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**A MARKET CONDITIONS AND
PROJECT EVALUATION SUMMARY
OF:**

**MARIETTA
ROAD
HIGHRISE**

**A MARKET CONDITIONS AND PROJECT
EVALUATION SUMMARY OF:**

MARIETTA ROAD

HIGHRISE

2295 Marietta Road NW
Atlanta, Fulton County, Georgia 30318

Effective Date: November 9, 2018
Report Date: March 4, 2019

Prepared for:
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The Michaels Development Company
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March 4, 2019

Mikki Anderson
Vice President of Development
The Michaels Development Company
3355 Lenox Road, Suite 750
Atlanta, GA 30326

Re: Application Market Study for Marietta Road Highrise, located in Atlanta, Fulton County, Georgia

Dear Ms. Anderson:

At your request, Novogradac & Company LLP has performed a market study of the multifamily rental market in the Atlanta, Fulton County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We previously completed market studies and appraisals for this property in December of 2017 and February 2016. We are concurrently completing an appraisal on the Subject.

The purpose of this market study is to assess the feasibility of the rehabilitation of Marietta Road Highrise (Subject), an existing 130-unit age-restricted public housing property (55+) proposing renovation with Low-Income Housing Tax Credit (LIHTC) equity. Upon completion of the proposed renovation, all of the units will operate under the Rental Assistance Demonstration (RAD) and LIHTC programs and will be restricted to senior (55+) households earning up to 60 percent AMI or less. Upon completion, the property will include 129 units; the one two-bedroom unit is currently used as the manager's unit will be repurposed as a common area. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

Novogradac & Company LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). The NCHMA certification and checklist can be found in the Addenda of this report. Please refer to the checklist to find the sections in which content is located.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses

including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report was completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

The Stated Purpose of this assignment is to assist with underwriting. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
Novogradac & Company LLP



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Addendum

A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Marietta Road Highrise is an existing age-restricted public housing multifamily property (55+) located in Atlanta, Fulton County, Georgia, which consists of one seven-story elevator-serviced midrise residential building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2018 LIHTC Maximum Allowable Gross Rent	2018 HUD Fair Market Rents
@60% (RAD)							
1BR / 1BA	555	129	\$842	\$0	\$842	\$842	\$898

Notes (1) Source of Utility Allowance provided by the Developer.

All of the Subject’s units at the 60 percent of AMI level will operate under the Rental Assistance Demonstration (RAD) program upon renovation. Tenants in these units will remain income qualified and continue to pay 30 percent of their income towards rent. The proposed rents for the Subject’s units at the 60 percent of AMI levels are at the maximum allowable rent. The Subject’s property amenities are considered to be similar to the existing housing supply in the market. The Subject’s in-unit amenities are considered to be slightly inferior to the existing housing supply in the market. The Subject’s biggest competitive disadvantage is its lack of a dishwasher, disposal, and washer/dryer hookups, which the majority of the comparables offer. However, the Subject will offer a central laundry facility. Additionally, these features are somewhat less important based on the Subject’s senior tenancy.

2. Site Description/Evaluation

The Subject site is located on the northeast side of Marietta Road NW. North of the Subject site is a commercial office building and vacant commercial office building, as well as a restaurant and medical office. Further north is the Atlanta RM Clayton Water Reclamation Plant, a wastewater treatment facility. The Subject’s property manager did not report any adverse impact. During our site inspection, we did not notice any odors coming from the facility, and thus we do not believe the facility to be a detrimental influence. East of the Subject site is vacant wooded land. South of the Subject site is Carolina Lumber and Supply. Further south is a large train depot. However, as the depot cannot be seen or heard from the Subject based on our site inspection, we do not believe this to be a detrimental influence. Both Bridge Side Apartments, a market rate property occupied at 98.5 percent, and Brentwood Creek, which is currently undergoing major renovations, but was 99 percent occupied before renovations began, appear well-occupied. Therefore, we do not believe any of the neighborhood uses are detrimental influences for tenants or potential tenants within the Subject’s immediate area. Further north, across the Chattahoochee River, is a cement plant and a natural gas power plant. Neither of these uses were visible or audible from the Subject. West of the Subject site includes a gas station and convenience store, as well as two vacant retail uses. Based on our inspection of the neighborhood, retail appeared to be 85 percent occupied. However, there is a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by Walk Score with a rating of 32 out of 100, indicating most errands require a car. The Subject site is considered an adequate building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition. The Subject site has good proximity to locational amenities, which are within 3.7 miles of the Subject site.

3. Market Area Definition

The PMA is defined by Interstate 75 and West Paces Ferry Road NW to the north, Peachtree Road NW/Georgia State Route 9 and Interstate 85 to the east, Georgia State Route 8 south, and Interstate 285 to the west. This area includes a northwest portion of the city of Atlanta and a southeast portion of Cobb County. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 5 miles
East: 5.2 miles
South: 5.2 miles
West: 2.9 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Per the 2018 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis. The farthest PMA boundary from the Subject is approximately 5.2 miles to the southeast of the Subject. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 29 counties in northwest Georgia and encompasses 8,828 square miles.

4. Community Demographic Data

Through market entry and 2023, total population in the PMA is expected to increase at a rate slightly higher in comparison to the MSA and higher in comparison to the nation. The largest age cohorts in the PMA are between 20 and 24, and 25 and 29, which indicates the presence of a younger population. The elderly population (55+) in the PMA is expected to increase from 2018 through market entry and 2023 by 1,492 and 3,087, respectively. Through market entry and 2023, households in the PMA are expected to increase at a rate higher in comparison to the MSA and nation. The Subject will target elderly individuals and all of the rental units are one-bedroom units, which appear reasonable considering the average household size in the PMA. The number of renter-occupied elderly households in the PMA is expected to increase through market entry and 2023 by 421 and 871 units, respectively. The Subject will target elderly tenants earning between \$0 and \$35,940. Approximately 45.9 percent of elderly renter households in the PMA are earning incomes less than \$30,000 annually, as of 2018. The majority of elderly renter households in the PMA are one- and two-person households. Overall, the expected increase in elderly population in the PMA coupled with a high concentration of elderly renter households earning less than \$30,000 annually in the PMA indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,170 housing units nationwide was in some stage of foreclosure as of September 2018. The city of Atlanta is experiencing a foreclosure rate of one in every 2,404 homes, while Fulton County is experiencing a foreclosure rate of one in every 2,409 homes and Georgia experienced one foreclosure in every 2,243 housing units. Overall, Atlanta is experiencing a significantly lower foreclosure rate in comparison to the nation, and similar to Fulton County as a whole, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

5. Economic Data

Total employment in Fulton County increased 2.8 percent from August 2017 to August 2018. Professional and business services is the largest industry in Fulton County, followed by trade, transportation, and utilities, and education and health services. The largest percentage of workers in the PMA are employed in the professional/scientific/technical services, educational services, retail trade, and healthcare/social assistance sectors. The educational services and healthcare/social assistance sectors have historically been considered

stable while the professional/scientific/technical services and retail trade sectors are more cyclical in nature. There have been 9,594 employees in the area impacted by layoffs or closures since 2015. Additionally, there have been several announcements regarding business expansion in a variety of industries including manufacturing, technology, and retail trade.

From August 2017 to August 2018, total employment in the MSA increased 2.8 percent in comparison to an increase of 3.9 percent in the nation over the same time period. It should be noted that total employment in the MSA surpassed prerecessionary levels in 2014, indicating that the local economy quickly recovered from the national recession and is in an expansionary phase. From August 2017 to August 2018, the unemployment rate in the MSA experienced a 1.1 percentage point decrease, greater in comparison to a 0.6 percentage point decrease in the nation. It should be noted that the unemployment rate in the MSA is below prerecessionary levels as of August 2018. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

6. Project-Specific Affordability and Demand Analysis

The following table illustrates the demand and capture rates for the Subject’s proposed units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	New Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @60% AMI (RAD)	0	\$35,940	129	975	0	975	13.23%	12 months	\$1,650	\$975	\$1,650	\$1,200
1BR @60% AMI (absent subsidy)	\$28,869	\$35,940	129	154	0	154	83.94%	15 months	\$1,650	\$975	\$1,650	\$1,200

As the analysis illustrates, the Subject’s overall capture rate, when we consider the RAD program rental assistance that will be in place, will be 13.23 percent, which is within Georgia DCA’s thresholds. Therefore, we believe there is adequate demand for the Subject. It should be noted that this analysis is hypothetical as all of the existing tenants will remain income qualified post renovation. Thus, the Subject will not be adding any new units to the market.

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,299 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average. We have included five LIHTC comparables in our analysis. Three of the LIHTC properties are located inside the PMA, and all are located within 9.4 miles of the Subject site and are located in Atlanta. Three of the LIHTC comparables target seniors and are considered most comparable. All of the LIHTC comparables were built or renovated between 2002 and 2009.

The availability of market-rate data is considered good. We have included five conventional properties in our analysis of the competitive market. All of the market-rate comparables are located in the PMA and within 2.3 miles of the Subject. These comparables were built or renovated between 1963 and 2017. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable.

When comparing the Subject’s rents to the average comparable rent, we have not included surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA 60% (RAD)	\$842	\$975	\$1,650	\$1,288	65%

As illustrated the Subject’s proposed 60 percent rent is well below the surveyed average when compared to the comparables, both LIHTC and market-rate.

In terms of comparable one-bedroom unit sizes, SYNC At West Midtown is achieving the highest one-bedroom unrestricted rent in the market. The Subject will be slightly inferior to SYNC At West Midtown as a market-rate property. SYNC At West Midtown was built in 2014 and exhibits excellent condition, which is slightly superior to the anticipated condition of the Subject upon completion. SYNC At West Midtown is located 1.6 miles from the Subject site and offers a similar location. SYNC At West Midtown offers superior in-unit amenities compared to the Subject. However, SYNC At West Midtown’s community amenities are considered inferior. The one-bedroom rent at SYNC At West Midtown is more than 100 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Overall, we believe that the Subject’s proposed rent is achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

As all of the comparables were built before 2015, we researched absorption information for rental properties within the City of Atlanta built since 2015. This absorption information is illustrated in the following table.

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Kirkwood	Market	Family	2018	232	21
Reynoldstown Senior Apartments	LIHTC	Senior	2016	70	70
675 Highland	Market	Family	2016	125	16
Glenwood At Grant Park	Market	Family	2016	216	8
Station R Apartments	Market	Family	2016	285	14
The Meridian At Redwine	Market	Family	2016	258	17
Square On Fifth	Market	Family	2015	270	45
The Haynes House	Market	Family	2015	186	12
University House	Market	Family	2015	268	30

As illustrated in the previous table, the properties were constructed between 2015 and 2018, and reported absorption rates of eight to 70 units per month, with an average of 26 units per month. However, Reynoldstown Senior Apartments appears to be an outlier, as the remaining comparables reported absorption of 45 units per month or less.

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 25 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

The Subject is currently 89 percent occupied with a waiting list. According to management, units are being held offline in anticipation for the upcoming renovations. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. All current residents will be income-qualified for the Subject under the RAD program subsidy. Further, renovations will occur on a rolling basis with tenants in place. Thus, this absorption analysis is hypothetical.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Overall vacancy in the market is low at 2.9 percent. Total LIHTC vacancy is lower at 1.5 percent. Market-rate vacancy is higher at 4.6 percent. The waiting lists maintained at four of the LIHTC properties indicate demand for additional rental housing in the Subject's PMA.

The Subject's proposed 60 percent rent is set to the maximum allowable level. We believe that the Subject's proposed rent is achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

The most similar comparable property to the Subject reported achieving rents at the maximum allowable LIHTC level. We believe that the strong performance of the LIHTC comparables, and the presence of waiting lists at all of the LIHTC comparables, is indicative of demand for affordable housing in the marketplace. Thus, we believe the Subject would be able to achieve the LIHTC maximum allowable rent of **\$842** were it to hypothetically operate without subsidy. This conclusion is supported by the most similar LIHTC properties.

Overall, we believe that the Subject will offer a significant value in the market. This is further illustrated by the significant rental advantage that the Subject's rents will have over the market rents. We believe that the Subject will maintain a vacancy rate of three percent or less as proposed. We believe the Subject will be supportable following renovations and will not adversely impact other low-income housing options in the PMA.

MARIETTA ROAD HIGHRISE – ATLANTA, GEORGIA – MARKET STUDY

Summary Table:									
(must be completed by the analyst and included in the executive summary)									
Development Name: Marletta Road Highrise							Total # Units: 129		
Location: 2295 Marietta Rd NW Atlanta, GA 30318							# LIHTC Units: 129		
PMA Boundary: Interstate 75 and West Ferry Road to the north, Peachtree NE/Georgia State Route 9 and Interstate 85 to the east, Georgia State Route 8 to the south, and interstate 285 to the west.									
							Farthest Boundary Distance to Subject:		5.3 miles
Rental Housing Stock									
Type	# Properties*			Total Units	Vacant Units	Average Occupancy			
All Rental Housing	25			3,851	95	97.5%			
Market-Rate Housing	6			662	35	94.7%			
Assisted/Subsidized Housing not to include LIHTC	8			985	14	98.6%			
LIHTC	14			2,204	46	97.9%			
Stabilized Comps	10			1,293	37	97.1%			
Properties in Construction & Lease Up	N/Ap			N/Ap	N/Ap	N/Ap			
*Only includes properties in PMA									
Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
129	1BR at 60% AMI	1	555	\$842	\$1,288	\$2.32	53%	\$1,355	\$1.94
Demographic Data									
		2010		2017		December 2020			
Renter Households		4,072	10.40%	6,084	8.28%	6,505	7.93%		
Income-Qualified Renter HHs (LIHTC)		2,140	52.54%	3,197	52.54%	3,418	52.54%		
Targeted Income-Qualified Renter Household Demand									
Type of Demand	@60% (With Subsidy)	@60% (Absent Subsidy)	0%	Market-rate	Other:___	Overall*			
Renter Household Growth	69	26	-	-	-	69			
Existing Households (Overburdened + Homeowner conversion (Seniors)	1,094	253	-	-	-	1,094			
Total Primary Market Demand	1,163	279	-	-	-	1,163			
Less Comparable/Competitive Supply	0	0	-	-	-	0			
Adjusted Income-qualified Renter HHs**	1,163	279	-	-	-	1,163			
Capture Rates									
Targeted Population	@60% (With Subsidy)	@60% (Absent Subsidy)	0%	Market-rate	Other:___	Overall			
Capture Rate:	11.57%	34.48%	-	-	-	11.57%			

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located at 2295 Marietta Road NW in Atlanta, Fulton County, Georgia 30318. The Subject is existing.
- 2. Construction Type:** The Subject consists of one seven-story elevator-serviced midrise residential building. The Subject will be a rehabilitation of an existing property.
- 3. Occupancy Type:** Housing for Older Persons ages 55 and older.
- 4. Special Population Target:** N/A
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

PROPERTY PROFILE REPORT

Marietta Road Highrise

Effective Rent Date	11/09/2018
Location	2295 Marietta Rd NW Atlanta, GA 30318 Fulton County
Distance	N/A
Units	130
Vacant Units	14
Vacancy Rate	10.8%
Type	Highrise (age-restricted) (7 stories)
Year Built/Renovated	1982 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Seniors 55+
Contact Name	N/A
Phone	404-609-7803



Market Information

Program	@60% (RAD), Non-Rental
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	None
Waiting List	Yes

Utilities

A/C	included -- wall
Cooking	included -- electric
Water Heat	included -- gas
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Highrise (7 stories)	129	555	\$842	\$0	@60% (RAD)	Yes	14	10.9%	yes	None
2	1	Highrise (7 stories)	1	755	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$842	\$0	\$842	\$0	\$842	2BR / 1BA	N/A	\$0	N/A	\$0	N/A

Marietta Road Highrise, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	Adult Education
Coat Closet	Ceiling Fan	Limited Access	Computer Tutoring
Grab Bars	Hand Rails	Perimeter Fencing	
Oven	Pull Cords	Video Surveillance	
Refrigerator	Walk-In Closet		
Wall A/C			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Garden, Resident Association
Courtyard	Elevators		
Exercise Facility	Central Laundry		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Recreation Areas		
Service Coordination			

Comments

This property is a public housing development that targets seniors 55+ and young disabled persons. The property will be renovated using LIHTC and will operate under the RAD program with rental assistance on all rental units upon renovation. As such, tenants will continue to pay 30 percent of their income toward rent. It should be noted that the rents in this profile are the proposed RAD rents. The landlord will continue to be responsible for all utility expenses upon renovation. The property's current elevated vacancy rate is intentional, as units are being held offline for renovation. Renovations are anticipated to be completed in December 2020.

10. Scope of Renovations:

According to the client, the following details the proposed renovations that are anticipated being complete by December 2020:

- Installation of new vinyl windows
- Replacement of weather stripping
- Replacement of site lighting with LED lighting
- Repaving of the parking lot
- Replacement of the roof
- Replacement of the curtain wall on 12 stories
- Replacement of aluminum windows
- Replacement of solid core wood doors in all units
- Painting and patching of interior drywall
- Replacement of carpeting
- Replacement of acoustical ceiling tile system
- Replacement of cooling unit
- Replacement of interior hollow-core doors
- Replacement of laminate flooring
- Replacement of ceramic tile flooring
- Replacement of ovens in all units
- Replacement of refrigerators in all units
- Replacement of kitchen countertops in all units
- Refinishing of kitchen cabinet doors and drawers
- Replacement of bathroom fixtures
- Improvement of interior corridors
- Converting non-rental unit to common space

According to the client, renovations will be done with tenants in place. The hard costs of renovation are approximately \$7,740,000, or \$60,000 per unit.

Current Rents:

The Subject is an existing 130-unit age-restricted subsidized property (55+) containing 129 one-bedroom and one, two-bedroom non-rental unit. The following table details the current rents (i.e., public housing operation) and unit mix at the Subject. It should be noted that there are no reported asking rents; as public housing, tenants pay 30 percent of their monthly income towards rent. The landlord pays all utilities, and this utility structure will not change post renovation. According to the client, all existing tenants will continue to income qualify to reside at the Subject post renovation.

CURRENT RENTS

Unit Type	Unit Size (SF)	Number of Units	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent
1BR / 1BA	555	129	\$147	\$711	\$256
			Manager's Unit		
2BR/1BA	755	1	N/A	N/A	N/A

Current Occupancy:

The Subject is currently 88.4 percent occupied as of a rent roll dated November 1, 2018. In preparation of upcoming renovations, the Subject has been keeping vacant units offline, which has artificially inflated the vacancy rate. The Subject currently operates as a public housing property. Following renovations, all units will operate under the Rental Assistance Demonstration (RAD) program.

Current Tenant Income:

The Subject is currently subsidized with tenants paying 30 percent of their income towards rent. According to the rent roll dated November 1, 2018, the tenant-paid portion of the rents range from \$147 to \$711, with an average tenant-paid rent of \$256.

11. Placed in Service Date:

The Subject was originally built in 1982. Renovations will occur with tenants in place. Therefore, units will be placed back in service on a rolling basis. Renovations are scheduled to be completed in December 2020.

Conclusion:

The Subject will be a good quality seven-story elevator-serviced midrise residential building. As a newly renovated property, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

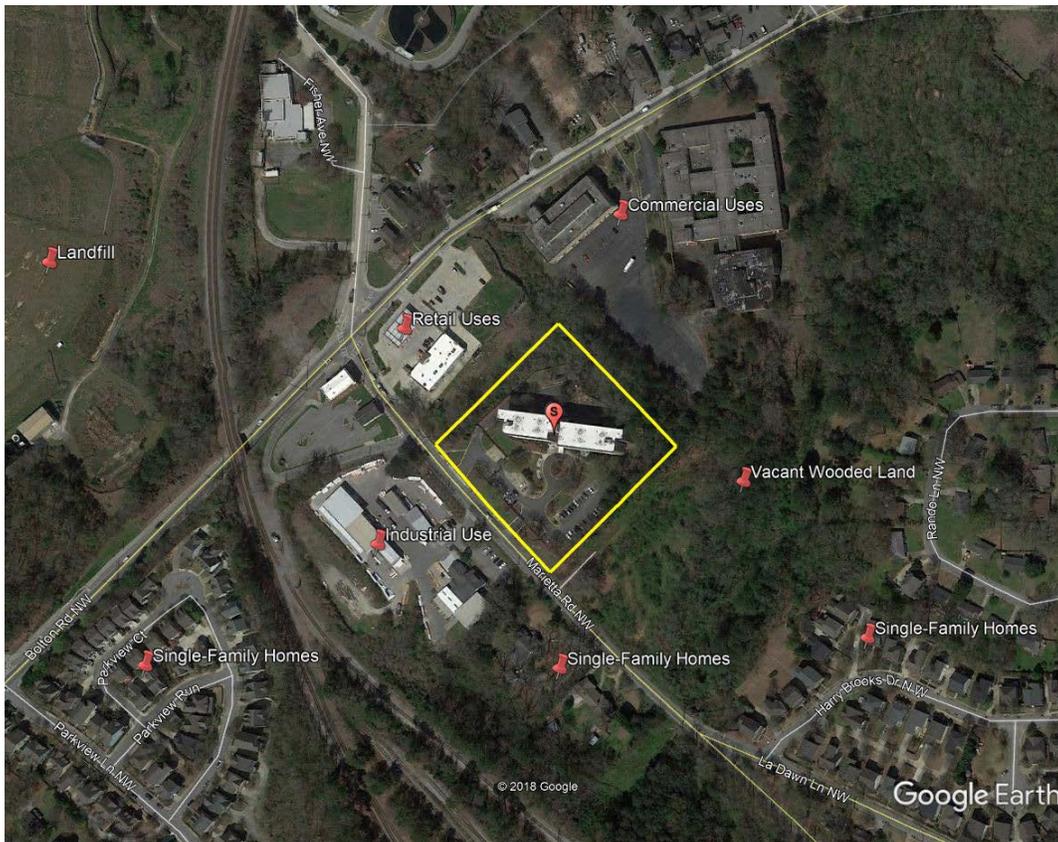
1. Date of Site Visit and Name of Inspector: The Subject was inspected by Brian Neukam on November 9, 2018, which will serve as the effective date for this report.

2. Physical Features of the Site: The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along the northeast side of Marietta Road NW.

Visibility/Views: North of the Subject site is a commercial office building and vacant commercial office building, as well as a restaurant and medical office. East of the Subject site is vacant wooded land. South of the Subject site is Carolina Lumber and Supply. Further south is a large train depot. However, as the depot cannot be seen or heard from the Subject based on our site inspection, we do not believe this to be a detrimental influence. Both Bridge Side Apartments, a market rate property occupied at 98.5 percent, and Brentwood Creek, which is currently undergoing major renovations, but was 99 percent occupied before renovations began, appear well-occupied. Therefore, we do not believe any of the neighborhood uses are detrimental influences for tenants or potential tenants within the Subject's immediate area. West of the Subject site includes a gas station and convenience store, as well as two vacant retail uses.

Surrounding Uses: The following map illustrates the surrounding land uses.



Source: Google Earth, January 2019

The Subject site is located on the northeast side of Marietta Road NW. North of the Subject site is a commercial office building and vacant commercial office building, as well as a restaurant and medical office. Further north is the Atlanta RM Clayton Water Reclamation Plant, a wastewater treatment facility. The Subject’s property manager did not report any adverse impact. During our site inspection, we did not notice any odors coming from the facility, and thus we do not believe the facility to be a detrimental influence. East of the Subject site is vacant wooded land. South of the Subject site is Carolina Lumber and Supply. Further south is a large train depot. However, as the depot cannot be seen or heard from the Subject based on our site inspection, we do not believe this to be a detrimental influence. Both Bridge Side Apartments, a market rate property occupied at 98.5 percent, and Brentwood Creek, which is currently undergoing major renovations, but was 99 percent occupied before renovations began, appear well-occupied. Therefore, we do not believe any of the neighborhood uses are detrimental influences for tenants or potential tenants within the Subject’s immediate area. Further north, across the Chattahoochee River, is a cement plant and a natural gas power plant. Neither of these uses were visible or audible from the Subject. West of the Subject site includes a gas station and convenience store, as well as two vacant retail uses. Based on our inspection of the neighborhood, retail appeared to be 85 percent occupied. However, there is a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 32 out of 100, indicating most errands require a car. The Subject site is considered an adequate building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition. The Subject site has good proximity to locational amenities, which are within 3.7 miles of the Subject site.

Positive/Negative Attributes of Site: The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. The Subject site is located approximately six miles northwest of downtown Atlanta. The Subject site is located in close proximity to railroad tracks, a landfill that appears to be closed, and a water treatment facility, which are all considered negative attributes. However, it should be noted, that these potentially negative influences have not adversely impacted the performance of the Subject property.

- 3. **Physical Proximity to Locational Amenities:** The Subject is located within 3.7 miles of all locational amenities.
- 4. **Pictures of Site and Adjacent Uses:** The following are pictures of the Subject site and adjacent uses.



