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A MARKET STUDY OF:

ASHTON CREEK APARTMENTS

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ASHTON CREEK

APARTMENTS

239 New Hope Road
Lawrenceville, Gwinnett County, Georgia, 30046

Effective Date: November 15, 2018
Report Date: December 17, 2018

Prepared for:
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December 17, 2018

Mr. Noah Wagner
Development Analyst
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Dominium
2905 Northwest Boulevard, Suite 150
Plymouth, MN 55441-2644

Re: Application Market Study for Ashton Creek Apartments, located in Lawrenceville, Gwinnett County, Georgia

Dear Mr. Wagner:

At your request, Novogradac & Company LLP performed a study of the multifamily rental market in the Lawrenceville, Gwinnett County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of the proposed acquisition/rehabilitation of an existing 140-unit family LIHTC project. The Subject will be a newly renovated affordable bond/LIHTC project, with 140 revenue generating units, restricted to households earning 60 percent of the Area Median Income (AMI) or less. The Subject is currently a LIHTC property that is being renovated with additional LIHTC equity. Post-renovation, all of the units will be restricted at the 60 percent AMI level. 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).

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

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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 is 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 for tax credit application. 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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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Ashton Creek Apartments will be the acquisition/rehabilitation of an existing LIHTC multifamily development located at 239 New Hope Road in Lawrenceville, Gwinnett County, Georgia, which consists of six three-story garden-style buildings in addition to one, one-story leasing building. The Subject currently offers 140 LIHTC units restricted to 60 percent of AMI, or less. The Subject was constructed in 2003, and is currently in the extended use period. The Subject is currently in average condition and contains 32 one, 58 two, 24 three, and 26 four-bedroom units, respectively. According to a rent roll dated November 9, 2018, the Subject is currently 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Post-renovation, all of the Subject's units will continue to be restricted at the 60 percent AMI level.

The Subject is proposed for renovation with additional LIHTC equity. The Subject was originally constructed in 2003 and currently exhibits average condition. Total construction costs are estimated to be approximately \$6,300,000 or \$45,000 per unit. Renovations will include, but will not be limited to, new flooring, countertops, full plumbing fixture replacement, new kitchen and bathroom sinks, new appliances, roof replacement, new paint, siding replacement, gutter and downspout replacement, exterior door replacement, updated landscaping, parking lot restripe and resealing, updated playground equipment, sidewalk/curb replacement and repair, new poured-in place splash blocks, trimmed trees, clubhouse renovation, new pavilion area with picnic tables and grills, new building entry system, pool maintenance equipment replacement, and various amenity upgrades.

The following table illustrates the proposed unit mix, which is the same as the current unit mix and AMI level.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2018 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents	
@60%								
1BR / 1BA	822	32	\$751	\$91	\$842	\$842	\$898	
2BR / 2BA	1,086	58	\$899	\$112	\$1,011	\$1,011	\$1,031	
3BR / 2BA	1,209	24	\$1,028	\$139	\$1,167	\$1,167	\$1,344	
4BR / 3BA	1,460	26	\$1,131	\$171	\$1,302	\$1,302	\$1,651	
		140						

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

The Subject's proposed rents are set at the 2018 maximum allowable levels at 60 percent of AMI. Further, the Subject's current rents are also set at these levels. The renovated Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities. Notable unit amenities offered by Subject include walk-in closets and in-unit washers and dryers. The majority of the comparable properties lack in-unit washers and dryers, which are included in the Subject's proposed amenity scheme. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include a courtyard, business center, community room, on-site management, exercise facility, playground, swimming pool, picnic area, and recreational area. The surveyed LIHTC comparables offer similar to slightly inferior property amenities relative to the Subject. The majority of the comparable properties lack features such as a courtyard, business center, or recreational area, all of which are included in the Subject's proposed amenity scheme. Overall, we believe the Subject's property amenities will be competitive in the market.

2. Site Description/Evaluation

The Subject is located at 239 New Hope Road in Lawrenceville, Gwinnett County, Georgia, 30046. The Subject is located in a mixed-use neighborhood that consists primarily of single-family homes in average condition, multifamily developments in average condition, various retail/commercial uses in average condition, places of worship, and wooded land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by Walk Score with a rating of 48 out of 100. The Subject site is considered a desirable location for rental housing. The uses surrounding the Subject are in average condition and the site is located in close proximity to locational amenities, most of which are within 0.9 miles of the Subject.

3. Market Area Definition

The PMA is generally defined by Old Peachtree Road NE to the north, Harbins Road SE, Bramlett Shoals Road SE, Grayson New Hope Road SE, and Grayson Parkway SW to the east, Pinehurst Road SW and Ronald Reagan Parkway to the south, and Bethesda School Road NW and Interstate 85 to the west. This area encompasses central portion of Gwinnett County. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North:	5.9 miles
East:	4.5 miles
South:	6.4 miles
West:	5.8 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. Property managers report that most tenants come from the Lawrenceville area and surrounding rural communities. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2018 DCA market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The Secondary Market Area (SMA) is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

4. Community Demographic Data

Population growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced population growth greater than the overall nation during the same time period. Population growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, similar to the MSA and above the nation as a whole. Household growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced household growth greater than the overall nation during the same time period. Household growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, above the MSA and the overall nation. Approximately 25 percent of households in the PMA are renters. The Subject will target tenants earning between \$28,869 and \$52,080. Approximately 63.4 percent of renter households earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject.

According to *RealtyTrac* statistics, one in every 2,402 housing units nationwide was in some stage of foreclosure as of September 2018. Gwinnett County is experiencing a foreclosure rate of one in every 2,707 homes, while Georgia experienced one foreclosure in every 2,504 housing units. Overall, Gwinnett County is experiencing a lower foreclosure rate compared to the nation and state of Georgia, indicating a strong

housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacant single-family homes that would impact the marketability of the Subject.

5. Economic Data

The largest industries in the PMA are retail trade, healthcare/social assistance, and professional/scientific/technical services. Relative to the overall nation, the PMA features comparatively greater employment in the wholesale trade, retail trade, and professional/scientific/technical services industries. Conversely, the PMA is underrepresented in the healthcare/social assistance, manufacturing, and agriculture/forestry/fishing/hunting industries. The large share of PMA employment in retail trade is notable as this industry is historically volatile and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 6.8 percent contraction in employment growth (2007-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2014, the same year as the nation. Employment growth in the MSA exceeded the nation in every year since 2012. As of August 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.8 percent, compared to 1.3 percent across the overall nation. Several employers announced expansions in the region, which is positive for the local economy, while there have been a limited number of WARN notices filed in comparison. Overall, the economy appears to be in an expansionary phase that has been ongoing since 2010. This suggests that demand for all housing types should be trending positively as the areas employment base grows. The growing local economy is a positive indicator of demand for rental housing and the Subject’s renovated 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	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$28,869	\$35,940	32	719	0	719	4.5%	\$751
2BR @60%	\$34,663	\$40,440	58	758	0	758	7.7%	\$899
3BR @60%	\$40,011	\$48,480	24	619	0	619	3.9%	\$1,028
4BR @60%	\$44,640	\$52,080	26	320	0	320	8.1%	\$1,131
@60% Overall	\$28,869	\$52,080	140	2,416	0	2,416	5.8%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover.

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 12 “true” comparable properties containing 2,313 units.

The availability of LIHTC data is considered good; there are eight LIHTC properties in the PMA, six of which target families. We utilized six affordable developments located between 0.6 and 6.6 miles from the Subject

site, one which is located outside the PMA (Magnolia Pointe). Magnolia Pointe is located 6.6 miles west of the Subject in Duluth and is a reasonable proxy for the Subject as it is among the most proximate LIHTC properties that targets families and offers one, two, and three-bedroom units at 60 percent of AMI, similar to the Subject. Duluth is slightly inferior to the Subject based on median household incomes and median rents. All of the comparable properties target the general population and offer generally similar unit types in comparison to the Subject.

The availability of market rate data is considered good. The Subject is located in Lawrenceville and there are several market rate properties in the area. We included six market rate properties located between 0.7 and 4.7 miles from the Subject site, all of which are located within the PMA. These comparables were built or renovated between the 1970s and 2017. Overall, we believe the market rate properties we used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, and unit mix.

When comparing the Subject’s rents to the average comparable rent, we do not include 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 do not include 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 MARKET RENTS

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 60%	\$751	\$750	\$1,365	\$953	27%
2BR @ 60%	\$899	\$725	\$1,640	\$1,039	16%
3BR @ 60%	\$1,028	\$974	\$1,827	\$1,227	19%
4BR @ 60%*	\$1,131	\$1,440	\$1,870	\$1,687	49%

*Includes local classified listings in lieu of four-bedroom comparable data

As illustrated, the Subject’s proposed rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate.

1760 Apartment Homes is achieving the highest one, two, and three-bedroom unrestricted rents in the market. The Subject will be inferior to 1760 Apartment Homes. 1760 Apartment Homes was built in 2017 and exhibits excellent condition, which is slightly superior to the anticipated good condition of the Subject, upon completion of renovations. 1760 Apartment Homes is located 4.7 miles from the Subject and offers a slightly superior location with respect to median gross rents. 1760 Apartment Homes offers similar property amenities when compared to the Subject as it lacks a business center and playground, which the Subject offers, though it offers a Jacuzzi and hot tub, which the Subject does not offer. 1760 Apartment Homes offers slightly superior in-unit amenities in comparison to the Subject as it offers balconies/patios, which the Subject does not offer, though it lacks hand rails, which the Subject does offer. The lowest one, two, and three-bedroom unrestricted rents at 1760 Apartment Homes are approximately 82, 82, and 78 percent higher than the Subject’s one, two, and three-bedroom rents at 60 percent of AMI.

As stated previously, there is a limited supply of market rate multifamily properties in the Subject’s area offering four-bedroom units. As such, we utilized classified listings in the Subject’s immediate area. The

classified listings are single-family homes that are superior to the Subject. However, the Subject will offer superior property amenities and a similar to slightly superior condition when compared to the majority of the classified listings. The classified listings above will be used in our analysis of the four-bedroom market rate data below. The lowest four-bedroom unrestricted rents among the classified listings are approximately 27 percent higher than the Subject’s four-bedroom units at 60 percent of AMI.

Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

We were able to obtain absorption data from one of the comparables. We also included recent absorption data from properties in Gwinnett County and neighboring DeKalb County. Information regarding the absorption periods of these properties is illustrated in the following table.

ABSORPTION				
Property Name	Rent Structure	Year Built	Number of Units	Units Absorbed / Month
1760 Apartment Homes*	Market	2017	239	13
The Point on Scott	Market	2016	250	13
The Reserve at Decatur	Market	2016	298	14
Columbia Mill	LIHTC	2014	100	20
Retreat at Edgewood Phase II	LIHTC	2012	40	12
Retreat at Edgewood	LIHTC	2011	100	20
Average			171	15

*Utilized as a comparable

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is the proposed renovation of an existing LIHTC property that is currently 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Renovations are scheduled to begin in May 2019 and be completed in December 2019. With the healthy LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units, if the Subject were hypothetically 100 percent vacant, could reasonably expect to lease 15 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within eight to nine months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject is an existing property that currently exhibits average condition and is 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Therefore, the renovation of the Subject will help the preservation of existing units for which there is ample demand. The Subject offers four-bedroom units, which are in limited supply in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will undergo an extensive renovation. The renovated Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities. Notable in-unit amenities offered by Subject include walk-in closets and in-unit washers and dryers. Notable property amenities offered by Subject

include a courtyard, business center, community room, on-site management, exercise facility, playground, swimming pool, picnic area, and recreational area. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the Subject's current performance, we believe that the renovated Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

Summary Table:

(must be completed by the analyst and included in the executive summary)

Development Name:	Ashton Creek Apartments	Total # Units:	140
Location:	239 New Hope Road Lawrenceville, GA 30046	# LIHTC Units:	140
PMA Boundary:			
North: Old Peachtree Road NE; South: Pinehurst Road SW and Ronald Reagan Parkway; East: Harbins Road SE, Bramlett Shoals Road SE, Grayson New Hope Road SE, and Grayson Parkway SW; West: Bethesda School Road NW and Interstate 85			
Farthest Boundary Distance to Subject:			6.4 miles

Rental Housing Stock (found on page 61)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	49	6,949	239	96.6%
Market-Rate Housing	28	5,094	205	96.0%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	13	587	0	100.0%
LIHTC	8	1,268	34	97.3%
Stabilized Comps	49	6,949	239	96.6%
Properties in Construction & Lease Up	N/A	N/A	N/A	N/A

*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
32	1BR at 60% AMI	1	822	\$751	\$953	\$1.16	27%	\$1,365	\$1.66
58	2BR at 60% AMI	2	1,086	\$899	\$1,038	\$0.96	16%	\$1,640	\$1.51
24	3BR at 60% AMI	2	1,209	\$1,028	\$1,227	\$1.01	19%	\$1,827	\$1.51
26	4BR at 60% AMI	3	1,460	\$1,131	\$1,687	\$1.16	49%	\$1,870	\$1.28

Demographic Data (found on page 28)

	2010		2018		December 2019	
Renter Households	15,889	23.0%	19,831	20.3%	19,906	19.9%
Income-Qualified Renter HHS (LIHTC)	4,623	29.1%	5,770	29.1%	5,750	28.9%

Targeted Income-Qualified Renter Household Demand (found on pages 41 to 59)

Type of Demand	@60%	-	-	-	-	-
Renter Household Growth	-20	-	-	-	-	-
Existing Households (Overburdened + Substandard)	2,512	-	-	-	-	-
Homeowner conversion (Seniors)	0	-	-	-	-	-
Total Primary Market Demand	2,492	-	-	-	-	-
Less Comparable/Competitive Supply	0	-	-	-	-	-
Adjusted Income-qualified Renter HHS**	2,492	-	-	-	-	-

Capture Rates (found on page 59)

Targeted Population	@60%	-	-	-	-	-
Capture Rate:	5.8%	-	-	-	-	-

*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 is located at 239 New Hope Road in Lawrenceville, Gwinnett County, Georgia, 30046. The Subject is an existing LIHTC property that currently offers 60 percent AMI LIHTC units. Post-renovation, all of the Subject’s units will remain at the 60 percent AMI level. |
| 2. Construction Type: | The Subject consists of six three-story garden-style apartment buildings and one one-story leasing office. The Subject will be a rehabilitation of an existing property. |
| 3. Occupancy Type: | Families. |
| 4. Special Population Target: | None. |
| 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. Post renovations, the Subject will offer the same in-unit and property amenities. |

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

Ashton Creek Apartments											
Location	239 New Hope Road Lawrenceville, GA 30046										
Units	Gwinnett County 140										
Vacant Units	5										
Vacancy Rate	3.6%										
Type	Garden (3 stories)										
Year Built / Renovated	2003 / n/a										
Marketing Began	1/1/2003										
Leasing Began	3/1/2003										
Last Unit Leased	11/1/2003										
Major Competitors	Alexander Mill, The View at Sugarloaf										
Tenant Characteristics	School system and government										
Contact Name	Marya										
Phone	770-963-6877										
Market											
Program	@60%			Leasing Pace	One month						
Annual Turnover Rate	N/A			Change in Rent (Past Year)	Increased to max						
Units/Month Absorbed	18			Concession	None						
Section 8 Tenants	30%										
Utilities											
A/C	not included – central			Other Electric	not included						
Cooking	not included – gas			Water	not included						
Water Heat	not included – gas			Sewer	not included						
Heat	not included – electric			Trash Collection	included						
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (3 stories)	32	822	\$751	\$0	@60%	Yes	0	0.0%	yes
2	2	Garden (3 stories)	58	1,086	\$899	\$0	@60%	Yes	3	5.2%	yes
3	2	Garden (3 stories)	24	1,209	\$1,028	\$0	@60%	Yes	1	4.2%	yes
4	3	Garden (3 stories)	26	1,460	\$1,131	\$0	@60%	Yes	1	3.8%	yes
Amenities											
In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Refrigerator Walk-In Closet Washer/Dryer Washer/Dryer hookup			Security	Limited Access Perimeter Fencing Video Surveillance						
Property	Parking spaces: 280 Business Center/Computer Lab Car Wash Clubhouse/Meeting Room/Community Room Courtyard Exercise Facility Off-Street Parking On-Site Management Picnic Area Playground Recreation Areas Swimming Pool			Premium	none						
Services	Afterschool Program			Other	none						
Comments											
Washer/dryers are available to rent for \$150 per month. Utility allowances will be \$91, \$112, \$139, and \$171 for the one, two, three, and four-bedroom units, respectively.											

