 Rocky Dr		1	_			le, FL 3257			(850) 678													_		1			
5 335 Pontevedra Ln		1	_			eville, FL 3			(850) 678										\$	2,200	\$ 2,20	0 \$	2,200	1	1,787	\$1.23	
6 146 Poquito Rd		1	146	Poquito F	Rd, Shalin	nar, FL 325	79		(850) 226	<u>-7201</u>																	
7 721 Lime Lane		1	721	Lime Ln, 0	Crestview	, FL 32536			(850) 361	-8202																	
8 4707 Connor Dr		1	470	7 Connor	Dr, Cresty	view, FL 32	539		(850) 400	-5856																	
9 76 4th Ave		1	76.4	th Ave, Sh	nalimar. F	L 32579			(850) 331	-2323	\$ 8	360 5	Ś	860	Ś	860	800	Ś	1.08						Ť		
10 201 Bob Sikes Blvd		1	_				Beach, FL 3	254	(850) 888			, ,	·		-			1				1			1		
11 235 Grand Key Loo	n F	1				Destin, FL			(847) 530										d	3.800	\$ 3.80	n s	3.800	1	1.884	\$2.02	
12 25 Kelly Way	<i>,</i>	1	_			iso, FL 325			(850) 678										Š	1,600	\$ 1,600	_	-,	_	L,149	\$1.39	
12 23 Kerry Way		1	231	cerry vvay	, vaipaia	130,11323	80				4 4			252	s :			Ś				_		_			
									Lov		+	60 \$		860	•	360	800		1 5		7 2,000	÷	-,	114		-	
Apartments select				Campus	Address t	for Distand	e Calculat	ions	Medi	ian	\$ 8	60 \$	\$	860	\$	360	800	\$	1 \$	2,200	\$ 2,200	0 \$	2,200	178	87	\$ 1	
those available a	it a 30			100 E	College B	lvd. Nicevi	lle, FL 325	78	Hig	h	\$ 8	60 5	Ś	860	Ś :	360	800	Ś	1 9	3,800	\$ 3,800	0 Ś	3.800	188	84	\$ 2	
minute drive from	campus														•			i i				÷	-,		-		
during rush ho	our.			No	rthwest F	Iorida Stat	e College		complex	count	1		1		1		1	1		3	3		3	3	3	3	
				Foi	ur Bedroom				Lease '	Terms							Utilities I	Included	-				Unit A	Amenities			
House	Units left					SF	Ave.	V/D	6/9 Mo.	M-M	0.1		Security Deposit	-		_		111/6		net Basic Ca		Ι.	DW		WDC Only		
	ieit	Low Ren	t P	ve. Rent	High Rent	21-	Rent/SF	YR	6/9 IVIO.	IVI-IVI	Other	r '	Deposit	Elec	c	Gas	Heat	W/S	Inter-	net Basic Ca	ble Furn.	ļ .	DW	AC 1	WDC Oni	y WD	
1 63 Norwich Cir	1	\$ 2,50		2,500	\$ 2,500		\$1.20	Υ	N	N	N		N	N	_	N	Y	N	N		N			Υ	Υ	N	
2 804 Wild Egret Ln	1	\$ 2,30		2,300	\$ 2,300		\$0.96	Y	N	N	N	_	N	N		N	Y	N	N	N	N	+		Y	Y	N	
3 4232 Shadow Ln 4 4083 Rocky Dr	1	\$ 2,80		2,800 2,300	\$ 2,800		\$1.10 \$1.05	Y	N N	N N	N N	-	N N	N N		N N	Y	N N	N N		N N		Y	Y	Y	N N	
5 335 Pontevedra Ln	1	\$ 2,30	JU \$	2,300	\$ 2,300	\$ 2,181	\$1.05	Y	N N	N N	N N	_	N	N N	_	N	Y	N N	N N		N N	_		Y	Y	N N	
6 146 Poquito Rd	1	\$ 2,70	00 \$	2,700	\$ 2,700	2019	\$1.34	Y	N N	N	N N	\dashv	N	N	_	N	Y	N	N N		N	_		Y	- '	N	
7 721 Lime Lane	1	\$ 2,00		2,000	\$ 2,000		\$0.88	Y	N	N	N		N	N		N	Y	N	N	N	N	_	-	Y	Y	N	
8 4707 Connor Dr	1	\$ 2,20		2,200	\$ 2,200		\$1.38	Y	N	N	N		N	N		N	Y	N	N		N		Υ	Y	Y	N	
9 76 4th Ave	1		T					Υ	N	N	N		N	N	_	N	Υ	Υ	N		N	_		Υ	N	N	
201 Bob Sikes Blvd	1	\$ 2,70	0 \$	2,700	\$ 2,700	2865	\$0.94	Y	N	N	N N	+	Y	N		N	Y	N	N	N	N		Y	Y	Y	N	
235 Grand Key Loop E	1		+					Y	Y N	Y N	Y N	-	N N	N N		N N	Y	Y N	Y N	Y N	Y N	_		Y	N Y	Y N	
LE I NEITY Way		\$ 2,00	0 5	2,000	\$ 2,000	1590	\$ 1	12	1	1	1 1		Y	0		1	12	2	1	1	1			12	10	1	
Apartments selected fron	,	\$ 2,40	_	2,400	\$ 2,400	\$2.221.00	\$ 1	0	0	0	0		S	0		0	0	0	0	0	0			0	0	0	
those available at a 30	.	\$ 2,80	- '	2,800	\$ 2,800	2865	\$ 1	0	0	0	0		\$	0		0	0	0	0	0	0		-	0	0	0	
minute drive from campu	s		7 7				-	-	-	-	-			_		-	-	-	-	-	-		-	•	-	-	
during rush hour.	Į	8		8	8	8	8	0	11	11	11		N	11		11	0	10	11		11		1	0	2	11	
								12	12	12	12		count	0		12	12	12	12	12	12		12	12	12	12	



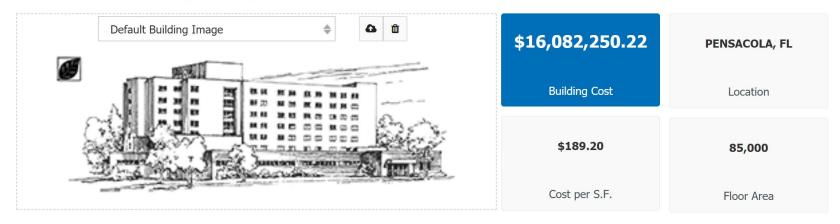
APPENDIX 1: OFF-CAMPUS MARKET ANALYSIS

House	Units left	Community Amenities								Miles from				
		Pool	Club-house	Play-ground	Fitness Ctr	Surface Parking	Garage/Covered Parking	Volley-Ball	Tennis	Laundry	Pets	Campus	# of Units	Notes
1 63 Norwich Cir	1	N	N	N	N	Υ	Υ	N	N	N	Y	10.5	1	https://www.apartments.com/63-norwich-cir-niceville-fl/snjlck4/
2 804 Wild Egret Ln	1	N	N	N	N	Υ	Υ	N	N	N	N	19.2	1	https://www.apartments.com/804-wild-egret-In-crestview-fl/slg9cf6/
3 4232 Shadow Ln	1	N	N	N	N	Υ	Υ	N	N	N	N	5.4	1	https://www.apartments.com/4232-shadow-ln-niceville-fl/cmz67sd/
4 4083 Rocky Dr	1	N	N	N	N	Υ	Υ	N	N	N	N	3.1	1	https://www.apartments.com/4083-rocky-dr-niceville-fl/j5f2b75/
5 335 Pontevedra Ln	1	N	N	N	N	Y	Υ	N	N	N	N	2.8	1	https://www.apartments.com/335-pontevedra-In-niceville-fl/t18sjf9/
6 146 Poquito Rd	1	N	N	N	N	Υ	Υ	N	N	N	Υ	11	1	https://www.apartments.com/146-poquito-rd-shalimar-fl/gbg5wmy/
7 721 Lime Lane	1	N	N	N	N	Y	Υ	N	N	N	N	17.6	1	https://www.apartments.com/4-br-25-bath-house-721-lime-lane-crestview-fl/s5f7437/
8 4707 Connor Dr	1	N	N	N	N	Υ	Υ	N	N	N	Υ	17.6	1	https://www.apartments.com/4707-connor-dr-crestview-fl/b43mnfc/
9 76 4th Ave	1	N	N	N	N	Υ	N	N	N	N	N	11.7	1	https://www.apartments.com/76-4th-ave-shalimar-fl/8edn111/
201 Bob Sikes Blvd	1	N	N	N	N	Υ	Υ	N	N	N	N	15.3	1	https://www.apartments.com/201-bob-sikes-blvd-fort-walton-beach-fl/6g4s3pr/
11 235 Grand Key Loop E	1	Υ	N	N	N	Y	Υ	N	N	N	N	15.4	1	https://www.apartments.com/235-grand-key-loop-e-destin-fl/k551ty9/
12 25 Kelly Way	1	N	N	N	N	Υ	N	N	N	N	N	2.5	1	https://www.apartments.com/3-br-2-bath-house-25-kelly-way-valparaiso-fl/2bdfpy8/
		1	0	0	0	12	10	0	0	0	3	11.0	12	
Apartments selected from		0	0	0	0	0	0	0	0	0	0		1	
those available at a 30 minute drive from campus		0	0	0	0	0	0	0	0	0	0		1	
during rush hour.		11	12	12	12	0	2	12	12	12	9		1	
		12	12	12	12	12	12	12	12	12	12			



Appendix 2: RSMeans 2021 Cost

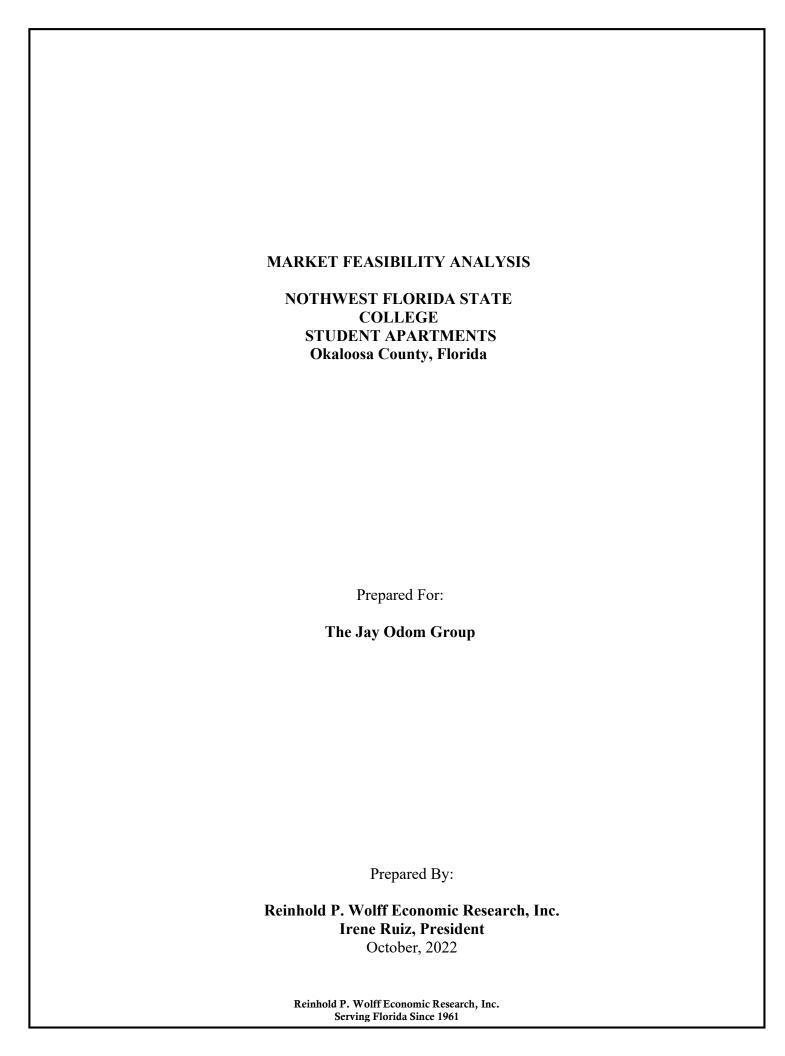
Model: College, Dormitory, 4-8 Story (Green) with Decorative Concrete Block / Reinforced Concrete



Appendix 3: Pro Forma Rents

The pro forma rents are located in an Excel workbook titled NWF2021Pro Forma Rents 7-9.xlsx and were provided with the draft of this document.





REINHOLD P. WOLFF ECONOMIC RESEARCH, INC.



581 Gettysburg Terr Plantation, FI 33325 PHONE 954-630-1844 FAX 954-630-1516 E-MAIL rpwinc@bellsouth.net

October 26, 2022

Mr. Nick Vlahos The Jay Odom Group 4652 Gulfstarr Drive Destin, FL 32541

Dear Mr. Vlahos:

I am pleased to submit our completed market feasibility study for the proposed student oriented rental Apartment development in the City of Niceville, Okaloosa County, Florida.

We have offered specific conclusions regarding the market prospects for the proposed development, including rent potential and absorption prospects.

I will be pleased to answer any questions which you or your associates may have at your convenience.

With best regards, I am,

Sincerely,

President

IR/ao

CHAPTER I

INTRODUCTION

A. Purpose of Study

The purpose of this study is to examine the market potential for a proposed 88-unit 320 beds student housing building development planned for a site in the Northwest Florida State College Area in the City of Niceville, Okaloosa County, Florida. The study is to examine the market potential for the development and to review the planned development parameters for the proposed development offering recommendations as deemed appropriate.

B. General Background

The developer plans to build a student oriented development with 88 two- and four-bedroom apartments in three-story buildings with 320 beds and a connected clubhouse building.

The developer plans to offer a total of 16 or 18.2% of the apartments as two-bedroom/two-bath units providing 1,105 square feet of livable area. A total of 72 or 81.8% of the apartments are proposed to be four-bedroom/four-bath units providing from 1,593 square feet of livable area.

The detailed development parameters of the proposed student-oriented development, including amenities and interior unit features planned, are presented in Exhibit A of this report.

C. Scope Of Study

This study examines all aspects of the current and anticipated future trends in the rental apartment market of Okaloosa County (the Secondary Market Area) and the Niceville Market Area (the Primary Market Area).

The study examines the historical, current and forecasted population, household, and housing growth of Okaloosa County and Niceville Market Area. These data are utilized to estimate the current and forecasted demand for rental housing. The report also examines the character of households in the Secondary and Primary Market Areas, including renter household incomes and rent affordability. The character of housing currently utilized on a rental basis, including type and rents paid, is also examined in the report.

The existing competitive environment in which a proposed student housing building development planned at the subject site would need to operate is also examined in the study. This includes a review of the development character of comparable sizeable multi-family apartment

developments in Okaloosa County as well as market rate apartment developments in the larger West Panhandle area.

The report concludes with a summary of major findings and reviews the proposed development parameters as to adequacy for the market. The absorption potential for the proposed development, having the development parameters proposed, is also presented in the final chapter of this report.

D. Location Considerations

The proposed development site is, as noted previously, located within the Northwest Florida State College campus. (See Map No.1.)

Northwest Florida State College is located on 546 acres in the City of Niceville, Okaloosa County, Florida. The City of Niceville is located in the Florida Panhandle area along the Gulf of Mexico. The City is located between the larger Panhandle cities of Pensacola (to the west) and Panama City (to the east) and it is across the Choctawhatchee Bay from the City of Destin which is directly on the Gulf of Mexico. The City of Destin and the Gulf of Mexico can be reached within about 16.4 miles drive south of the subject site via S.R 293/the Mid-Bay Bridge.

Interstate 10, the major east-west route extending throughout northern in Florida and the City of Crestview is located 20.2 miles north of the subject site and can be accessed via S.R 85.

S.R 293/Spencer Parkway is adjacent to the north and east boundaries of the Northwest Florida State College. As noted previously, this route extends southward to the Gulf of Mexico. To the northwest this route provides access to S.R. 85 which extends northward to Crestview and also Interstate 10. To the southwest, S.R 293/Spencer Parkway provides access to Fort Walton Beach.

The Northwest Florida State College site is located along a major connector route, Spencer Parkway/S.R. 293, providing access from Interstate 10 south to Destin and the Gulf of Mexico. Thousands of tourists travel this route during the summer season to vacation in the area and they generate a notable amount of employment in the service industry. This is evidenced by the fact that persons employed in the accommodations and food services industry account for the largest percentage share of employment in the County followed by the retail trade sector with the second highest percentage share.

Northwest Florida State College is bounded on the north and east by the Eglin Air Force Base, the south by Rocky Bayou Drive and the west by Forest Road.

The Twin City Hospital is located at 2190 Hwy 85 N about 1.8 miles west of the subject site and the Destin-Fort Walton Beach Airport (VPS) is located at 1701 State Road 85 North, about 8.3 miles drive southwest of the property.

Retail facilities are located relatively close to the subject property. A Publix supermarket is located at The Crossing Shopping Center, E John Sims Pkwy within about 3.7 miles southeast of the subject site. A Wal-Mart Supermarket market is located at 1300 E. John Sims Parkway in Niceville within about 3.0 miles drive southeast of the subject property.

The Oak Creek Shopping Center, located at 1100 E. John Sims Parkway about 2.6 miles southeast of the subject site and it offers a Beal's Outlet, Babcock Home Furnishing, Sherwin Williams as well as restaurants.

The Destin Commons Shopping Center is anchored by Bass Pro Shops, Belk's, and a 14-Screened Rave Motion Picture theatre and is located in the City of Destin about 13.8 miles drive south of the subject site. The nearest mall is the Silver Sands Premium Outlet Mall at 10562 Emerald Coast Parkway in Destin, about 20.1 miles southwest of the subject site.

The huge Washington Point State Park is located within about 27.9 miles drive southeast of the subject site on the south side of Choctawhatchee Bay. This park, which is widely used for hunting, off road bicycling and hiking, covers 15,407 acres. As noted previously, the beaches of the Gulf of Mexico can be accessed within about 16 miles drive south of the subject site.

Eglin Air Force Base, the largest military installation in the Department of Defense covering over 640 square miles, is located in Okaloosa and Walton Counties. The closest access to the base from the subject property is about 9.7 miles to the west.

Eglin Air Force Base is the largest employer in the area with over 9,500 military personnel and about 4,050 civilian employees. Thousands of persons working at the base daily travel from surrounding communities including Niceville, Destin, Fort Walton Beach, Crestview, Valparaiso and Freeport.

EXHIBIT A

PROPOSED DEVELOPMENT PARAMETERS

Northwest Florida State College Apartments Okaloosa County, Florida October, 2022

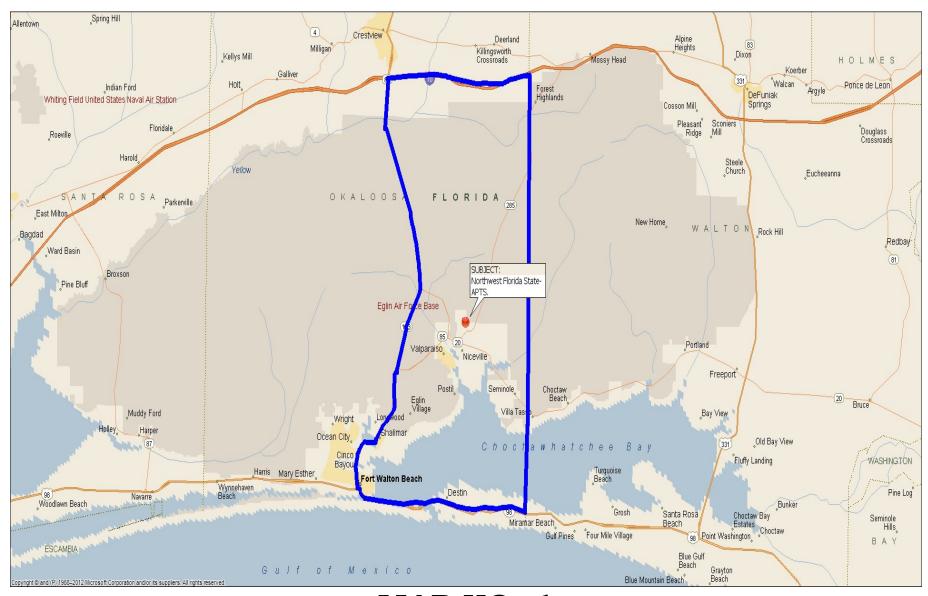
			Monthly Rent		
Unit Type	# of Units	Square Footage Livable Area	Per Bedroom	Per Unit	Unit Rent Per Sq. Ft. L/A
Phase I					
2BR/2B	12	1,105 s.f.			
4BR/4B	42	1,593 s.f.			
			то	BE RECOMM (SEE TABLE	
Phase II					
2BR/2B	4	1,105 s.f.			
4BR/4B	30	1,593 s.f.			
	88				

<u>General Development Character</u>: Three-story buildings student housing with 320 beds. Student lobby/social hall with about 3,750 Sq. Ft., Study hall of about 1,000 Sq. Ft.

