

Age Restricted Condominium Development in the Seacoast

By Steven H. Berg, MAI, SRA

This marketability discussion is an excerpt from an appraisal that I recently completed of a proposed “active-adult” housing development.

Introduction

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) prohibits discrimination in the sale, rental and financing of dwellings based on race, color, religion, sex or national origin. Title VIII was amended in 1988 (effective March 12, 1989) by the Fair Housing Amendments Act, which, among other provisions, expanded the coverage of the Fair Housing Act to prohibit discrimination based on disability or on familial status. The 1988 amendments to the Fair Housing Act also created an exemption to the provisions barring discrimination on the basis of familial status for those housing developments that qualified as housing for persons age 55 or older. This was further expanded with the creation of the Housing for Older Persons Act of 1995

As a result of these acts, as now amended, housing that meets the definition of "housing for older persons" is exempt from the law's familial status requirements, provided that: 1) HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a Federal, State or local government program or; 2) It is occupied solely by persons who are 62 or older or; 3) It houses at least one person who is 55 or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates intent to house persons who are 55 or older. Therefore, housing that satisfies the legal definition of senior housing or housing for older persons described above, can legally exclude families with children. A property does not have to provide "significant facilities and services" designed for the elderly to qualify.

Children born after World War II (1946) up through 1964 were a part of what is referred to as the “baby boom”. This segment of the population, who at the time of the 2000 decennial census ranged from 36 to 54 years old, accounted for nearly 80,000,000 Americans. Over the next twenty years these 80,000,000 Americans will turn 55 years old. By contrast, at the time of the census, only 59,000,000 people were 55 or older. In 2001, the first “boomers” turned 55, and by 2010 over 37,000,000 will have turned 55. The Boomer generation will be the largest, fastest growing and wealthiest segment of society. The Fair Housing Act makes it possible to develop homes exclusively for Boomers; simple logic suggests that it makes the most sense to produce a product that appeals to the greatest number of people.

Demand

Like most of the northeast, the local region is suffering from a housing shortage. In the Seacoast, thousands of new jobs were added and most were at higher wage levels. As a result, the total of all wages paid in Portsmouth rose 42% from 1997 to 2000. This meant that considerably more money was chasing after the existing housing supply. Since more people are employed in Portsmouth than in any other community in the region the impact of this wealth was widespread. Demand was compounded by record low mortgage rates, which translated into even more buying power.

As a result, in Portsmouth for example, the average cost of a three bedroom ranch rose from \$113,000 in 1997 to \$210,000 in 2002; an 85% increase in only five years. In most communities, homes have appreciated at rates between 9% and 16% annually, while the increase in the Consumer Price Index has only averaged about 2%.

In a free market economy, soaring demand and soaring prices are supposed to be catalysts for more supply. That is the way it is supposed to work. In reality, supply did not keep pace; from 1990 to 2000, the State's population increased 11.4% while the housing supply increased by only 8.8%. That may sound like a small gap, but it translates to 13,000 fewer housing units being added than were needed. Likewise, vacancy is too low; a certain amount of vacancy is necessary to maintain a healthy balance between supply and demand. According to the census, 5.9% of the nation's housing stock was vacant¹. Most of the northeast is at around 2%. In the Seacoast alone, where vacancy averaged 2.4%, we would have to have over 3,000 more empty housing units just to match the national average.

Albeit anecdotal, the fact that new homes and condominiums are being sold as fast as they are built clearly implies that demand exists. But the most important question to answer relates to the likelihood of continued demand. According to the 2000 census, the cities and towns that comprise the Portsmouth – Rochester, NH-ME PMSA had a total population of 240,698. The Maine and New Hampshire Offices of State Planning have prepared population forecasts for each community in each state. In the year 2010, a total population of 266,651 is forecast. Based upon the average local household size of 2.34 the fact that the population is forecast to increase by 25,953 suggests that 11,091 more housing units are needed. An allowance must be made for routine vacancy; rather than forecast using each town's actual vacancy rate, which averages 2.4%, I have forecast a 50% increase in each, in the hope of reflecting a more healthy balance between supply and demand.

