DRAFT
(FOR REVIEW AND COMMENT)

Strategic Planning Analysis
--- Economic and Residential Outlook ---
Crawford County, Illinois

Prepared on behalf of:

City of Robinson
300 South Lincoln Street
Robinson, IL 62454

January 6, 2023

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INTRODUCTION

At the request of the City of Robinson, Tracy Cross & Associates, Inc. evaluated the market potential for residential development in Crawford County, Illinois, addressing the market potential for new construction and/or adaptive residential conversion for sale and rental apartment housing alternatives. Our objective is to provide the City of Robinson and associated stakeholders with a full understanding of relevant regional economic and residential market trends as they may impact upon future Crawford County residential development initiatives, with focus upon the cities/towns of Robinson, Hutsonville, Oblong and Palestine and land parcels which may represent principal areas of initial opportunity. This report, which is intended to serve as the basis for attracting and retaining quality investment in Crawford County and as a guideline for policy decisions, planning and implementation strategies, establishes the following:

- ❑ Conclusions regarding the strength of the market for residential development in Crawford County over the 2023-2027 timeframe and, for planning purposes, projected through 2032, based upon current and anticipated economic, demographic, and residential construction trends which define the marketplace.

- ❑ Conclusions regarding the highest and best residential development opportunities throughout the county which best meet the needs of area residents (current and future). These conclusions are based upon the strength of the market, demographic and socio-economic characteristics of resident households, and the alignment and condition of the area's housing stock.

- ❑ Residential product development guidelines for those housing forms viewed to hold measurable market support now and into the future. These guidelines will address, by generic housing type, optimum unit count, plan types and sizes, product criteria/finishes, benchmark rent/pricing guidelines, community-based amenities, etc., viewed as necessary to attain acceptable levels of absorption.

- ❑ Geographic positioning and priority ranking strategies for the introduction of new housing products throughout Crawford County (with emphasis upon Client-identified investigative properties as appropriate), isolating upon those areas and product lines viewed as most suitable for introduction over the initial 2023-2027 forecast period.

WORK PLAN

The work plan for this assignment involved a series of inter-related research investigations as outlined below:

- ❑ A thorough field investigation to identify locational attributes and/or diseconomies of various sub-areas of Crawford County as they may impact upon residential demand and development opportunities.

- ❑ Analysis of all relevant regional employment and residential construction trends as well as key demographic and socio-economic variables of resident households, with focus upon the broader Southeastern Illinois Region, defined as Clark, Crawford, Cumberland, Jasper, Lawrence, and Richland counties in Illinois.

- ❑ A detailed examination of relevant market rate rental apartment and for sale alternatives (including new and existing homes) throughout Crawford County and in other similar regional areas to determine their potential impact upon future new construction/adaptive conversion initiatives.

- A forecast of residential construction requirements in Crawford County, segmenting demand by market segment.

THE REPORT

This report is divided into four sections together with an Appendix which integrates economic, demographic, and competitive data. Of particular importance is **Section 1,** which characterizes the Crawford County environs and forwards detailed conclusions and recommendations regarding the highest and best residential development opportunities. Not to be dismissed, however, are the remaining two sections which can be defined as *fundamentals.* **Section 2**, for instance, provides an outlook for future housing absorption in the market area based upon all demand-related variables, while **Section 3** presents a thorough analysis of the study area's residential marketplace.

CERTIFICATION AND SIGNATURE

This analysis represents our objective and independent opinion regarding the market potential for residential development in Crawford County, Illinois as certified below:

TRACY CROSS & ASSOCIATES, INC.
An Illinois Corporation

By: HollyAnn Eageny
HollyAnn Eageny

Its: Executive Vice President & COO

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Jerry Grojec

Its: Senior Research Analyst

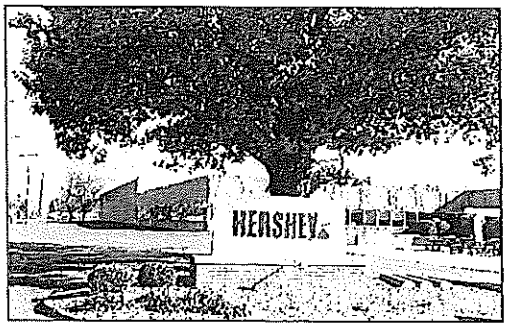
Date: January 6, 2023

1. CONCLUSIONS AND RECOMMENDATIONS

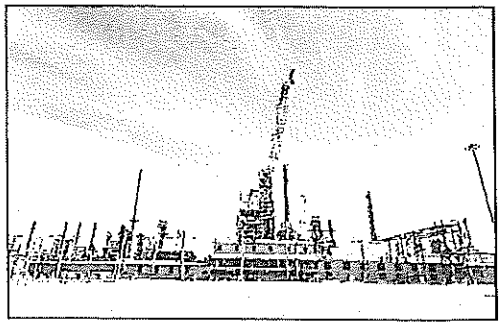
Crawford County is located in southeastern Illinois on the western bank of the Wabash River bordering the Indiana state line. Encompassing 446 square miles, the county's largest city, county seat, and center of commerce is Robinson. Other incorporated areas of the county include the villages of Flat Rock, Hutsonville, Oblong, Palestine, and Stoy.

The county is well-served by regional highway systems including Illinois Routes 1 and 33, principal north-south and east-west transportation corridors (respectively) which link the county with the Interstate 70, 57 and 64 highway systems as well as US 50/150 serving southern Illinois and Indiana. These highways function as major logistics routes connecting the county with larger metropolitan areas such as Terre Haute and Indianapolis, IN; Louisville, KY; and St. Louis, MO; as well as the Effingham, Decatur and Springfield regions of Illinois which are all within an approximate 100 mile radius of Crawford County.

Crawford County boasts a rich agricultural heritage which remains a mainstay of the economy to this day. In addition to agri-business, major employers in Robinson itself include the Hershey Company which produces some 200 million pounds of candy annually and employs more than 700 workers. The Hershey facility, in fact, is currently undergoing a 200,000 square foot expansion and anticipates adding another +/- 300 workers near term. Robinson is also home to a Marathon Petroleum refinery, processing more than 250,000 barrels of oil daily and serves a pipeline system extending from Canada through the Midwest to the Gulf Coast. Marathon, as well, has recently completed an extensive overhaul of its facilities to improve productivity and is consistently recognized with the industry's Energy Star award for its strict energy-efficiency performance levels. In addition, Lincolnland Agri-Energy in Palestine (among others) produces biofuel products serving the agri-business and energy industries.

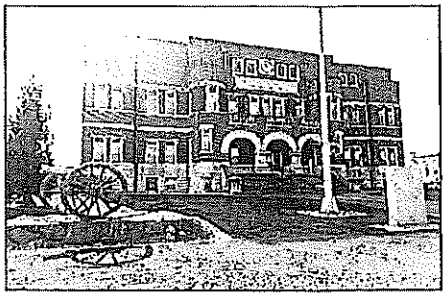


Hershey Facility – Robinson, IL

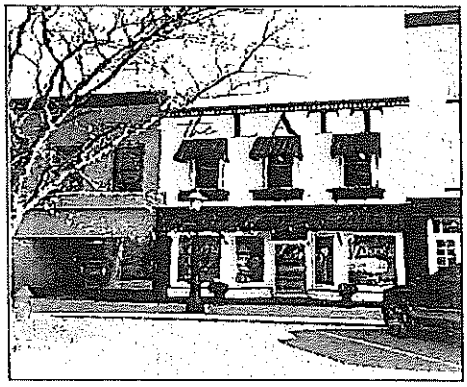

Marathon Petroleum Refinery – Robinson, IL

Other local employers include Crawford Memorial Hospital which represents one of the largest trauma and surgical centers in the region, the Robinson Correctional Center, and the Robinson school district as well as county and city public administration. Robinson is also home to Lincoln Trail College, a community college and trade school.

Representative of many heartland cities, Robinson features an established and active town square anchored by its historic Crawford County Courthouse as well as the original Heath Brothers Confectionary which now serves as a museum celebrating the city's long tradition of confectionary production. Newer retail centers east and west of the downtown square are anchored by a Ruler Foods grocery, a Walmart Supercenter, hotel chains and a selection of national fast casual food chains such as Jersey Mikes and Pizza Hut, along with local consumer service providers.



Crawford County Courthouse Robinson, IL



Robinson Downtown Square

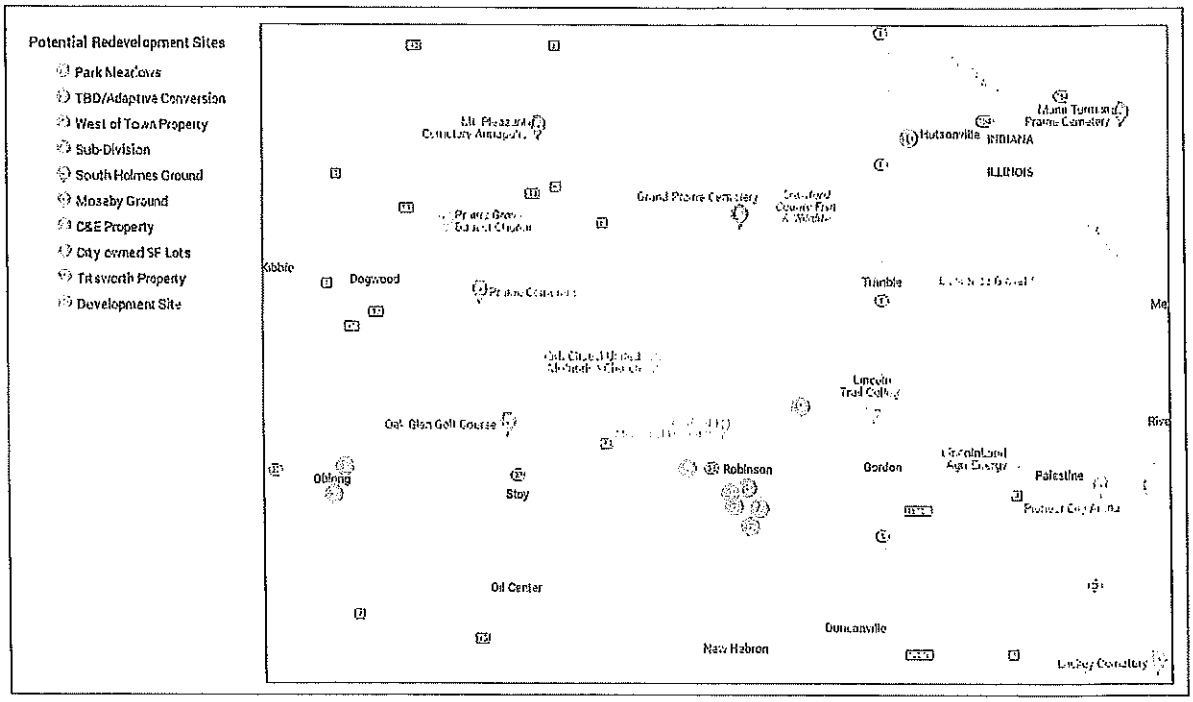
Heath Museum and Confectionary – Robinson, IL

POTENTIAL REDEVELOPMENT PROPERTIES

The purpose of this analysis is to provide Crawford County and the city of Richmond with an understanding of the strength of the marketplace for future residential development. As a part of this analysis, our firm focused on land parcels identified by officials of the city of Robinson and the villages of Hutsonville and Oblong as potential redevelopment opportunities. As illustrated in the following graphic, the investigative sites concentrated in or proximate to the downtown areas of Robinson, within a two-mile radius of the Hershey and Marathon facilities, Crawford Memorial Hospital, as well as the IL-33/Main Street commercial corridor and are thus viewed as the *strongest candidates for initial redevelopment.* The city of Robinson has established Tax Increment Financing districts for its industrial and downtown areas as well as a Community Development Assistance Program to encourage business expansion. While these programs *may* have application for some of the Robinson investigative properties, the city may also wish to consider some measure of tax incentive or development partnership with future builder partners in order to maintain residential development momentum.

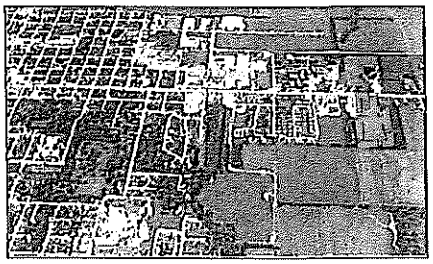
The following paragraphs briefly summarize the investigative properties for perspective:

GEOGRAPHIC ORIENTATION: POTENTIAL REDEVELOPMENT SITES
– CRAWFORD COUNTY MARKET AREA –



Source: Google Maps and Tracy Cross & Associates, Inc.

- ***West of Town Property – Robinson:*** Aligning IL-33/Main Street west of Dorsey Road in the far west portion of the city's commercial corridor, this property consists of a 13.2-acre parcel adjoining established mixed-use commercial along with a modicum of newer, age- and/or income-restricted multifamily developments. For example, the eastern perimeter of the site borders the Eagle Theater commercial area which includes casual and fast casual eateries, along with automotive and service providers, banking facilities, and other local businesses. Importantly, the property is also approximately one-half mile west of the Hershey campus and within one mile southwest of Crawford Memorial Hospital, while the Marathon Refinery is within two miles east. Newer residential development in the immediate area includes the Barrington Farms and Sugar Creek Crossing rental communities which are briefly discussed in Sections 2 and 3 of this report.



West of Town Property - Robinson, IL

- ***Subdivision Property – Robinson:*** Representing a 13.36-acre *city-owned* land assemblage extending south from Emmons Street to Clearwater Street (as extended) immediately west of Prairie Street in the southwestern quadrant of Robinson. The Our Redeemer Lutheran Church campus adjoins the property's western perimeter of the site, along with active agricultural tracts further west, while established residential neighborhoods extend east. The Robinson City Park and Softball Complex are located two blocks to the east of the property. Ideally, this site could be developed in conjunction with the South Holmes property.

- ***South Holmes and Moseby Properties – Robinson:*** These properties represent active agricultural tracts in the southwest quadrant of the city. The *South Holmes* site consists of 23.0 acres extending south to Highsmith Street. Consistent with the "Subdivision" assemblage, established neighborhoods of single family homes align the eastern perimeter, with active agricultural uses to the west and south. The Meadows Apartments, a 12-unit income-restricted family rental community, is situated at the southeast perimeter of the site aligning Highsmith Street. The South Holmes parcel is also within walking distance of the Robinson City Park and Softball Complex. Future development of this site *should incorporate the 1513 S. Willow property* facilitating a secondary point of ingress/egress to a future planned development. The *Moseby Assemblage*, in turn, encompasses approximately 74.0 acres directly south at the intersection of Highsmith and North 1100th streets. These properties are relatively flat with limited stands of tree/shrubbery growth and suitable for future larger-scale, mixed-use planned development.

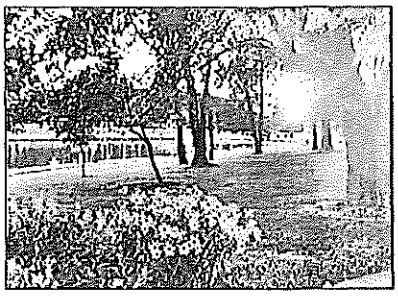
Moseby Property - Robinson, IL

- ***C&E Property – Robinson:*** Located less than one mile south of Robinson's Downtown District, this property consists of an assemblage of residential sites which collectively total some 6.0 acres aligning Sarasota Street at Cross Street. The property is currently occupied by manufactured housing units in various stages of disrepair. It is suggested that the City and/or its development partner acquire and clear this assemblage in preparation for redevelopment.

- ***Titsworth Property – Robinson:*** Represents an approximate 58.0-acre assemblage situated between North Trimble Road and North 1200th Street, extending north from East 1150th Avenue to East 1200th Avenue. While not within the defined city limits, the property lies within the northeastern quadrant of Robinson proximate to the Quail Creek Country Club and Resort, as well as established higher-priced/executive homes within the Quail Nest Estates and Quail Hollow subdivisions. This property, as well, is suitable for a larger-scale, mixed-use planned development.

- ***Scattered Site Properties – Robinson:*** In addition to the aforementioned investigative sites, city officials identified several individual sites for potential consideration. These include *502 S. Jones, 503 S. Jackson, 605 S. Cross, 1513 S. Willow, 106 S. Roosevelt, 407 S. Argus, 1204 and 1206 N. Howard;* along with nine (9) lots aligning the 1400 block of North Franklin, Highland Avenue and Howard Street, identified as *Lots 37 through 45.* Situated directly south of the Robinson Middle and High School campus, as currently platted, these latter properties primarily represent lots measuring 45 ft. wide by 124 feet deep. As noted, the 1513 S. Willow property should be incorporated with future development of the South Holmes assemblage. While the 1204-1206 N. Howard, and the nine lots south of the school campus *could* serve as build-to-suit single family homes (ideally) developed as rear-load homesites served by an alley system. Alternatively, the nine-lot assemblage could also be re-platted to accommodate +/-six (6) homesites measuring 50-55 feet in width (or larger) which could then accommodate either build-to-suit or speculative single family homes offering front-/side-load or detached garages adapted from product matrices recommendations forwarded. At this time, redevelopment of the remaining individual lots is not warranted.

- ***Oblong Lake Property – Oblong:*** Consisting of an approximate 33.0-acre assemblage in the northeastern quadrant of the village, this property had previously been part of a now-expired TIF District and has been acquired by the village for future development. Access to the site is provided by Iowa Street north of Wisconsin Street. Situated immediately north of Oblong Lake and the municipal Oblong Park, the site itself includes areas of wetlands. The property is also within walking distance north of the Crawford County Fairgrounds and adjoins established residential neighborhoods to the west and south. Active agricultural tracts and areas of wetlands/conservancy are found north of the site. This property may be suitable for future residential development in tandem with stabilized long-term economic expansion.


Oblong Lake/Park - Oblong, IL

- ***Development Site – Hutsonville:*** Hutsonville represents a rural village situated in the far northeastern portion of Crawford County bordering the Wabash River and the Illinois-Indiana state line. Village officials identified two parcels totaling 14.4 acres situated north of West Clover Street/1750th Avenue in the western quadrant of the village for potential redevelopment. Clover Street links the Hutsonville Bridge with IN-154 to the east and IL-3 within one mile west. The property currently includes several vintage frame structures, with access provided by the private Warren Lane. The property's northern perimeter adjoins the Hutsonville Wildlife Habitat Area, while it is directly east of the Wabash Valley Heat and Gas Company facility, a propane gas distributor serving the regional farming community. The village center, Hustonville education campus and a municipal park and baseball diamond are within one mile east of the site. At this time, market conditions do not warrant development of the Hutsonville site.