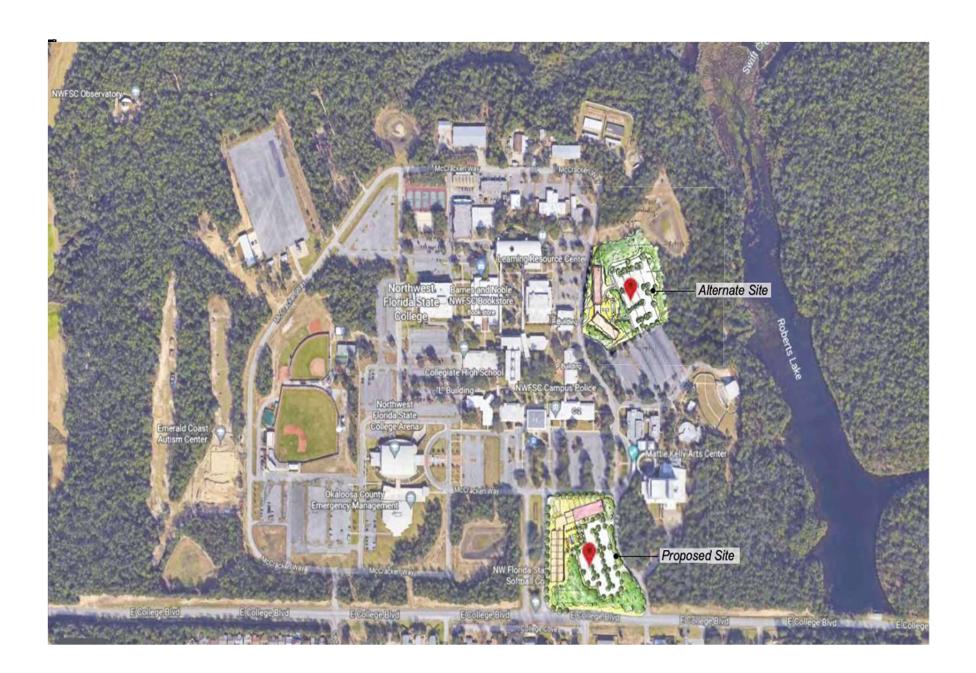
Source: Development parameters by the Jay Odom Group.

Recommended/Proposed NORTHWEST FLORIDA STATE COLLEGE APARTMENTS

	Amenities		Unit Features		
X	Lobby/Social Hall	х	x Icemaker		
X	Fitness Center w/Cardio & Weights	х	Water Dispenser		
X	Study Hall	х	Dishwasher		
	Aerobics/Yoga/Pilates Room	х	Disposal		
	Sauna Room	х	Microwave		
	Billiards/Card/Game Room	х	Stove Top		
X	Media Center	X	Appliances -		
	Children's Playroom		Breakfast Bar		
	Cyber Café/Coffee Bar	X	Pantry		
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite		
	Swimming Pool	X	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa		Foyer/Entry Floor - Ceramic Tile		
	Tennis Court	X	Bathroom Floor - Ceramic Tile		
X	Outdoor Sports/Basketball Court	X	Vanity Top Granite		
2.1	Volleyball Court (Sand)	X	Garden Tub		
X	BBQ/Picnic Facilities	X	Glass Enclosed Shower		
Λ	Putting Green	X	Linen Closet		
	Children's Playground	^	Washer/Dryer Connections Only		
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)		
	Water Views (Lake with Fountains)	X	Ceiling Fan Connections Only		
	Golf Course Views	+	Ceiling Fan(s) (Living Room)		
	Community Laundry Facilities	X	Vaulted Ceilings - Top Floor		
	Car Care Center				
		X	Tray Ceilings		
	Underground/Structured Parking	X	Extended Ceiling Heights - 9' Verticals/Mini-Blinds		
X	Community Gated/Secured Access Valet Trash				
			Walk-In Closet(s)		
	Storage Units For Rent	_	Pre-Wired For Security Alarm		
X	Wi-Fi/Common Areas		Security Alarm		
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet		
X	Pet Walking Area		Coat Closet		
X	Bike Storage Areas	X	Impact Glass		
X	Outdoor Kitchen w/Custom Grill Area	_	Balcony/Patio Area		
	Special Amenities:		Balcony/Patio Area (Screened)		
	Boat Ramp	_	Apartment Storage (Balcony)		
	Boat Trailer Storage Area		Carport		
	Boat Docking		Detached Garages		
	Bus Shelter		Attached Garages		
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages		
	Spa/Cabana Bath		Special Features:		
X	Dog Park		Water Conservation Features		
			Energy Conservation Features		
			Raised Panel Wood Cabinets		
			Knockdown Texture - Walls and Ceilings		
			Crown Molding		
			Custom Wood Kitchen Cabinets		
			Built-in Computer Desk		
			Wireless counter top cell phone charging stations		



MAP NO. 1 NICEVILLE MARKET AREA





CHAPTER II

POPULATION AND HOUSING GROWTH

A. Okaloosa County

Although the purpose of this study is to examine the market prospects for rental housing oriented towards students, the growth of population, households and related for Okaloosa County and the Niceville Area is important to consider. The relevance of this is emphasized by the fact that about 70.2% of the students at Northwest Florida State College are from Okaloosa County.

1. Population And Household Growth Patterns

The Primary Market Area for the proposed development is the Niceville Market Area in which the subject site is located and which is delineated later in this report. Okaloosa County represents the Secondary Market Area.

The demand for multi-family rental housing is, of course, closely tied to the continued demand for new housing of all types in Okaloosa County as a whole. Population growth is the major determinant of the long-range trend of housing demand in the County.

Okaloosa County's population increased by an average of 2,672 persons annually from 1990 to 2000. This growth rate slowed somewhat during the 2000s as the population of Okaloosa County reached 180,822 in 2010 representing an average annual gain of 1,032 since 2000 and it increased by an average of 2,661 from 2010 to 2020. The population of the County reached 215,805 in 2022 and is expected to increase to 223,600 in 2025 representing an average annual increase of 2,598 per year from 2022 to 2025. (See Table 1.)

As could be expected, household growth in Okaloosa County has followed a trend similar to population growth. Over the 20-year period from 2000 to 2020 the number of households in the County increased by 19.7%, growing from 66,269 to 79,235. From 1990 to 2000 the number of households in Okaloosa County increased by an average of 1,296 per year and in 2010 there were 72,379 households in the County. The number of households in the County increased to 79,235 in 2020 and is to have increased by 1,118 since then totaling 81,470 in 2022. The number of households in the County is forecast to increase to 85,410 by 2025 representing an average annual increase of 1,170. (See Table 1.)

The following shows the recent historical and forecasted population growth in the West Panhandle Region of Florida:

Year	Population	Average Annual Change
2000	623,252	
2010	684,856	+6,160
2020	719,072	+3,422
2022 (Estimated)	720,813	+871
2025 (Forecast)	722,836	+674

Source: 2000-2010, U.S. census of Population; 2022 estimated and 2025 forecast by Reinhold P. Wolff Economic research, Inc. based on analysis of estimates and forecasts by University of Florida, office of Economic and Demographic Research. Includes Okaloosa, Okaloosa, Santa Rosa and Escambia Counties.

2. Housing Growth Patterns

From 1990 to 2000 the housing stock of the County increased by an average of 1,602 units annually while from 2000 to 2010 the housing stock of Okaloosa County increased by an annual average of 1,381 units. From 2010 to 2020 housing increased by an average of 540 units per year, according to census data, reaching a total of 97,802 units. In 2022, there are an estimated 101,745 housing units in Okaloosa County representing an average annual increase of 1,972 units from 2020. (See Table 2.)

Table 3 shows the number of housing units authorized by building permits in Okaloosa County annually from 2000 through August 2022. From 2012 - 2021 there were an average of 922 housing units permitted annually of which 129 or 14.0% were multi-family in character and 793 or 86.0% were single-family.

It is forecast that the housing stock of Okaloosa County will reach 105,420 units in 2025 representing an increase of 1,225 units per year over the 2022 level. (See Table 2.)

3. Sources Generating Population and Housing Growth

a. Net Migration Versus Natural Increase

Most of the growth in Okaloosa County in recent years has been due to an increase in population moving into the area, rather than natural increase from births exceeding deaths. From 2000 to 2010, according to data from the University of Florida, Bureau of Business and Economic

Research, 100.0% of the net increase in population was due to a net increase in migration into the County.

b. Employment Increase

Increases in employment opportunities in Okaloosa County is the major contributor to population growth. From 2020 to 2021, however employment increased by 6,503 jobs and as of August, 2022 employment was 3,797 greater than in August, 2021.

However, as of November 2020, due to the impact of COVID-19 on the economy, employment fell by 4,743 jobs below the level of 2022 and the unemployment rate increased from 2.7% to 5.9% during this period. From June 2021 to June 2022, however, employment increased by 2,687 jobs. (See Table 4.)

The following shows the trend in employment in the West Panhandle Region:

Year	Employment	Average Annual Change
2000	228,201	
2010	306,112	+7,791
2017	335,402	+4,184
2018	341,260	+5,858
2019	345,479	+4,219
2020	331,256	-1,422
2021	350,061	+18,805
2022	372,838	+22,777

Source: Florida Department of Labor and Employment Security.

The largest percentage share of employment in Okaloosa County, 14.7%, is in the retail trade sector followed by 15.1% in accommodations and food services. About 12.2% of the employment in the County is in public administration, 12.1% in professional scientific and technical services, and 10.8% in health care and social services. (See Table 5.)

Table 6 lists the major employers in Okaloosa County as of 2022. The significance of tourism and resort living is apparent from the listing of major employers.

c. Retiree Influx

Another source of increase in the population of Okaloosa County, although minor in comparison to employment increases, is the influx of retirees. Table 7 shows that from 1990 to 2000 there was an average annual increase of 647 retired workers in Okaloosa County. From 2000 to 2010 retiree growth in Okaloosa County was slightly less, averaging 518 per year. From 2010 to

2021 the number of retired workers living in the County increased by an average of 928 persons per year. Obviously, not all of this increase was due to an influx from outside the area as workers living in the area also reached retirement age during the period.

B. The Niceville Market Area (Primary Market Area)

1. Population And Household Growth

The Primary Market Area (PMA) for a rental apartment development located in the Niceville area of Okaloosa County area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line. (See Map No. 1.)

The Niceville Market Area has a population of 44,770 as of 2022. The market area had an estimated population of 42,425 in 2020 representing an average annual increase of 810 since 2010. (See Table 8.)

It is forecast that the population of the Niceville Market Area will reach 47,370 persons in 2025 representing a gain of 867 persons per year over the level of 2022. (See Table 8.)

The number of households in the Niceville Market Area is estimated to be 15,740 as of 2022. The market area is estimated to have increased by an average of 147 per year from 2010 to 2020 reaching a total of 14,912. Over the 2000 - 2010 period households had increased by an average of 100 per year. It is estimated that there are 15,255 households in 2022 and that they will be 16,650 in 2025. It is forecast that there will be 16,650 households in the market area in 2025 indicating an increase of 303 annually from 2022 to 2025. (See Table 8.)

2. Housing Growth

As of 2022, there are an estimated 17,570 housing units in the Niceville Market Area. This represents an average annual increase of 461 since 2020. It is Forecast that 510 housing units will be added per year 2022 to 2025 to meet the needs of expanding households. From 2010 to 2020 housing expanded by an average of 194 units per year. (See Table 9.)

It is forecast that the housing stock of the market area will need to expand by 510 units per year from 2022 to 2025 in order to accommodate the forecasted growth of households. (See Table 9.)

C. Socio-Economic Character Of Primary Market Area Residents

1. Age Character

Residents of the Niceville Market Area are slightly older than the residents of the County as a whole. The median age of 35.1 years for the market area residents is less than 1.8 years than the Okaloosa County median of 36.9 years. About 56.8% of the residents of the Niceville Market Area are in the primary employable age group of 20 to 65. About 26.7% of the residents are under 20 years of age and about 16.5% are 65 years of age or older. (See Table 10.)

The median age of householders in the market area is also slightly older than that of the County. The median age of 49.2 years is 4.1 years older than the countywide median of 45.1 years. About 49.3% of the households in the market area are headed by persons under 45 years old, the major age group for renter households. In Okaloosa County 48.3% of the householders are under 45 years old. (See Table 11.)

2. Household Size

The largest percentage share of households in the Niceville Market Area and Okaloosa County are two-person households. In the market area, 37.6% of the households consist of two persons while in the County 36.5% consist of two-persons. The second largest percentage in the market area, 21.5%, are one-person households followed by three-person households accounting for 18.5% of the total. (See Table 12.)

3. Household Incomes

The median income of households in the Niceville Market Area is estimated at \$89,932 in 2022, considerably higher than the Okaloosa County median of \$68,955. (See Table 13.)

Renter households, however, have median incomes that are considerably lower than that of all households combined in Okaloosa County and in the market area. In the market area, the estimated median income of renter households in 2022 stands at \$54,903 while in Okaloosa County it is \$47,000. Based on a rent-to-income affordability factor of 35.0%, the median rent affordable by renter households in the market area is \$1,601, somewhat higher than the countywide median affordable of \$1,371. (See Table 14.)

4. Mobility Of Residents

In the Niceville Market Area, about 19.1% of the persons in 2020 who were one year old or older lived in a different house in 2019. Of those who had lived in a different house, 34.8% had lived elsewhere in Okaloosa County while 59.9% had lived elsewhere in the U.S. and 5.3% lived abroad. While the percentage of households living in a different house in 2020 than they lived in just one year earlier is about the same in the County and the market area, the majority of those households in the market area which had relocated, 65.2%, came from elsewhere in the U.S. or from abroad while in Okaloosa County overall the majority, 51.4%, had relocated from elsewhere within Okaloosa County. (See Table 15.)

5. General Household Character

The majority, 66.6%, of all households in the Niceville Market Area are family households consisting of two or more related persons. Non-family households with two or more unrelated persons account for 21.5% of the market area households and the balance of 12.6% are person living alone. About 27.7% of all households in the market area have one or more child under 18 living at home. (See Table 16.)

In Okaloosa County as a whole 66.9% of all households are families consisting of two or more related persons while non-family households with two or more unrelated persons account for 7.0% of the total. The balance of 26.1% of the households consist of one-person living alone. (See Table 16.)

TABLE 1

GROWTH OF POPULATION AND HOUSEHOLDS

Okaloosa County, Florida 1990 - 2022 Forecast To 2025

<u>Year</u>	Number Of Persons	Number Of <u>Households</u>
1990	143,776	53,313
2000	170,498	66,269
2010	180,822	72,379
2020	207,430	79,235
2022 (Estimate)	215,805	82,430
2025 (Forecast)	223,600	85,410
Ave	erage Annual Chang	<u>e:</u>
1990 - 2000	+2,672	+1,296
2000 - 2010	+1,032	+611
2010 - 2020	+2,661	+686
2020 - 2022	+4,188	+1,598
2022 - 2025	+2,598	+993

Source: 1990 - 2020; U.S. Bureau of the Census; 2022 estimated and 2025 forecast by Reinhold P. Wolff Economic Research, Inc. based on data from University of Florida, Bureau of Economic and Business Research.

GROWTH OF HOUSING Okaloosa County, Florida 1990 - 2022 Forecast To 2025

Year	Housing Units
	
1990	62,569
2000	78,593
2010	92,407
2020	97,802
2022 (Estimate)	101,745
2025 (Forecast)	105,420
Average Annual C	hange:
1990 - 2000	+1,602
2000 - 2010	+1,381
2010 - 2020	+540
2020 - 2022	+1,972
2022 - 2025	+1,225

Source: 1990 - 2020 U.S. Bureau of the Census; 2022 estimated and 2020 - 2025 forecast by Reinhold P. Wolff Economic Research, Inc.

TABLE 3

NEW DWELLING UNIT AUTHORIZATIONS

Okaloosa County

2000 - 2022

	Single	Multiple	
	Family	Family	
<u>Year</u>	<u>Units</u>	<u>Units</u>	Total
2000	1,057	432	1,489
2001	1,090	354	1,444
2002	1,438	498	1,936
2003	1,511	238	1,749
2004	1,737	974	2,711
2005	1,768	1,952	3,720
2006	1,699	91	1,790
2007	628	145	773
2008	285	394	679
2009	410	0	410
2010	547	0	547
2011	747	2	749
2012	643	279	922
2013	470	400	870
2014	582	8	590
2015	690	12	702
2016	745	92	837
2017	898	298	1,196
2018	822	38	860
2019	879	17	896
2020	925	68	993
2021	1,272	79	1,351
2022 (Thru August)	849	26	875

Annual Average 2012-2021:

Single Family	793
Multiple Family	<u>129</u>
Total	922

Source: University of Florida, Bureau of Economic and Business Research, Inc.; analysis by Reinhold P. Wolff Economic Research, Inc.

TABLE 4

EXPANSION OF EMPLOYMENT (1)

Okaloosa County

2000 - 2022

	Total	Unemployment
<u>Year</u>	Employed	Rate
2000	77,309	3.7%
2001	79,375	4.0%
2002	81,672	4.4%
2003	85,196	3.8%
2004 (2)	89,469	3.5%
2005	94,685	3.0%
2006	96,371	2.4%
2007	94,729	3.0%
2008	92,856	4.6%
2009	89,500	7.2%
2010	81,547	8.4%
2011	83,806	7.8%
2012	85,324	6.7%
2013	86,904	5.7%
2014	87,541	5.2%
2015	88,082	4.5%
2016	88,342	4.1%
2017	92,613	3.4%
2018	93,435	2.9%
2019	94,342	2.7%
2020	89,599 Covid	5.9%
2021	96,102	3.3%
2022 (As of August)	101,420	2.2%
,	97,623	2.3%

- (1) Average annual employment except as noted.
- (2) In 2004 the methodology for estimating employment was revised and employment for 2000 forward was revised utilizing the new methodology.

Source: Florida Department of Labor and Employment Security.

EMPLOYMENT BY TYPE Oakaloosa County, Florida 1st Quarter 2022

	Percent Of Total
Type Of Industry	Employment
Agriculture, Forestry and Fishing	0.1%
Mining	4.8%
Utilities	3.4%
Construction	1.5%
Manufacturing	14.5%
Wholesale Trade	2.0%
Retail Trade	0.4%
Transportation and Warehousing	1.1%
Information	2.7%
Finance & Insurance	2.8%
Real Estate, Rental And Leasing	12.1%
Professional, Scientific And Technical	0.4%
Management Companies And Enterprises	5.1%
Administration And Support	6.0%
Educational Services	11.1%
Health Care And Social Services	1.7%
Arts, Entertainment And Recreation	15.0%
Accommodations And Food Services	3.1%
Public Administration	12.1%
Other Services	0.1%
Unclassified	0.0%
TOTAL	100.0%

Source: Florida Department of Labor and Employment Security.

MAJOR EMPLOYERS Okaloosa County

Employers	Product/Services	Employees
Okaloosa County School District	Public Schools	3,449
Fort Walton Beach Medical Center	Hospital	1,429
Wal-Mart (Okaloosa combined)	Retail	1,400
Publix (Okaloosa Combined)	Retail	972
Okaloosa Board of County Commissioners	Government	936
Lockheed Martin Corporation	Technology	875
Northwest Florida State College	Education	734
Reliance Test & Technology	Resort Property Management	697
Okaloosa Airport System	County Government	684
Crestview Aerospace	Communication	612
CenturyLink	Communication	600
North Okaloosa Medical Center	Medical Center	570
Asurion/iQor	Technology	535
The Boeing Company	Aircraft Manufacturing	500
Sierra Nevada Corporation	Defense Contractor	498
Okaloosa County Sheriff's Office	County Government	475
White Wilson Medical Center	Hospital	465
Lowes (Combined)	Retail	446
BAE Systems	Manufacturing	380
Eglin Federal Credit Union	Government	330
DRS Training & Control Systems	Systems Support Center	300
Emerald Grande	Resort	291
Wyndham Vacation Rentals	Resort	265
Crane Electronics	Electronics	250
City of Fort Walton Beach	Government	250

Source: Okaloosa County Economic Development Alliance.