Subject exterior



Subject exterior



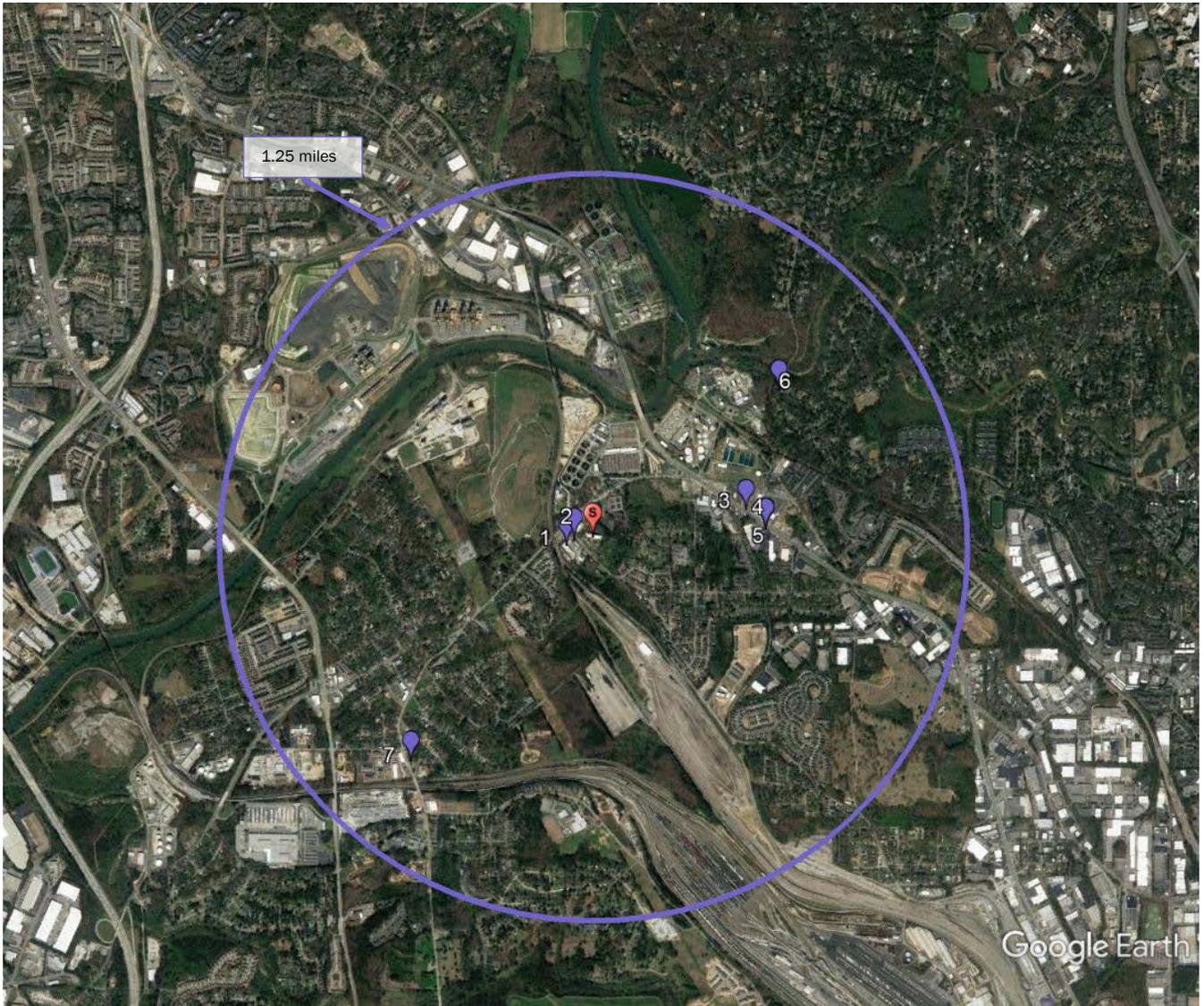
Adjacent retail uses



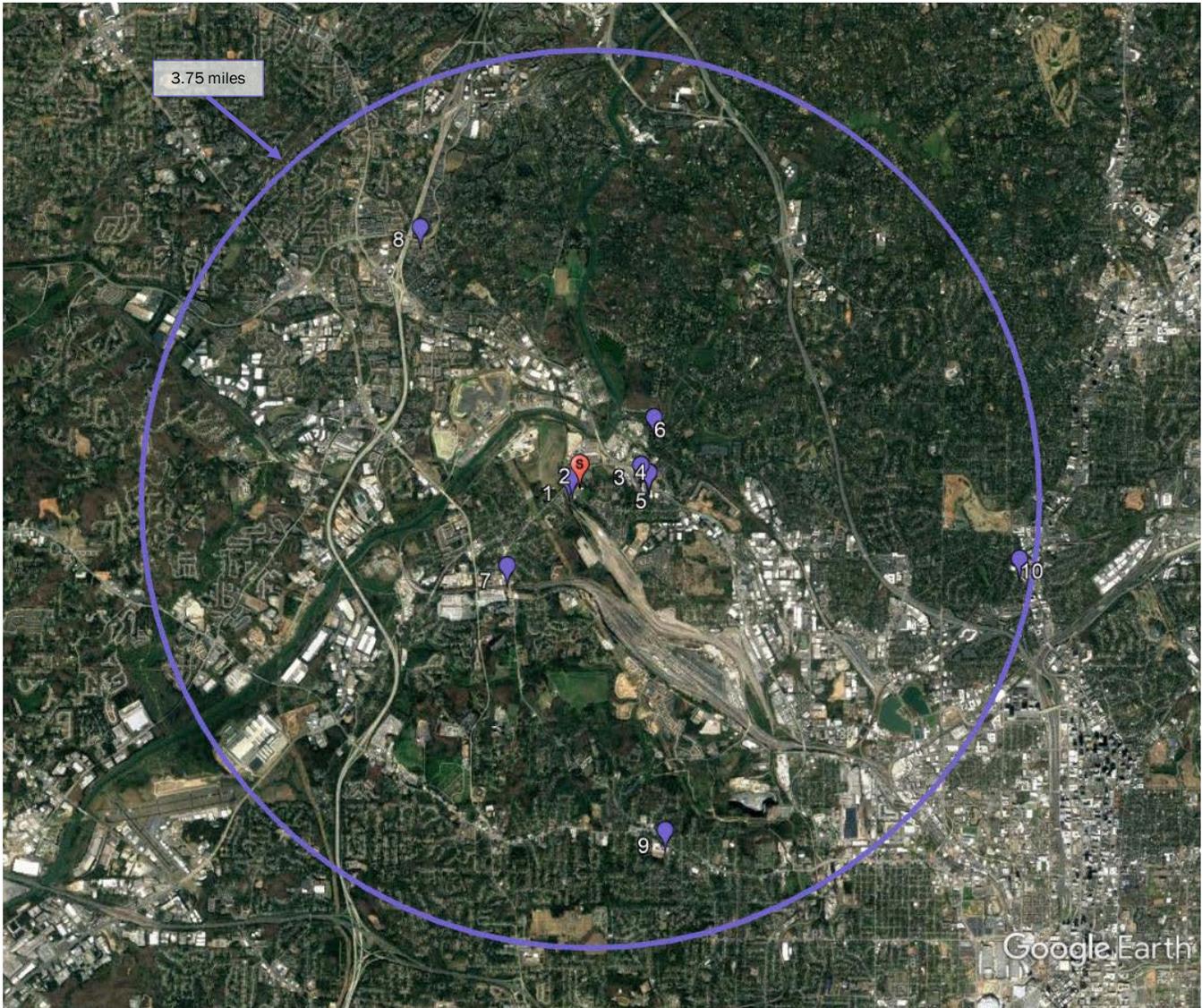
Adjacent industrial use

5. Proximity to Locational Amenities:

The following table details the Subject's distance from key locational amenities.



Source: Google Earth, January 2019



Source: Google Earth, January 2019

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Bus Stop	0.1 miles
2	Exxon Gas Station	0.1 miles
3	CVS Pharmacy	0.5 miles
4	Publix Super Market	0.6 miles
5	SunTrust Bank	0.6 miles
6	Standing Peachtree Park	0.8 miles
7	Fire Department	0.9 miles
8	Police Station	2.5 miles
9	Dogwood Senior Center	3.0 miles
10	Piedmont Atlanta Hospital	3.7 miles

6. Description of Land Uses

Land uses surrounding the Subject generally consist of retail, industrial, public, commercial, and single-family residential use. Vacant wooded land surrounds most of the Subject site. The surrounding uses generally exhibit average to good condition.

7. Crime:

The following table shows personal and property crimes for the PMA and MSA as an index, meaning an index of 100 is average. Any number above 100 is above average compared to the national crime index, while any number below 100 indicates lower than average crime.

2018 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
Total Crime*	213	139
Personal Crime*	323	130
Murder	450	155
Rape	184	88
Robbery	405	163
Assault	296	118
Property Crime*	198	140
Burglary	185	147
Larceny	188	134
Motor Vehicle Theft	312	178

Source: Esri Demographics 2018, Novogradac & Company LLP, October 2018

*Unweighted aggregations

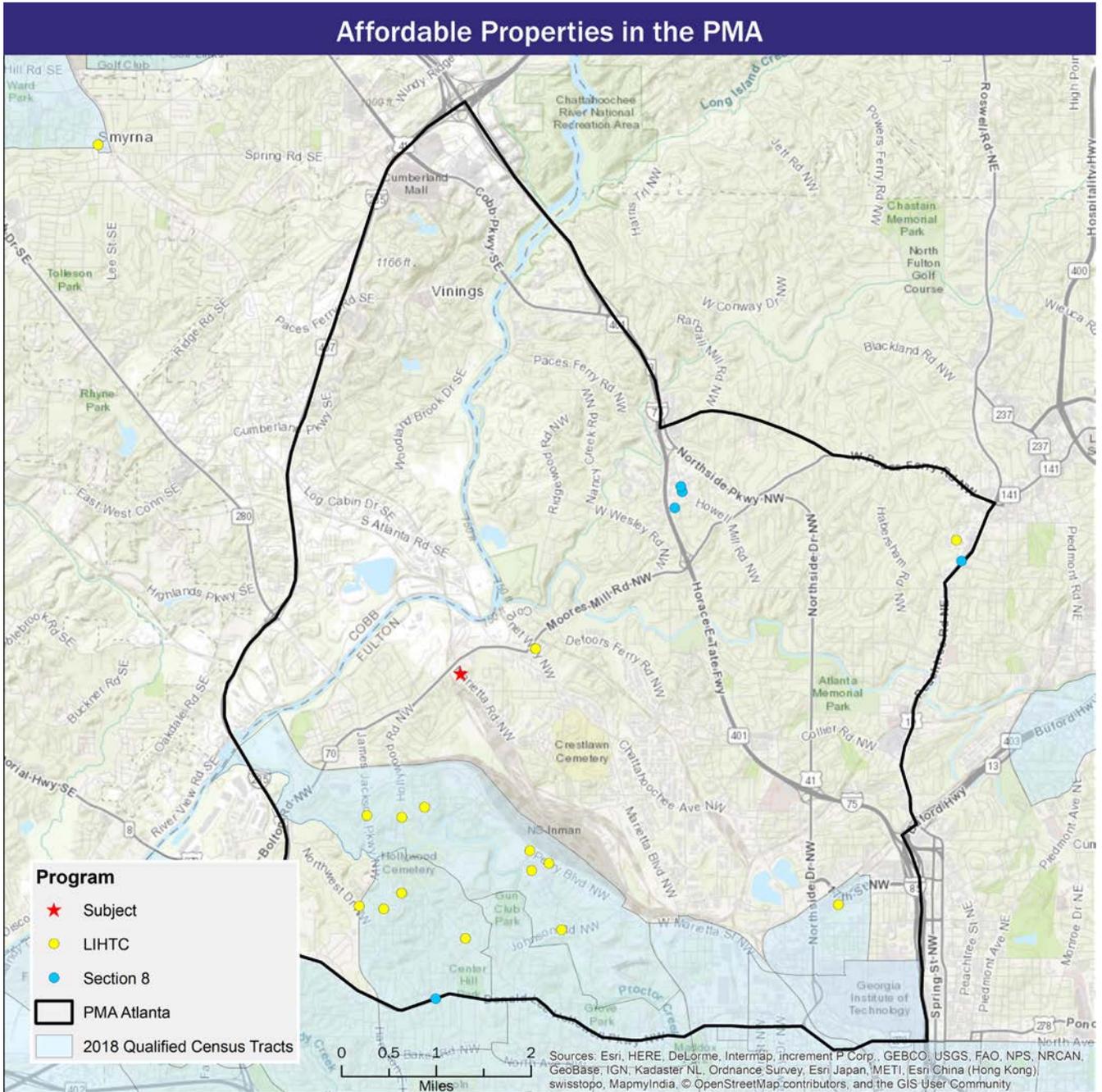
The total, personal, and property crime indices in the PMA are above that of the MSA and nation. The Subject offers limited access, perimeter fencing, video surveillance, and an intercom as security features. The majority of the comparables offer at least one security feature. Overall, the Subject’s security features are market-oriented and appear adequate relative to the perception of crime in the area.

8. Existing Assisted Rental Housing Property Map:

The following map and list identifies all assisted rental housing properties in the PMA.

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color
Marietta Road Highrise	LIHTC/RAD	Atlanta	Senior	130	-	Star
Atlanta Group Home	Section 8	Atlanta	Senior	8	2.3 miles	Blue
Cathedral Towers	Section 8	Atlanta	Senior	195	4.4 miles	
Rolling Bends li	Section 8	Atlanta	Family	191	2.1 miles	
Jewish Tower	Section 8	Atlanta	Senior	200	2.4 miles	
Zaban Tower	Section 8	Atlanta	Senior/Disabled	60	2.4 miles	
Rolling Bends I	Section 8	Atlanta	Family	164	2.1 miles	
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	2.3 miles	
Johnnie B. Moore li	Section 8	Atlanta	Senior/Disabled	55	2.9 miles	
Flipper Temple	LIHTC	Atlanta	Family	163	1.3 miles	
Moore's Mills Village	LIHTC	Atlanta	Senior	152	0.7 mile	
Etheridge Court Development I	LIHTC	Atlanta	Family	164	2.2 miles	Yellow
Peaks Of West Atlanta	LIHTC	Atlanta	Family	214	2.3 miles	
Columbia Crest Apts	LIHTC	Atlanta	Family	152	1.8 miles	
Columbia Heritage Senior Residences	LIHTC	Atlanta	Senior	131	1.8 miles	
Etheridge Court Apts li	LIHTC	Atlanta	Family	164	2.1 miles	
Park At Scott's Crossing	LIHTC	Atlanta	Family	194	1.5 miles	
Hollywood West li	LIHTC	Atlanta	Family	96	2.3 miles	
Columbia Grove	LIHTC	Atlanta	Family	139	2.5 miles	
Atlantic Station Mixed Income	LIHTC	Atlanta	Family	103	3.8 miles	
Campbell Stone	LIHTC	Atlanta	Senior	307	4.5 miles	
Manor At Scott's Crossing	LIHTC	Atlanta	Senior	101	1.6 miles	
Columbia Estate	LIHTC	Atlanta	Family	124	2.0 miles	
The Remington	LIHTC/Bond	Atlanta	Senior	160	2.8 miles	



9. Road, Infrastructure or Proposed Improvements:

We did not witness any road, infrastructure or proposed improvements during our field work.

10. Access, Ingress-Egress and Visibility of Site:

The Subject is accessible from Marietta Road NW. Marietta Road NW provides access to Bolton Road NW. Bolton Road NW provides access to Marietta Boulevard NW which provides access to Interstate 285 approximately 2.3 miles northwest of the Subject. Interstate 285 is an interstate highway loop encircling Atlanta and connects to

Interstate 20, Interstate 75, and Interstate 85. Overall, access and visibility are considered average.

11. Conclusion:

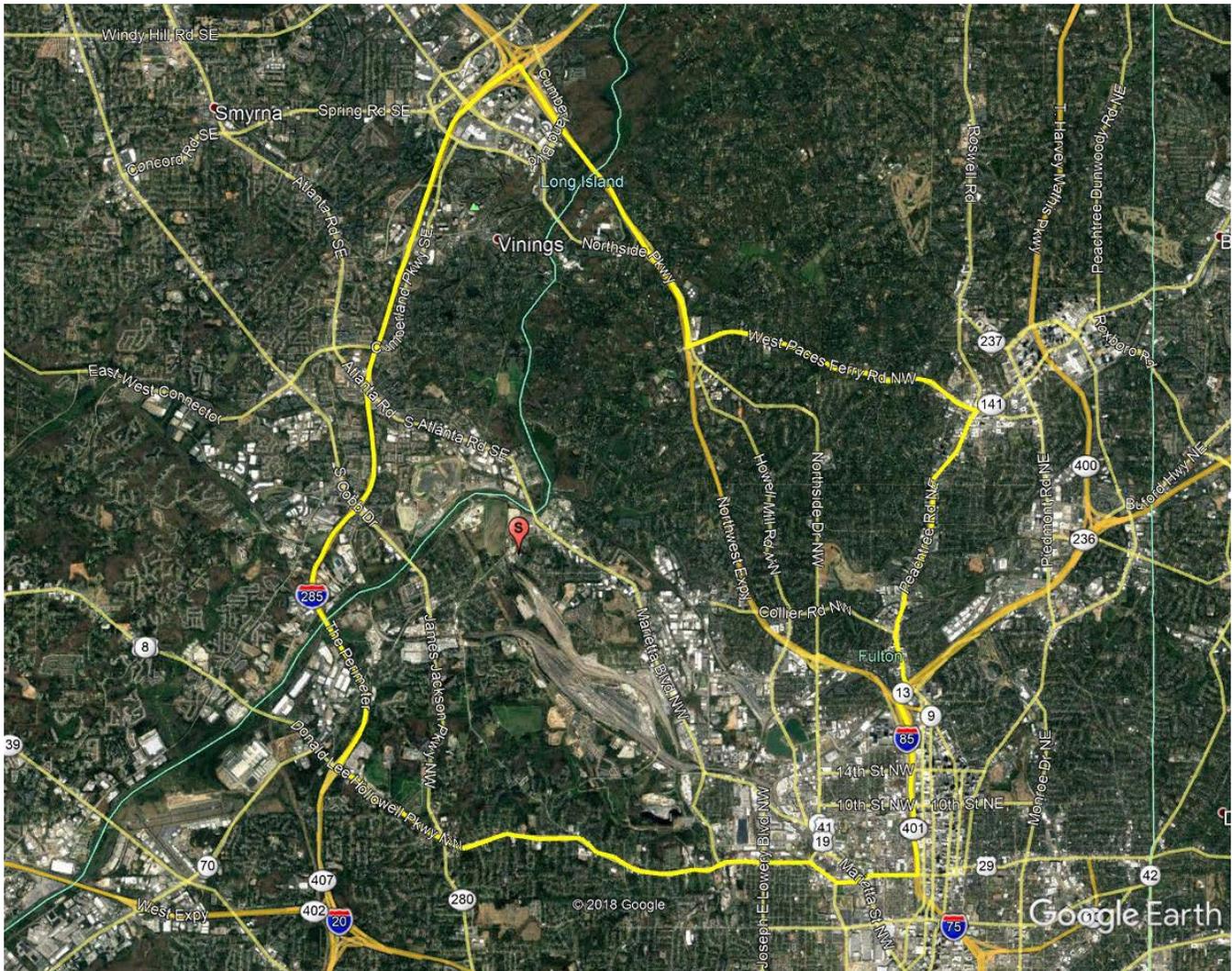
The Subject site is located on the northeast side of Marietta Road NW. The Subject site has average views and visibility. Access to the Subject site is considered average. Land uses surrounding the Subject generally consist of retail, industrial, public, commercial, and single-family residential use. Based on our inspection of the neighborhood, retail appeared to be 85 percent occupied. However, there is a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 32 out of 100. The total, personal, and property crime indices in the PMA are above that of the MSA and nation. The Subject site is considered an adequate building site for rental housing. The Subject is located in a mixed-use neighborhood. The surrounding uses generally exhibit average to good condition and the Subject site has good proximity to locational amenities, which are within 3.7 miles of the Subject site. The surrounding uses are considered a positive attribute of the Subject site, while elevated crime indices are considered a negative attribute of the Subject site. However, as noted, the Subject's security features are market oriented and the past performance has not been adversely affected by the perception of crime.

D. MARKET AREA

PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

Primary Market Area Map



Source: Google Earth, January 2019

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA) are areas of growth or contraction.

The PMA is defined by Interstate 75 and West Paces Ferry Road NW to the north, Peachtree Road NW/Georgia State Route 9 and Interstate 85 to the east, Georgia State Route 8 south, and Interstate 285 to the west. This area includes a northwest portion of the city of Atlanta and a southeast portion of Cobb County. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 5 miles
East: 5.2 miles
South: 5.2 miles
West: 2.9 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, including management at the Subject, and the Subject's property manager. Per the 2018 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis. The farthest PMA boundary from the Subject is approximately 5.2 miles to the southeast of the Subject. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 29 counties in northwest Georgia and encompasses 8,828 square miles.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly and (d) special needs (only show this if we are special needs) within the population in the PMA, MSA, and nation from 2000 through 2023.

1a. Total Population

The following table illustrates the total population within the PMA, MSA and nation from 2000 through 2023.

POPULATION						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	84,593	-	4,261,895	-	281,038,168	-
2010	88,363	0.4%	5,286,728	2.4%	308,745,538	1.0%
2018	107,497	2.6%	5,891,925	1.4%	330,088,686	0.8%
Projected Mkt Entry December 2020	112,476	1.9%	6,108,499	1.5%	336,790,585	0.8%
2023	117,798	1.9%	6,340,010	1.5%	343,954,683	0.8%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

As illustrated above, the PMA experienced an increase in total population from 2000 to 2010 at a rate lower in comparison to the MSA and nation. From 2010 to 2018, the PMA experienced an increase in total population at a rate higher in comparison to the MSA and nation. Through market entry and 2023, total population in the PMA is expected to increase at a rate slightly higher in comparison to the MSA and higher in comparison to the nation.

1b. Total Population by Age Group

The following table illustrates the total population within the PMA and MSA from 2000 to 2023.

POPULATION BY AGE GROUP					
Age Cohort	PMA				
	2000	2010	2018	Projected Mkt Entry December 2020	2023
0-4	4,524	5,308	5,440	5,706	5,991
5-9	4,352	4,132	4,907	4,871	4,833
10-14	3,656	3,362	4,374	4,450	4,531
15-19	7,052	6,787	7,770	7,903	8,046
20-24	12,155	12,719	12,753	13,098	13,467
25-29	10,831	11,036	13,262	13,818	14,412
30-34	8,054	8,441	10,938	11,896	12,921
35-39	6,555	6,809	8,540	8,868	9,218
40-44	5,370	5,591	6,597	7,051	7,536
45-49	4,615	4,870	6,003	6,144	6,294
50-54	4,363	4,349	5,411	5,678	5,963
55-59	3,197	3,622	4,989	5,088	5,194
60-64	2,403	3,438	4,402	4,649	4,912
65-69	1,900	2,449	3,886	4,075	4,277
70-74	1,743	1,792	3,052	3,374	3,719
75-79	1,548	1,344	2,089	2,443	2,822
80-84	1,068	1,073	1,371	1,566	1,775
85+	1,206	1,241	1,712	1,798	1,889
Total	84,592	88,363	107,496	112,476	117,800

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

POPULATION BY AGE GROUP					
Age Cohort	Atlanta-Sandy Springs-Roswell, GA MSA				
	2000	2010	2018	Projected Mkt Entry December 2020	2023
0-4	318,718	380,735	382,402	394,709	407,865
5-9	325,853	394,306	398,594	405,003	411,853
10-14	314,167	390,992	409,292	417,224	425,703
15-19	290,064	378,372	391,878	402,644	414,153
20-24	289,487	341,650	395,195	395,729	396,300
25-29	363,934	377,057	444,697	449,792	455,239
30-34	382,069	386,120	422,567	459,942	499,895
35-39	396,706	417,987	417,742	438,334	460,346
40-44	359,953	415,233	402,436	416,645	431,833
45-49	307,240	411,635	415,663	407,090	397,926
50-54	267,442	364,330	399,550	404,160	409,088
55-59	186,716	301,331	381,689	383,432	385,295
60-64	131,017	252,453	323,874	344,399	366,339
65-69	101,827	170,690	268,305	287,084	307,158
70-74	82,788	114,130	186,724	212,681	240,429
75-79	65,285	81,144	115,987	138,751	163,084
80-84	42,347	57,082	68,975	80,190	92,178
85+	36,257	51,481	66,355	70,691	75,326
Total	4,261,870	5,286,728	5,891,925	6,108,499	6,340,010

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

The largest age cohorts in the PMA are between 20 and 24, and 25 and 29, which indicates the presence of a younger population. From 2018 to market entry and 2023, the populations in age cohorts over 60 in the PMA are expected to increase.

1c. Number of Elderly and Non-Elderly

The following table illustrates the elderly and non-elderly population within the PMA and MSA from 2000 through 2023.