Calculating each town individually, a forecasted housing need of 11,673 units is indicated. Checking records for building permits for housing units issued in each town during 2001 and 2002 (per the Census Bureau) reveals that 2,924 building permits have already been issued. Assuming that each permit translates to a net increase of one housing unit, 8,749 more housing units are necessary. Based upon the state's population forecasts, there is demand for an average of 1,094 more housing units each year, up to and including 2010.

¹ These figures exclude seasonal housing units and second homes.

It is important to note that between 1990 and 2000, an average of 811 units were added each year. So, if this pace continues, there will continue to be a shortage, and strong upward pressure on prices. Conversely, the past few years have had a tremendous housing boom. Construction during 2001 and 2002 has averaged 1,462 units per year. If *this* pace continues, we run the risk of overbuilding. Built-up demand due to population growth, increases in payroll, the reduction in average household size and the prevalence of moderate interest rates will likely sustain this pace for some time. Also, the spread between the actual pace and the required pace is not so great that an excess would occur anytime soon. But, a significant or even simply a sudden reversal of a factor that influences demand could result in an oversupply. Based solely on the local economy, I see the likelihood of this happening to be relatively minor over the next three to five years. National and global factors are more significant, as well as less predictable variables, so there can be no guarantees.

This conclusion does not provide insight specifically into the likely absorption of housing marketed to individuals who are 55 years old or older. This is actually a two part question: First, how many homes can this segment of the market be expected to buy and, second, how many of them can be expected to purchase in an age restricted development. The first part is easier to answer. According to the Census Bureau's 1999 American Housing Survey, 4.3% of the households headed by an individual who was 65² or older, moved in the preceding year. Of these movers, 22.9% bought a new home (as opposed to renting or buying an existing home). The 2001 American Housing Survey showed that 4.3% of elderly (65+) households moved in the prior year and 22.6% bought new. These figures are quite consistent, suggesting that roughly 1% of the population over 65 will buy a new home.

The last census revealed that there were 21,046 elderly households in the region. The NH Office of State Planning, in preparing their population projections, also prepared a projection by age. The forecast indicates that the number of residents in Rockingham and Strafford Counties 65 and older will increase by 42.7% from 2000 to 2010. Applying this same relationship to the number of households, we can anticipate 30,033 elderly households by 2010, or an average of 25,540 for each year during the decade. Recall though that the elderly population has just begun rising dramatically.

Returning to the American Housing Survey findings, if 1% of these households are likely to move into a new home, then it can be said that pool of potential buyers will average 255 elderly households per year. This analysis omits households that are aged 55 to 64. It also omits the possibility of a renter becoming a buyer, or a buyer of an existing home purchasing new. Even at its most conservative, an estimated pace of 255 potential buyers each year suggests a good outlook for demand.

Unfortunately, there is little reliable data to indicate how many of these elderly buyers of new homes will actually choose an age-restricted condominium project. This data is not tracked by the census. Also, not only is the phenomena of age-restricted housing quite new, but the

² My survey of competing complexes revealed that the primary buyers of age-restricted condos are more likely in their mid 60's to mid 70's. Therefore I have studied households of 65+ rather than 55+.

largest pool of potential buyers are just now becoming eligible to buy. Again, logic must prevail. If a project compares favorably with regard to price, quality, features offered and location, then it seems reasonable that these buyers will gravitate to housing that was built with their specific preferences in mind.

Finally, demand for the region in general must be addressed. The Seacoast region is considered to be an extremely desirable place to live by all age groups. Specifically though, the May/June issue of the American Association of Retired Persons magazine, “AARP, The Magazine” rated Portsmouth as one of its top 15 “dream towns”.³ The following is a side-bar that appeared in that article:

How We Picked the Cities

Our research team looked at 10 criteria reflecting the needs, interests, and tastes of Americans age 50 and older. Not all of the towns excel in every category, but each ranked high in several, and many scored high in most. You'll see some surprises here—we made a genuine attempt to spotlight sleepers—vibrant towns and cities that may not have occurred to you.