A FRAMEWORK FOR PLANNING

The City of Robinson and its stakeholder partners are in the process of developing an ambitious yet fully attainable development plan in support of sustainable economic growth over the long term. The goal of this intra-county plan is to address needs related to infrastructure improvements, expansion opportunities for core agri-business, manufacturing and logistics industries, investment in workforce education and training in cooperation with regional educational campuses, expansion of health services, and the like. As a part of this comprehensive agenda, officials have also addressed the need to ensure that constituent municipalities are positioned to attract and retain future workforce generations by enhancing quality of life components and "Main Street" investment in support of local business, shopping, dining, and civic amenities which are all within a reasonable distance of one's home.

Most importantly, civic partners recognize the need to ensure a full continuum of new quality housing alternatives to meet the needs of a diverse base of today's – and tomorrow's constituents. Given the definitive lack of quality new construction as defined throughout this report, and consistent with the vision of "tomorrow's" communities, the strongest *initial* residential opportunities rest with market rate apartment forms, along with a modicum of attached and detached for sale development *in the city of Robinson*. Future larger-scale single family opportunities will evolve over time and could expand to adjoining villages, incumbent upon successful implementation of the overall redevelopment plan. Serving to instill momentum, the following paragraphs forward recommendations for *phased* introduction of a variety of housing products within the identified Robinson properties, together with suggested timelines for introduction. It is noted that these benchmark planning strategies are forwarded for purposes of financial modeling and are intended to assist public officials in planning strategies, builder participant selection and implementation efforts long term. In order to achieve successful residential development in Robinson, planning strategies must adhere to the following criteria:

- First and foremost, builder participants must maintain a disciplined approach to residential product offerings which follow a logical hierarchy in terms of product form, unit sizes and rents/prices which can be easily understood by the consumer and at the same time maximize efficiencies and overall profitability.

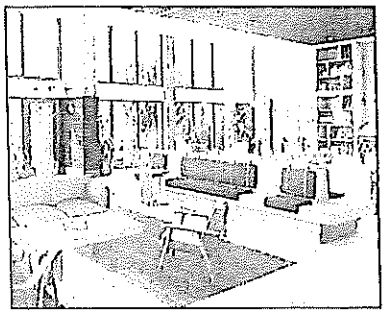
- Housing product must remain within the affordability limits of the market to ensure that development(s) are equally attractive to middle income entry-level homebuyers, localized move-up purchasers, transferees, downsizing empty-nesters, as well as those younger and/or more mature cohorts desirous of a low-maintenance lifestyle.

- *Most importantly*, as it is likely that builder partners attracted to development opportunities in Robinson will represent the broader region's group of privately held, generally smaller-scale homebuilders, it is *imperative* that city planners establish strict development covenants for all future projects which ensure that builder partners maintain consistent architectural elevations, color palettes, as well as aesthetic treatments including streetscape, lighting, signage, landscape as well as placement pocket parks, walking trails, and other greenspace for active and passive recreation/reflection that meet the expectations of existing and transferee households. Adherence to development covenants is paramount to the integrity of future residential developments in order to sustain momentum and (again) maximize consumer appeal and overall profitability.

The following paragraphs outline suggested development matrices which represent those housing forms which carry the strongest levels of market support and can sustain acceptable occupancies over the long term.

MODERATE-DENSITY APARTMENTS

Exhibit 1.1 through 1.4 forwards suggested prototype matrices and benchmark rent strategies to competitively position a variety of contemporary rental housing forms which have proven successful elsewhere in central Illinois and throughout the Midwest but have yet to find their way to the local region and lay the foundation for new quality housing alternatives in the region. Utilizing energy-efficient construction technologies, design aesthetics should complement the respective environs of each project while providing quality apartments which meet the needs of today's lifestyle-oriented renters. In general, community-based amenities must include a resident clubroom (or centrally located clubhouse for larger-scale projects) featuring multiple social/gathering areas, an e-lounge/library with work nooks, a secured mail/package room, a service kitchen, fitness center with separate spin/yoga studio, and an outdoor terrace with outdoor kitchen/grill stations and a multi-use lawn court. Amenities for larger-scale projects (i.e., at least 150 units) are also expected to include an outdoor pool or water feature and/or sports courts. Acreage should also be reserved for a pet park and pet washing station, greenbelt/detention/retention areas, along with walking trails which link development phases (as appropriate). ***Please carefully review all Exhibit footnotes.***



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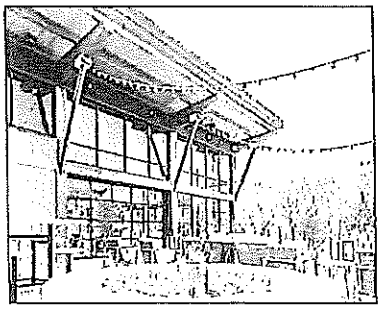
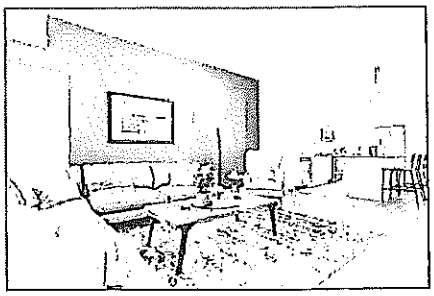


Illustrative Image Only

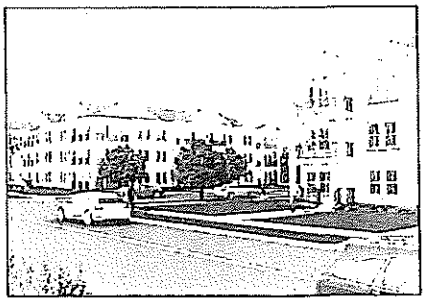
All apartments are expected to feature quality interior appointments/finishes commensurate with new construction apartment development throughout the Midwest. Typically, these include nine-foot ceiling height and plank-style laminate flooring in kitchens and living areas, with carpeted bedrooms and bedroom-wing hallways; contemporary kitchens with quartz/granite countertops and islands, ceramic tile backsplash, stainless steel undermount sink, energy-efficient stainless steel kitchen and laundry appliances; walk-in closets in most primary suites and adequate secondary and linen closeting; baths with laminate or ceramic tile flooring, quartz/granite vanity countertops with undermount porcelain sinks, frameless shower doors (per plan) and solid-surface shower surrounds with an accessory niche. All apartments should also provide internet/cable connectivity and some level of SMART technology.



Illustrative Image Only

Three-Story Garden Apartments

As outlined in **Exhibit 1.1**, a conventional garden apartment development which represents the most efficient and cost-effective construction technologies envisions a series of three-story residential buildings which facilitate an overall density of 16.0 units per acre. Based upon the *prototype* 108-unit development, this product line will require approximately 7.0 acres *per phase* for residential development. It is assumed that a minimum of 165 surface parking spaces (again, *per phase*) will be provided for residents and guests, yielding a more than sufficient parking ratio of 1.53 parking spaces per residential unit. As land planning allows, another +/-16 *detached* single garages should be provided *in lieu of surface parking* with +/-12 garage bays of sufficient width/depth to accommodate larger vehicles or trucks. Also, it is *strongly suggested* that *at least one (1)* – and ideally all residential buildings - would be elevator-served in order broaden the appeal of the development across a broad range of consumer segments including younger singles and childless couples, younger couples in the early stages of family formation, more mature household profiles, and as well as multi-generational households.



Illustrative Rendering

As also detailed in Exhibit 1.1, the recommended unit types primarily consist of one and two bedroom styles, together with a modicum of three bedroom designs ranging in unit size from 600 to 1,200 square feet. Overall, the recommended development matrix provides 91,500 net leasable square feet with the average apartment residence containing 847 square feet of living area, excluding patio or balcony. As also outlined, benchmark posted *base* rents extend from $855 to $1,360 and average $1,066, yielding a value ratio of $1.26 per square foot. For clarity, base rents represent the lowest rent available for a particular plan type and are established on *Floor 2* of the prototype buildings. Benchmark rents *do not include* premiums for floor, corner-unit orientation, enhanced views, or other incremental revenues. For analytical purposes, it is assumed that all utilities will be billed directly to the resident. Benchmark rents are presented in January 2023 dollars and assume quality interior appointments/finishes and community-based amenities as outlined. For proforma analysis, inclusive of most incremental revenue sources (i.e., *excluding* detached garages), *overall rents* at stabilization for the suggested prototype development are expected to hover at the $1.46 per square foot mark (again) in 2023 dollars.

Assuming market introduction beginning in late-2023 or later, and a continuous construction and delivery schedule, at January 2023 benchmark rents the suggested three-story garden matrix will achieve an overall absorption rate of 9.2 units per month. This projected absorption rate will enable a 108-unit prototype development to generate a stabilized occupancy level of 95.0 percent (or 103 units occupied) within a 12.0-month timeframe *from first occupancy*. This leasing period assumes extensive marketing commences with

1.1

PRODUCT CRITERIA AND BENCHMARK RENTS[1;4]: THREE-STORY GARDEN APARTMENTS - A 108-UNIT PROTOTYPE
-- CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

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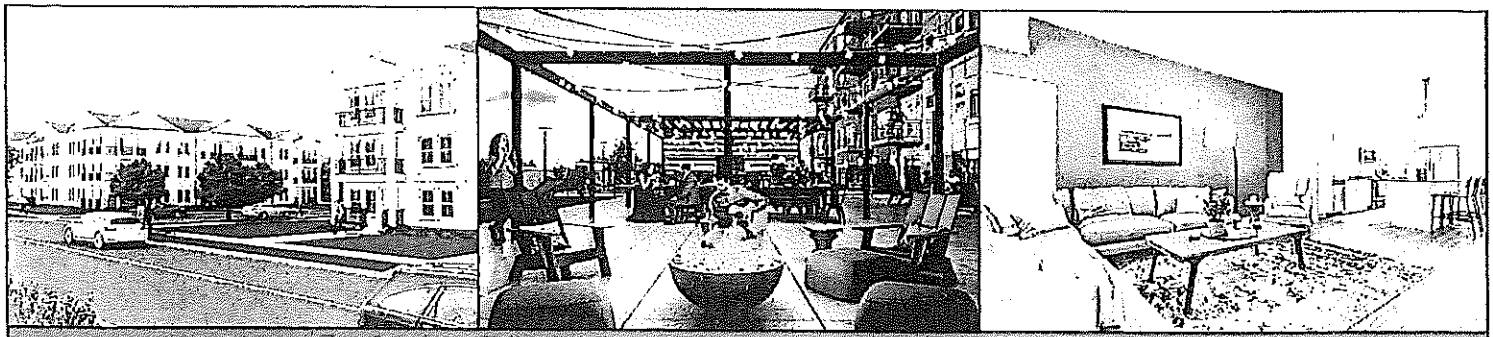


Three-Story Garden/Walk-Up and Elevator-Served Residential Buildings - 108 Units / 165 Surface Spaces

Plan Designation	A1	A2	A3	B1	B2	B3	C
Number of Units:	12	21	18	12	18	18	9
Percent Distribution:	11.1	19.4	16.7	11.1	16.7	16.7	8.3
Bedrooms:	1	1	1	2	2	2	3
Baths:	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Plan Size (Sq. Ft.):	600	700	750	850	900	1,050	1,200
Benchmark Average *Base* Rent[1]:	$855	$940	$980	$1,065	$1,110	$1,250	$1,360
Per Sq. Ft.:	$1.43	$1.34	$1.31	$1.25	$1.23	$1.19	$1.13

Community Summary[1;4]

Total Number of Units:	108
Total Net Leasable Square Feet:	91,500
Weighted Average Unit Size (Sq. Ft.):	847
Average Posted *Base* Rent/Sq. Ft.[1]:	$1,066
Rent/Sq. Ft.[1]:	$1.26
Estimated Overall Average Rent[2]:	$1,240
Rent/Sq. Ft.[2]:	$1.46

Absorption at Benchmark

Average Absorption to Stabilization: (In Units)	9.2
Months to Stabilization: (103 Units at 95% Occupancy)	11.7

Benchmark Standard Features / Community Amenities / Suggested Premiums

- Programmable Thermostat
- Internet/Cable/Smart Technology Connectivity
- Nine-Foot Ceiling Height
- Designer Finishes Throughout
- Plank-Style Laminate Flooring in Kitchen/Living Areas
- Carpeted Bedrooms and Bedroom-wing Hallways
- Walk-In Master Bedroom Closet; Adequate Secondary/Linen Closeting
- Designer Baths with Laminate or Ceramic Flooring, Quartz/Granite Vanity Countertop, Solid-Surface Tub/Shower Surround with Accessory Niche
- Contemporary Kitchen Cabinetry and Lighting
- Quartz/Granite Kitchen Countertop/Island
- Energy-Efficient Stainless Steel Appliances
  - Range
  - Dishwasher
  - Refrigerator
  - Microwave/Hood Vent
  - Full-Size Washer and Dryer
- Undermount Stainless Steel Sink
- Balcony/Patio

- Non-Smoking Environment
- Secured Entry
- Resident Club with Secured Mail/Package Room, e-Lounge/Library and Work Nooks, Social and Game Areas, Service Kitchen, Fitness Center, Terrace with Outdoor Kitchen/Grill Stations,
- Multi-Use Lawn Court
- Dedicated Pet Area and Pet Spa
- Secured Bicycle / Tenant Storage
- EV Charging Station(s)
- Tenant Paid Water/Refuse Collection or Resident Billing System
- Individually Metered Utilities
- On-Site Leasing/Management Office

Suggested Premiums / Incremental Fees

- Floor Premium: Floors 1 @ $20; Floor 3 @ $15
- Corner-Unit Premium: $35
- Elevator Building (Minimum One 36-Unit Building): $25
- View Premium: $25 to $50 (Maximum 15.0% or +/-16 Units)
- Pet Fees (Deposit/Mo. Rent): $350 / $35
- Detached Garage (as available): $85 to $100
- EV Charging Fees (TBD)

(1) To be used for financial modeling; all images intended for illustrative purposes only. Total unit count per development could vary by +/-10.0 percent without material impact upon absorption potentials.

(2) Benchmark base rents are presented in January 2023 dollars and are established on *Floor 2* of the prototype buildings. They do *not include* premiums for floor, corner-unit orientation, enhanced views, elevator-served building(s), or incremental revenues derived from detached garage parking, pet fees, administrative fees or other landlord-provided services.

(3) Overall average rents, which are presented in January 2023 dollars, include *estimates* of incremental revenues (*excluding* EV charging fees and detached garage) based upon stabilization at 95.0 percent (or 103 units occupied); utilized for analytical purposes only.

(4) Benchmark rents and absorption assume a minimum of 165 total parking spaces will be provided. Parking allocations yield a more than sufficient parking ratio of 1.53 parking spaces per residential unit. As land planning allows, +/-16 *detached* single garages should be provided *in lieu of surface parking with +/-4* garage bays of sufficient width/depth to accommodate larger vehicles or trucks.

Source: Tracy Cross & Associates, Inc.

site improvements and three- to six months of lease reservations prior to initial deliveries. While market conditions are expected to remain tight through the forecast period, over the course of lease-up, it may be necessary to offer a discount or lease incentive on *select units* as market conditions dictate. Also, while it is understood that unit counts may vary with final design and approvals, it is strongly suggested that a *proportionate ratio of unit types and plan sizes be maintained* in order to achieve the forecasted rate of absorption.

Ranked Development Opportunities: Three-Story Garden

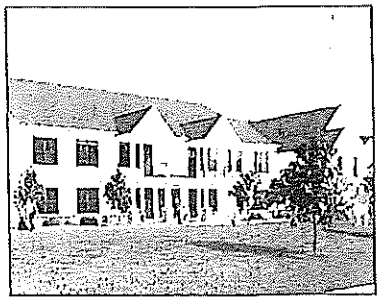
- *West of Town Property:* This 13.2-acre property represents the strongest initial opportunity for a three-story garden development, based upon its strong location aligning IL-33/Main Street and proximity to a variety of in-place ancillary support and, importantly, major employers. An initial 108-unit development will require roughly 6.5 acres. Buildings can be developed in rectangular, L-shape or U-shaped configurations should be sited so that surface parking is oriented to the interior of the development. Moreover, sustaining levels of rental construction requirements through the 2032 forecast period suggests that a second phase of a similar garden idiom could commence 12.0- to 15.0 months following stabilization of Phase One, thus allowing sufficient time for stabilization and management of potential initial turnover. Assuming a consistent rental strategy, a future phase is expected to achieve stabilization within a comparable 12- to 15 month timeframe from initial occupancy. Under this scenario, the outlined community amenities should be centrally located and *shared* between phases and as previously noted, given the larger scale at +/-216 units, an outdoor pool should be provided.

- Alternatively, a complimentary product form such as the following ranch villa product line (+/-60 units in phases) or two-story, private entrance garden matrix (80 units) could also be considered for the remaining 6.5 acres. Either alternative could be introduced concurrent with the Phase One Garden development without compromising absorption potentials.

- *605 S. Cross Property:* Future introduction of a moderately-scaled three-story garden idiom (up to 72 units) could be introduced within the 605 S. Cross property *if the City and/or its developer partners can acquire the entire block* – specifically the two lots along Franklin Street. Situated in a more commercial area of the city, a moderate-scale development would serve as a quality workforce housing option. Community amenities should be commensurate with the scale of the property, limited to a secured entry, mail/package area, and first floor bicycle storage.

Two-Story Private Entrance Garden Apartments

Exhibit 1.2 envisions a two-story, *private entrance* idiom to consist of 80 units per project/phase which provide a 50.0 percent ratio of direct-access single and/or double garages (+/-40 bays *per phase*). Reflecting an adaptation of the "Big House" concept which facilitates overall densities of 12.0- to 15.0-units per acre and can be developed in building modules ranging from 8- to 24-units, this suggested product line has been well-received in markets throughout the Midwest. An additional 88 private driveway and surface parking spaces should be provided to yield an appropriate parking ratio of 1.60 parking stalls per unit per phase. As land planning of individual properties allows, it is suggested that +/-12 *detached* single garages per phase be provided *in lieu of surface parking*, with at least four (4) garage bays of sufficient width/depth to accommodate larger vehicles or trucks.