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	Total	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		
		Non-Elderly	Elderly (55+)	Total	Non-Elderly	Elderly (55+)
2000	84,593	71,528	13,065	4,261,895	3,615,658	646,237
2010	88,363	73,404	14,959	5,286,728	4,258,417	1,028,311
2018	107,497	85,996	21,501	5,891,925	4,480,016	1,411,909
Projected Mkt Entry December 2020	112,476	89,483	22,993	6,108,499	4,591,272	1,517,227
2023	117,798	93,210	24,588	6,340,010	4,710,201	1,629,809

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

The elderly population in the PMA is expected to increase from 2018 through market entry and 2023 by 1,492 and 3,087, respectively.

2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, and (e) Housing for Older Persons Households 55+ within the population in the PMA, MSA, and nation from 2000 through 2023.

2a. Total Number of Households and Average Household Size

The following tables illustrate the total number of households and average household size within the PMA, MSA, and nation from 2000 through 2023.

HOUSEHOLDS						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	33,759	-	1,559,137	-	105,403,008	-
2010	39,162	1.6%	1,943,881	2.5%	116,716,296	1.1%
2018	49,162	3.1%	2,161,768	1.4%	124,110,017	0.8%
Projected Mkt Entry December 2020	51,338	1.8%	2,237,144	1.4%	126,403,875	0.8%
2023	53,665	1.8%	2,317,719	1.4%	128,855,931	0.8%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

As illustrated above, the PMA experienced an increase in households from 2000 to 2010 at a rate lower in comparison to the MSA and higher in comparison to the nation. From 2010 to 2018, the PMA experienced an increase in households at a rate higher in comparison to the MSA and nation.

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.12	-	2.68	-	2.59	-
2010	1.91	-1.0%	2.67	0.0%	2.58	-0.1%
2018	1.97	0.3%	2.69	0.1%	2.59	0.1%
Projected Mkt Entry December 2020	1.98	0.3%	2.69	0.1%	2.60	0.1%
2023	1.99	0.3%	2.70	0.1%	2.61	0.1%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

The average household size in the PMA is smaller in comparison to the MSA and nation as of 2018. Through market entry and 2023, the average household size in the PMA is expected to slightly increase, higher in comparison to the MSA and nation. The Subject will target elderly individuals and all of the rental units are one-bedroom units, which appear reasonable considering the average household size in the PMA.

2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2023.

TENURE PATTERNS - TOTAL POPULATION

Year	PMA			
	Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage
2000	15,235	45.1%	18,524	54.9%
2010	17,480	44.6%	21,682	55.4%
2018	19,155	39.0%	30,007	61.0%
Projected Mkt Entry December 2020	20,187	39.3%	31,151	60.7%
2023	21,291	39.7%	32,374	60.3%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

TENURE PATTERNS - 55+

Year	PMA			
	Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage
2000	5,972	67.1%	2,926	32.9%
2010	5,754	58.6%	4,072	41.4%
2018	7,633	55.6%	6,084	44.4%
Projected Mkt Entry December 2020	8,351	56.2%	6,505	43.8%
2023	9,118	56.7%	6,955	43.3%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

As the table above illustrates, approximately 44.4 percent of elderly households in the PMA are renter-occupied as of 2018. The number of renter-occupied elderly households in the PMA is expected to increase through market entry and 2023 by 421 and 871 units, respectively.

2c. Household Income

The following table depicts elderly renter household income in the PMA and MSA in 2018, market entry, and 2023.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2018		Projected Mkt Entry December 2020		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	962	15.8%	995	15.3%	1,031	14.8%
\$10,000-19,999	1,123	18.5%	1,120	17.2%	1,117	16.1%
\$20,000-29,999	706	11.6%	730	11.2%	756	10.9%
\$30,000-39,999	683	11.2%	707	10.9%	733	10.5%
\$40,000-49,999	374	6.1%	393	6.0%	414	6.0%
\$50,000-59,999	335	5.5%	380	5.8%	428	6.2%
\$60,000-74,999	303	5.0%	354	5.4%	408	5.9%
\$75,000-99,999	331	5.4%	380	5.8%	433	6.2%
\$100,000-124,999	258	4.2%	290	4.5%	325	4.7%
\$125,000-149,999	309	5.1%	341	5.2%	376	5.4%
\$150,000-199,999	299	4.9%	332	5.1%	367	5.3%
\$200,000+	401	6.6%	481	7.4%	567	8.2%
Total	6,084	100.0%	6,505	100.0%	6,955	100.0%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, November 2018

RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA, 55+

Income Cohort	2018		Projected Mkt Entry December 2020		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	25,389	13.1%	26,271	12.7%	27,213	12.3%
\$10,000-19,999	36,017	18.7%	36,830	17.8%	37,699	17.0%
\$20,000-29,999	25,927	13.4%	27,116	13.1%	28,388	12.8%
\$30,000-39,999	21,201	11.0%	22,366	10.8%	23,612	10.6%
\$40,000-49,999	16,328	8.5%	17,479	8.4%	18,709	8.4%
\$50,000-59,999	13,121	6.8%	14,319	6.9%	15,599	7.0%
\$60,000-74,999	13,150	6.8%	14,406	7.0%	15,748	7.1%
\$75,000-99,999	13,360	6.9%	14,926	7.2%	16,601	7.5%
\$100,000-124,999	9,583	5.0%	10,798	5.2%	12,097	5.4%
\$125,000-149,999	6,536	3.4%	7,637	3.7%	8,814	4.0%
\$150,000-199,999	5,818	3.0%	6,809	3.3%	7,868	3.5%
\$200,000+	6,688	3.5%	8,191	4.0%	9,798	4.4%
Total	193,118	100.0%	207,148	100.0%	222,146	100.0%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, November 2018

The Subject will target elderly tenants earning between \$0 and \$35,940. As the table above depicts, approximately 45.9 percent of elderly renter households in the PMA are earning incomes less than \$30,000 annually, in comparison to 45.2 percent in the MSA, as of 2018. For the projected market entry date of December 2020, these percentages are expected to decrease to 43.7 percent and 43.6 percent for the PMA and MSA, respectively.

2d. Renter Households by Number of Persons in the Household

The following table illustrates household size for elderly households in 2018, market entry, and 2023. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+

Household Size	Projected Mkt Entry December					
	2018		2020		2023	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	4,043	66.5%	4,341	66.7%	4,660	67.0%
2 Persons	1,308	21.5%	1,392	21.4%	1,482	21.3%
3 Persons	321	5.3%	342	5.3%	365	5.2%
4 Persons	170	2.8%	170	2.6%	171	2.5%
5+ Persons	242	4.0%	259	4.0%	277	4.0%
Total Households	6,084	100%	6,505	100%	6,955	100%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, November 2018

The majority of elderly renter households in the PMA are one- and two-person households. The percentages of one- and two-person elderly households in the PMA are expected to remain similar through market entry.

Conclusion

Through market entry and 2023, total population in the PMA is expected to increase at a rate slightly higher in comparison to the MSA and higher in comparison to the nation. The largest age cohorts in the PMA are between 20 and 24, and 25 and 29, which indicates the presence of a younger population. The elderly population (55+) in the PMA is expected to increase from 2018 through market entry and 2023 by 1,492 and 3,087, respectively. Through market entry and 2023, households in the PMA are expected to increase at a rate higher in comparison to the MSA and nation. The Subject will target elderly individuals and all of the rental units are one-bedroom units, which appear reasonable considering the average household size in the PMA. The number of renter-occupied elderly households in the PMA is expected to increase through market entry and 2023 by 421 and 871 units, respectively. The Subject will target elderly tenants earning between \$0 and \$35,940. Approximately 45.9 percent of elderly renter households in the PMA are earning incomes less than \$30,000 annually, as of 2018. The majority of elderly renter households in the PMA are one- and two-person households. Overall, the expected increase in elderly population in the PMA coupled with a high concentration of elderly renter households earning less than \$30,000 annually in the PMA indicates significant demand for affordable rental housing in the market.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

1. Total Jobs

The following table illustrates the total jobs (also known as “covered employment”) in Fulton County. Note that the data below was the most recent data available.

Year	Total Employment	% Change
2007	465,409	-
2008	462,990	-0.52%
2009	436,777	-6.00%
2010	436,455	-0.07%
2011	453,846	3.83%
2012	466,140	2.64%
2013	470,013	0.82%
2014	479,630	2.01%
2015	495,984	3.30%
2016	517,233	4.11%
2017	534,545	3.24%
2018 YTD Average	536,208	3.54%
Aug-17	521,268	-
Aug-18	535,600	2.68%

Source: U.S. Bureau of Labor Statistics

YTD as of August 2018

As illustrated in the table above, Fulton County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with a 0.5 percent decrease in total employment. Total employment growth rebounded in 2011 and Fulton County has since exhibited positive employment growth every following year. Total employment in Fulton County increased 2.68 percent from August 2017 to August 2018.

Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Fulton County as of Q2 2017. Note that the data below was the most recent data available.

Fulton County, Georgia		
	Number	Percent
Total, all industries	755,902	-
Goods-producing	50,199	-
Natural resources and mining	343	0.05%
Construction	19,903	2.63%
Manufacturing	29,953	3.96%
Service-providing	705,703	-
Trade, transportation, and utilities	147,678	19.54%
Information	51,516	6.82%
Financial activities	76,348	10.10%
Professional and business services	198,716	26.29%
Education and health services	103,695	13.72%
Leisure and hospitality	100,885	13.35%
Other services	24,737	3.27%
Unclassified	2,128	0.28%

Source: Bureau of Labor Statistics, 2017

Professional and business services is the largest industry in Fulton County, followed by trade, transportation, and utilities, and education and health services. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of education and health services. The following table illustrates employment by industry in the PMA as of 2018 (most recent year available).

2018 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	11,546	19.7%	11,673,939	7.4%
Educational Services	8,033	13.7%	14,568,337	9.2%
Retail Trade	5,281	9.0%	17,381,607	11.0%
Healthcare/Social Assistance	4,497	7.7%	22,154,439	14.0%
Accommodation/Food Services	3,578	6.1%	11,958,374	7.6%
Finance/Insurance	3,491	6.0%	7,284,572	4.6%
Manufacturing	2,734	4.7%	15,694,985	9.9%
Transportation/Warehousing	2,589	4.4%	6,660,099	4.2%
Construction	2,436	4.2%	10,333,928	6.5%
Admin/Support/Waste Mgmt Svcs	2,313	4.0%	6,943,459	4.4%
Other Services	2,229	3.8%	7,758,801	4.9%
Information	2,067	3.5%	2,881,691	1.8%
Real Estate/Rental/Leasing	1,967	3.4%	3,165,171	2.0%
Wholesale Trade	1,823	3.1%	4,028,405	2.6%
Public Administration	1,628	2.8%	7,345,537	4.7%
Arts/Entertainment/Recreation	1,437	2.5%	3,672,444	2.3%
Agric/Forestry/Fishing/Hunting	442	0.8%	2,273,158	1.4%
Utilities	351	0.6%	1,433,069	0.9%
Mgmt of Companies/Enterprises	89	0.2%	87,511	0.1%
Mining	14	0.0%	591,596	0.4%
Total Employment	58,545	100.0%	157,891,122	100.0%

Source: Esri Demographics 2018, Novogradac & Company LLP, October 2018

The largest percentage of workers in the PMA are employed in the professional/scientific/technical services, educational services, retail trade, and healthcare/social assistance sectors, which together represent 50.1 percent of total employment in the PMA, compared to 41.7 percent of employment in these same sectors nationally. The educational services and healthcare/social assistance sectors have historically been considered stable while the professional/scientific/technical services and retail trade sectors are more cyclical in nature. When compared to the nation, the PMA contains a significantly higher percentage of persons employed in the professional/scientific/technical services, educational services, and information sectors. Conversely, the PMA contains a significantly lower percentage of persons employed in the healthcare/social assistance, manufacturing, and construction sectors when compared to the nation.

2. Major Employers

The following table details the major employers in the Atlanta metro area.

MAJOR EMPLOYERS ATLANTA METRO AREA		
Employer Name	Industry	# Of Employees
Delta Air Lines	Transportation	31,699
Emory University/Emory Healthcare	Educational Services and Healthcare	26,026
The Home Depot	Retail Trade	25,000
WellStar Health System	Healthcare	20,000
AT&T	Telecommunications	17,000
UPS	Transportation/Warehousing	16,231
Northside Hospital	Healthcare	14,577
Piedmont Healthcare	Healthcare	12,906
Marriott International	Accommodation/Food Services	12,000
Publix Super Markets	Retail Trade	9,755
Georgia State University	Educational Services	9,422
Center for Disease Control and Prevention (CDC)	Healthcare	9,151
Cox Enterprises	Telecommunications	8,269
Southern Company	Energy	7,800
Children's Healthcare of Atlanta	Healthcare	7,208
Totals		227,044

Source: Metro Atlanta Chamber, October 2018

The largest employers in the Atlanta metro area are in the transportation, educational services, healthcare, retail trade, telecommunications, accommodation/food services, and energy sectors. The educational services and healthcare sectors are relatively stable during economic downturns, while the transportation, retail trade, telecommunications, accommodation/food services, and energy sectors are prone to cyclical employment cycles. The major employers represent diverse industry sectors and account for a significant amount of the area's employment.

Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since October 1, 2015 in Fulton County according to the Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings.

**WARN LISTINGS
FULTON COUNTY**

Company	Industry	Employees Affected	Layoff Date
Legal Sea Foods, LLC	Food services	78	12/18/2018
Bank of America	Financial services	100	11/24/2018
Bob McCormick and Associates, Inc	Management consulting	1	8/2/2018
Morrison Healthcare (Food Service Div)	Healthcare	162	7/31/2018
Belks	Retail trade	99	7/31/2018
Owens-Brockway Glass Container, Inc.	Manufacturing	256	7/18/2018
Parsec	Transportation	206	7/2/2018
US HealthWorks	Healthcare	70	5/30/2018
Toyota of Union City	Retail trade	100	5/15/2018
DHL	Transportation	498	5/3/2018
Menzies Aviation	Aviation services	298	10/10/2017
WestRock	Paper and packaging	71	8/31/2017
ExpressJet Airlines	Aviation	50	8/28/2017
DSC Logistics	Transportation	109	8/22/2017
B & B Bacrach	Retail trade	5	8/6/2017
Kellogg's	Food manufacturing	181	7/29/2017
Coca-Cola	Beverage manufacturing	421	7/15/2017
Dollar Express	Retail trade	65	6/30/2017
Millwood	Shipping services	97	6/30/2017
Sodexo	Food services	372	6/30/2017
Walmart	Retail trade	73	6/23/2017
Zep Inc	Maintenance and cleaning solutions	158	6/1/2017
Bebe	Retail trade	19	5/27/2017
Walmart	Retail trade	68	5/12/2017
Sheraton Atlanta Airport Hotel	Accommodation/Food services	145	5/12/2017
Newell Brands	Manufacturing	258	3/31/2017
Bebe	Retail trade	13	3/31/2017
Burris Logistics	Transportation	167	3/20/2017
Windstream Communications	Telecommunications	55	3/1/2017
Kenco	Warehousing	71	2/27/2017
Whole Food Market	Retail trade	149	2/12/2017
DAL Global Services	Aviation services	52	2/1/2017
Corizon Health	Healthcare	208	12/31/2016
Athena Healthcare	Healthcare	49	12/30/2016
Core Logiç	Business management consultant	36	8/29/2016
Benchmark Brands, Inc.	Retail trade	156	8/11/2016
TriEpiz Lab Group LLC	Technical services	5	7/28/2016
American Hospice/Embracing Hospice	Healthcare	49	5/20/2016
Georgia Department of Agriculture	Agriculture/Public administration	52	5/1/2016
Maslow Media Group	Media	1	4/30/2016
Metropolitan Atlanta Rapid Transit Authority (MARTA)	Transportation	371	3/25/2016
Delta Global Services, LLC.	Aviation services	275	3/15/2016
Mycom North America	Technical services	11	3/10/2016
Masterack, Division of Leggett & Platt	Manufacturing	121	2/29/2016
American Residential Properties	Real estate	2	2/29/2016
Advance Auto Parts	Retail trade	8	2/16/2016
INPAX Shipping Solutions	Shipping services	37	1/23/2016
WestRock	Paper and packaging	66	1/20/2016
Barclays Capital	Financial services	11	12/28/2015
Gannett Publishing Service	Publishing	34	12/27/2015
Triple Crown Services	Transportation	240	11/17/2015
Aramark	Food and facility services	1,078	11/15/2015
Total		9,594	

Source: Georgia Department of Labor, December 2018

As illustrated in the above table, there have been 9,594 employees in the area impacted by layoffs or closures since October 2015, which equates to less than one percent of MSA employment. Despite the job losses that have been reported, there has been some growth occurring in the area.

The following details employment expansions in the Atlanta area, compiled from internet research:

- Inspire Brands, a restaurant ownership company, announced in August 2018 that it will locate its new headquarters in Sandy Springs. Inspire Brands is expected to invest \$32 million in Fulton County over the next six years and create over, 1,100 jobs.
- ASOS, an online global and beauty retailer, announced in August 2018 that it will establish an e-commerce fulfillment center in Union City, GA. ASOS will invest over \$40 million in Fulton County over the next five years and create more than 1,600 jobs.
- According to Global Atlanta in February 2018, VanRiet Material Handling Systems, a manufacturer of automated transport and sorting solutions, plans for create 70 new jobs with a new facility in Fulton County.
- According to Area Development in September 2017, OneTrust, a global privacy management software company, plans to invest \$5 million and create 500 jobs at its facility in Fulton County

As detailed above, there have been several announcements regarding business expansion in a variety of industries including manufacturing, technology, and retail trade.

3. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2002 to August 2018.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	2,324,880	-	5.0%	-	136,485,000	-	5.8%	-
2003	2,347,173	1.0%	4.9%	-0.2%	137,736,000	0.9%	6.0%	0.2%
2004	2,382,163	1.5%	4.8%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,445,674	2.7%	5.4%	0.6%	141,730,000	1.8%	5.1%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	146,047,000	1.1%	4.6%	0.0%
2008	2,606,822	-0.5%	6.2%	1.7%	145,363,000	-0.5%	5.8%	1.2%
2009	2,452,057	-5.9%	9.9%	3.8%	139,878,000	-3.8%	9.3%	3.5%
2010	2,440,037	-0.5%	10.3%	0.4%	139,064,000	-0.6%	9.6%	0.3%
2011	2,486,895	1.9%	9.9%	-0.4%	139,869,000	0.6%	9.0%	-0.7%
2012	2,545,474	2.4%	8.8%	-1.1%	142,469,000	1.9%	8.1%	-0.9%
2013	2,572,589	1.1%	7.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2014	2,619,531	1.8%	6.8%	-1.0%	146,305,000	1.7%	6.2%	-1.2%
2015	2,684,742	2.5%	5.7%	-1.1%	148,833,000	1.7%	5.3%	-0.9%
2016	2,794,326	4.1%	5.1%	-0.6%	151,436,000	1.7%	4.9%	-0.4%
2017	2,896,736	3.7%	4.6%	-0.6%	153,308,000	1.2%	4.4%	-0.5%
2018 YTD Average*	2,978,169	2.8%	3.9%	-0.7%	155,303,000	1.3%	4.0%	-0.5%
Aug-2017	2,895,101	-	4.7%	-	153,576,000	-	4.5%	-
Aug-2018	2,975,023	2.8%	3.6%	-1.1%	155,539,000	1.3%	3.9%	-0.6%

Source: U.S. Bureau of Labor Statistics October 2018

*2018 data is through Aug

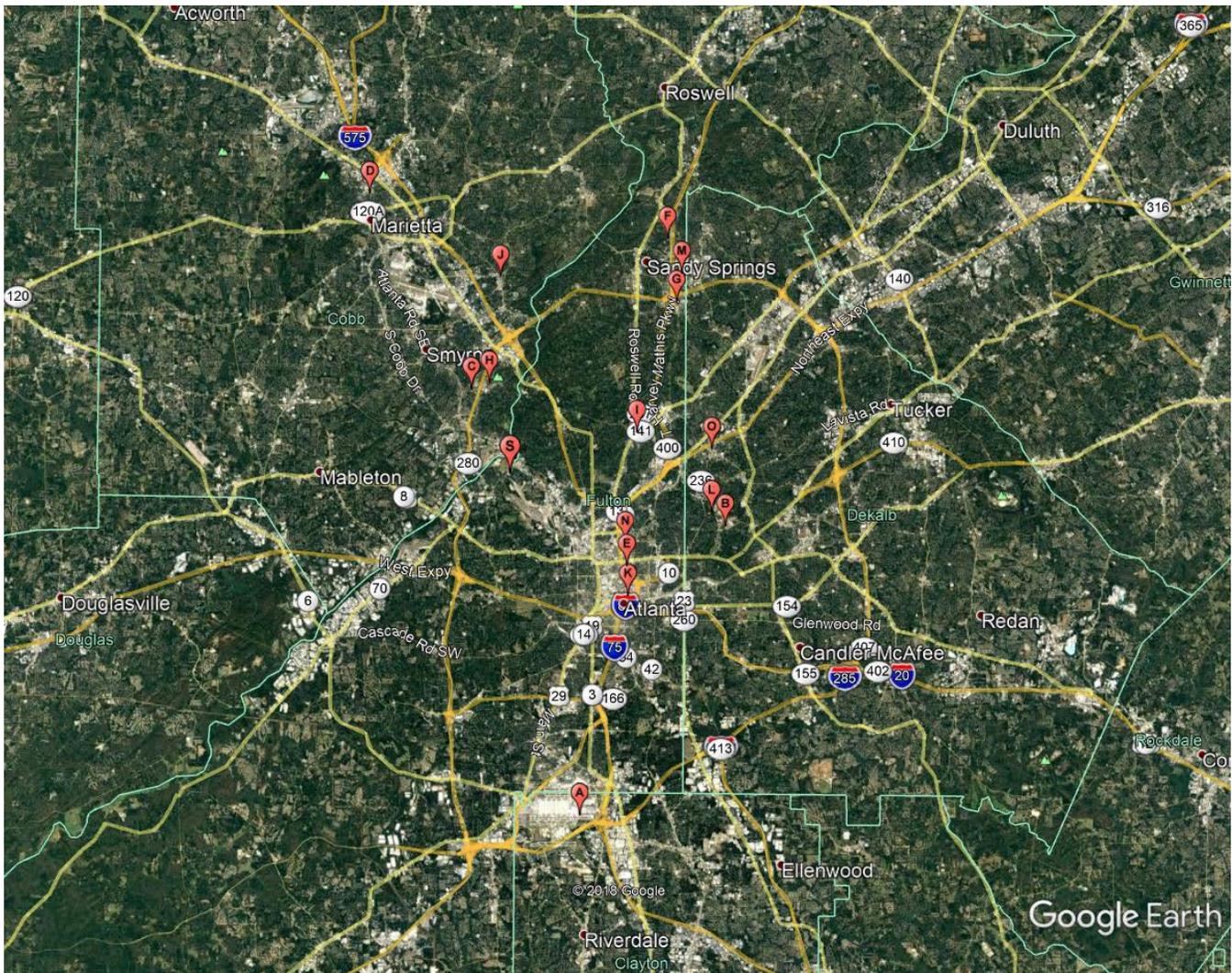
Total employment in the MSA increased every year since 2002 except from 2008 to 2010, similar in comparison to the nation. The largest decreases in total employment in the MSA and nation of 5.9 percent and 3.8 percent, respectively, occurred in 2009. These periods of decreasing total employment are consistent with the last national recession. From August 2017 to August 2018, total employment in the MSA increased

2.8 percent in comparison to an increase of 1.3 percent in the nation over the same time period. It should be noted that total employment in the MSA surpassed pre-recessionary levels in 2014, indicating that the local economy quickly recovered from the national recession and is in an expansionary phase.

Since 2008, the unemployment rate in the MSA has been higher in comparison to the nation. The unemployment rates in the MSA and nation peaked in 2010 at 10.3 percent and 9.6 percent, respectively. The unemployment rates in the MSA and nation have decreased every year since reaching their respective peaks in 2010. From August 2017 to August 2018, the unemployment rate in the MSA experienced a 1.1 percentage point decrease in comparison to a 0.6 percentage point decrease in the nation over the same time period. It should be noted that the unemployment rate in the MSA is below prerecessionary levels as of August 2018. Further, it should be noted that the unemployment rate in the MSA of 3.6 percent is lower in comparison to the unemployment rate in the nation of 3.9 percent, as of August 2018.

Map of Site and Major Employment Concentrations

The following map and table details the largest employers in the Atlanta metro area.