NUMBER OF RETIRED WORKERS Okaloosa County, Florida 1990 - 2021

<u>Year</u>	Retired <u>Workers</u>
1990	10,520
1995	13,750
2000	16,990
2001	17,310
2002	17,815
2003	18,375
2004	18,900
2005	19,290
2006	19,525
2007	19,775
2008	20,450
2009	21,385
2010	22,165
2011	22,810
2012	23,740
2013	24,930
2014	25,775
2015	26,955
2016	27,930
2017	29,100
2018	30,145
2019	31,270
2020	32,320
2021	33,297

(1) As of January of each year.

Source: U.S. Department of Health and Human Services, Social Security Administration.

TABLE 8

GROWTH OF POPULATION AND HOUSEHOLDS The Niceville Market Area (1) 1990 - 2022 Forecast To 2025

<u>Year</u>	Population	Households		
1990	27,464	9,842		
2000	34,093	12,448		
2010	34,330	13,447		
2020	42,425	14,912		
2022 (Estimate)	44,770	15,740		
2025 (Forecast)	47,370	16,650		
Average Annual Change:				
1990 - 2000	+663	+261		
2000 - 2010	+24	+100		
2010 - 2020	+810	+147		
2020 - 2022	+1,173	+414		
2022 - 2025	+867	+303		

(1) The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: U.S. Census of Population, 1990 - 2020; 2022 estimated and 2025 forecast by Reinhold P. Wolff Economic Research, Inc. based on population estimates and forecasts by Bureau of Economic Business Research. University of Florida and trends of persons per household.

GROWTH OF HOUSING The Niceville Market Area (1) 1990 - 2022

Forecast To 2025

<u>Year</u>	Housing <u>Units</u>		
1990	10,723		
2000	13,266		
2010	14,709		
2020	16,648		
2022 (Estimate)	17,570		
2025 (Forecast)	18,590		
Average Annual Change:			
1990 - 2000	+254		
2000 - 2010	+144		
2010 - 2020	+194		
2020 - 2022	+461		
2022 - 2025	+510		

(1) The Niceville Market Area is bordered on the north by Interstate10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: U.S. Census of Population, 1990 - 2020; 2022 estimated and 2025 forecast by Reinhold P. Wolff Economic Research, Inc. based on population estimates and forecasts by Bureau of Economic Business Research. University of Florida and

TABLE 10

AGE DISTRIBUTION OF POPULATION
Okaloosa County And Niceville Market Area
2022

	Percent O	f Population:
Age Group	Okaloosa County	Niceville <u>Market Area</u>
Under 20	24.3%	26.7%
20 - 24	7.0%	9.0%
25 - 34	16.0%	12.9%
35 - 44	12.2%	12.9%
45 - 54	11.3%	10.2%
55 - 64	13.3%	11.8%
65 - 74	9.3% 9.79	
75 - 84	5.0% 5.6%	
85 +	<u>1.6</u> %	1.2%
TOTALS	100.0%	100.0%
Median Age:	36.9 Yrs.	35.1 Yrs.

Source: U.S. Census of Population, 2010-2020 and adjusted to 2022 by Reinhold P. Wolff Economic Research, Inc.

⁽¹⁾ The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

TABLE 11

AGE DISTRIBUTION OF HOUSEHOLDERS
Okaloosa County And The Niceville Market Area (1)
2022

	Per	cent Of:
Age Group	Okaloosa County	Niceville <u>Market Area</u>
Under 20	3.2%	3.5%
20 - 24	9.0%	11.8%
25 - 34	20.5%	17.0%
35 - 44	15.6%	17.0%
45 - 54	14.4%	13.4%
55 - 64	17.0%	15.5%
65 - 74	11.9% 12.8%	
75 - 84	6.4%	7.4%
85 +	<u>2.0</u> %	<u>1.6%</u>
TOTALS	100.0%	100.0%
Median Age:	45.1 Yrs.	49.2 Yrs.

(1) The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: U.S. Census of Population, 2010-2020 and adjusted to 2022 by Reinhold P. Wolff Economic Research, Inc.

TABLE 12

DISTRIBUTION OF PERSONS PER HOUSEHOLD
Okaloosa County And The Niceville Market Area (1)
2022

	Percentage Of Households		
Number <u>Of Persons</u>	Okaloosa County	Niceville <u>Market Area</u>	
1 Person	28.2%	21.5%	
2 Persons	36.5%	37.6%	
3 Persons	15.5%	18.5%	
4 Persons	12.0%	12.8%	
5 Persons	5.3%	6.9%	
6 Persons	1.5%	1.9%	
7 Persons +	<u>1.0%</u>	0.9%	
TOTALS	100.0%	100.0%	

(1) The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: U.S. Census of Population, 2020 and estimated 2022 households by Reinhold P. Wolff Economic Research, Inc.

TABLE 13

DISTRIBUTION OF HOUSEHOLD INCOMES (1)
Okaloosa County And The Niceville Market Area (2)
2022

	Percent Of Households		
Income Group	Okaloosa Niceville County Market Ar		
Under \$10,000	3.8%	2.3%	
\$ 10,000 - 14,999	3.2%	2.4%	
15,000 - 24,999	7.0%	5.8%	
25,000 - 34,999	10.0%	8.8%	
35,000 - 49,999	12.2%	6.5%	
50,000 - 74,999	18.2%	15.3%	
75,000 - 99,999	14.7%	14.9%	
100,000 - 149,999	17.2%	22.9%	
150,000 - 199,999	6.8%	10.4%	
200,000 +	<u>6.9%</u>	10.7%	
TOTALS	100.0%	100.0%	
Median Income	\$68,955	\$89,932	

(1) The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: U.S. Bureau of the Census, 2010 and 2020; updated to 2022 by Reinhold P. Wolff Economic Research, Inc. based on trends revealed by U.S. Census data.

TABLE 14

DISTRIBUTION OF RENTER HOUSEHOLD INCOMES AND RENTS AFFORDABLE

Okaloosa County And The Niceville Market Area (1) 2022

	Rent	Percent Of Households		Percent Of Households	of Households
Income Group	Affordability Range	Okaloosa <u>County</u>	Niceville <u>Market Area</u>		
Under \$10,000	Under \$ 250	9.9%	3.3%		
\$ 10,000 - 14,999	\$ 250 - 375	5.4%	3.7%		
15,000 - 24,999	376 - 625	5.5%	10.0%		
25,000 - 34,999	626 - 875	14.0%	18.1%		
35,000 - 49,999	876 - 1,250	19.0%	10.8%		
50,000 - 74,999	1,251 - 1,875	20.7%	20.9%		
75,000 - 99,999	1,876 - 2,500	14.7%	11.6%		
100,000 - 149,999	2,501 - 3,749	8.9%	14.9%		
150,000 - 199,999	3,750 - 4,999	1.1%	3.6%		
200,000 +	5,000+	0.8%	3.1%		
TOTALS		100.0%	100.0%		
Median Income		\$47,000	\$54,903		
Median Rent Affordable		\$1,371	\$1,601		

(1) The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

Source: Analysis by Reinhold P. Wolff Economic Research, Inc. based on overall household income data and 2020 U.S. Census data showing renter household.incomes. An affordability factor of 35.0% rent to income is utilized.

MOBILITY PATTERN OF RESIDENTS Okaloosa County And The Niceville Market Area (1) 2020

Percent Of Residents

	1 credit of Residents			
Residence In 2019 (2)	Okaloos	a County		eville et Area
Same Housing in 2020	78.2%		80.9%	
Different Housing	21.8%		19.1%	
In Okaloosa County		51.4%		34.8%
Other U.S. County		42.7%		59.9%
Abroad		<u>5.9%</u>		<u>5.3%</u>
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: U.S. Bureau of the Census, 2020; analysis by Reinhold P. Wolff Economic Research, Inc.

⁽¹⁾ The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

⁽²⁾ Relates to residence in 2019 of persons residing in market area in 2020, 1 year of age or older.

TABLE 16

SUMMARY CHARACTER OF HOUSEHOLDS
Okaloosa County And The Niceville Market Area (1)
2018

Okaloosa <u>County</u>	Niceville <u>Market Area</u>
55,146	10,420
42,369	8,295
12,777	2,125
ds 27,284	5,320
4,039	1,936
23,245	<u>3,384</u>
82,430	15,740
26.707	5,965
32.4%	37.9%
	County 55,146 42,369 12,777 1s 27,284 4,039 23,245 82,430

Source: Analysis by Reinhold P. Wolff Econimic Research, Inc. of U.S. Census of Population data, 2020 and applied to 2022 households.

⁽¹⁾ The Niceville Market Area is bordered on the north by Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger J. Clary Highway (FL-123) and west by the Okaloosa/Walton County line.

CHAPTER III

CHARACTER OF RENTAL HOUSING MARKET AND TRENDS

A. Size And Character of Rental Market

In Okaloosa County there are an estimated 35,310 housing units utilized on a rental basis in 2022 representing 34.7% of all housing in the County. As examination of Table 17 reveals, an estimated 37.3% of the rental utilized housing in Okaloosa County or 13,171 units are multi-family rental apartments. Multi-family rental apartments are units in buildings of three or more units which are intended for rental occupancy. The largest group of housing utilized on a rental basis in Okaloosa County are single family homes accounting for 16,843 units or 47.7% of the total. Condominiums occupied or offered for lease on a rental basis account for 4.7% of all rental utilized housing and total 1,660 units. The balance of the rental utilized housing in Okaloosa County consists of duplexes at 3.0% and mobile homes at 2.7%. (See Table 17.)

As Table 18 shows, there were 8,004 apartment units in developments having five or more units in the County as of July 2022. These are units in apartment developments registered with the State of Florida, Department of Business Regulation and some developments fail to register on a timely basis.

Within the Niceville Market Area, a somewhat lower percentage of the rental utilized housing are multi-family apartments, 27.5% or 1,440 units. The largest percentage of housing units utilized on a rental basis in the market area, 59.9% or 3,136 units, are single family homes. Condominiums utilized on a rental basis are estimated to total 277 units or 5.3% of the total. The balance of the rental utilized housing in the market area consists of duplexes, 4.3% or 225 units, and mobile homes, 3.0% or 157 units. (See Table 17.)

Based on analysis of trends in rents paid for rental utilized housing in Okaloosa County and the Niceville Market Area, the median rent estimated for 2022 is \$1,187 the County and \$1,442 in the Niceville Market Area. Rental utilized housing, once again, includes all types of housing offered for rent ranging from mobile homes to single family homes. (See Table 19.)

In Okaloosa County about 84.6% of the rental utilized housing rent for \$800 or more per month while in the Niceville Market Area 83.3% of the housing rent for \$800 or more.

These data regarding the character and number of rental utilized housing in the County and the market area will be useful in analyzing the potential for additional multi-family rental housing in the area, which is examined later in this report.

B. Apartment Vacancy Rates

Regular surveys of rental apartment developments in Okaloosa County and the West Panhandle Area overall are not conducted.

This research firm has, however, conducted a number of surveys of market rate apartment developments in recent years located throughout the West Panhandle Area including Okaloosa, Walton, Escambia and Santa Rosa Counties. These regional surveys have been conducted on an irregular basis during 2013 to 2022. Prior to these surveys a number of surveys during 2002 through 2009 were conducted in Okaloosa County only.

In Okaloosa County, the vacancy rate was in the 1.0% to 2.0% range during 2002 - 2003 but during the great recession the vacancy rate was in the 10.0% - 11.0% range during 2008 - 2009. The following shows some historical vacancy data for Okaloosa County:

Survey Date	Vacancy Rate
September, 2002	2.0%
June, 2003	1.8%
October, 2003	1.8%
December, 2008	11.8%
April, 2009	10.7%
August, 2009	11.4%

In August, 2022 a total of 67 market rate apartment developments located throughout Okaloosa, Walton, Escambia and Santa Rosa (the West Panhandle Area) were surveyed by this research firm. These developments, which contain a total of 10,794 units, were found to have 79 vacant units representing a 0.7% vacancy rate. (See Table 20.)

Previous surveys in the West Panhandle Area shows that the vacancy rate fell from 5.0% in May, 2013 to 2.1% in March, 2017 before increasing somewhat to 2.0% to 4.0% range during July, 2017 to January, 2021 and declining to 1.2% in April, 2022 and the current 0.7% level.

Recent Apartment Vacancy Trend West Panhandle Area				
Survey Date	Vacancy Rate			
May, 2013	5.0%			
February, 2014	3.6%			
November, 2015	4.4%			
August, 2016	3.6%			
March, 2017	2.1%			
July, 2017	3.4%			
September, 2018	3.8%			
September, 2019	3.2%			
February, 2022	2.8%			
September, 2022	3.0%			
January, 2021	3.1%			
April, 2022	1.2%			
August, 2022	0.7%			

As will be detailed in Chapter IV of this report regarding the competitive environment, the seven market rate apartment developments considered in the general vicinity of the subject site were found to have a vacancy rate of 2.8%. There developments may offer some limited competition for the proposed development but are not considered to be directly comparable to a student-oriented development.

A number of apartment developments considered to be directly comparable to a student-oriented apartment development are examined in the competitive environment section of this study. These developments, however, are located just outside of the Panhandle area.

C. Apartment Rents

Table 19 shows the estimated overall median rent paid for rental utilized housing as of 2022. The estimated median rent being paid in Okaloosa County stands at \$1,187 while in the Niceville Market Area it stands at \$1,442. These median rent estimates are based on trend analysis of U.S. Census data for the County and the Market Area from 2010 to 2020 and it includes all types of housing offered for rent ranging from rental apartments to single family homes.

Analysis of the census data regarding rents paid indicates that the overall average rent increased by an average of 6.1% per year in Okaloosa County from 2010 to 2020 and in the Niceville Market Area the average rent increased by 6.5% per year. This high rate of rent increase resulted largely from the increase in the number of single-family homes entering the rental market during the great recession.

Market rate apartment developments in the West Panhandle Area have an overall average rent of \$1,791 in August, 2022. As Table 21 shows, the overall average rent for studio units in the West Panhandle Area stood at \$1,426 in August, 2022 while one-bedroom/one-bath units have an average rent of \$1,559. Two-bedroom/one-bath apartments in the area have an average monthly rent of \$1,234 while two-bedroom/two-bath apartments in the area have an average monthly rent of \$1,973, three-bedroom/two-bath apartments have an average monthly rent of \$2,187, and four-bedroom/two-bath apartments have an average monthly rent of \$2,160. (See Table 21.)

Table 22 shows the trend of apartment rents by unit type in the West Panhandle Area over the 2013-2022 period. The overall average rent for the market rate apartments increased at an annualized rate of 21.9% from January, 2021 to August, 2022 and by 3.6% from April, 2022 to August, 2022. (See Table 22.)

The strongest rate of increase in the average rent was experienced by two-bedroom units over the April, 2022 to August, 2022 period increasing at an annualized rate of 5.3% followed by three-bedroom/two-bath units at 2.4%.

D. Absorption Of Apartments

While specific data regarding the historical absorption of rental apartments in Okaloosa County and the Niceville Market Area are not available, analysis of U.S. Census data and apartments registered with the State of Florida, Department of Business Regulation allows some general conclusions regarding absorption to be drawn. Total housing utilized on a rental basis in Okaloosa County increased by 276 units annually from 1990 to 2000 and by 584 units per year from 2000 to 2010. From 2010 to 2020 rental utilized housing increased by an average of 100 units per year. In the Niceville Market Area rental utilized housing increased by an average of 75 units annually from 1990 to 2000 and 829 per year from 2000 to 2010 but declined by 114 units per year from 2010 to 2020.

Over the past two years, from 2020 to 2022, the number of renter utilized housing in the County is estimated to have increased by an average of 1,027 units per year and in the Niceville Market Area they have increased by an average of 402 units annually.

The number of registered rental apartment units in Okaloosa County increased by an average of only 40 units per year from 1980 to 1990 and by an average of 212 units per year from 1990 to 2000. The number of registered units increased by an average of 140 units per year from 2000 to 2010 then increased by 165 units per year from 2010 to 2021. Similar data is not available for the Niceville Market Area.

E. The Shadow Rental Market

There are no official data showing the overall size of the shadow rental market in Okaloosa County or the Niceville Market Area. As in all of Florida and much of the U.S., the number of single-family homes, condominiums and other housing offered for rent increased in Okaloosa County and the Niceville Market Area during the 2007 – 2010 recessionary period.

There is, of course, always a non-apartment or shadow rental market but with the increased difficulty of selling ownership housing during the recession this market increased. In Okaloosa County about 34.7% of all housing is renter occupied or intended for rental occupancy while in the Niceville Market Area about 35.2% is for renter households. These percentages are estimates based on trends revealed by U.S. Census data and may understate the current share of housing being rented or offered for rent.

This research firm has observed over the years that standard multi-family apartment developments have a considerable advantage over non-apartment developments in attracting tenants due largely to their focus on the needs of renters. Condominiums, on the other hand, are oriented towards the needs of owners and renters are treated as second class. Single family home renters forego the many amenities offered by apartments and often are responsible for maintaining single family properties.

It is this consultant's opinion that the impact of the non-apartment "shadow" rental market on the multi-family apartment market peaked in late 2008 and has moderated considerably. It is believed that employment trends became the most important factor impacting apartment market trends in late 2008 and that recent and near-term future trends will be primarily influenced by employment trends.

While there are no overall vacancy data available for non-apartment rental housing, the important issue is the vacancy rate in multi-family apartments, and this information is available. The data shows that the vacancy rate in the general West Panhandle Area stands at a low 0.7% level in August, 2022.

F. Forecast Of Market Trends

As noted previously, the vacancy rate in apartment developments located throughout the West Panhandle Area stood at 0.7% in August, 2022 and the vacancy rate in the selected comparable/competitive developments stood at 2.6%.

As will be detailed later in this report, there is an estimated demand for 1,652 additional apartment units per year in Okaloosa County from 2022 to 2025. In the Niceville Market Area, the demand for additional apartments is estimated at 543 units per year from 2022 to 2025. When the demand is narrowed to market rate apartments renting for \$800 or more it stands at 1,232 units per year from 2022 to 2025 in Okaloosa County and 427 annually in the Niceville Market Area.

The subject 88-unit development is the only student-oriented apartment development known to be planned/proposed in the Niceville Market Area.

Given the indicated supply and demand situation it is expected that the vacancy rate in the area will be in the 2.0% to 3.0% range over the 2022-2025 period. Apartment rents are expected to increase in the 4.0% range over the next one year and in the 3.0% range annually from 2022 to 2025.

GENERAL CHARACTER OF HOUSING UTILIZED ON RENTAL BASIS

Okaloosa County And The The Niceville Market Area (1) 2020

Number And % Of Rental Housing

	Number And 76 Of Kentai Housing							
	Rental	Utilized Units	Perce	nt Of Totals				
	Okaloosa	Niceville	Okaloosa	Niceville				
General Housing Type	County	Market Area	County	Market Area				
Rental Apartments	13,171	1,440	37.3%	27.5%				
Condominium	1,660	277	4.7%	5.3%				
Single Family Homes	18,467	3,136	52.3%	59.9%				
Duplexes	1,059	225	3.0%	4.3%				
Mobile Homes	<u>953</u>	<u>157</u>	<u>2.7%</u>	3.0%				
Total Rental Utilized Housing	35,310	5,235	100.0%	100.0%				

(1) The Niceville Market Area is bordered on the north Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger S. Clay Highway (123) and west by the Okaloosa/Walton County line. (See Map No. 1.)

Source: Estimated by Reinhold P. Wolff Economic Research, Inc. based on analysis of U.S. Census data for 2020 and data regarding apartments registered with Florida Department of Business Regulation.

NUMBER OF RENTAL APARTMENT UNITS REGISTERED WITH THE STATE (1) Okaloosa County, Florida 1985 - 2022

Number

	Number
Year	Of Units
1985 (3)	1,973
1990	2,459
1995	3,496
2000	4,582
2005	5,062
2006	4,981
2007	5,180
2008	5,140
2009	5,557
2010	5,983
2011	6,125
2012	6,380
2013	6,254
2014	6,474
2015	6,683
2016	6,991
2017	7,059
2018	7,131
2019	7,616
2020	7,744
2021	7,795
2022	8,004

- (1) As of July Each Year.
- (2) Number of units registered with the State of Florida, Department of Business Regulation.
- (3) Starting in 1984 buildings with less than 4 units were exempted from registration whereas in prior years all buildings with 3 or more units were required to register.

Source: Florida Department of Business Regulation, Division of Hotels and Restaurants; analysis by Reinhold P. Wolff Economic Research, Inc.

