CONFIDENTIAL

Helios Apartments

Map Nos.:	E-044-001
Tax Parcel Nos.:	768389-0010
Property key:	9153
Address	1600 2nd Avenue
Zoning:	DMC 240/290-440
Property rights:	No apparent restrictions
Previous sale:	N/A
Proximity to project:	Adjacent to Pine
Ownership:	EQR-Second & Pine, LLC
Description:	26,807 SF site on the southeast corner of 2nd Avenue and Stewart Street, condominium, of which this property comprises a 74.39% interest, consis 2016, with no apparent rights to 329-stall parking structure.

INCOME ANALYSIS Before	Year Built	2015
	Parking	329

Potential Gross Income

	Units	**SF NRA**	**Total NRA**	**Rent**	**Rent/SF**
Studio	100	468	46,800	$2,076	$4.44
1-bedroom	148	779	115,292	$3,040	$3.90
2-bedroom	150	1,137	170,550	$4,574	$4.02
3-bedroom			0	$0	$0.00
Total apartments	398	836	332,642	$3,376	$4.04
	GBA	**NRA**			
Retail	4,163	4,163		SF NRA @	$35.00
Office				SF NRA @	
Restaurant				SF NRA @	
Other				SF NRA @	
Subtotals	4,163	4,163			
Parking Area/Stalls	127,958		329	stalls @	$300.00
Basement	0	0		SF NRA @	$0.00
Other	0	0		SF NRA @	$0.00
Other				1.0%	of PGI
Total Bldg Area & Gross Income	559,958	306,374		SF NRA @	$57.49

Less: Vacancy/credit allowance @	4.0%	of apartment revenue
	5.0%	of commercial revenue
	0.0%	of parking revenue
Total vacancy/credit allowance		
Effective gross income		

Less: Operating expenses		
Management fee @	5.0%	of total EGI
Parking operating expenses @		of parking EGI
Apartment operating expenses	25.0%	of apartment EGI

Structural maintenance/reserve	$0.25	per SF of GBA		
Total operating expenses			$15.86	28.6%
Net operating income				
Indicated Value				
Land Value		26,751		
		19,900	SF @	$1,800.00
Residual Improvements		306,374	SF NRA @	$858.64
		559,958	SF GRA @	$469.79

Special Benefit Summary

	Land			% Change
	Per SF	**Total**	**Improved**	
Without LID	$1,800.00	$35,820,000	$263,064,000	N/A
With LID				
Scenario A1	$1,836.00	$36,537,000	$267,638,000	1.74%
Scenario A2	$1,836.00	$36,537,000	$269,150,000	2.31%
Scenario B1	$1,836.00	$36,537,000	$269,914,000	2.60%
Scenario B2	$1,836.00	$36,537,000	$266,842,000	1.44%
Percent change in land value	2.00%		$268,386,000	2.02%
Overall Summary				
Without LID	$1,800.00	$35,820,000	$263,064,000	N/A
With LID	$1,836.00	$36,537,000	$268,075,000	1.90%

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Scenario A: Rental and Vacancy Rate Changes

Ownership	APN	Descript
EQR-Second & Pine, LLC	768389-0010	Apartme
RB-WW Seattle, LLC	768389-0020	Hotel U

, platted into a 2-parcel
ting of a 229-room hotel built in

		INCOME ANALYSIS After	Year Built	2015		
		Potential Gross Income				
			Units	**SF NRA**		
	$2,491,200	Studio	100	468		
	$5,399,040	1-bedroom	148	779		
	$8,233,200	2-bedroom	150	1,137		
	$0	3-bedroom	0	0		
	$16,123,440	Total apartments	398	836		
			GBA	**NRA**		
per SF =	$145,705	Retail	4,163	4,163		SF
per SF =	$0	Office	0	0		SF
per SF =	$0	Restaurant	0	0		SF
per SF =	$0	Other	0	0		SF
	$145,705	Subtotals	4,959	7,383		
/month	$1,184,400	Parking Area/Stalls	127,958	0	329	
per SF =	$0	Basement	0	0		SF
per SF =	$0	Other	0	0		SF
	$161,234	Other				
/SF =	$17,614,779	Total Bldg Area & Gross Income	559,958	306,374		SF
	($644,938)	Less: Vacancy/credit allowance				of apartment
	($7,285)					of commercial
	$0					of parking
	($652,223)	Total vacancy/credit allowance				
	$16,962,557	Effective gross income				
		Less: Operating expenses				
	($848,128)	Management fee @	5.0%	of total EGI		
	$0	Parking operating expenses @	0.0%	of parking EGI		
	($3,869,626)	Apartment operating expenses	25.0%	of apartment EGI		

	($139,990)	Structural maintenance/reserve	$0.25	per SF of GBA
$12,205	($4,857,743)	Total operating expenses		
	$12,104,814	Net operating income		
		Indicated Value		
Capitalized @	4.05%			
Indicated value	$298,884,287			
(R)	**$298,884,000**			
Per DU	$750,965			
		Land Value		
per SF =	$35,820,000			19,900
per SF =	$263,064,000	**Residual Improvements**		