- Availability of jobs, since many in this group will work beyond age 65.
- Affordable housing—many cities have costs on par with or below the national median price of \$161,600.
- Culture and entertainment (from museums and opera to shopping and sports events).
- Access to outdoor recreation, from skiing and biking to walking and hiking.
- Safety—personal and property safety, and a generally secure feeling.
- Colleges or universities (for continuing education and a multigenerational vibe).
- Sense of community (often places with a vital and walkable downtown).
- Proximity to comprehensive, well-regarded health care facilities.
- Good public high schools, since many boomers still have teens at home.
- Ease of getting around (public transportation, traffic, access to an airport).

With the obvious exception of the affordable housing criteria, it is clear why the outlook for age-restricted housing is so good for this area.

Supply

In order to gauge the current level of supply, I polled local real estate professionals and developers of age-restricted projects, reviewed “for sale” advertising and conducted internet searches. I located eleven projects now being marketed in the area. Rather than searching all cities and towns in the Portsmouth-Rochester NH-ME PMSA, I limited the search to towns along the coast, and appealing inland towns, such as Exeter, Stratham, Dover and Durham. I also extended the search slightly up the Maine coast, as well as down the Massachusetts coast. While this was not intended to reflect an exhaustive survey, the results are fairly comprehensive. This search was limited to condominium ownership of independent living units. I have omitted developments that are sold out, but there are only a few such

³ <http://www.aarpmagazine.org/travel/Articles/a2003-03-27-mag-bestplaces.html>

complexes. I have included projects that are simply targeted to elderly households. Also, when I interviewed the Sales Manager at each complex, I inquired if they were aware of any nearby developments that are proposed. Other than future phases of larger developments reported here, none were reported. Operating on the assumption that these individuals would know their competition, I conducted no further search for future developments.

The findings of this summary are shown on a subsequent page. These eleven complexes will have a total of 738 units when complete. On average, they are only 18 months old and are 35% built-out (including units under construction). There is a wide variety of styles that includes detached units and units in large multifamily buildings with 18 to 57 units. The townhouses are most typically in duplexes, although there are triplexes, quads, etc, right up to rows of eight.

The complexes tend to be fairly large, averaging 34 acres, but with an average density of only two units per acre. The tabular results depict a number of amenities and features that surveys indicate buyers of 55+ housing desire. It is quite evident that the complexes with the most features have the briskest sales, or, in the case of older complexes, fewer units remaining. Earlier this year the National Association of Home Builders conducted a survey of its members to determine what features buyers in age-restricted communities preferred. Features reported by more than 50% of the responding builders included:

- | | |
|--|------------------------------|
| Full bath on entry level | Covered porch |
| Central heat and air conditioning | Windows that can open easily |
| Attached garage | Easy to use thermostat |
| Lever-handle/door knobs | First Floor Master bedroom |
| Storage space | Wider hallways |
| Garage door opener | Separate shower and bathtub |
| Wider doors (32 in. clearance) | Separate dining room |
| Bigger bathrooms | Private patio |
| Grab bars in bathroom | Gas fireplace |
| Separate living room | Home office |
| No steps at entrance | Great room |
| Cabinets with roll-out trays & lazy susans | |

As with any product, a key to successful marketing is to give the buyer what they want. None of these features appreciably add to the cost of a nicely built condominium, so it is not difficult to build units that appeal to older buyers. This applies to amenities as well as the individual features; The survey also revealed that buyers want a fitness center, a club house, a meeting room, walking trails and social activities. In fact, walking trails are a very significant amenity. A 2003 Harris Poll, commissioned by Del Webb, a nationwide developer of age-restricted housing found that 87% of adults aged 44 to 56 expected to walk for exercise in their retirement. The next closest was bicycling, at 37%. A simple feature can be quite significant in the eyes of the buyer, yet less than half of the complexes surveyed had walking trails.