Source: Google Earth, January 2019

MAJOR EMPLOYERS
ATLANTA METRO AREA

Map Letter	Employer Name	Industry	# Of Employees
A	Delta Air Lines	Transportation	31,699
B	Emory University/Emory Healthcare	Educational Services and Healthcare	26,026
C	The Home Depot	Retail Trade	25,000
D	WellStar Health System	Healthcare	20,000
E	AT&T	Telecommunications	17,000
F	UPS	Transportation/Warehousing	16,231
G	Northside Hospital	Healthcare	14,577
H	Piedmont Healthcare	Healthcare	12,906
I	Marriott International	Accommodation/Food Services	12,000
J	Publix Super Markets	Retail Trade	9,755
K	Georgia State University	Educational Services	9,422
L	Center for Disease Control and Prevention (CDC)	Healthcare	9,151
M	Cox Enterprises	Telecommunications	8,269
N	Southern Company	Energy	7,800
O	Children's Healthcare of Atlanta	Healthcare	7,208
Totals			227,044

Source: Metro Atlanta Chamber, October 2018

4. Conclusion

Total employment in Fulton County increased 2.8 percent from August 2017 to August 2018. Professional and business services is the largest industry in Fulton County, followed by trade, transportation, and utilities, and education and health services. The largest percentage of workers in the PMA are employed in the professional/scientific/technical services, educational services, retail trade, and healthcare/social assistance sectors. The educational services and healthcare/social assistance sectors have historically been considered stable while the professional/scientific/technical services and retail trade sectors are more cyclical in nature. There have been 9,594 employees in the area impacted by layoffs or closures since 2015. Additionally, there have been several announcements regarding business expansion in a variety of industries including manufacturing, technology, and retail trade.

From August 2017 to August 2018, total employment in the MSA increased 2.8 percent in comparison to an increase of 3.9 percent in the nation over the same time period. It should be noted that total employment in the MSA surpassed prerecessionary levels in 2014, indicating that the local economy quickly recovered from the national recession and is in an expansionary phase. From August 2017 to August 2018, the unemployment rate in the MSA experienced a 1.1 percentage point decrease, greater in comparison to a 0.6 percentage point decrease in the nation. It should be noted that the unemployment rate in the MSA is below prerecessionary levels as of August 2018. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by DCA.

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum gross rent a housing for older person household will pay is 40 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). However, very few elderly households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Information Systems, to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

2. Affordability

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 40 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

55+ INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60% (RAD)	
1BR	\$0	\$35,940

55+ INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$25,260	\$35,940

3. Demand

The demand for the Subject will be derived from three sources: new households, existing households and elderly homeowners likely to convert to rentership. These calculations are illustrated in the following tables.

3a. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized December 2020, the anticipated date of market entry, as the base year for the analysis. Therefore, 2018 household population estimates are inflated to December 2020 by interpolation of the difference between 2018 estimates and 2023 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in December 2020. This number takes the overall growth from 2018 to December 2020 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3b. Demand from Existing Households

Demand for existing households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using ACS data based on appropriate income levels.

The second source is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

3c. Demand from Elderly Homeowners likely to Convert to Rentership

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

3d. Other

Per the 2018 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

DCA does not consider household turnover to be a source of market demand. Therefore, we have not accounted for household turnover in our demand analysis.

We have adjusted all of our capture rates based on household size. DCA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to considered larger household sizes. We have incorporated household size adjustments in our capture rates for all of the Subject's units.

4. Net Demand, Capture Rates and Stabilization Calculations

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2016 to the present.

Additions to Supply

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we have deducted the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2016 through the present.
- Vacancies in projects placed in service prior to 2016 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2016 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

According to the Georgia Department of Community Affairs, there has been one property allocated tax credits since 2015. The Remington received tax credits in 2015 and opened in October 2017. Management at The Remington reported the property has reached stabilization and is 100 percent occupied. Additionally, the property received Project Based Rental Assistance (PBRA) from the Atlanta Housing Authority. Therefore, we have not removed The Remington’s units from our demand analysis, as the units have been absorbed in the market. We also identified through the Costar new construction report, Senior Living, a proposed market rate property targeting seniors. However, we were unable to verify whether Senior Living’s rents will be less than 10 percent above the Subject’s proposed rents, as the property is still in the proposal stages of development. Since this property will be new construction, we believe this assumption is reasonable. Thus, we have not removed Senior Living’s proposed units from our demand analysis. Further, all market rate units that are proposed, are under construction, or have entered the market from 2016 to present, identified through research of a CoStar new construction report for the Subject’s PMA, are targeted to families and are not anticipated to be directly competitive with the Subject.

PMA Occupancy

Per DCA’s guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the total competitive units in the PMA.

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Moore's Mills Village	LIHTC	Atlanta	Senior	152	99%
Columbia Heritage Senior Residences	LIHTC	Atlanta	Senior	131	100%
Campbell Stone	LIHTC	Atlanta	Senior	307	98%
Manor At Scott's Crossing	LIHTC	Atlanta	Senior	101	100%
The Remington	LIHTC/Bond	Atlanta	Senior	160	Under Construction
Saint Anne's Terrace	Market	Atlanta	Senior	98	100%
Average PMA Occupancy					99%

The average occupancy rate of competitive developments in the PMA is 99 percent.

Rehab Developments and PBRA

For any properties that are rehab developments, the capture rates will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet.

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

5. Capture Rates

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income distribution through the projected market entry date of December 2020 were illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2018		Projected Mkt Entry December 2020		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	962	15.8%	995	15.3%	1,031	14.8%
\$10,000-19,999	1,123	18.5%	1,120	17.2%	1,117	16.1%
\$20,000-29,999	706	11.6%	730	11.2%	756	10.9%
\$30,000-39,999	683	11.2%	707	10.9%	733	10.5%
\$40,000-49,999	374	6.1%	393	6.0%	414	6.0%
\$50,000-59,999	335	5.5%	380	5.8%	428	6.2%
\$60,000-74,999	303	5.0%	354	5.4%	408	5.9%
\$75,000-99,999	331	5.4%	380	5.8%	433	6.2%
\$100,000-124,999	258	4.2%	290	4.5%	325	4.7%
\$125,000-149,999	309	5.1%	341	5.2%	376	5.4%
\$150,000-199,999	299	4.9%	332	5.1%	367	5.3%
\$200,000+	401	6.6%	481	7.4%	567	8.2%
Total	6,084	100.0%	6,505	100.0%	6,955	100.0%

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, November 2018

60% AMI – With Subsidy (RAD)

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$0		Maximum Income Limit		\$35,940	
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry December 2020		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	33			7.9%	\$9,999	100.0%
\$10,000-19,999	-3	-0.7%	\$9,999	100.0%	-3		
\$20,000-29,999	24	5.7%	\$9,999	100.0%	24		
\$30,000-39,999	24	5.7%	\$5,940	59.4%	14		
\$40,000-49,999	19	4.6%	\$0	0.0%	0		
\$50,000-59,999	45	10.7%	\$0	0.0%	0		
\$60,000-74,999	51	12.1%	\$0	0.0%	0		
\$75,000-99,999	49	11.7%	\$0	0.0%	0		
\$100,000-124,999	32	7.7%	\$0	0.0%	0		
\$125,000-149,999	32	7.7%	\$0	0.0%	0		
\$150,000-199,999	33	7.8%	\$0	0.0%	0		
\$200,000+	80	19.1%	\$0	0.0%	0		
Total	421	100.0%		16.4%	69		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$0		Maximum Income Limit		\$35,940	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	962			15.8%	\$9,999	100.0%
\$10,000-19,999	1,123	18.5%	\$9,999	100.0%	1,123		
\$20,000-29,999	706	11.6%	\$9,999	100.0%	706		
\$30,000-39,999	683	11.2%	\$5,940	59.4%	406		
\$40,000-49,999	374	6.1%	\$0	0.0%	0		
\$50,000-59,999	335	5.5%	\$0	0.0%	0		
\$60,000-74,999	303	5.0%	\$0	0.0%	0		
\$75,000-99,999	331	5.4%	\$0	0.0%	0		
\$100,000-124,999	258	4.2%	\$0	0.0%	0		
\$125,000-149,999	309	5.1%	\$0	0.0%	0		
\$150,000-199,999	299	4.9%	\$0	0.0%	0		
\$200,000+	401	6.6%	\$0	0.0%	0		
Total	6,084	100.0%		52.5%	3,197		

ASSUMPTIONS - @60%

Tenancy		55+		% of Income towards Housing		40%	
Rural/Urban		Urban		Maximum # of Occupants		0	
Persons in Household							
1	0%	100%	0%	0%	0%	0%	
2	0%	80%	20%	0%	0%	0%	
3	0%	0%	0%	40%	60%	60%	
4	0%	0%	0%	70%	30%	30%	
5+	0%	0%	0%	30%	70%	70%	

Demand from New Renter Households 2018 to December 2020

Income Target Population	@60%
New Renter Households PMA	421
Percent Income Qualified	16.4%
New Renter Income Qualified Households	69

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	6,084
Income Qualified	52.5%
Income Qualified Renter Households	3,197
Percent Rent Overburdened Prj Mrkt Entry December 2020	32.8%
Rent Overburdened Households	1,047

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,197
Percent Living in Substandard Housing	1.5%
Households Living in Substandard Housing	47

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	8,351
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	167

Total Demand

Total Demand from Existing Households	1,261
Total New Demand	69
Total Demand (New Plus Existing Households)	1,330

Demand from Seniors Who Convert from Homeownership	167
Percent of Total Demand From Homeownership Conversion	12.6%
Is this Demand Over 2 percent of Total Demand?	Yes

By Bedroom Demand

One Person	66.7%	888
Two Persons	21.4%	285
Three Persons	5.3%	70
Four Persons	2.6%	35
Five Persons	4.0%	53
Total	100.0%	1,330

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	100%	888
Of two-person households in 1BR units	80%	228
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	0%	0
Of two-person households in 2BR units	20%	57
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	28
Of four-person households in 3BR units	70%	24
Of five-person households in 3BR units	30%	16
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	42
Of four-person households in 4BR units	30%	10
Of five-person households in 4BR units	35%	19
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	19
Total Demand		1,330

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	1,115	-	0	=	1,115
Total	1,115		0		1,115
Developer's Unit Mix			Net Demand		Capture Rate
1 BR	129	/	1,115	=	11.6%
Total	129		1,115		11.6%

60% AMI – Absent Subsidy

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$25,260	Maximum Income Limit		\$35,940
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry December 2020		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	33			
\$10,000-19,999	-3	-0.7%	\$0	0.0%	0
\$20,000-29,999	24	5.7%	\$4,739	47.4%	11
\$30,000-39,999	24	5.7%	\$5,940	59.4%	14
\$40,000-49,999	19	4.6%	\$0	0.0%	0
\$50,000-59,999	45	10.7%	\$0	0.0%	0
\$60,000-74,999	51	12.1%	\$0	0.0%	0
\$75,000-99,999	49	11.7%	\$0	0.0%	0
\$100,000-124,999	32	7.7%	\$0	0.0%	0
\$125,000-149,999	32	7.7%	\$0	0.0%	0
\$150,000-199,999	33	7.8%	\$0	0.0%	0
\$200,000+	80	19.1%	\$0	0.0%	0
Total	421	100.0%		6.1%	26

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$25,260	Maximum Income Limit		\$35,940
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	962			
\$10,000-19,999	1,123	18.5%	\$0	0.0%	0
\$20,000-29,999	706	11.6%	\$4,739	47.4%	335
\$30,000-39,999	683	11.2%	\$5,940	59.4%	406
\$40,000-49,999	374	6.1%	\$0	0.0%	0
\$50,000-59,999	335	5.5%	\$0	0.0%	0
\$60,000-74,999	303	5.0%	\$0	0.0%	0
\$75,000-99,999	331	5.4%	\$0	0.0%	0
\$100,000-124,999	258	4.2%	\$0	0.0%	0
\$125,000-149,999	309	5.1%	\$0	0.0%	0
\$150,000-199,999	299	4.9%	\$0	0.0%	0
\$200,000+	401	6.6%	\$0	0.0%	0
Total	6,084	100.0%		12.2%	740

ASSUMPTIONS - @60%

Tenancy	55+	% of Income towards Housing				40%
Rural/Urban	Urban	Maximum # of Occupants				2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	100%	0%	0%	0%	
2	0%	80%	20%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2018 to December 2020

Income Target Population	-
New Renter Households PMA	421
Percent Income Qualified	6.1%
New Renter Income Qualified Households	26

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	-
Total Existing Demand	6,084
Income Qualified	12.2%
Income Qualified Renter Households	740
Percent Rent Overburdened Prj Mrkt Entry December 2020	32.8%
Rent Overburdened Households	243

Demand from Living in Substandard Housing

Income Qualified Renter Households	740
Percent Living in Substandard Housing	1.5%
Households Living in Substandard Housing	11

Senior Households Converting from Homeownership

Income Target Population	-
Total Senior Homeowners	8,351
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	167

Total Demand

Total Demand from Existing Households	420
Total New Demand	26
Total Demand (New Plus Existing Households)	446

Demand from Seniors Who Convert from Homeownership	167
Percent of Total Demand From Homeownership Conversion	37.4%
Is this Demand Over 2 percent of Total Demand?	Yes

By Bedroom Demand

One Person	66.7%	298
Two Persons	21.4%	95
Three Persons	5.3%	23
Four Persons	2.6%	12
Five Persons	4.0%	18
Total	100.0%	446

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	100%	298
Of two-person households in 1BR units	80%	76
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	0%	0
Of two-person households in 2BR units	20%	19
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	9
Of four-person households in 3BR units	70%	8
Of five-person households in 3BR units	30%	5
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	14
Of four-person households in 4BR units	30%	4
Of five-person households in 4BR units	35%	6
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	6
Total Demand		446

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	374	-	0	=	374
Total	374		0		374
Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	129	/	374	=	34.5%
Total	129		374		34.5%

Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of elderly households in the PMA is expected to increase 3.4 percent between 2018 and market entry December 2020.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.
- This demand analysis is hypothetical as all of the existing tenants will remain income qualified post renovation and negligible turnover is anticipated.

The following table illustrates demand and net demand for the Subject’s units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

DEMAND AND NET DEMAND			
	HH at @60% AMI (\$0 to \$35,940)	HH at @60% AMI (\$25,260 to \$35,940)	All Tax Credit Households
Demand from New Households (age and income appropriate)	69	26	69
PLUS	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	1,047	11	47
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	47	243	1,047
=	=	=	=
Sub Total	1,163	279	1,163
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	167	167	167
Equals Total Demand	1,330	446	1,330
Less	-	-	-
New Supply	0	0	0
Equals Net Demand	1,330	167	167

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @60% AMI (RAD)	\$0	\$35,940	129	1,115	0	1115	11.57%	12 months	\$1,650	\$975	\$1,650	\$842
1BR @60% AMI (absent subsidy)	\$25,260	\$35,940	129	374	0	374	34.48%	15 months	\$1,650	\$975	\$1,650	\$842

As the analysis illustrates, the Subject’s overall capture rate when we consider the RAD program rental assistance that will be in place is 11.57 percent, which is within Georgia DCA thresholds. Therefore, we believe there is adequate demand for the Subject.

Therefore, we believe there is adequate demand for the Subject. This demand analysis is hypothetical as all of the existing tenants will remain income qualified post renovation and negligible turnover is anticipated.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,293 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average. We have included five LIHTC comparables in our analysis. Three of the LIHTC properties are located inside the PMA, and all are located within 9.4 miles of the Subject site and are located in Atlanta. Three of the LIHTC comparables target seniors and are considered most comparable. All of the LIHTC comparables were built or renovated between 2002 and 2009.

The availability of market-rate data is considered good. We have included five conventional properties in our analysis of the competitive market. All of the market-rate comparables are located in the PMA and within 2.1 miles of the Subject. These comparables were built or renovated between 1963 and 2017. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable.

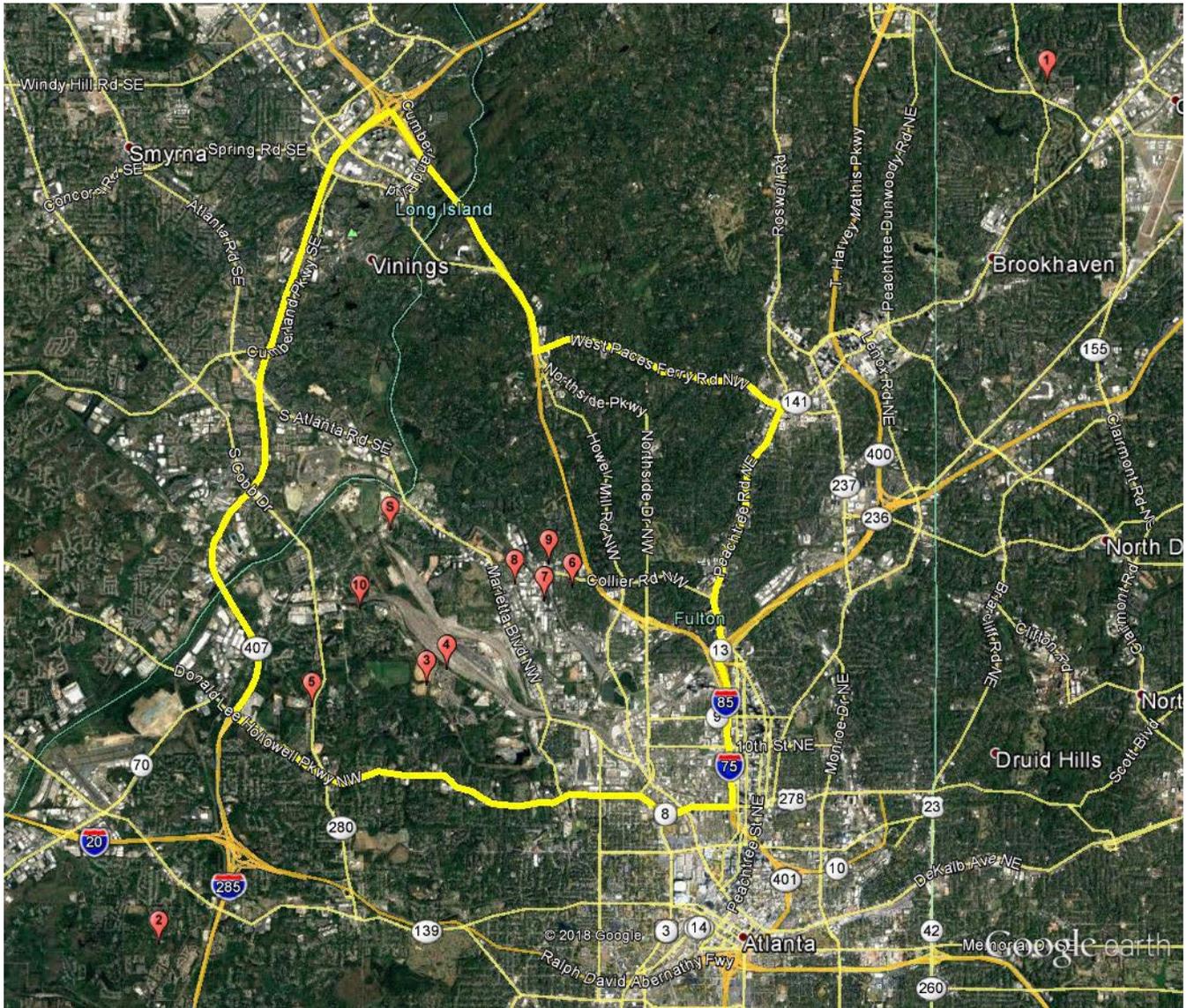
Excluded Properties

The following table illustrates properties within the PMA that have been excluded from our analysis along with their reason for exclusion.

EXCLUDED PROPERTIES

Property	Program	Reason for Exclusion
Atlanta Group Home	Section 8	Subsidized
Columbia Estates	LIHTC, Market	Dissimilar tenancy
Columbia Park Citi	LIHTC (PHA), Market, Non-Rental	Subsidized
Dwell At The View	LIHTC, Market	Dissimilar tenancy
Hampton Oaks Apartments & Cooperative	LIHTC (PBRA), Market	Subsidized
Ivywood Park	LIHTC	Dissimilar tenancy
M Street Apartments	LIHTC, Market	Dissimilar tenancy
Moore's Mill Village	LIHTC	Dissimilar tenancy
Overlook Atlanta	LIHTC	Dissimilar tenancy
Peachtree Road Tower	Public Housing	Subsidized
Rolling Bends Phase I	LIHTC (Section 8)	Subsidized
Rolling Bends Phase II	LIHTC (Section 8)	Subsidized
The Darlington	LIHTC (BOND)	Dissimilar tenancy
Village At Proctor Creek	LIHTC (PBRA), Market	Subsidized
Village At Scotts Crossing	LIHTC	Dissimilar tenancy
1016 Lofts	Market	Closer comparables
17 West	Market	Closer comparables
935M	Market	Closer comparables
AML I @ West Paces	Market	Closer comparables
Arium Westside	Market	Superior age and condition
Bolton Park	Market	Dissimilar unit mix
Broadstone At Vinings	Market	Closer comparables
Brookwood Valley	Market	Closer comparables
Campbell Stone Apartments	Market, Section 8, AHA	Subsidized
Carondelet Apartments	Market	Dissimilar unit mix
Collier Ridge Apartments	Market	Closer comparables
Defoor Village	Market	Closer comparables
Defoors Ferry Manor	Market	Dissimilar unit mix
Flipper Temple	Section 8	Subsidized
Forest Hills At Vinings	Market	Dissimilar design
Gables Vinings	Market	Closer comparables
Georgian Hills Apartments	Market	Inferior age and condition
Hollywood West	Market/LIHTC	Dissimilar tenancy
Hotel Roxy Lofts	Market	Closer comparables
Madison Vinings Ridge	Market	Closer comparables
Magnolia Vinings	Market	Closer comparables
Midtown West (FKA - Bolton Place)	Market	Inferior age and condition
Oak Park Of Vinings	Market	Closer comparables
Post Crest	Market	Dissimilar design
Rachel's Court	Market	Dissimilar unit mix
Shawnee/Hollywood	Section 8	Subsidized
St. Anne's Terrace	Market	Could not contact
Steelworks	Market	Closer comparables
Sterling Collier Hills	Market	Closer comparables
Stone Ridge At Vinings	Market	Dissimilar design
Tamarron At Vinings	Market	Closer comparables
The Aster At Buckhead	Market	Closer comparables
The Flats	Market	Dissimilar unit mix
The Lofts At Atlantic Station	Market	Superior age and condition
The Row At Twenty-sixth	Market	Closer comparables
Wellington Point	Market	Closer comparables
Westlake Manor Townhouses	Section 8	Subsidized
Westmar Student Lofts	Market	Student housing

Comparable Rental Property Map



Source: Google Earth, January 2019

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Marietta Road Highrise	Atlanta	LIHTC	Senior	-
1	Ashford Landing Senior Residences	Atlanta	LIHTC	Senior	9.4 miles
2	Big Bethel Village	Atlanta	LIHTC/ Market	Senior	5.6 miles
3	Columbia Crest	Atlanta	LIHTC/ Market	Family	1.9 miles
4	Columbia Heritage Senior Residences	Atlanta	LIHTC/ Market	Senior	1.7 miles
5	Peaks At West Atlanta	Atlanta	LIHTC/ Market	Family	2.3 miles
6	2100 Defoors	Atlanta	Market	Family	2.1 miles
7	Marquis Midtown West	Atlanta	Market	Family	2.1 miles
8	SYNC At West Midtown	Atlanta	Market	Family	1.6 miles
9	Westhampton Court Apartments	Atlanta	Market	Family	2.0 miles
10	Westside Crossing	Atlanta	Market	Family	1.0 miles