TABLE 19

DISTRIBUTION OF RENTER HOUSEHOLDS BY RENTS PAID

Okaloosa County And The Niceville Market Area (1) 2022

	Percent Of	f Households: (2)
Rent Ranges	Okaloosa <u>County</u>	Niceville Market Area
Less Than \$ 300	1.7%	1.4%
\$ 300 - 399	1.4%	0.1%
400 - 499	0.9%	1.2%
500 - 599	2.7%	3.0%
600 - 699	3.6%	3.9%
700 - 799	5.1%	7.1%
800 - 999	17.3%	8.0%
1,000 - 1,249	23.0%	6.7%
1,250 - 1,499	16.4%	24.1%
1,500 - 1,999	20.0%	33.8%
2,000 +	<u>7.9%</u>	10.7%
TOTALS	100.0%	100.0%
Median Rent Paid	\$1,187	\$1,442

- (1) The Niceville Market Area is bordered on the north Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger S. Clay Highway (123) and west by the Okaloosa/Walton County line. (See Map No. 1.)
- (2) Includes renters in all types of housing occupied on a rental basis.

Source: U.S. Census of Housing, 2010 and 2020; 2022 estimated by Reinhold P. Wolff Economic Research, Inc. based on trends revealed by U.S. Census.

TABLE 20

TREND OF APARTMENT VACANCY RATES

West Panhandle Area *

March, 2013 - October, 2022

Survey <u>Date</u>	# Units <u>Surveyed</u>	# Units <u>Vacant</u>	% <u>Vacant</u>
March, 2013	4,868	244	5.0%
February, 2014	4,982	181	3.6%
November, 2015	5,256	231	4.4%
August, 2016	5,256	187	3.6%
March, 2017	6,456	137	2.1%
July, 2017	7,213	247	3.4%
September, 2018	7,213	272	3.8%
September, 2019	7,747	246	3.2%
February, 2020	8,436	234	2.8%
September, 2020	8,573	261	3.0%
January, 2021	9,145	282	3.1%
April, 2022	10,506	127	1.2%
August, 2022	10,794	79	0.7%

^{*} Includes Escambia, Santa Rosa, Okaloosa and Walton Counties. The August, 2022 survey includes 67 market rate development with 10,794 units.

TABLE 21

SUMMARY OF MARKET RATE APARTMENT DEVELOPMENTS IN

West Panhandle Area * August, 2022

Unit Type	Average Square Footage Livable Area		Square Footage Average		Average Rent Per Sq. Ft. Per Month
Studio/Eff.	517	Sq. Ft.	\$1,426	275.8¢	
1BR/1B	742		\$1,559	210.1¢	
2BR/1B	924		\$1,234	133.5¢	
2BR/2B	1,082		\$1,973	182.3¢	
3BR/2B	1,410		\$2,187	155.1¢	
4BR/2B	1,517		\$2,160	142.4¢	
Overall	998	Sq. Ft.	\$1,791	179.5¢	

^{*} All developments surveyed are market rate in character and all located in Okaloosa, Walton, Escambia and Santa Rosa Counties.

TABLE 22

TREND OF APARTMENT RENTS

West Panhandle Area *

2013 - 2022

Survey Date	Studio/Eff.	1BR/1B	2BR/1B	2BR/2B	3BR/2B	<u>Overall</u>
May, 2013	\$513	\$718	\$723	\$927	\$1,085	\$847
February, 2014	\$513	\$741	\$751	\$949	\$1,152	\$946
November, 2015	\$891	\$871	\$790	\$1,095	\$1,261	\$995
August, 2016	\$960	\$979	\$815	\$1,130	\$1,369	\$1,058
March, 2017	\$947	\$966	\$759	\$1,126	\$1,318	\$1,028
July, 2017	\$1,058	\$1,006	\$830	\$1,203	\$1,487	\$1,107
June, 2018	\$1,073	\$1,061	\$857	\$1,256	\$1,487	\$1,165
September, 2019	\$1,018	\$1,115	\$950	\$1,374	\$1,527	\$1,255
February, 2020	\$1,055	\$1,145	\$956	\$1,386	\$1,485	\$1,267
September, 2020	\$1,120	\$1,180	\$981	\$1,442	\$1,603	\$1,317
January, 2021	\$1,159	\$1,174	\$976	\$1,447	\$1,622	\$1,330
April, 2022	\$1,392	\$1,549	\$1,183	\$1,873	\$2,136	\$1,728
August, 2022	\$1,426	\$1,559	\$1,235	\$1,973	\$2,187	\$1,791
		Pe	rcent Chang	O (zed)	
8/16-6/18	+6.4%	+4.6%	+2.8%	+6.1%	+4.7%	+5.5%
6/18-2/20	-1.0%	+4.8%	+6.9%	+6.2%	-0.1%	+5.3%
9/19-9/20	+10.0%	+5.8%	+3.3%	+4.9%	+5.0%	+4.9%
9/20-01/21	+3.5%	-0.5%	-0.5%	+0.3%	+1.2%	+1.0%
9/20-8/22	+17.3%	+20.3%	+16.4%	+23.3%	+23.0%	+22.7%
01/21-8/22	+14.5%	+20.7%	+16.8%	+23.0%	+22.0%	+21.9%
04/22-8/22	+2.4%	+0.6%	+4.4%	+5.3%	+2.4%	+3.6%

^{*} Includes market rate apartment developments located in Okaloosa, Walton, Escambia and Santa Rosa Counties.

Source: Survey by Reinhold P. Wolff Economic Research, Inc. of market rate apartment developments.

CHAPTER IV

THE COMPETITIVE ENVIRONMENT

A. The General Competitive Environment

As detailed previously, the subject proposed development will have a specific orientation towards the student market. The apartments will be designed for sharing common space whereas each student tenant will have their own bedroom and private full-sized bathroom.

In considering the competitive environment in which the subject proposed development will need to operate the development character and status of eight student-oriented apartment developments located in the Panhandle Area were examined. All these developments are designed for college students whereby each unit typically consists of more than one-bedroom and each bedroom is rented separately. The balance of the apartment is shared by all the students in the apartment.

The eight student-oriented apartment developments examined are listed and their general development parameters are shown in Table 23 through Table 30 while their overall combined summary character is shown in Table 31.

The developments examined contain a total of 954 units with 3,010 bedrooms. The developments are relatively new with all but one having been completed in 2014 or later, except for one that was completed in 1984.

Tables 32 through 38 show market rate apartment developments located in the surrounding area of the college and their summary development character is shown in Table 39. Table 40 shows the summary character of market rate apartment developments located throughout the West Panhandle Area.

The following summarizes the development character of the selected comparable developments.

B. Summary Character of Student Oriented Developments

1. Mix Of Unit Types

Most of the units offered in the comparable student-oriented developments, 60.0%, are four-bedroom in character and almost all the four-bedroom units provide four-baths. The second most common unit type offered are two-bedroom/two-bath units which account for 30.6% of the apartments offered. Two-bedroom/one-bath units account for 4.6% of the apartments offered while

the balance of 3.7% are one-bedroom/one-bath units Three-bedroom apartments represent 0.2% of the units offered and approximately 0.9% of all apartments offered are five-bedroom five-bath apartments as well. (See Table 31.)

2. Unit Sizes (Square Footages)

The one-bedroom apartments in the selected comparable developments offer 576 square feet and range from 475 to 706 square feet of livable area. The two-bedroom/one-bath apartments provide an average of 807 square feet of livable area. The two-bedroom/two-bath apartments provide an average of 922 square feet and they range from 762 to 1,140 square feet of livable area. The three-bedroom/three-bath units in the selected developments examined offer an average of 1,115 square feet of livable area and they range from 1,079 to 1,150 square feet while the four-bedroom/two- to four-bath units provide an average of 1,431 square feet and range from 1,277 to 1,823 square feet of livable area. The five-bedroom/five-bath apartments provide an average of 1,571 square feet and they range from 1,540 to 1,595 square feet of livable area. (See Table 31.)

3. Monthly Rents

Quoted rents for apartments in the student-oriented developments are per bedroom. Among the selected comparable developments examined the one-bedroom units have a base rent of \$1,202 while they range from \$912 to \$1,600. The two-bedroom/one-bath units have an average base monthly rent of \$747 per bedroom or \$1,494 per unit. The two-bedroom/two-bath units have an average base monthly rent of \$885 per bedroom or \$1,770 per unit and they range from \$615 to \$1,119 per bedroom or \$1,230 to \$2,350 per unit. The three-bedroom/two-bath apartments in the selected comparable developments have an average base rent of \$752 per bedroom while the overall average base rent for the unit is \$2,256. The per bedroom rent ranges from \$724 to \$779 while the per unit rent ranges from \$2,172 to \$2,337. The average base rent per bedroom for the four-bedroom units is \$828 while they range from \$650 to \$1,079. The per unit base average rent is \$3,312 and they range from \$2,600 to \$4,316. The average base rent per bedroom for the five-bedroom units is \$650 and the per unit base average rent is \$3,250 (See Table 31.)

Among the selected comparable developments examined the one-bedroom units have an average rent per square foot of 208.6¢. The two-bedroom/one-bath units have an average rent per square foot of 92.6¢. The two-bedroom/two-bath units have an average rent per square foot of 96.0¢. The three-bedroom/two-bath units have an average rent per square foot of 67.4¢. The four-bedroom units have an average rent per square foot of 57.9¢. The five-bedroom units have an average rent per

square foot of 41.4¢. The overall weighted per unit average rent in the selected student oriented comparable developments is \$854 or 70.2¢ per square foot of livable area, excluding College Courtyards. The average monthly rent in the student-oriented developments is about 56.6% less than the overall average rent found in apartment developments in Okaloosa County and about 68.7% less than the \$2,757 average found in apartment developments throughout the Panhandle Market Area. (See Tables 31, 38 and 39.)

4. Unit Features and Amenities

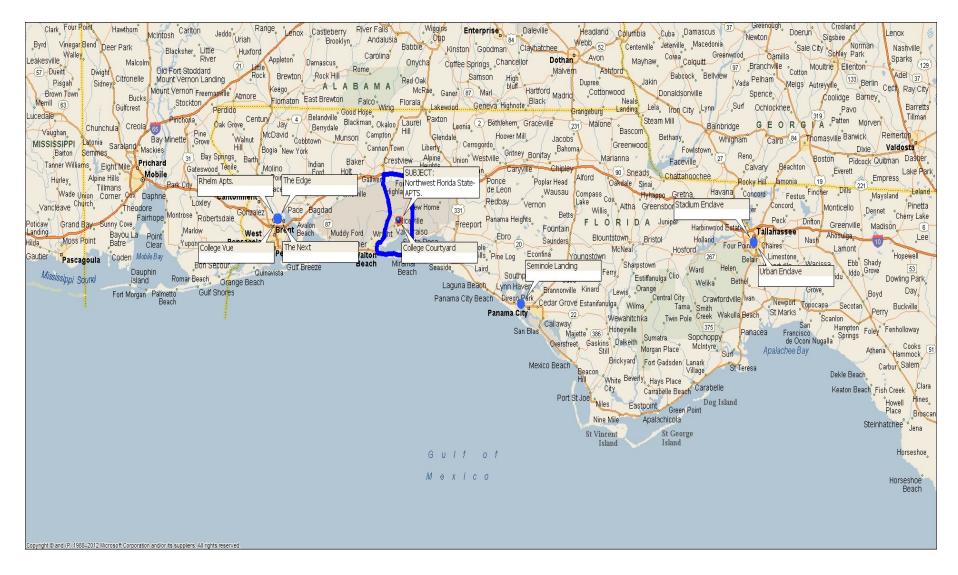
The major unit features and amenities offered by the selected comparable developments are detailed in each of the individual development profile tables and they are summarized in Tables 23 through 30.

C. Planned/Proposed and Under Construction Developments

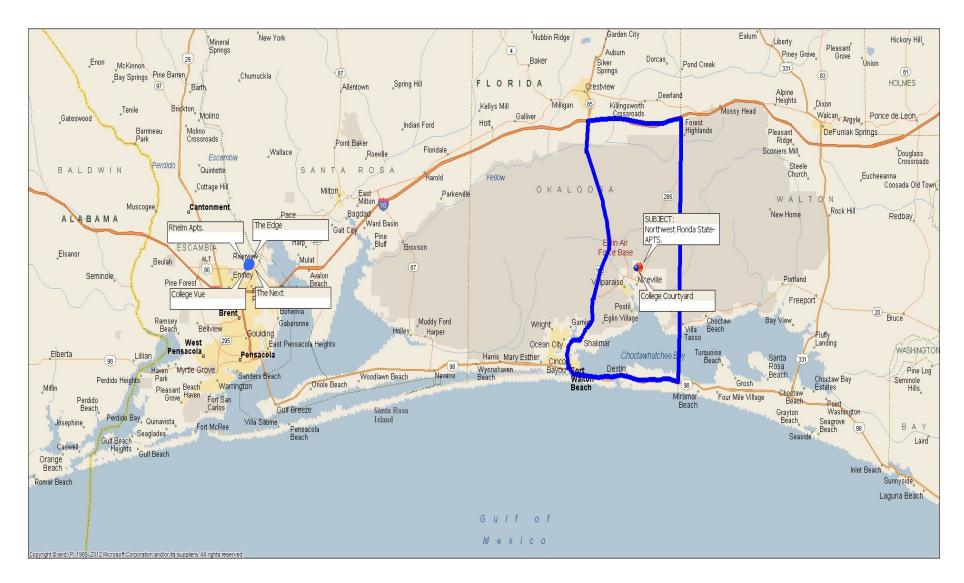
There are no student-oriented rental apartments or standard apartment developments known to be planned/proposed in the Niceville Market Area.

D. Non-Apartment Rental Options

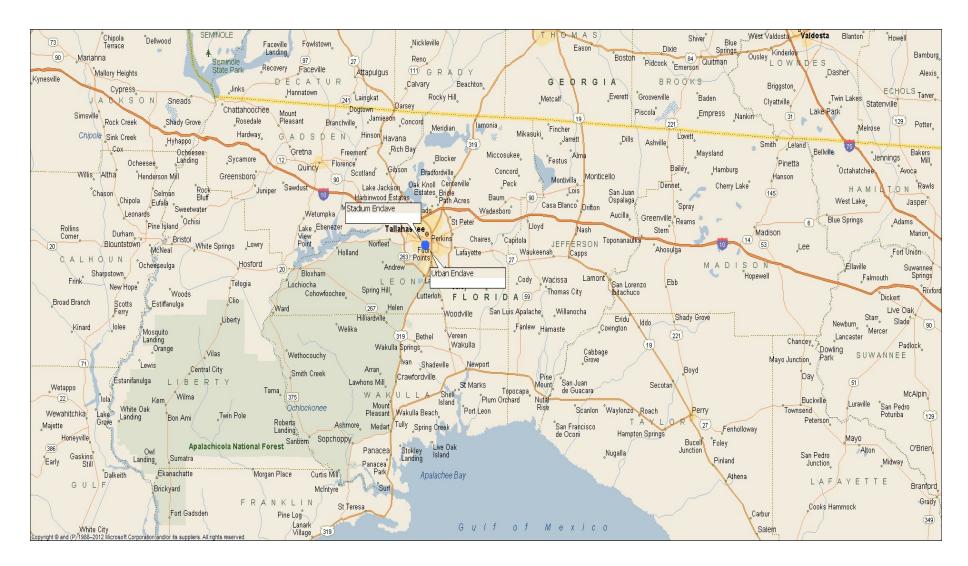
In addition to multi-family rental options an analysis of single family/townhouse rentals currently listed in the MLS was examined. Table 41 shows the summary character of 37 non-apartment rentals examined in the Niceville Area and Table 42 examines the summary character of 77 MLS listed single family and townhouse units throughout the West Panhandle Area.



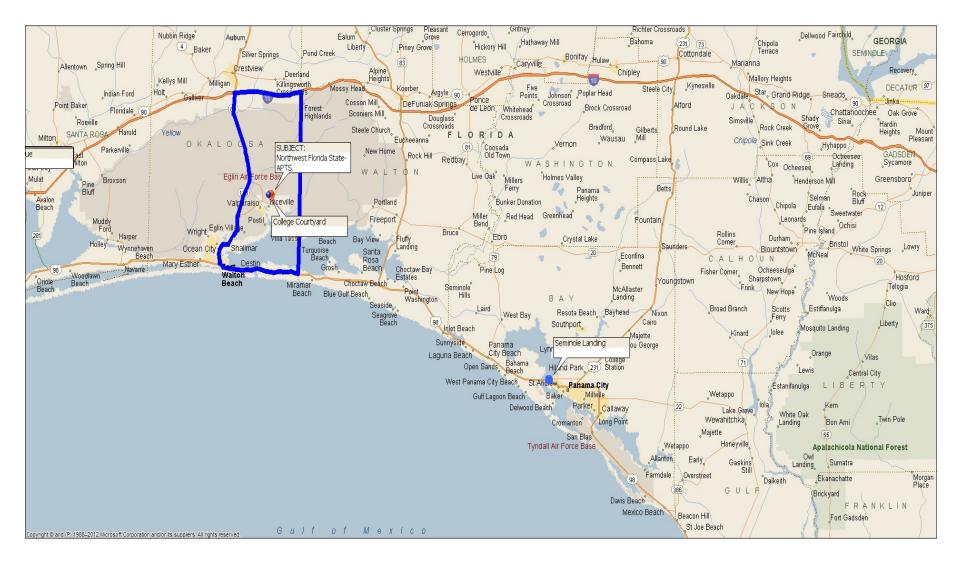
MAP NO. 2A COMPARABLE/COMPETITIVE DEVELOPMENTS



MAP NO. 2B COMPARABLE/COMPETITIVE DEVELOPMENTS



MAP NO. 2C COMPARABLE/COMPETITIVE DEVELOPMENTS



MAP NO. 2D COMPARABLE/COMPETITIVE DEVELOPMENTS

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: College Courtyard

> **Location: 28 Garden Lane #32**

> > City: Niceville, FL

Zip Code: 32578

Phone Number: 850-733-9875 **Survey Date:** October, 2022

Total Units: 32 Year Built: 1984 **Units Vacant:** 0 **Number Of Stories:** 2



EXTRA CHARGES/FEES:

Detached Garage:

Additional Parking Space:

Wine Locker: **Valet Per Month:**

Storage Units:

Pool: Lake:

Floor Premiums: Short Term Lease:

Waher/Dryer Rental:

Security Deposit: \$300 **Application Fee:** \$50 **Administrative Fee:** \$200

Pet Deposit: Pet Fee:

No pets

Pet Rent:

Other:

Concessions: None

* Development in front of subject site.

2 4 valopinoni in none or onojeve bite.						
Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area		
1BR/1B	6	550	\$912	165.8¢		
2BR/1B	6	700	\$1,089	155.6¢		
2BR/1B	6	895	\$1,089	121.7¢		
2BR/2B	7	950	\$1,175	123.7¢		
3BR/2B	7	1,850	\$1,479	79.9¢		

College Courtyards Apts.