On a per square foot basis, the apartments are priced between \$160 and \$210, the attached units are \$148 to \$200 and the detached units are \$145 to \$212. This pricing merely reflects diminishing value for additional square footage as opposed to offering any insight into the relative desirability of styles. More telling are that prices are typically in the \$200,000s for apartments and the \$300,000s for townhouses and detached homes. The larger units at Fitts Farm in Durham and the Vineyards in Stratham sell well into the high \$300,000s. These prices are equal to or less than the prices of more homes for sale in the region.

Noticeably absent in the region are homes in the higher price ranges. For example, the Wentworth by the Sea development in New Castle was not age restricted, but a very substantial number of its units were bought by “empty-nesters” and retirees. Most of these homes were detached single family residences. Sales at the Wentworth's seven phases began in September 1993 and the last new home sold in March of 2001. In addition to the 105 properties sold, there were twenty three resales, indicating an average sales pace of roughly 15 units per year. These homes ranged from \$300,000 (quite early in the project) to \$3,300,000.

The success at the Wentworth suggests that there is demand for higher value property by elderly Americans, as well as the capacity to pay. The Seacoast is a relatively prosperous area, with a median household income that is 17% above the national average. Furthermore, older Americans tend to be wealthier. According to the US Department of Health and Human Services Administration on Aging, “The net worth of households increases with age until age 74.... The median net worth of the elderly households (with a householder aged 65+) in 2000 was \$108,885 as compared to \$55,000 for the total population.⁴ In light of these statistics, one would expect that there be more complexes that target higher net worth households. In fact, all are priced very much in line, or competitive to, prevailing prices for new houses and condominiums in the region.

The eleven complexes average 30% sold out, including reservations and units under contract. The pace averages 3.2 sales per month, but with wide variations. Both Bluebay Terrace in Hampton and the Village at Hampton Center are selling quite slowly. Both of these are single buildings, located on small lots behind commercial buildings on Route 1. This is apparently hurting sales. Every sales agent I interviewed except for at these two complexes spoke quite optimistically about sales. Sterling Hill in Exeter seems to be enjoying stand-out success, at double the average sales pace. These units have atypically high quality and are also larger than most of the apartments being built. Another noteworthy factor is location. The Del Webb / Harris survey found that among the most appealing factors were healthcare availability, availability of recreation and proximity to markets and other retailers. Windgate's proximity to an area as popular as Newburyport seems to have been a benefit.

⁴ http://www.aoa.gov/press/did_you_know/2003/july.asp

Perhaps more so than typical family housing, competent marketing is crucial. The study of competing complexes revealed that most buyers are actually 65 and older, rather than 55 and older. It is incumbent upon a developer to effectively market these units to this segment with an emphasis on the existence of features these buyers are known to want. It is also important to avoid the suggestion that this is a “retirement community”. The colloquial has become “active adult” communities, as this does not carry the connotation of actually getting older. A number of Sales Managers stressed that these buyers are highly informed about the product and their choices. Many moves are the result of some sort of necessity. Examples may include job relocation, a growing family, a big raise, a recent lay-off, etc. The buyers in age-restricted communities are typically under no such compulsion and must be convinced that this is somehow better than their current living arrangement.

Finally, of all types of housing, there seems to be the least public opposition to elderly housing. It is widely believed that we are running out of places to build. This is only partially true. There isn't a shortage of land; there is a shortage of land upon which developers are allowed to build. That shortage is created by community resistance. This can be in the form of growth control measures, tight zoning and planning requirements, various impact fees, regulatory process delays, and the pervasiveness of the “not in my backyard” movement. Existing public policy does not support a balanced supply of housing. Many towns have zoning ordinances that encourage elderly housing. This will likely facilitate construction of these projects, so there must be some vigilance to avoid saturating the market as developers seek a path of least resistance.