Illustrative Rendering

The recommended unit types consist of a variety of one, one bedroom & flex, two, and three bedroom styles ranging in unit size from 785 to 1,350 square feet. Overall, the recommended development matrix provides 76,500 net leasable square feet with the average apartment residence containing 956 square feet of living

1.2

PRODUCT CRITERIA AND BENCHMARK RENTS[1;4]: AN 80-UNIT TWO-STORY PRIVATE-ENTRANCE PROTOTYPE
--CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

DRAFT
(FOR REVIEW AND COMMENT)

TWO-STORY PRIVATE-ENTRANCE BUILDINGS W/DIRECT-ACCESS GARAGES: 80 UNITS / +/-40 SINGLE GARAGES

Plan Designation	A1	A2	A3	B1	B2	B3	C
Number of Units:	20	20	8	10	10	8	4
Percent Distribution:	25.0	25.0	10.0	12.5	12.5	10.0	5.0
Bedrooms:	1	1	1+Den/Flex	2	2	2	3
Baths:	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Plan Size (Sq. Ft.):	785	850	925	1,000	1,100	1,250	1,350
Benchmark Posted *Base* Rent[1]:	$965	$1,020	$1,085	$1,150	$1,235	$1,365	$1,450
Per Sq. Ft.:	$1.23	$1.20	$1.17	$1.15	$1.12	$1.09	$1.07

Community Summary[1;3]

Total Number of Units:	**80**
Total Net Leasable Square Feet:	**76,500**
Weighted Average Unit Size (Sq. Ft.):	**956**
Average Posted *Base* Rent/Sq. Ft.[2]:	**$1,112**
Rent/Sq. Ft.[2]:	**$1.16**
***Estimated* Overall Average Rent[3]:**	**$1,252**
Rent/Sq. Ft.[3]:	**$1.31**

Absorption at Benchmark (Per 80-Unit Development)

Average Absorption to Stabilization: (In Units)	**6.3**
Months to Stabilization: (76 Units at 95% Occupancy)	**12.0**

Benchmark Standard Features / Community Amenities / Suggested Premiums

- Programmable Thermostat
- Internet/Cable/Smart Technology Connectivity
- Nine-Foot Ceiling Height
- Designer Finishes Throughout
- Plank-Style Laminate Flooring in Kitchen/Living Areas
- Carpeted Bedrooms and Bedroom-wing Hallways
- Walk-In Master Bedroom Closet; Adequate Secondary/Linen Closeting
- Luxury Baths with Laminate or Ceramic Flooring, Quartz/Granite Vanity Top, Frmless Shower Door (per plan), Solid-Surface Surround with Accessory Niche
- Contemporary Kitchen Cabinetry and Lighting
- Quartz/Granite Kitchen Countertop/Island
- Energy-Efficient Stainless Steel Appliances
  - Range
  - Dishwasher
  - Refrigerator
  - Microwave/Hood Vent
  - Full-Size Washer and Dryer
- Undermount Stainless Steel Sink
- Balcony/Patio

- Non-Smoking Environment
- Secured Mail/Package Kiosks or Secured Package Room in Clubhouse
- Shared Resident Clubhouse with e-Lounge/Library and work nooks, Social Area, Fitness Center, Multi-Use Lawn, Terrace or Gazebo with Outdoor Kitchen/Grill Stations, Walking Trails
- Dedicated Pet Area
- Electric Car Charging Station(s)
- Tenant Paid Water/Refuse Collection or Resident Billing System
- Individually Metered Utilities
- On-Site Leasing/Management Office

Suggested Premiums/Incremental Fees

- View Premium: $25 (Assumes maximum of 15% or +/-12 Units)
- Corner-Unit Premium: $45
- Pet Fees (Deposit/Mo. Rent): $325 / $30
- Direct-Access Single Garage @ $125
- Detached Single Garage (as available): $85 to $100

(1) To be used for financial planning; all images intended for illustrative purposes only. Product form yields density of 12.0 to 15.0 units per acre. Based upon land planning and approvals, total unit count could vary by +/-10.0 percent without material impact upon absorption potentials.

(2) Benchmark base rents are presented in January 2023 dollars. They *do not include* premiums for corner-unit orientation, enhanced views, or incremental revenues derived from direct-access garage, detached garage, pet fees, administrative fees or other landlord-provided services.

(3) Overall posted rents, which are presented in January 2023 dollars, include ***estimates*** of corner-unit and view premiums, and incremental revenues derived from enclosed parking, pet fees, administrative fees, and other landlord-provided services. Estimated overall rents based upon stabilization at 95.0 percent (76 units occupied); utilized for analytical purposes only.

(4) Benchmark rents and absorption forecast ***assume a minimum*** of 128 *total* parking spaces will be provided. Parking allocations distributed between +/-50.0 percent (or +/-40) direct-access single garages and 88 private driveway and surface parking spaces. Parking allocations yield an adequate parking ratio of 1.60 parking stalls per unit. As land planning allows, +/-12 *detached* single garages should be provided *in lieu of surface parking,* with +/-4 garage bays of sufficient width/depth to accommodate larger vehicles or trucks.

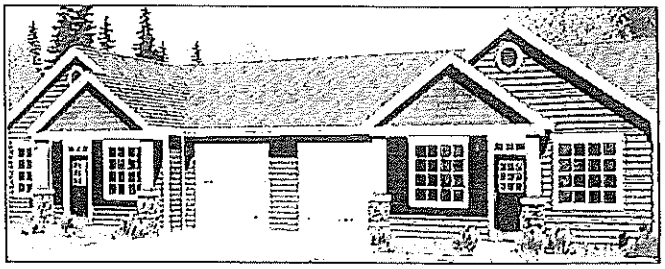
Source: Tracy Cross & Associates, Inc.

area, excluding patio or balcony. In this series, benchmark posted rents (*exclusive of direct-access garage)* extend from $965 to $1,450 and average $1,066, yielding a value ratio of $1.26 per square foot. For clarity, base rents represent the lowest rent available for a particular plan type and are established on *Floor 2* of the prototype buildings. Benchmark rents *do not include* premiums for corner-unit orientation, direct-access garage, enhanced views, or other incremental revenues. For analytical purposes, it is assumed that all utilities will be billed directly to the resident. Benchmark rents are presented in January 2023 dollars and assume quality interior appointments/finishes and community-based amenities as outlined. For proforma analysis, inclusive of most incremental revenue sources (i.e., *detached* garages), at stabilization *overall rents* for the suggested prototype development are expected to hover at the $1.31 per square foot mark (again) in 2023 dollars.

Assuming market introduction beginning in late-2023 or later, and a continuous construction and delivery schedule, at January 2023 benchmark rents the suggested two-story garden matrix will achieve an overall absorption rate of 6.3 units per month. This projected absorption rate will enable an 80-unit prototype development to generate a stabilized occupancy level of 95.0 percent (or 76 units occupied) within a 12.0-month timeframe *from first occupancy*. This leasing period assumes extensive marketing commences with site improvements and three- to six months of lease reservations prior to initial deliveries. While market conditions are expected to remain tight through the forecast period, over the course of lease-up, it may be necessary to offer a discount or lease incentive on *select units* as market conditions dictate. Also, while it is understood that unit counts may vary with final design and approvals, it is strongly suggested that a *proportionate ratio of unit types and plan sizes be maintained* in order to achieve the forecasted rate of absorption.

Ranch Villa Apartments w/Direct-Access Single Garages

Exhibit 1.3 envisions a single level living alternative to consist of 30 units per project/phase developed in a series of three- to six-unit buildings (duplexed were necessary) and achieves an overall density of 10 units per acre. All units include a direct access, front-load single garage. Ideally, plans are designed to incorporate a storage or workshop nook in the garage proximate to the owner entrance. It is assumed that land planning will encompass strategically placed overflow parking guests.



Illustrative Rendering

In this series, recommended plan types include one, one bedroom & flex, two, and three bedroom styles ranging in unit size from 725 to 1,275 square feet. Overall, the recommended development matrix provides 30,000 net leasable square feet with the average apartment residence containing 1,000 square feet of living area, excluding private patio. In this series, benchmark posted rents *inclusive of direct-access garage* extend from $1,100 to $1,540 and average $1,320, yielding a value ratio of $1.32 per square foot. Benchmark rents *do not include* premiums for end-unit orientation, enhanced site location, or other incremental revenues. For analytical purposes, it is assumed that all utilities will be billed directly to the resident. Benchmark rents are presented in January 2023 dollars and assume quality interior appointments/finishes and community-based amenities as outlined. For proforma analysis, inclusive of most incremental revenue sources, at stabilization *overall rents* for the suggested prototype development are expected to hover at the $1.39 per square foot mark (again) in 2023 dollars.

1.3

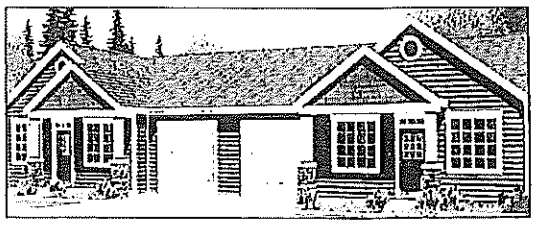
PRODUCT CRITERIA AND BENCHMARK RENTS[1:4]: - RANCH VILLA APARTMENTS - A 30-UNIT PROTOTYPE

-- CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

DRAFT
(FOR REVIEW AND COMMENT)

Product Line Summary

Product Form:	*Single-Level Villas w/Attached One-Car Garage* *3- to 6-Unit Buildings (Duplexed Where Necessary)*
Density in Units Per Acre:	*10.0*
Average Plan Size (Sq. Ft.):	*1,000*
Average Benchmark Rent[2] :	*$1,320*
Per Sq. Ft.:[2]	*$1.32*
Average Absorption Rate (Units/Month)[3] :	*2.5*
Marketing Life (In Months)[3] :	*12.0*



Illustrative Rendering

Plan Detail

Plan Designation	A	B	C	D
Percent Distribution	25.0	25.0	25.0	25.0
Plan Type	1BR	1BR DEN	2BR	3BR
Bedroom/Bath Mix	1 / 1.0	1+Den / 1.0	2 / 2.0	3 / 2.0
Unit Size (Sq. Ft.)	725	925	1,075	1,275
Benchmark Base Rent w/o Garage:[1]	$1,100	$1,260	$1,380	$1,540
Per Sq. Ft.:[1]	$1.52	$1.36	$1.28	$1.21

Unit Features and Community Amenities

UNIT STANDARDS

- Nine-Foot Ceiling Height
- Plank Flooring in Living Areas
- "White" Interior Paint Finish
- Painted Trim
- Direct Wire Smoke Detectors
- Internet/Cable/Smart Technology Connectivity
- Quality Door Hardware and Lighting Package
- Air Conditioning
- Private Patio

KITCHEN FEATURES

- Quality Wood Cabinetry
- Plank Flooring
- Self-Clean Range/Oven
- Built-In Dishwasher
- Refrigerator with Ice-Maker
- Microwave w/Hood Vent
- Quartz/Granite Countertop/Island
- Undermount Stainless Steel Sink with Garbage Disposal

BATH/POWDER ROOM STANDARDS

- Ceramic or Plank Flooring
- Quartz/Granite Vanity Countertop
- Quality Cabinetry
- Solid-Surface Surround with Accessory Niche
- Frmls Shower Door (MBR)
- Framed Glass Mirror Over Vanity

CLOSETS, UTILITIES, AND STORAGE

- Walk-In MBR Closet
- Wire Closet Shelving
- Full Size Washer/Dryer (Stacked or Side-by-Side)
- Storage Area (Either In-Unit or Separate)
- Adequate Secondary Closets/Linen
- Programmable Thermostat
- Resident Paid Utilities or Billing System

COMMUNITY FEATURES/AMENITIES

- Architecturally-enhanced Exteriors
- Secured Access Entry Per Unit
- Shared Clubhouse (Mixed-Use Development)
- Gazebo with Seating and Fireside Lounge
- Multi-Use Lawn
- Sport Courts/Playground
- Walking Trails
- Extensive Landscaping/Hardscaping
- Dedicated Pet Park with Washing Stations
- Direct Access Single Garage
- Adequate Guest/Overflow Parking

[1] To be used for financial planning; all images intended for illustrative purposes only. Product form yields a density of 10.0 units per acre. Based upon land planning and approvals, total unit count could vary by +/-10.0 percent without material impact upon absorption potentials.

[2] Benchmark rents, which are presented in January 2023 dollars, include a direct-access single garage. They do not include premiums for end-unit condition, enhanced site location, pet fees, administrative fees or other landlord-provided services.

[3] Absorption forecast at benchmark rents assumes a ***continuous construction and delivery schedule is maintained.***

[4] Benchmark rents and absorption forecast assume +/-10 guest/overflow parking spaces will be distributed throughout the planning area.

Source: Tracy Cross & Associates, Inc.

Single Family Rentals (SFR) w/Two-Car Garage

Illustrative Rendering

Exhibit 1.4 outlines a suggested matrix of ranch-style and two-story *detached* cottages representing a Single Family Rental (SFR) alternative. Developed on typical 50 ft. x 100 ft. homesites within a low-maintenance living environment, this product line is intended to appeal to singles and childless couples, young families, as well as localized move-down constituents who may not wish to commit to home ownership. Importantly, this product line is also expected to carry strong appeal to *transferee households*, and particularly those who may be awaiting completion of a new construction home. The SFR housing segment has been highly successful in other areas of the country, combining all the benefits of a single family residence including expanded housing alternatives, semi-private outdoor living areas, garages, storage areas, etc., with a low-maintenance living environment.

Envisioned to consist of 60 units per project/phase, this product line achieves an overall density of 5.0 units per acre, offers a truly differentiated rental alternative in the marketplace, and plan types and unit sizes which will enable a participating builder/developer to provide quality ***slab-on-grade*** housing alternatives which may be combined with other rental forms within an efficient, planned living environment. All units include direct access, front (or rear-load) two car garages. Ideally, plans are designed to incorporate a storage or workshop nook in the garage proximate to the owner entrance. Recommended plan types include a three bedroom, two bath ranch offering 1,350 square feet of living area, along with two (2) two-story designs offering three bedrooms & loft/flex area or four bedrooms and two and one-half baths, expanding overall living area to 1,550 square feet. Overall, the recommended development matrix provides 87,300 net leasable square feet with the average SFR residence containing 1,455 square feet of living area, excluding private patio. In this series, benchmark posted rents *inclusive of direct-access garage* extend from $1,675 to $1,825 and average $1,754, yielding a value ratio of $1.21 per square foot. Benchmark rents *do not include* premiums for enhanced site location, or other incremental revenues. For analytical purposes, it is assumed that all utilities will be billed directly to the resident. Benchmark rents are presented in January 2023 dollars and assume quality interior appointments/finishes and community-based amenities as outlined. For proforma analysis, inclusive of most incremental revenue sources, at stabilization *overall rents* for the suggested prototype development are expected to hover at the $1.27 per square foot mark (again) in 2023 dollars.

Ranked Development Opportunities: Two-Story Garden / Ranch Villa / SFR

- *South Holmes Property:* This 23.0-acre property represents opportunity for development of a planned, mixed-use rental development incorporating a variety of housing alternatives. As previously noted, it has been suggested that the "Subdivision" property as well as the *1513 South Willow* site be incorporated with the South Holmes assemblage. As addressed in later sections, it is suggested that the 13.4-acre "Subdivision" property be reserved for development of ranch duplex/villa *for sale* idioms, with the 1513 S. Willow and the South Holmes properties blending the suggested Single Family Rental (SFR) and and ranch villa apartment forms. These two housing components will blend seamlessly with established single family neighborhoods to the east and provide future residents with ease of access to the city's municipal park and recreation areas. In other markets, in fact, the combination of ranch duplex for sale and ranch villa apartment idioms with detached housing forms has resulted in multi-generational neighborhoods with move-down parents/grandparents electing to live "close" to adult children/grandchildren and participate in activities, childcare, etc. while maintaining independent living styles. To this end, it is suggested that approximately 18.0 acres of the combined South Holmes/1513 South Willow property be reserved for a 60-unit prototype SFR development blended with a +/-60-unit ranch villa apartment

PRODUCT CRITERIA AND BENCHMARK RENTS[1:4]: RANCH/TWO-STORY SINGLE FAMILY (SFR) - A 60-UNIT PROTOTYPE

1.4

-- CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

DRAFT
(FOR REVIEW AND COMMENT)

Product Line Summary

Product Form:	*Ranch and Two-Story Detached Single Family Rentals with Two-Car Attached Garage*
Density in Units Per Acre:	*5.0*
Average Plan Size (Sq. Ft.):	*1,455*
Average Benchmark Rent[2]:	*$1,754*
Per Sq. Ft.:[2]	*$1.21*
Average Absorption Rate (Units/Month)[3]:	*2.5*
Marketing Life (In Months)[3]:	*24.0*

Illustrative Rendering

Plan Detail

Plan Designation	A	B	C
Percent Distribution	30.0	35.0	35.0
Plan Type	Ranch	Two-Story	Two-Story
Bedroom/Bath Mix	3 / 2.0	3+Loft / 2.5	4 / 2.5
Unit Size (Sq. Ft.)	1,350	1,450	1,550
Benchmark Base Rent w/Garage:[1]	$1,675	$1,750	$1,825
Per Sq. Ft.:[1]	$1.24	$1.21	$1.18

Unit Features and Community Amenities

UNIT STANDARDS

- Nine-Foot Ceiling Height
- Plank Flooring in Living Areas
- "White" Interior Paint Finish
- Painted Trim
- Direct Wire Smoke Detectors
- Internet/Cable/Smart Technology Connectivity
- Quality Door Hardware and Lighting Package
- Air Conditioning
- Private Patio

KITCHEN FEATURES

- Quality Wood Cabinetry
- Plank Flooring
- Self-Clean Range/Oven
- Built-In Dishwasher
- Refrigerator with Ice-Maker
- Garbage Disposal
- Microwave with Vent
- Quartz/Granite Counter/Island
- Undermount Stainless Steel Sink

BATH/POWDER ROOM STANDARDS

- Ceramic or Plank Flooring
- Quartz/Granite Vanity Countertop
- Quality Cabinetry
- Solid-Surface Surround with Accessory Niche
- Frmls Shower Door
- Framed Glass Mirror Over Vanity

CLOSETS, UTILITIES, AND STORAGE

- Walk-In MBR Closet
- Wire Closet Shelving
- Full Size Washer/Dryer (Stacked or Side-by-Side)
- Storage Area (Either In-Unit or Separate)
- Adequate Secondary/Linen Closet(s)
- Programmable Thermostat
- Resident Paid Utilities or Billing System

COMMUNITY FEATURES/AMENITIES

- Architecturally-enhanced Exteriors
- Secured Access Entry Per Unit
- Shared Clubhouse (Mixed-Use Development)
- Outdoor Terrace or Gazebo with Fireside Lounge & Grilling Stations
- Dedicated Pet Park w/Washing Stations
- Multi-Use Lawn
- Extensive Landscaping/Hardscaping
- Sport Courts/Playground
- Walking Trails
- Direct-Access Two-Car Garage
- Adequate Surface Parking

[1] To be used for financial planning; all images intended for illustrative purposes only. Product form yields a density of 5.0 units per acre (i.e., 5,000sf lot). Based upon land planning and approvals, total unit count could vary by +/-10.0 percent without material impact upon absorption potentials.

[2] Benchmark rents, which are presented in January 2023 dollars, include a direct-access double garage. They do not include premiums for enhanced site location, pet fees, administrative fees or other landlord-provided services.

[3] Absorption forecast at benchmark rents assumes ***a continuous construction and delivery schedule is maintained.***

[4] Benchmark rents and absorption forecast assume +/-20 guest/overflow parking spaces will be distributed throughout the planning area.

Source: Tracy Cross & Associates, Inc.

project, utilizing the remaining +/-5.0 acres for pocket parks, walking trails, a shared pet park, and other passive recreational greenspace.