10. Scope of Renovations:

The Subject is an existing LIHTC property that will be renovated with additional LIHTC equity. Hard costs of renovations are expected to be \$6,300,000 or \$45,000 per unit. The scope of renovations is detailed as follows:

- New flooring;
- New countertops;
- Full plumbing fixture replacement;
- New kitchen and bathroom sinks;
- New appliances;
- Roof replacement;
- New paint;
- Siding replacement;
- Gutter and downspout replacement;
- Exterior door replacement;
- Updated landscaping;
- Parking lot restripe and resealing;
- Updated playground equipment;
- Sidewalk/curb replacement and repair;
- New poured-in place splash blocks;
- Trimmed trees;
- Clubhouse renovation;
- New pavilion area with picnic tables and grills;
- New building entry system;
- Pool maintenance equipment replacement;
- Various amenity upgrades

Current Rents:

The table on the following table illustrates the current rents at the Subject.

CURRENT RENTS

Unit Type	Unit Size (SF)	Number of Units	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent	Post-renovation 60% AMI Asking Rents	Post-renovation Utility Allowance
@60%							
1BR / 1BA	975	32	\$774	\$777	\$777	\$751	\$91
2BR / 2BA	1,150	58	\$852	\$930	\$911	\$899	\$112
3BR / 2BA	1,350	24	\$955	\$1,066	\$1,051	\$1,028	\$139
4BR / 3BA	1,350	<u>26</u>	\$1,019	\$1,175	\$1,175	\$1,131	\$171
		140					

Source: November 9, 2018 Rent Roll

The asking rents and most recently signed leases are set at the 2018 maximum allowable levels. It should be noted that the current asking rents differ from the proposed rents though both are set at the maximum allowable levels. This is due to differences in utility allowances in the current state and post renovation. According to the client, the Subject intends to raise asking rents for

each unit type upon the release of 2019 maximum allowable rents in Gwinnett County.

Current Occupancy:

The Subject is currently 96.4 percent occupied as of the rent roll dated November 9, 2018. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households.

Current Tenant Income:

As of the date of this report, a tenant income audit was unavailable. According to the client, approximately 30 percent of tenants at the Subject currently utilize Housing Choice Vouchers. Given that all units will be LIHTC restricted at the 60 percent AMI level post-renovation, we assume all tenants currently residing in the Subject's 60 percent AMI units will continue to income-qualify post-renovation.

11. Placed in Service Date:

The Subject was originally built in 2003. Renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are scheduled to begin in May 2019 and be completed in December 2019.

Conclusion:

The Subject is an existing apartment complex that consists of six garden-style residential buildings that will be renovated to good condition, slightly superior to superior to most of the inventory in the area. As a newly renovated property, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

C. SITE EVALUATION

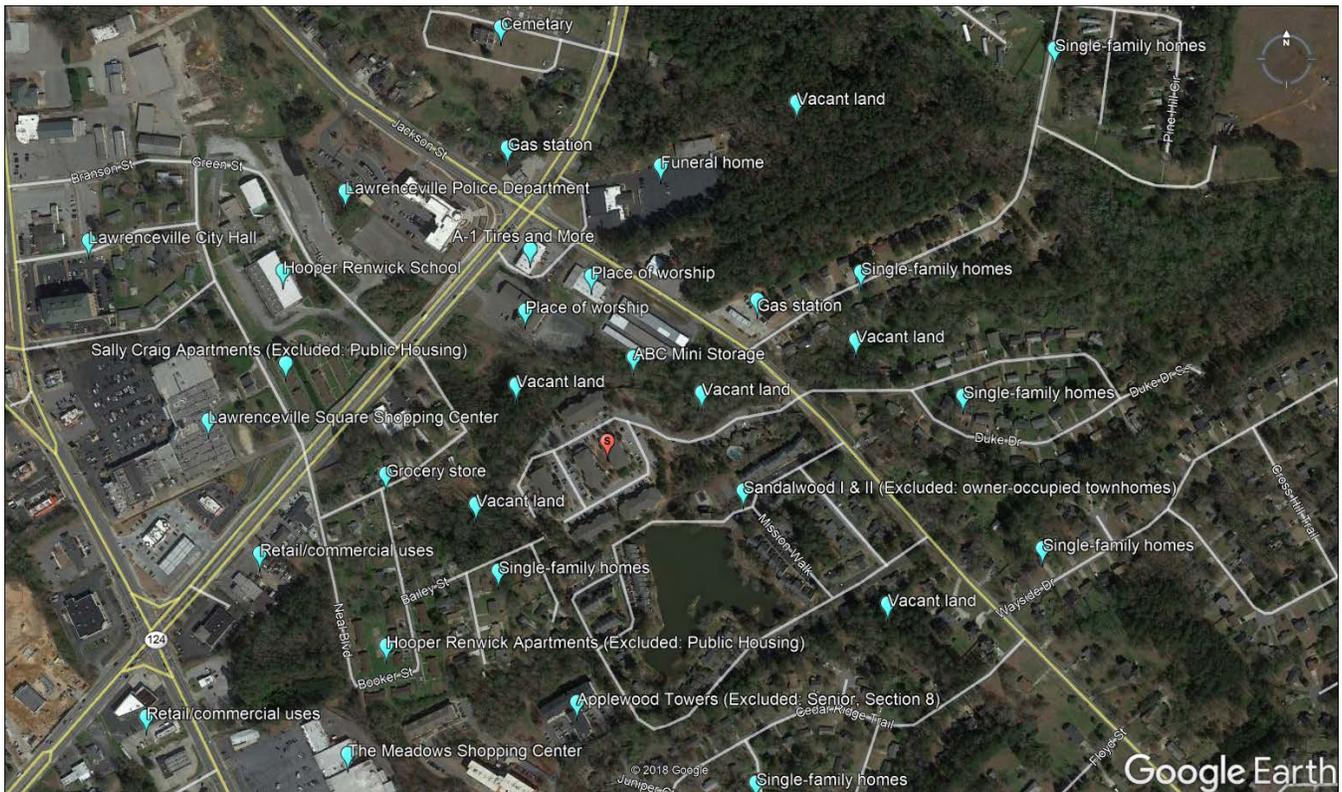
1. **Date of Site Visit and Name of Inspector:** Travis Jorgenson inspected the Subject on November 15, 2018.

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

Frontage: The Subject has frontage along the southwest side of New Hope Road.

Visibility/Views: The Subject has limited visibility from New Hope Road. Views to the north of the Subject consist of wooded land. Views to the east of the Subject consist of single-family homes in average condition and wooded land. Views to the south of the Subject consist of wooded land and an owner-occupied townhome development that exhibits average condition. Views to the west of the Subject consist of wooded land. Overall, visibility is considered limited and views are considered average.

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



Source: Google Earth, November 2018

The Subject is located on the southwest side of New Hope Road. Land uses to the north of the Subject consist of vacant land, places of worship, and retail/commercial uses in average condition. Land uses to the east of the Subject consist of single-family homes in average condition and wooded land. Land use to the south of the Subject consist of wooded land and owner-occupied townhomes

that exhibit average condition. Land uses to the west of the Subject consist of wooded land and retail/commercial uses in average condition. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car Dependent” by *Walk Score* with a rating of 48 out of 100. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site is located in proximity to locational amenities, most of which are within 0.9 miles of the Subject.

Positive/Negative Attributes of Site: We are unaware of any weaknesses of the site that would negatively impact the marketability of the Subject. The Subject’s close proximity to most locational amenities is considered a positive attribute of the site.

3. Physical Proximity to Locational Amenities: The Subject is located within 1.1 miles of all locational amenities.

4. Pictures of Site and Adjacent Uses: The following are pictures of the Subject site and adjacent uses.

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY



Exterior view of Subject



Exterior view of Subject



Exterior view of Subject



Exterior view of Subject



Subject signage



Leasing office at Subject

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY



View northwest along New Hope Road



View southeast along New Hope Road



Computer lab at Subject



Management office at Subject



Swimming pool at Subject



Exercise facility at Subject



Playground at Subject



Video surveillance at Subject



Community room at Subject



Laundry facility 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



Typical bathroom at Subject

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



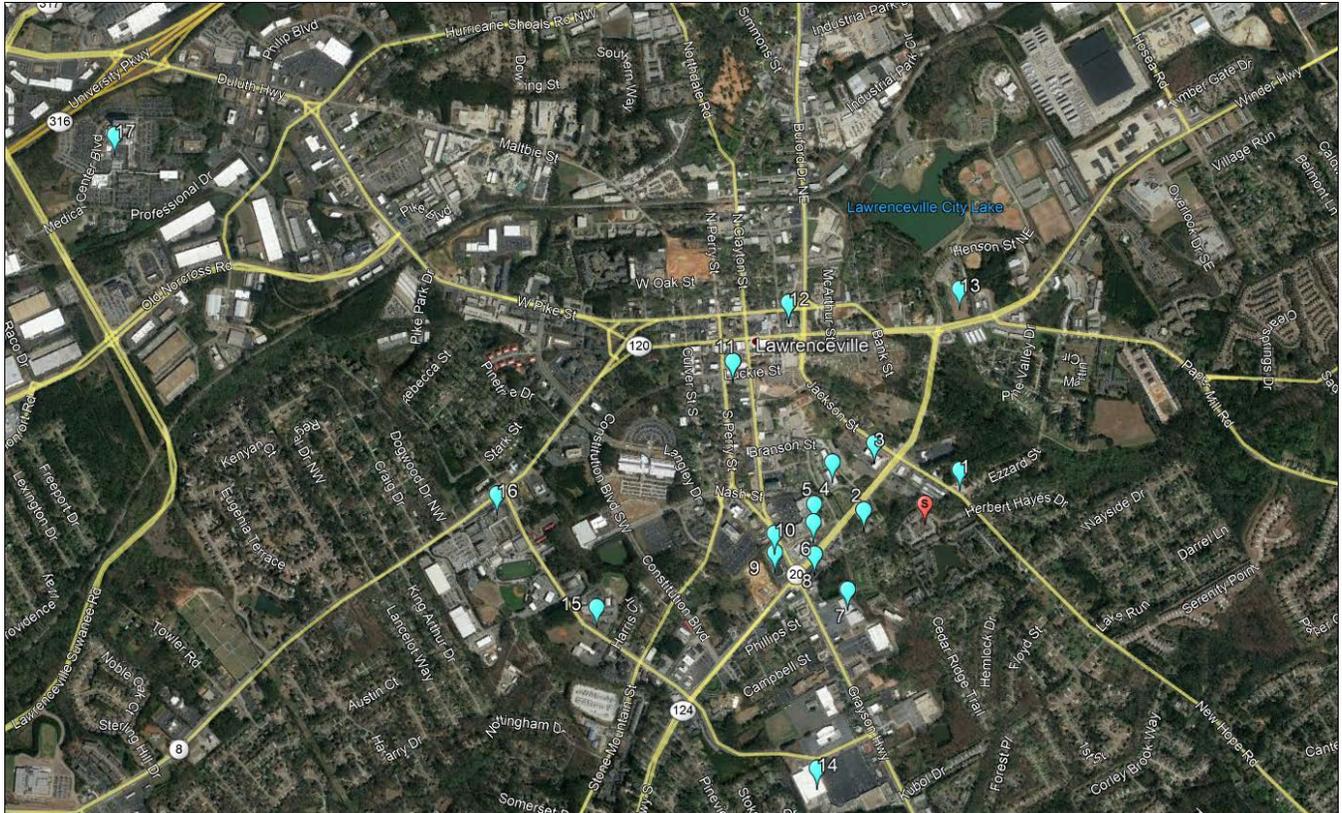
Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

5. Proximity to Locational Amenities:

The following map and table detail the Subject’s distance from key locational amenities.



Source: Google Earth, November 2018

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Miles)
1	Mobil Gas Station	0.1 miles
2	Grocery Store	0.1 miles
3	Lawrenceville Police Department	0.2 miles
4	Hooper Renwick School	0.3 miles
5	Lawrenceville Square Shopping Center	0.3 miles
6	Wendy's Restaurant	0.3 miles
7	The Meadows Shopping Center	0.3 miles
8	CVS Pharmacy	0.3 miles
9	Walgreens Pharmacy	0.4 miles
10	Wells Fargo	0.4 miles
11	Gwinnett County Fire Station 15	0.6 miles
12	U.S. Post Office	0.6 miles
13	Rhodes Jordan Park	0.6 miles
14	Kroger	0.6 miles
15	Lawrenceville Elementary School	0.9 miles
16	Central Gwinnett High School	1.1 miles
17	Gwinnett Medical Center-Lawrenceville	2.4 miles

6. Description of Land Uses

The Subject is located along the southwest side of New Hope Road. Land uses to the north of the Subject consist of vacant land, places of worship, and retail/commercial uses in average condition. Land uses further north of the Subject consist of the Lawrenceville Police Department, a funeral home, gas station, and wooded land. Land uses to the east of the Subject consist of single-family homes in average condition and wooded land. Land uses further east consist of single-family homes in average condition and wooded land. Land use to the south of the Subject consist of wooded land and owner-occupied townhomes that exhibit average condition. Further south are single-family homes in average condition as well as Hooper Renwick Apartments and Applewood Towers, both of which exhibit average condition. Each property has been excluded from our rental analysis as they offer only subsidized units. Just south of these properties, along Grayson Highway, is The Meadows Shopping Center. Land uses to the west of the Subject consist of wooded land and retail/commercial uses in average condition. Further west are retail/commercial uses concentrated along Highway 124 that exhibit average condition and Sally Craig Apartments. Sally Craig Apartments exhibits average condition and has been excluded from our rental analysis as this property offers only subsidized units. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car Dependent” by *Walk Score* with a rating of 48 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, most of which are within 0.9 miles of the Subject site.

7. Crime:

The following table illustrates crime statistics in the Subject’s PMA compared to the MSA and the nation, where an index of 100 is equal to that of the nation.