	Amenities		Unit Features		
	Clubhouse/Recreation	T	Icemaker		
	Fitness Center w/Cardio & Weights		Water Dispenser		
	Business Center/Conference Room	X	Dishwasher		
	Aerobics/Yoga/Pilates Room	X	Disposal		
	Sauna Room		Microwave		
	Billiards/Card/Game Room		Stove Top		
	Media Center/Movie Theater	_	Refrigerator		
	Children's Playroom	1	Breakfast Bar		
	Cyber Café/Coffee Bar	\dashv	Pantry		
	Package Service	1	Island Kitchen		
	Indoor Sport Court - Half	x	Kitchen Countertop - Formica		
	Swimming Pool	 	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa	\dashv	Foyer/Entry Floor - Wood		
	Tennis Court	X	Bathroom Floor - Porcelain Tile		
	Outdoor Sports/Basketball Court	- 11	Vanity Top Formica		
	Volleyball Court (Sand)	-	Garden Tub		
\vdash	BBQ/Picnic Facilities	——————————————————————————————————————	Glass Enclosed Shower		
	Putting Green	\dashv	Linen Closet		
	Children's Playground	\dashv	Washer/Dryer Connections Only		
\vdash	Jogging/Fitness/Nature Trail/Riverwalk	\dashv	Washer/Dryer in Unit (Full Size)		
	Water Views (Ocean View)	\dashv	Ceiling Fan Connections Only		
\vdash	Golf Course Views	\dashv	Ceiling Fan(s) (Living Room/Bedroom)		
	Community Laundry Facilities	\dashv	Vaulted Ceilings - Top Floor		
	Car Care Center	\dashv	Tray Ceilings		
	Complimentary Valet	\dashv	Keyless Door		
\vdash	Underground/Structured Parking	\dashv	Extended Ceiling Heights - 9'		
	Community Gated/Secured Access	+	Verticals/Mini-Blinds		
\vdash	Valet Trash	\dashv	Walk-In Closet(s)		
	Storage Units For Rent	\dashv	Pre-Wired For Security Alarm		
v	Wi-Fi/Common Areas	\dashv	Security Alarm		
$\frac{\Lambda}{}$	Concierge Services	v	Pre-Wired Cable TV/Tel./High Speed Internet		
\vdash		$-\frac{\Lambda}{1}$	Coat Closet		
\vdash	Pet Walking Area	+	Impact Glass		
\vdash	Bike Storage Areas	\dashv	Framed Mirrors		
	Elevator	\dashv			
_	Outdoor Kitchen w/Custom Grill Area	\dashv	Balcony/Patio Area (Saragrad)		
	Special Amenities:	+	Balcony/Patio Area (Screened)		
	Boat Ramp	+	Apartment Storage (Balcony)		
	Boat Trailer Storage Area	+	Carport Detached Courses		
	Boat Docking	+	Detached Garages		
	Bus Shelter	+	Attached Garages		
_	On-site Boat Storage/Commercial Vehicle Parking	\dashv	Direct Access Garages		
	Spa/Cabana Bath	+	Special Features:		
	Dog Park	\dashv	Water Conservation Features		
\vdash	Pet Care	\dashv	Energy Conservation Features		
	Rooftop Lounge/Gazebo	-	Raised Panel Wood Cabinets		
\vdash	Controlled Access	\dashv	Knockdown Texture - Walls and Ceilings		
	Maintenance/Property Manager On Site	+	Crown Molding		
		+	Custom Wood Kitchen Cabinets		
			Alexa Smart Home System		
		_	Special Sound Insulated Glass		

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: Rhelm Apartments

Location: 9601 University Pkwy

City: Pensacola, FL

\$25

\$250

\$25

Zip Code: 32514

Phone Number: 850-972-8808 Survey Date: October, 2022

Total Units: 66
Year Built: 2021
Units Vacant: 0
Number Of Stories: 3

Security Deposit:

Application Fee:

Pet Deposit:

Pet Fee:

Other:

Pet Rent:

Administrative Fee:



Detached Garage: -

Additional Parking Space:

Wine Locker: --Valet Per Month: ---

Storage Units:

Pool: --Lake: --Floor Premiums: ---

Short Term Lease: ---Waher/Dryer Rental: Included

Concessions: None

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	12	527	\$1,229	233.2¢
1BR/1B	8	706	\$1,299	184.0¢
2BR/2B	12	762	\$859	112.7¢
4BR/4B	34	1,283	\$689	53.7¢

RHELM

	Amenities		Unit Features		
X	Clubhouse/Recreation	X	Icemaker		
X	Fitness Center w/Cardio & Weights	X	Water Dispenser		
X	Business Center/Conference Room	X	Dishwasher		
	Aerobics/Yoga/Pilates Room	X	Disposal		
	Sauna Room	X	Microwave		
X	Billiards/Card/Game Room	X	Stove Top		
X	Media Center/Movie Theater	X	Appliances - Stainless Steel		
	Children's Playroom	X	Breakfast Bar		
X	Cyber Café/Coffee Bar		Pantry		
	Package Service		Island Kitchen		
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite		
X	Swimming Pool	X	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood		
	Tennis Court	X	Bathroom Floor - Porcelain Tile		
	Outdoor Sports/Basketball Court	X	Vanity Top Granite		
	Volleyball Court (Sand)	X	Tub/Shower		
X	BBQ/Picnic Facilities		Glass Enclosed Shower		
	Putting Green		Linen Closet		
	Children's Playground		Washer/Dryer Connections Only		
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)		
	Water Views (Ocean View)		Ceiling Fan Connections Only		
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)		
	Community Laundry Facilities		Vaulted Ceilings - Top Floor		
X	Car Care Center		Tray Ceilings		
	Complimentary Valet	X	Keyless Door		
	Underground/Structured Parking		Extended Ceiling Heights - 9'		
	Community Gated/Secured Access		Verticals/Mini-Blinds		
	Valet Trash	X	Walk-In Closet(s)		
	Storage Units For Rent	X	Pre-Wired For Security Alarm		
X	Wi-Fi/Common Areas		Security Alarm		
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet		
	Pet Walking Area		Coat Closet		
	Bike Storage Areas		Impact Glass		
	Elevator		Framed Mirrors		
X	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area		
	Special Amenities:	X	Balcony/Patio Area (Screened)		
	Boat Ramp		Apartment Storage (Balcony)		
	Boat Trailer Storage Area	X	Paring Lot		
	Boat Docking		Detached Garages		
	Bus Shelter		Attached Garages		
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages		
	Spa/Cabana Bath		Special Features:		
	Dog Park		Water Conservation Features		
	Pet Care	X	Energy Conservation Features		
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets		
	Controlled Access		Knockdown Texture - Walls and Ceilings		
X	Maintenance/Property Manager On Site		Crown Molding		
•	1 /		Custom Wood Kitchen Cabinets		
		X	Wireless counter top cell phone charging stations		
		X	Mounted 65" 4K HD smart living room TVs		

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: The Edge

Location: 10300 University Parkway

City: Pensacola, FL

\$100

\$49

\$300

\$20

Zip Code: 32514

Phone Number: 850-462-8993 **Survey Date:** October, 2022

Total Units: 80
Year Built: 2017
Units Vacant: 3
Number Of Stories: 5

Security Deposit:

Application Fee:

Pet Deposit:

Pet Fee:

Other:

Pet Rent:

Administrative Fee:



Detached Garage: --

Additional Parking Space: \$15 Wine Locker: ---

Valet Per Month:

Storage Units:

Pool: --Lake: --Floor Premiums: ---

Short Term Lease: 12 Months Waher/Dryer Rental: Included

Utilities Included:

Concessions: None

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
3BR/3B	1	1,079	\$779	72.2¢
4BR/4B	69	1,290	\$650	50.4¢
4BR/4B	5	1,326	\$659	49.7¢
5BR/5B	5	1,595	\$650	40.8¢
5BR/5B	4	1,540	\$650	42.2¢

The Edge

	Amenities		Unit Features
X	Clubhouse/Recreation	X	Icemaker
X	Fitness Center w/Cardio & Weights	X	Water Dispenser
X	Business Center/Conference Room	X	Dishwasher
X	Aerobics/Yoga/Pilates Room	X	Disposal
	Sauna Room	X	Microwave
X	Billiards/Card/Game Room	X	Stove Top
X	Media Center/Movie Theater		Appliances - Stainless Steel
	Children's Playroom	X	Breakfast Bar
X	Cyber Café/Coffee Bar		Pantry
X	Package Service		Island Kitchen
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite
X	Swimming Pool	X	Kitchen Floor - Faux Wood
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood
	Tennis Court	X	Bathroom Floor - Porcelain Tile
		X	
	Outdoor Sports/Basketball Court Volleyball Court (Sand)	X	Vanity Top Granite Tub/Shower
X			Glass Enclosed Shower
Λ	BBQ/Picnic Facilities Putting Green		Linen Closet
	Putting Green		
	Children's Playground		Washer/Dryer Connections Only
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)
	Water Views (Ocean View)		Ceiling Fan Connections Only
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)
	Community Laundry Facilities		Vaulted Ceilings - Top Floor
	Car Care Center		Tray Ceilings
	Complimentary Valet		Keyless Door
	Underground/Structured Parking	X	Extended Ceiling Heights - 9'
X	Community Gated/Secured Access		Verticals/Mini-Blinds
X	Valet Trash	X	Walk-In Closet(s)
	Storage Units For Rent	X	Pre-Wired For Security Alarm
X	Wi-Fi/Common Areas		Security Alarm
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet
X	Pet Walking Area		Coat Closet
	Bike Storage Areas		Impact Glass
X	Elevator		Framed Mirrors
X	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area
	Special Amenities:	X	Balcony/Patio Area (Screened)
	Boat Ramp		Apartment Storage (Balcony)
	Boat Trailer Storage Area	X	Parking Lot
	Boat Docking		Detached Garages
	Bus Shelter		Attached Garages
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages
X	Spa/Cabana Bath		Special Features:
	Dog Park		Water Conservation Features
X	Pet Care		Energy Conservation Features
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets
	Controlled Access		Knockdown Texture - Walls and Ceilings
X	Maintenance/Property Manager On Site		Crown Molding
X	Complimentary Tanning Beds	X	Custom Wood Kitchen Cabinets
	Companional Familia Dous	- 	Alexa Smart Home System
			Special Sound Insulated Glass
			Special Soulid Insulated Glass

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: The Next

Location: 10080 Hillview Drive

City: Pensacola, FL

Zip Code: 32514

Phone Number: 850-332-0890 Survey Date: October, 2022

Total Units: 165 **Year Built:** 2016

Units Vacant:

Number Of Stories: 5



Detached Garage: --Additional Parking Space: \$50

Wine Locker: --Valet Per Month: ---

Storage Units:

Pool: --Lake: ---

Floor Premiums: --Short Term Lease: --Waher/Dryer Rental: Included

Security Deposit:
Application Fee: \$25
Administrative Fee: \$75
Pet Deposit:
Pet Fee: \$250
Pet Rent: \$35

Other:

Occupancy%: Concessions:

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
2BR/2B	54	892	\$740	83.0¢
3BR/3B	1	1,150	\$724	63.0¢
4BR/4B	110	1,307	\$702	53.7¢

The Next

Amenities			Unit Features		
X	Clubhouse/Recreation	X	Icemaker		
X	Fitness Center w/Cardio & Weights	X	Water Dispenser		
X	Business Center/Conference Room	X	Dishwasher		
	Aerobics/Yoga/Pilates Room	X	Disposal		
	Sauna Room	X	Microwave		
X	Billiards/Card/Game Room	X	Stove Top		
X	Media Center/Movie Theater	X	Appliances - Stainless Steel		
	Children's Playroom	X	Breakfast Bar		
X	Cyber Café/Coffee Bar		Pantry		
	Package Service	X	Island Kitchen		
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite		
X	Swimming Pool	X	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood		
	Tennis Court	X	Bathroom Floor - Porcelain Tile		
	Outdoor Sports/Basketball Court	X	Vanity Top Granite		
	Volleyball Court (Sand)	X	Tub/Shower		
X	BBQ/Picnic Facilities	 	Glass Enclosed Shower		
<u> </u>	Putting Green		Linen Closet		
	Children's Playground		Washer/Dryer Connections Only		
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)		
	Water Views (Ocean View)		Ceiling Fan Connections Only		
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)		
	Community Laundry Facilities	1	Vaulted Ceilings - Top Floor		
	Car Care Center		Tray Ceilings		
	Complimentary Valet		Keyless Door		
	Underground/Structured Parking		Extended Ceiling Heights - 9'		
X	Community Gated/Secured Access		Verticals/Mini-Blinds		
	Valet Trash	X	Walk-In Closet(s)		
	Storage Units For Rent		Pre-Wired For Security Alarm		
X	Wi-Fi/Common Areas		Security Alarm		
	Concierge Services		Pre-Wired Cable TV/Tel./High Speed Internet		
X	Pet Walking Area		Coat Closet		
X	Bike Storage Areas		Impact Glass		
X	Elevator		Framed Mirrors		
X	Outdoor Kitchen w/Custom Grill Area		Balcony/Patio Area		
	Special Amenities:		Balcony/Patio Area (Screened)		
	Boat Ramp		Apartment Storage (Balcony)		
	Boat Trailer Storage Area		Carport		
	Boat Docking		Detached Garages		
	Bus Shelter		Attached Garages		
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages		
	Spa/Cabana Bath		Special Features:		
	Dog Park		Water Conservation Features		
	Pet Care		Energy Conservation Features		
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets		
	Controlled Access		Knockdown Texture - Walls and Ceilings		
X	Maintenance/Property Manager On Site		Crown Molding		
X	Tanning Salon		Custom Wood Kitchen Cabinets		
			Alexa Smart Home System		
			Special Sound Insulated Glass		

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: College Vue

Location: 9823 Utopia Drive

City: Pensacola, FL

\$0

\$30

\$100

\$125

\$25

None

Zip Code: 32514

Phone Number: 850-250-0577 **Survey Date:** October, 2022

Total Units: 141
Year Built: 2014
Units Vacant: 2
Number Of Stories: 4

Security Deposit:

Application Fee:

Pet Deposit:

Concessions:

Pet Fee:

Other:

Pet Rent:

Administrative Fee:



Detached Garage: ---

Additional Parking Space:

Wine Locker: --Valet Per Month: ---

Storage Units:

Pool: --Lake: --Floor Premiums: --Short Term Lease: ---

Waher/Dryer Rental: Included

Utilities Included:

Gas, Water, Electricity, Heat, Trash Removal, Sewer,

Cable, Air Conditioning

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
			J	
2BR/2B	30	823	\$795	96.6¢
2BR/2B	48	865	\$790	91.3¢
4BR/4B	63	1,487	\$650	43.7¢

College Vue

	Amenities	I	Unit Features
X	Clubhouse/Recreation	X	Icemaker
X	Fitness Center w/Cardio & Weights	X	Water Dispenser
X	Business Center/Conference Room	X	Dishwasher
- 11	Aerobics/Yoga/Pilates Room	X	Disposal
	Sauna Room	X	Microwave
X	Billiards/Card/Game Room	X	Stove Top
	Media Center/Movie Theater		Appliances - Stainless Steel
	Children's Playroom	X	Breakfast Bar
	Cyber Café/Coffee Bar		Pantry
	Package Service		Island Kitchen
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite
X	Swimming Pool	X	Kitchen Floor - Faux Wood
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood
	Tennis Court	X	Bathroom Floor - Porcelain Tile
	Outdoor Sports/Basketball Court	X	Vanity Top Granite
X	Volleyball Court (Sand)	X	Tub/Shower
X	BBQ/Picnic Facilities		Glass Enclosed Shower
	Putting Green		Linen Closet
	Children's Playground		Washer/Dryer Connections Only
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)
	Water Views (Ocean View)		Ceiling Fan Connections Only
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)
	Community Laundry Facilities		Vaulted Ceilings - Top Floor
	Car Care Center	X	Tray Ceilings
	Complimentary Valet		Keyless Door
	Underground/Structured Parking		Extended Ceiling Heights - 9'
X	Community Gated/Secured Access		Verticals/Mini-Blinds
	Valet Trash	X	Walk-In Closet(s)
	Storage Units For Rent	X	Pre-Wired For Security Alarm
X	Wi-Fi/Common Areas		Security Alarm
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet
X	Pet Walking Area		Coat Closet
X	Bike Storage Areas		Impact Glass
	Elevator		Framed Mirrors
X	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area
	Special Amenities:	X	Balcony/Patio Area (Screened)
	Boat Ramp		Apartment Storage (Balcony)
	Boat Trailer Storage Area	X	Parking Lot
	Boat Docking		Detached Garages
	Bus Shelter		Attached Garages
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages
	Spa/Cabana Bath		Special Features:
	Dog Park		Water Conservation Features
	Pet Care	X	Energy Conservation Features
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets
	Controlled Access		Knockdown Texture - Walls and Ceilings
X	Maintenance/Property Manager On Site		Crown Molding
X	Tanning Bed		Custom Wood Kitchen Cabinets
			Alexa Smart Home System
			Special Sound Insulated Glass

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: Seminole Landing
Location: 5000 N. Bay drive

City: Panama City, FL

Zip Code: 32405

Phone Number: 850-640-3031 **Survey Date:** October, 2022

Total Units: 125
Year Built: 2021
Units Vacant: 0
Number Of Stories: 4



EXTRA CHARGES/FEES:

Detached Garage: --Additional Parking Space: \$0

Security Deposit: \$100 Wine Locker: --Application Fee: \$49 Valet Per Month: ---

Administrative Fee: \$150 Storage Units:
Pet Deposit: Pool:

Pet Fee: No pets allowed Lake: --Pet Rent: Only service dogs Floor Premiums: ---

Other: at no charge Short Term Lease: --Waher/Dryer Rental: Included

Concessions: None

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	12	552	\$1,056	191.3¢
2BR/1B	42	807	\$747	92.6¢
2BR/2B	32	898	\$615	68.5¢
4BR/2B	39	1,277	\$670	52.5¢

Seminole Landing

Amenities			Unit Features			
v	Clubhouse/Recreation	v	Icemaker			
-	Fitness Center w/Cardio & Weights	X	Water Dispenser			
	Business Center/Conference Room	X	Dishwasher			
-			Disposal			
Λ	Aerobics/Yoga/Pilates Room Sauna Room	X	Microwave			
	Billiards/Card/Game Room					
-	Media Center/Movie Theater		Stove Top			
Λ		X	Appliances - Stainless Steel Breakfast Bar			
v	Chlor Coff Coffee Day	Λ				
-	Cyber Café/Coffee Bar	v	Pantry			
	Package Service		Island Kitchen			
	Indoor Sport Court - Half		Kitchen Countertop - Granite			
Λ	Swimming Pool	X	Kitchen Floor - Faux Wood			
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood			
	Tennis Court		Bathroom Floor - Porcelain Tile			
	Outdoor Sports/Basketball Court	X	Vanity Top Granite			
	Volleyball Court (Sand)		Garden Tub			
\vdash	BBQ/Picnic Facilities		Glass Enclosed Shower			
	Putting Green		Linen Closet			
	Children's Playground	37	Washer/Dryer Connections Only			
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)			
X	Water Views (Bay Views Available)		Ceiling Fan Connections Only			
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)			
	Community Laundry Facilities		Vaulted Ceilings - Top Floor			
	Car Care Center	X	Tray Ceilings			
	Complimentary Valet		Keyless Door			
	Underground/Structured Parking		Extended Ceiling Heights - 9'			
X	Community Gated/Secured Access		Verticals/Mini-Blinds			
	Valet Trash		Walk-In Closet(s)			
	Storage Units For Rent	X	Pre-Wired For Security Alarm			
X	Wi-Fi/Common Areas		Security Alarm			
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet			
	Pet Walking Area		Coat Closet			
	Bike Storage Areas		Impact Glass			
	Elevator		Framed Mirrors			
	Outdoor Kitchen w/Custom Grill Area		Balcony/Patio Area			
	Special Amenities:		Balcony/Patio Area (Screened)			
	Boat Ramp		Apartment Storage (Balcony)			
	Boat Trailer Storage Area		Carport			
	Boat Docking		Detached Garages			
	Bus Shelter		Attached Garages			
	On-site Boat Storage/Commercial Vehicle Parkin	g	Direct Access Garages			
	Spa/Cabana Bath		Special Features:			
	Dog Park		Water Conservation Features			
	Pet Care	X	Energy Conservation Features			
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets			
	Controlled Access		Knockdown Texture - Walls and Ceilings			
	Maintenance/Property Manager On Site		Crown Molding			
X	Study Rooms		Custom Wood Kitchen Cabinets			
			Alexa Smart Home System			
			Special Sound Insulated Glass			
		X	High Speed WIFI			

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Stadium Enclave Development Name: Location: 901 Mosley St.