- As with other more conventional rental idioms, this planned development must maintain strict development covenants and provide all common area lawn maintenance, snow removal, exterior building maintenance and mechanical maintenance. Consideration should be given to assessing a monthly fee for water/sewer and refuse collection and, perhaps, basic internet service for ease of management.

- *Moseby Property:* This 70.0-acre assemblage, as well, is suitable for a larger-scale planned living environment to incorporate a variety of for sale and rental housing options. Ideally aligning Cross Street situated along the eastern perimeter, future development of +/-30.0 acres of this site could accommodate an 80.0-unit two-story garden project, coupled with additional phases of SFR and ranch villa rentals. The remaining +/-40 acres to the west should be reserved for phased development of mainstream single family homes. This planned development should also incorporate appropriate shared parks, greenspace, walking trails and the like, with the rental housing forms providing common area maintenance services commensurate with conventional apartment development.

- *The C & E Property*: Lastly, it has been suggested that the City and/or its development partners acquire and clear this assemblage in preparation for redevelopment. This redevelopment site could accommodate a two-story garden apartment project of 60- to 72 units. It is suggested that this "infill redevelopment" project be developed as a gated community with limited access points. Community amenities should be commensurate with the scale of the project.

Assuming market introduction in 2024 or later, and continuous construction and delivery schedules, at January 2023 benchmark rents the suggested apartment matrices will achieve overall absorption rates ranging from 6.3 units per month for the two-story garden idiom to 2.5 units monthly for the ranch villa and SFR options. These projected absorption rates will enable the prototype developments to generate stabilized occupancy levels of 95.0 percent within an overall 12.0- to 24-month month timeframe *from first occupancy and/or at a pace consistent with construction and delivery per product line.* This leasing period assumes extensive marketing commences with site improvements and three- to six months of lease reservations prior to initial deliveries. While market conditions are expected to remain tight through the forecast period, over the course of lease-up, it may be necessary to offer a discount or lease incentive on *select units* as market conditions dictate. Also, while it is understood that unit counts may vary with final design and approvals, it is strongly suggested that a *proportionate ratio of unit types and plan sizes be maintained* in order to achieve the forecasted rate of absorption.

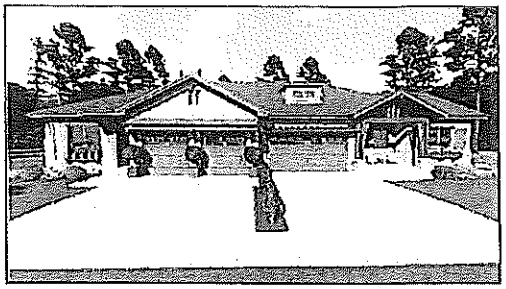
To reiterate, the suggested apartment matrices address current and expected trends in the residential marketplace and are representative of the newest apartment offerings throughout the Midwest, while the benchmark rent strategies have been established to enable the prototype developments to appropriately align with *the gradual upward movement of incomes in the marketplace.* Moreover, the suggested plan offerings and lifestyle amenities will differentiate the suggested developments from alternatives throughout the greater region and (again) will expand appeal across a broad spectrum of multi-generational consumer segments offering a *continuum* of plan types which provide fully functional living areas consistent with today's lifestyle trends. For example, the suggested two bedroom and three bedroom plan styles will accommodate two- or three-person living arrangements, remote work conditions, transferee families, and/or multi-generational family segments.

MAINSTREAM FOR SALE ALTERNATIVES

In addition to rental apartment development, opportunity exists for attached and detached for sale housing forms which will appeal to mainstream and/or move-down consumer segments, along with limited higher-priced/custom home development. Within the context of covenants governing each master development and subject planning area(s), must be maintained:

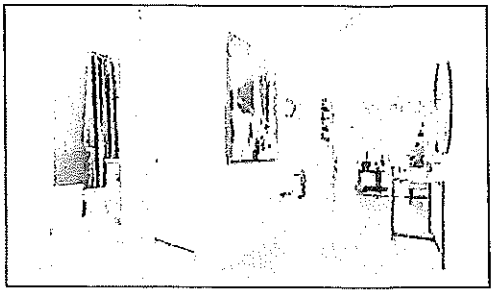
ATTACHED FOR SALE

Transitioning from moderate- to low density apartment forms, **Exhibit 1.5** forwards suggested prototype matrix and benchmark *base* and *estimated final closing price* strategies to competitively position a prototype 48-unit duplex/villa product line in the marketplace. This attached for sale idiom facilitates single level living and will have a targeted *but not restricted* appeal to more mature, move-down constituents as well as younger singles and childless couples desirous of a low maintenance environment. Assuming ***slab-on-grade*** construction, this product line will facilitate an overall density of 5.0 to 7.0 units per acre. It is assumed that a master association fee will be required to include common area lighting and landscape maintenance, snow removal, water/sewer and refuse collection fees, exterior building maintenance and reserves. ***Please carefully review all Exhibit 1.5 footnotes.***



Illustrative Rendering Only

As outlined in Exhibit 1.5, suggested plan types include two bedrooms, two bedrooms & den/flex, and three bedroom designs ranging in unit size from 1,350 to 1,550 square feet. Corresponding *base* sales prices, presented in January 2023 dollars, extend from $169,900 to $182,900 and include quality interior appointments and finishes as outlined. For proforma analysis, final closing prices, which include a 5.0 percent *estimate* for options/upgrades, various elements of customization, end-unit condition (triplex buildings only), and enhanced site location, are expected to average $185,490 or $128.37 per square foot. At benchmark closing prices, the prototype for sale duplex product line will generate an overall absorption rate of 1.3 units per month or +/-16 units annually, consistent with likely construction and delivery schedules and overall demand potentials as detailed in Section 2. The suggested plan portfolio reflects a continuum of plan sizes which compliment family-oriented single family offerings, thus enabling future builder partners to provide functional living areas and contemporary floor layouts which meet the needs of today's move-down/move-over consumer as well as young, lifestyle segments while broadening the appeal from an affordability standpoint. As detailed in Section 2, Crawford County supports a sufficient base of potential middle- to higher-income households at profile age categories of 35 to 74, *before factoring likely strong equity positions of more mature cohort households.* As further detailed in Section 3, the suggested benchmark sale strategy has been established to appropriately position the Duplex/Villa series in line with resales in the existing home market.



Illustrative Image Only

Ranked Development Opportunities: Ranch Duplex/Villa For Sale

- *The Subdivision Property:* This 13.4-acre property represents opportunity for *phased* development of +/-60 duplex/triplex residences as a component of a larger planned, mixed-use community incorporating a variety of housing alternatives. To reiterate, it has been suggested that the

PRODUCT CRITERIA AND BENCHMARK PRICING GUIDELINES[1;5]: DUPLEX/VILLA FOR SALE - A 48-UNIT PROTOTYPE

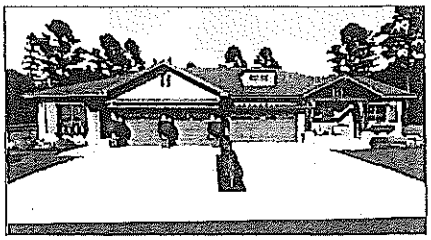
1.5

-- CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

DRAFT
(FOR REVIEW AND COMMENT)

Product Line Summary

Product Form:	***Single-Level Duplex/Villas w/Attached Two-Car Garage*** ***2- to 5-Unit Buildings***
Density in Units Per Acre:	***5.0 to 7.0***
Average Plan Size (Sq. Ft.):	***1,445***
Average Base Sales Price[2]:	***$176,600***
Per Sq. Ft.:[2]	***$122.21***
Average Estimated Closing Price[3]:	*$185,490*
Per Sq. Ft.:[3]	*$128.37*
Average Absorption Rate (Units/Month)[4]:	***1.3***
Marketing Life (In Months)[4]:	***36.0***



Illustrative Rendering Only

Plan Detail

Plan Designation	A	B	C
Percent Distribution	35.0	35.0	30.0
Plan Type	2BR	2BR FLEX	3BR
Bedroom/Bath Mix	2 / 2.0	2+Flex / 2.0	3 / 2.0
Unit Size (Sq. Ft.)	1,350	1,450	1,550
Benchmark Base Sales Price:[1]	$169,900	$177,900	$182,900
Per Sq. Ft.:[1]	$125.85	$122.69	$118.00

Unit Features and Community Amenities

UNIT STANDARDS

- Nine-Foot Ceiling Height
- Plank Flooring in Living Areas
- "White" Interior Paint Finish
- Painted Trim
- Direct Wire Smoke Detectors
- Internet/Cable/Smart Technology Connectivity
- Quality Door Hardware and Lighting Package
- Air Conditioning
- Private Patio
- Direct-Access Two-Car Garage

KITCHEN FEATURES

- Quality Wood Cabinetry
- Plank Flooring
- Self-Clean Range/Oven
- Built-In Dishwasher
- Refrigerator with Ice-Maker
- Garbage Disposal
- Microwave with Vent
- Quartz/Granite Counter/Island
- Undermount Stainless Steel Sink

BATH/POWDER ROOM STANDARDS

- Ceramic or Plank Flooring
- Quartz/Granite Vanity Countertop
- Quality Cabinetry
- Solid-Surface Surround with Accessory Niche
- Frmls Shower Door
- Framed Glass Mirror Over Vanity

CLOSETS, UTILITIES, AND STORAGE

- Walk-In MBR Closet
- Wire Closet Shelving
- Full Size Washer/Dryer (Stacked or Side-by-Side)
- Storage Area (Either In-Unit or Garage)
- Adequate Secondary/Linen Closet(s)
- Programmable Thermostat

COMMUNITY FEATURES/AMENITIES

- Architecturally-enhanced Exteriors
- Secured Access Entry Per Unit
- Shared Clubhouse (Mixed-Use Development)
- Gazebo with Fireside Seating and Fireside Lounge
- Dedicated Pet Park w/Washing Station
- Multi-Use Lawn
- Extensive Landscaping/Hardscaping
- Sport Courts/Playground
- Walking Trails
- Adequate Guest/Overflow Parking
- Association Fee to Include Common Area Lawn Maintenance, Snow Removal, Water/Sewer, Refuse Collection and Reserves

(1) To be used for financial planning; all images intended for illustrative purposes only. Product form yields a density of 5.0 to 7.0 units per acre. Based upon land planning and approvals, total unit count could vary by +/-10.0 percent without material impact upon absorption potentials.

(2) Benchmark *base sales prices are presented in* January 2023 dollars and assume ***slab-on-grade*** construction. They assume quality level interior appointments/finishes, but *do not include* options, upgrades, various elements of customization, or premiums for end-unit condition or enhanced site location.

(3) Closing prices, which are presented in January 2023 dollars, include a 5.0 percent *estimate* for options/upgrades and various elements of customization, end-unit condition and/or enhanced site location; utilized for analytical purposes only.

(4) Sales forecast at benchmark sales prices assumes a dedicated marketing program, staffed on-site sales office and decorated model(s) and ***a continuous construction and delivery schedule is maintained.***

(5) It is assumed a master association fee will be required to include common area lighting and landscape maintenance, snow removal, water/sewer and refuse collection fees, and reserves.

Source: Tracy Cross & Associates, Inc.

"Subdivision" property as well as the *1513 South Willow* site be incorporated with the *South Holmes* assemblage. This low-density for sale idiom will blend seamlessly with established single family neighborhoods to the east and provide future residents with ease of access to the city's municipal park and recreation areas. In other markets, in fact, the combination of ranch duplex for sale and ranch villa apartment idioms with detached housing forms has resulted in multi-generational neighborhoods with move-down parents/grandparents electing to live "close" to adult children/grandchildren and participate in activities, childcare, etc. while maintaining independent lifestyles. To this end, it is assumed that future residents of the Subdivision project would share the walking trails and common areas of the larger development.

- *Moseby Property:* As noted, development of a larger-scale planned community has been suggested for this 70.0-acre assemblage. To this end, future planning areas of the +/-40.0-acre western quadrant of this site could accommodate additional phases of this attached for sale product line and achieve consistent overall sales rates of roughly 16 units annually at benchmark sales prices while currently marketing with mainstream detached for sale alternatives. This planned development should also incorporate appropriate shared parks, greenspace, walking trails and the like, and assumes a master association fee will be required as noted.

- *Titsworth Property:* This 58.0-acre assemblage, as well, is viewed as appropriate for future development of a larger-scale planned community incorporating attached and detached housing options directed to mainstream consumer segments, along with a limited number of higher-priced semi-custom/custom home development. Future planning areas could accommodate additional phases of this attached for sale product line and achieve consistent overall sales rates of roughly 16 units annually at benchmark sales prices while currently marketing with mainstream detached for sale alternatives. This planned development should also incorporate appropriate shared parks, greenspace, walking trails and the like, and assumes a master association fee will be required as noted.

MAINSTREAM SINGLE FAMILY

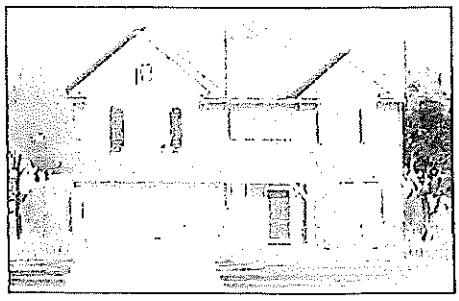
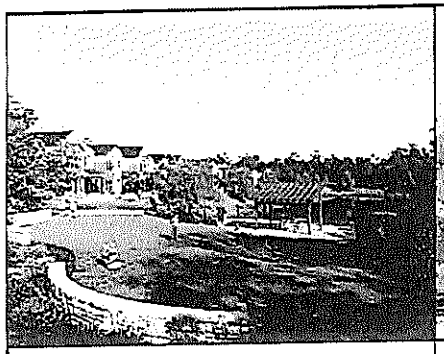
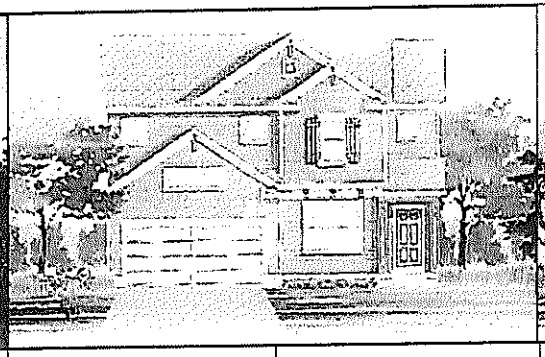
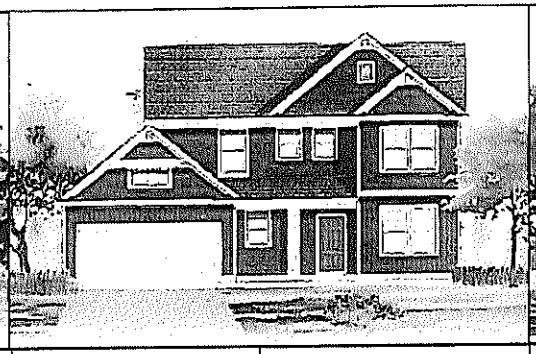
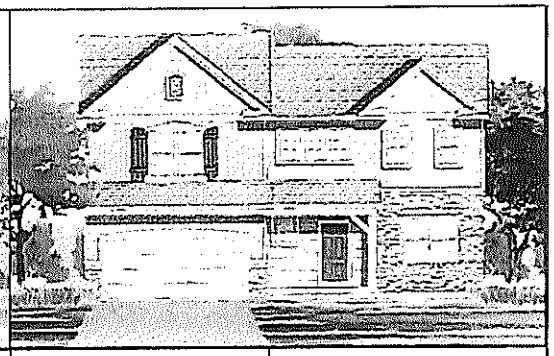

Representative Image

Exhibit 1.6 outlines product recommendations for conventional, family-oriented single family homes developed on homesites of 60 to 65 feet in width and averaging 7,200 square feet in size. This product series, designated as the SF60 Series, is envisioned to consist of 48 homes per development phase and adapts better-selling ranch and two-story designs from national production-oriented homebuilder plan portfolios intended to appeal to local family segments and (particularly) those transferring to the area from other regions where new construction alternatives are more readily available. As outlined, the suggested plan portfolio includes a 1,650 square foot ranch home together with five two-story designs ranging in unit size from 1,800 to 2,475 square feet. All homes provide at least three bedrooms, with most homes also featuring additional flex/bonus areas, an *unfinished* basement, and a two-car garage as standard. The largest SF60-F floor plan features a Master-on-Main design and could accommodate an optional three-car garage on select homesites. Overall, the SF60 Series provides an average 2,054 square foot residence which carries an average *base* sales price of $266,733, yielding a value ratio of $129.86 per square foot. This benchmark base sales price assumes a standard homesite value of $50,000. As also outlined in Exhibit 1.6, final closing prices which include an *estimated* 7.0 percent over base for some measure of options, upgrades, finished basements, site premiums, three-car garage, and other customization, are expected to extend from $260,900 to $319,900 and average $285,233 or $138.87 per square foot. It is acknowledged that closing prices *could* yield another 5.0 to 8.0 percent in options/upgrades not factored in the outlined estimates.

PRODUCT CRITERIA AND BENCHMARK PRICING GUIDELINES[1]: SINGLE FAMILY PROTOTYPE SERIES A (SF60s)

-- CRAWFORD COUNTY / CITY OF ROBINSON, ILLINOIS --

DRAFT
(FOR REVIEW AND COMMENT)

Plan Designation	Style	Garage Condition	Bedrooms/ Baths	Plan Size (Sq. Ft.)	Benchmark Base Sales Price[2:5]	Estimated Closing Price With Options, Upgrades, & Site Premiums[3:5]
SF60 - A	Ranch	Two-Car	3 / 2.5	1,650	$243,900	$260,900
SF60 - B	Two-Story	Two-Car	4 / 2.0	1,800	247,900	264,900
SF60 - C	Two-Story	Two-Car	4+Flex / 2.5	1,950	257,900	275,900
SF60 - D	Two-Story	Two-Car	4+Family / 2.5	2,150	270,900	289,900
SF60 - E	Two-Story	Two-Car	4+Family / 2.5	2,300	280,900	299,900
SF60 - F	Master-on-Main	Two-Car (Opt. 3)	4+Family / 2.5	2,475	298,900	319,900
Total/ Average	---	---	---	*2,054*	*$266,733 ($129.86 Sq. Ft.)*	*$285,233 ($138.87 Sq. Ft.)*

Community Summary(1:5)

Number of Units per Development Phase	*48*
Minimum Lot Size (W' x D')	*60-65 x 120*
Minimum Lot Size (Sq. Ft.)	*7,200*
Basement Condition:	*Full Unfinished*
Average Sales Rate @ Benchmark Prices (Units/Month)	*1.3*
Marketing Life per Phase @ Benchmark Prices	*37.0*

(1) To be used for financial planning purposes; all images intended for illustrative purposes only.