2018 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area
Total Crime*	79	139
Personal Crime*	43	130
Murder	44	155
Rape	42	88
Robbery	54	163
Assault	38	118
Property Crime*	84	140
Burglary	85	147
Larceny	81	134
Motor Vehicle Theft	101	178

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

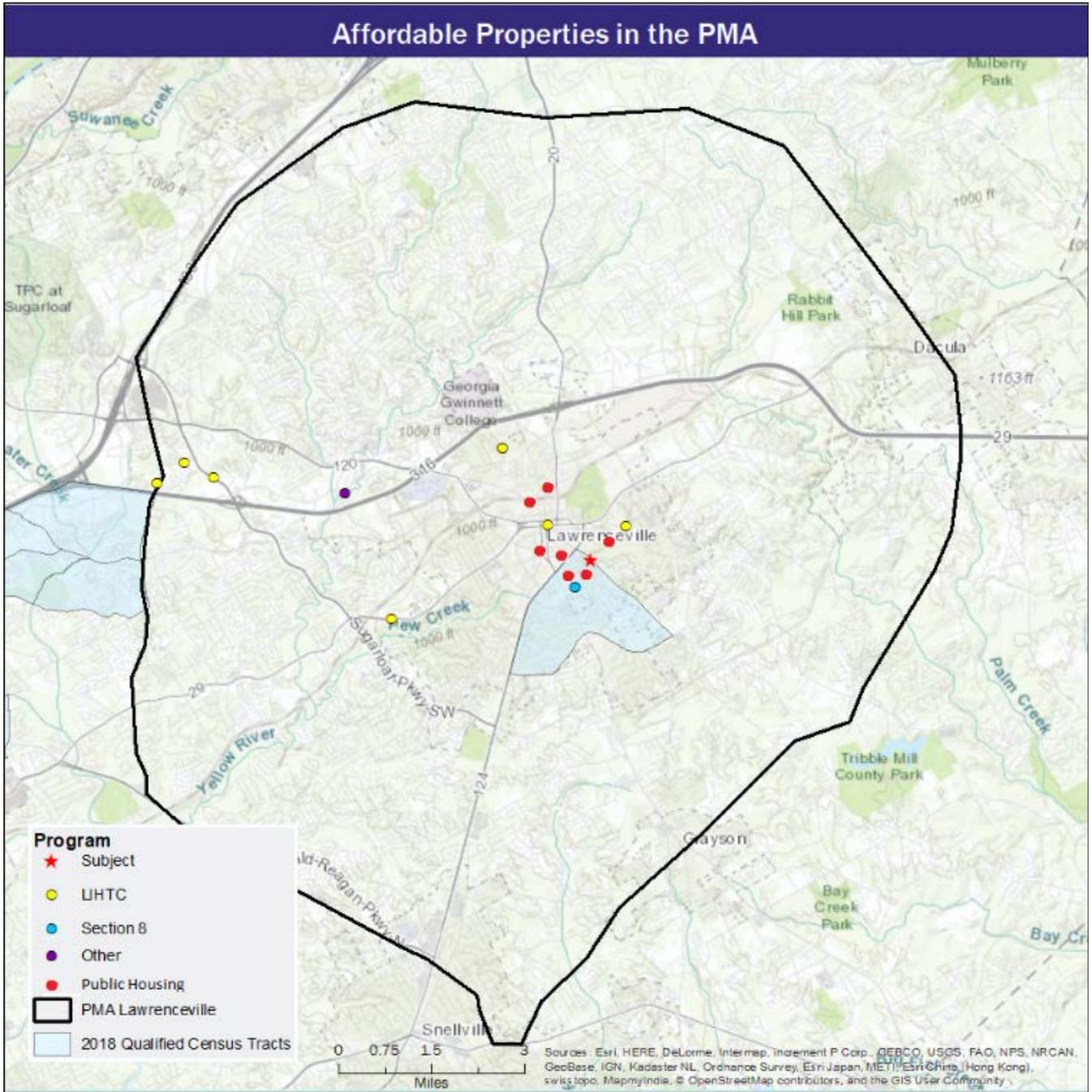
*Unweighted aggregations

The total crime indices in the PMA are generally below that of the MSA and the nation. The Subject offers limited access, perimeter fencing, and video surveillance as security features. Nine of the comparables offer some form of security. As such, we believe the Subject's security offerings will be market-oriented.

- 8. Existing Assisted Rental Housing Property Map:** The map on the following page and list identify 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	
Ashton Creek Apartments	LIHTC	Lawrenceville	Family	140	N/A	Star	
Alexander Mill	LIHTC	Lawrenceville	Family	224	0.6 miles	Yellow	
Greens At Hillcrest I	LIHTC	Lawrenceville	Family	176	1.9 miles		
Greens At Hillcrest II	LIHTC	Lawrenceville	Family	146	1.9 miles		
Hearthside Sugarloaf	LIHTC/Market	Lawrenceville	Senior	110	5.7 miles		
Magnolia Village	LIHTC/Market	Lawrenceville	Family	190	0.7 miles		
Redland Creek Villas	LIHTC/Market	Lawrenceville	Senior	96	2.8 miles		
The View At Sugarloaf	LIHTC	Lawrenceville	Family	130	5.1 miles		
Herrington Mill Apartments	LIHTC	Lawrenceville	Family	292	5.9 miles		
Applewood Towers I	Section 8	Lawrenceville	Senior	100	0.4 miles		Blue
Applewood Towers II	Section 8	Lawrenceville	Senior	175	0.4 miles		
Applewood Towers III	Section 8	Lawrenceville	Senior	100	0.4 miles		
Bridgeway Village	PSHP	Lawrenceville	Family	31	3.3 miles	Purple	
Glenn Edge Apartments	Public Housing	Lawrenceville	Family	50	1.1 miles	Red	
Grady Holt	Public Housing	Lawrenceville	Family	26	1.4 miles		
Omie Harris Apartments	Public Housing	Lawrenceville	Family	6	0.2 miles		
Rob Dunham	Public Housing	Lawrenceville	Family	10	0.8 miles		
Floyd Braswell	Public Housing	Lawrenceville	Family	20	1.0 miles		
Hooper Renwick	Public Housing	Lawrenceville	Family	20	0.1 miles		
New Memorial	Public Housing	Lawrenceville	Family	20	0.2 miles		
Rich Martin	Public Housing	Lawrenceville	Family	40	0.1 miles		
Sally Craig	Public Housing	Lawrenceville	Family	20	0.1 miles		



9. Road, Infrastructure or Proposed Improvements:

It should be noted that Southlawn, a 32-acre, \$200 million mixed-use development, broke ground in late July of 2018 in Lawrenceville approximately 0.6 miles northwest of the Subject. The development will include more than 15,000 square feet of retail space, 600-plus residences (single-family homes and townhomes that will not directly compete with the Subject as they will be market rate), and a town green that will connect with Lawrenceville’s City Hall, police station, and downtown. The development will be completed in phases over the next three to five years. No other road, infrastructure or proposed improvements were noticed during our fieldwork.

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

The Subject site can be accessed and has limited visibility from New Hope Road. New Hope Road provides access to Highway 316 approximately 2.1 miles north of the Subject. Highway 316 becomes Highway 29 to the east and provides access to Athens, Georgia approximately 35 miles east of the Subject. Additionally, Highway 316 provides access to Interstate 85 approximately 6.9 miles west of the Subject. Interstate 85 traverses northeast/southwest and provides access to Greenville, South Carolina approximately 110 miles northeast of the Subject and to Atlanta, Georgia approximately 30 miles southwest of the Subject. Overall, access is considered average and visibility is considered limited.

11. Conclusion:

The Subject is located at 239 New Hope Road in Lawrenceville, Gwinnett County, Georgia, 30046. The Subject is located in a mixed-use neighborhood that consists primarily of single-family homes in average condition, multifamily developments in average condition, various retail/commercial uses in average condition, places of worship, and wooded land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by Walk Score with a rating of 48 out of 100. The Subject site is considered a desirable location for rental housing. The uses surrounding the Subject are in average condition and the site is located in close proximity to locational amenities, most of which are within 0.9 miles of the Subject.

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, November 2018.

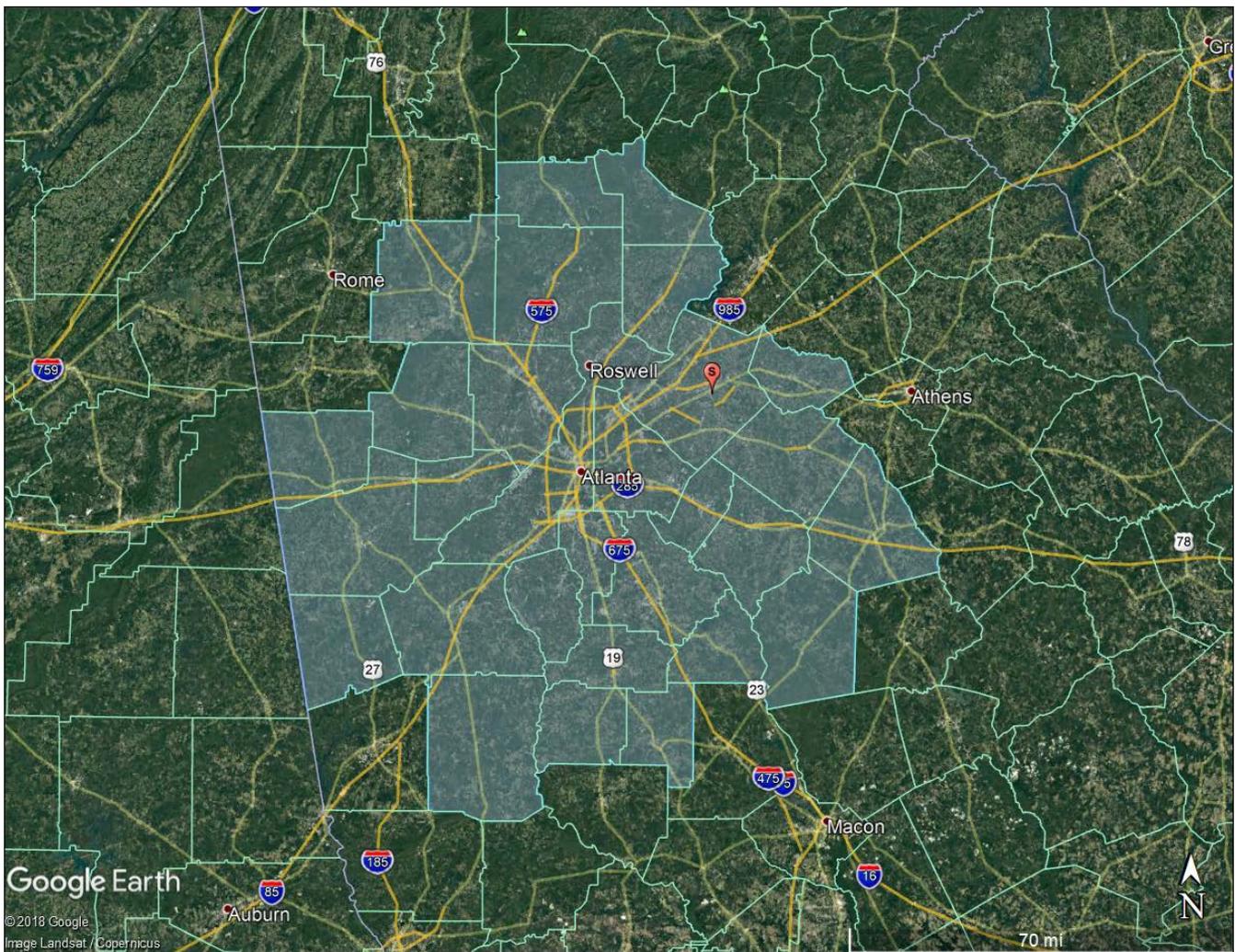
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Sandy Springs-Roswell, GA MSA are areas of growth or contraction.

The PMA is generally defined by Old Peachtree Road NE to the north, Harbins Road SE, Bramlett Shoals Road SE, Grayson New Hope Road SE, and Grayson Parkway SW to the east, Pinehurst Road SW and Ronald Reagan Parkway to the south, and Bethesda School Road NW and Interstate 85 to the west. This area encompasses central portion of Gwinnett County. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 5.9 miles
East: 4.5 miles
South: 6.4 miles
West: 5.8 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. Property managers report that most tenants come from the Lawrenceville area and surrounding rural communities. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2018 DCA market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The Secondary Market Area (SMA) is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

Secondary Market Area Map



Source: Google Earth, November 2018.

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 the Atlanta-Sandy Springs-Roswell, GA 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 the Atlanta-Sandy Springs-Roswell, GA MSA.

1. Population Trends

The following tables illustrate (a) Total Population, and (b) Population by Age Group within the population in the MSA, the PMA and nationally 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 Metropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	151,089	-	4,261,895	-	281,038,168	-
2010	214,592	4.2%	5,286,728	2.4%	308,745,538	1.0%
2018	243,174	1.6%	5,891,925	1.4%	330,088,686	0.8%
Projected Mkt Entry December 2019	248,785	1.6%	6,018,882	1.5%	334,017,385	0.8%
2023	262,979	1.6%	6,340,010	1.5%	343,954,683	0.8%

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

Population growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced population growth greater than the overall nation during the same time period. Population growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, similar to the MSA and above the nation as a whole. Overall, we believe that population growth in the PMA and MSA is a positive indication of continued demand for the Subject's units.

1b. Total Population by Age Group

The tables on the following page illustrates the total population within the PMA and MSA from 2000 to 2023.

POPULATION BY AGE GROUP

Age Cohort	PMA			Projected Mkt	2023
	2000	2010	2018	Entry December 2019	
0-4	12,754	15,098	15,872	16,257	17,232
5-9	13,394	17,480	16,766	17,024	17,675
10-14	13,117	18,463	17,950	18,131	18,590
15-19	10,835	17,431	17,264	17,386	17,693
20-24	7,541	12,926	16,408	16,164	15,547
25-29	10,036	13,617	19,029	19,010	18,962
30-34	13,861	14,707	17,552	19,094	22,994
35-39	16,599	17,110	16,811	17,834	20,422
40-44	15,277	18,009	16,596	16,982	17,958
45-49	11,830	18,637	17,723	17,323	16,310
50-54	9,053	15,940	17,614	17,453	17,044
55-59	5,458	12,091	16,679	16,549	16,220
60-64	3,456	8,726	13,270	13,858	15,347
65-69	2,627	5,296	9,913	10,541	12,131
70-74	1,995	3,434	6,179	6,889	8,686
75-79	1,525	2,547	3,592	4,067	5,268
80-84	968	1,730	2,102	2,292	2,771
85+	760	1,350	1,853	1,931	2,129
Total	151,086	214,592	243,173	248,785	262,979

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

POPULATION BY AGE GROUP

Age Cohort	Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area				
	2000	2010	2018	Projected Mkt Entry December 2019	2023
0-4	318,718	380,735	382,402	389,617	407,865
5-9	325,853	394,306	398,594	402,351	411,853
10-14	314,167	390,992	409,292	413,942	425,703
15-19	290,064	378,372	391,878	398,189	414,153
20-24	289,487	341,650	395,195	395,508	396,300
25-29	363,934	377,057	444,697	447,684	455,239
30-34	382,069	386,120	422,567	444,477	499,895
35-39	396,706	417,987	417,742	429,813	460,346
40-44	359,953	415,233	402,436	410,765	431,833
45-49	307,240	411,635	415,663	410,638	397,926
50-54	267,442	364,330	399,550	402,252	409,088
55-59	186,716	301,331	381,689	382,711	385,295
60-64	131,017	252,453	323,874	335,906	366,339
65-69	101,827	170,690	268,305	279,313	307,158
70-74	82,788	114,130	186,724	201,940	240,429
75-79	65,285	81,144	115,987	129,331	163,084
80-84	42,347	57,082	68,975	75,549	92,178
85+	36,257	51,481	66,355	68,897	75,326
Total	4,261,870	5,286,728	5,891,925	6,018,882	6,340,010

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

The largest age cohorts in the PMA are between 25-29, 10-14, and 45-49, which indicates the presence of families.