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate				
5	Marietta Road Highrise 2295 Marietta Rd NW Atlanta, GA 30318 Fulton County	-	Highrise (7 stories) 1982 / 2020 Senior	@60% (RAD)	1BR / 1BA	129	99.2%	555	@60%	\$842	Yes	Yes	14	10.9%				
					2BR / 1BA	1	0.8%	755	Non-Rental	N/A	N/A	No	0	0.0%				
							<u>130</u>	<u>100.0%</u>										
1	Ashford Landing Senior Residences 3521 Blair Circle NE Atlanta, GA 30319 DeKalb County	9.4 miles	Midrise (4 stories) 2009 / n/a Senior	@60%, @60% (PBRA)	1BR / 1BA	19	16.2%	688	@60%	\$918	Yes	Yes	0	0.0%				
					1BR / 1BA	75	64.1%	688	@60% (PBRA)	\$918	Yes	Yes	1	1.3%				
					2BR / 1BA	10	8.6%	914	@60%	\$1,055	Yes	Yes	1	10.0%				
					2BR / 1BA	13	11.1%	914	@60% (PBRA)	\$1,055	Yes	Yes	0	0.0%				
							<u>117</u>	<u>100.0%</u>										
2	Big Bethel Village 500 Richard Allen Boulevard SW Atlanta, GA 30331 Fulton County	5.6 miles	Lowrise (3 stories) 2003 / n/a Senior	@60%, Market	0BR / 1BA	14	12.3%	358	@60%	\$808	Yes	Yes	1	7.1%				
					0BR / 1BA	4	3.5%	358	Market	\$930	N/A	Yes	1	25.0%				
					1BR / 1BA	19	16.7%	433	@60%	\$866	Yes	Yes	1	5.3%				
					1BR / 1BA	6	5.3%	500	@60%	\$866	Yes	Yes	0	0.0%				
					1BR / 1BA	15	13.2%	538	@60%	\$866	Yes	Yes	0	0.0%				
					1BR / 1BA	5	4.4%	433	Market	\$1,060	N/A	Yes	1	20.0%				
					1BR / 1BA	3	2.6%	500	Market	\$1,060	N/A	Yes	0	0.0%				
					1BR / 1BA	3	2.6%	538	Market	\$1,060	N/A	Yes	0	0.0%				
					2BR / 2BA	9	7.9%	700	@60%	\$1,039	Yes	Yes	1	11.1%				
					2BR / 2BA	26	22.8%	759	@60%	\$1,039	Yes	Yes	0	0.0%				
					2BR / 2BA	10	8.8%	759	Market	\$1,175	N/A	Yes	1	10.0%				
							<u>114</u>	<u>100.0%</u>										
3	Columbia Crest 1903 Drew Dr NW Atlanta, GA 30318 Fulton County	1.9 miles	Midrise (4 stories) 2005 / n/a Family	@50% (PHA), @60%, Market	1BR / 1BA	10	6.6%	770	@50% (PHA)	N/A	N/A	Yes	0	0.0%				
					1BR / 1BA	8	5.3%	770	@60%	\$872	Yes	No	0	0.0%				
					1BR / 1BA	18	11.8%	770	Market	\$1,295	N/A	No	0	0.0%				
					2BR / 2BA	24	15.8%	1,066	@50% (PHA)	N/A	N/A	Yes	0	0.0%				
					2BR / 2BA	16	10.5%	1,066	@60%	\$1,071	Yes	No	0	0.0%				
					2BR / 2BA	32	21.1%	1,066	Market	\$1,582	N/A	No	0	0.0%				
					3BR / 2BA	16	10.5%	1,318	@50% (PHA)	N/A	N/A	Yes	0	0.0%				
					3BR / 2BA	12	7.9%	1,318	@60%	\$1,255	Yes	No	0	0.0%				
					3BR / 2BA	16	10.5%	1,318	Market	\$1,775	N/A	No	10	62.5%				
							<u>152</u>	<u>100.0%</u>										
4	Columbia Heritage Senior Residences 1900 Perry Blvd NW Atlanta, GA 30318 Fulton County	1.7 miles	Midrise (5 stories) 2004 / n/a Senior	@50% (PBRA), @60% (PBRA), Market	2BR / 1BA	62	47.0%	970	@50% (PBRA)	\$940	N/A	Yes	0	0.0%				
					2BR / 1BA	62	47.0%	970	@60% (PBRA)	\$940	N/A	Yes	0	0.0%				
					2BR / 1BA	6	4.6%	970	Market	\$1,219	N/A	Yes	0	0.0%				
					2BR / 1BA	2	1.5%	970	Non-Rental	N/A	N/A	No	0	0.0%				
							<u>132</u>	<u>100.0%</u>										
5	Peaks At West Atlanta 1212 James Jackson Pkwy Atlanta, GA 30318 Fulton County	2.3 miles	Garden (3 stories) 2002 / n/a Family	@50%, @60%, Market	1BR / 1BA	16	7.5%	721	@50%	\$744	Yes	Yes	0	0.0%				
					1BR / 1BA	16	7.5%	721	@60%	\$885	Yes	Yes	0	0.0%				
					1BR / 1BA	12	5.6%	721	Market	\$1,000	N/A	Yes	1	8.3%				
					2BR / 2BA	32	15.0%	1,025	@50%	\$903	Yes	Yes	1	3.1%				
					2BR / 2BA	48	22.4%	1,025	@60%	\$1,072	Yes	Yes	0	0.0%				
					2BR / 2BA	30	14.0%	1,025	Market	\$1,187	N/A	Yes	0	0.0%				
					3BR / 2BA	16	7.5%	1,211	@50%	\$1,052	Yes	Yes	0	0.0%				
					3BR / 2BA	32	15.0%	1,211	@60%	\$1,247	Yes	Yes	0	0.0%				
					3BR / 2BA	12	5.6%	1,211	Market	\$1,380	N/A	Yes	0	0.0%				
							<u>214</u>	<u>100.0%</u>										
6	2100 Defoors 2100 Defoors Ferry Road NW Atlanta, GA 30318 Fulton County	2.1 miles	Garden (3 stories) 1991/2017 Family	Market	1BR / 1BA	24	40.0%	525	Market	\$1,450	N/A	No	0	0.0%				
					1BR / 1BA	24	40.0%	705	Market	\$1,650	N/A	No	2	8.3%				
					2BR / 2BA	12	20.0%	1,000	Market	\$1,887	N/A	No	0	0.0%				
							<u>60</u>	<u>100.0%</u>										
7	Marquis Midtown West 1224 Defoor Village Court NW Atlanta, GA 30318 Fulton County	2.1 miles	Midrise (4 stories) 1997 / n/a Family	Market	1BR / 1BA	13	8.3%	638	Market	\$1,314	N/A	No	N/A	N/A				
					1BR / 1BA	24	15.4%	743	Market	\$1,344	N/A	No	N/A	N/A				
					1BR / 1BA	31	19.9%	882	Market	\$1,410	N/A	No	N/A	N/A				
					1BR / 1BA	10	6.4%	919	Market	\$1,456	N/A	No	N/A	N/A				
					2BR / 1BA	14	9.0%	1,013	Market	\$1,589	N/A	No	N/A	N/A				
					2BR / 2BA	13	8.3%	1,064	Market	\$1,734	N/A	No	0	0.0%				
					2BR / 2BA	37	23.7%	1,156	Market	\$1,747	N/A	No	0	0.0%				
					2BR / 2BA	14	9.0%	1,244	Market	\$1,757	N/A	No	0	0.0%				
							<u>156</u>	<u>N/A</u>										
					8	SYNC At West Midtown 1391 Collier Rd NW Atlanta, GA 30318 Fulton County	1.6 miles	Midrise (4 stories) 2014 / n/a Family	Market	1BR / 1BA	4	2.2%	600	Market	\$1,335	N/A	No	0
1BR / 1BA	23	12.5%	742	Market						\$1,400	N/A	No	0	0.0%				
1BR / 1BA	83	45.1%	832	Market						\$1,535	N/A	No	0	0.0%				
1BR / 1BA	10	5.4%	1,008	Market						\$1,600	N/A	No	1	10.0%				
2BR / 2BA	12	6.5%	997	Market						\$1,912	N/A	No	1	8.3%				
2BR / 2BA	28	15.2%	1,065	Market						\$1,927	N/A	No	1	3.6%				
2BR / 2BA	24	13.0%	1,250	Market						\$2,067	N/A	No	2	8.3%				
		<u>184</u>	<u>100.0%</u>															
9	Westhampton Court Apartments 2125 Defoors Ferry Road NW Atlanta, GA 30318 Fulton County	2.0 miles	Garden (2 stories) 1963 / n/a Family	Market	1BR / 1BA	36	69.2%	640	Market	\$1,050	N/A	No	2	5.6%				
					2BR / 1BA	16	30.8%	750	Market	\$1,237	N/A	Yes	1	6.3%				
							<u>52</u>	<u>100.0%</u>										
10	Westside Crossing 2265 Perry Boulevard Atlanta, GA 30318 Fulton County	1.0 miles	Garden (2 stories) 1965 / 2017 Family	Market	1BR / 1BA	36	32.1%	460	Market	\$975	N/A	No	1	2.8%				
					2BR / 1BA	45	40.2%	680	Market	\$1,120	N/A	No	1	2.2%				
					3BR / 1BA	31	27.7%	840	Market	\$1,266	N/A	No	0	0.0%				
							<u>112</u>	<u>100.0%</u>										

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.

	Units Surveyed:	1,293
	Market Rate	564
	Tax Credit	729
One-Bedroom One Bath		
	Property	Average
RENT	2100 Defoors (Market)	\$1,650
	SYNC At West Midtown (Market)	\$1,600
	SYNC At West Midtown (Market)	\$1,535
	Marquis Midtown West (Market)	\$1,456
	2100 Defoors (Market)	\$1,450
	Marquis Midtown West (Market)	\$1,410
	SYNC At West Midtown (Market)	\$1,400
	Marquis Midtown West (Market)	\$1,344
	SYNC At West Midtown (Market)	\$1,335
	Marquis Midtown West (Market)	\$1,314
	Columbia Crest (Market)	\$1,295
	Big Bethel Village (Market)	\$1,060
	Big Bethel Village (Market)	\$1,060
	Big Bethel Village (Market)	\$1,060
	Westhampton Court Apartments (Market)	\$1,050
	Peaks At West Atlanta (Market)	\$1,000
	Westside Crossing (Market)	\$975
	Ashford Landing Senior Residences (@60%)	\$918
	Ashford Landing Senior Residences (@60%)	\$918
	Peaks At West Atlanta (@60%)	\$885
	Columbia Crest (@60%)	\$872
	Big Bethel Village (@60%)	\$866
	Big Bethel Village (@60%)	\$866
Big Bethel Village (@60%)	\$866	
Marietta Road Highrise (@60%)	\$842	
Peaks At West Atlanta (@50%)	\$744	
SQUARE FOOTAGE	SYNC At West Midtown (Market)	1,008
	Marquis Midtown West (Market)	919
	Marquis Midtown West (Market)	882
	SYNC At West Midtown (Market)	832
	Columbia Crest (@50%)	770
	Columbia Crest (Market)	770
	Columbia Crest (@60%)	770
	Marquis Midtown West (Market)	743
	SYNC At West Midtown (Market)	742
	Peaks At West Atlanta (@50%)	721
	Peaks At West Atlanta (@60%)	721
	Peaks At West Atlanta (Market)	721
	2100 Defoors (Market)	705
	Ashford Landing Senior Residences (@60%)	688
	Ashford Landing Senior Residences (@60%)	688
	Westhampton Court Apartments (Market)	640
	Marquis Midtown West (Market)	638
	SYNC At West Midtown (Market)	600
	Marietta Road Highrise (@60%)	555
	Big Bethel Village (@60%)	538
	Big Bethel Village (Market)	538
	2100 Defoors (Market)	525
	Big Bethel Village (Market)	500
Big Bethel Village (@60%)	500	
Westside Crossing (Market)	460	
Big Bethel Village (Market)	433	
Big Bethel Village (@60%)	433	
RENT PER SQUARE FOOT	2100 Defoors (Market)	\$2.76
	Big Bethel Village (Market)	\$2.45
	2100 Defoors (Market)	\$2.34
	SYNC At West Midtown (Market)	\$2.23
	Big Bethel Village (Market)	\$2.12
	Westside Crossing (Market)	\$2.12
	Marquis Midtown West (Market)	\$2.06
	Big Bethel Village (@60%)	\$2.00
	Big Bethel Village (Market)	\$1.97
	SYNC At West Midtown (Market)	\$1.89
	SYNC At West Midtown (Market)	\$1.84
	Marquis Midtown West (Market)	\$1.81
	Big Bethel Village (@60%)	\$1.73
	Columbia Crest (Market)	\$1.68
	Westhampton Court Apartments (Market)	\$1.64
	Big Bethel Village (@60%)	\$1.61
	Marquis Midtown West (Market)	\$1.60
	SYNC At West Midtown (Market)	\$1.59
	Marquis Midtown West (Market)	\$1.58
	Marietta Road Highrise (@60%)	\$1.52
	Peaks At West Atlanta (Market)	\$1.39
	Ashford Landing Senior Residences (@60%)	\$1.33
	Ashford Landing Senior Residences (@60%)	\$1.33
Peaks At West Atlanta (@60%)	\$1.23	
Columbia Crest (@60%)	\$1.13	
Peaks At West Atlanta (@50%)	\$1.03	

PROPERTY PROFILE REPORT

Ashford Landing Senior Residences

Effective Rent Date	10/12/2018
Location	3521 Blair Circle NE Atlanta, GA 30319 DeKalb County
Distance	9.4 miles
Units	117
Vacant Units	2
Vacancy Rate	1.7%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	1/01/2009
Leasing Began	3/23/2009
Last Unit Leased	12/31/2009
Major Competitors	Chamblee Senior Residence, Ashford, Promenade
Tenant Characteristics	Seniors, 62+
Contact Name	Suki
Phone	770-488-2360



Market Information

Program	@60%, @60% (PBRA)
Annual Turnover Rate	10%
Units/Month Absorbed	10
HCV Tenants	10%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Kept at max
Concession	None
Waiting List	Yes; two years

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	19	688	\$793	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	75	688	\$793	\$0	@60% (PBRA)	Yes	1	1.3%	yes	None
2	1	Midrise (4 stories)	10	914	\$885	\$0	@60%	Yes	1	10.0%	yes	None
2	1	Midrise (4 stories)	13	914	\$885	\$0	@60% (PBRA)	Yes	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$793	\$0	\$793	\$99	\$892
2BR / 1BA	\$885	\$0	\$885	\$132	\$1,017

Ashford Landing Senior Residences, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	In-Unit Alarm	Adult Education
Central A/C	Coat Closet	Intercom (Buzzer)	Computer Tutoring
Dishwasher	Exterior Storage	Limited Access	Shuttle Service
Garbage Disposal	Hand Rails	Perimeter Fencing	
Oven	Pull Cords		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	Hairdresser / Barber	None
Courtyard	Elevators		
Exercise Facility	Central Laundry		
Non-shelter Services	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Service Coordination			

Comments

According to the contact, all of the units are restricted at the 60 percent AMI level, and 88 units benefit from project-based rental assistance.

Trend Report

Vacancy Rates

2Q17	4Q17	2Q18	4Q18
0.0%	0.0%	1.7%	1.7%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	2	0.0%	\$732	\$0	\$732	\$831
2017	4	0.0%	\$732	\$0	\$732	\$831
2018	2	2.1%	\$793	\$0	\$793	\$892
2018	4	1.1%	\$793	\$0	\$793	\$892

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	2	0.0%	\$875	\$0	\$875	\$1,007
2017	4	0.0%	\$875	\$0	\$875	\$1,007
2018	2	0.0%	\$885	\$0	\$885	\$1,017
2018	4	4.3%	\$885	\$0	\$885	\$1,017

Trend: Comments

2Q17	The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the LIHTC units which ranges between six to 12 months.
4Q17	N/A
2Q18	The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the LIHTC units which ranges between 12 to 18 months.
4Q18	According to the contact, all of the units are restricted at the 60 percent AMI level, and 88 units benefit from project-based rental assistance.

Photos



PROPERTY PROFILE REPORT

Big Bethel Village

Effective Rent Date	10/12/2018
Location	500 Richard Allen Boulevard SW Atlanta, GA 30331 Fulton County
Distance	5.6 miles
Units	114
Vacant Units	6
Vacancy Rate	5.3%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	1/01/2003
Last Unit Leased	1/01/2004
Major Competitors	Adamsville Place, Lilli R. Campbell.
Tenant Characteristics	Seniors that are 55 years of age or older and some disabled individuals.
Contact Name	Sandra
Phone	404-699-5665



Market Information

Program	@60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	10
HCV Tenants	8%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	No change to increase three to four percent
Concession	None
Waiting List	90 households

Utilities

A/C	included -- wall
Cooking	included -- electric
Water Heat	included -- electric
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (3 stories)	14	358	\$808	\$0	@60%	Yes	1	7.1%	yes	None
0	1	Lowrise (3 stories)	4	358	\$930	\$0	Market	Yes	1	25.0%	N/A	None
1	1	Lowrise (3 stories)	19	433	\$866	\$0	@60%	Yes	1	5.3%	yes	None
1	1	Lowrise (3 stories)	6	500	\$866	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	15	538	\$866	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	5	433	\$1,060	\$0	Market	Yes	1	20.0%	N/A	None
1	1	Lowrise (3 stories)	3	500	\$1,060	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	3	538	\$1,060	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Lowrise (3 stories)	9	700	\$1,039	\$0	@60%	Yes	1	11.1%	yes	None
2	2	Lowrise (3 stories)	26	759	\$1,039	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Lowrise (3 stories)	10	759	\$1,175	\$0	Market	Yes	1	10.0%	N/A	None

Big Bethel Village, continued

Trend Report

Vacancy Rates

1Q16	2Q17	2Q18	4Q18
1.7%	6.7%	5.0%	5.3%

Trend: @60%

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$820	\$0	\$820	\$820
2017	2	N/A	\$820	\$0	\$820	\$820
2018	2	0.0%	\$832	\$0	\$832	\$832

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795
2017	2	N/A	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795
2018	2	0.0%	\$832	\$0	\$832	\$832
2018	4	2.5%	\$866	\$0	\$866	\$866

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	2.9%	\$995	\$0	\$995	\$995
2017	2	N/A	\$995	\$0	\$995	\$995
2018	2	8.6%	\$995	\$0	\$995	\$995
2018	4	2.9%	\$1,039	\$0	\$1,039	\$1,039

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$650	\$0	\$650	\$650
2017	2	N/A	\$650	\$0	\$650	\$650
2018	2	7.1%	\$750	\$0	\$750	\$750
2018	4	7.1%	\$808	\$0	\$808	\$808

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$1,050 - \$1,075	\$0	\$1,050 - \$1,075	\$1,050 - \$1,075
2017	2	N/A	\$1,050	\$0	\$1,050	\$1,050
2018	2	0.0%	\$1,050	\$0	\$1,050	\$1,050

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$805 - \$940	\$0	\$805 - \$940	\$805 - \$940
2017	2	N/A	\$870 - \$970	\$0	\$870 - \$970	\$870 - \$970
2018	2	9.1%	\$875 - \$960	\$0	\$875 - \$960	\$875 - \$960
2018	4	9.1%	\$1,060	\$0	\$1,060	\$1,060

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	10.0%	\$1,175	\$0	\$1,175	\$1,175
2017	2	N/A	\$1,175	\$0	\$1,175	\$1,175
2018	2	10.0%	\$1,175	\$0	\$1,175	\$1,175
2018	4	10.0%	\$1,175	\$0	\$1,175	\$1,175

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	0.0%	\$700	\$0	\$700	\$700
2017	2	N/A	\$700	\$0	\$700	\$700
2018	2	0.0%	\$910	\$0	\$910	\$910
2018	4	25.0%	\$930	\$0	\$930	\$930

Trend: Comments

1Q16	A waiting list is maintained for all LIHTC units, however the contact was unable to provide the length of the waiting list.
2Q17	A waiting list is maintained for all LIHTC units, however the contact was unable to provide the length of the waiting list. The contact could not provide a breakdown of vacant units by number of bedrooms, but did state occupancy is lower than usual at the moment and usually fluctuates around 95 or 96 percent.
2Q18	A waiting list of up to six months is maintained for all LIHTC units. She reported a significant rent increase in the rents at the start of 2018 which initially had a negative impact on occupancy but has since stabilized.
4Q18	The contact reported the property is currently in the process of income qualifying tenants for the vacant LIHTC units. The waiting list is for both the market rate and LIHTC units with a majority of households on the list waiting for LIHTC units. The contact stated rents were recently increased to the 2018 max. The contact confirmed that all market rate units per bed type are the same price even though the square footage's differ.

Photos



PROPERTY PROFILE REPORT

Columbia Crest

Effective Rent Date	1/15/2019
Location	1903 Drew Dr NW Atlanta, GA 30318 Fulton County
Distance	1.9 miles
Units	152
Vacant Units	10
Vacancy Rate	6.6%
Type	Midrise (4 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Columbia Estates, Columbia Park Citi
Tenant Characteristics	Mixed tenancy mostly from Fulton County
Contact Name	Jasmine
Phone	404-792-3321



Market Information

Program	@50% (PHA), @60%, Market
Annual Turnover Rate	21%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	Increased four to five percent
Concession	None
Waiting List	Yes; one year in length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	10	770	N/A	\$0	@50% (PHA)	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	8	770	\$672	\$0	@60%	No	0	0.0%	yes	None
1	1	Midrise (4 stories)	18	770	\$1,095	\$0	Market	No	0	0.0%	N/A	None
2	2	Midrise (4 stories)	24	1,066	N/A	\$0	@50% (PHA)	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	16	1,066	\$784	\$0	@60%	No	0	0.0%	yes	None
2	2	Midrise (4 stories)	32	1,066	\$1,295	\$0	Market	No	0	0.0%	N/A	None
3	2	Midrise (4 stories)	16	1,318	N/A	\$0	@50% (PHA)	Yes	0	0.0%	N/A	None
3	2	Midrise (4 stories)	12	1,318	\$875	\$0	@60%	No	0	0.0%	yes	None
3	2	Midrise (4 stories)	16	1,318	\$1,395	\$0	Market	No	10	62.5%	N/A	None

Trend Report

Vacancy Rates

4Q17	2Q18	3Q18	1Q19
3.9%	3.3%	0.7%	6.6%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	N/A	\$0	N/A	N/A
2018	2	0.0%	N/A	\$0	N/A	N/A
2018	3	0.0%	N/A	\$0	N/A	N/A
2019	1	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	N/A	\$0	N/A	N/A
2018	2	0.0%	N/A	\$0	N/A	N/A
2018	3	0.0%	N/A	\$0	N/A	N/A
2019	1	0.0%	N/A	\$0	N/A	N/A

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	N/A	\$0	N/A	N/A
2018	2	0.0%	N/A	\$0	N/A	N/A
2018	3	0.0%	N/A	\$0	N/A	N/A
2019	1	0.0%	N/A	\$0	N/A	N/A

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	12.5%	\$645	\$0	\$645	\$819
2018	2	12.5%	\$645	\$0	\$645	\$819
2018	3	0.0%	\$672	\$0	\$672	\$846
2019	1	0.0%	\$672	\$0	\$672	\$846

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$752	\$0	\$752	\$1,001
2018	2	0.0%	\$752	\$0	\$752	\$1,001
2018	3	0.0%	\$784	\$0	\$784	\$1,033
2019	1	0.0%	\$784	\$0	\$784	\$1,033

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	8.3%	\$836	\$0	\$836	\$1,165
2018	2	8.3%	\$836	\$0	\$836	\$1,165
2018	3	0.0%	\$875	\$0	\$875	\$1,204
2019	1	0.0%	\$875	\$0	\$875	\$1,204

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	5.6%	\$899	\$0	\$899	\$1,073
2018	2	5.6%	\$899	\$0	\$899	\$1,073
2018	3	0.0%	\$989	\$0	\$989	\$1,163
2019	1	0.0%	\$1,095	\$0	\$1,095	\$1,269

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	6.2%	\$1,079	\$0	\$1,079	\$1,328
2018	2	3.1%	\$1,079	\$0	\$1,079	\$1,328
2018	3	0.0%	\$1,179	\$0	\$1,179	\$1,428
2019	1	0.0%	\$1,295	\$0	\$1,295	\$1,544

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	6.2%	\$1,219	\$0	\$1,219	\$1,548
2018	2	6.2%	\$1,219	\$0	\$1,219	\$1,548
2018	3	6.2%	\$1,219	\$0	\$1,219	\$1,548
2019	1	62.5%	\$1,395	\$0	\$1,395	\$1,724

Trend: Comments

4Q17	N/A
2Q18	N/A
3Q18	The property maintains a waiting list of approximately one year in length for Public Housing units. Open parking garage parking is included in rent. The contact confirmed 100 percent occupancy.
1Q19	The property maintains a waiting list of approximately one year in length for Public Housing units. Unassigned garage parking is included in rent.

Photos



PROPERTY PROFILE REPORT

Columbia Heritage Senior Residences

Effective Rent Date	10/26/2018
Location	1900 Perry Blvd NW Atlanta, GA 30318 Fulton County
Distance	1.7 miles
Units	132
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (5 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified.
Tenant Characteristics	Seniors age 62 and older from Atlanta region and surrounding area.
Contact Name	Loretta Jones
Phone	404-792-7511



Market Information

Program	@50% (PBRA), @60% (PBRA), Market, Non-
Annual Turnover Rate	10%
Units/Month Absorbed	9
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, two years in length

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Midrise (5 stories)	62	970	\$770	\$0	@50% (PBRA)	Yes	0	0.0%	N/A	None
2	1	Midrise (5 stories)	62	970	\$770	\$0	@60% (PBRA)	Yes	0	0.0%	N/A	None
2	1	Midrise (5 stories)	6	970	\$1,049	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (5 stories)	2	970	N/A	N/A	Non-Rental	No	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$770	\$0	\$770	\$132	\$902	2BR / 1BA	\$770	\$0	\$770	\$132	\$902
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$1,049	\$0	\$1,049	\$132	\$1,181	2BR / 1BA	N/A	\$0	N/A	\$132	N/A

Amenities

<p>In-Unit Blinds Central A/C Dishwasher Garbage Disposal Oven Refrigerator Washer/Dryer hookup</p>	<p>Carpeting Coat Closet Ceiling Fan Hand Rails Pull Cords Walk-In Closet</p>	<p>Security Intercom (Buzzer) Limited Access Patrol</p>	<p>Services None</p>
<p>Property Business Center/Computer Lab Courtyard Exercise Facility Off-Street Parking(\$0.00) Theatre</p>	<p>Clubhouse/Meeting Room/Community Elevators Central Laundry On-Site Management</p>	<p>Premium None</p>	<p>Other Dining room, arts & crafts, garden</p>

Comments

The contact reported the property averages roughly one move out per month and occupancy rates are consistently at 100 percent. The property does not accept Housing Choice Vouchers.