(2) Benchmark base sales prices are presented in January 2023 dollars and include a standard *unfinished* basement. They assume a quality level of interior appointments and finishes as defined, but *do not include* options, upgrades, *optional finished* basement condition, various elements of customization, optional three-car garage condition, or homesite premiums.

(3) Closing prices, which are presented in January 2023 dollars, include a 7.0 percent *estimate* for options, upgrades, some optional finished basements and three-car garage condition, various elements of customization, and homesite premiums.

(4) Sales forecast at benchmark sales prices assumes a dedicated marketing program, staffed on-site sales office and decorated model(s), *and a continuous construction and delivery schedule per phase is maintained*.

(5) It is assumed a master association fee will be required to include common area lighting and landscape maintenance.

Source: Tracy Cross & Associates, Inc.

At benchmark closing prices, and assuming a continuous construction and delivery schedule per development phase, as well as concurrent marketing with attached/detached for sale planning areas, the SF60 Series will generate 1.3 sales per month or +/-16 sales annually for a single builder or, given the likelihood of multiple builder participants, a sales pace of +/-13 sales annually per builder if two (2) builders are concurrently marketing in a given planning area. Again, the benchmark pricing strategy assumes quality appointments and finishes commensurate with new mainstream single family communities throughout the Midwest and cohesive development covenants.

Ranked Development Opportunities: Mainstream Single Family

- *Moseby Property:* As noted, development of a larger-scale planned community has been suggested for this 70.0-acre assemblage. To this end, future planning areas of the +/-40.0-acre western quadrant of this site could accommodate phased introduction of the SF60 Series marketed concurrent with attached for sale alternatives and achieve consistent overall sales rates of roughly 13 to 16 units annually at benchmark sales prices. This planned development should incorporate appropriate shared parks, greenspace, walking trails and the like, and assumes a master association fee will be required for common area maintenance, with the homeowner responsible for exterior home maintenance and landscape/snow removal.

- *Titsworth Property:* Again, this 58.0-acre assemblage is viewed as appropriate for future development of a larger-scale planned community incorporating attached and detached housing options directed to mainstream consumer segments, along with a limited number of higher-priced semi-custom/custom home development. Future planning areas could accommodate phases of the defined SF60 Series and attached for sale product lines and achieve consistent overall sales rates of roughly 16 units annually at benchmark sales prices. This planned development should also incorporate appropriate shared parks, greenspace, walking trails and the like, and assumes a master association fee will be required for common area maintenance, with the homeowner responsible for exterior home maintenance and landscape/snow removal.

- Also, the potential exists for this portfolio to be expanded at the Titsworth Property to include plan offerings in the 2,600 to 2,800 square foot range developed in a limited number of planning areas with larger 70 to 75 foot wide homesites which would accommodate *standard* three-car garages. Sales prices in these "semi-custom" planning areas would carry an incremental +/-8.0 over mainstream benchmark pricing and include a standard $65,000 homesite. In addition, it is likely that final closing prices would carry a higher level of options/upgrades and customization likely to average 10.0 to 12.0 percent over base.

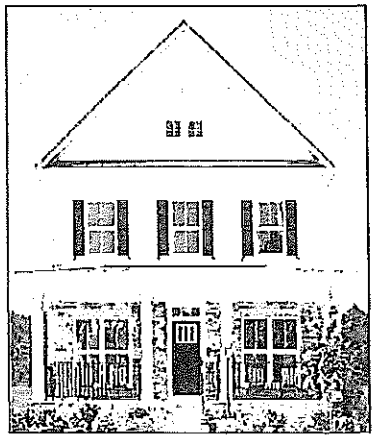
- *The Oblong Lake Property*: Over the long term (i.e., 2033 or later), there may be opportunity for a single developer to offer an enclave development combining the mainstream SF60 Series with a small planning area of duplex/villas. Again, however, this development potential is fully incumbent upon sustained regional economic recovery.

URBAN-ORIENTED SINGLE FAMILY

Specific to the city of Robinson and the identified 1204-1206 N. Howard and "High School" lots, they *may* be modest opportunity for small-scale, urban-oriented single family detached development, if development costs can be offset by allocated taxing districts and/or programs and new construction alternatives can be marketed at sales prices at or below $250,000. To this end, the following prototype criteria is forwarded for consideration:

- Plan offerings in a value-oriented urban setting would include a ranch-style home providing two bedrooms and two baths within roughly 1,450 square feet, along with two (2) two-story plan types providing three bedrooms and two and one-half baths at 1,650 and 1,850 square feet, respectively. All homes would include a *detached* two-car garage at the rear of the homesite, thus also allowing a small private outdoor area for socializing. Homes in this urban-oriented series would be approximately 30 feet wide configured on 40- to 45-foot wide homesites which are roughly 100 feet deep. This product line typically facilitates a density of 8.0 units to the acre.

Representative Image



Representative Image

- This urban single family series would serve as a form of "transitional architectural landscape" at gateway locations in the Downtown District and will attract a broad spectrum of single family purchasers including young childless couples, couples in the initial stages of family formation, a component of professional singles who may prefer a walkable lifestyle orientation at price points that correspond to their income. While there may be other redevelopment opportunities within established neighborhoods adjoining Downtown Robinson, no more than one single development area should be marketed at any given time to mitigate cross-competition between developments.

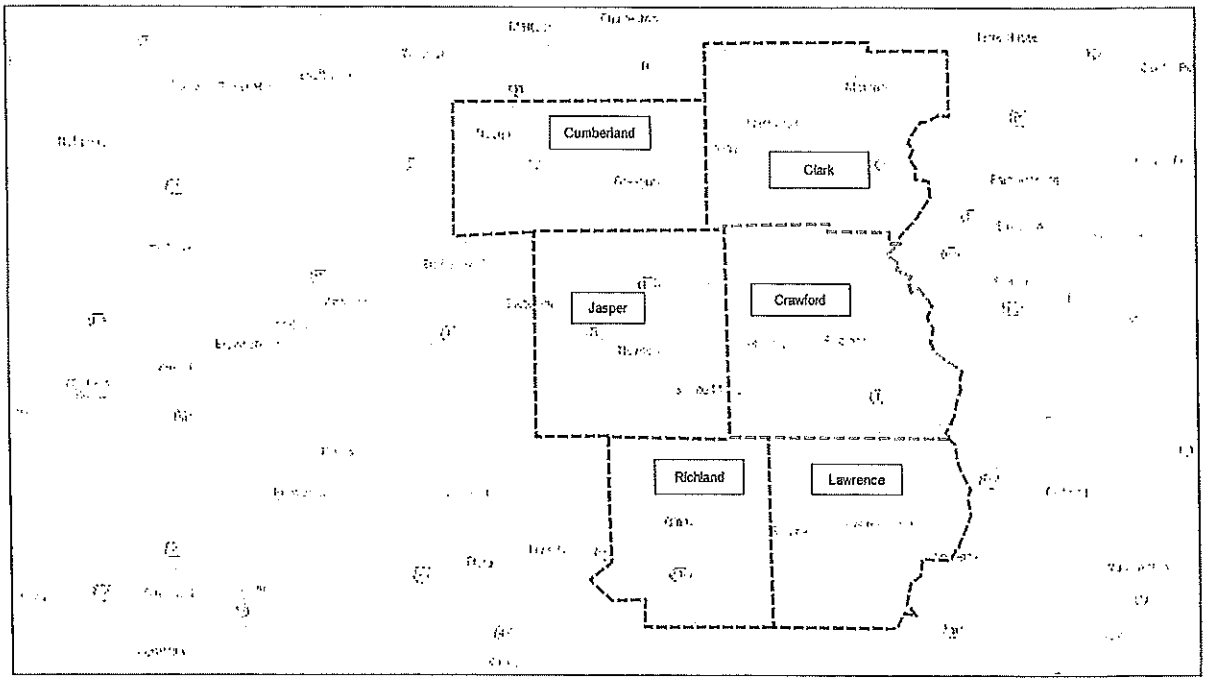
FUTURE RENT/SALES PRICE CONSIDERATIONS

It is again noted that benchmark rents are presented in January 2023 dollars. It also cannot be overstated that the much discussed recent rates of rent/price growth noted nationwide *are not sustainable*, especially considering the impact of spiraling rates of inflation and related economic uncertainties now beginning to emerge. For proforma comparisons and barring additional unforeseen economic turmoil, it is strongly suggested that benchmark rents/prices *be held constant through at least 2023* with modest annual appreciation in the range of 2.0 to *not more than* 3.0 percent be applied to proforma financial models thereafter – a level generally consistent with CPI over the last several (pre-pandemic) years.

2. *ECONOMIC, DEMOGRAPHIC AND RESIDENTIAL OUTLOOK*

Encompassing some 2,532 square miles, the Southeastern Illinois Region is defined as the counties of Clark, Crawford, Cumberland, Jasper, Lawrence, and Richland in southeast Illinois. This large geographic area represents a homogeneous region defined by its dependence upon like sources of employment; commuting patterns established along the Interstate 70, US 50 and Illinois Routes 1 and 130 highway systems; socio-economic similarities in demographic and household composition; and the character of its housing. Collectively, the Southeastern Illinois Region is within a 2.5-hour drive of the Springfield, IL, Terre Haute Evansville, and Indianapolis, IN, and St. Louis, MO metropolitan areas. Within this large geographic quadrant, however, ***primary*** support for future residential development in Crawford County will emanate from the host county, hereinafter defined as the *Crawford County Market Area.*

GEOGRAPHIC DELINEATION: THE SOUTHEASTERN ILLINOIS REGION



Source: Google Maps and Tracy Cross & Associates, Inc.

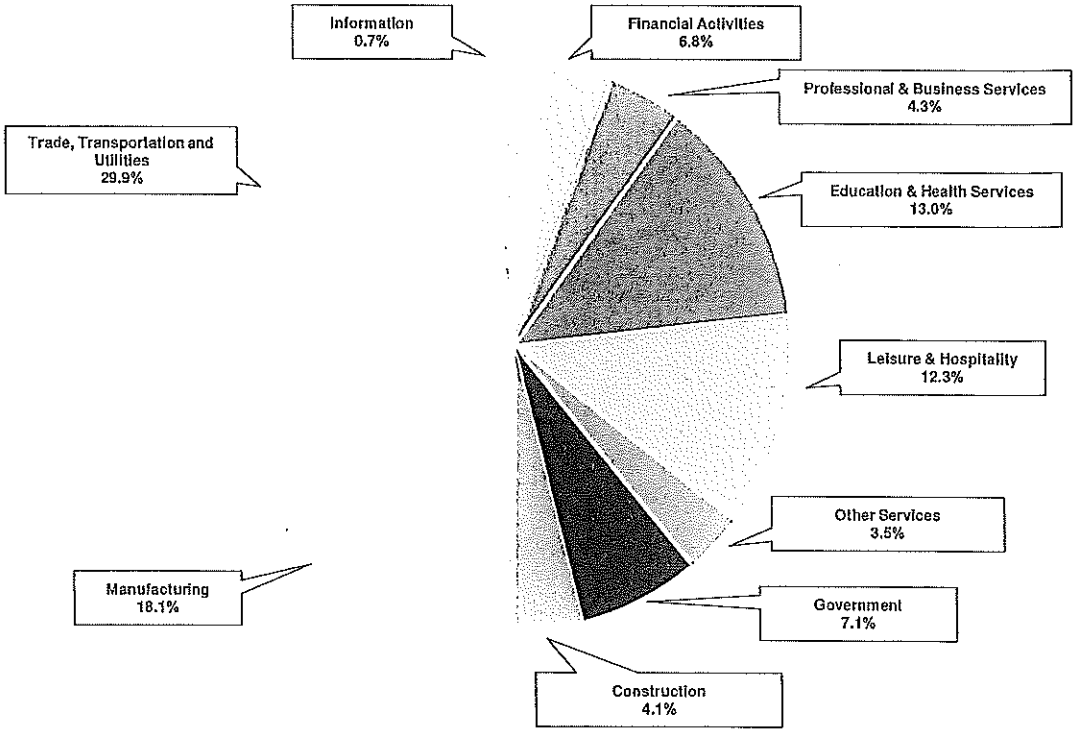
EMPLOYMENT TRENDS

The six-county region supports an economy rooted in agri-business, manufacturing, logistics, and healthcare. The region is served by CSX Railroad, providing rail-based freight transportation and transload services which serve industrial and business parks located throughout the six-county region. Major regional employers include (among others) Hershey Company, Marathon Petroleum Refinery and Crawford Memorial Hospital in Crawford County; ZF Technology Systems and Bolin Enterprises in Clark County; Toyota Boshoku Illinois Inc. and Lawrence County Memorial Hospital in Lawrence County; Walmart Distribution and Carle Richland Memorial Hospital in Richland County; along with numerous manufacturing and agri-business equipment and service suppliers. Government, as well, plays a major role in the six-county region including county and city administration, primary and secondary school systems, Lincoln Trail College in Crawford County, and Olney Central College in Richland County, which are a part of the Illinois

Eastern Community College system; as well as the Robinson and Lawrence Correctional Facilities in Crawford and Lawrence counties, respectively.

According to the U.S. Department of Labor, the combined region supported a total nonfarm employment base of 25,766 in 2021 (the latest data available), with employment concentrated in manufacturing which alone accounted for 18.1 percent of total employment, followed by education/health services with 13.0 percent, and trade/transportation/utilities which collectively accounted for 29.9 percent. Notably, Crawford County *alone* accounted for just over one-quarter of total regional employment in 2021 with payrolls of 6,860 or 26.6 percent, and perhaps more importantly, *nearly one-half* of all manufacturing employment in the six-county area (2,168 jobs or 46.5 percent). Refer to Appendix A2.1 for a graphic illustration of Crawford County employment by industry sector.

2021 COVERED EMPLOYMENT BY INDUSTRY SECTOR
-- SOUTHEASTERN ILLINOIS REGION --



Source: U.S. Department of Labor, Bureau of Labor Statistics

While one cannot overlook the negative impact of the last recession upon (particularly) the region's dominant manufacturing and logistics industries, and statistics must be viewed in context, regional employment conditions began to slowly improve during the 2010-2016 timeframe, with payroll advances during this six-year period averaging 77 workers yearly. The lion's share payroll additions (134 annually or 88.7 percent) occurred in the manufacturing sector, offsetting periods of erosion in remaining employment sectors. As illustrated in the following text table, employment gains during the six-year period were concentrated in Clark and Lawrence counties, while employment remained relatively unchanged in Crawford County.

EMPLOYMENT TRENDS
-- SOUTHEASTERN ILLINOIS REGION --
2001 - 2021

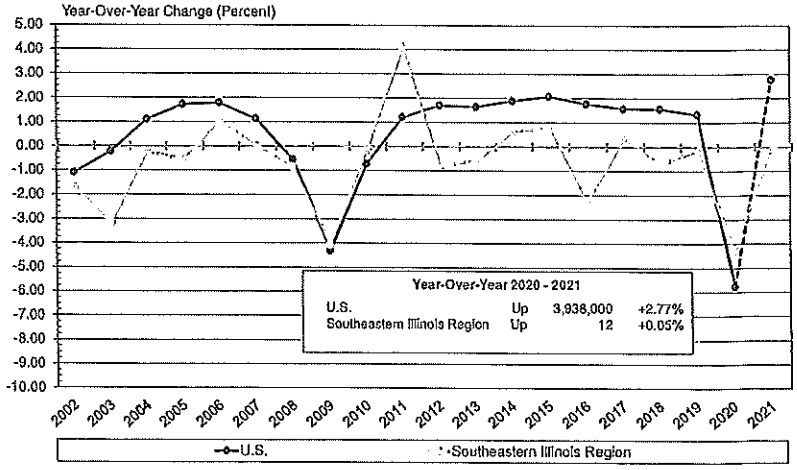
Area	Total Covered Employment				Average Annual Change		
	2001	2010	2016	2021	2001 - 2010	2010 - 2016	2016 - 2021
Total Southeastern Illinois Region [1]	***29,340***	***26,596***	***27,057***	***25,766***	***-305***	***77***	***-258***
Clark County	5,187	4,220	4,764	4,308	-107	91	-91
Crawford County	7,346	7,148	7,146	6,860	-22	0	-57
Cumberland County	2,315	2,382	2,574	2,753	7	32	36
Jasper County	2,605	2,196	2,044	2,061	-45	-25	3
Lawrence County	4,803	4,427	4,526	4,154	-42	17	-74
Richland County	7,084	6,223	6,003	5,630	-96	-37	-75

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: U.S. Department of Commerce-Bureau of Labor Statistics

As also illustrated, the *pace* of employment moderated during the subsequent 2016-2021 timeframe, reflecting erosion of 258 jobs yearly, attributed in large measure to the economic constraints of the pandemic. In 2020, for example, the six-county region experienced year-over-year job losses of 1,161 or 4.31 percent of total employment. As might be expected, the majority of job losses occurred during the April-June 2020 period, largely impacting the region's manufacturing, logistics, education, and government sectors of employment. While certainly not minimizing employment losses in 2020, the region's employment contractions were not as severe as those felt elsewhere in the nation where employment losses averaged 5.78 percent in 2020. Moreover, modest levels of recovery in the region's core industry sectors (i.e., agri-business, manufacturing, logistics, and healthcare) began in 2021 and continued through the first six months of 2022 noting the overall addition of 389 jobs year-over-year. Recent job growth was concentrated in Richland and Clark counties, while Crawford County added 82 jobs during the twelve-month period ending in June 2022, with tangible, yet reserved economic improvement anticipated through the 2027 forecast period and beyond. Measured economic growth, such as announced investment at the Hershey and Marathon facilities in Robinson, will initially have a positive influence upon the region's rental housing sector, extending over time to ownership housing forms.

EMPLOYMENT GROWTH COMPARISONS
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE U.S. --



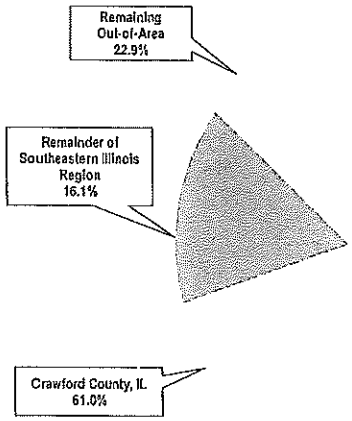
[1] Includes Clark, Crawford, Cumberland, Jasper, Lawrence, and Richland counties in Illinois.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Our conclusion also considers the necessity to sustain pro-active regional economic development initiatives, reflecting a multi-disciplinary approach to attracting and retaining workforce talent by providing

infrastructure improvements necessary to enable employment expansion; the establishment of opportunity zone designations and other tax incentives to promote employment growth; initiating workforce training and continuing education programs; and partnering with regional stakeholders to ensure the availability of quality housing options. To this point, it is noteworthy that the most currently available 2019 American Community Survey/Census estimates indicate that nearly two-thirds (61.0 percent) of Crawford County's workforce *live and work locally*. As detailed in the following text table, another 16.1 percent of the country's workforce reside elsewhere in the six-county Southeastern Illinois region, largely commuting from Clark and Lawrence counties, while principal sources of out-of-area workers emanate from adjoining, more rural areas of Illinois and Indiana which are all within a one-hour drive of Crawford County.