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 in the MSA, the PMA and nationally 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 Metropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	48,983	-	1,559,137	-	105,403,008	-
2010	69,050	4.1%	1,943,881	2.5%	116,716,296	1.1%
2018	78,244	1.6%	2,161,768	1.4%	124,110,017	0.8%
Projected Mkt Entry December 2019	79,976	1.6%	2,205,954	1.4%	125,454,693	0.8%
2023	84,357	1.6%	2,317,719	1.4%	128,855,931	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	3.03	-	2.68	-	2.59	-
2010	3.06	0.1%	2.67	0.0%	2.58	-0.1%
2018	3.07	0.0%	2.69	0.1%	2.59	0.1%
Projected Mkt Entry December 2019	3.07	0.1%	2.69	0.1%	2.60	0.1%
2023	3.08	0.1%	2.70	0.1%	2.61	0.1%

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

Household growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced household growth greater than the overall nation during the same time period. Household growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, above the MSA and the overall nation. The average household size in the PMA is larger than those of the MSA and the nation as a whole. Over the next five years, the average household size is projected to remain relatively similar.

2b. Households by Tenure

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

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	40,949	83.6%	8,034	16.4%
2018	58,413	74.7%	19,831	25.3%
Projected Mkt Entry December 2019	60,071	75.1%	19,906	24.9%
2023	64,263	76.2%	20,094	23.8%

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

The share of renter-occupied housing in the PMA increased between 2000 and 2018. Through the projected market entry date and 2023, the percentage of renter-occupied households is projected to decrease slightly. However, the number of renter households in the Subject's PMA is projected to increase through projected market entry and 2023. As of 2018, the share of owner-occupied households nationally was approximately two-thirds according to the US Census Bureau, indicating that the share of renter-occupied households in the PMA is below the nation.

2c. Household Income

The following tables depict renter household income in the PMA and MSA in 2018, market entry, and 2023.

Income Cohort	2018		Projected Mkt Entry December 2019		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,635	8.2%	1,621	8.1%	1,587	7.9%
\$10,000-19,999	2,557	12.9%	2,509	12.6%	2,386	11.9%
\$20,000-29,999	3,429	17.3%	3,424	17.2%	3,411	17.0%
\$30,000-39,999	2,863	14.4%	2,847	14.3%	2,807	14.0%
\$40,000-49,999	2,096	10.6%	2,093	10.5%	2,085	10.4%
\$50,000-59,999	2,037	10.3%	2,036	10.2%	2,034	10.1%
\$60,000-74,999	1,666	8.4%	1,697	8.5%	1,776	8.8%
\$75,000-99,999	1,711	8.6%	1,750	8.8%	1,850	9.2%
\$100,000-124,999	798	4.0%	818	4.1%	869	4.3%
\$125,000-149,999	415	2.1%	440	2.2%	504	2.5%
\$150,000-199,999	281	1.4%	300	1.5%	348	1.7%
\$200,000+	343	1.7%	370	1.9%	437	2.2%
Total	19,831	100.0%	19,906	100.0%	20,094	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA Metropolitan

Income Cohort	2018		Projected Mkt Entry December 2019		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	96,676	12.1%	95,758	11.9%	93,435	11.3%
\$10,000-19,999	114,132	14.3%	112,262	13.9%	107,532	13.1%
\$20,000-29,999	111,698	14.0%	110,588	13.7%	107,780	13.1%
\$30,000-39,999	101,667	12.7%	101,131	12.5%	99,776	12.1%
\$40,000-49,999	83,543	10.4%	83,645	10.4%	83,902	10.2%
\$50,000-59,999	64,734	8.1%	65,570	8.1%	67,683	8.2%
\$60,000-74,999	71,271	8.9%	72,661	9.0%	76,176	9.2%
\$75,000-99,999	65,820	8.2%	68,121	8.4%	73,940	9.0%
\$100,000-124,999	35,891	4.5%	37,705	4.7%	42,294	5.1%
\$125,000-149,999	19,141	2.4%	20,555	2.5%	24,131	2.9%
\$150,000-199,999	18,229	2.3%	19,633	2.4%	23,183	2.8%
\$200,000+	17,057	2.1%	19,010	2.4%	23,951	2.9%
Total	799,859	100.0%	806,637	100.0%	823,783	100.0%

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

The Subject will target tenants earning between \$28,869 and \$52,080. As the tables above depict, approximately 63.4 percent of renter households in the PMA earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject.

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

The following table illustrates household size for all 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

Household Size	2018		Projected Mkt Entry December 2019		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	6,090	30.7%	6,088	30.6%	6,084	30.3%
2 Persons	4,395	22.2%	4,356	21.9%	4,256	21.2%
3 Persons	3,245	16.4%	3,263	16.4%	3,309	16.5%
4 Persons	2,673	13.5%	2,710	13.6%	2,803	13.9%
5+ Persons	3,428	17.3%	3,489	17.5%	3,642	18.1%
Total Households	19,831	100%	19,906	100%	20,094	100%

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

The majority of renter households in the PMA are one to three-person households.

Conclusion

Population growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced population growth greater than the overall nation during the same time period. Population growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, similar to the MSA and above the nation as a whole. Household growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced

household growth greater than the overall nation during the same time period. Household growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, above the MSA and the overall nation. Approximately 25 percent of households in the PMA are renters. The Subject will target tenants earning between \$28,869 and \$52,080. Approximately 63.4 percent of renter households earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject.

F. EMPLOYMENT TRENDS

Employment Trends

The PMA and Gwinnett County appear to be diverse with low-paying jobs in the education, retail trade, manufacturing, and government sectors, which are expected to generate demand for affordable housing in the PMA. Employment levels decreased during the national recession but have surpassed pre-recession highs and appear to be in an expansionary phase.

1. Total Jobs

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

Year	Total Employment	% Change
2007	404,504	-
2008	400,170	-1.1%
2009	379,758	-5.4%
2010	381,185	0.4%
2011	393,749	3.2%
2012	403,996	2.5%
2013	412,494	2.1%
2014	424,256	2.8%
2015	439,629	3.5%
2016	458,575	4.1%
2017	473,984	3.3%
2018 YTD Average	475,532	3.6%
Aug-17	462,142	-
Aug-18	475,226	2.8%

Source: U.S. Bureau of Labor Statistics

YTD as of Feb 2018

As illustrated in the table above, Gwinnett County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth quickly rebounded and Gwinnett County exhibited employment growth each year since 2010. Total employment in Gwinnett County surpassed its pre-recessionary high in 2013 and continues to increase.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Gwinnett County as of the first quarter of 2018. Note that the data below was the most recent data available.

Gwinnett County, Georgia		
	Number	Percent
Total, all industries	315,958	-
Goods-producing	48,915	-
Natural resources and mining	363	0.1%
Construction	20,639	6.5%
Manufacturing	27,913	8.8%
Service-providing	267,043	-
Trade, transportation, and utilities	88,402	28.0%
Information	8,082	2.6%
Financial activities	20,650	6.5%
Professional and business services	67,101	21.2%
Education and health services	35,729	11.3%
Leisure and hospitality	36,667	11.6%
Other services	8,907	2.8%
Unclassified	1,505	0.5%

Source: Bureau of Labor Statistics, Nov 2018

Trade, transportation, and utilities and professional and business services are the largest industries in Gwinnett County, followed by leisure and hospitality, education and health services, and manufacturing. The following table illustrates employment by industry for the PMA as of 2018.

2018 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	15,730	12.7%	17,381,607	11.0%
Healthcare/Social Assistance	12,748	10.3%	22,154,439	14.0%
Prof/Scientific/Tech Services	10,785	8.7%	11,673,939	7.4%
Manufacturing	10,673	8.6%	15,694,985	9.9%
Educational Services	10,259	8.3%	14,568,337	9.2%
Construction	9,572	7.7%	10,333,928	6.5%
Accommodation/Food Services	8,745	7.1%	11,958,374	7.6%
Other Services	7,600	6.1%	7,758,801	4.9%
Finance/Insurance	7,208	5.8%	7,284,572	4.6%
Admin/Support/Waste Mgmt Svcs	6,836	5.5%	6,943,459	4.4%
Wholesale Trade	5,297	4.3%	4,028,405	2.6%
Transportation/Warehousing	4,755	3.8%	6,660,099	4.2%
Public Administration	4,623	3.7%	7,345,537	4.7%
Information	3,374	2.7%	2,881,691	1.8%
Arts/Entertainment/Recreation	2,558	2.1%	3,672,444	2.3%
Real Estate/Rental/Leasing	2,214	1.8%	3,165,171	2.0%
Utilities	800	0.6%	1,433,069	0.9%
Agric/Forestry/Fishing/Hunting	157	0.1%	2,273,158	1.4%
Mgmt of Companies/Enterprises	57	0.0%	87,511	0.1%
Mining	19	0.0%	591,596	0.4%
Total Employment	124,010	100.0%	157,891,122	100.0%

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

Employment in the PMA is concentrated in the retail trade, healthcare/social assistance, and professional/scientific/technical services industries, which collectively comprise 31.7 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the wholesale trade, retail trade, and professional/scientific/technical services industries. Conversely, the PMA is underrepresented in the healthcare/social assistance, manufacturing, and agriculture/forestry/fishing/hunting industries.

3. Major Employers

The table below shows the largest employers in Gwinnett County according to the Georgia Department of Labor.

MAJOR EMPLOYERS - GWINNETT COUNTY

Rank	Employer Name	Industry	# Of Employees
1	Gwinnett County Public School System	Educational Services	21,007
2	Gwinnett County Government	Government	5,137
3	Gwinnett Health Care System	Healthcare/Social Assistance	4,053
4	Publix	Retail	4,036
5	Walmart	Retail	3,291
6	State of Georgia	Government	2,621
7	Kroger	Retail	2,246
8	US Postal Service	Government	2,172
9	NCR	Computer Hardware	1,738
10	Primerica	Insurance/Financial Services	1,690

Source: Georgia Department of Labor, Workforce and Economic Research, retrieved November 2018

Gwinnett County Public School System is the largest employer, employing nearly 21,000 employees. Other major employers are concentrated in the government, healthcare/social assistance, and retail sectors. Many of these employers provide employment for a broad range of workers, including skilled, unskilled, and service occupations.

Expansions/Contractions

We attempted to contact the Gwinnett County Chamber of Commerce to inquire about recent business expansions or contractions in the area, but to date our attempts have been unsuccessful. However, we utilized the Partnership Gwinnett website to find the following business expansions in Gwinnett County announced in 2017 through 2018, most of which are located on lands identified through the Gwinnett County Village Community Improvement District (CID) initiative, an organization that works to promote redevelopment and infrastructure development in the area.

- Southlawn, a 32-acre, \$200 million mixed-use development, broke ground in late July of 2018 in Lawrenceville. The development will include more than 15,000 square feet of retail space, 600-plus residences (single-family homes and townhomes that will not directly compete with the Subject as they will be market rate), and a town green that will connect with Lawrenceville’s City Hall, police station, and downtown. The development will be completed in phases over the next three to five years.
- Gezolan, a Swiss manufacturing company, opened a 60,000-square-foot facility off Hamilton Mill Road in Buford in June 2018, representing a \$12 million investment.
- Assurant, Inc., a global leader in risk management solutions, opened a technical support center in Duluth in May 2018, which created 335 new jobs and represented a \$2.2 million investment.
- GEBHARDT Logistic Solutions Inc., a market leader in storage and transport solutions for retail and trade industries, announced the expansion of its operations and relocation to Gwinnett County, metro Atlanta, Georgia. GEBHARDT’s 30,000-square-foot facility, located at 1650 Horizon Parkway Northeast approximately 4.4 miles north of the Subject site, will serve as a headquarters for the company’s North American production and services for storage and transport solutions. The facility will house four full-time employees and 10 to 20 part-time employees including sales managers, customer service managers, engineers, logisticians and a general manager. The company seeks to actively increase its number of full-time employees as it expands into the North American market.
- Convergent Technologies, a worldwide leader in service-based systems integration, announced the expansion of its operations in Gwinnett County. The announcement represents 150 existing jobs, a projected 33% increase in new jobs in the coming years, and \$1 million in capital investment for the community. Convergent’s 25,000-square-foot facility will be located at 1955 Evergreen Boulevard, approximately ten miles south of the Subject site.

- AZZ Inc., a provider of specialty electrical equipment and highly engineered services, announced in June 2017 plans to expand and relocate the company’s specialty welding operation to a new 180,000 square-foot facility located at 560 Horizon Drive, 4.5 miles southwest of the Subject site. At the time of the announcement, there was no information for how many jobs the relocation is expected to add to the local economy.
- Carcoustics, a supplier to the automobile industry, plans to invest \$6 million to construct a 130,000 square-foot manufacturing facility that will produce acoustic and thermal components for the automobile industry. Over the next five years, the company intends to create 200 jobs at the facility.
- Liftmaster, a manufacturer of residential garage door openers, announced in April 2017 plans to move their distribution operations and customer experience and training centers to a newly constructed 96,000 square-foot facility. Liftmaster plans to increase full-time staff in the area by 30 percent when the distribution center is fully operational, though no numbers of jobs expected to be added were given.
- National Compressor Exchange (NCE), an ISO Certified compressor remanufacturer, announced in April 2017 that it plans to establish a southeastern and international division headquarters that will house the company’s warehouse, sales operations, and customer showroom. The \$500,000 initial investment will immediately add four new jobs with plans to add an additional 40 jobs over the next five years.
- Crawford & Company, the world’s largest publicly listed independent provider of claims management to insurance companies, announced in March 2017 plans to move their global headquarters to the City of Peachtree Corners in Gwinnett County. The project will include \$15 million in capital investment and is expected to add 500 new jobs over the next three years.

We reviewed publications by Georgia Department of Economic Development, Workforce Division listing WARN (Worker Adjustment and Retraining Notification Act) notices since January 2017. These layoffs are illustrated in the following table.