Steven H. Berg, MAI, SRA lives in Portsmouth and is the owner of Sargent Consulting, Ltd. He is a graduate of Connecticut College, where he earned a Bachelor of Arts degree, cum laude, majoring in economics and sociology. Steven has been appraising a variety of property types in New Hampshire's Seacoast area since 1987. He specializes in providing consulting services and litigation support and has amassed considerable classroom education on a wide range of related topics. Steven is both a residential and general member of the Appraisal Institute. In addition, he is a member of the Portsmouth Housing Endowment Fund Advisory Committee, is on the board of The Portsmouth Economic Development Loan Program and is a member of Portsmouth's Zoning Board of Adjustment.

~~~~~  
*For additional information contact:*  
Steven H. Berg, MAI, SRA  
Sargent Consulting, Ltd.  
Post Office Box 787  
Portsmouth, NH 03802  
603-433-4494  
shberg(at)sargentconsultingltd.com

**Survey of "Active Adult" Condo Complexes  
In Seacoast Region (NH, ME and MA)**

| <b>Project Name</b>                                   | <b>Total Planned</b> | <b>Existing or U/C</b> | <b>Proposed</b> | <b>Marketing Commenced</b> | <b>Total Sold</b> | <b>Closed</b>                             | <b>Pending</b> | <b>Reserved</b> | <b>Total Remaining</b> | <b>Sales per Month</b> | <b>Excluding Reserved</b> | <b>Current Asking Price</b>                        | <b>Gross Living Area (Square Feet)</b> | <b>Style</b>                                         | <b>\$/SF: Detached</b> | <b>\$/SF: Attached</b> | <b>\$/SF: Apts</b> |
|-------------------------------------------------------|----------------------|------------------------|-----------------|----------------------------|-------------------|-------------------------------------------|----------------|-----------------|------------------------|------------------------|---------------------------|----------------------------------------------------|----------------------------------------|------------------------------------------------------|------------------------|------------------------|--------------------|
| <b>Bluebay Terrace</b><br>Hampton, NH                 | 18                   | 18                     | 0               | Jun 2003                   | 2                 | 0                                         | 1              | 1               | 16                     | 1.0                    | 0.5                       | \$189,900 - \$239,900                              | 1,040 & 1,111                          | One apartment bldg                                   | --                     | --                     | \$210              |
| <b>Farragut</b><br>Kennebunk, ME                      | 70                   | 64                     | 6               | Dec 1999                   | 48                | <i>Info could not be obtained in time</i> |                |                 | 22                     | 1.1                    | 1.1                       | \$179,900 - \$259,900                              | 1,000 - 1,258                          | 24 in sprawling apt bldg. Also clusters of 2,4,6 & 8 | --                     | \$200                  | \$160 - \$190      |
| <b>Fitts Farm</b><br>Durham, NH                       | 56                   | 25                     | 31              | Oct 2000                   | 33                | 27                                        | 5              | 1               | 23                     | 1.0                    | 0.9                       | \$279,900 - \$365,900                              | 1,800 & 2,100                          | 25 duplexes and 6 detached                           | \$155                  | \$148                  | --                 |
| <b>Forest Village</b><br>Wells, ME                    | 20                   | 0                      | 20              | Jul 2003                   | 7                 | 0                                         | 0              | 7               | 13                     | 6.9                    | 0.0                       | \$249,700 - \$279,700                              | 1,486                                  | Ten duplexes                                         | --                     | \$168 - \$188          | --                 |
| <b>Meadowood</b><br>Dover, NH                         | 49                   | 37                     | 12              | May 2001                   | 35                | 31                                        | 4              | 0               | 14                     | 1.3                    | 1.3                       | \$300,900 - \$320,900                              | 2,400                                  | Detached                                             | \$145 - \$154          | --                     | --                 |
| <b>Sprucewood</b><br>Durham, NH                       | 68                   | 12                     | 56              | Jan 2000                   | 11                | 10                                        | 1              | 0               | 57                     | 0.3                    | 0.3                       | One left at \$329,900. Price for next 56 TBD.      | 1,040, 1,650 & 2,400                   | Duplexes. 2 detached.                                | --                     | --                     | --                 |
| <b>Sterling Hill</b><br>Exeter, NH                    | 128                  | 32                     | 96              | Jul 2003                   | 7                 | 0                                         | 7              | 0               | 121                    | 6.9                    | 6.9                       | \$249,900 - \$279,900                              | 1,382 - 1,745                          | 4 buildings with 32 apartments                       | --                     | --                     | \$168              |