> City: Tallahassee, FL

> > \$250

\$30

32310 Zip Code:

Phone Number: 850-792-5748 **Survey Date:** October, 2022

Total Units: 185 Year Built: 2018 **Units Vacant:** 0 **Number Of Stories:** 3

Security Deposit:

Application Fee:

Pet Deposit:

Concessions:

Pet Fee:

Other:

Pet Rent:

Administrative Fee:



EXTRA CHARGES/FEES:

\$40 **General Parking: Surface Lot Parking Space:** 15-50

\$300 **Reserved Parking** \$50 \$49 **Scooter Parking** \$15 \$100

Storage Units:

Pool: Lake: **Floor Premiums:**

Short Term Lease: Waher/Dryer Rental: Included

NONE All Utilities Included: Yes

Gas, Water, Electricity, Heat, Trash Removal, Sewer,

Cable. Air Conditioning

			Cable, All Co	namoning
Unit Type	No. of Units	Room Square Ft. Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	1	475	\$1,600	336.8¢
2BR/2B	68	975	\$1,119	114.8¢
4BR/4B	116	1,475	\$1,079	73.2¢

Stadium Enclave

Amenities			Unit Features		
Χ	Clubhouse/Recreation		Icemaker		
_	Fitness Center w/Cardio & Weights		Water Dispenser		
X	Business Center/Conference Room	X	Dishwasher		
X	Aerobics/Yoga/Pilates Room	X	Disposal		
	Sauna Room	X	Microwave		
X	Billiards/Card/Game Room	X	Stove Top		
X		X	Appliances - Stainless Steel		
	Children's Playroom	X	Breakfast Bar		
	Cyber Café/Coffee Bar		Pantry		
	Package Service		Island Kitchen		
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite		
X	Swimming Pool	X	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood		
	Tennis Court	X	Bathroom Floor - Porcelain Tile		
	Outdoor Sports/Basketball Court	X	Vanity Top Granite		
X	Volleyball Court (Sand)	X	Garden Tub		
	BBQ/Picnic Facilities		Glass Enclosed Shower		
<u> </u>	Putting Green		Linen Closet		
	Children's Playground		Washer/Dryer Connections Only		
X	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)		
	Water Views (Ocean View)		Ceiling Fan Connections Only		
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)		
	Community Laundry Facilities	71	Vaulted Ceilings - Top Floor		
X		X	Tray Ceilings		
71	Complimentary Valet	71	Keyless Door		
	Underground/Structured Parking		Extended Ceiling Heights - 9'		
X	Community Gated/Secured Access		Verticals/Mini-Blinds		
	Valet Trash	X	Walk-In Closet(s)		
	Storage Units For Rent		Pre-Wired For Security Alarm		
X		X	Security Alarm		
	Concierge Services		Pre-Wired Cable TV/Tel./High Speed Internet		
X	Pet Walking Area		Coat Closet		
	Bike Storage Areas		Impact Glass		
	Elevator		Framed Mirrors		
X		X	Balcony/Patio Area		
	Special Amenities:		Balcony/Patio Area (Screened)		
	Boat Ramp		Apartment Storage (Balcony)		
	Boat Trailer Storage Area		Carport		
	Boat Docking		Detached Garages		
	Bus Shelter		Attached Garages		
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages		
	Spa/Cabana Bath		-		
Y	Dog Park		Special Features: Water Conservation Features		
^	Pet Care	X	Energy Conservation Features Energy Conservation Features		
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets		
	Controlled Access		Knockdown Texture - Walls and Ceilings		
X	Maintenance/Property Manager On Site		Crown Modding Cystom Wood Kitchen Cobinets		
Λ	Tannin Beds		Custom Wood Kitchen Cabinets Alexa Smart Home System		
		_	·		
		_	Special Sound Insulated Glass		

COMPARABLE STUDENT-ORIENTED APARTMENT DEVELOPMENT PROFILE

Development Name: Urban Enclave

Location: 1001 Stearns St.

City: Tallahassee, FL Zip Code: 32310

\$300

\$49

\$100

\$250

\$30

None

Phone Number: 850-765-9448

Survey Date: October, 2022

Total Units: 156
Year Built: 2019
Units Vacant: 0
Number Of Stories: 3

Security Deposit:

Application Fee:

Pet Deposit:

Concessions:

Pet Fee:

Other:

Pet Rent:

Administrative Fee:



General Parking: \$40 Surface Lot Parking Space: 15-50

Reserved Parking \$50
Scooter Parking \$15

Storage Units:

Pool: --Lake: --Floor Premiums: ---

Short Term Lease: ---Waher/Dryer Rental: Included

All Utilities Included: Yes

Gas, Water, Electricity, Heat, Trash Removal, Sewer, Cable Air Conditioning

			Cable, Air Co	namoning
Unit Type	No. of Units	Room Square Ft. Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	1	513	\$1,450	282.7¢
2BR/2B	20	1,140	\$1,100	96.5¢
2BR/2B	18	1,034	\$1,100	106.4¢
4BR/4B	63	1,532	\$1,000	65.3¢
4BR/4B	15	1,734	\$1,000	57.7¢
4BR/4B	39	1,823	\$1,000	54.9¢

Urban Enclave

Г	Amenities	Τ	Unit Features
X	Clubhouse/Recreation	t	Icemaker
_	Fitness Center w/Cardio & Weights	╅	Water Dispenser
_	Business Center/Conference Room	X	Dishwasher
_	Aerobics/Yoga/Pilates Room	_	Disposal
	Sauna Room		Microwave
X	Billiards/Card/Game Room	_	Stove Top
_	Media Center/Movie Theater	_	Appliances - Stainless Steel
	Children's Playroom	_	Breakfast Bar
	Cyber Café/Coffee Bar	T	Pantry
	Package Service	\top	Island Kitchen
	Indoor Sport Court - Half	$+_{\rm x}$	Kitchen Countertop - Granite
X	Swimming Pool	_	Kitchen Floor - Faux Wood
	Jacuzzi/Spa	—	Foyer/Entry Floor - Wood
	Tennis Court		Bathroom Floor - Porcelain Tile
	Outdoor Sports/Basketball Court		Vanity Top Granite
Y	Volleyball Court (Sand)		Garden Tub
_	BBQ/Picnic Facilities	$+^{\alpha}$	Glass Enclosed Shower
	Putting Green	+	Linen Closet
	Children's Playground	╁	Washer/Dryer Connections Only
	Jogging/Fitness/Nature Trail/Riverwalk	$+_{\mathbf{v}}$	Washer/Dryer in Unit (Full Size)
	Water Views (Ocean View)	$+^{\Lambda}$	Ceiling Fan Connections Only
	Golf Course Views	$\frac{1}{\mathbf{v}}$	Ceiling Fan(s) (Living Room/Bedroom)
		$+^{\Lambda}$	
X	Community Laundry Facilities	$+_{ m v}$	Vaulted Ceilings - Top Floor
Λ	Car Care Center Electric Car Charging Station	$+^{\Lambda}$	Tray Ceilings Keyless Door
_	Complimentary Valet	╫	
X	Underground/Structured Parking Community Gated/Secured Access	╫	Extended Ceiling Heights - 9' Verticals/Mini-Blinds
_	Valet Trash	$\frac{1}{\mathbf{v}}$	Walk-In Closet(s)
		_	Pre-Wired For Security Alarm
v	Storage Units For Rent Wi-Fi/Common Areas	_	
Λ		_	Security Alarm
v	Concierge Services	$+^{\Lambda}$	Pre-Wired Cable TV/Tel./High Speed Internet
	Pet Walking Area	╂	Coat Closet
Λ	Bike Storage Areas	╀	Impact Glass
v	Elevator	V	Framed Mirrors
Λ	Outdoor Kitchen w/Custom Grill Area	$+^{\lambda}$	Balcony/Patio Area
	Special Amenities:	+	Balcony/Patio Area (Screened)
_	Boat Ramp	╀	Apartment Storage (Balcony)
	Boat Trailer Storage Area	╀	Carport Detailed Carpore
_	Boat Docking	╀	Detached Garages
_	Bus Shelter	╀	Attached Garages
	On-site Boat Storage/Commercial Vehicle Parking	╀	Direct Access Garages
37	Spa/Cabana Bath	+	Special Features:
X	Dog Park	+	Water Conservation Features
_	Pet Care	$+^{x}$	Energy Conservation Features
	Rooftop Lounge/Gazebo	+	Raised Panel Wood Cabinets
_	Controlled Access	╀	Knockdown Texture - Walls and Ceilings
<u></u>	Maintenance/Property Manager On Site	+	Crown Molding
X	Tannin Beds	+	Custom Wood Kitchen Cabinets
		_	Alexa Smart Home System
_		1	Special Sound Insulated Glass

TABLE 31

SUMMARY DEVELOPMENT CHARACTER OF COMPARABLE STUDENT-ORIENTED DEVELOPMENTS (1) The Panhandle County October, 2022

<u>Unit Type</u>	% Of <u>Units</u>	Average Square Footage Livable Area	Average (2) Base Monthly Rent	Average Rent Per Sq. Ft. L/A
1BR/1B	3.7%	576	\$1,202	208.6¢
Range		475 - 706	\$912 - \$1,600	165.8¢-336.8¢
2BR/1B Range	4.6%	807	\$747 	92.6¢
2BR/2B	30.6%	922	\$885	96.0¢
Range		762 - 1,140	\$615 - \$1,119	68.5¢-114.8¢
3BR/2B	0.2%	1,115	\$752	67.4¢
Range		1,079 - 1,150	\$724 - \$779	63.0¢-72.2¢
4BR/2-4B	60.0%	1,431	\$828	57.9¢
Range		1,277 - 1,823	\$650 - \$1,079	43.7¢-73.2¢
5BR/5B	0.9%	1,571	\$650	41.4¢
Range		1,5401,595	\$650 - \$650	40.8¢-42.2¢

100.0%

(1) Includes all developments detailed in Tables 24-30. Table 23 not included in the summary due to mix of unit type.

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Preserve At Henderson Beach

> **Location:** 4131 Commons Dr. W.

City: Destin, FL Zip Code: 32541

Phone Number: 833-200-1634 **Survey Date:** October, 2022

Total Units: 340 **Year Built:** 2009 **Units Vacant:** 10 **Number Of Stories:** 4



EXTRA CHARGES/FEES:

Detached Garage: \$200

Additional Parking Space:

Security Deposit: 500-1 month rent Wine Locker: **Application Fee:** \$75 Valet Per Month: **Administrative Fee:** \$200 **Storage Units:** \$50 **Pet Deposit:** Pool: Pet Fee: \$400 Lake: - - -**Pet Rent:** 25 Floor Premiums: - - -Other:

Short Term Lease: - - -Waher/Dryer Rental: Included

Concessions: None

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
Studio	24	636	\$1,548 - \$1,623	243.4¢ - 255.2¢
1BR/1B	70	698	\$1,605 - \$1,715	229.9¢ - 245.7¢
1BR/1B	28	710	\$1,957 - \$2,480	275.6¢ - 349.3¢
1BR/1B	32	744	\$1,830 - \$2,574	246.0¢ - 346.0¢
1BR/1B	25	805	\$2,019 - \$2,540	250.8¢ - 315.5¢
1BR/1B	34	820	\$1,760 - \$2,590	214.6¢ - 315.9¢
1BR/1B	22	907	\$1,875 - \$1,890	206.7¢ - 208.4¢
2BR/2B	55	1,044	\$2,009 - \$2,059	192.4¢ - 197.2¢
2BR/2B	50	1,178	\$2,076 - \$2,146	176.2¢ - 182.2¢

Preserve At Henderson Beach Apts.

	Amenities		Unit Features
X	Clubhouse/Recreation	X	Icemaker
X	Fitness Center w/Cardio & Weights	X	Water Dispenser
X	Business Center/Conference Room	X	Dishwasher
	Aerobics/Yoga/Pilates Room		Disposal
	Sauna Room	X	Microwave
X	Billiards/Card/Game Room	X	Stove Top
	Media Center/Movie Theater		Appliances - Stainless Steel
	Children's Playroom		Breakfast Bar
X	Cyber Café/Coffee Bar		Pantry
	Package Service	X	Island Kitchen
	Indoor Sport Court - Half	X	Kitchen Countertop
X	Swimming Pool	X	Kitchen Floor - Faux Wood
71	Jacuzzi/Spa		Foyer/Entry Floor - Wood
	Tennis Court	-	Bathroom Floor - Porcelain Tile
	Outdoor Sports/Basketball Court	X	Trash chutes
	Volleyball Court (Sand)	X	
		$ \frac{\lambda}{\lambda}$	Garden-style tubs
	BBQ/Picnic Facilities	37	Glass Enclosed Shower
	Putting Green	X	Pendant lighting
***	Children's Playground		Washer/Dryer Connections Only
X	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)
X	Water Views (Lake View)	_	Ceiling Fan Connections Only
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)
	Community Laundry Facilities		Vaulted Ceilings - Top Floor
	Car Care Center	X	Tray Ceilings
	Complimentary Valet		Keyless Door
	Underground/Structured Parking		Extended Ceiling Heights - 9'
X	Community Gated/Secured Access		Verticals/Mini-Blinds
	Valet Trash	X	Walk-In Closet(s)
	Storage Units For Rent	X	Pre-Wired For Security Alarm
X	Wi-Fi/Common Areas		Security Alarm
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet
X	Pet Walking Area		Coat Closet
	Bike Storage Areas		Impact Glass
X	Elevator		Framed Mirrors
	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area
	Special Amenities:		Balcony/Patio Area (Screened)
	Boat Ramp		Apartment Storage (Balcony)
	Boat Trailer Storage Area		Carport
	Boat Docking		Detached Garages
	Bus Shelter		Attached Garages
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages
	Spa/Cabana Bath		Special Features:
X	Dog Park	\neg	Water Conservation Features
-	Pet Care	X	Energy Conservation Features
	Rooftop Lounge/Gazebo		Raised Panel Wood Cabinets
	Controlled Access		Knockdown Texture - Walls and Ceilings
	Maintenance/Property Manager On Site		Crown Molding
	Transference Troperty Frances Of the	X	Custom Wood Kitchen Cabinets
		X	Alexa Smart Home System USB Outlets
		Λ	OSD Outlets

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: The Charles Location: 1021 US-98

City: Destin, FL
Zip Code: 32541

Phone Number: 850-312-4462

Survey Date: October, 2022 Total Units: 197

Year Built: 2021 Units Vacant: 10 Number Of Stories: 3



EXTRA CHARGES/FEES:

Detached Garage: --

Additional Parking Space: --

Security Deposit: 300-2 months rent Wine Locker: ---Application Fee: \$100 Valet Per Month: ---Administrative Fee: \$225 Storage Units:

strative Fee: \$225

Pet Deposit:
Pet Fee: 400-600

Storage Units:
Pool:
--Lake:

Pet Rent: 30-50 Floor Premiums: --Other: Short Term Lease: ---

Waher/Dryer Rental: Included

Concessions: 2 Months free plus \$1,000 gift ca at move in.

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	44	736	\$1,940 - \$2,040	263.6¢ - 277.2¢
1BR/1B	44	827	\$2,050 - \$2,075	170.1¢ - 250.9¢
2BR/2B	43	1,201	\$2,290 - \$2,515	162.2¢ - 209.4¢
2BR/2B	33	1,205	\$2,559 - \$2,584	213.1¢ - 214.4¢
3BR/2B	33	1,412	\$2,955	209.3¢

The Charles Apts.

	Amenities		Unit Features
X	Clubhouse/Recreation	X	Icemaker
X	Fitness Center w/Cardio & Weights	X	Water Dispenser
X	Business Center/Conference Room	X	Dishwasher
X	Aerobics/Yoga/Pilates Room	X	Disposal
	Sauna Room	X	Microwave
X	Billiards/Card/Game Room	X	Stove Top
X	Media Center/Movie Theater	X	Appliances - Stainless Steel
	Children's Playroom	X	Breakfast Bar
X	Cyber Café/Coffee Bar	X	Pantry
X	Package Service	X	Island Kitchen
	Indoor Sport Court - Half	X	Kitchen Countertop Quartz
X	Swimming Pool	X	Kitchen Floor - Faux Wood
	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood
	Tennis Court	- 1	Bathroom Floor - Porcelain Tile
	Outdoor Sports/Basketball Court	X	Vanity Top Quartz
	Volleyball Court (Sand)	1	Shower / Tub Combo
$\frac{1}{X}$	BBQ/Picnic Facilities	X	Glass Enclosed Shower
	Putting Green		Linen Closet
	Children's Playground	-	Washer/Dryer Connections Only
-	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)
	Water Views (Lake View)	A	Ceiling Fan Connections Only
	Golf Course Views	X	Ceiling Fan(s) (Living Room/Bedroom)
	Community Laundry Facilities		Vaulted Ceilings - Top Floor
X	Car Care Center	X	Tray Ceilings
Λ	Complimentary Valet		Keyless Door
X	Parcel room		Extended Ceiling Heights - 9'
X	Community Gated/Secured Access		Verticals/Mini-Blinds
	Valet Trash	X	Walk-In Closet(s)
X	Storage Units For Rent	X	Pre-Wired For Security Alarm
X	Wi-Fi/Common Areas		Security Alarm
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet
X	Pet Walking Area	A	Coat Closet
	Bike Storage Areas	-	Impact Glass
X	Elevator	-	Framed Mirrors
$\frac{X}{X}$	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area
	Special Amenities:	A	Balcony/Patio Area (Screened)
	Boat Ramp	X	Apartment Storage (Balcony)
	Boat Trailer Storage Area		Carport Carport
			Detached Garages
	Boat Docking Bus Shelter		Attached Garages
		_	Direct Access Garages
	On-site Boat Storage/Commercial Vehicle Parking Spa/Cabana Bath	-	
X	<u> </u>	-	Special Features: Water Conservation Features
X	Dog Park Pet Care	X	
\vdash^{Λ}		^^	Energy Conservation Features Raised Panel Wood Cabinets
	Rooftop Lounge/Gazebo Controlled Access	-	
v		_	Knockdown Texture - Walls and Ceilings
X	Maintenance/Property Manager On Site	X	Crown Molding
<u> </u>		^^_	Custom Wood Kitchen Cabinets
			Alexa Smart Home System

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Sea Glass Apartments

Location: 4320 Commons Drive W

City: Destin, FL Zip Code: 32541

Phone Number: 850-250-3704 Survey Date: August, 2022

Total Units: 288
Year Built: 2017
Units Vacant: 9
Number Of Stories: 3
Absorption Rate:

Security Deposit: \$300-One month rent w/good credit

Application Fee: \$75 Administrative Fee: \$220 Pet Deposit: - - -Pet Fee: 400-600

Pet Fee: 400-600 Pet Rent: \$25

Other: - - -

Concessions: None



EXTRA CHARGES/FEES:

Detached Garage: \$230
Wine Locker: --Valet Per Month: --Storage Units: \$75
Floor Premiums: --Corner: ---

Other:

				0 1	
Unit Tymo		o. of	Square Footage	Rent	Rent Per Sq. Ft. L/A
Type	none U	nits	Livable Area	<u>R</u> ange	Livable Area
Studio		20	488	\$1,602 - \$3,389	328.3¢ - 694.5¢
1BR/1B		36	681	\$1,750 - \$2,370	257.0¢ - 348.0¢
1BR/1B		30	681	\$2,152	316.0¢
1BR/1B		38	745	\$1,791 - \$2,408	240.4¢ - 323.2¢
1BR/1B		18	825	\$1,742 - \$2,271	211.2¢ - 275.3¢
1BR/1B		12	780	\$1,827 - \$2,456	234.2¢ - 314.9¢
2BR/2B		58	959	\$2,080 - \$2,848	216.9¢ - 297.0¢
2BR/2B		40	1,060	\$2,090 - \$2,959	197.2¢ - 279.2¢
2BR/2B		18	1,149	\$2,255 - \$3,042	196.3¢ - 264.8¢
3BR/2B		18	1,357	\$3,323 - \$3,315	244.9¢ - 244.3¢

Amenities			Unit Features			
X	Clubhouse/Recreation	X	Icemaker			
	Fitness Center w/Cardio & Weights	X	Water Dispenser			
X	Business Center/Conference Room		Dishwasher			
X	Aerobics/Yoga/Pilates Room	X	Disposal			
	Sauna Room		Microwave			
X	Billiards/Card/Game Room	X	Stove Top			
X	Media Center/Movie Theater	X	Appliances - Stainless Steel			
	Children's Playroom	X	Breakfast Bar			
X	Cyber Café/Coffee Bar	X	Pantry			
	Indoor Sport Court - Half		Kitchen Countertop - Granite			
X	Swimming Pool	X	Kitchen Floor - Wood Plamk			
X	Jacuzzi/Spa	X	Foyer/Entry Floor - Wood Plamk			
	Tennis Court	X	Bathroom Floor - Ceramic Tile			
	Outdoor Sports/Basketball Court	X	Vanity Top Granite			
	Volleyball Court (Sand)	X	Garden Tub			
X	BBQ/Picnic Facilities/Pizza Oven	X	Glass Enclosed Shower			
	Putting Green		Linen Closet			
X	Recreation Room		Washer/Dryer Connections Only			
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)			
X	Water Views (Lake with Fountains)		Ceiling Fan Connections Only			
	Golf Course Views	X	Ceiling Fan(s) (Living Room)			
	Community Laundry Facilities		Vaulted Ceilings - Top Floor			
	Car Care Center	X	Tray Ceilings			
	Underground/Structured Parking	X	Extended Ceiling Heights - 9'			
X	Community Gated/Secured Access		Verticals/Mini-Blinds			
X	Valet Trash	X	Walk-In Closet(s)			
	Storage Units For Rent		Pre-Wired For Security Alarm			
X	Wi-Fi/Common Areas	X	Security Alarm			
X	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet			
X	Pet Walking Area		Coat Closet			
X	Bike Storage Areas		Impact Glass			
X	Outdoor Kitchen w/Custom Grill Area	X	Balcony/Patio Area			
	Special Amenities:	X	Balcony/Patio Area (Screened)			
	Boat Ramp		Apartment Storage (Balcony)			
	Boat Trailer Storage Area		Carport			
	Boat Docking	X	Detached Garages			
	Bus Shelter		Attached Garages			
	On-site Boat Storage/Commercial Vehicl	X	Direct Access Garages			
X	Spa/Cabana Bath/Pool Chiller		Special Features:			
X	Dog Park	X	Water Conservation Features			
X	Dog Grooming Spa	X	Energy Conservation Features			
			Raised Panel Wood Cabinets			
			Knockdown Texture - Walls and Ceilings			
		X	Plush Carpet in All Bedrooms			
		X	Two tone Custom Wood Kitchen Cabinets			
		X	USB Outlets			
			Fire Place 2nd Floor Units			

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Chez Elan

Location: 317 NW Racetrack Rd

City: Fort Walton Beach

Zip Code: 32547
Phone Number: 850-864-1300
Survey Date: October, 2022

Total Units: 267
Year Built: 2006
Units Vacant: 3
Number Of Stories: 4

View/Location:

Security Deposit: \$155-\$300 Application Fee: \$80

Administrative Fee: \$300
Pet Deposit: \$300

Pet Fee: \$300-\$500 Pet Rent: \$25-\$35

Other: ---

ELK .