GWINNETT COUNTY WARN LISTINGS 2017-2018

Company	Industry	Employees Affected	Layoff Date
Mayfield Dairy	Manufacturing	108	9/16/2018
Corix	Utilities	53	12/30/2017
Ricoh Logistics Corporation	Transportation/Warehousing	50	9/29/2017
Sodexo	Admin/Support/Waste Mgmt Svcs	63	8/31/2017
B & B Bacrach	Retail Trade	7	8/6/2017
Dollar Express	Retail Trade	8	6/30/2017
bebe	Other Services (excl Publ Adm)	8	5/27/2017
NexxLinx	Information	236	5/21/2017
Siemens Healthineers	Healthcare/Social Assistance	70	3/31/2017
Suniva	Prof/Scientific/Tech Services	131	3/29/2017
Bin Tech Partners	Finance/Insurance	108	2/17/2017
Total		842	

Source: Georgia Department of Economic Development, October 2018

As the preceding table demonstrates there have been a total of 11 layoffs reported in Gwinnett County since January 2017, resulting in the loss of 842 jobs. However, the number of jobs affected is modest given the size of the regional economy.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Atlanta-Sandy Springs-Roswell, GA MSA from 2002 to August 2018.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	<u>Atlanta-Sandy Springs-Roswell, GA Metropolitan</u>			<u>USA</u>		
	<u>Statistical Area</u>					
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	2,324,880	-	-19.7%	136,485,000	-	-11.0%
2003	2,347,173	1.0%	-19.0%	137,736,000	0.9%	-10.2%
2004	2,382,163	1.5%	-17.8%	139,252,000	1.1%	-9.2%
2005	2,445,674	2.7%	-15.6%	141,730,000	1.8%	-7.6%
2006	2,538,141	3.8%	-12.4%	144,427,000	1.9%	-5.8%
2007	2,618,825	3.2%	-9.6%	146,047,000	1.1%	-4.7%
2008	2,606,822	-0.5%	-10.0%	145,363,000	-0.5%	-5.2%
2009	2,452,057	-5.9%	-15.4%	139,878,000	-3.8%	-8.8%
2010	2,440,037	-0.5%	-15.8%	139,064,000	-0.6%	-9.3%
2011	2,486,895	1.9%	-14.1%	139,869,000	0.6%	-8.8%
2012	2,545,474	2.4%	-12.1%	142,469,000	1.9%	-7.1%
2013	2,572,589	1.1%	-11.2%	143,929,000	1.0%	-6.1%
2014	2,619,531	1.8%	-9.6%	146,305,000	1.7%	-4.6%
2015	2,684,742	2.5%	-7.3%	148,833,000	1.7%	-2.9%
2016	2,794,326	4.1%	-3.5%	151,436,000	1.7%	-1.2%
2017	2,896,736	3.7%	0.0%	153,308,000	1.2%	0.0%
2018 YTD Average*	2,978,169	2.8%	-	155,303,000	1.3%	-
Aug-2017	2,895,101	-	-	153,576,000	-	-
Aug-2018	2,975,023	2.8%	-	155,539,000	1.3%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	<u>Atlanta-Sandy Springs-Roswell, GA Metropolitan</u>			<u>USA</u>		
	<u>Statistical Area</u>					
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	5.0%	-	0.6%	5.8%	-	1.4%
2003	4.9%	-0.2%	0.5%	6.0%	0.2%	1.6%
2004	4.8%	-0.1%	0.4%	5.5%	-0.5%	1.1%
2005	5.4%	0.6%	0.9%	5.1%	-0.5%	0.7%
2006	4.7%	-0.7%	0.2%	4.6%	-0.5%	0.2%
2007	4.4%	-0.2%	0.0%	4.6%	0.0%	0.2%
2008	6.2%	1.7%	1.7%	5.8%	1.2%	1.4%
2009	9.9%	3.8%	5.5%	9.3%	3.5%	4.9%
2010	10.3%	0.4%	5.9%	9.6%	0.3%	5.2%
2011	9.9%	-0.4%	5.5%	9.0%	-0.7%	4.5%
2012	8.8%	-1.1%	4.4%	8.1%	-0.9%	3.7%
2013	7.8%	-1.0%	3.4%	7.4%	-0.7%	3.0%
2014	6.8%	-1.0%	2.3%	6.2%	-1.2%	1.8%
2015	5.7%	-1.1%	1.3%	5.3%	-0.9%	0.9%
2016	5.1%	-0.6%	0.7%	4.9%	-0.4%	0.5%
2017	4.6%	-0.6%	0.1%	4.4%	-0.5%	0.0%
2018 YTD Average*	3.9%	-0.7%	-	4.0%	-0.5%	-
Aug-2017	4.7%	-	-	4.5%	-	-
Aug-2018	3.6%	-1.1%	-	3.9%	-0.6%	-

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

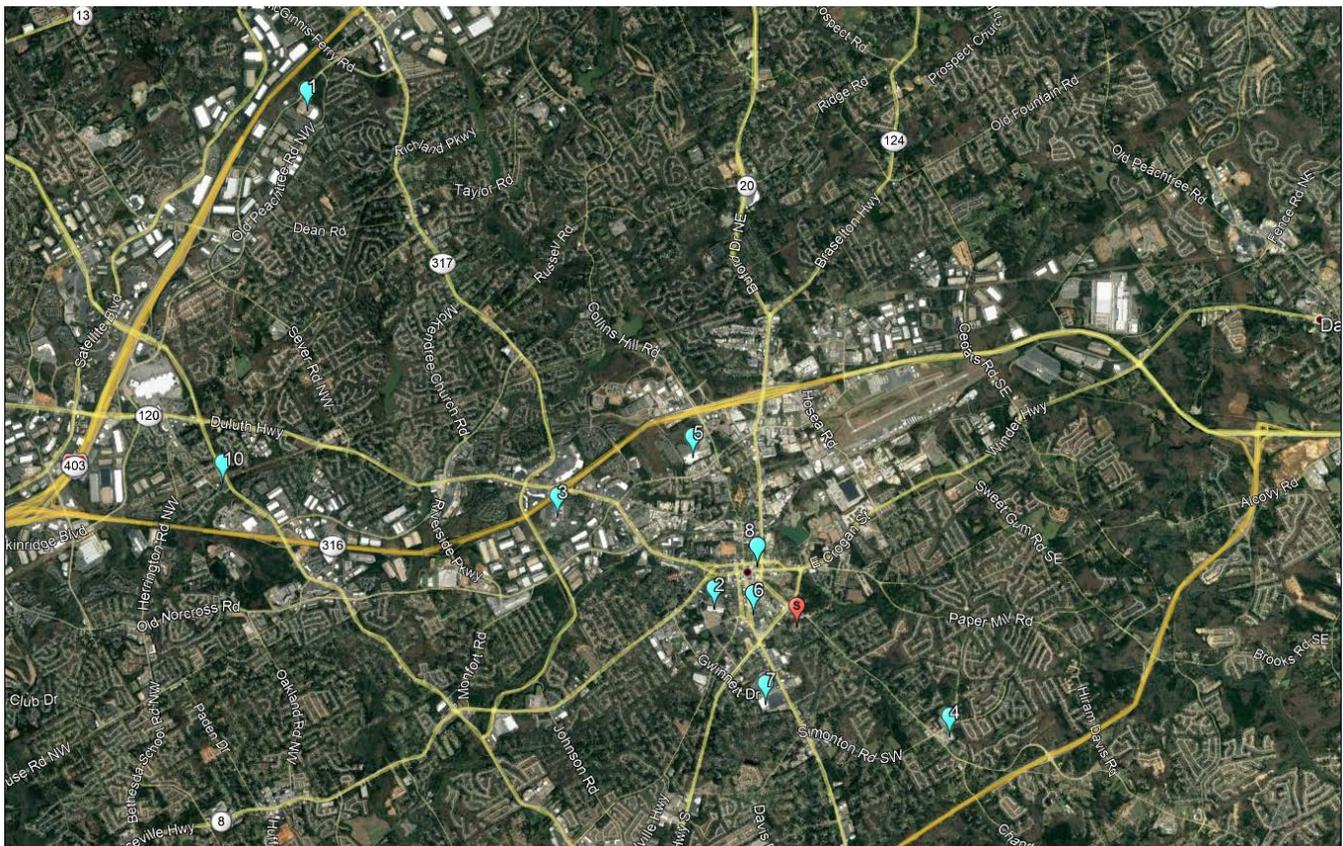
Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 6.8 percent contraction in employment

growth (2007-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2014, the same year as the nation. Employment growth in the MSA exceeded the nation in every year since 2012. As of August 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.8 percent, compared to 1.3 percent across the overall nation.

The MSA experienced a lower average unemployment rate relative to the overall nation during the years preceding the recession. The effects of the recession were more pronounced in the MSA, which experienced a 5.9 percentage point increase in unemployment, compared to only a 5.0 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a higher unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.6 percent, slightly lower than the current national unemployment rate of 3.9 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase. This suggests that demand for all housing types should be trending positively as the areas employment base grows.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in the Gwinnett County.



Source: Google Earth, November 2018.

MAJOR EMPLOYERS - GWINNETT COUNTY

Rank	Employer Name	Industry	# Of Employees
1	Gwinnett County Public School System	Educational Services	21,007
2	Gwinnett County Government	Government	5,137
3	Gwinnett Health Care System	Healthcare/Social Assistance	4,053
4	Publix	Retail	4,036
5	Walmart	Retail	3,291
6	State of Georgia	Government	2,621
7	Kroger	Retail	2,246
8	US Postal Service	Government	2,172
9	NCR	Computer Hardware	1,738
10	Primerica	Insurance/Financial Services	1,690

Source: Georgia Department of Labor, Workforce and Economic Research, retrieved November 2018

6. Conclusion

The largest industries in the PMA are retail trade, healthcare/social assistance, and professional/scientific/technical services. Relative to the overall nation, the PMA features comparatively greater employment in the wholesale trade, retail trade, and professional/scientific/technical services industries. Conversely, the PMA is underrepresented in the healthcare/social assistance, manufacturing, and agriculture/forestry/fishing/hunting industries. The large share of PMA employment in retail trade is notable as this industry is historically volatile and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 6.8 percent contraction in employment growth (2007-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2014, the same year as the nation. Employment growth in the MSA exceeded the nation in every year since 2012. As of August 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.8 percent, compared to 1.3 percent across the overall nation. Several employers announced expansions in the region, which is positive for the local economy, while there have been a limited number of WARN notices filed in comparison. Overall, the economy appears to be in an expansionary phase that has been ongoing since 2010. This suggests that demand for all housing types should be trending positively as the areas employment base grows. The growing local economy is a positive indicator of demand for rental housing and the Subject's renovated units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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 net rent a household will pay is 35 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).

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 35 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. We will use these guidelines to set the minimum income levels for the demand analysis.

We provide a demand analysis for the as proposed scenario. We assume the maximum allowable rents.

FAMILY INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$28,869	\$35,940
2BR	\$34,663	\$40,440
3BR	\$40,011	\$48,480
4BR	\$44,640	\$52,080

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 utilized 2020, the anticipated date of market entry, as the base year for the analysis. Therefore, 2018 household population estimates are inflated to 2019 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 2019. This number takes the overall growth from 2018 to 2023 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 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. As such, we have not accounted for any senior conversion to rentership.

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 do not account 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 do not account for household turnover in our demand analysis.

We calculated 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. Our capture rates incorporate household size adjustments for all of the Subject's units.

4. Net Demand, Capture Rates and Stabilization Conclusions

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 deduct the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that were 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 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.

COMPETITIVE SUPPLY 2016 - PRESENT

Property Name	Program	Location	Tenancy	Status	# of Competitive Units
Redland Creek Villas	LIHTC/Market	Lawrenceville	Senior	Complete	0

- Redland Creek Villas was awarded LIHTC equity in 2016 for the new construction of 96 one and two-bedroom units targeting seniors in Lawrenceville, Georgia. The property offers 22 units restricted to 50 percent of AMI, or less, 50 units restricted to 60 percent of AMI, or less, and 24 market rate units. As this property targets seniors, it does not directly compete with the Subject. Thus, we have not deducted any units from this property in our demand analysis.

PMA Occupancy

Per DCA’s guidelines, we determine the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. The following table illustrates a combined average occupancy level for the PMA based on the total competitive units in the PMA.

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Ashton Creek Apartments	LIHTC	Lawrenceville	Family	140	N/A
Alexander Mill	LIHTC	Lawrenceville	Family	224	97.3%
Greens At Hillcrest I	LIHTC	Lawrenceville	Family	176	93.8%
Greens At Hillcrest II	LIHTC	Lawrenceville	Family	146	91.8%
Hearthside Sugarloaf	LIHTC/Market	Lawrenceville	Senior	110	100.0%
Magnolia Village	LIHTC/Market	Lawrenceville	Family	190	98.9%
Redland Creek Villas	LIHTC/Market	Lawrenceville	Senior	96	N/A
The View At Sugarloaf	LIHTC	Lawrenceville	Family	130	97.7%
Herrington Mill Apartments	LIHTC	Lawrenceville	Family	292	100.0%
Applewood Towers I	Section 8	Lawrenceville	Senior	100	100.0%
Applewood Towers II	Section 8	Lawrenceville	Senior	175	100.0%
Applewood Towers III	Section 8	Lawrenceville	Senior	100	100.0%
Bridgeway Village	PSHP	Lawrenceville	Family	31	N/A
Glenn Edge Apartments	Public Housing	Lawrenceville	Family	50	100.0%
Grady Holt	Public Housing	Lawrenceville	Family	26	100.0%
Omie Harris Apartments	Public Housing	Lawrenceville	Family	6	100.0%
Rob Dunham	Public Housing	Lawrenceville	Family	10	100.0%
Floyd Braswell	Public Housing	Lawrenceville	Family	20	100.0%
Hooper Renwick	Public Housing	Lawrenceville	Family	20	100.0%
New Memorial	Public Housing	Lawrenceville	Family	20	100.0%
Rich Martin	Public Housing	Lawrenceville	Family	40	100.0%
Sally Craig	Public Housing	Lawrenceville	Family	20	100.0%
1760 Apartment Homes	Market	Lawrenceville	Family	239	97.5%
Carolina Apartments	Market	Lawrenceville	Family	82	100.0%
Deauville Apartments	Market	Lawrenceville	Family	78	100.0%
Hawthorne At Sugarloaf	Market	Lawrenceville	Family	260	93.5%
Knollwood Park	Market	Lawrenceville	Family	142	91.5%
SYNC At Ten Oaks	Market	Lawrenceville	Family	288	95.1%
Hillside Apartments	Market	Lawrenceville	Family	20	95.0%
136 Corbin Street	Market	Lawrenceville	Family	8	100.0%
Central Park Apartments	Market	Lawrenceville	Family	30	96.7%
146 Maddox Street	Market	Lawrenceville	Family	20	100.0%
Colonial Hill Apartments	Market	Lawrenceville	Family	12	100.0%
Olde Salem	Market	Lawrenceville	Family	80	95.0%
Cedargate Apartments	Market	Lawrenceville	Family	55	100.0%
Ashford Way	Market	Lawrenceville	Family	98	100.0%
Ridgewood Apartments	Market	Lawrenceville	Family	52	92.3%
Bluestone Manor	Market	Lawrenceville	Family	48	95.8%
Longleaf Apartment Homes	Market	Lawrenceville	Family	76	93.4%
Saint Lawrence Apartments	Market	Lawrenceville	Family	50	94.0%
Cherokee Court Apartments	Market	Lawrenceville	Family	88	100.0%
Durant at Sugarloaf	Market	Lawrenceville	Family	300	96.7%
Retreat at Riverside	Market	Lawrenceville	Family	412	97.1%
Grayson Park Estates	Market	Grayson	Family	414	94.0%
The Preserve at Legacy Park	Market	Lawrenceville	Family	498	98.0%
Holland Park	Market	Lawrenceville	Family	496	96.6%
Harmony Woods	Market	Lawrenceville	Family	156	100.0%
Sugarloaf Crossing	Market	Lawrenceville	Family	262	95.0%
Sugar Mill	Market	Lawrenceville	Family	244	94.7%
Parc at 980	Market	Lawrenceville	Family	586	93.9%
Average PMA Occupancy					96.6%

The average occupancy rate of competitive developments in the PMA is 96.6 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. The Subject is a proposed rehab development that is currently 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. As of the date of this report, a tenant income audit was unavailable; as such, we have assumed that tenants residing in the LIHTC units restricted at the 60 percent AMI LIHTC units will continue to income-qualify to reside at the property.