Columbia Heritage Senior Residences, continued

Trend Report

Vacancy Rates

2Q18	3Q18	4Q18	1Q19
0.0%	0.8%	0.0%	0.0%

Trend: @50%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$770	\$0	\$770	\$902
2018	3	1.6%	\$770	\$0	\$770	\$902
2018	4	0.0%	\$770	\$0	\$770	\$902
2019	1	0.0%	\$770	\$0	\$770	\$902

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$770	\$0	\$770	\$902
2018	3	0.0%	\$770	\$0	\$770	\$902
2018	4	0.0%	\$770	\$0	\$770	\$902
2019	1	0.0%	\$770	\$0	\$770	\$902

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$1,049	\$0	\$1,049	\$1,181
2018	3	0.0%	\$1,049	\$0	\$1,049	\$1,181
2018	4	0.0%	\$1,049	\$0	\$1,049	\$1,181
2019	1	0.0%	\$1,049	\$0	\$1,049	\$1,181

Trend: Non-Rental

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	N/A	\$0	N/A	\$132
2018	3	0.0%	N/A	\$0	N/A	\$132
2018	4	0.0%	N/A	\$0	N/A	N/A
2019	1	0.0%	N/A	\$0	N/A	N/A

Trend: Comments

2Q18	N/A
3Q18	The property does not accept Housing Choice Vouchers.
4Q18	The contact reported the property averages roughly one move out per month and occupancy rates are consistently at 100 percent. The property does not accept Housing Choice Vouchers.
1Q19	N/A

Photos



PROPERTY PROFILE REPORT

Peaks At West Atlanta

Effective Rent Date	2/18/2019
Location	1212 James Jackson Pkwy Atlanta, GA 30318 Fulton County
Distance	2.3 miles
Units	214
Vacant Units	5
Vacancy Rate	2.3%
Type	Garden (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Webster Park, Columbia Commons, Columbia Park City
Tenant Characteristics	Mixed tenancy primarily from Atlanta metro area
Contact Name	Lexi
Phone	404-799-8000



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	22%
Leasing Pace	Pre-leased
Annual Chg. in Rent	LIHTC increased to max; mkt changes
Concession	None
Waiting List	Yes; 11 households

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	16	721	\$544	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	16	721	\$709	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	12	721	\$860	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	32	1,025	\$616	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	48	1,025	\$813	\$0	@60%	Yes	3	6.2%	yes	None
2	2	Garden (3 stories)	30	1,025	\$925	\$0	Market	Yes	2	6.7%	N/A	None
3	2	Garden (3 stories)	16	1,211	\$672	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	32	1,211	\$909	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	12	1,211	\$1,100	\$0	Market	Yes	0	0.0%	N/A	None

Peaks At West Atlanta, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$544	\$0	\$544	\$174	\$718	1BR / 1BA	\$709	\$0	\$709	\$174	\$883
2BR / 2BA	\$616	\$0	\$616	\$249	\$865	2BR / 2BA	\$813	\$0	\$813	\$249	\$1,062
3BR / 2BA	\$672	\$0	\$672	\$329	\$1,001	3BR / 2BA	\$909	\$0	\$909	\$329	\$1,238

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$860	\$0	\$860	\$174	\$1,034
2BR / 2BA	\$925	\$0	\$925	\$249	\$1,174
3BR / 2BA	\$1,100	\$0	\$1,100	\$329	\$1,429

Amenities

In-Unit	Security	Services
Balcony/Patio	In-Unit Alarm	None
Carpeting	Limited Access	
Coat Closet	Patrol	
Exterior Storage	Perimeter Fencing	
Garbage Disposal		
Oven		
Washer/Dryer hookup		

Property	Premium	Other
Car Wash	None	None
Exercise Facility		
Off-Street Parking(\$0.00)		
Playground		

Blinds	Clubhouse/Meeting Room/Community
Central A/C	Central Laundry
Dishwasher	On-Site Management
Ceiling Fan	Swimming Pool
Microwave	
Refrigerator	

Comments

The contact stated the five vacant units are being processed from the waiting list and will be occupied soon. According to the contact, there is strong demand for affordable housing in the area and the property receives "a ton of calls every day" regarding its tax credit units.

Peaks At West Atlanta, continued

Trend Report

Vacancy Rates

2Q18	3Q18	4Q18	1Q19
4.7%	1.9%	0.9%	2.3%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$536	\$0	\$536	\$710
2018	3	0.0%	\$536	\$0	\$536	\$710
2018	4	0.0%	\$544	\$0	\$544	\$718
2019	1	0.0%	\$544	\$0	\$544	\$718

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	3.1%	\$606	\$0	\$606	\$855
2018	3	3.1%	\$606	\$0	\$606	\$855
2018	4	3.1%	\$616	\$0	\$616	\$865
2019	1	0.0%	\$616	\$0	\$616	\$865

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$661	\$0	\$661	\$990
2018	3	0.0%	\$661	\$0	\$661	\$990
2018	4	0.0%	\$672	\$0	\$672	\$1,001
2019	1	0.0%	\$672	\$0	\$672	\$1,001

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	0.0%	\$675	\$0	\$675	\$849
2018	3	0.0%	\$675	\$0	\$675	\$849
2018	4	0.0%	\$685	\$0	\$685	\$859
2019	1	0.0%	\$709	\$0	\$709	\$883

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	4.2%	\$773	\$0	\$773	\$1,022
2018	3	2.1%	\$773	\$0	\$773	\$1,022
2018	4	0.0%	\$785	\$0	\$785	\$1,034
2019	1	6.2%	\$813	\$0	\$813	\$1,062

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	6.2%	\$853	\$0	\$853	\$1,182
2018	3	0.0%	\$853	\$0	\$853	\$1,182
2018	4	0.0%	\$867	\$0	\$867	\$1,196
2019	1	0.0%	\$909	\$0	\$909	\$1,238

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	8.3%	\$725	\$0	\$725	\$899
2018	3	8.3%	\$800	\$0	\$800	\$974
2018	4	8.3%	\$800	\$0	\$800	\$974
2019	1	0.0%	\$860	\$0	\$860	\$1,034

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	6.7%	\$825	\$0	\$825	\$1,074
2018	3	3.3%	\$900	\$0	\$900	\$1,149
2018	4	0.0%	\$900	\$0	\$900	\$1,149
2019	1	6.7%	\$925	\$0	\$925	\$1,174

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	16.7%	\$925	\$0	\$925	\$1,254
2018	3	0.0%	\$1,000	\$0	\$1,000	\$1,329
2018	4	0.0%	\$1,000	\$0	\$1,000	\$1,329
2019	1	0.0%	\$1,100	\$0	\$1,100	\$1,429

Trend: Comments

- 2Q18 The contact reported the property is starting to get into the busy time of year when turnover increases but prospective renter traffic is higher as well.
- 3Q18 The contact stated all four vacant units are pre-leased. According to the contact, there is strong demand for affordable housing in the area.
- 4Q18 The contact stated the two vacant units are pre-leased. According to the contact, there is strong demand for affordable housing in the area.
- 1Q19 The contact stated the five vacant units are being processed from the waiting list and will be occupied soon. According to the contact, there is strong demand for affordable housing in the area and the property receives "a ton of calls every day" regarding its tax credit units.

Photos



PROPERTY PROFILE REPORT

2100 Defoors

Effective Rent Date	11/13/2018
Location	2100 Defoors Ferry Road NW Atlanta, GA 30318 Fulton County
Distance	2.1 miles
Units	60
Vacant Units	2
Vacancy Rate	3.3%
Type	Garden (3 stories)
Year Built/Renovated	1991 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Defoors Village, Collier Ridge Apartments
Tenant Characteristics	Varied tenancy from Atlanta Metro area.
Contact Name	Anna
Phone	404.350.9051



Market Information

Program	Market
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased two to five percent
Concession	None
Waiting List	Noone

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	525	\$1,250	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	24	705	\$1,450	\$0	Market	No	2	8.3%	N/A	None
2	2	Garden (3 stories)	12	1,000	\$1,600	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,250 - \$1,450	\$0	\$1,250 - \$1,450	\$174	\$1,424 - \$1,624
2BR / 2BA	\$1,600	\$0	\$1,600	\$249	\$1,849

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Off-Street Parking(\$0.00)	On-Site Management	None	None
Picnic Area	Swimming Pool		

Comments

The contact stated that the two vacancies being the same bedroom-type are coincidental and the property does not have a problem leasing the larger one-bedroom units. The contact reported rent increases are every quarter between 1% and 2%.

Trend Report

Vacancy Rates

2Q10	2Q14	4Q17	4Q18
5.0%	3.3%	6.7%	3.3%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$659 - \$747	\$0	\$659 - \$747	\$833 - \$921
2014	2	4.2%	\$725 - \$825	\$0	\$725 - \$825	\$899 - \$999
2017	4	6.2%	\$996 - \$1,105	\$0	\$996 - \$1,105	\$1,170 - \$1,279
2018	4	4.2%	\$1,250 - \$1,450	\$0	\$1,250 - \$1,450	\$1,424 - \$1,624

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$940 - \$1,013	\$0	\$940 - \$1,013	\$1,189 - \$1,262
2014	2	0.0%	\$975	\$0	\$975	\$1,224
2017	4	8.3%	\$1,327	\$0	\$1,327	\$1,576
2018	4	0.0%	\$1,600	\$0	\$1,600	\$1,849

Trend: Comments

2Q10	The contact indicated that if the property did not include washers and dryers in the units that they would charge between \$30 and \$40 per month.
2Q14	Management could provide the percentage increase in rents. There is a short waiting list for the two-bedroom units.
4Q17	This property was formerly known as Defoors Crossing. The contact could not comment on the percentage of senior tenants at the property or the number of tenants utilizing Housing Choice Vouchers. She reported that current vacancy is coincidental to the time of our survey and the property is typically between 95 and 96 percent occupied.
4Q18	The contact stated that the two vacancies being the same bedroom-type are coincidental and the property does not have a problem leasing the larger one-bedroom units. The contact reported rent increases are every quarter between 1% and 2%.

PROPERTY PROFILE REPORT

Marquis Midtown West

Effective Rent Date	10/26/2018
Location	1224 Defoor Village Court NW Atlanta, GA 30318 Fulton County
Distance	2.1 miles
Units	156
Vacant Units	14
Vacancy Rate	9.0%
Type	Midrise (4 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Varied tenancy from Atlanta Metro area.
Contact Name	Ariel
Phone	404-352-8877



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	2 weeks
Annual Chg. in Rent	Decreased 3.5 to 7.7 percent
Concession	None
Waiting List	No

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	13	638	\$1,114	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (4 stories)	24	743	\$1,144	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (4 stories)	31	882	\$1,210	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (4 stories)	10	919	\$1,256	\$0	Market	No	N/A	N/A	N/A	None
2	1	Midrise (4 stories)	14	1,013	\$1,302	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (4 stories)	13	1,064	\$1,447	\$0	Market	No	0	0.0%	N/A	None
2	2	Midrise (4 stories)	37	1,156	\$1,460	\$0	Market	No	0	0.0%	N/A	None
2	2	Midrise (4 stories)	14	1,244	\$1,470	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,114 - \$1,256	\$0	\$1,114 - \$1,256	\$174	\$1,288 - \$1,430
2BR / 1BA	\$1,302	\$0	\$1,302	\$249	\$1,551
2BR / 2BA	\$1,447 - \$1,470	\$0	\$1,447 - \$1,470	\$249	\$1,696 - \$1,719

Marquis Midtown West, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Perimeter Fencing	
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Swimming Pool	Theatre		

Comments

This property does not accept Housing Choice Vouchers. Occupancy rates have remained in the low to mid 90 percent range for most of 2018 and the contact noted tenants leaving to purchase homes that are affordably priced in the greater Atlanta area.

Marquis Midtown West, continued

Trend Report

Vacancy Rates

4Q17	2Q18	4Q18	1Q19
5.1%	9.0%	9.0%	9.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	5.1%	\$1,089 - \$1,357	\$0	\$1,089 - \$1,357	\$1,263 - \$1,531
2018	2	N/A	\$1,155 - \$1,373	\$0	\$1,155 - \$1,373	\$1,329 - \$1,547
2018	4	N/A	\$1,114 - \$1,256	\$0	\$1,114 - \$1,256	\$1,288 - \$1,430
2019	1	N/A	\$1,114 - \$1,256	\$0	\$1,114 - \$1,256	\$1,288 - \$1,430

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	0.0%	\$1,207	\$0	\$1,207	\$1,456
2018	2	N/A	\$1,411	\$0	\$1,411	\$1,660
2018	4	N/A	\$1,302	\$0	\$1,302	\$1,551
2019	1	N/A	\$1,302	\$0	\$1,302	\$1,551

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	6.2%	\$1,360 - \$1,480	\$0	\$1,360 - \$1,480	\$1,609 - \$1,729
2018	2	N/A	\$1,366 - \$1,394	\$0	\$1,366 - \$1,394	\$1,615 - \$1,643
2018	4	0.0%	\$1,447 - \$1,470	\$0	\$1,447 - \$1,470	\$1,696 - \$1,719
2019	1	0.0%	\$1,447 - \$1,470	\$0	\$1,447 - \$1,470	\$1,696 - \$1,719

Trend: Comments

4Q17	This property does not accept Housing Choice Vouchers. Management uses YieldStar; therefore, rents change on a daily basis.
2Q18	This property does not accept Housing Choice Vouchers. Occupancy rates typically higher towards the end of summer into the early autumn months.
4Q18	This property does not accept Housing Choice Vouchers. Occupancy rates have remained in the low to mid 90 percent range for most of 2018 and the contact noted tenants leaving to purchase homes that are affordably priced in the greater Atlanta area.
1Q19	N/A

PROPERTY PROFILE REPORT

SYNC At West Midtown

Effective Rent Date	11/13/2018
Location	1391 Collier Rd NW Atlanta, GA 30318 Fulton County
Distance	1.6 miles
Units	184
Vacant Units	5
Vacancy Rate	2.7%
Type	Midrise (4 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Various, none specified
Tenant Characteristics	Mix of professionals, singles, couples, young families
Contact Name	Lahoma
Phone	855-835-2494



Market Information

Program	Market
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased four to five percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	4	600	\$1,135	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (4 stories)	23	742	\$1,200	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (4 stories)	83	832	\$1,335	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (4 stories)	10	1,008	\$1,400	\$0	Market	No	1	10.0%	N/A	None
2	2	Midrise (4 stories)	12	997	\$1,625	\$0	Market	No	1	8.3%	N/A	None
2	2	Midrise (4 stories)	28	1,065	\$1,640	\$0	Market	No	1	3.6%	N/A	None
2	2	Midrise (4 stories)	24	1,250	\$1,780	\$0	Market	No	2	8.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,135 - \$1,400	\$0	\$1,135 - \$1,400	\$174	\$1,309 - \$1,574
2BR / 2BA	\$1,625 - \$1,780	\$0	\$1,625 - \$1,780	\$249	\$1,874 - \$2,029

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Swimming Pool			

Comments

The contact stated the one-bedroom units at the property are in the strongest demand. The property is using a LRO system to determine rent increases. The contact stated most vacant units are leased within two weeks but there has been a vacant unit sitting for over a month.

Trend Report

Vacancy Rates

4Q17	2Q18	4Q18
3.8%	7.1%	2.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$1,064 - \$1,385	\$0	\$1,064 - \$1,385	\$1,238 - \$1,559
2018	2	N/A	\$1,105 - \$1,400	\$0	\$1,105 - \$1,400	\$1,279 - \$1,574
2018	4	0.8%	\$1,135 - \$1,400	\$0	\$1,135 - \$1,400	\$1,309 - \$1,574

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$1,544 - \$1,767	\$0	\$1,544 - \$1,767	\$1,793 - \$2,016
2018	2	N/A	\$1,120 - \$1,760	\$0	\$1,120 - \$1,760	\$1,369 - \$2,009
2018	4	6.2%	\$1,625 - \$1,780	\$0	\$1,625 - \$1,780	\$1,874 - \$2,029

Trend: Comments

- 4Q17 This property does not accept Housing Choice Vouchers. The property contact provided a limited interview and had no additional comments.
- 2Q18 The property was FKA as Elysian at Collier and has been under new ownership since 2016. The contact reported occupancy rates typically ranging in the low to mid 90 percent range.
- 4Q18 The contact stated the one-bedroom units at the property are in the strongest demand. The property is using a LRO system to determine rent increases. The contact stated most vacant units are leased within two weeks but there has been a vacant unit sitting for over a month.

Comments

The rents were increased on October 1 by \$50, which the contact says is a normal annual increase at the property. The landlord pays for water/sewer but charges tenants a flat fee of \$40 for one-bedroom apartments and \$55 for two-bedroom units. A total of 12 units offer washer/dryer hookups and earn a \$50 premium from the base rents in the matrix above. A total of eight units come furnished and also offer a \$50 premium from the base rents in the matrix.

Westhampton Court Apartments, continued

Trend Report

Vacancy Rates

2Q10	4Q17	4Q18	1Q19
11.5%	0.0%	5.8%	5.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$600	\$0	\$600	\$774
2017	4	0.0%	\$800	\$0	\$800	\$974
2018	4	5.6%	\$850	\$0	\$850	\$1,024
2019	1	5.6%	\$850	\$0	\$850	\$1,024

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	37.5%	\$700	\$0	\$700	\$949
2017	4	0.0%	\$900	\$0	\$900	\$1,149
2018	4	6.2%	\$950	\$0	\$950	\$1,199
2019	1	6.2%	\$950	\$0	\$950	\$1,199

Trend: Comments

2Q10	The contact could not report updated turnover or leasing pace, but the most recent figures are above. The property does not accept housing choice vouchers.
4Q17	The property does not accept Housing Choice Vouchers. The landlord pays for water/sewer but charges tenants a flat fee of \$40 for one-bedroom apartments and \$55 for two-bedroom units.
4Q18	The rents were increased on October 1 by \$50, which the contact says is a normal annual increase at the property. The landlord pays for water/sewer but charges tenants a flat fee of \$40 for one-bedroom apartments and \$55 for two-bedroom units. 12 units offer washer/dryer hookups and earn a \$50 premium from the base rents in the matrix above. 8 units come furnished and also offer a \$50 premium from the base rents in the matrix.
1Q19	The rents were increased on October 1 by \$50, which the contact says is a normal annual increase at the property. The landlord pays for water/sewer but charges tenants a flat fee of \$40 for one-bedroom apartments and \$55 for two-bedroom units. A total of 12 units offer washer/dryer hookups and earn a \$50 premium from the base rents in the matrix above. A total of eight units come furnished and also offer a \$50 premium from the base rents in the matrix.

PROPERTY PROFILE REPORT

Westside Crossing

Effective Rent Date	9/06/2018
Location	2265 Perry Boulevard Atlanta, GA 30318 Fulton County
Distance	1 mile
Units	112
Vacant Units	2
Vacancy Rate	1.8%
Type	Garden (2 stories)
Year Built/Renovated	1965 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy with some seniors
Contact Name	Anna
Phone	855-903-6712



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within one to two weeks
Annual Chg. in Rent	Increased 15-20 percent
Concession	None
Waiting List	None

Utilities

A/C	not included -- wall
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	36	460	\$850	\$0	Market	No	1	2.8%	N/A	None
2	1	Garden (2 stories)	45	680	\$950	\$0	Market	No	1	2.2%	N/A	None
3	1	Garden (2 stories)	31	840	\$1,050	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$850	\$0	\$850	\$99	\$949
2BR / 1BA	\$950	\$0	\$950	\$132	\$1,082
3BR / 1BA	\$1,050	\$0	\$1,050	\$165	\$1,215

Westside Crossing, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	None	None
Dishwasher	Exterior Storage		
Fireplace	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Wall A/C	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Courtyard	Central Laundry	None	Located on Marta bus line
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area			

Comments

The contact stated this property accepts Housing Choice Vouchers for three-bedroom units only. Management attributed the large amount of rent growth to the recent renovation

Westside Crossing, continued

Trend Report

Vacancy Rates

4Q17	1Q18	2Q18	3Q18
3.6%	3.6%	3.6%	1.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$765	\$0	\$765	\$864
2018	1	N/A	\$790	\$0	\$790	\$889
2018	2	N/A	\$810	\$0	\$810	\$909
2018	3	2.8%	\$850	\$0	\$850	\$949

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$865	\$0	\$865	\$997
2018	1	N/A	\$895	\$0	\$895	\$1,027
2018	2	N/A	\$895	\$0	\$895	\$1,027
2018	3	2.2%	\$950	\$0	\$950	\$1,082

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	4	N/A	\$965	\$0	\$965	\$1,130
2018	1	N/A	\$1,005	\$0	\$1,005	\$1,170
2018	2	N/A	\$1,005	\$0	\$1,005	\$1,170
2018	3	0.0%	\$1,050	\$0	\$1,050	\$1,215

Trend: Comments

4Q17	The contact could not provide an estimate of the percentage of senior tenants at the property.
1Q18	No additional comments.
2Q18	N/A
3Q18	The contact stated this property accepts Housing Choice Vouchers for three-bedroom units only. Management attributed the large amount of rent growth to the recent renovation

Photos



1. The following information is provided as required by DCA:

Housing Choice Vouchers

We made multiple attempts to contact the Atlanta Housing Authority in order to determine the number Housing Choice Vouchers currently in use; however, as of the date of this report our calls have not been returned. According to the Atlanta Housing Authority, the Housing Choice Voucher waiting list is closed. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Ashford Landing Senior Residences*	LIHTC/PBRA	Senior	10%
Big Bethel Village*	LIHTC/ Market	Senior	8%
Columbia Crest	LIHTC/ Market	Family	0%
Columbia Heritage Senior Residences	LIHTC/ Market	Senior	0%
Peaks At West Atlanta	LIHTC/ Market	Family	22%
2100 Defoors	Market	Family	0%
Marquis Midtown West	Market	Family	0%
SYNC At West Midtown	Market	Family	0%
Westhampton Court Apartments	Market	Family	0%
Westside Crossing	Market	Family	10%

*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from zero to 20 percent. The majority of LIHTC properties have a low reliance on tenants with vouchers. The Subject will benefit from project-based Section 8 rental subsidies on all of its units. Thus, the Subject will not need to rely on voucher residents in order to maintain a high occupancy level.

Lease Up History

As all of the comparables were built before 2015, we researched absorption information for rental properties within the City of Atlanta built since 2015. This absorption information is illustrated in the following table.

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Kirkwood	Market	Family	2018	232	21
Reynoldstown Senior Apartments	LIHTC	Senior	2016	70	70
675 Highland	Market	Family	2016	125	16
Glenwood At Grant Park	Market	Family	2016	216	8
Station R Apartments	Market	Family	2016	285	14
The Meridian At Redwine	Market	Family	2016	258	17
Square On Fifth	Market	Family	2015	270	45
The Haynes House	Market	Family	2015	186	12
University House	Market	Family	2015	268	30

As illustrated in the previous table, the properties were constructed between 2015 and 2018, and reported absorption rates of eight to 70 units per month, with an average of 26 units per month. However, Reynoldstown Senior Apartments appears to be an outlier, as the remaining comparables reported absorption of 45 units per month or less.

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the

units, we would expect the Subject to experience an absorption pace of 25 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

The Subject is currently 89 percent occupied with a waiting list. According to management, units are being held offline in anticipation for the upcoming renovations. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. All current residents will be income-qualified for the Subject under the RAD program subsidy. Further, renovations will occur on a rolling basis with tenants in place. Thus, this absorption analysis is hypothetical.

Phased Developments

The Subject is not part of a multi-phase development.