COMMUTATION TRENDS: CIVILIAN EMPLOYED WORKERS - 2019
-- CRAWFORD COUNTY --



County of Residence	Number	Percent
Total Civilian Employment	*7,106*	*100.0*
Crawford County, IL[1]	4,337	61.0
Clark County, IL[1]	342	4.8
Lawrence County, IL[1]	335	4.7
Jasper County, IL[1]	301	4.2
Richland County, IL[1]	149	2.1
Sullivan County, IN	126	1.8
Vigo County, IN	113	1.6
Coles County, IL	66	0.9
Knox County, IN	62	0.9
Wayne County, IL	53	0.7
Clay County, IL	47	0.7
Cook County, IL	44	0.6
Sangamon County, IL	42	0.6
Clay County, IN	35	0.5
Effingham County, IL	34	0.5
Macon County, IL	33	0.5
Montgomery County, IL	28	0.4
All Other Out-of-Area[4]	959	13.5
Out-of-Region Workforce Summary		
Within a 40-minute Commute[2]	608	8.6
Within a 60-minute Commute[3]	146	3.4

[1] Counties comprising defined Southeastern Illinois Region.
[2] Includes Clay, Coles, Edgar, Edwards, Effingham, Wabash, and Wayne counties, IL; and Clay, Daviess, Gibson, Greene, Knox, Pike, Sullivan and Vigo counties, IN.
[3] Includes Douglas, Fayette, Marion, Moultrie, Shelby and White counties, IL; and Dubois, Martin, Owen, Parke, Putnam and Vermillion counties, IN.
[4] Represents additional out-of-region and out-of-state residents estimated to include contract/remote workers.

Source: OnTheMap; U.S. Bureau of the Census-American Community Survey 2019

DEMOGRAPHICS

Not surprisingly, estimates derived from the 2020 Census indicate that population and household growth throughout the Southeastern Illinois region has mirrored employment trends over the last two decades. As summarized in Appendix A2.2, the region supported an estimated 2022 household base of 34,312, representing the loss of 117 households yearly since 2010. Household contractions are expected to stabilize through 2027 to an estimated household base of 34,288, reflecting the annual loss of +/-five households yearly over the five-year period. In 2022, Crawford County supported a household base of 7,381, representing 21.5 percent of the six-county region. However, Crawford County also accounted for 27.4 percent of all contractions during the 2010-2012 timeframe, reflecting the loss of 32 households yearly. Consistent with the region as a whole, household contractions are expected to abate during the 2022-2027

timeframe to a projected overall household base of 7,355 in 2027. Household growth forecasts reconcile the expectation of a *slowly* improving regional economy over the forecast period, offset by the distinct absence of new residential development, coupled with inflationary pressures and tighter lending controls. However, it is also important to recognize that Census household growth projections ***do not reflect potentials inherent in redevelopment initiatives*** to re-purpose under-utilized properties to better meet the demands of existing and future resident households.

POPULATION AND HOUSEHOLD TRENDS:
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

Area	2000	2010	2022	2027	Average Annual Change 2000 - 2010	2010 - 2022	2022 - 2027
Population							
Southeastern Illinois Region[1]	**90,431**	**89,964**	**85,528**	**85,141**	**-47**	**-370**	**-77**
Crawford County Market Area	20,452	19,817	18,641	18,508	-64	-98	-27
Percent of Region	22.6	22.0	21.8	21.7	---	---	---
City of Robinson	8,092	7,713	7,221	7,146	-38	-41	-15
Percent of Market Area	39.6	38.9	38.7	38.6	---	---	---
Households							
Southeastern Illinois Region[1]	**36,080**	**35,718**	**34,312**	**34,288**	**-36**	**-117**	**-5**
Crawford County Market Area	7,842	7,763	7,381	7,355	-8	-32	-5
Percent of Region	21.7	21.7	21.5	21.5	---	---	---
City of Robinson	3,134	3,054	2,864	2,841	-8	-16	-5
Percent of Market Area	40.0	39.3	38.8	38.6	---	---	---

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: U.S. Census Bureau, Environics Analytics and Tracy Cross & Associates, Inc.

Consistent with the region overall, tenure distributions in Crawford County favor ownership housing which accounts for 79.0 percent of all occupied units, while an estimated 1,551 Crawford County households or 21.0 percent are renters, accounting for a modest 20.0 percent of all renter households in the six-county region. Not surprisingly, more than one-half of localized renter households (895 households or 57.7 percent) reside in the city of Robinson. Renter households in Crawford County likely reflects elevated participation in ownership inventory brought to the market as rentals. In fact, there has been only limited rental apartment development in the whole of Crawford County in more than two decades, reflecting the 12-unit *Meadows Apartments* and the 32-unit *Barrington Farms* single family rental community introduced in 2012 and, most recently, the age-restricted *Sugar Creek Crossing*, a 43-unit ranch villa development now undergoing lease-up. These newer rental developments are all located in Robinson, and all represent projects designated for low income households.

As detailed in **Exhibit 2.1**, Crawford County householders are relatively mature, reflecting a median age of 57 years. By age cohort, 15.8 percent of market area householders are under the age of 35, with 30.5 percent in the family-oriented age groups of 35 to 54, while 38.3 percent reflect more mature groups aged 55 to 74. The remaining 15.4 percent align age categories of 75 and older. Age cohorts younger than 75 typically represent the strongest profiles for rental and/or lifestyle-oriented (i.e., low maintenance) housing alternatives. Analysis of household compositions reveals that 71.5 percent of Crawford County householders, and 72.4 percent of those in Robinson itself, represent households *without children under the age of 18*, primarily reflecting persons living alone or in two-person arrangements, consistent with typical renter and/or lifestyle profiles.

2.1

HOUSEHOLDS BY TYPE AND AGE OF HOUSEHOLDER: 2022
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

DRAFT
(FOR REVIEW AND COMMENT)

Attribute	Southeastern Illinois Region[1]		Crawford County Market Area		City of Robinson	
	Number	Percent	Number	Percent	Number	Percent
2022 Households by Type						
Total Households	34,312	100.0	7,381	100.0	2,864	100.0
Average Household Size	2.36		2.32		2.21	
Households with Children	10,107	29.5	2,107	28.5	791	27.6
Married Couple	6,966	20.3	1,432	19.4	489	17.1
Other Family	3,006	8.8	644	8.7	293	10.2
NonFamily	135	0.4	31	0.4	9	0.0
Households without Children	24,205	70.5	5,274	71.5	2,073	72.4
Married Couple	11,525	33.6	2,472	33.5	783	27.3
Other Family	1,780	5.2	366	5.0	147	5.1
NonFamily	10,900	31.8	2,436	33.0	1,143	39.9
2022 Households by Age of Householder						
Total Households	34,312	100.0	7,381	100.0	2,864	100.0
Under 25	1,084	3.2	249	3.4	141	4.9
25 - 34	4,268	12.4	920	12.5	356	12.4
35 - 44	4,982	14.5	1,058	14.3	456	15.9
45 - 54	5,467	15.9	1,190	16.1	456	15.9
55 - 64	6,967	20.3	1,492	20.2	509	17.8
65 - 74	6,156	17.9	1,338	18.1	462	16.1
75 - 84	3,697	10.8	809	11.0	339	11.8
85 and Over	1,691	4.9	325	4.4	145	5.1
Median	*57.0 Years*		*57.0 Years*		*55.0 Years*	
Households Under 35	5,352	15.6	1,169	15.8	497	17.4
Households 35 - 54	10,449	30.5	2,248	30.5	912	31.8
Households 55 - 74	13,123	38.2	2,830	38.3	971	33.9

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: Environics Analytics and Tracy Cross & Associates, Inc.

HOUSEHOLD COMPOSITION: 2022
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

Attribute	Southeastern Illinois Region[1]		Crawford County Market Area		City of Robinson	
	Number	Percent	Number	Percent	Number	Percent
Total Households	**34,312**	**100.0**	**7,381**	**21.5**	**2,864**	**100.0**
1-Person Household	9,901	28.9	2,220	6.5	1,030	36.0
2-Person Household	12,607	36.7	2,674	7.8	956	33.4
3-Person Household	5,278	15.4	1,150	3.4	410	14.3
4-Person Household	3,948	11.5	834	2.4	279	9.7
5-Person Household	1,765	5.1	333	1.0	122	4.3
6-Person Household	568	1.7	118	0.3	53	1.9
7 or More Person Household	245	0.7	52	0.2	14	0.5
Total 1- and 2-Person Households	***22,508***	***65.6***	***4,894***	***66.3***	***1,986***	***69.3***

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: U.S. Department of Commerce, Bureau of the Census: Census 2010; Environics Analytics

Moreover, and specific to mature age categories, household segments at age categories of 65 and older are expected to significantly advance their representation levels over the next five years as outlined below:

HOUSEHOLD GROWTH PROJECTIONS BY AGE GROUP
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

Age Range	Southeastern Illinois Region[1]		Crawford County Market Area		City of Robinson	
	2022	2027	2022	2027	2022	2027
Under 25	1,084	1,173	249	264	141	153
25-34	4,268	4,014	920	845	356	322
35-44	4,982	4,838	1,058	1,040	456	424
45-54	5,467	5,222	1,190	1,134	456	470
55-64	6,967	6,397	1,492	1,376	509	463
65-74	6,156	7,099	1,338	1,534	462	518
75 and over	5,388	5,545	1,134	1,162	484	491
Total	*34,312*	*34,288*	*7,381*	*7,355*	*2,864*	*2,841*

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: Environics Analytics and Tracy Cross & Associates, Inc.

Households in Crawford County supported an estimated 2022 median annual income of $52,943, generally consistent with incomes throughout the six-county region. As detailed in **Exhibit 2.2**, median incomes in the city of Robinson are modestly lower than elsewhere in Crawford County, estimated at $48,489. Nonetheless, and most germane to quality new residential construction in the city of Robinson and elsewhere in Crawford County, Exhibit 2.2 also reveals that *not less than* 71.0 percent of resident Crawford County households younger than 75 earn *at least* $35,000 annually, incomes requisite to support rental rates for quality new market rate apartment development, with roughly 48.5 percent earning in excess of $75,000 per annum, levels sufficient to support a measure of new for sale housing assuming favorable mortgage agreements can be attained. These statistics *do not factor in likely equity positions of existing or potential transferee households.*

RESIDENTIAL CONSTRUCTION TRENDS

One potentially significant barrier to anticipated regional economic expansion is the definitive lack of residential construction throughout the Southeastern Illinois region over the last 40+years. As summarized in the following text table, Census estimates indicate that *less than 13.0 percent* of all housing units in the six-county region have been built *since 1999*, with less than 5.0 percent built in 2010 or later. These statistics are even more pronounced in Crawford County and the city of Robinson, where some 88.0 and 92.0 percent (respectively) of all housing stock was built *prior to 1999.*

2022 HOUSING UNITS BY YEAR BUILT
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

	Southeastern Illinois Region[1]		Crawford County Market Area		City of Robinson	
Attribute	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Total Housing Units	**39,832**	**100.0**	**8,552**	**100.0**	**3,425**	**100.0**
Built in 2014 or Later	935	2.3	175	2.0	52	1.5
Built in 2010 to 2013	814	2.0	268	3.1	117	3.4
Built 2000 to 2009	3,419	8.6	591	6.9	110	3.2
Built 1990 to 1999	4,390	11.0	848	9.9	294	8.6
Built 1960 to 1989	13,645	34.3	2,666	31.2	1,080	31.5
Built 1959 or Earlier	16,629	41.7	4,004	46.8	1,772	51.7
Median Year Structure Built	*1967*		*1963*		*1959*	

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: Environics Analytics

These statistics are further supported by analysis of regional residential construction trends over the last two decades. Specifically, since 2000 and through 2021, the six-county region has averaged a nominal 39 residential construction authorizations yearly. As detailed in Appendix A2.3, the majority of annual permits (25 permits or 64.0 percent) represented single family forms (which include single-address townhomes and duplexes). As further detailed in **Exhibit 2.3**, Crawford County has averaged a modest seven (7) single family permits annually since 2000, accounting for 28.0 percent of all single family development in the six-county region. In fact, the strongest annual authorization level was seen in 2011 when 38 units were authorized country-wide, largely reflecting the aforementioned 32-unit, income-qualifying Barrington Farms project in Robinson. As also illustrated, single family development in the region has yet to show signs of improvement, with regional authorizations during the most recent 2017-2021 timeframe averaging a mere 11 units yearly, with three (3) of the four (4) single family homes built in Crawford County over the last five years authorized in the city of Robinson.

HOUSEHOLD AGE AND INCOME CHARACTERISTICS: 2022
-- SOUTHEASTERN ILLINOIS REGION[1] AND THE CRAWFORD COUNTY MARKET AREA --

Attribute	Total Households		
	Southeastern Illinois Region[1]		
	Number	Percent	Median
Total Households	34,312	100.0	$57,244
Under 25 Years	1,084	3.2	29,889
25 - 34 Years	4,268	12.4	64,362
35 - 44 Years	4,982	14.5	77,192
45 - 54 Years	5,467	15.9	75,952
55 - 64 Years	6,967	20.3	66,461
65 - 74 Years	6,156	17.9	48,105
75 - 84 Years	3,697	10.8	36,758
85 Years and Over	1,691	4.9	28,849
Total Households Under 25 Years	1,084	3.2	$29,889
With Incomes of $35,000 or More	472	43.5	—
Total Households Under 25 to 44 Years	9,250	27.0	$71,272
With Incomes of $35,000 or More	7,300	78.9	—
With Incomes of $75,000 or More	4,357	47.1	—
Total Households Under 45 to 64 Years	12,434	36.2	$70,634
With Incomes of $35,000 or More	9,638	77.5	—
With Incomes of $75,000 or More	5,837	46.9	—
Total Households Aged 65 to 74 Years	6,156	17.9	$48,105
With Incomes of $35,000 or More	4,027	65.4	—
With Incomes of $75,000 or More	1,856	30.1	—

Attribute	Total Households		
	Crawford County Market Area		
	Number	Percent	Median
Total Households	7,381	100.0	$52,943
Under 25 Years	249	3.4	20,214
25 - 34 Years	920	12.5	64,769
35 - 44 Years	1,058	14.3	75,505
45 - 54 Years	1,190	16.1	71,547
55 - 64 Years	1,492	20.2	61,417
65 - 74 Years	1,338	18.1	41,024
75 - 84 Years	809	11.0	32,550
85 Years and Over	325	4.4	26,981
Total Households Under 25 Years	249	3.4	$20,214
With Incomes of $35,000 or More	81	32.5	—
Total Households Under 25 to 44 Years	1,978	26.8	$70,512
With Incomes of $35,000 or More	1,581	79.9	—
With Incomes of $75,000 or More	906	45.8	—
Total Households Under 45 to 64 Years	2,682	36.3	$65,912
With Incomes of $35,000 or More	1,993	74.3	—
With Incomes of $75,000 or More	1,173	43.7	—
Total Households Aged 65 to 74 Years	1,338	18.1	$41,024
With Incomes of $35,000 or More	779	58.2	—
With Incomes of $75,000 or More	297	22.2	—

Attribute	Total Households		
	City of Robinson		
	Number	Percent	Median
Total Households	2,864	100.0	$48,489
Under 25 Years	141	4.9	20,270
25 - 34 Years	356	12.4	60,436
35 - 44 Years	456	15.9	67,551
45 - 54 Years	456	15.9	68,565
55 - 64 Years	509	17.8	56,249
65 - 74 Years	462	16.1	40,110
75 - 84 Years	339	11.8	32,041
85 Years and Over	145	5.1	25,538
Total Households Under 25 Years	141	1.9	$20,270
With Incomes of $35,000 or More	52	20.9	—
Total Households Under 25 to 44 Years	812	28.4	$64,432
With Incomes of $35,000 or More	654	80.5	—
With Incomes of $75,000 or More	337	41.5	—
Total Households Under 45 to 64 Years	965	33.7	$62,069
With Incomes of $50,000 or More	567	58.8	—
With Incomes of $75,000 or More	408	42.3	—
Total Households Aged 65 to 74 Years	462	6.3	$40,110
With Incomes of $35,000 or More	266	19.9	—
With Incomes of $75,000 or More	103	7.7	—

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: Environics Analytics and Tracy Cross & Associates, Inc.

2.3

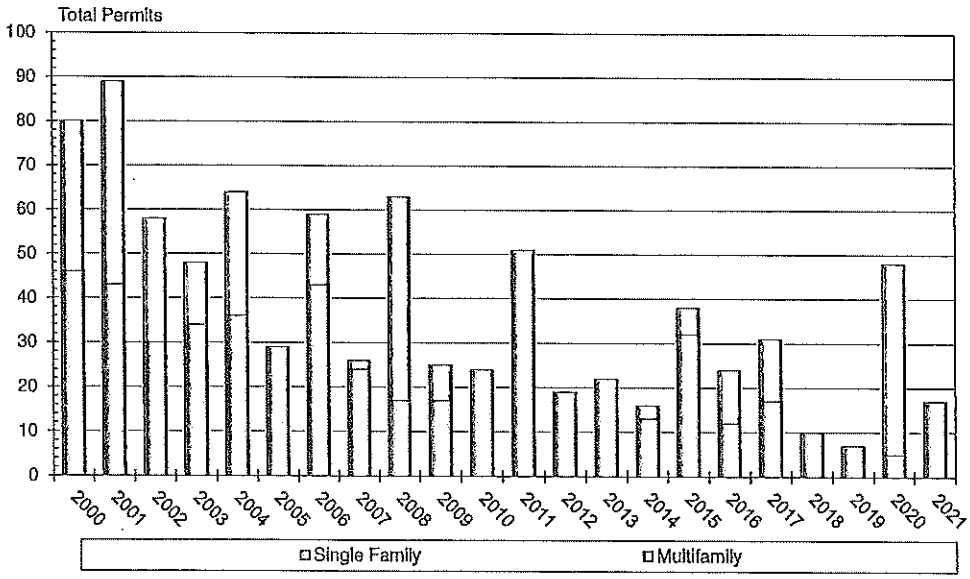
RESIDENTIAL BUILDING PERMIT TRENDS: 2000 - 2021
-- CRAWFORD COUNTY AND CITY OF ROBINSON --

DRAFT
(FOR REVIEW AND COMMENT)

Year	Crawford County Market Area			City of Robinson					
				Total Permits		Single Family		Multi-Family	
	Total	Single Family	Multi-Family	Number	Percent of County	Number	Percent of County	Number	Percent of County
2000	5	5	0	5	100.0	5	100.0	0	0.0
2001	6	6	0	6	100.0	6	100.0	0	0.0
2002	7	1	6	5	71.4	1	100.0	4	66.7
2003	12	4	8	10	83.3	4	100.0	6	75.0
2004	8	4	4	8	100.0	4	100.0	4	100.0
2005	8	8	0	6	75.0	6	75.0	0	0.0
2006	10	10	0	8	80.0	8	80.0	0	0.0
2007	4	2	2	2	50.0	2	100.0	0	0.0
2008	6	6	0	6	100.0	6	100.0	0	0.0
2009	6	6	0	5	83.3	5	83.3	0	0.0
2010	7	7	0	7	100.0	7	100.0	0	0.0
2011	38	38	0	38	100.0	38	100.0	0	0.0
2012	8	8	0	6	75.0	6	75.0	0	0.0
2013	5	5	0	2	40.0	2	40.0	0	0.0
2014	5	5	0	5	100.0	5	100.0	0	0.0
2015	14	14	0	12	85.7	12	85.7	0	0.0
2016	2	2	0	1	50.0	1	50.0	0	0.0
2017	7	7	0	4	57.1	4	57.1	0	0.0
2018	3	3	0	2	66.7	2	66.7	0	0.0
2019	3	3	0	2	66.7	2	66.7	0	0.0
2020	43	0	43	43	100.0	0	0.0	43	100.0
2021	6	6	0	0	0.0	5	83.3	0	0.0
Annual Average									
2000 - 2021	10	7	3	8	80.0	6	85.7	2	66.7
2000 - 2008	7	5	2	6	85.7	5	100.0	1	50.0
2009 - 2016	11	11	0	10	90.9	10	90.9	0	0.0
2017 - 2021	12	4	8	10	83.3	3	75.0	7	77.8

Source: U.S. Department of Commerce, Bureau of the Census: *C-40 Construction Reports* and Tracy Cross & Associates, Inc.