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 2019 are illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2018		Projected Mkt Entry December 2019		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,635	8.2%	1,621	8.1%	1,587	7.9%
\$10,000-19,999	2,557	12.9%	2,509	12.6%	2,386	11.9%
\$20,000-29,999	3,429	17.3%	3,424	17.2%	3,411	17.0%
\$30,000-39,999	2,863	14.4%	2,847	14.3%	2,807	14.0%
\$40,000-49,999	2,096	10.6%	2,093	10.5%	2,085	10.4%
\$50,000-59,999	2,037	10.3%	2,036	10.2%	2,034	10.1%
\$60,000-74,999	1,666	8.4%	1,697	8.5%	1,776	8.8%
\$75,000-99,999	1,711	8.6%	1,750	8.8%	1,850	9.2%
\$100,000-124,999	798	4.0%	818	4.1%	869	4.3%
\$125,000-149,999	415	2.1%	440	2.2%	504	2.5%
\$150,000-199,999	281	1.4%	300	1.5%	348	1.7%
\$200,000+	343	1.7%	370	1.9%	437	2.2%
Total	19,831	100.0%	19,906	100.0%	20,094	100.0%

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

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$28,869		Maximum Income Limit		\$52,080	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2018 to Prj Mrkt	Entry December 2019					
\$0-9,999	-14	-18.3%	\$0	0.0%	0		
\$10,000-19,999	-48	-65.0%	\$0	0.0%	0		
\$20,000-29,999	-5	-6.8%	\$1,130	11.3%	-1		
\$30,000-39,999	-16	-21.3%	\$9,999	100.0%	-16		
\$40,000-49,999	-3	-4.2%	\$9,999	100.0%	-3		
\$50,000-59,999	-1	-1.1%	\$2,080	20.8%	0		
\$60,000-74,999	31	41.8%	\$0	0.0%	0		
\$75,000-99,999	39	52.9%	\$0	0.0%	0		
\$100,000-124,999	20	27.0%	\$0	0.0%	0		
\$125,000-149,999	25	33.8%	\$0	0.0%	0		
\$150,000-199,999	19	25.5%	\$0	0.0%	0		
\$200,000+	27	35.7%	\$0	0.0%	0		
Total	75	100.0%		-26.5%	-20		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$28,869		Maximum Income Limit		\$52,080	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,635	8.2%	\$0	0.0%	0		
\$10,000-19,999	2,557	12.9%	\$0	0.0%	0		
\$20,000-29,999	3,429	17.3%	\$1,130	11.3%	388		
\$30,000-39,999	2,863	14.4%	\$9,999	100.0%	2,863		
\$40,000-49,999	2,096	10.6%	\$9,999	100.0%	2,096		
\$50,000-59,999	2,037	10.3%	\$2,080	20.8%	424		
\$60,000-74,999	1,666	8.4%	\$0	0.0%	0		
\$75,000-99,999	1,711	8.6%	\$0	0.0%	0		
\$100,000-124,999	798	4.0%	\$0	0.0%	0		
\$125,000-149,999	415	2.1%	\$0	0.0%	0		
\$150,000-199,999	281	1.4%	\$0	0.0%	0		
\$200,000+	343	1.7%	\$0	0.0%	0		
Total	19,831	100.0%		29.1%	5,770		

ASSUMPTIONS - @60%

Tenancy		Family		% of Income towards Housing		35%	
Rural/Urban		Rural		Maximum # of Occupants		6	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	10%	80%	10%	0%	0%		
2	0%	20%	80%	0%	0%		
3	0%	0%	60%	40%	0%		
4	0%	0%	0%	70%	30%		
5+	0%	0%	0%	50%	50%		

Demand from New Renter Households 2018 to December 2019

Income Target Population	@60%
New Renter Households PMA	75
Percent Income Qualified	-26.5%
New Renter Income Qualified Households	-20

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	19,831
Income Qualified	29.1%
Income Qualified Renter Households	5,770
Percent Rent Overburdened Prj Mrkt Entry December 2019	42.3%
Rent Overburdened Households	2,443

Demand from Living in Substandard Housing

Income Qualified Renter Households	5,770
Percent Living in Substandard Housing	1.2%
Households Living in Substandard Housing	69

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	2,512
Total New Demand	-20
Total Demand (New Plus Existing Households)	2,492

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	30.6%	762
Two Persons	21.9%	545
Three Persons	16.4%	409
Four Persons	13.6%	339
Five Persons	17.5%	437
Total	100.0%	2,492

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	76
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	80%	610
Of two-person households in 1BR units	20%	109
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	10%	76
Of two-person households in 2BR units	80%	436
Of three-person households in 2BR units	60%	245
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%	163
Of four-person households in 3BR units	70%	238
Of five-person households in 3BR units	50%	218
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	0%	0
Of four-person households in 4BR units	30%	102
Of five-person households in 4BR units	50%	218
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	0%	0
Total Demand		2,492

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	719	-	0	=	719
2 BR	758	-	0	=	758
3 BR	619	-	0	=	619
4 BR	320	-	0	=	320
5 BR	-	-	-	=	-
Total	2,416		0		2,416

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	32	/	719	=	4.5%
2 BR	58	/	758	=	7.7%
3 BR	24	/	619	=	3.9%
4 BR	26	/	320	=	8.1%
5 BR	-	/	-	=	-
Total	140		2,416		5.8%

Conclusions

Our demand analysis is used 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 households in the PMA is expected to increase 1.6 percent between 2018 and the date of market entry.
- 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.

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 (\$28,869 to \$52,080)	
Demand from New Households (age and income appropriate)	-20
PLUS	+
Demand from Existing Renter Households - Rent Overburdened Households	2,443
PLUS	+
Demand from Existing Renter Households - Substandard Housing	69
=	=
Sub Total	2,492
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0
Equals Total Demand	2,492
Less	-
New Supply	0
Equals Net Demand	2,492

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

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%	\$28,869	\$35,940	32	719	0	719	4.5%	8 to 9 months	\$953	\$750	\$1,365	\$751
2BR @60%	\$34,663	\$40,440	58	758	0	758	7.7%	8 to 9 months	\$1,039	\$725	\$1,640	\$899
3BR @60%	\$40,011	\$48,480	24	619	0	619	3.9%	8 to 9 months	\$1,227	\$974	\$1,827	\$1,028
4BR @60%	\$44,640	\$52,080	26	320	0	320	8.1%	8 to 9 months	\$1,687	\$1,440	\$1,870	\$1,131
@60% Overall	\$28,869	\$52,080	140	2,416	0	2,416	5.8%	8 to 9 months	-	-	-	-

As the analysis illustrates, as proposed, the Subject’s capture rates at the 60 percent AMI level will range from 3.9 to 8.1 percent, with an overall capture rate of 5.8 percent. The Subject’s capture rates are within the DCA thresholds. Further, the capture rates are low and indicate that sufficient demand exists for the Subject. Therefore, we believe there is adequate demand for the Subject.

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 12 “true” comparable properties containing 2,313 units.

The availability of LIHTC data is considered good; there are eight LIHTC properties in the PMA, six of which target families. We utilized six affordable developments located between 0.6 and 6.6 miles from the Subject site, one which is located outside the PMA (Magnolia Pointe). Magnolia Pointe is located 6.6 miles west of the Subject in Duluth and is a reasonable proxy for the Subject as it is among the most proximate LIHTC properties that targets families and offers one, two, and three-bedroom units at 60 percent of AMI, similar to the Subject. Duluth is slightly inferior to the Subject based on median household incomes and median rents. All of the comparable properties target the general population and offer generally similar unit types in comparison to the Subject.

The availability of market rate data is considered good. The Subject is located in Lawrenceville and there are several market rate properties in the area. We included six market rate properties located between 0.7 and 4.7 miles from the Subject site, all of which are located within the PMA. These comparables were built or renovated between the 1970s and 2017. Overall, we believe the market rate properties we used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, and unit mix.

A detailed matrix describing the individual competitive properties as well as the 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.

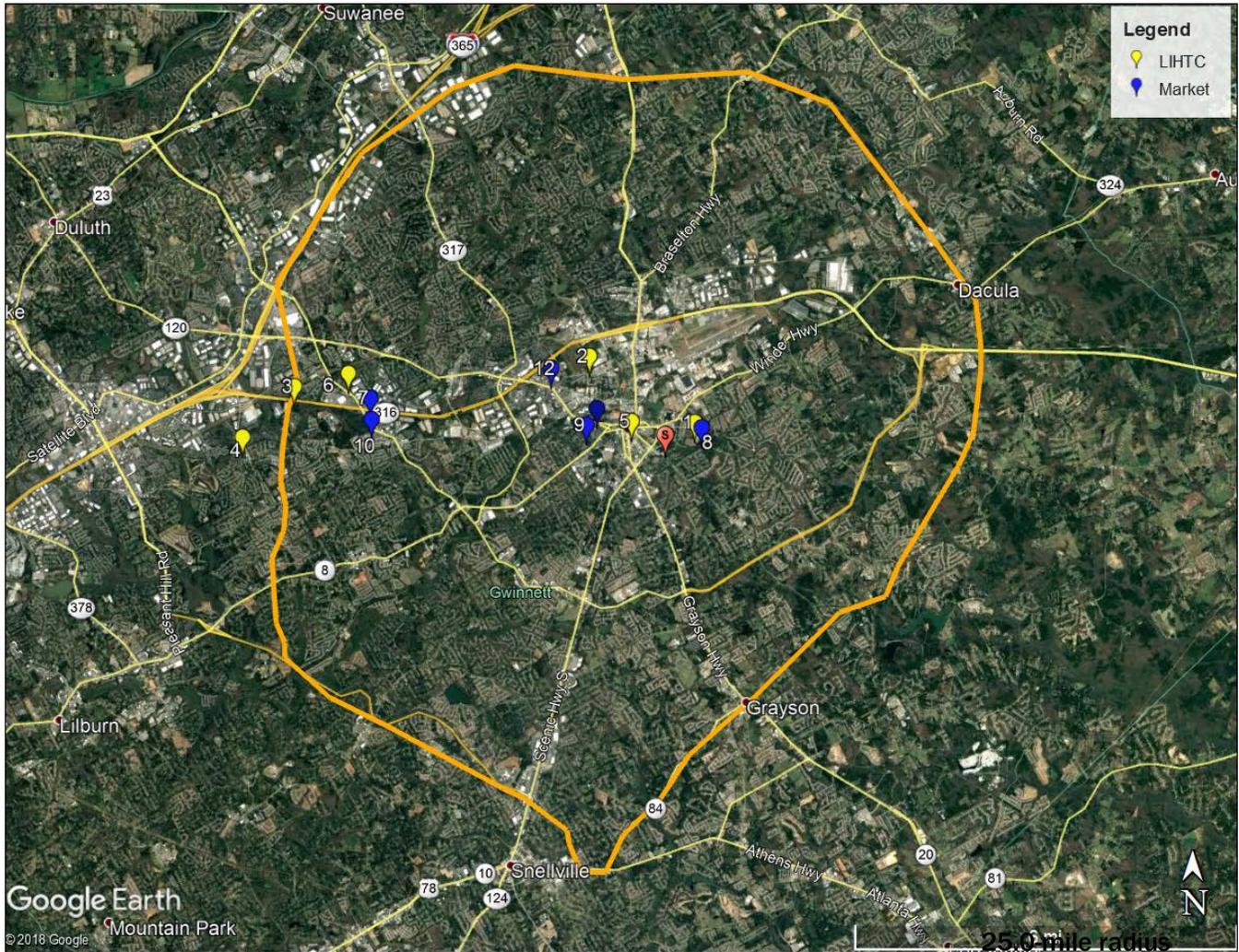
Excluded Properties

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

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Ashton Creek Apartments	LIHTC	Lawrenceville	Family	140	N/A
Greens At Hillcrest I	LIHTC	Lawrenceville	Family	176	No units at 60% AMI
Hearthside Sugarloaf	LIHTC/Market	Lawrenceville	Senior	110	Dissimilar tenancy
Redland Creek Villas	LIHTC/Market	Lawrenceville	Senior	96	Dissimilar tenancy
Applewood Towers I	Section 8	Lawrenceville	Senior	100	Dissimilar tenancy, subsidized
Applewood Towers II	Section 8	Lawrenceville	Senior	175	Dissimilar tenancy, subsidized
Applewood Towers III	Section 8	Lawrenceville	Senior	100	Dissimilar tenancy, subsidized
Bridgeway Village	PSHP	Lawrenceville	Family	31	Subsidized
Glenn Edge Apartments	Public Housing	Lawrenceville	Family	50	Subsidized
Grady Holt	Public Housing	Lawrenceville	Family	26	Subsidized
Omie Harris Apartments	Public Housing	Lawrenceville	Family	6	Subsidized
Rob Dunham	Public Housing	Lawrenceville	Family	10	Subsidized
Floyd Braswell	Public Housing	Lawrenceville	Family	20	Subsidized
Hooper Renwick	Public Housing	Lawrenceville	Family	20	Subsidized
New Memorial	Public Housing	Lawrenceville	Family	20	Subsidized
Rich Martin	Public Housing	Lawrenceville	Family	40	Subsidized
Sally Craig	Public Housing	Lawrenceville	Family	20	Subsidized
Hillside Apartments	Market	Lawrenceville	Family	20	Inferior age/condition
136 Corbin Street	Market	Lawrenceville	Family	8	Low number of units; inferior age/condition
Central Park Apartments	Market	Lawrenceville	Family	30	Inferior age/condition
146 Maddox Street	Market	Lawrenceville	Family	20	Only 2br units; inferior age/condition
Colonial Hill Apartments	Market	Lawrenceville	Family	12	Only 1br units; inferior age/condition
Olde Salem	Market	Lawrenceville	Family	80	Inferior age/condition
Cedargate Apartments	Market	Lawrenceville	Family	55	More comparable properties
Ashford Way	Market	Lawrenceville	Family	98	More comparable properties
Ridgewood Apartments	Market	Lawrenceville	Family	52	Inferior age/condition
Bluestone Manor	Market	Lawrenceville	Family	48	More comparable properties
Longleaf Apartment Homes	Market	Lawrenceville	Family	76	More comparable properties
Saint Lawrence Apartments	Market	Lawrenceville	Family	50	Inferior age/condition
Cherokee Court Apartments	Market	Lawrenceville	Family	88	Only 2br units; inferior age/condition
Durant at Sugarloaf	Market	Lawrenceville	Family	300	Closer comparables
Retreat at Riverside	Market	Lawrenceville	Family	412	Closer comparables
Grayson Park Estates	Market	Grayson	Family	414	Closer comparables
The Preserve at Legacy Park	Market	Lawrenceville	Family	498	Closer comparables
Holland Park	Market	Lawrenceville	Family	496	Closer comparables
Harmony Woods	Market	Lawrenceville	Family	156	More comparable properties
Sugarloaf Crossing	Market	Lawrenceville	Family	262	More comparable properties
Sugar Mill	Market	Lawrenceville	Family	244	Closer comparables
Parc at 980	Market	Lawrenceville	Family	586	Closer comparables

Comparable Rental Property Map



Source: Google Earth, November 2018

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Distance to Subject
S	Ashton Creek Apartments	Lawrenceville	LIHTC	-
1	Alexander Mill	Lawrenceville	LIHTC	0.6 miles
2	Greens At Hillcrest II	Lawrenceville	LIHTC	1.9 miles
3	Herrington Mill Apartments	Lawrenceville	LIHTC	5.9 miles
4	Magnolia Pointe*	Duluth	LIHTC/Market	6.6 miles
5	Magnolia Village	Lawrenceville	LIHTC/Market	0.7 miles
6	The View At Sugarloaf	Lawrenceville	LIHTC	5.1 miles
7	1760 Apartment Homes	Lawrenceville	Market	4.7 miles
8	Carolina Apartments	Lawrenceville	Market	0.7 miles
9	Deauville Apartments	Lawrenceville	Market	1.3 miles
10	Hawthorne At Sugarloaf	Lawrenceville	Market	4.6 miles
11	Knollwood Park	Lawrenceville	Market	1.3 miles
12	SYNC At Ten Oaks	Lawrenceville	Market	2.2 miles

*Located outside PMA

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

The following tables illustrate detailed information in a comparable framework for the Subject and the comparable properties.