Detached Garage: \$125-\$135

Attached Garage: --Att. Direct Access Gar: ---

Carport: ---

Storage Units: \$25

Pool: ---Lake: ---

Floor Premiums: --7 Mo. Lease: ---

Trash: Included Pest Control: Included

Water/Sewer: Metered
Other: \$125

Concessions: None

Unit No. of **Square Footage** Rent Rent Per Sq. Ft. L/A Units Livable Area Livable Area **Type** Range \$1,229 1BR/1B 12 665 \$1,250 184.8¢ -188.0¢ 27 690 \$1,805 261.6¢ -1BR/1B 0.0¢ 10 770 \$1,805 \$1,885 234.4¢ -1BR/1B 244.8¢ 12 790 \$1,635 \$1,895 207.0¢ -239.9¢ 1BR/1B -\$1,355 1BR/1.5B 12 1,074 \$1,315 -122.4¢ -126.2¢ 2BR/2B 52 1,122 \$2,125 -189.4¢ -0.0¢ 2BR/2B 91 1,172 \$2,135 -182.2¢ -0.0¢ 2BR/2B 27 1,285 \$1,545 -\$1,564 120.2¢ -121.7¢ 3BR/2B 12 1,554 \$1,636 -\$1,676 105.3¢ -107.9¢ \$1,636 -3BR/2.5B 12 1,630 \$1,681 100.4¢ -103.1¢

Chez Elan Apartments

	Amenities		Unit Features		
X	Clubhouse Or Recreation/Deck Area	X	Icemaker		
X	Fitness Center	X	Dishwasher		
	Aerobics Room	X	Disposal		
X	Sauna/Steam Room	X	Microwave		
X	Billiards/Card Room	X	Stainless Steel Sinks - Double		
X	Business Center/Computers/Conference Room	X	Breakfast Bar		
	Media Center		Pass-Thru		
	Children's Playroom	X	Pantry - Some		
X	Swimming Pool	X	Foyer Floor - Ceramic Tile		
X	Jacuzzi/Spa	X	Kitchen Flooring - Ceramic Tile		
X	Tennis Court(s)	X	Bath Flooring - Ceramic Tile		
	Indoor A/C Racquetball Court	X	W/D Connections		
	Outdoor Racquetball Court	X	Washer/Dryer		
	Golf Course Views	X	Ceiling Fan Connections		
	Water Views -	X	Ceiling Fans		
X	Basketball/Hockey Court		Vaulted Ceilings		
X	Volleyball Court	X	Verticals/Mini-Blinds		
	Sand Volleyball Court	X	Walk-In Closets		
X	BBQ/Picnic Area		Security Alarm		
	Children's Playground		Carport		
	Jogging/Fitness Trail	X	Detached Garages		
	Laundry Facilities		Attached Garages		
	Car Wash/Vacuum Area		Direct Access Garages		
	Garage/Covered Parking	X	Balcony/Patio		
	Secured/Gated Access		Screened Balcony		
X	Storage	X	Pre-Wired Cable TV and Phone		
	Convenience Store	X	Pre-Wired High Speed Internet		
	24-Hr. Valet		Outdoor Access Storage		
	24-Hr Concierge		Garden Or Roman Tub		
	Boardwalk		Linen Closet		
	Water Front Gazebo	X	Kitchen Counter Tops - Formica		
X	Elevator	X	Vanity Tops - Formica		
			9' Ceilings		
			Fire Sprinkler		
		X	Berber Carpet		

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Legacy On The Bay

Location: 251 Vinnings Way Blvd.

City: Destin Zip Code: 32542

Phone Number: 850-462-5586 Survey Date: October, 2022

Total Units: 300
Year Built: 1999
Units Vacant: 9
Number Of Stories: 3
Security Deposit: \$0
Application Fee: \$60
Adminstrative Fee: \$200

Pet Deposit:

Pet Fee: \$300 **Pet Rent:** \$20

Other: Under 75 lbs - limit two

Concessions: Daily pricing.



Detached Garage: \$175
Attached Garage: --Carport: --Storage Units: \$40
Pool: \$40 - \$125

Pool: \$40 - \$123

Floor Premiums: --7 Mo. Lease: --Other: --Trash: \$25
Valet Parking: ---

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	48	784 Sq.Ft.	\$1,683 - \$2,761	214.7¢ - 352.2¢
1BR/1B	36	790	\$1,730 - \$2,683	219.0¢ - 339.6¢
2BR/1B	24	967	\$1,886 - \$2,603	195.0¢ - 269.2¢
2BR/2B	60	1,128	\$1,978 - \$2,919	175.4¢ - 258.8¢
2BR/2B	60	1,228	\$1,953 - \$2,866	159.0¢ - 233.4¢
3BR/2B	48	1,328	\$2,593 - \$4,244	195.3¢ - 319.6¢
4BR/2B	24	1,456	\$3,161 - \$4,860	217.1¢ - 333.8¢

Comments:

Legacy on the Bay

	Amenities		Unit Features
X	Clubhouse Or Recreation/Deck Area	X	Icemaker
X	Fitness Center	X	Dishwasher
	Aerobics Room	X	Disposal
	Sauna/Steam Room		Microwave
	Billiards/Card Room	X	Stainless Steel Sinks - Double
X	Business Center/Computers/Conference Room	X	Breakfast Bar
	Media Center		Pass-Thru
X	Children's Playroom	X	Pantry
X	Swimming Pool	X	Foyer Floor - Ceramic Tile
	Jacuzzi/Spa	X	Kitchen Flooring - Ceramic Tile
X	Tennis Court(s) - Lighted	X	Bath Flooring - Ceramic Tile
	Indoor A/C Racquetball Court	X	W/D Connections
	Outdoor Racquetball Court		Washer/Dryer
X	Golf Course Views	X	Ceiling Fan Connections
X	Water Views -	X	Ceiling Fans
X	Basketball Court - Lighted		Vaulted Ceilings
	Volleyball Court	X	Verticals/Mini-Blinds
	Sand Volleyball Court	X	Walk-In Closets
X	BBQ/Picnic Area	X	Security Alarm
X	Children's Playground	X	Carport
	Jogging/Fitness Trail	X	Detached Garages
X	Laundry Facilities		Attached Garages
X	Car Wash/Vacuum Area		Direct Access Garages
	Garage/Covered Parking		Balcony/Patio
X	Secured/Gated Access	X	Screened Balcony
X	Storage	X	Pre-Wired Cable TV and Phone
			Pre-Wired High Speed Internet
		X	Outdoor Access Storage
			Garden Or Roman Tub
			Linen Closet
			Kitchen Counter Tops - Formica
		X	Vanity Tops - Formica
			9' Ceilings
		X	Built-In Bookshelves

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Venue Emerald Coast

Location: 4211 Commons Drive West

City: Destin, FL Zip Code: 32541

Phone Number: (850) 460-7601 Survey Date: October, 2022

Total Units: 233
Year Built: 2014
Units Vacant: 7
Number Of Stories: 4

Security Deposit: One months rent.

Application Fee: \$50-75 **Administrative Fee:** \$150

Pet Deposit:

Pet Fee: \$400 Pet Rent: \$10 Other:



Detached Garage: \$200
Attached Garage: --Carport: \$75
Storage Units: --Lake: ---

Lake: --Floor Premiums: --7 Mo. Lease: ---

Other: ---

Concessions: None

Valet Parking: ---

Unit Type	No. of Units	Square Footage Livable Area	Rer Ran		Rent Per Sq. Livable A	
1BR/1B	58	661 Sq.Ft.	\$1,780 -	\$1,820	269.3¢ -	275.3¢
1BR/1B	20	769	\$1,885		245.1¢	
1BR/1B	4	902	\$1,990		220.6¢	
1BR/1B	24	961	\$1,975	\$1,990	205.5¢	
2BR/2B	86	1103	\$2,125	\$2,165	192.7¢	
2BR/2B	9	1246	\$2,297		184.3¢	
2BR/2B	10	1280	\$2,345		183.2¢	
3BR/2B	18	1404	\$2,700		192.3¢	
3BR/3B	4	1744	\$3,115		178.6¢	

Venue Emerald Coast

	Amenities		Unit Features		
X	Clubhouse Or Recreation/Deck Area	X	Icemaker		
X	Fitness Center	X	Dishwasher		
	Secluded Tanning Deck	X	Disposal		
X	California Outdoor Kitchen	X	Microwave		
X	Billiards/Card Room	X	Stainless Steel Sinks		
X	Business Center/Conference Room	X	Stainless Steel Appliances		
X	Media Center	X	Grand Kitchen Island		
	Game Room		Pantry - Some		
X	Salt Water Swimming Pool	X	Granite Kitchen Counter Tops		
	Hot Tub	X	Upscale Wood Finish Flooring - Living Area		
	Tennis Court(s)	X	Upscale Wood Finish Flooring - Kitchen		
	Indoor A/C Racquetball Court	X	Upscale Wood Finish Flooring - Bathroom		
	Outdoor Racquetball Court		W/D Connections		
X	Cyber Café	X	Washer/Dryer		
	Water Views (Lake, Ocean, ICW)		Ceiling Fan Connections		
	Basketball Court	X	Ceiling Fans		
X	TV Lounge		10" Vaulted Ceilings		
	Sand Volleyball Court		Verticals/Mini-Blinds		
X	BBQ/Picnic Area	X	Walk-In Closets		
	Children's Playground	X	Home Intrusion Alarms		
	Bike/Fitness Trail		Carport		
	Laundry Facilities		Detached Garages		
	Car Wash/Vacuum Area		Attached Garages		
	Garage/Covered Parking	X	Direct Access Garages		
	Secured/Gated Access	X	Private Balcony/Patio		
X	On Site Maintenance		Screened Balcony/Patio		
	Convenience Store		Energy Efficient Windows & Sliding Door		
	24-Hr. Valet	X	Pre-Wired Cable TV and Phone		
	24-Hr Concierge	X	Pre-Wired Internet		
	Yoga Area		Floor To Ceiling Windows/Doors		
	Movie Theater		Outdoor Access Storage		
	Private Garages	X	Roman or Garden Tub		
	Town Center		Moan Fixtures In Kitchen & Bath Area		
X	Online Rent Payment	X	Granite Vanity Tops		
X	Pet Friendly		Separate Shower		
X	Wi-Fi Enabled Sundeck		Knockdown Walls		

NICEVILLE AREA MARKET RATE APARTMENT DEVELOPMENT PROFILE

Development Name: Bel Aire Terrace

Location: 100 Bel Aire Drive

Crestview

City: Zip Code: 32536 **Phone Number:** 850-423-6980 **Survey Date:** October, 2022

Total Units: 324 2009 Year Built: **Units Vacant:** 3

Number Of Stories: 2 & 3 **Security Deposit:** Based on Credit **Application Fee:** \$70

Adminstrative Fee: \$150 **Pet Deposit:** \$300 Pet Fee: \$300

Pet Rent: \$20 Addministrative fee: \$150

Other:

Concessions: None



Detached Garage: Attached Garage: Att. Direct Access Gar: **Carport:** - - -**Storage Units:** \$30 Pool: Lake: - - -Floor Premiums: - - -7 Mo. Lease: - - -Trash: Included

Pest Control: Included Water/Sewer: Metered Other:

Unit Type	No. of Units	Square Footage Livable Area	Rent Range	Rent Per Sq. Ft. L/A Livable Area
1BR/1B	102	720	\$1,660 - \$1,800	230.6¢ - 250.0¢
2BR/2B	162	1,047	\$1,890 - \$1,970	180.5¢ - 188.2¢
3BR/2B	60	1,250	\$2,125 - \$2,215	170.0¢ - 177.2¢

Bel Aire Terrace

	Amenities	Unit Features		
X	Clubhouse Or Recreation/Deck Area	X	Icemaker	
X	Fitness Center	X	Dishwasher	
	Aerobics Room	X	Disposal	
	Sauna/Steam Room	X	Microwave	
	Billiards/Card Room	X	Stainless Steel Sinks	
X	Business Center/Computers/Conference Room		Breakfast Bar	
	Media Center	X	Pass-Thru	
X	Children's Playroom	X	Pantry	
X	Swimming Pool	X	Foyer Floor - Ceramic	
	Jacuzzi/Spa	X	Kitchen Flooring - Ceramic	
	Tennis Court(s)	X	Bath Flooring - Ceramic	
	Indoor A/C Racquetball Court	X	W/D Connections	
	Outdoor Racquetball Court	X	Washer/Dryer	
	Golf Course Views	X	Ceiling Fan Connections	
	Water Views -	X	Ceiling Fans	
X	Sport Court - Basketball/Tennis		Vaulted Ceilings	
	Volleyball Court	X	Verticals/Mini-Blinds	
	Sand Volleyball Court	X	Walk-In Closets	
	BBQ/Picnic Area		Security Alarm	
X	Children's Playground		Carport	
X	Jogging/Fitness Trail		Detached Garages	
	Laundry Facilities		Attached Garages	
	Car Wash/Vacuum Area		Direct Access Garages	
	Garage/Covered Parking	X	Balcony/Patio	
	Secured/Gated Access		Screened Balcony	
X	Storage (Outside)		Pre-Wired Cable TV and Phone	
		X	Pre-Wired High Speed Internet	
		X	Outdoor Access Storage	
			Garden Or Roman Tub	
			Linen Closet - 2BR's	
			Kitchen Counter Tops - Formica	
		X	Vanity Tops - Solid Surface	
			Coat Closet	

TABLE 39

SUMMARY DEVELOPMENT CHARACTER OF SELECTED MARKET RATE APARTMENT DEVELOPMENTS (1) October, 2022

	% Of	Average Square Footage	Base Average	Average Base Rent Per Square Foot
Unit Type	<u>Units</u>	Livable Area	Monthly Rent (2)	Per Month
Studio	2.3%	569 Sq. Ft.	\$ 1,573	276.5¢
Range		488 - 636	\$ 1,548 - \$ 3,389	243.4¢ - 694.5¢
1BR/1B	40.9%	756	\$ 1,789	236.6¢
Range		661 - 1,074	\$ 1,229 - \$ 2,761	122.4¢ - 352.2¢
2BR/1B	1.2%	967	\$ 1,886	195.0¢
Range				
2BR/2B	43.8%	1,119	\$ 2,058	183.8¢
Range		959 - 1,285	\$ 1,545 - \$ 3,042	120.2¢ - 297.0¢
3BR/2B	10.5%	1,367	\$ 2,486	181.9¢
Range		1,250 - 1,744	\$ 1,636 - \$ 4,244	100.4¢ - 319.6¢
4BR/2B	1.3%	1,456	\$ 3,161	217.1¢
Range	100.0%			

(2) Rents shown are after deduction of any current rent concessions. (There are none.)

O P'11 1 P'1 11 B W 100 P 1 P 1 P

⁽¹⁾ Analysis includes comparable developments detailed in Tables 23 through 28.

SUMMARY DEVELOPMENT CHARACTER OF SELECTED MARKET RATE APARTMENT DEVELOPMENTS (1) October, 2022

TABLE 40

SUMMARY OF MARKET RATE APARTMENT DEVELOPMENTS IN West Panhandle Area * August, 2022

<u>Unit Type</u>	% Of Units	Square	erage e Footage ole Area	Average Monthly Rent	Average Rent Per Sq. Ft. Per Month
Studio/Eff.	0.6%	517	Sq. Ft.	\$1,426	275.8¢
1BR/1B	32.0%	742		\$1,559	210.1¢
2BR/1B	8.8%	924		\$1,234	133.5¢
2BR/2B	46.7%	1,082		\$1,973	182.3¢
3BR/2B	10.7%	1,410		\$2,187	155.1¢
4BR/2B	1.2%	1,517		\$2,160	142.4¢
Overall	100.0%	998	Sq. Ft.	\$1,791	179.5¢

^{*} All developments surveyed are market rate in character and all located in Okaloosa, Walton, Escambia and Santa Rosa Counties.

TABLE 41

SUMMARY OF NON-APARTMENT RENTALS *
Niceville Area
October, 2022

Unit Type	% Of Units	Average Square Footage Livable Area	Average Monthly Rent	Average Rent Per Sq. Ft. Per Month
1BR/1B	5.4%	594	\$1,200	202.0¢
2BR/2B	24.3%	1,168	\$2,091	179.0¢
3BR/2-3B	59.5%	1,663	\$2,379	143.1¢
4BR/2-3B	10.8%	1,861	\$3,877	208.3¢
Overall	100.0%	1,487 Sq. Ft.	\$2,239	150.6¢

^{*}Includes all MLS listings of non-apartment housing offered for rent in the Niceville Area (37 listings)

TABLE 42

SUMMARY OF NON-APARTMENT RENTALS West Panhandle Area * October, 2022

Unit Type	% Of Units	Average Square Footage Livable Area	Average Monthly Rent	Average Rent Per Sq. Ft. Per Month
1BR/1B	11.5%	754	\$1,887	250.3¢
2BR/2B	17.1%	1,107	\$2,211	199.7¢
3BR/2-3B	54.7%	1,614	\$2,677	165.9¢
4BR/2-3B	16.7%	1,869	\$3,819	204.3¢
Overall	100.0%	1,342 Sq. Ft.	\$2,749	204.8¢

^{*}Includes all MLS listings of non-apartment housing offered for rent in Okaloosa, Walton, Escambia and Santa Rosa Counties.

CHAPTER V

FORECAST OF RENTAL HOUSING DEMAND

A. Rental Housing Demand - Okaloosa County

As was presented earlier in this report, the housing stock of Okaloosa County is forecast to expand by 1,443 units per year from 2022 to 2025. Based on the percentage share of total housing growth which has historically been obtained by rental housing and the estimated potential for rental housing over the forecast period, Table 38 shows the forecast of annual demand for rental housing in Okaloosa County from 2022 to 2025.

As the table shows, there is an estimated demand for an additional 811 rental utilized housing units per year in the County from 2022 to 2025. Historical analysis throughout Florida by this consulting firm has shown that rental apartments can capture an 80% share of total rental housing demand if they are available in adequate numbers. This suggests that there is a demand for 649 additional rental apartment units per year in Okaloosa County from 2022 to 2025. (See Table 43.)

The estimate of the demand potential for rental housing is based, in part, on the historical share of total housing which renter utilized housing has represented. From 1990 to 2000 the number of rental utilized apartments increased by 276 units annually and they represented 33.6% of total housing. In 2010 there were 32,250 rental utilized housing units in Okaloosa County, an increase of 584 per year since 2000. In 2020 there were 33,253 rental utilized housing units, an increase of 100 per year since 2010 and it is estimated that rental utilized housing increased by an average of 1,027 units per year from 2020 to 2022. It is forecast that renter utilized housing in Okaloosa County has the potential to increase from the 34.7% estimated share of total housing in 2022 to 35.8% in 2025 representing an increase of 811 units per year. (See Table 43.)

In this section of the report the demand for rental apartments in the Niceville Market Area and Okaloosa County overall is examined and this is followed by the demand of 520 student-oriented apartments.

B. Rental Housing Demand - The Niceville Market Area

The number of renter utilized housing units in the Niceville Market Area expanded from 3,013 units in 1990 to 3,542 in 2000 or by an average of 53 units per year. By 2010 rental utilized housing had reached 4,207 units indicating an average annual increase of 67 units since 2000. From 2010 to 2020 rental utilized housing increased by 62 units per year. From 2020 to 2022 rental utilized

housing in the Niceville Market Area is estimated to have increased by 204 units per year. (See Table 44.)

It is forecast that the percentage share of renter utilized housing in the Niceville Market Area has the potential to increase from the estimated 29.8% share in 2022 to 31.0% of total housing by 2025 if an adequate supply of rental apartment units are offered in the area. This analysis indicates that there is demand potential for 176 additional rental utilized housing units per year in the market area from 2022 to 2025. As in the County as a whole, it is believed that rental apartments could capture an 80% share of total rental demand during the forecast period if apartment units are built in adequate numbers. As Table 44 shows, this indicates that there will be a demand for 85 additional rental apartment units per year in the market area from 2022 to 2025.