| <b>The Vineyards</b><br>Stratham, NH                  | 76                   | 18                     | 58              | Jan 2002                   | 27                | 18                                        | 3              | 6               | 49                     | 1.4                    | 1.1                       | \$339,900, \$364,900 & \$389,900                   | 1,600, 2,150 & 2,405                   | Detached                                             | \$162 - \$212          | --                     | --                 |
| <b>Village at Cider Hill</b><br>Old Orchard Beach, ME | 176                  | 34                     | 142             | Apr 2003                   | 16                | 5                                         | 4              | 7               | 160                    | 4.0                    | 2.2                       | \$179,900 - \$189,900                              | 1,195 & 1,504                          | Mix of duplexes & triplexes; some detached.          | --                     | \$122                  | --                 |
| <b>Village at Hampton Center</b><br>Hampton, NH       | 21                   | 21                     | 0               | Sep 2002                   | 3                 | 2                                         | 1              | 0               | 18                     | 0.3                    | 0.3                       | \$204,900 - \$239,900                              | 1,040 & 1,200                          | One apartment bldg                                   | --                     | --                     | \$209              |
| <b>Windgate</b><br>Salisbury, MA                      | 74                   | 15                     | 59              | May 2003                   | 37                | 0                                         | 0              | 37              | 37                     | 12.2                   | 0.0                       | \$151K - \$215K (apts)<br>\$272K & \$282K (twtnhs) | Apts: 722-1,045<br>Twtnhs: 1,600       | A 59 unit apt bldg; 1 duplex; 2 quads; 1 five        | \$173                  | --                     | \$205              |
| <b>Total</b>                                          | 738                  | 258                    | 480             |                            | 224               | 93                                        | 25             | 58              | 514                    | 35.2                   | 14.1                      |                                                    |                                        |                                                      |                        |                        |                    |
| <b>Average</b>                                        | 67                   | 23                     | 44              | Feb 2002                   | 20                | 8                                         | 2              | 5               | 47                     | 3.2                    | 1.3                       |                                                    |                                        |                                                      | \$166 ±                | \$162 ±                | \$193 ±            |

Complexes that have already sold-out are omitted.  
Rental complexes, co-ops, single family homes, and projects that offer assisted living are omitted.

Survey conducted August 2003  
By Steven H. Berg, MAI, SRA  
603-433-4494

**Survey of "Active Adult" Condo Complexes  
In Seacoast Region (NH, ME and MA)**

| <b>Project Name</b>                                   | <b>Site Size</b> | <b>Units per Acre</b> | <b>Fitness Center</b> | <b>Clubhouse</b> | <b>Walking Trails</b> | <b>Waterfront</b> | <b>Bedrooms</b> | <b>Bathrooms</b> | <b>Stories</b> | <b>Basements</b> | <b>Fireplace</b> | <b>Decks, Patio</b> | <b>Central Air</b> | <b>Garage</b> | <b>Whirlpool Tub</b> | <b>Monthly Condo Assoc. Fee</b> | <b>Comments</b>                                                                                                            |
|-------------------------------------------------------|------------------|-----------------------|-----------------------|------------------|-----------------------|-------------------|-----------------|------------------|----------------|------------------|------------------|---------------------|--------------------|---------------|----------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>Bluebay Terrace</b><br>Hampton, NH                 | 2                | 10                    | Y                     | N                | N                     | N                 | 2               | 2                | 1              | N                | N                | N                   | Y                  | N             | Y                    | \$135                           | Three floors. Ample soundproofing between units. Relatively poor location (commercial). Adequate quality.                  |
| <b>Farragut</b><br>Kennebunk, ME                      | 14               | 5                     | Y                     | Y                | Y                     | Pond              | 2               | 2                | 1&2            | N                | Some             | Some                | Some               | Option        | N                    | \$150 - \$245                   | Café to serve two meals per day. Fee based additional services available. Above average quality                            |
