

SHADOW AUDIT

CPT

2023 SAME-STORE PORTFOLIO

AUDIT ID: SHADOW-017

DATE: 02/2026

CONFIDENTIAL

INSTITUTIONAL USE ONLY

METHODOLOGY

The Shadow Audit identifies underwriting bias by applying two standardized adjustments to reported Same Store results.

1. REVENUE MISS: 2% REDUCTION

Underwriters consistently overproject revenue growth.

2. EXPENSE GAP: 3% INCREASE

Underwriters consistently underproject expense growth.

These adjustments are applied to actual reported numbers from the SEC 10-K filing. The resulting Proforma NOI represents a normalized operating baseline.

The difference between Current NOI and Proforma NOI is the NOI Gap. Valuation impact is calculated using a 5.5% cap rate.

This methodology is applied consistently across all Shadow Audits to enable comparable analysis across portfolios and time periods.

SOURCE DATA

SOURCE DATA

CPT 2023 10-K FILING

Filed: February 2024

Access:

<https://www.sec.gov/Archives/edgar/data/906345/000090634524000007/cpt-20231231.htm>

SAME-STORE TABLE (Page 25)

Same Store Revenue 2023: \$1,238,564,000

Same Store Expenses 2023: \$434,389,000

Same Store NOI 2023: \$804,175,000

Same Store Revenue 2022: \$1,178,247,000

Same Store Expenses 2022: \$407,260,000

Same Store NOI 2022: \$770,987,000

Number of Same Store Homes: 47,423

Source verification: All numbers extracted directly from the above filing. No estimates or adjustments to source data.

ANALYSIS

CURRENT OPERATIONS

| | |
|----------|-----------------|
| Revenue | \$1,238,564,000 |
| Expenses | \$ 434,389,000 |
| NOI | \$ 804,175,000 |

ADJUSTMENTS

| | |
|-------------------|---------------|
| Revenue Miss (2%) | -\$24,771,280 |
| Expense Gap (3%) | +\$13,031,670 |
| Total Adjustment | -\$37,802,950 |

PROFORMA OPERATIONS

| | |
|-------------------|-----------------|
| Proforma Revenue | \$1,213,792,720 |
| Proforma Expenses | \$ 447,420,670 |
| Proforma NOI | \$ 766,372,050 |
| NOI Gap | \$ 37,802,950 |
| Decline | 4.70% |

VALUATION IMPACT (5.5% CAP)

| | |
|----------------|------------------|
| Current Value | \$14,621,363,636 |
| Proforma Value | \$13,934,037,273 |
| Value Creation | -\$687,326,363 |

CALCULATION CHECK

| |
|---|
| Proforma Revenue = Revenue × 0.98 |
| Proforma Expenses = Expenses × 1.03 |
| Proforma NOI = Proforma Revenue – Proforma Expenses |
| NOI Gap = Current NOI – Proforma NOI |

NorthQuest

This analysis is based on publicly available SEC filings. NorthQuest LLC applies a standardized methodology to identify underwriting bias. Results are estimates and should be verified through full due diligence prior to any acquisition decision.

northquestgroup.com

shadow@northquestgroup.com