RESIDENTIAL PERMIT TRENDS: SOUTHEASTERN ILLINOIS REGION
2000 – 2021



Source: U.S. Department of Commerce, Bureau of the Census: *C-40 Construction Reports*

Multifamily authorizations, in turn, have been extremely limited in the six-county region over the last two-plus decades, averaging a mere 14 units annually. Again, as detailed in Appendix A2.3, multifamily authorizations in the region primarily reflect moderate-scale low income family and/or senior developments including four projects in Clark County built in 2010 (51 units) and 26 units building in 2016-2017 together with the two Crawford County multifamily developments previously referenced which collectively account for 55 units.

RESIDENTIAL OUTLOOK

In tandem with continued regional economic recovery, the Crawford County Market Area could support construction of 210 new residential units annually during the *initial* 2023-2027 forecast period (or 1,050 units through 2027) ***if supply were made available and market consistent rents/sales prices are maintained.*** Thereafter, based upon successful implementation of regional/local planning initiatives, residential construction requirements could advance to an annual pace of 230 on a sustaining basis.

ANNUAL RESIDENTIAL POTENTIALS BY PRODUCT TYPE
-- CRAWFORD COUNTY MARKET AREA --
2023 - 2030

Product Type	Projected Annual Absorption Potentials By Time Period	
	2023 - 2027	2027 - 2032
Total	*210 +*	*230 +*
For Sale	60	80
Single Family Detached	45	60
Duplex/Triplex	15	20
Market Rate/Workforce Apartments	150 +	150 +

Source: Tracy Cross & Associates, Inc.

Of the potential *initial* construction requirements, 60 units yearly could represent detached and low-density attached for sale idioms, with the remaining 150 units yearly representing market rate/workforce apartments. To this latter point, given the absence of residential development of scale over the last several decades, residential potentials and (particularly) rental apartment potentials ***could double in any given year (again) if supply were made available.*** This new construction requirement primarily reflects *replacement demand* as large components of existing ownership and rental housing throughout the region as a whole are now at or nearing obsolescence. Residential construction requirements also consider a limited measure of potential in-migration based upon regional commutation patterns together with housing needs to meet the expectations of transferee households emanating from outside the six-county region. Lastly, as summarized in Section 3, new construction requirements also consider sales trends among existing principally single family detached alternatives, coupled with demand for housing forms which meet *transitioning needs of maturing residents* throughout the region. Consistent with employment and household trends, the city of Robinson is expected to capture at least 80.0 percent of future rental apartment and ownership construction requirements through at least the initial 2023-2027 forecast period, with development potentials in other areas of Crawford County largely contingent upon sustainable economic growth trends through 2032.

Further disaggregating initial regional for sale construction requirements, roughly 45 units yearly will represent single family detached alternatives, with the remaining 15 units ownership units yearly reflecting low-density duplex/villa forms. Based upon the distribution of household incomes in Crawford County and remaining areas of the Southeastern Illinois region, together with an examination of home sales over the last roughly three years, *new construction for sale potentials* will carry a median closing sales price of $247,900 in 2023 dollars. As detailed in the following text table, it is estimated that roughly two-thirds of new single family *detached* closings will occur at price points between $200,000 and $299,999, while new attached for sale forms will hover at the $185,000 mark. To reiterate, these price points are consistent with household incomes in the region by profile age cohort and align with today's typical 30-year mortgage interest and loan requirements.

ANNUAL *NEW CONSTRUCTION* FOR SALE POTENTIALS BY PRICE RANGE
-- CRAWFORD COUNTY MARKET AREA --
2023 - 2027

Price Range (In 2023 Dollars)	Total		Single Family Detached		Attached (Duplex/Villa)	
	Number of Sales	Percent	Number of Sales	Percent	Number of Sales	Percent
Under $100,000	0	0.0	0	0.0	0	0.0
100,000 - 124,999	0	0.0	0	0.0	0	0.0
125,000 - 149,999	0	0.0	0	0.0	0	0.0
150,000 - 199,999	7	11.7	0	0.0	7	46.7
200,000 - 224,999	12	20.0	6	13.3	6	40.0
225,000 - 249,999	14	23.3	12	26.7	2	13.3
250,000 - 299,999	12	20.0	12	26.7	0	0.0
300,000 - 399,999	10	16.7	10	22.2	0	0.0
400,000 and Above	5	8.3	5	11.1	0	0.0
Total	*60*	*100.0*	*45*	*100.0*	*15*	*100.0*
Median	*$247,900*		*$268,900*		*$185,000*	

Source: Tracy Cross & Associates, Inc.

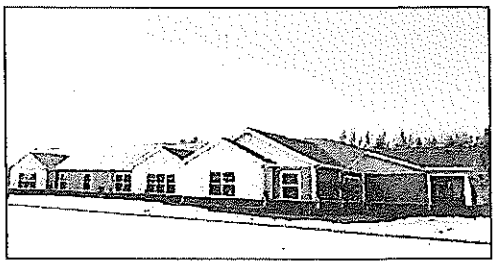
Addressing rental apartment construction requirements, the +/-150 unit yearly projection represents *more than adequate* support for new and/or adaptive conversion apartment initiatives throughout Crawford County. However, it is unlikely that these new construction requirements will be met as (today) there are no announced *market rate* rental or for sale developments in the Crawford County planning pipeline – or for that matter, elsewhere in the six-county region. Hence, development of (particularly) rental apartment forms will serve to alleviate significant measures of pent-up demand for quality housing alternatives which meet the needs of today's consumers.

3. THE RESIDENTIAL MARKETPLACE

As detailed in Section 2, there has been no residential construction of scale in Crawford County or elsewhere in the six-county Southeastern Illinois region in more than two decades. This section of our report therefore characterizes trends noted among newer market rate apartment developments in similar Illinois and southwest Indiana regional areas, together with trends in Crawford County's existing home market in order to provide perspective relative to future new construction offerings in Robinson and elsewhere in the county.

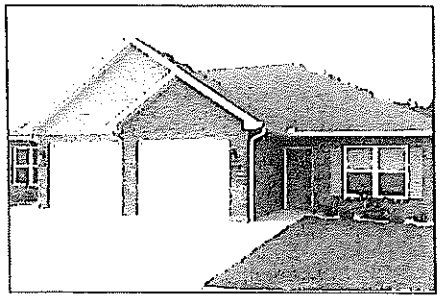
THE APARTMENT MARKET – AN OVERVIEW

The region's rental marketplace is characterized by a limited number of small-scale privately managed developments built, for the most part, during the 1960's through the 1980s; along with former single address homes, many of which have been converted to multi-unit structures; as well as private mobile home rentals. These developments provide little, if any, community-based amenities beyond (perhaps) on-site laundry facilities and surface parking. Many developments in the region represent income-restricted family or senior (55+) projects designated for households earning not more than 60.0 percent of area median income. In Robinson, for example, residency qualification is now underway for the *Sugar Creek Crossing Apartments*, a 43-unit villa development restricted to senior households aged 55 and older. This community also accepts HUD/Section 8 vouchers serving very low income seniors. The one- and two bedroom units carry an average rent of $650 monthly for a 790 square foot apartment, translating to a current dollar value ratio of $0.82 per square foot.


Sugar Creek Crossing Apartments

Therefore, in order to assess the marketability of future market rate/workforce rental alternatives, our firm identified 18 newer market rate communities and a collective 3,491 apartments in the Bloomington-Normal, Illinois and Terre Haute, Indiana regions as representative of new quality construction rental alternatives. Overall, the 18 representative developments are of larger scale, averaging 194 units in size and an average year built of 2004. Most represent three-story garden/walk-up developments, although selected newer projects in Terre Haute include a two-story private-entrance garden idiom, a one-car garage ranch duplex, and a mixed-use adaptive conversion project in downtown Terre Haute. Commensurate with the larger scale of most developments, lifestyle community-based amenities typically include a clubhouse with social areas, fitness center, and outdoor pool, a dog park and/or sports courts, while many provide detached garage units for optional lease.

Cobblestone Crossings Apartments

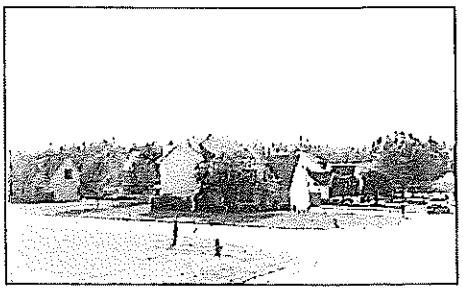

The Flats of Terre Haute Apartments

- As summarized in the following text table, as of December 2022, posted rents among the 18 selected projects averaged $1,182 monthly which included a 950 square foot apartment home. Posted rents yield an overall current dollar value ratio of $ 1.24 per square foot. For the most part, plan offerings include a variety of one and two bedroom designs, along with a modicum of studio and three bedroom plan styles which generally range in unit size from 500 to 1,600 square feet.

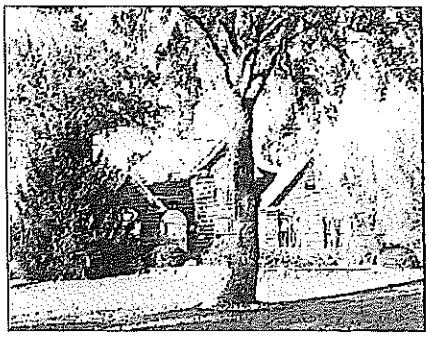
- Vacancies among the 18 developments stood at a *very tight* 2.6 percent in December 2022, reflecting a mere 91 of 3,491 units available. In Terre Haute, vacancies stood at 4.6 percent (44 or 961 units unoccupied). For perspective, market balance generally requires vacancies in the range of 5.0 to 6.0 percent to allow for movement between communities. In December, only the 448-unit Cobblestone Crossings in Terre Haute was offering a lease incentive of one month free with a 12-month lease, equating to an effective rent of $1,123 or a 7.7 percent discount.

THE FOR SALE MARKETPLACE

For sale development throughout the greater region is generally characterized as broker-represented, primarily representing sales of existing single family homes along with a nominal number of lot sales. At present, there are no national homebuilding companies operating in the six-county region, with regional homebuilders such as Drake Homes providing build-to-suit custom single family homes on varying lot widths which range in price from the high $200,000s. In Robinson, for example, several newer homes have been built along west Mefford Street immediately northeast of Crawford Memorial Hospital, while established executive homes from the high $300,000s are found within the Quail Hollow and Quail Nest Estates subdivisions align with the Quail Creek Country Club.



Representative Newer Mefford St Homes
Robinson, IL



Representative Home: Quail Hollow -
Robinson, IL

Representative Home: Quail Nest Estates
Robinson, IL

The following paragraphs highlight pertinent Crawford County for sale trends for perspective:

- Data abstracted from the Mid-Eastern Indiana Realtors Association reveals that there were 160 single family homes sold in Crawford County in 2021, a volume some 47.0 percent higher than the 109 homes sold in the county in 2020. As summarized in **Exhibit 3.1**, single family closings in 2021 carried an average closing price of $116,562, on par with the $116,680 average noted one year earlier. The average market time for a single family home stood at 169 days, well below the 236-day average noted in 2020. As Exhibit 3.1 also reveals, 131 home sales or 82.0 percent of all closing activity occurred at price points *below* 175,000, reflecting the dominance of vintage housing

3.1

CLOSINGS BY PRICE RANGE: NEW AND EXISTING SINGLE FAMILY HOMES
-- CRAWFORD COUNTY MARKET AREA --

DRAFT
(FOR REVIEW AND COMMENT)

Price Range	Closings by Year							
	Total		2020		2021		YTD 2022[1]	
	Total Closings	Percent	Number of Closings	Percent	Number of Closings	Percent	Number of Closings	Percent
Under $100,000	206	52.4	62	56.9	94	58.8	50	40.3
100,000 - 124,999	33	8.4	14	12.8	10	6.3	9	7.3
125,000 - 149,999	34	8.7	7	6.4	14	8.8	13	10.5
150,000 - 174,999	42	10.7	6	5.5	13	8.1	23	18.5
175,000 - 199,999	19	4.8	7	6.4	5	3.1	7	5.6
200,000 - 224,999	12	3.1	2	1.8	8	5.0	2	1.6
225,000 - 249,999	12	3.1	1	0.9	7	4.4	4	3.2
250,000 - 299,999	14	3.6	4	3.7	3	1.9	7	5.6
300,000 - 399,999	11	2.8	5	4.6	3	1.9	3	2.4
400,000 and Above	10	2.5	1	0.9	3	1.9	6	4.8
Total	***393***	***100.0***	***109***	***100.0***	***160***	***100.0***	***124***	***100.0***
Average Price	*$126,388*		*$116,680*		*$116,562*		*$147,601*	
Median Price	*$96,000*		*$95,000*		*$87,000*		*$130,000*	
Average Days on Market	*166*		*236*		*169*		*101*	

[1] As of October 2022. Closings year-to-date October translate to an estimated annualized 145 closings.

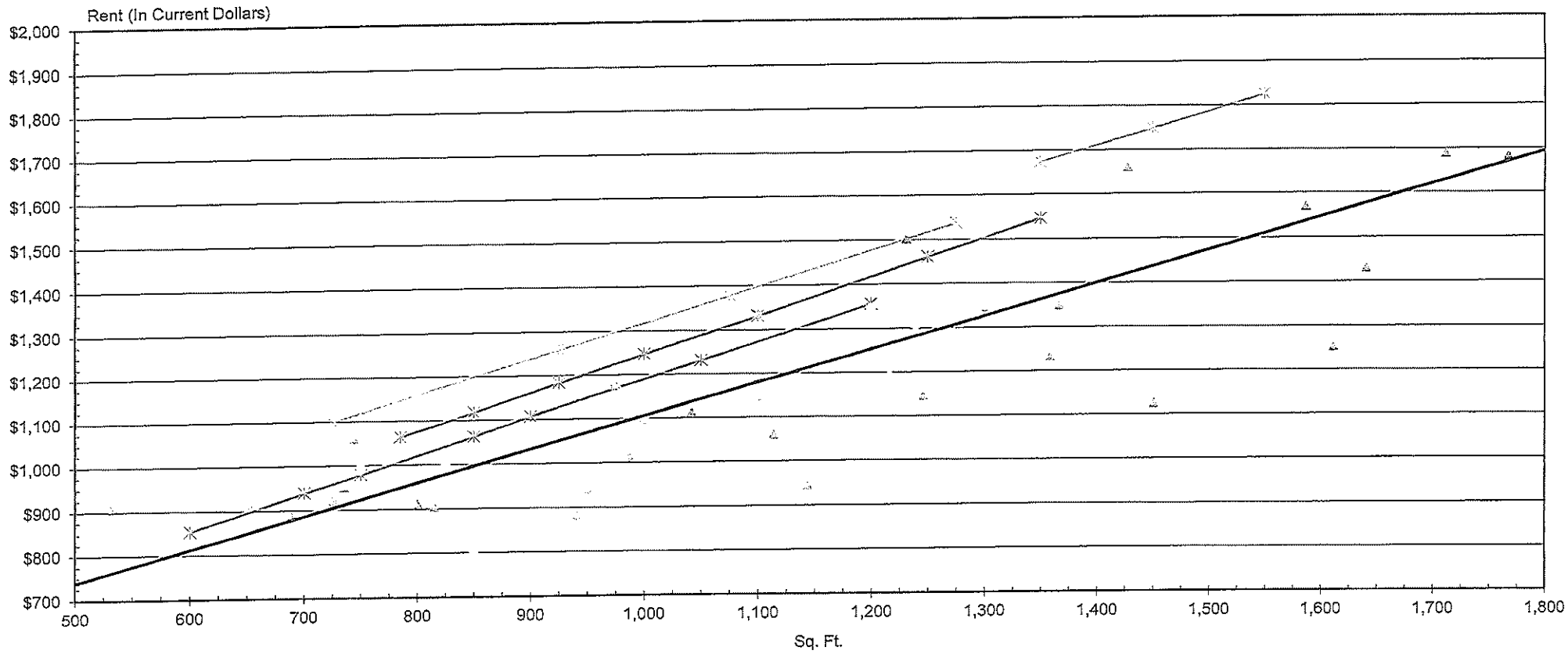
Source: Paragon Mid-Eastern Indiana Real Estate Services

stock throughout the county. Nonetheless, in 2021, another 10.0 percent of closings carried prices in excess of $225,000. While statistics must be viewed in context, these latter higher-priced closings carried an average closing price of $311,594, generally on par with the $314,632 average noted in 2020. Through the first 10 months of 2022, the 124 single family homes sold in Crawford County translated to an *estimated* annualized 145 sales, down 9.4 percent compared to 2021 volume. However, the average price of a single family home rose to $147,601, representing a sharp 26.7 percent increase over the $116,562 average noted the previous year, while average marketing time fell to 101 days. Notably, closings at $225,000 or more accounted for 16.0 percent of all activity during the January-October timeframe, with the average closing price among this latter group advancing to $350,695 up 12.0 percent compared to the $312,832 average noted the previous two years. Finally, as detailed in Appendix A3.1, the city of Robinson has accounted for nearly three-quarters of all closing activity in Crawford County over the last two years, and more than 85.0 percent of all higher priced activity.