Total Estimated Value	**Special Benefit**	**% Change**	
$298,884,000	N/A	N/A	
			Per DU
$304,175,000	$5,291,000	1.77%	$13,294
$305,687,000	$6,803,000	2.28%	$17,093
$306,451,000	$7,567,000	2.53%	$19,013
$303,379,000	$4,495,000	1.50%	$11,294

$298,884,000	N/A		
$304,612,000	$5,728,000	1.92%	$14,392

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Scenario B: Overall Capitalization

tion	Land Area	%	GBA	NRA
ent Unit	19,900	74.39%	559,958	306,374
nit	6,851	25.61%	185,492	185,492
	26,751	100.00%	745,450	491,866

					INCOME ANALYSIS After
					Potential Gross Income
			Low	**High**	
	Per DU	Per DU	1.75%	2.25%	
	$2,112	$2,123	$2,534,796	$2,547,252	Studio
	$3,093	$3,108	$5,493,523	$5,520,518	1-bedroom
	$4,654	$4,677	$8,377,281	$8,418,447	2-bedroom
	$0	$0	$0	$0	3-bedroom
	$3,435	$3,452	$16,405,600	$16,486,217	Total apartments
			1.75%	2.25%	
: NRA @	$35.61	$35.79	$148,255	$148,983	Retail
: NRA @	$0.00	$0.00	$0	$0	Office
: NRA @	$0.00	$0.00	$0	$0	Restaurant
: NRA @	$0.00	$0.00	$0	$0	Other
			$148,255	$148,983	Subtotals
	Per Month	Per Month	1.75%	2.25%	
stalls @	$305.25	$306.75	$1,205,127	$1,211,049	Parking Area/Stalls
	Per SF	Per SF	0.00%	0.00%	
: NRA @	$0.00	$0.00	$0	$0	Basement
: NRA @	$0.00	$0.00	$0	$0	Other
1.0%	of PGI		$164,056	$164,862	Other
: NRA @	$58.50	$58.79	$17,923,038	$18,011,112	Total Bldg Area & Gross Income
revenue	4.00%	4.00%	($656,224)	($659,449)	Less: Vacancy/credit allowance @
revenue	5.00%	5.00%	($7,413)	($7,449)	
revenue	0.00%	0.00%	$0	$0	
			($663,637)	($666,898)	Total vacancy/credit allowance
			$17,259,401	$17,344,214	Effective gross income
					Less: Operating expenses
			($862,970)	($867,211)	Management fee @
			$0	$0	Parking operating expenses @
			($3,937,344)	($3,956,692)	Apartment operating expenses

		($139,990)	($139,990)		Structural maintenance/reserve
		($4,940,304)	($4,963,892)		Total operating expenses
		$12,319,098	$12,380,322		Net operating income
					Indicated Value
	Capitalized @	4.05%	4.05%		
		$304,175,251	$305,686,955		
	(R)	**$304,175,000**	**$305,687,000**		
	Per DU	$764,259	$768,058		
	% change	1.77%	2.28%		
					Land Value
SF @ $1,836.00	per SF =	$36,537,000	$36,537,000	2.00%	
		$267,638,000	$269,150,000		**Residual Improvements**
	Per SF NRA	$873.57	$878.50		

Rates Changes

Year Built	2015

Units	SF NRA	Total NRA	Rent	Rent/SF		
100	468	46,800	$2,076	$4.44		$2,491,200
148	779	115,292	$3,040	$3.90		$5,399,040
150	1,137	170,550	$4,574	$4.02		$8,233,200
0	0	0	$0	$0.00		$0
398	836	332,642	$3,376	$4.04		$16,123,440
4,163	4,163		SF NRA @	$35.00	per SF =	$145,705
0	0		SF NRA @	$0.00	per SF =	$0
0	0		SF NRA @	$0.00	per SF =	$0
0	0		SF NRA @	$0.00	per SF =	$0
4,959	7,383					$145,705
127,958	0	329	stalls @	$300.00	/month	$1,184,400
0	0		SF NRA @	$0.00	per SF =	$0
0	0		SF NRA @	$0.00	per SF =	$0
			1.0%	of PGI		$161,234
559,958	306,374		SF NRA @	$57.49	/SF	$17,614,779
4.0%	of apartment revenue					($644,938)
5.0%	of commercial revenue					($7,285)
0.0%	of parking revenue					$0
						($652,223)
						$16,962,557
5.0%	of total EGI					($848,128)
0.0%	of parking EGI					$0
25.0%	of apartment EGI					($3,869,626)

$0.25	per SF of GBA				($139,990)	
					($4,857,743)	
					$12,104,814	
				Low	**High**	
			Capitalized @	3.95%	3.99%	
			Indicated Value	$306,450,978	$303,378,788	
			(R)	**$306,451,000**	**$303,379,000**	
			Per DU	$1,000.25	$990.22	
			% change	2.53%	1.50%	
19,900	SF @	$1,836.00	per SF =	$36,537,000	$36,537,000	2.00%
				$269,914,000	$266,842,000	
			per SF NRA	$881.00	$870.97	