| <b>Fitts Farm</b><br>Durham, NH                       | 30               | 2                     | N                     | N                | Y                     | N                 | 3               | 2.5              | 3              | Y                | Y                | Y                   | Y                  | 1&2 Att       | N                    | \$174                           | Reasonably priced, large homes. Modest quality. Complex also has 11 houses on individual lots.                             |
| <b>Forest Village</b><br>Wells, ME                    | 10               | 2                     | N                     | Y                | N                     | Pond              | 2&3             | 2                | 1+             | Y                | Option           | Y                   | Option             | 1 Att         | O                    | \$123                           | Complex is part of much larger single family subdivision.                                                                  |
| <b>Meadowood</b><br>Dover, NH                         | 50               | 1                     | N                     | N                | N                     | N                 | 3               | 2.5              | 2              | Y                | Option           | Y                   | Option             | 2 Att         | N                    | \$150                           | Age targetted, not age restricted, although most buyers are in their 50's. Attractive capes with considerable windows.     |
| <b>Sprucewood</b><br>Durham, NH                       | 72               | 1                     | N                     | N                | Y                     | River             | 2               | 2                | 1&2            | Some             | Option           | Option              | Option             | 1 Att         | N                    | \$250                           | Restricted to 62+. Totals exclude 90 rental units and 126 acre additional parcel. Fee based additional services available. |
| <b>Sterling Hill</b><br>Exeter, NH                    | 16               | 8                     | Y                     | Y                | Y                     | Pond              | 2               | 2                | 1              | N                | Y                | Y                   | Y                  | Under         | Y                    | \$246 - \$312                   | Good quality materials and high attention to detail. Each unit gets a basement storage area. 32 units per 4 story building |
| <b>The Vineyards</b><br>Stratham, NH                  | 78               | 1                     | N                     | N                | N                     | Pond              | 2               | 2                | 1&2            | Y                | Y                | Y                   | Y                  | 2 Att         | O                    | \$260                           | Homes appear nice on the inside but fairly nondescript outside. The small, one story homes have highest \$/SF.             |
| <b>Village at Cider Hill</b><br>Old Orchard Beach, ME | 56               | 3                     | Y                     | Y                | Y                     | N                 | 2               | 2                | 1              | N                | Y                | Y                   | Y                  | 1 Att         | O                    | \$100                           | Modest quality, value priced.                                                                                              |
| <b>Village at Hampton Center</b><br>Hampton, NH       | 2                | 9                     | Y                     | N                | N                     | N                 | 2               | 2                | 1              | N                | N                | N                   | Y                  | Under         | N                    | \$175                           | Three floors over a ground level parking garage. Quality is reported to be average to good.                                |
| <b>Windgate</b><br>Salisbury, MA                      | 7                | 11                    | Y                     | N                | N                     | N                 | 1&2             | 1&2              | 1&2            | N                | N                | N                   | Y                  | Some          | N                    | \$160 - \$220                   | Moderate quality. Good access to recreation, but generally avg location. Highly competitive price for its immediate area.  |
| <b>Total</b>                                          |                  |                       |                       |                  |                       |                   |                 |                  |                |                  |                  |                     |                    |               |                      |                                 |                                                                                                                            |
| <b>Average</b>                                        | 34               | 2                     | Y                     | N                | N                     | N                 | 2               | Mix              | Mix            | N                | N                | Y                   | Y                  | Y             | N                    | \$185                           |                                                                                                                            |

Complexes that have already sold-out are omitted.  
Rental complexes, co-ops, single family homes, and projects that offer assisted living are omitted.

Survey conducted August 2003  
By Steven H. Berg, MAI, SRA  
603-433-4494