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
Subject	Ashton Creek Apartments 239 New Hope Road Lawrenceville, GA 30046 Gwinnett County	-	Garden 3-stories 2003 / n/a Family	@60%	1BR / 1BA	32	22.9%	822	@60%	\$751	Yes	Yes	0	0.0%
					2BR / 2BA	58	41.4%	1,086	@60%	\$899	Yes	Yes	3	5.2%
					3BR / 2BA	24	17.1%	1,209	@60%	\$1,028	Yes	Yes	1	4.2%
					4BR / 3BA	26	18.6%	1,460	@60%	\$1,131	Yes	Yes	1	3.9%
						140	100.0%							5
1	Alexander Mill 158 Paper Mill Road Lawrenceville, GA 30045 Gwinnett County	0.6 miles	Garden 3-stories 2002 / n/a Family	@60%	2BR / 2BA	157	70.1%	1,094	@60%	\$925	Yes	No	5	3.2%
					3BR / 2BA	67	29.9%	1,280	@60%	\$1,055	Yes	No	1	1.5%
						224	100.0%							6
2	Greens At Hillcrest II 850 Hillcrest Greens Drive Lawrenceville, GA 30045 Gwinnett County	1.9 miles	Various 3-stories 2002 / n/a Family	@60%	2BR / 2BA	40	27.4%	993	@60%	\$881	No	No	N/A	N/A
					2BR / 2BA	30	20.6%	1,110	@60%	\$881	No	No	N/A	N/A
					3BR / 2BA	40	27.4%	1,110	@60%	\$1,004	No	No	N/A	N/A
					3BR / 2BA	36	24.7%	1,363	@60%	\$1,004	No	No	N/A	N/A
	146	100.0%								12	8.2%			
3	Herrington Mill Apartments 1564 Herrington Road Lawrenceville, GA 30043 Gwinnett County	5.9 miles	Garden 3-stories 2003 / n/a Family	@60%	1BR / 1BA	48	16.4%	975	@60%	\$750	Yes	Yes	0	0.0%
					2BR / 2BA	220	75.3%	1,175	@60%	\$899	Yes	Yes	0	0.0%
					3BR / 2BA	24	8.2%	1,350	@60%	\$1,028	Yes	Yes	0	0.0%
						292	100.0%							0
4	Magnolia Pointe 1475 Boggs Rd Duluth, GA 30096 Gwinnett County	6.6 miles	Garden 2-stories 2000 / n/a Family	@50%, @60%, Market	1BR / 1BA	13	5.4%	737	@50%	\$625	Yes	Yes	0	0.0%
					1BR / 1BA	11	4.6%	737	@60%	\$770	Yes	Yes	0	0.0%
					1BR / 1BA	36	14.9%	737	Market	\$807	N/A	No	2	5.6%
					2BR / 2BA	22	9.1%	1,008	@50%	\$746	Yes	Yes	0	0.0%
					2BR / 2BA	18	7.4%	1,008	@60%	\$919	Yes	Yes	0	0.0%
					2BR / 2BA	70	28.9%	1,008	Market	\$965	N/A	No	2	2.9%
					3BR / 2BA	16	6.6%	1,163	@50%	\$849	Yes	Yes	0	0.0%
					3BR / 2BA	16	6.6%	1,163	@60%	\$1,049	Yes	Yes	0	0.0%
					3BR / 2BA	40	16.5%	1,163	Market	\$1,054	N/A	No	1	2.5%
						242	100.0%							5
5	Magnolia Village 287 East Crogan Street Lawrenceville, GA 30046 Gwinnett County	0.7 miles	Garden 3-stories 2002 / n/a Family	@50%, @60%, Market	1BR / 1BA	19	10.0%	975	@50%	\$637	Yes	Yes	0	0.0%
					1BR / 1BA	8	4.2%	975	@60%	\$782	Yes	Yes	0	0.0%
					1BR / 1BA	9	4.7%	975	Market	\$900	N/A	Yes	0	0.0%
					2BR / 2BA	47	24.7%	1,175	@50%	\$756	Yes	Yes	0	0.0%
					2BR / 2BA	47	24.7%	1,175	@60%	\$929	Yes	Yes	1	2.1%
					2BR / 2BA	24	12.6%	1,175	Market	\$1,010	N/A	Yes	1	4.2%
					3BR / 2BA	20	10.5%	1,375	@50%	\$831	No	Yes	0	0.0%
					3BR / 2BA	8	4.2%	1,375	@60%	\$1,071	Yes	Yes	0	0.0%
					3BR / 2BA	8	4.2%	1,375	Market	\$1,140	N/A	Yes	0	0.0%
	190	100.0%							2	1.1%				
6	The View At Sugarloaf 5355 Sugarloaf Parkway Lawrenceville, GA 30043 Gwinnett County	5.1 miles	Garden 2-stories 1994 / 2013 Family	@50%, @60%	2BR / 2BA	8	6.2%	974	@50%	\$716	Yes	No	N/A	N/A
					2BR / 2BA	44	33.9%	974	@60%	\$885	Yes	No	N/A	N/A
					3BR / 2BA	5	3.9%	1,143	@50%	\$773	Yes	No	N/A	N/A
					3BR / 2BA	8	6.2%	1,197	@50%	\$808	Yes	No	N/A	N/A
					3BR / 2BA	25	19.2%	1,143	@60%	\$1,003	Yes	No	N/A	N/A
					3BR / 2BA	39	30.0%	1,197	@60%	\$1,003	Yes	No	N/A	N/A
					3BR / 2BA	1	0.8%	1,143	Non-Rental	-	N/A	No	0	0.0%
						130	100.0%							3
7	1760 Apartment Homes 1760 Lakes Parkway Lawrenceville, GA 30043 Gwinnett County	4.7 miles	Midrise 4-stories 2017 / n/a Family	Market	1BR / 1BA	125	52.3%	807	Market	\$1,365	N/A	No	N/A	N/A
					2BR / 1BA	99	41.4%	1,204	Market	\$1,640	N/A	No	N/A	N/A
					3BR / 2BA	15	6.3%	1,366	Market	\$1,827	N/A	No	N/A	N/A
						239	100.0%							6
8	Carolina Apartments 215 Paper Mill Road Lawrenceville, GA 30046 Gwinnett County	0.7 miles	Various 2-stories 1982 / 2004 Family	Market	2BR / 1BA	N/A	N/A	900	Market	\$725	N/A	No	0	0.0%
					2BR / 1.5BA	N/A	N/A	1,200	Market	\$750	N/A	No	0	0.0%
						82	100.0%							0
9	Deauville Apartments 451 Huff Street Lawrenceville, GA 30046 Gwinnett County	1.3 miles	Garden 1-stories 1970's / n/a Family	Market	1BR / 1BA	25	32.1%	625	Market	\$765	N/A	Yes	0	0.0%
					2BR / 1BA	37	47.4%	900	Market	\$872	N/A	Yes	0	0.0%
					3BR / 1.5BA	16	20.5%	1,000	Market	\$974	N/A	Yes	0	0.0%
	78	100.0%								0	0.0%			
10	Hawthorne At Sugarloaf 4975 Sugarloaf Parkway Lawrenceville, GA 30044 Gwinnett County	4.6 miles	Garden 3-stories 2007 / n/a Family	Market	1BR / 1BA	N/A	N/A	691	Market	\$1,035	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	890	Market	\$1,191	N/A	No	5	N/A
					2BR / 2BA	N/A	N/A	1,186	Market	\$1,315	N/A	No	5	N/A
					2BR / 2BA	N/A	N/A	1,332	Market	\$1,414	N/A	No	3	N/A
					3BR / 2BA	N/A	N/A	1,540	Market	\$1,735	N/A	No	2	N/A
					3BR / 2BA	N/A	N/A	1,595	Market	\$1,585	N/A	No	1	N/A
	260									17	6.5%			
11	Knollwood Park 255 Honeysuckle Circle Lawrenceville, GA 30045 Gwinnett County	1.3 miles	Garden 2-stories 1998 / n/a Family	Market	2BR / 2BA	90	63.4%	1,082	Market	\$1,029	No	No	3	3.3%
					3BR / 2BA	52	36.6%	1,304	Market	\$1,138	No	No	9	17.3%
						142	100.0%							12
12	SYNC At Ten Oaks 405 Philip Blvd. Lawrenceville, GA 30046 Gwinnett County	2.2 miles	Garden 1-stories 2007 / n/a Family	Market	1BR / 1BA	102	35.4%	795	Market	\$1,169	N/A	No	N/A	N/A
					2BR / 2BA	174	60.4%	1,054	Market	\$1,332	N/A	No	N/A	N/A
					3BR / 2BA	12	4.2%	1,247	Market	\$1,520	N/A	No	N/A	N/A
	288	100.0%								14	4.9%			

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
		Units Surveyed: 2,313	Weighted Occupancy: 96.7%			Weighted Occupancy: 96.7%
		Market Rate 1,089	Market Rate 95.5%			Market Rate 95.5%
		Tax Credit 1,224	Tax Credit 97.7%			Tax Credit 97.7%
One-Bedroom One Bath		Two-Bedroom Two Bath		Three-Bedroom Two Bath		Four-Bedroom Three Bath
Property	Average	Property	Average	Property	Average	Property
RENT						Ashton Creek Apartments (@60%) \$1,131
1760 Apartment Homes (Market)	\$1,365	1760 Apartment Homes (Market)(1BA)	\$1,640	1760 Apartment Homes (Market)	\$1,827	
Hawthorne At Sugarloaf (Market)	\$1,191	Hawthorne At Sugarloaf (Market)	\$1,414	Hawthorne At Sugarloaf (Market)	\$1,735	
SYNC At Ten Oaks (Market)	\$1,169	SYNC At Ten Oaks (Market)	\$1,332	Hawthorne At Sugarloaf (Market)	\$1,585	
Hawthorne At Sugarloaf (Market)	\$1,035	Hawthorne At Sugarloaf (Market)	\$1,315	SYNC At Ten Oaks (Market)	\$1,520	
Magnolia Village (Market)	\$900	Knollwood Park (Market)	\$1,029	Magnolia Village (Market)	\$1,140	
Magnolia Pointe (Market)	\$807	Magnolia Village (Market)	\$1,010	Knollwood Park (Market)	\$1,138	
Magnolia Village (@60%)	\$782	Magnolia Pointe (Market)	\$965	Magnolia Village (@60%)	\$1,071	
Magnolia Pointe (@60%)	\$770	Magnolia Village (@60%)	\$929	Alexander Mill (@60%)	\$1,055	
Deauville Apartments (Market)	\$765	Alexander Mill (@60%)	\$925	Magnolia Pointe (Market)	\$1,054	
Ashton Creek Apartments (@60%)	\$751	Magnolia Pointe (@60%)	\$919	Magnolia Pointe (@60%)	\$1,049	
Herrington Mill Apartments (@60%)	\$750	Herrington Mill Apartments (@60%)	\$899	Herrington Mill Apartments (@60%)	\$1,028	
Magnolia Village (@50%)	\$637	Ashton Creek Apartments (@60%)	\$899	Ashton Creek Apartments (@60%)	\$1,028	
Magnolia Pointe (@50%)	\$625	The View At Sugarloaf (@60%)	\$885	Greens At Hillcrest II (@60%)	\$1,004	
		Greens At Hillcrest II (@60%)	\$881	Greens At Hillcrest II (@60%)	\$1,004	
		Deauville Apartments (Market)(1BA)	\$872	The View At Sugarloaf (@60%)	\$1,003	
		Magnolia Village (@50%)	\$756	The View At Sugarloaf (@60%)	\$1,003	
		Carolina Apartments (Market)(1.5BA)	\$750	Deauville Apartments (Market)(1.5BA)	\$974	
		Magnolia Pointe (@50%)	\$746	Magnolia Pointe (@50%)	\$949	
		Carolina Apartments (Market)(1BA)	\$725	Magnolia Village (@50%)	\$831	
		The View At Sugarloaf (@50%)	\$716	The View At Sugarloaf (@50%)	\$808	
				The View At Sugarloaf (@50%)	\$773	
SQUARE FOOTAGE						Ashton Creek Apartments (@60%) 1,460
Herrington Mill Apartments (@60%)	975	Hawthorne At Sugarloaf (Market)	1,322	Hawthorne At Sugarloaf (Market)	1,595	
Magnolia Village (Market)	975	1760 Apartment Homes (Market)(1BA)	1,204	Hawthorne At Sugarloaf (Market)	1,540	
Magnolia Village (@50%)	975	Carolina Apartments (Market)(1.5BA)	1,200	Magnolia Village (@50%)	1,375	
Magnolia Village (@60%)	975	Hawthorne At Sugarloaf (Market)	1,186	Magnolia Village (@60%)	1,375	
Hawthorne At Sugarloaf (Market)	890	Magnolia Village (@50%)	1,175	Magnolia Village (Market)	1,375	
Ashton Creek Apartments (@60%)	822	Herrington Mill Apartments (@60%)	1,175	1760 Apartment Homes (Market)	1,366	
1760 Apartment Homes (Market)	807	Magnolia Village (Market)	1,175	Greens At Hillcrest II (@60%)	1,363	
SYNC At Ten Oaks (Market)	795	Magnolia Village (@60%)	1,175	Herrington Mill Apartments (@60%)	1,350	
Magnolia Pointe (@50%)	737	Greens At Hillcrest II (@60%)	1,110	Knollwood Park (Market)	1,304	
Magnolia Pointe (Market)	737	Alexander Mill (@60%)	1,094	Alexander Mill (@60%)	1,280	
Magnolia Pointe (@60%)	737	Ashton Creek Apartments (@60%)	1,086	SYNC At Ten Oaks (Market)	1,247	
Hawthorne At Sugarloaf (Market)	691	Knollwood Park (Market)	1,082	Ashton Creek Apartments (@60%)	1,209	
Deauville Apartments (Market)	625	SYNC At Ten Oaks (Market)	1,054	The View At Sugarloaf (@60%)	1,197	
		Magnolia Pointe (@60%)	1,008	The View At Sugarloaf (@50%)	1,197	
		Magnolia Pointe (Market)	1,008	Magnolia Pointe (Market)	1,163	
		Magnolia Pointe (@50%)	1,008	Magnolia Pointe (@60%)	1,163	
		Greens At Hillcrest II (@60%)	993	Magnolia Pointe (@50%)	1,163	
		The View At Sugarloaf (@60%)	974	The View At Sugarloaf (Non-Rental)	1,143	
		The View At Sugarloaf (@50%)	974	The View At Sugarloaf (@50%)	1,143	
		Carolina Apartments (Market)(1BA)	900	The View At Sugarloaf (@60%)	1,143	
		Deauville Apartments (Market)(1BA)	900	Greens At Hillcrest II (@60%)	1,110	
				Deauville Apartments (Market)(1.5BA)	1,000	
RENT PER SQUARE FOOT						Ashton Creek Apartments (@60%) \$0.77
1760 Apartment Homes (Market)	\$1.69	1760 Apartment Homes (Market)(1BA)	\$1.36	1760 Apartment Homes (Market)	\$1.34	
Hawthorne At Sugarloaf (Market)	\$1.50	SYNC At Ten Oaks (Market)	\$1.26	SYNC At Ten Oaks (Market)	\$1.22	
SYNC At Ten Oaks (Market)	\$1.47	Hawthorne At Sugarloaf (Market)	\$1.11	Hawthorne At Sugarloaf (Market)	\$1.13	
Hawthorne At Sugarloaf (Market)	\$1.34	Hawthorne At Sugarloaf (Market)	\$1.06	Hawthorne At Sugarloaf (Market)	\$0.99	
Deauville Apartments (Market)	\$1.22	Deauville Apartments (Market)(1BA)	\$0.97	Deauville Apartments (Market)(1.5BA)	\$0.97	
Magnolia Pointe (Market)	\$1.09	Magnolia Pointe (Market)	\$0.96	Magnolia Pointe (Market)	\$0.91	
Magnolia Pointe (@60%)	\$1.04	Knollwood Park (Market)	\$0.95	Greens At Hillcrest II (@60%)	\$0.90	
Magnolia Village (Market)	\$0.92	Magnolia Pointe (@60%)	\$0.91	Magnolia Pointe (@60%)	\$0.90	
Ashton Creek Apartments (@60%)	\$0.91	The View At Sugarloaf (@60%)	\$0.91	The View At Sugarloaf (@60%)	\$0.88	
Magnolia Pointe (@50%)	\$0.85	Greens At Hillcrest II (@60%)	\$0.89	Knollwood Park (Market)	\$0.87	
Magnolia Village (@60%)	\$0.80	Magnolia Village (Market)	\$0.86	Ashton Creek Apartments (@60%)	\$0.85	
Herrington Mill Apartments (@60%)	\$0.77	Alexander Mill (@60%)	\$0.85	The View At Sugarloaf (@60%)	\$0.84	
Magnolia Village (@50%)	\$0.65	Ashton Creek Apartments (@60%)	\$0.83	Magnolia Village (Market)	\$0.83	
		Carolina Apartments (Market)(1BA)	\$0.81	Alexander Mill (@60%)	\$0.82	
		Greens At Hillcrest II (@60%)	\$0.79	Magnolia Village (@60%)	\$0.78	
		Magnolia Village (@60%)	\$0.79	Herrington Mill Apartments (@60%)	\$0.76	
		Herrington Mill Apartments (@60%)	\$0.77	Greens At Hillcrest II (@60%)	\$0.74	
		Magnolia Pointe (@50%)	\$0.74	Magnolia Pointe (@50%)	\$0.73	
		The View At Sugarloaf (@50%)	\$0.74	The View At Sugarloaf (@50%)	\$0.68	
		Magnolia Village (@50%)	\$0.64	The View At Sugarloaf (@50%)	\$0.68	
		Carolina Apartments (Market)(1.5BA)	\$0.63	Magnolia Village (@50%)	\$0.60	