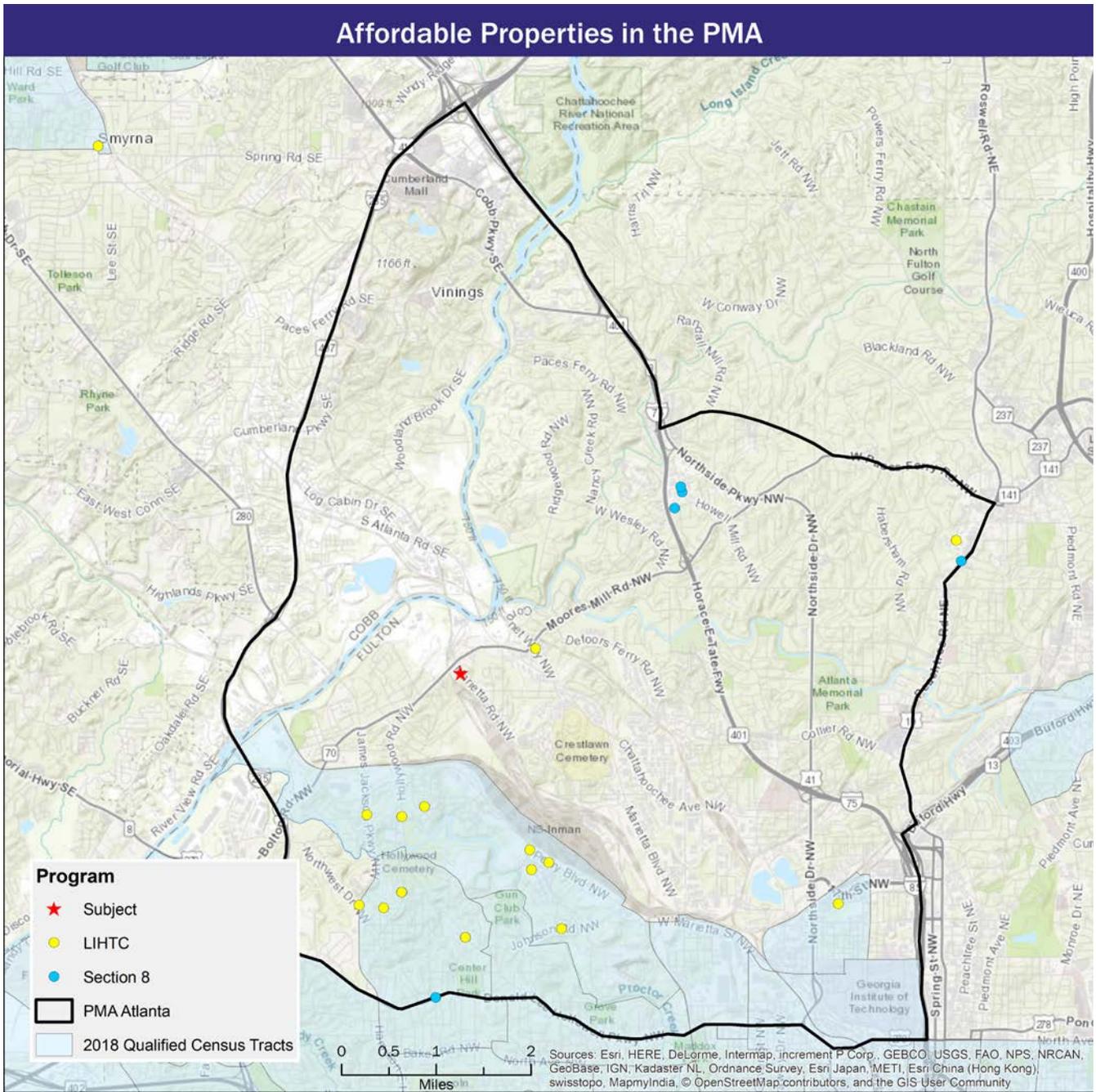
Rural Areas

The Subject is not located in a rural area.

Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color	
Marietta Road Highrise	LIHTC/RAD	Atlanta	Senior	130	-	Star	
Atlanta Group Home	Section 8	Atlanta	Senior	8	2.3 miles	Blue	
Cathedral Towers	Section 8	Atlanta	Senior	195	4.4 miles		
Rolling Bends li	Section 8	Atlanta	Family	191	2.1 miles		
Jewish Tower	Section 8	Atlanta	Senior	200	2.4 miles		
Zaban Tower	Section 8	Atlanta	Senior/Disabled	60	2.4 miles		
Rolling Bends I	Section 8	Atlanta	Family	164	2.1 miles		
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	2.3 miles		
Johnnie B. Moore li	Section 8	Atlanta	Senior/Disabled	55	2.9 miles		
Flipper Temple	LIHTC	Atlanta	Family	163	1.3 miles		Yellow
Moore's Mills Village	LIHTC	Atlanta	Senior	152	0.7 mile		
Etheridge Court Development I	LIHTC	Atlanta	Family	164	2.2 miles		
Peaks Of West Atlanta	LIHTC	Atlanta	Family	214	2.3 miles		
Columbia Crest Apts	LIHTC	Atlanta	Family	152	1.8 miles		
Columbia Heritage Senior Residences	LIHTC	Atlanta	Senior	131	1.8 miles		
Etheridge Court Apts li	LIHTC	Atlanta	Family	164	2.1 miles		
Park At Scott's Crossing	LIHTC	Atlanta	Family	194	1.5 miles		
Hollywood West li	LIHTC	Atlanta	Family	96	2.3 miles		
Columbia Grove	LIHTC	Atlanta	Family	139	2.5 miles		
Atlantic Station Mixed Income	LIHTC	Atlanta	Family	103	3.8 miles		
Campbell Stone	LIHTC	Atlanta	Senior	307	4.5 miles		
Manor At Scott's Crossing	LIHTC	Atlanta	Senior	101	1.6 miles		
Columbia Estate	LIHTC	Atlanta	Family	124	2.0 miles		
The Remington	LIHTC/Bond	Atlanta	Senior	160	2.8 miles		



2. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix following. The Subject is not expected to add or remove any amenities upon completion of renovations.

MARIETTA ROAD HIGHRISE – ATLANTA, GEORGIA – MARKET STUDY

AMENITY MATRIX

Subject	Ashford Landing Senior Residences	Big Bethel Village	Columbia Crest	Columbia Heritage Senior Residences	Peaks At West Atlanta	2100 Defoors	Marquis Midtown West	SYNC At West Midtown	Westhampton Court Apartments	Westside Crossing
Rent Structure	LIHTC Senior	LIHTC/PBRA Senior	LIHTC/ Market Senior	LIHTC/ Family	LIHTC/ Market Senior	LIHTC/ Market Family	Market Family	Market Family	Market Family	Market Family
Building										
Property Type	Midrise	Midrise	Lowrise	Midrise	Midrise	Garden	Garden	Midrise	Midrise	Garden
# of Stories	7 -stories	4 -stories	3 -stories	4 -stories	5 -stories	3 -stories	3 -stories	4 -stories	4 -stories	2 -stories
Year Built	1982	2009	2003	2005	2004	2002	1987	1997	2014	1963
Year Renovated	Proposed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2017
Elevators	yes	yes	yes	yes	yes	no	no	yes	yes	no
Courtyard	yes	yes	no	no	yes	no	no	no	no	yes
Utility Structure										
Cooking	yes	no	yes	no	no	no	no	no	no	no
Water Heat	yes	no	yes	no	no	no	no	no	no	no
Heat	yes	no	yes	no	no	no	no	no	no	no
Other Electric	yes	no	yes	no	no	no	no	no	no	no
Water	yes	yes	yes	no	yes	no	no	no	no	yes
Sewer	yes	yes	yes	no	yes	no	no	no	no	yes
Trash	yes	yes	yes	yes	yes	no	no	no	no	yes
Accessibility										
Hand Rails	yes	yes	yes	no	yes	no	no	no	no	no
Pull Cords	yes	yes	yes	no	yes	no	no	no	no	no
Unit Amenities										
Balcony/Patio	no	no	yes	no	no	yes	yes	yes	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Hardwood	no	no	no	no	no	no	no	no	no	yes
Central A/C	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	no	yes	yes	yes	yes	no	yes	yes	no
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Exterior Storage	no	yes	no	no	no	yes	yes	yes	no	yes
Fireplace	no	no	no	no	no	no	no	no	no	yes
Vaulted Ceilings	no	no	no	no	no	no	no	yes	no	no
Walk-In Closet	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Wall A/C	no	no	yes	no	no	no	no	yes	no	no
Washer/Dryer	no	yes	no	no	no	no	yes	no	yes	yes
W/D Hookup	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	yes	yes	yes	no	yes
Microwave	no	no	no	no	no	yes	yes	yes	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Business Center	yes	yes	yes	yes	yes	no	no	yes	no	no
Community Room	yes	yes	yes	yes	yes	yes	no	yes	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation										
Exercise Facility	yes	yes	yes	yes	yes	yes	no	yes	no	no
Playground	no	no	no	yes	no	yes	no	no	no	no
Swimming Pool	no	no	no	yes	no	yes	yes	yes	yes	no
Picnic Area	yes	yes	no	no	no	no	yes	yes	no	yes
Theatre	no	no	yes	no	yes	no	no	yes	no	no
Recreational Area	yes	no	no	no	no	no	no	no	no	no
Adult Education	yes	yes	no	no	no	no	no	no	no	no
Non-Shelter Services	no	yes	no	no	no	no	no	no	no	no
Service Coordination	yes	yes	no	no	no	no	no	no	no	no
Shuttle Service	no	yes	yes	no	no	no	no	no	no	no
Hairdresser/Barber	no	yes	yes	no	no	no	no	no	no	no
Security										
In-Unit Alarm	no	yes	no	no	no	yes	yes	no	no	no
Intercom (Buzzer)	yes	yes	yes	yes	yes	no	no	yes	no	no
Limited Access	yes	yes	yes	yes	yes	yes	no	yes	no	no
Patrol	no	no	yes	yes	yes	yes	no	no	no	no
Perimeter Fencing	yes	yes	yes	no	no	yes	no	yes	no	no
Video Surveillance	yes	no	no	yes	no	no	no	no	no	no
Parking										
Garage	no	no	no	yes	no	no	no	no	no	no
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject will offer generally similar to superior property amenities and generally similar to inferior in-unit amenities relative to the comparables. The Subject will offer a recreational area, adult education, and service coordination, which many of the comparables lack. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

3. Comparable Tenancy

The Subject will target elderly (55+) persons. Three of the LIHTC comparable properties target seniors. All of the market rate comparable properties target families. We have accounted for differences between senior and family properties when evaluating amenities, unit sizes, and rental levels.

4. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashford Landing Senior Residences*	LIHTC/PBRA	Senior	117	2	1.7%
Big Bethel Village*	LIHTC/ Market	Senior	114	6	5.3%
Columbia Crest	LIHTC/ Market	Family	152	1	0.7%
Columbia Heritage Senior Residences	LIHTC/ Market	Senior	132	0	0.0%
Peaks At West Atlanta	LIHTC/ Market	Family	214	2	0.9%
2100 Defoors	Market	Family	60	2	3.3%
Marquis Midtown West	Market	Family	156	14	9.0%
SYNC At West Midtown	Market	Family	184	5	2.7%
Westhampton Court Apartments	Market	Family	52	3	5.8%
Westside Crossing	Market	Family	112	2	1.8%
Total LIHTC			729	11	1.5%
Total Market Rate			564	26	4.6%
Overall Total			1,293	37	2.9%

*Located outside of the PMA

Overall vacancy in the market is low at 2.9 percent. Total LIHTC vacancy is lower at 1.5 percent. Market-rate vacancy is higher at 4.6 percent. The contact at Big Bethel Village, which reported elevated vacancy at 5.3 percent, also reported that the property is in the process of income qualifying tenants off their waiting list for the three vacant LIHTC units. This property also maintains a waiting list for its market rate units and the contact stated the vacant one-bedroom studio unit is pre-leased. The contact at Marquis Midtown West could not provide an explanation for the elevated vacancy rate. The contact at Westhampton Court Apartments, which reported a vacancy of 5.8 percent, stated the higher vacancy is coincidental and the property has historically experienced vacancy below five percent.

The waiting lists maintained at four of the LIHTC properties indicate demand for additional rental housing in the Subject's PMA. As a recently renovated property that is fully-subsidized, we anticipate that the Subject would perform with an overall vacancy rate of three percent or less as proposed. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated as the Subject property will not be adding any new units to the market.

5. Properties Under Construction and Proposed

We consulted a CoStar new construction report for the Subject's PMA to identify under construction, planned, or proposed multifamily developments in the PMA. The following table details the properties we identified. It should be noted that only one property in the new supply, The Remington, appears to be affordable and targeted to seniors. Therefore, the remaining new supply is not anticipated to be directly competitive with the Subject.

PLANNED DEVELOPMENT

Property Name	Property Address	Building Status	City	Number of units
1109 Howell Mill Rd 8 West	708 NW Jefferson St Atlanta, GA Atlanta Alabama St SW Atlanta, GA Atlanta	Proposed Proposed	Atlanta Atlanta	276 264
933 Watkins St Broadstone Yards	61 NW Irby Ave Atlanta, GA Atlanta Juniper St NE Atlanta, GA Atlanta	Proposed Under	Atlanta Atlanta	95 275
Condominiums Above Retail	800 SE Galleria Pky Atlanta, GA Atlanta	Proposed	Atlanta	28
Edens Moores Mill Multifamily	377 Centennial Olympic Park Dr Atlanta, GA Atlanta	Proposed	Atlanta	345
Galleria 800 Apartments	4513 S Main St Acworth, GA Acworth	Proposed	Atlanta	283
Quarry Yards Apartments Senior Living	6565 Glenridge Dr NE Sandy Springs, GA Sandy Springs 2800 George Busbee Pky NW Kennesaw, GA Kennesaw	Proposed Proposed	Atlanta Atlanta	800 80
Star Metal Residences	485 John St NW Atlanta, GA Atlanta	Under	Atlanta	409
The Interlock	348 Mitchell St SW Atlanta, GA Atlanta	Proposed	Atlanta	342
The Osprey	83 Jackson St SE Atlanta, GA Atlanta	Proposed	Atlanta	319
Theory West Midtown	5901 Peachtree Dunwoody Rd Atlanta, GA Atlanta	Under	Atlanta	181
Vue at the Quarter	582 NW Centennial Olympic Dr Atlanta, GA Atlanta	Under	Atlanta	271
Westside Yards	3500 NE Lakeside Dr Atlanta, GA Atlanta	Proposed	Atlanta	651

Source: CoStar, November 2018

6. Rental Advantage

The following table illustrates the Subject’s similarity to the comparable properties. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

SIMILARITY MATRIX

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Ashford Landing Senior Residences	LIHTC	Senior	Slightly Inferior	Superior	Superior	Slightly Inferior	Slightly Superior	20
2	Big Bethel Village	LIHTC/ Market	Senior	Inferior	Superior	Similar	Similar	Slightly Inferior	-10
3	Columbia Crest	LIHTC/ Market	Family	Slightly Inferior	Slightly Superior	Similar	Slightly Superior	Slightly Superior	10
4	Columbia Heritage Senior Residences	LIHTC/ Market	Senior	Slightly Inferior	Slightly Superior	Similar	Slightly Superior	Superior	15
5	Peaks At West Atlanta	LIHTC/ Market	Family	Slightly Inferior	Superior	Similar	Similar	Slightly Superior	10
6	2100 Defoors	Market	Family	Inferior	Superior	Similar	Similar	Slightly Superior	5
7	Marquis Midtown West	Market	Family	Inferior	Superior	Similar	Similar	Slightly Superior	5
8	SYNC At West Midtown	Market	Family	Inferior	Superior	Similar	Slightly Superior	Slightly Superior	10
9	Westhampton Court Apartments	Market	Family	Inferior	Slightly Superior	Similar	Slightly Inferior	Slightly Superior	-5
10	Westside Crossing	Market	Family	Inferior	Superior	Similar	Inferior	Slightly Inferior	-15

*Inferior=-10, slightly inferior=-5, similar=0, slightly superior=5, superior=10.

The rental rates at the LIHTC properties are compared to the Subject’s proposed 60 percent AMI rents, following renovations, in the following table.

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	Rents at Max?
Marietta Road Highrise	Fulton	Senior	\$842	Yes
LIHTC Maximum Rent (Net)	Fulton/Dekalb		\$842	
Ashford Landing Senior Residences	Dekalb	Senior	\$918	Yes
Big Bethel Village	Fulton	Senior	\$866	Yes
Columbia Crest	Fulton	Family	\$872	Yes
Peaks At West Atlanta	Fulton	Family	\$885	Yes
Average			\$885	
Achievable LIHTC Rent			\$842	

All of the LIHTC comparables reported earning the maximum allowable level. It appears all of the LIHTC comparables are achieving rents slightly above the maximum allowable level. Discrepancies between the rents reported at the LIHTC comparables and the maximum allowable rents are likely due to differing utility allowances.

The Subject will be considered most similar to Big Bethel Village. Big Bethel Village is located 5.6 miles from the Subject in Atlanta and offers a similar location. This property was constructed in 2003 and exhibits good condition, which is considered similar to the anticipated good condition of the Subject post-rehabilitation. Big Bethel Village offers superior in-unit amenities and inferior property amenities in comparison to the Subject. The Subject will offer a picnic area, recreational area, adult education, and service coordination, which Big Bethel Village does not offer. Big Bethel Village offers one-bedroom units that are slightly inferior to the Subject’s unit sizes. This property reported 95 percent occupancy and maintains a waiting list of up to three months for its LIHTC units. As previously noted, Big Bethel Village reports somewhat elevated vacancy at 5.3 percent, but the contact three LIHTC units and one market rate unit are pre-leased. Furthermore, this property maintains a waiting list of unreported length. Thus, we believe it can achieve rents at the 2018 LIHTC maximum allowable levels.

The most similar comparable property to the Subject reported achieving rents slightly above the maximum allowable LIHTC level. Big Bethel Village reported maintaining a waiting list. We believe that the strong performance of the LIHTC comparables, and the presence of waiting lists at all of the LIHTC comparable properties, is indicative of demand for affordable housing in the marketplace. Thus, we believe the Subject would be able to achieve the LIHTC maximum allowable rent of **\$842** were it to hypothetically operate without subsidy. This conclusion is supported by the most similar LIHTC properties.

Analysis of “Market Rents”

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not ‘Achievable unrestricted market rent.’ In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market-rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market-rate comps. In a small rural market there may be neither tax credit comps nor market-rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

Based on the quality of the surveyed comparable properties and the anticipated quality of the Subject, we conclude that the Subject’s proposed rents, which are its contract rents, are below the achievable market rates for the Subject’s area. The table below illustrates the comparison of the adjusted market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@60% (RAD)	\$842	\$1,114	\$1,313	\$1,224	\$1,200	30%

The Subject is most comparable to SYNC At West Midtown and Westside Crossing. SYNC At West Midtown was built in 2014 and exhibits excellent condition, slightly superior to the anticipated condition of the Subject. SYNC At Midtown is located 1.6 miles southeast of the Subject in a slightly superior location compared to the Subject. In terms of unit sizes, SYNC At West Midtown offers slightly larger one-bedroom unit sizes at 600 square feet. SYNC At West Midtown offers superior in-unit amenities, by offering in-unit washer/dryers, dishwashers, garbage disposals, and vaulted ceilings, which the Subject will lack. SYNC At West Midtown is similar in terms of community amenities when compared to the Subject. Overall, we believe the Subject will be slightly inferior to SYNC At West Midtown. The following table compares the Subject with SYNC At West Midtown.

SUBJECT COMPARISON TO SYNC AT WEST MIDTOWN

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	SYNC At West Midtown Rent	Square Feet	SYNC At West Midtown RPSF
1BR / 1BA	\$1,200	555	\$2.16	\$1,335	600	\$2.23

Westside Crossing is a 112-unit garden-style development located 1.0 miles south of the Subject site, in a neighborhood considered slightly superior relative to the Subject's location. This property was constructed in 1965. We consider the condition of this property inferior relative to the renovated Subject. Westside Crossing offers hardwood flooring, central air conditioning, exterior storage, fireplaces, washer/dryers, washer dryer hookups, dishwashers, disposals, and microwaves, all of which the Subject lacks. However, the Subject offers a business center, a community room, a fitness center, and recreational areas, none of which are provided by Westside Crossing. The in-unit and property amenity packages offered by Westside Crossing are considered superior and inferior, respectively, relative to the Subject's amenities. This comparable also offers inferior unit sizes compared to the Subject. In overall terms, we believe the Subject offers a slightly superior product relative to the Westside Crossing. The manager at Westside Crossing reported a strong vacancy rate of 1.8 percent, indicating the current rents are well accepted in the market. The following table compares the Subject with Westside Crossing.

SUBJECT COMPARISON TO WESTSIDE CROSSING

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Westside Crossing Rent	Square Feet	Westside Crossing RPSF
1BR / 1BA	\$1,200	555	\$2.16	\$975	460	\$2.12

Thus, we have concluded to market rent of **\$1,200** for the Subject’s units as renovated.

7. LIHTC Competition – DCA Funded Properties within the PMA

According to the Georgia Department of Community Affairs, there has been one property allocated tax credits since 2015. The Remington received tax credits in 2015 and opened in October 2017. Management at The Remington reported the property has reached stabilization and is 100 percent occupied. Additionally, the property received Project Based Rental Assistance (PBRA) from the Atlanta Housing Authority. There are currently four LIHTC properties in the PMA targeted to seniors. The capture rate for the Subject is considered

low for the one-bedroom unit type at 60 percent AMI. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated as the Subject property will not be adding any new units to the market.

8. Rental Trends in the PMA

The following table is a summary of the tenure patterns of the housing stock in the PMA.

TENURE PATTERNS - TOTAL POPULATION

Year	PMA			
	Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage
2000	15,235	45.1%	18,524	54.9%
2010	17,480	44.6%	21,682	55.4%
2018	19,155	39.0%	30,007	61.0%
Projected Mkt Entry December 2020	20,187	39.3%	31,151	60.7%
2023	21,291	39.7%	32,374	60.3%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

TENURE PATTERNS - 55+

Year	PMA			
	Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage
2000	5,972	67.1%	2,926	32.9%
2010	5,754	58.6%	4,072	41.4%
2018	7,633	55.6%	6,084	44.4%
Projected Mkt Entry December 2020	8,351	56.2%	6,505	43.8%
2023	9,118	56.7%	6,955	43.3%

Source: Esri Demographics 2018, Novogradac & Company LLP, November 2018

As the table above illustrates, approximately 44.4 percent of elderly households in the PMA are renter-occupied as of 2018. The number of renter-occupied elderly households in the PMA is expected to increase through market entry and 2023 by 421 and 911 units, respectively.

Historical Vacancy

The following table details historical vacancy levels for the properties included as comparables.

HISTORICAL VACANCY

Comparable Property	Type	Total Units	2QTR	2QTR	2QTR	4QTR	2QTR	4QTR
			2015	2016	2017	2017	2018	2018
Marietta Road Highrise	Midrise	129	N/A	N/A	N/A	1.50%	0.00%	0.0%
Ashford Landing Senior Residences	LIHTC	117	0.90%	0.00%	0.00%	0.00%	1.70%	1.70%
Big Bethel Village	LIHTC/ Market	120	1.70%	N/A	6.70%	N/A	5.00%	5.30%
Columbia Crest	LIHTC/ Market	152	N/A	1.30%	4.60%	3.90%	3.30%	0.70%
Columbia Heritage Senior Residences	LIHTC/ Market	132	0.00%	N/A	0.00%	N/A	0.00%	0.00%
Peaks At West Atlanta	LIHTC/ Market	214	N/A	0.50%	0.50%	N/A	4.70%	0.90%
2100 Defoors	Market	60	N/A	N/A	N/A	6.70%	N/A	0.033
Marquis Midtown West	Market	156	N/A	N/A	N/A	5.10%	9.00%	9.00%
SYNC At West Midtown	Market	184	N/A	N/A	N/A	3.80%	7.10%	2.70%
Westhampton Court Apartments	Market	52	N/A	N/A	N/A	0.00%	N/A	0.058
Westside Crossing	Market	112	N/A	N/A	3.60%	3.60%	3.60%	1.80%
		1,428	0.80%	0.60%	2.60%	3.10%	3.80%	3.12%

As illustrated in the table, we were able to obtain historical vacancy rates at the majority of the LIHTC comparable properties over the last several years. The vacancy rates at the LIHTC comparables have remained relatively low over the last several years. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

The following table illustrates rental rate increases as reported by the comparable properties.

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Ashford Landing Senior Residences*	LIHTC/PBRA	Senior	Kept at max
Big Bethel Village*	LIHTC/ Market	Senior	No change to increase three to four percent
Columbia Crest	LIHTC/ Market	Family	Increased four to five percent
Columbia Heritage Senior Residences	LIHTC/ Market	Senior	None
Peaks At West Atlanta	LIHTC/ Market	Family	Increased one to two percent
2100 Defoors	Market	Family	Increased two to five percent
Marquis Midtown West	Market	Family	Change daily.
SYNC At West Midtown	Market	Family	Increased four to five percent
Westhampton Court Apartments	Market	Family	Increased four to five percent
Westside Crossing	Market	Family	Increased five to seven percent

*Located outside of the PMA

The LIHTC comparables reported growth of up to seven percent in the past year. The market rate comparables reported fluctuations in rents. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

9. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 1,170 housing units nationwide was in some stage of foreclosure as of September 2018. The city of Atlanta is experiencing a foreclosure rate of one in every 2,404 homes, while Fulton County is experiencing a foreclosure rate of one in every 2,409 homes and Georgia experienced one foreclosure in every 2,243 housing units. Overall, Atlanta is experiencing a significantly lower foreclosure rate in comparison to the nation, and similar to Fulton County as a whole, indicating a healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

10. Primary Housing Void

LIHTC comparable properties have vacancy rates ranging from zero to five percent, with one LIHTC property reporting a zero percent vacancy rate. Additionally, four of the LIHTC properties maintain waiting lists, indicating relatively strong support for affordable senior rental housing. Based on the previous demand analysis, performance of the Subject and comparable properties, and conversations with local property managers, we believe there is continuing, pent-up demand for affordable senior rental housing in the local market. The Subject’s renovations will not add new units, but rather improve the quality and marketability of existing low-income housing. The Subject will also operate with rental assistance through the RAD program following renovations, making units affordable to a wide income band of renter households. As such, the Subject will continue to help fill a void in the market for adequate low-income senior rental housing.