C. Existing Demand

While the foregoing analysis indicates the demand for additional apartments based on forecasted growth of population and households, there is considerable additional existing or "pentup" demand generated by non-apartment renter households already living in the County and market area who would be interested in apartments and could be drawn into the market over a period of time if an adequate supply of apartments are offered. As Table 45 shows, about 22,139 units or 62.7% of all housing utilized on a rental basis in Okaloosa County are non-apartment units, single family homes, townhouses, condominiums, duplexes, etc. It is believed that about 35% of these renter households could be drawn to apartments over a period of 10 years or about 775 per year if an adequate supply of multi-family apartments were to be offered in the County. In the Niceville Market Area an estimated 3,795 of the renter utilized housing units are non-apartments.

As noted previously, the vacancy rate in market rate apartment developments in the West Panhandle Area stands at 0.7% while the general market acceptable level is 5.0%. Applying these percentages to the total 13,171 multi-family apartments in Okaloosa County and 1,440 in the market area indicates that there is a current under supply of 567 units in the County and 53 in the market area. Assuming that this under supply is eliminated over a three-year period it adds 189 units per year to the Okaloosa County annual demand and 18 units per year in the market area demand. (See Table 45, footnote 4.)

There is additional limited demand generated by demolitions of exiting rental apartments. It is estimated that the demand for replacement units is 39 units per year in Okaloosa County and only 4 annually in the Niceville Market Area. Including demand generated from the forecasted increase in renter households, existing demand from non-apartment renters, current undersupply and

demolitions, it is estimated that there is a demand potential for 1,652 additional apartments per year in Okaloosa County from 2022 to 2025. In the Niceville Market Area, the annual demand potential for additional apartments from 2022 to 2025 is 543 units. The market area demand includes an additional 15% share of the countywide demand which is justified by its strategic location along a major connector route extending from Interstate 10 south to the Gulf of Mexico as well as its close proximity to major employment in the Eglin Air Force Base. (See Table 45.)

D. Demand For Student Apartments

The demand for student apartments at Northwest Florida State College will come from existing demand rather than from the expansion of student population. There are no known plans for the near-term future expansion of student population at the college.

The total headcount for student at Northwest Florida State College stood at 6,835 for the 2020-2021 academic year. These students represent the primary demand for the proposed apartments. There is only one Niceville Area apartment development which is oriented towards students. This older 1984 development contains only 32 units and is fully occupied. (College Courtyard). There are other apartment developments located in the Niceville Area which rents to students, six of which were detailed in chapter IV of the report. These market rate developments contain a total of 1,949 units, and currently report a vacancy rate of only 2.6%. Students can also rent single family homes within the surrounding area of the college but the supply of homes leasing offered for rent is very limited. In October, 2022, only 37 single family homes were listed for rent in the MLS.

As the above suggests, there are relatively few rental options for students at Northwest Florida State College which need housing. There is a good reason to believe, however, that there is a strong need for additional rental housing for students.

About 30% Northwest Florida State College are from areas outside of Okaloosa County in which the college is located. These students should represent a significant market for the proposed apartments. Many students from Okaloosa County will also be potential residents due to the desire to be close to the campus and/or the proposed apartments would represent a more desirable alternative to their current accommodations, due to its student orientation as well as the amenities/features offered.

It is believed that the shared common areas of the apartments with separate bedrooms/baths should have stronger appeal to younger students aged 24 and under. Available information indicates that about 70% of students at Northwest Florida State College are aged 24 or less.

It is understood that there are 50 athletes at Northwest Florida State College which have housing and will be required to live in the subject on-campus apartment development. There are 30 other athletes and most would want to be in the same complex.

In total it is believed that there is a current demand for about 520 student bedrooms generated by the Northwest Florida State College students.

It is understood that apartments at the subject proposed development could be rented to students at other area colleges/universities once the need of the Niceville campus has been met.

At this estimated demand level, the proposed 88 apartments or 320 bedrooms should be rented promptly after the development is completed.

TABLE 43

GROWTH TREND OF RENTAL UTILIZED HOUSING Okaloosa County

1990 - 2022 Forecasted To 2025

<u>Year</u>	Rental Utilized Housing Units	Percent Of Total Housing
1990	23,651	37.8%
2000	26,407	33.6%
2010	32,250	34.9%
2020	33,253	34.0%
2022 (Estimate)	35,306	34.7%
2025 (Forecast)	37,740	35.8%

Average Annual Increase:

1990 - 2000	+276
2000 - 2010	+584
2010 - 2020	+100
2020 - 2022	+1,027
2022 - 2025	+811

Source: 1990 - 2020 U. S. Census of Housing; 2022 estimated and 2025 forecasted on basis of observed historical trends by Reinhold P. Wolff Economic Research, Inc.

GROWTH TREND OF RENTAL UTILIZED HOUSING The Niceville Market Area (1) 1990 - 2022 Forecasted To 2025

<u>Year</u>	Rental Utilized Housing Units	Percent Of Total Housing
1990	3,013	28.1%
2000	3,542	26.7%
2010	4,207	28.6%
2020	4,828	29.0%
2022 (Estimate)	5,235	29.8%
2025 (Forecast)	5,763	31.0%

Average Annual Increase:

1990 - 2000	+53
2000 - 2010	+67
2010-2020	+62
2020-2022	+204
2022-2025	+176

(1) The Niceville Market Area is bordered on the north Interstate 10, the south by Choctawhatchee Bay, the east by FL 85/Roger S. Clay Highway (123) and west by the Okaloosa/Walton County line. (See Map No. 1.)

Source: U.S. Census Of Housing, 1990 - 2020; 2022 estimated and 2025 forecast by Reinhold P. Wolff Economic Research, Inc.

SUMMARY OF EXISTING AND FUTURE INCREASE IN DEMAND FOR MULTIPLE FAMILY RENTAL HOUSING Okaloosa County And The Niceville Market Area (1) 2022 - 2025

	Okaloosa <u>County</u>	Niceville Market Area
* Forecast Of Increase Of Rental		
Utilized Housing, Per Year:		
(See Tables 43 & 44):		
2022 - 2025	811	176
* Forecasted Increase In Demand For Multiple (2)		
Family Apartments-Generated From		
Growth (80% Share Of Rental		
Utilized Housing Increase):		
2022 - 2025	649	141
* Existing Demand:		
· Total Rental Utilized Housing, 2022 (3)	35,310	5,235
· Non-Apartment Rental Utilized		
Housing, 2022	22,139	3,795
· Estimated % Interested in Rental Apts.	35.0%	35.0%
· Estimated Number Interested In Apts.	7,749	1,328
· Estimated Number Non-Apartment		
Renter Households Drawn To		
Apartments, Per Year, 2022 - 2025:	775	133
* Total Estimated Annual Demand		
For Apartments, Generated From		
Growth And Existing Demand		
2022 - 2025	1,424	274
* Additional Annual Demand from (4)		
Current Undersupply:		
2022 - 2025	189	18
* 4 11% 14 15 16		
* Additional Annual Demand from		
Demolition/Replacement at 0.30%	20	4
2014 - 2015 CINCH Study	39	4
* Total Annual Demand		
For Apartments:		
2022 - 2025	1,652	296

[·] Market Area Potential Additional (4) Share Of The County Demand, Estimated At 15.0%:

TABLE 45

SUMMARY OF EXISTING AND FUTURE INCREASE IN DEMAND FOR MULTIPLE FAMILY RENTAL HOUSING Okaloosa County And The Niceville Market Area (1) 2022 - 2025

	Okaloosa County	Niceville Market Area
2022 - 2025	0	248
· Total Estimated Annual Demand		
For Additional Apartments		
2022 - 2025	1,652	543
* Demand Potential For Market (6) Rate Apartments (Units Renting For \$800+): • Percent Households Can Afford \$800+ • Demand For Market Rate Apartments Renting For \$800+:	75.8%	78.6%
2022 - 2025	1,252	427

CHAPTER VI

CONCLUSIONS/RECOMMENDATIONS

A. Summary of General Conclusions

As of August, 2022 the vacancy rate in market rate apartment developments located throughout the West Panhandle area stood at 0.7%. The 67 developments surveyed are located in Okaloosa, Escambia, Santa Rosa and Walton counties.

Regular apartment surveys are not conducted throughout the West Panhandle area. Prior surveys of apartment developments in Okaloosa County, however, had revealed vacancy rates during the economic recession in 2009 in the 10%-11% range. More recent surveys of market rate apartment developments in the West Panhandle Area have revealed declining vacancy rates falling from 3.1% in January, 2021 to 1.2% in April. Clearly, the rental apartment market has improved notably as the overall economy has improved.

An October, 2022 survey of eight comparable apartment developments revealed a vacancy rate of 0.2%.

The improvement in the rental apartment market is the result of several factors. First, there has been a general lack of new apartment development throughout the West Panhandle area in recent years while there has been a considerable increase in the percentage of households renting. Second, the economy of the area has been improving with jobs increasing in Okaloosa County from 2020 to 2022 by an average of 5,911 per year and the unemployment rate falling from 5.9% in 2020 to 2.2% in 2022.

As detailed previously in this report, the population of Okaloosa County is estimated to have increased by an average of 4,188 per year from 2020 to 2022 and it is forecast to expand by an average of 2,598 annually from 2022 to 2025. In the Niceville Market Area, the population is estimated to have grown by an average of 1,173 per year from 2020 to 2022 and is forecast to increase by 867 per year from 2022 to 2025.

These forecasts of population and household growth as well as the potential to draw non-apartment renters to the multi-family rental market are forecast to generate an annual demand in Okaloosa County for 1,652 additional rental apartments from 2022 to 2025 and 543 per year in the Niceville Market Area.

The prospects for the proposed apartments to experience favorable market performance is examined in the following sections of this report.

B. Recommendations of Proposed Development Parameters 1. Mix of Unit Types

The mix of unit types proposed for the subject proposed development is 18.2% two-bedroom/two-bath units and 81.8% four-bedroom/four-bath.

The comparable student oriented apartment developments offer 3.7% of their one-bedroom, 35.2% as two-bedrooms. 30.6% as three-bedrooms, and 60.0% as four-bedrooms. In the West Panhandle area overall 0.6% of the apartments are studio/efficiency, 32.0% one-bedrooms 55.5% two-bedrooms, 10.7% three-bedrooms, and 1.2% as four-bedrooms.

The following shows the mix of unit types proposed compared to the comparable market area developments and apartment developments overall in the West Panhandle area:

% Unit Mix				
Unit Type	Subject: Proposed Development	Comparable Student- Oriented Apartment Developments	West Panhandle Area Overall	
Studios			0.6%	
1BR/1B		3.7%	32.0%	
2BR/2B	18.2%	35.2%	55.5%	
3BR/2-3B		30.6%	10.7%	
4BR/2-4B	81.8%	60.0%	1.2%	
Total	100.0%	100.0%	100.0%	

It is believed that the mix will find acceptance in the market.

2. Square Footage Sizes (Livable Area)

The two-bedroom/two-bath units proposed at the subject student oriented development are to provide an average of 1,105 square feet of livable area and the four-bedroom/four-bath units are to offer an average of 1,593 square feet of livable area. (See Table 46.)

The following shows the square footage sizes of the apartments proposed at the subject development versus those of the other development groups examined:

Average Square Footage Sizes			
Unit Type	Subject: Proposed Development	Comparable Student- Oriented Apartment Developments	West Panhandle Area Overall
Studios		576 s.f.	517 s.f.
1BR/1B		902 s.f.	742 s.f.
2BR/2B	1,105 s.f.	1,115 s.f.	1,082 s.f.
3BR/2-3B		1,431 s.f.	1,410 s.f.
4BR/2-4B	1,593 s.f.	1,571 s.f.	1,517 s.f.
Overall Average	1,006 s.f.	1,216 s.f.	998 s.f.

The overall average square footage sizes of each of the unit types planned are believed to be acceptable in the student market at this time

3. Unit Features and Amenities

The amenities and interior unit features planned or recommended for the proposed apartments are detailed in Exhibit A and Table 46 of this report while the summary of features and amenities offered in the selected comparable student oriented developments are presented in Tables 23 through 30.

The amenities and interior unit features are considered in estimating the rent potential for the proposed development. The rent conclusions assume that the features and amenities detailed in Table 46 are provided with the exception of those for which there would be an extra charge.

4. Rent Potential

Table 46 shows the rent conclusions for the proposed development by unit type and overall mix of unit types proposed by the developer. Based on analysis of the rent character of the selected student oriented apartment developments and after adjustments for unit size, age, location and features/amenities differences, it is believed that the current overall base average rent potential for the subject proposed apartments is \$800 per bedroom or an average of \$2,885 per unit. The current per unit rent potential per square foot of livable area, therefore, is 191.8¢.

The average base or starting rent for the two-bedroom unit is \$1,740 or 157.5¢ per square foot while the four-bedroom average is \$3,140 or 197.1¢ per square foot of livable area.

The rent indicated includes all utility costs except telephone, Cable TV including HBO, is to be provided in the rent. A per student cap of about \$55 should be established for electricity charges.

It is believed that the rent potential for the proposed apartments will increase by 5.0% annually from 2022 to 2025. Table 47 shows the estimated average monthly rent potential per bedroom and per unit over the next three-year period: (See Table 47.)

5. Absorption Potential for Student-Oriented Apartments

As indicated previously in this report, apartment vacancy rates are forecast to hold in the 2.0% to 3.0% range over the 2022-2025 period.

As indicated previously, there is an estimated average annual demand for 427 additional market rate (\$800+) apartments in the Niceville Market Area from 2022 to 2025.

The subject proposed student oriented development is the only apartment development known to be planned/proposed in the Niceville Market Area and there are no apartment developments currently under construction/lease-up in the area.

In total it is believed that there is a current demand for about 520 student bedrooms generated by the Northwest Florida State College students.

It is understood that apartments at the subject proposed development could be rented to students at other area colleges/universities once the needs of the Niceville campus has been met.

As indicated previously in this report, there are an estimated 17,012 students at Northwest Florida State College which occupy off campus housing other than with relatives. There are a number of rental apartment developments located near the campus which attempt to capture at least a share of the off-campus student rental market. Those which are most successful are designed for student living, having individual bedrooms rented to students who share the common area of each apartment. The apartments and each bedroom are fully furnished.

As indicated previously in this report, the vacancy rate in the comparable student oriented apartment developments examined is about 0.8%.

The three most important factors which students consider in selecting an apartment, in order of importance, are:

- 1. Location near the campus;
- 2. Location near the shuttle system if available and;
- 3. Furnished apartment.

With the location of the subject site on the college campus, the design character and unit features and amenities planned it is believed that the apartments will be quickly leased upon completion. It will be important that the units be completed and available for students to examine well before school starts in the Fall term.

the development is completed. It	t is believed that the development will be able to maintain	an
occupancy rate of 100%.		

TABLE 46

PROPOSED DEVELOPMENT PARAMETERS AND RENT RECOMMENDATIONS

Northwest Florida State College Apartments October, 2022

				Monthly Re	ent
Unit Type	# of Units	Square Footage Livable Area	Per Bedroom	Per Unit	Unit Rent Per Sq. Ft. L/A
Phase I 2BR/2B	12	1,105 s.f.	\$870	\$1,740	157.5¢
4BR/4B	42	1,593 s.f.	\$785	\$3,140	197.1¢
Phase II 2BR/2B	4	1,105 s.f.	\$870	\$1,740	157.5¢
4BR/4B	30	1,593 s.f.	\$785	\$3,140	197.1¢

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Recommended/Proposed

NORTHWEST FLORIDA STATE COLLEGE APARTMENTS

	Amenities		Unit Features		
X	Lobby/Social Hall	х	Icemaker		
X	Fitness Center w/Cardio & Weights	Х	Water Dispenser		
X	Study Hall	х	Dishwasher		
	Aerobics/Yoga/Pilates Room	Х	Disposal		
	Sauna Room	Х	Microwave		
	Billiards/Card/Game Room	X	Stove Top		
X	Media Center	X	Appliances -		
	Children's Playroom		Breakfast Bar		
	Cyber Café/Coffee Bar	X	Pantry		
	Indoor Sport Court - Half	X	Kitchen Countertop - Granite		
	Swimming Pool	X	Kitchen Floor - Faux Wood		
	Jacuzzi/Spa		Foyer/Entry Floor - Ceramic Tile		
	Tennis Court	X	Bathroom Floor - Ceramic Tile		
X	Outdoor Sports/Basketball Court	X	Vanity Top Granite		
2.1	Volleyball Court (Sand)	X	Garden Tub		
x	BBQ/Picnic Facilities	X	Glass Enclosed Shower		
X	Putting Green	X	Linen Closet		
	Children's Playground	^_	Washer/Dryer Connections Only		
	Jogging/Fitness/Nature Trail/Riverwalk	X	Washer/Dryer in Unit (Full Size)		
	Water Views (Lake with Fountains)	X	Ceiling Fan Connections Only		
	Golf Course Views		Ceiling Fan(s) (Living Room)		
	Community Laundry Facilities	X	Vaulted Ceilings - Top Floor		
	Car Care Center		<u> </u>		
		X	Tray Ceilings		
	Underground/Structured Parking	X	Extended Ceiling Heights - 9' Verticals/Mini-Blinds		
X	Community Gated/Secured Access Valet Trash				
			Walk-In Closet(s)		
	Storage Units For Rent	_	Pre-Wired For Security Alarm		
X	Wi-Fi/Common Areas	_	Security Alarm		
	Concierge Services	X	Pre-Wired Cable TV/Tel./High Speed Internet		
X	Pet Walking Area		Coat Closet		
X	Bike Storage Areas	X	Impact Glass		
X	Outdoor Kitchen w/Custom Grill Area		Balcony/Patio Area		
	Special Amenities:	_	Balcony/Patio Area (Screened)		
	Boat Ramp		Apartment Storage (Balcony)		
	Boat Trailer Storage Area		Carport		
	Boat Docking		Detached Garages		
	Bus Shelter		Attached Garages		
	On-site Boat Storage/Commercial Vehicle Parking		Direct Access Garages		
	Spa/Cabana Bath		Special Features:		
X	Dog Park		Water Conservation Features		
			Energy Conservation Features		
			Raised Panel Wood Cabinets		
			Knockdown Texture - Walls and Ceilings		
			Crown Molding		
			Custom Wood Kitchen Cabinets		
			Built-in Computer Desk		
			Wireless counter top cell phone charging stations		

TABLE 47

FORECAST OF RENT POTENTIAL Proposed Northwest Florida State College Apartments October, 2022 - October, 2025

Per BR Base Rent Potential As Of October:

	Ca E4	rer dr dase kent Potential As Of October:			
Unit Type	Sq. Ft. Livable Area	2022	2023	2024	2025
2BR/2B	1,105 s.f.	\$870	\$914	\$959	\$1,007
4BR/4B	1,593 s.f.	\$785	\$824	\$865	\$909
Overall Weighted Base Average Rent Per BR:		\$800	\$840	\$882	\$926
Average Kent Fer DK.		53.2¢	55.9¢	58.7¢	61.6¢

Source: Forecast by Reinhold P. Wolff Economic Research, Inc. to increase by 5.0% from 2022 to 2025 per year.

IRENE RUIZ(aka Celia Irene Ruiz) PRESIDENT REINHOLD P. WOLFF ECONOMIC RESEARCH, INC.

Irene Ruiz, President and owner of Reinhold P. Wolff Economic Research, Inc. joined the firm in 1995 as a research associate. In June, 2019 she became sole owner of Reinhold P. Wolff Economic Research.

Irene Ruiz has directed numerous real estate and other market studies throughout Florida. She is particularly well versed in areas of land use, project feasibility, regional economic impact analysis, and solving marketing problems. She has directed, or been personally involved, in market feasibility studies for many billions of dollars of residential and commercial real estate in Florida and over 200 for-sale and over 1,500 rental housing developments.

In her capacity as President of the firm, Mrs. Ruiz advises land developers, lending institutions and others who are concerned with issues of market feasibility for both residential and commercial real estate developments. She also publishes Quarterly Housing Reports for several areas of Florida, presenting current market trends for both for-sale and rental housing. In addition, Irene Ruiz is the author of the Apartment Development Activity Report in Southeast Florida.

Prior to joining Reinhold P. Wolff Economic Research, Inc., Mrs. Ruiz participated in rehabilitation projects for low-income units in the northeastern part of the United States. Her academic preparation includes a Bachelor of Science in Business and a minor in International Business from the Quinnipiac University.

As a long-time resident of Florida, Mrs. Ruiz has lived and traveled extensively throughout the state since 1995. As a result, she has become intimately familiar with the various regions' housing markets and economic trends.



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