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***Nationwide* Valuation and Market
Feasibility Experts**

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For further information

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Market Study, Appraisal, CNA

- Preservation

- Market Study: When dealing with properties going through preservation, there are several avenues available to the developer, owner and others involved. A key issue is picking the correct type of programs and funding available to make the deal work. Market Analysts, Appraisers and Engineers should always be familiar with the many guidelines that go along with various programs and funding sources.

- 9% vs 4%
 - Preservation vs New Construction
 - LIHTC vs Bonds



Market Study, Appraisal, CNA

- Preservation

- Appraisal: As with the market study, there are going to be numerous guidelines that may be applicable for appraisals dealing with preservation projects. Things to be considered among the various programs and funding sources are:
 - Perceived flexibility between preservation deals and new construction deals
 - Restraints with transfer, implications and uses of different value types
 - As Is Market Value
 - As Is Restricted Value
 - As Complete Market Value
 - As Complete Restricted Value



Market Study, Appraisal, CNA

- Preservation

- Capital Needs Assessment (CNA): With preservation deals, the CNA will

- Program Types

- 4%/9%LIHTC

- HUD/MAP

- Rural Development

- Conventional

- Extensiveness of Scope of Work

- Energy Audits

- Typical Green Replacements within the CNA

- Payment Analysis with a supplemental Energy Audit

Market Study, Appraisal, CNA

- Disposition

- Market Study: We rarely, if ever, complete a market study for disposition between an LP and a GP
- Appraisal: There are many options available with many partnership agreements while others require a full appraisal to determine the value of the partnership interests.
 - BPOs/BPVs
 - Business Valuations
 - Internal Cash Flow Modeling and Negotiation
 - Full Appraisal



Market Study, Appraisal, CNA

- Disposition
 - Appraisal (cont'd)
 - Biggest Questions in Disposition Appraisals
 - Exaggerated Expenses
 - Understated Income
 - Unachieved Income
 - Deferred Maintenance
 - Capital Needs Assessments
 - Deferred Maintenance vs Immediate Needs