11. Effect of Subject on Other Affordable Units in Market

The age-restricted LIHTC comparables have low vacancy rates, and one reported a zero percent vacancy rate. The Subject’s renovation will not add new affordable units to the PMA, but will improve existing units.

Therefore, we do not believe that the renovations to the Subject will have any significant negative impact on the comparable LIHTC properties.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Overall vacancy in the market is low at 2.9 percent. Total LIHTC vacancy is lower at 1.5 percent. Market-rate vacancy is higher at 4.6 percent. The waiting lists maintained at all of the LIHTC properties indicate demand for additional rental housing in the Subject's PMA.

The Subject's proposed 60 percent rent is well below the surveyed average when compared to the comparables, both LIHTC and market-rate. We believe that the Subject's proposed rent is achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

The most similar comparable property to the Subject reported achieving rents slightly below the maximum allowable LIHTC level. We believe that the strong performance of the LIHTC comparables, and the presence of waiting lists at several comparable properties, is indicative of demand for affordable housing in the marketplace. Thus, we believe the Subject would be able to achieve the LIHTC maximum allowable rent of **\$842** were it to hypothetically operate without subsidy. This conclusion is supported by the most similar LIHTC properties.

Overall, we believe that the Subject will offer a significant value in the market. This is further illustrated by the significant rental advantage that the Subject's rents will have over the market rents. We believe that the Subject will maintain a vacancy rate of three percent or less as proposed. We believe the Subject will be supportable following renovations and will not adversely impact other low-income housing options in the PMA.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

As all of the comparables were built before 2015, we researched absorption information for rental properties within the City of Atlanta built since 2015. This absorption information is illustrated in the following table.

ABSORPTION					
Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Kirkwood	Market	Family	2018	232	21
Reynoldstown Senior Apartments	LIHTC	Senior	2016	70	70
675 Highland	Market	Family	2016	125	16
Glenwood At Grant Park	Market	Family	2016	216	8
Station R Apartments	Market	Family	2016	285	14
The Meridian At Redwine	Market	Family	2016	258	17
Square On Fifth	Market	Family	2015	270	45
The Haynes House	Market	Family	2015	186	12
University House	Market	Family	2015	268	30

As illustrated in the previous table, the properties were constructed between 2015 and 2018, and reported absorption rates of eight to 70 units per month, with an average of 26 units per month. However, Reynoldstown Senior Apartments appears to be an outlier, as the remaining comparables reported absorption of 45 units per month or less.

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 25 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

The Subject is currently 89 percent occupied with a waiting list. According to management, units are being held offline in anticipation for the upcoming renovations. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. All current residents will be income-qualified for the Subject under the RAD program subsidy. Further, renovations will occur on a rolling basis with tenants in place. Thus, this absorption analysis is hypothetical.

J. INTERVIEWS

Housing Authority of the City of Atlanta, Georgia

We made multiple attempts to contact the Atlanta Housing Authority in order to determine the number of Housing Choice Vouchers currently in use; however, as of the date of this report our calls have not been returned. According to the Atlanta Housing Authority, the Housing Choice Voucher waiting list is closed. The Payment Standards for Atlanta are listed below.

PAYMENT STANDARDS (NET)

Unit Type	Standard
One-Bedroom	\$943

Source: Atlanta Housing Authority, effective July 2017

The Subject's units will benefit from rent subsidies. Were it to operate without subsidy and offer the maximum allowable rent for one-bedroom units at 60 percent AMI, its rents would be below the payment standards and tenants using Housing Choice Vouchers would not be required to pay out of pocket.

Planning

We consulted a CoStar new construction report for the Subject's PMA to identify under construction, planned, or proposed multifamily developments in the PMA. The following table details the properties we identified. It should be noted that only one property in the new supply, The Remington, appears to be affordable and targeted to seniors. Therefore, the remaining new supply is not anticipated to be directly competitive with the Subject.

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	Distance to Subject
1109 Howell Mill Rd	market	family	276	0	Proposed	3.6 miles
8 West	market	family	264	0	Proposed	4.0 miles
Broadstone Yards	market	family	275	0	Under Construction	3.5 miles
Condominiums Above Retail	market	family	28	0	Proposed	3.0 miles
Edens Moores Mill Multifamily	market	family	345	0	Proposed	0.6 miles
Galleria 800 Apartments	market	family	283	0	Proposed	4.4 miles
Quarry Yards Apartments	market	family	800	0	Proposed	3.6 miles
Senior Living	market	senior	80	0	Proposed	3.0 miles
Star Metal Residences	market	family	409	0	Under Construction	3.7 miles
The Interlock	market	family	342	0	Proposed	3.6 miles
The Osprey	market	family	319	0	Proposed	3.8 miles
Theory West Midtown	market	student	181	0	Under Construction	4.5 miles
Vue at the Quarter	market	family	271	0	Under Construction	1.3 miles
Westside Yards	market	family	651	0	Proposed	4.2 miles
Totals			4,524	0		

Source: CoStar, November 2018

According to the Georgia Department of Community Affairs, there has been one property allocated tax credits since 2015. The Remington received tax credits in 2015 and opened in October 2017. Management at The Remington reported the property has reached stabilization and is 100 percent occupied. Additionally, the property received Project Based Rental Assistance (PBRA) from the Atlanta Housing Authority. Therefore, we have not removed The Remington's units from our demand analysis, as the units have been absorbed in the market. We also identified through the Costar new construction report, Senior Living, a proposed market rate property targeting seniors. However, we were unable to verify whether Senior Living's rents will be less than 10 percent above the Subject's proposed rents, as the property is still in the proposal stages of development. Since this property will be new construction, we believe this assumption is reasonable. Thus, we have not removed Senior Living's proposed units from our demand analysis. Further, all market rate units that are proposed, are under construction, or have entered the market from 2016 to present, identified through research of a CoStar new construction report for the Subject's PMA, are targeted to families and are not

anticipated to be directly competitive with the Subject. Thus, although the submarket's overall vacancy is high and more market-rate units are in the pipeline, we do not believe this will affect the Subject's vacancy as restricted, as these units coming online will be targeted at tenants with higher incomes than the Subject.

Additional interviews can be found in the comments section of the property profiles.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

Through market entry and 2023, total population in the PMA is expected to increase at a rate slightly higher in comparison to the MSA and higher in comparison to the nation. The largest age cohorts in the PMA are between 20 and 24, and 25 and 29, which indicates the presence of a younger population. The elderly population (55+) in the PMA is expected to increase from 2018 through market entry and 2023 by 1,492 and 3,087, respectively. Through market entry and 2023, households in the PMA are expected to increase at a rate higher in comparison to the MSA and nation. The Subject will target elderly individuals and all of the rental units are one-bedroom units, which appear reasonable considering the average household size in the PMA. The number of renter-occupied elderly households in the PMA is expected to increase through market entry and 2023 by 421 and 871 units, respectively. The Subject will target elderly tenants earning between \$0 and \$35,940. Approximately 45.9 percent of elderly renter households in the PMA are earning incomes less than \$30,000 annually, as of 2018. The majority of elderly renter households in the PMA are one- and two-person households. Overall, the expected increase in elderly population in the PMA coupled with a high concentration of elderly renter households earning less than \$30,000 annually in the PMA indicates significant demand for affordable rental housing in the market.

Employment Trends

Total employment in Fulton County increased 2.8 percent from August 2017 to August 2018. Professional and business services is the largest industry in Fulton County, followed by trade, transportation, and utilities, and education and health services. The largest percentage of workers in the PMA are employed in the professional/scientific/technical services, educational services, retail trade, and healthcare/social assistance sectors. The educational services and healthcare/social assistance sectors have historically been considered stable while the professional/scientific/technical services and retail trade sectors are more cyclical in nature. There have been 9,594 employees in the area impacted by layoffs or closures since 2015. Additionally, there have been several announcements regarding business expansion in a variety of industries including manufacturing, technology, and retail trade.

From January 2017 to January 2018, total employment in the MSA increased 3.5 percent in comparison to an increase of 2.6 percent in the nation over the same time period. It should be noted that total employment in the MSA surpassed prerecessionary levels in 2014, indicating that the local economy quickly recovered from the national recession and is in an expansionary phase. From January 2017 to January 2018, the unemployment rate in the MSA experienced a 1.0 percentage point decrease, similar in comparison to a 1.0 percentage point decrease in the nation. It should be noted that the unemployment rate in the MSA is below prerecessionary levels as of January 2018. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

Capture Rates

The following table illustrates the demand and capture rates for the Subject's proposed units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	New Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @60% AMI (RAD)	0	\$35,940	129	975	0	975	13.23%	12 months	\$1,650	\$975	\$1,650	\$1,200
1BR @60% AMI (absent subsidy)	\$28,869	\$35,940	129	154	0	154	83.94%	15 months	\$1,650	\$975	\$1,650	\$1,200

As the analysis illustrates, the Subject's overall capture rate, when we consider the RAD program rental assistance that will be in place, will be 13.23 percent, which is within Georgia DCA's thresholds. Therefore, we believe there is adequate demand for the Subject. It should be noted that this analysis is hypothetical as all of the existing tenants will remain income qualified post renovation. Thus, the Subject will not be adding any new units to the market.

Absorption

As all of the comparables were built before 2015, we researched absorption information for rental properties within the City of Atlanta built since 2015. This absorption information is illustrated in the following table.

ABSORPTION					
Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Kirkwood	Market	Family	2018	232	21
Reynoldstown Senior Apartments	LIHTC	Senior	2016	70	70
675 Highland	Market	Family	2016	125	16
Glenwood At Grant Park	Market	Family	2016	216	8
Station R Apartments	Market	Family	2016	285	14
The Meridian At Redwine	Market	Family	2016	258	17
Square On Fifth	Market	Family	2015	270	45
The Haynes House	Market	Family	2015	186	12
University House	Market	Family	2015	268	30

As illustrated in the previous table, the properties were constructed between 2015 and 2018, and reported absorption rates of eight to 70 units per month, with an average of 26 units per month. However, Reynoldstown Senior Apartments appears to be an outlier, as the remaining comparables reported absorption of 45 units per month or less.

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 25 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

The Subject is currently 89 percent occupied with a waiting list. According to management, units are being held offline in anticipation for the upcoming renovations. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. All current residents will be income-qualified for the Subject under the RAD program subsidy. Further, renovations will occur on a rolling basis with tenants in place. Thus, this absorption analysis is hypothetical.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashford Landing Senior Residences*	LIHTC/PBRA	Senior	117	2	1.7%
Big Bethel Village*	LIHTC/ Market	Senior	114	6	5.3%
Columbia Crest	LIHTC/ Market	Family	152	1	0.7%
Columbia Heritage Senior Residences	LIHTC/ Market	Senior	132	0	0.0%
Peaks At West Atlanta	LIHTC/ Market	Family	214	2	0.9%
2100 Defoors	Market	Family	60	2	3.3%
Marquis Midtown West	Market	Family	156	14	9.0%
SYNC At West Midtown	Market	Family	184	5	2.7%
Westhampton Court Apartments	Market	Family	52	3	5.8%
Westside Crossing	Market	Family	112	2	1.8%
Total LIHTC			729	11	1.5%
Total Market Rate			564	26	4.6%
Overall Total			1,293	37	2.9%

*Located outside of the PMA

Overall vacancy in the market is low at 2.9 percent. Total LIHTC vacancy is lower at 1.5 percent. Market-rate vacancy is higher at 4.6 percent. The contact at Big Bethel Village, which reported elevated vacancy at 5.3 percent, also reported that the property is in the process of income qualifying tenants off their waiting list for the three vacant LIHTC units. This property also maintains a waiting list for its market rate units and the contact stated the vacant one-bedroom studio unit is pre-leased. The contact at Marquis Midtown West could not provide an explanation for the elevated vacancy rate. The contact at Westhampton Court Apartments, which reported a vacancy of 5.8 percent, stated the higher vacancy is coincidental and the property has historically experienced vacancy below five percent.

The waiting lists maintained at three of the LIHTC properties indicate demand for additional rental housing in the Subject’s PMA. As a recently renovated property that is fully subsidized, we anticipate that the Subject would perform with a vacancy loss of three percent.

Strengths of the Subject

Strengths of the Subject include its proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition. The Subject site is located approximately six miles northwest of downtown Atlanta. Median household income in the PMA is higher in comparison to the MSA and nation. According to a rent roll dated November 1, 2018 the Subject is currently 88 percent occupied. As the demand analysis found in the report indicates, there is adequate demand for the Subject based on our calculations for the 60 percent AMI units.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Overall vacancy in the market is low at 2.9 percent. Total LIHTC vacancy is lower at 1.5 percent. Market-rate vacancy is higher at 4.6 percent. The waiting lists maintained at four of the LIHTC properties indicate demand for additional rental housing in the Subject’s PMA.

The Subject’s proposed 60 percent rent is well below the surveyed average when compared to the comparables, both LIHTC and market-rate. We believe that the Subject’s proposed rent is achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

The most similar comparable property to the Subject reported achieving rents at the maximum allowable LIHTC level. We believe that the strong performance of the LIHTC comparables, and the presence of waiting lists at

several comparable properties, is indicative of demand for affordable housing in the marketplace. Thus, we believe the Subject would be able to achieve the LIHTC maximum allowable rent of **\$842** were it to hypothetically operate without subsidy. This conclusion is supported by the most similar LIHTC properties.

Overall, we believe that the Subject will offer a significant value in the market. This is further illustrated by the significant rental advantage that the Subject's rents will have over the market rents. We believe that the Subject will maintain a vacancy rate of three percent or less as proposed. We believe the Subject will be supportable following renovations and will not adversely impact other low-income housing options in the PMA.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the Subject property and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



Blair Kincer, MAI
Partner
Blair.Kincer@novoco.com



Brian Neukam
Manager
GA Certified General Appraiser #329471
Expiration Date: March 31, 2019
Brian.Neukam@novoco.com



Kelly Gorman
Manager
Kelly.Gorman@novoco.com



Scott Hutter
Manager
Scott.Hutter@novoco.com



James Mitman
Analyst
James.Mitman@novoco.com

November 9, 2018

M. MARKET STUDY REPRESENTATION

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



Blair Kincer, MAI
Partner
Blair.Kincer@novoco.com



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Manager
GA Certified General Appraiser #329471
Expiration Date: March 31, 2019
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Kelly Gorman
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Scott Hutter
Manager
Scott.Hutter@novoco.com
November 9, 2018



James Mitman
Analyst
James.Mitman@novoco.com

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



Exterior view of Subject



Exterior view of Subject



Exterior view of Subject



View northwest on Marietta Road NW



View southeast on Marietta Road NW



Elevators at Subject



Community room at Subject



Picnic area at Subject



Exercise facility at Subject



Garden at Subject



Laundry facilities at Subject



Typical bedroom at Subject



Typical bedroom at Subject



Typical living room at Subject



Typical living room at Subject



Typical kitchen at Subject



Typical kitchen at Subject



Typical bathroom at Subject



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Housing Market Analysts (NCHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. NHCG-939 – State of New Hampshire
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President/Owner, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

State of North Carolina Certified General Appraiser No. A8284

State of South Carolina Certified General Appraiser No. 7493

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, December 2016-present

Novogradac & Company LLP, Senior Real Estate Analyst, September 2015- December 2016

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

REAL ESTATE ASSIGNMENTS

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
5	Marietta Road Highrise 2295 Marietta Rd NW Atlanta, GA 30318 Fulton County	-	Highrise (7 stories) 1982 / 2020 Senior	@60% (RAD)	1BR / 1BA	129	99.2%	555	@60%	\$842	Yes	Yes	14	10.9%
					2BR / 1BA	1	0.8%	755	Non-Rental	N/A	No	0	0.0%	
							<u>130</u>	<u>100.0%</u>						
1	Ashford Landing Senior Residences 3521 Blair Circle NE Atlanta, GA 30319 DeKalb County	9.4 miles	Midrise (4 stories) 2009 / n/a Senior	@60%, @60% (PBRA)	1BR / 1BA	19	16.2%	688	@60%	\$918	Yes	Yes	0	0.0%
					1BR / 1BA	75	64.1%	688	@60% (PBRA)	\$918	Yes	Yes	1	1.3%
					2BR / 1BA	10	8.6%	914	@60%	\$1,055	Yes	Yes	1	10.0%
					2BR / 1BA	13	11.1%	914	@60% (PBRA)	\$1,055	Yes	Yes	0	0.0%
							<u>117</u>	<u>100.0%</u>						
2	Big Bethel Village 500 Richard Allen Boulevard SW Atlanta, GA 30331 Fulton County	5.6 miles	Lowrise (3 stories) 2003 / n/a Senior	@60%, Market	0BR / 1BA	14	12.3%	358	@60%	\$808	Yes	Yes	1	7.1%
					0BR / 1BA	4	3.5%	358	Market	\$930	N/A	Yes	1	25.0%
					1BR / 1BA	19	16.7%	433	@60%	\$866	Yes	Yes	1	5.3%
					1BR / 1BA	6	5.3%	500	@60%	\$866	Yes	Yes	0	0.0%
					1BR / 1BA	15	13.2%	538	@60%	\$866	Yes	Yes	0	0.0%
					1BR / 1BA	5	4.4%	433	Market	\$1,060	N/A	Yes	1	20.0%
					1BR / 1BA	3	2.6%	500	Market	\$1,060	N/A	Yes	0	0.0%
					1BR / 1BA	3	2.6%	538	Market	\$1,060	N/A	Yes	0	0.0%
					2BR / 2BA	9	7.9%	700	@60%	\$1,039	Yes	Yes	1	11.1%
					2BR / 2BA	26	22.8%	759	@60%	\$1,039	Yes	Yes	0	0.0%
					2BR / 2BA	10	8.8%	759	Market	\$1,175	N/A	Yes	1	10.0%
		<u>114</u>	<u>100.0%</u>									<u>6</u>	<u>5.3%</u>	
3	Columbia Crest 1903 Drew Dr NW Atlanta, GA 30318 Fulton County	1.9 miles	Midrise (4 stories) 2005 / n/a Family	@50% (PHA), @60%, Market	1BR / 1BA	10	6.6%	770	@50% (PHA)	N/A	N/A	Yes	0	0.0%
					1BR / 1BA	8	5.3%	770	@60%	\$872	Yes	No	0	0.0%
					1BR / 1BA	18	11.8%	770	Market	\$1,295	N/A	No	0	0.0%
					2BR / 2BA	24	15.8%	1,066	@50% (PHA)	N/A	N/A	Yes	0	0.0%
					2BR / 2BA	16	10.5%	1,066	@60%	\$1,071	Yes	No	0	0.0%
					2BR / 2BA	32	21.1%	1,066	Market	\$1,582	N/A	No	0	0.0%
					3BR / 2BA	16	10.5%	1,318	@50% (PHA)	N/A	N/A	Yes	0	0.0%
					3BR / 2BA	12	7.9%	1,318	@60%	\$1,255	Yes	No	0	0.0%
					3BR / 2BA	16	10.5%	1,318	Market	\$1,775	N/A	No	10	62.5%
		<u>152</u>	<u>100.0%</u>									<u>10</u>	<u>6.6%</u>	
4	Columbia Heritage Senior Residences 1900 Perry Blvd NW Atlanta, GA 30318 Fulton County	1.7 miles	Midrise (5 stories) 2004 / n/a Senior	@50% (PBRA), @60% (PBRA), Market	2BR / 1BA	62	47.0%	970	@50% (PBRA)	\$940	N/A	Yes	0	0.0%
					2BR / 1BA	62	47.0%	970	@60% (PBRA)	\$940	N/A	Yes	0	0.0%
					2BR / 1BA	6	4.6%	970	Market	\$1,219	N/A	Yes	0	0.0%
					2BR / 1BA	2	1.5%	970	Non-Rental	N/A	N/A	No	0	0.0%
							<u>132</u>	<u>100.0%</u>						
5	Peaks At West Atlanta 1212 James Jackson Pkwy Atlanta, GA 30318 Fulton County	2.3 miles	Garden (3 stories) 2002 / n/a Family	@50%, @60%, Market	1BR / 1BA	16	7.5%	721	@50%	\$744	Yes	Yes	0	0.0%
					1BR / 1BA	16	7.5%	721	@60%	\$885	Yes	Yes	0	0.0%
					1BR / 1BA	12	5.6%	721	Market	\$1,000	N/A	Yes	1	8.3%
					2BR / 2BA	32	15.0%	1,025	@50%	\$903	Yes	Yes	1	3.1%
					2BR / 2BA	48	22.4%	1,025	@60%	\$1,072	Yes	Yes	0	0.0%
					2BR / 2BA	30	14.0%	1,025	Market	\$1,187	N/A	Yes	0	0.0%
					3BR / 2BA	16	7.5%	1,211	@50%	\$1,052	Yes	Yes	0	0.0%
					3BR / 2BA	32	15.0%	1,211	@60%	\$1,247	Yes	Yes	0	0.0%
					3BR / 2BA	12	5.6%	1,211	Market	\$1,380	N/A	Yes	0	0.0%
							<u>214</u>	<u>100.0%</u>						
6	2100 Defoors 2100 Defoors Ferry Road NW Atlanta, GA 30318 Fulton County	2.1 miles	Garden (3 stories) 1991/2017 Family	Market	1BR / 1BA	24	40.0%	525	Market	\$1,450	N/A	No	0	0.0%
					1BR / 1BA	24	40.0%	705	Market	\$1,650	N/A	No	2	8.3%
					2BR / 2BA	12	20.0%	1,000	Market	\$1,887	N/A	No	0	0.0%
							<u>60</u>	<u>100.0%</u>						
7	Marquis Midtown West 1224 Defoor Village Court NW Atlanta, GA 30318 Fulton County	2.1 miles	Midrise (4 stories) 1997 / n/a Family	Market	1BR / 1BA	13	8.3%	638	Market	\$1,314	N/A	No	N/A	N/A
					1BR / 1BA	24	15.4%	743	Market	\$1,344	N/A	No	N/A	N/A
					1BR / 1BA	31	19.9%	882	Market	\$1,410	N/A	No	N/A	N/A
					1BR / 1BA	10	6.4%	919	Market	\$1,456	N/A	No	N/A	N/A
					2BR / 1BA	14	9.0%	1,013	Market	\$1,589	N/A	No	N/A	N/A
					2BR / 2BA	13	8.3%	1,064	Market	\$1,734	N/A	No	0	0.0%
					2BR / 2BA	37	23.7%	1,156	Market	\$1,747	N/A	No	0	0.0%
					2BR / 2BA	14	9.0%	1,244	Market	\$1,757	N/A	No	0	0.0%
							<u>156</u>	<u>N/A</u>						
8	SYNC At West Midtown 1391 Collier Rd NW Atlanta, GA 30318 Fulton County	1.6 miles	Midrise (4 stories) 2014 / n/a Family	Market	1BR / 1BA	4	2.2%	600	Market	\$1,335	N/A	No	0	0.0%
					1BR / 1BA	23	12.5%	742	Market	\$1,400	N/A	No	0	0.0%
					1BR / 1BA	83	45.1%	832	Market	\$1,535	N/A	No	0	0.0%
					1BR / 1BA	10	5.4%	1,008	Market	\$1,600	N/A	No	1	10.0%
					2BR / 2BA	12	6.5%	997	Market	\$1,912	N/A	No	1	8.3%
					2BR / 2BA	28	15.2%	1,065	Market	\$1,927	N/A	No	1	3.6%
					2BR / 2BA	24	13.0%	1,250	Market	\$2,067	N/A	No	2	8.3%
		<u>184</u>	<u>100.0%</u>									<u>5</u>	<u>2.7%</u>	
9	Westhampton Court Apartments 2125 Defoors Ferry Road NW Atlanta, GA 30318 Fulton County	2.0 miles	Garden (2 stories) 1963 / n/a Family	Market	1BR / 1BA	36	69.2%	640	Market	\$1,050	N/A	No	2	5.6%
					2BR / 1BA	16	30.8%	750	Market	\$1,237	N/A	Yes	1	6.3%
							<u>52</u>	<u>100.0%</u>						
10	Westside Crossing 2265 Perry Boulevard Atlanta, GA 30318 Fulton County	1.0 miles	Garden (2 stories) 1965 / 2017 Family	Market	1BR / 1BA	36	32.1%	460	Market	\$975	N/A	No	1	2.8%
					2BR / 1BA	45	40.2%	680	Market	\$1,120	N/A	No	1	2.2%
					3BR / 1BA	31	27.7%	840	Market	\$1,266	N/A	No	0	0.0%
							<u>112</u>	<u>100.0%</u>						

ADDENDUM E
Subject Floor Plans
(Not Available)