A1.1

Rent/Value Analysis
Representative Newer Garden Apartments
Bloomington-Normal, IL / Terre Haute, IN Regions
4th Quarter 2022

DRAFT
(FOR REVIEW AND COMMENT)



Program (Vacancy/Absorption)

One Bedroom (0.0)	Two Bedroom (0.0)	Three Bedroom (0.0)	Three Bedroom & Den (0.0)	Oak Creek Crossing (6.2)
The Ponds (0.0)	Traditions Bloomington (5.2)	Wingover Flats (0.0)	Bayberry Village (0.0)	Healing Stone Court (0.0)
Cobblestone Crossing (6.3)	Heritage Trail (3.7)	Three-Story Garden Prototype	Two-Story PE Garden Protype	Ranch Villa Apartment Prototype
SFR Prototype	Market Line			

Rent/value analysis uses a scatter diagram to graphically represent a set of observations found in today's marketplace, specifically the square footage of units offered and their associated rent levels. Regression analysis is then used to fit a line through the set of market observations that represent the "best fit" or average market line. This market line can then be used to predict the performance of a new, untested product line or offer explanations regarding the occupancy/absorption rates of currently available product lines.

Source: Tracy Cross & Associates, Inc.

2022.4Q AVG

A1.2

Rent/Value Analysis
Representative Newer Garden Apartments
Bloomington-Normal, IL / Terre Haute, IN Regions
4th Quarter 2022

DRAFT
(FOR REVIEW AND COMMENT)

Plan Size (Sq. Ft.)	Average Market Rent
500	$741
600	814
700	887
800	960
900	1,033
1,000	1,106
1,100	1,179
1,200	1,252
1,300	1,325
1,400	1,398
1,500	1,471
1,600	1,544
1,700	1,617
1,800	1,690

Slope: $0.73 per sq. ft.

Development/Location	Year Built	Total Units	Average Plan Size (Sq. Ft.)	Average Posted Rent: Dollars	Average Posted Rent: Rent per Sq. Ft.	Average Market Rent	Variance From Market	Vacancy Rate / Absorption (Units/Mo.)
(1) SFR Prototype @ 2023 Bnmk $/Phase	2023+	60	1,455	$1,754	1.21	$1,439	$+315	2.5/Mo. Fcst
(1) Ranch Villa Prototype @ 2023 Bnmk $/Phase	2023+	30	1,000	1,320	1.32	1,106	+214	2.5/Mo. Fcst
2S PE Gdn Prototype @ 2023 Bnmk *Base* $/Phase	2023+	30	956	1,212	1.27	1,074	+138	6.3/Mo. Fcst
Healing Stone Court/Normal	2012	78	854	1,077	1.26	1,000	+77	0.0
3S Gdn Prototype @ 2023 Bnmk *Base* $/Phase	2023+	108	847	1,066	1.26	995	+71	9.2/Mo. Fcst
Oak Creek Crossing/Bloomington	2003	176	889	1,073	1.21	1,025	+48	6.2
---- ***Market Average*** ----	***2004***	***260***	***998***	***1,105***	***1.11***	***1,105***	***0***	***3.0***
Heritage Trail/Terre Haute	*2004*	*296*	*969*	*1,081*	*1.12*	*1,084*	*-3*	*3.7*
Wingover Apts/Bloomington	2003	530	1,078	1,157	1.07	1,163	-6	0.2
(2) *Cobblestone Crossings/Terre Haute*	*2006*	*448*	*1,072*	*1,145*	*1.07*	*1,159*	*-14*	*6.3*
The Ponds/Bloomington	2001	168	711	871	1.23	895	-24	0.0
(3) *The Flats of Terre Haute/Terre Haute*	*2017*	*106*	*1,020*	*1,090*	*1.07*	*1,121*	*-31*	*0.9*
Bayberry Village/Normal	1997	168	1,020	1,035	1.01	1,121	-86	0.0
Traditions Bloomington/Bloomington	2003	212	1,045	1,042	1.00	1,139	-97	5.2

(1) Rents *include value of* direct-access garage.
(2) Rents adjusted down for direct-access garage included with select units; utilized for analytical purposes only.
(3) Development not included in derivation of market line.

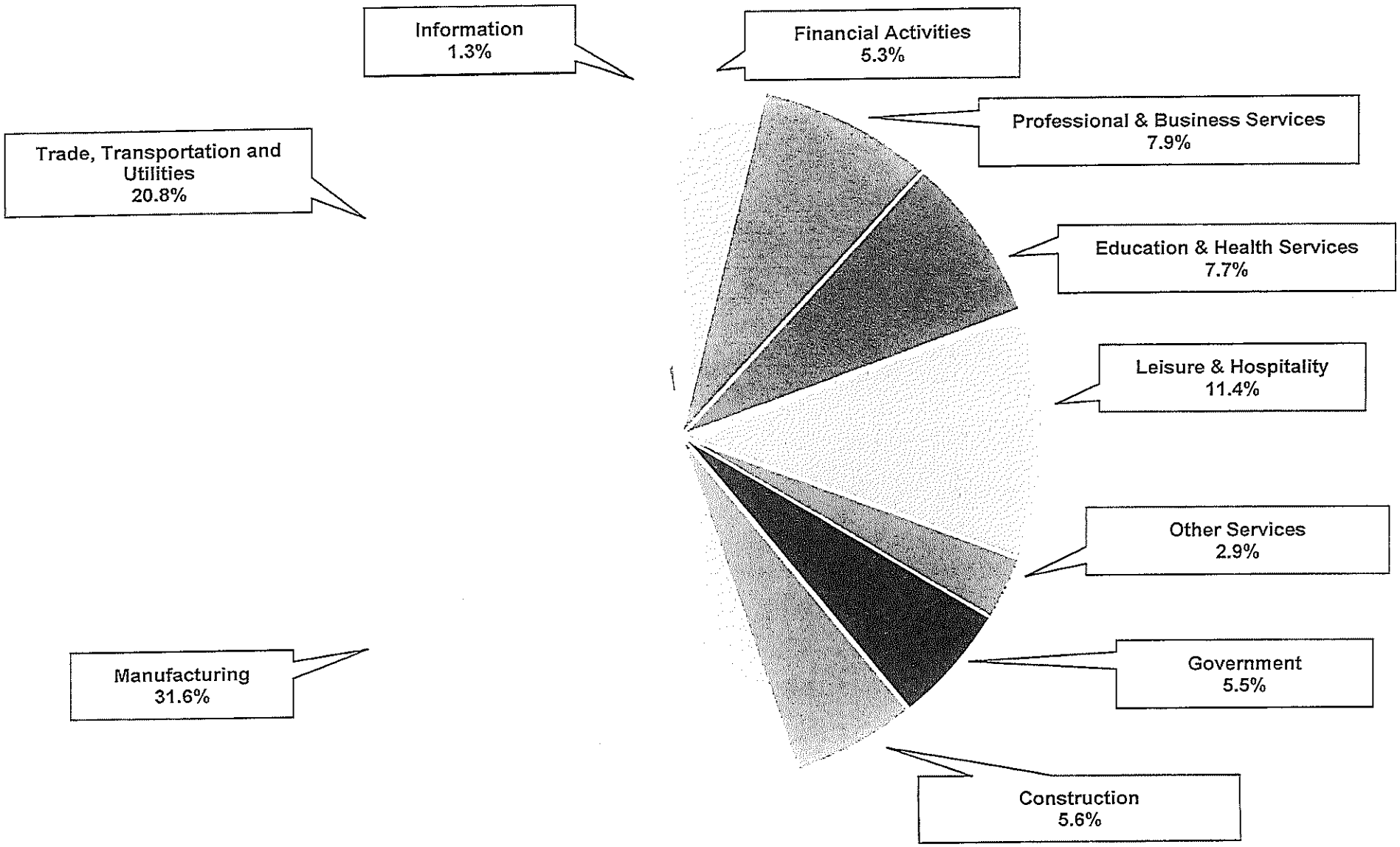
Source: Tracy Cross & Associates, Inc.

2022.4Q AVG

A2.1

2021 COVERED EMPLOYMENT BY INDUSTRY SECTOR
-- CRAWFORD COUNTY --

DRAFT
(FOR REVIEW AND COMMENT)



Source: U.S. Department of Labor, Bureau of Labor Statistics

A2.2

POPULATION, HOUSEHOLDS, TENURE, AND INCOME: 2022
-- SOUTHEASTERN ILLINOIS REGION - CRAWFORD COUNTY --

DRAFT
(FOR REVIEW AND COMMENT)

Attribute/Year	Southeastern Illinois Region[1]	Crawford County	City of Robinson	Remainder of County
Population				
2000	90,431	20,452	8,092	12,360
2010	89,964	19,817	7,713	12,104
2022	85,528	18,641	7,221	11,420
2027	85,141	18,508	7,146	11,362
Average Annual Change				
2000 - 2010	-47	-64	-38	-26
2010 - 2022	-370	-98	-41	-68
2022 - 2027	-77	-27	-15	-12
2022 Household Tenure				
Total Housing Units	*39,832*	*8,552*	*3,422*	*5,130*
Total Occupied	**34,312**	**7,381**	**2,864**	**4,517**
Owner Occupied	26,600	5,830	1,969	3,861
Percent	77.5	79.0	68.8	85.5
Renter Occupied	7,712	1,551	895	656
Percent	22.5	21.0	31.3	14.5
Vacant	**5,520**	**1,171**	**558**	**613**
Percent	13.9	13.7	16.3	11.9
2022 Household Size				
Total Population	**85,528**	**18,641**	**7,221**	**11,420**
In Group Quarters	4,672	1,502	902	600
In Households	80,856	17,139	6,319	10,820
Total Households	**34,312**	**7,381**	**2,864**	**4,517**
Average Persons Per Household	**2.36**	**2.32**	**2.21**	**2.40**

Attribute/Year	Southeastern Illinois Region	Crawford County	City of Robinson	Remainder of County
Households				
2000	36,080	7,842	3,134	4,708
2010	35,718	7,763	3,054	4,709
2022	34,312	7,381	2,864	4,517
2027	34,288	7,355	2,841	4,514
Average Annual Change				
2000 - 2010	-36	-8	-8	0
2010 - 2022	-117	-32	-16	-16
2022 - 2027	-5	-5	-5	-1
2022 Household Income				
Total Households	**34,312**	**7,381**	**2,864**	**4,517**
Under $35,000	10,239	2,455	986	1,469
35,000 - 49,999	4,924	1,053	492	561
50,000 - 74,999	6,095	1,324	451	873
75,000 - 99,999	4,552	864	307	557
100,000 - 149,999	5,549	1,069	392	677
150,000 - 199,999	1,577	342	128	214
$200,000 and Above	1,376	274	108	166
Median	*$58,146*	*$52,943*	*$48,489*	*$56,606*
2022 Housing Units by Year Built				
Total Housing Units	**39,832**	**8,552**	**3,422**	**5,130**
Built in 2014 or Later	935	175	52	123
Built 2010 to 2013	814	268	117	151
Built 2000 to 2009	3,419	591	110	481
Built 1990 to 1999	4,390	848	291	557
Built 1960 to 1989	13,645	2,666	1,080	1,586
Built 1959 or Earlier	16,629	4,004	1,772	2,232
Median Year Structure Built	*1967*	*1963*	*1959*	*1966*

[1] Defined as Clark, Crawford, Cumberland, Jasper, Lawrence and Richland counties, Illinois.

Source: U.S. Department of Commerce, Bureau of the Census: *Census 2000 and 2010 and* Environics Analytics

A2.3

RESIDENTIAL BUILDING PERMIT TRENDS BY COUNTY
-- SOUTHEASTERN ILLINOIS REGION --
2000 - 2021

DRAFT
(FOR REVIEW AND COMMENT)

Year	Southeastern Illinois Total	Clark County, IL	Crawford County, IL	Cumberland County, IL	Jasper County, IL	Lawrence County, IL	Richland County, IL
Total							
2000	80	14	5	11	2	3	45
2001	89	9	6	11	1	1	61
2002	58	4	5	13	1	1	34
2003	48	6	12	12	1	2	15
2004	64	8	8	13	1	3	31
2005	29	6	8	1	1	0	13
2006	59	30	10	4	1	0	14
2007	26	7	4	3	1	0	11
2008	63	47	6	1	1	0	8
2009	25	8	6	2	0	0	9
2010	24	5	7	2	0	0	10
2011	51	4	38	1	0	0	8
2012	19	5	8	1	0	0	5
2013	22	12	5	1	0	0	4
2014	16	7	5	0	0	0	4
2015	38	12	14	2	0	0	10
2016	24	17	2	2	0	0	3
2017	31	20	7	0	1	0	3
2018	10	4	3	0	1	0	2
2019	7	1	3	0	1	0	2
2020	48	2	43	1	1	0	1
2021	17	6	6	0	3	0	2
Annual Average							
2000 - 2021	39	11	10	4	1	0	13
2000 - 2008	57	15	7	8	1	1	26
2009 - 2016	27	9	11	1	0	0	7
2017 - 2021	23	7	12	0	1	0	2

A2.3

RESIDENTIAL BUILDING PERMIT TRENDS BY COUNTY
-- SOUTHEASTERN ILLINOIS REGION --
2000 - 2021

DRAFT
(FOR REVIEW AND COMMENT)

Year	Southeastern Illinois Total	Clark County, IL	Crawford County, IL	Cumberland County, IL	Jasper County, IL	Lawrence County, IL	Richland County, IL
Single Family							
2000	46	12	5	9	2	3	15
2001	43	7	6	9	1	1	19
2002	30	4	1	9	1	1	14
2003	34	6	4	6	1	2	15
2004	36	8	4	7	1	3	13
2005	29	6	8	1	1	0	13
2006	43	14	10	4	1	0	14
2007	24	7	2	3	1	0	11
2008	17	1	6	1	1	0	8
2009	17	0	6	2	0	0	9
2010	24	5	7	2	0	0	10
2011	51	4	38	1	0	0	8
2012	19	5	8	1	0	0	5
2013	22	12	5	1	0	0	4
2014	13	4	5	0	0	0	4
2015	32	6	14	2	0	0	10
2016	12	5	2	2	0	0	3
2017	17	6	7	0	1	0	3
2018	10	4	3	0	1	0	2
2019	7	1	3	0	1	0	2
2020	5	2	0	1	1	0	1
2021	17	6	6	0	3	0	2
Annual Average							
2000 - 2021	25	6	7	3	1	0	8
2000 - 2008	34	7	5	5	1	1	14
2009 - 2016	24	5	11	1	0	0	7
2017 - 2021	11	4	4	0	1	0	2

A2.3

RESIDENTIAL BUILDING PERMIT TRENDS BY COUNTY
-- SOUTHEASTERN ILLINOIS REGION --
2000 - 2021

DRAFT
(FOR REVIEW AND COMMENT)

Year	Southeastern Illinois Total	Clark County, IL	Crawford County, IL	Cumberland County, IL	Jasper County, IL	Lawrence County, IL	Richland County, IL
Multi-Family							
2000	34	2	0	2	0	0	30
2001	46	2	0	2	0	0	42
2002	28	0	4	4	0	0	20
2003	14	0	8	6	0	0	0
2004	28	0	4	6	0	0	18
2005	0	0	0	0	0	0	0
2006	16	16	0	0	0	0	0
2007	2	0	2	0	0	0	0
2008	46	46	0	0	0	0	0
2009	8	8	0	0	0	0	0
2010	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0
2014	3	3	0	0	0	0	0
2015	6	6	0	0	0	0	0
2016	12	12	0	0	0	0	0
2017	14	14	0	0	0	0	0
2018	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0
2020	43	0	43	0	0	0	0
2021	0	0	0	0	0	0	0
Annual Average							
2000 - 2021	14	5	3	1	0	0	5
2000 - 2008	24	7	2	2	0	0	12
2009 - 2016	4	4	0	0	0	0	0
2017 - 2021	11	3	9	0	0	0	0

Source: U.S. Department of Commerce, *C-40 Construction Reports*

A3.1

NEW AND EXISTING SINGLE FAMILY DETACHED CLOSINGS BY PRICE RANGE
-- CRAWFORD COUNTY --

DRAFT
(FOR REVIEW AND COMMENT)

Price Range	Closings by Year								
	2020			2021			YTD 2022[1]		
		City of Robinson			City of Robinson			City of Robinson[2]	
	Crawford County	Number	Percent of County	Crawford County	Number	Percent of County	Crawford County	Number	Percent of County
Under $100,000	62	41	66.1	94	69	73.4	50	41	82.0
100,000 - 124,999	14	12	85.7	10	4	40.0	9	8	88.9
125,000 - 149,999	7	6	85.7	14	12	85.7	13	9	69.2
150,000 - 174,999	6	4	66.7	13	11	84.6	23	19	82.6
175,000 - 199,999	7	6	85.7	5	5	100.0	7	6	85.7
200,000 - 224,999	2	2	100.0	8	8	100.0	2	1	50.0
225,000 - 249,999	1	0	0.0	7	6	85.7	4	3	75.0
250,000 - 299,999	4	3	75.0	3	2	66.7	7	6	85.7
300,000 - 399,999	5	4	80.0	3	3	100.0	3	3	100.0
400,000 and Above	1	1	100.0	3	3	100.0	6	4	66.7
Total	***109***	***79***	***72.5***	***160***	***123***	***76.9***	***124***	***100***	***80.6***
Average Price	***$116,680***	***------ $122,937 ------***		***$116,562***	***------ $125,343 ------***		***$147,601***	***------ $145,996 ------***	
Median Price	***$95,000***	***------ $97,900 ------***		***$87,000***	***------ $92,500 ------***		***$130,000***	***------ $130,000 ------***	
Average Days on Market	***236***	***-------- 239 --------***		***169***	***-------- 179 --------***		***101***	***-------- 104 --------***	

(1) As of October 2022. Crawford County closings year-to-date October translate to an estimated annualized 145 closings.

(2) As of October 2022. City of Robinson closings year-to-date October translate to an estimated annualized 116 closings.

DRAFT
(FOR REVIEW AND COMMENT)

GENERAL LIMITING CONDITIONS

Tracy Cross & Associates, Inc. has made extensive efforts to confirm the accuracy and timeliness of the information contained in this study. Such information was compiled from a variety of sources, including interviews with developers and their agents, government officials, and other third parties. Although Tracy Cross & Associates, Inc. believes all information in this study is correct, it does not warrant the accuracy of such information and assumes no responsibility for inaccuracies in the information provided by third parties.

Conclusions and recommendations established in this analysis represent a professional opinion and are based upon forecasts into the future which could be significantly altered by outside occurrences. These include, among others, the possible interplay of unforeseen social, economic, physical/environmental, and governmental actions. In this regard, Tracy Cross & Associates, Inc., its owners, and its employees shall be held harmless of changes in conditions that may materially result from these occurrences.

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