PROPERTY PROFILE REPORT

Alexander Mill

Effective Rent Date	10/18/2018
Location	158 Paper Mill Road Lawrenceville, GA 30045 Gwinnett County
Distance	0.6 miles
Units	224
Vacant Units	6
Vacancy Rate	2.7%
Type	Garden (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	1/07/2007
Major Competitors	Magnolia Village
Tenant Characteristics	Mixed tenancy, majority families
Contact Name	Charlotte
Phone	678-407-9151



Market Information

Program	@60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	7%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	Increased to max
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
2	2	Garden (3 stories)	157	1,094	\$910	\$0	@60%	No	5	3.2%	yes	None
3	2	Garden (3 stories)	67	1,280	\$1,040	\$0	@60%	No	1	1.5%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$910	\$0	\$910	\$15	\$925
3BR / 2BA	\$1,040	\$0	\$1,040	\$15	\$1,055

Amenities

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

Comments

The contact stated five of the six vacant units are pre-leased. According to the contact, there is strong demand for affordable housing in the area.

Photos



PROPERTY PROFILE REPORT

Greens At Hillcrest II

Effective Rent Date	11/08/2018
Location	850 Hillcrest Greens Drive Lawrenceville, GA 30045 Gwinnett County
Distance	1.9 miles
Units	146
Vacant Units	12
Vacancy Rate	8.2%
Type	Various (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Herrington Mill, Alexander Mill, Ashton Creek
Tenant Characteristics	mixed tenancy, majority singles and families
Contact Name	Faye
Phone	770-513-8338



Market Information

Program	@60%
Annual Turnover Rate	16%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Pre-leased to 2 weeks
Annual Chg. in Rent	See comments
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	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	40	993	\$881	\$0	@60%	No	N/A	N/A	no	None
2	2	Townhouse (2 stories)	30	1,110	\$881	\$0	@60%	No	N/A	N/A	no	None
3	2	Garden (3 stories)	40	1,110	\$1,004	\$0	@60%	No	N/A	N/A	no	None
3	2	Townhouse (2 stories)	36	1,363	\$1,004	\$0	@60%	No	N/A	N/A	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$881	\$0	\$881	\$0	\$881
3BR / 2BA	\$1,004	\$0	\$1,004	\$0	\$1,004

Greens At Hillcrest II, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	Afterschool Program
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Non-shelter Services	Off-Street Parking(\$0.00)		
On-Site Management	Playground		
Swimming Pool			

Comments

According to the contact, two and three-bedroom units have increased \$100 over the past year. Five of the 12 vacant units at this property are pre-leased.

Photos



PROPERTY PROFILE REPORT

Herrington Mill Apartments

Effective Rent Date	11/07/2018
Location	1564 Herrington Road Lawrenceville, GA 30043 Gwinnett County
Distance	5.9 miles
Units	292
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Surrounding rental communities
Tenant Characteristics	Mixed tenancy, majority singles and families, few seniors
Contact Name	Lee
Phone	770-338-0642



Market Information

Program	@60%
Annual Turnover Rate	21%
Units/Month Absorbed	N/A
HCV Tenants	19%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Yes; over 200 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	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 (3 stories)	48	975	\$793	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	220	1,175	\$949	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	24	1,350	\$1,090	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$793	\$0	\$793	-\$43	\$750
2BR / 2BA	\$949	\$0	\$949	-\$50	\$899
3BR / 2BA	\$1,090	\$0	\$1,090	-\$62	\$1,028

Herrington Mill Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	Afterschool Program
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Exterior Storage	Garbage Disposal	Perimeter Fencing	
Oven	Refrigerator		
Vaulted Ceilings	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	None
Car Wash	Clubhouse/Meeting Room/Community		
Exercise Facility	Garage(\$100.00)		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Playground		
Swimming Pool	Tennis Court		

Comments

The property offers detached garages for \$100 per month. Utilization of detached garages is currently 100 percent. According to the contact, there is strong demand for affordable housing in the area. The contact stated this property typically stays 100 percent occupied.

Photos



PROPERTY PROFILE REPORT

Magnolia Pointe

Effective Rent Date	11/09/2018
Location	1475 Boggs Rd Duluth, GA 30096 Gwinnett County
Distance	6.6 miles
Units	242
Vacant Units	5
Vacancy Rate	2.1%
Type	Garden (2 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Meridian Pointe, Palisades Club, Tanglewood
Tenant Characteristics	Age span from 21-46, average household five persons
Contact Name	Wanda
Phone	(770) 717-5353



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	25%
Leasing Pace	Within one week
Annual Chg. in Rent	See comments
Concession	None
Waiting List	Yes; unknown 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
1	1	Garden (2 stories)	13	737	\$668	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	11	737	\$813	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	36	737	\$850	\$0	Market	No	2	5.6%	N/A	None
2	2	Garden (2 stories)	22	1,008	\$796	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	18	1,008	\$969	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	70	1,008	\$1,015	\$0	Market	No	2	2.9%	N/A	None
3	2	Garden (2 stories)	16	1,163	\$911	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	16	1,163	\$1,111	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	40	1,163	\$1,116	\$0	Market	No	1	2.5%	N/A	None

Photos



PROPERTY PROFILE REPORT

Magnolia Village

Effective Rent Date	10/24/2018
Location	287 East Crogan Street Lawrenceville, GA 30046 Gwinnett County
Distance	0.7 miles
Units	190
Vacant Units	2
Vacancy Rate	1.1%
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	Alexander Mills
Tenant Characteristics	Mixed tenancy; five percent or less seniors
Contact Name	Hercules
Phone	770-237-3910



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	13%
Units/Month Absorbed	5 to 8
HCV Tenants	10%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Over 500 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)	19	975	\$622	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	8	975	\$767	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	9	975	\$885	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	47	1,175	\$741	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	47	1,175	\$914	\$0	@60%	Yes	1	2.1%	yes	None
2	2	Garden (3 stories)	24	1,175	\$995	\$0	Market	Yes	1	4.2%	N/A	None
3	2	Garden (3 stories)	20	1,375	\$816	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	8	1,375	\$1,056	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	8	1,375	\$1,125	\$0	Market	Yes	0	0.0%	N/A	None

Photos



PROPERTY PROFILE REPORT

The View At Sugarloaf

Effective Rent Date	10/25/2018
Location	5355 Sugarloaf Parkway Lawrenceville, GA 30043 Gwinnett County
Distance	5.1 miles
Units	130
Vacant Units	3
Vacancy Rate	2.3%
Type	Garden (2 stories)
Year Built/Renovated	1994 / 2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Palisades Club, Herrington Woods, Magnolia Pointe
Tenant Characteristics	N/A
Contact Name	Sonny
Phone	770-339-6800



Market Information

Program	@50%, @60%, Non-Rental
Annual Turnover Rate	9%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	See comments
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	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	2	Garden (2 stories)	8	974	\$766	\$0	@50%	No	N/A	N/A	yes	None
2	2	Garden (2 stories)	44	974	\$935	\$0	@60%	No	N/A	N/A	yes	None
3	2	Garden (2 stories)	5	1,143	\$835	\$0	@50%	No	N/A	N/A	yes	None
3	2	Garden (2 stories)	8	1,197	\$870	\$0	@50%	No	N/A	N/A	yes	None
3	2	Garden (2 stories)	25	1,143	\$1,065	\$0	@60%	No	N/A	N/A	yes	None
3	2	Garden (2 stories)	39	1,197	\$1,065	\$0	@60%	No	N/A	N/A	yes	None
3	2	Garden (2 stories)	1	1,143	N/A	\$0	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 / 2BA	\$766	\$0	\$766	-\$50	\$716	2BR / 2BA	\$935	\$0	\$935	-\$50	\$885
3BR / 2BA	\$835 - \$870	\$0	\$835 - \$870	-\$62	\$773 - \$808	3BR / 2BA	\$1,065	\$0	\$1,065	-\$62	\$1,003
Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
3BR / 2BA	N/A	\$0	N/A	-\$62	N/A						

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	Afterschool Program
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Playground	Volleyball Court		

Comments

This property was formerly known as Tanglewood Park. The contact reported strong demand for affordable housing in the area. There are currently no units vacant at 50 percent of AMI. Units at 50 percent of AMI have increased between 6.4 and 7.8 percent over the past year, while units at 60 percent of AMI have increased between 8.1 and 13.3 percent. The property does not have a waiting list and accepts applications on a first come first serve basis.

Photos



PROPERTY PROFILE REPORT

1760 Apartment Homes

Effective Rent Date	11/09/2018
Location	1760 Lakes Parkway Lawrenceville, GA 30043 Gwinnett County
Distance	4.7 miles
Units	239
Vacant Units	6
Vacancy Rate	2.5%
Type	Midrise (4 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	1/01/2017
Leasing Began	4/01/2017
Last Unit Leased	4/01/2018
Major Competitors	Sugarloaf Crossing
Tenant Characteristics	Mixed tenancy, mainly young professionals
Contact Name	Matrix
Phone	770-776-1395



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	13
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	Changes daily
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)	125	807	\$1,350	\$0	Market	No	N/A	N/A	N/A	None
2	1	Midrise (4 stories)	99	1,204	\$1,625	\$0	Market	No	N/A	N/A	N/A	None
3	2	Midrise (4 stories)	15	1,366	\$1,812	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,350	\$0	\$1,350	\$15	\$1,365
2BR / 1BA	\$1,625	\$0	\$1,625	\$15	\$1,640
3BR / 2BA	\$1,812	\$0	\$1,812	\$15	\$1,827

1760 Apartment Homes, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	None	Outdoor movie screen, car
Courtyard	Elevators		
Exercise Facility	Garage(\$0.00)		
Jacuzzi	On-Site Management		
Picnic Area	Recreation Areas		
Swimming Pool	Wi-Fi		

Comments

This property does not accept Housing Choice Vouchers. Marketing began in January 2017, the first lease was signed in March 2017, and the first units were delivered in April 2017. The contact stated new management took over in December 2018 and estimated the property reached stabilization in April 2018.

Photos



PROPERTY PROFILE REPORT

Carolina Apartments

Effective Rent Date	11/07/2018
Location	215 Paper Mill Road Lawrenceville, GA 30046 Gwinnett County
Distance	0.7 miles
Units	82
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1982 / 2004
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Harmony Woods
Tenant Characteristics	Mixed tenancy; mostly from Lawrenceville
Contact Name	Anita
Phone	770-962-0500



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	13%
Leasing Pace	One week
Annual Chg. in Rent	Increase 4.3% to 9.3%
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	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	Garden	N/A	900	\$775	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,200	\$800	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$775	\$0	\$775	-\$50	\$725
2BR / 1.5BA	\$800	\$0	\$800	-\$50	\$750

Amenities

In-Unit	Security	Services
Blinds	Patrol	None
Central A/C		
Dishwasher		
Refrigerator		
Washer/Dryer hookup		
Carpeting		
Coat Closet		
Oven		
Washer/Dryer		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking(\$0.00)		

Comments

The contact report strong demand throughout the past year. There are no available units until early 2018.

Photos



PROPERTY PROFILE REPORT

Deauville Apartments

Effective Rent Date	11/07/2018
Location	451 Huff Street Lawrenceville, GA 30046 Gwinnett County
Distance	1.3 miles
Units	78
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden
Year Built/Renovated	1970's / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Knollwood Park
Tenant Characteristics	Mixed tenancy, most come from locally
Contact Name	Daily
Phone	770.963.9264



Market Information

Program	Market
Annual Turnover Rate	26%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	One week
Annual Chg. in Rent	Increased 8-10%
Concession	None
Waiting List	Yes; 15 households

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
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	25	625	\$750	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden	37	900	\$857	\$0	Market	Yes	0	0.0%	N/A	None
3	1.5	Garden	16	1,000	\$959	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	\$15	\$765
2BR / 1BA	\$857	\$0	\$857	\$15	\$872
3BR / 1.5BA	\$959	\$0	\$959	\$15	\$974

Amenities

In-Unit	Security	Services
Blinds	None	None
Cable/Satellite/Internet		
Central A/C		
Ceiling Fan		
Oven		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
Off-Street Parking(\$0.00)		
Sport Court		

Deauville Apartments, continued

Comments

This property does not accept Housing Choice Vouchers. Contact reported that the property is typically fully-occupied.

Photos



PROPERTY PROFILE REPORT

Hawthorne At Sugarloaf

Effective Rent Date	11/09/2018
Location	4975 Sugarloaf Parkway Lawrenceville, GA 30044 Gwinnett County
Distance	4.6 miles
Units	260
Vacant Units	17
Vacancy Rate	6.5%
Type	Garden (3 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	8/01/2007
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	Mixed tenancy, Most come from locally
Contact Name	Mary
Phone	770-334-9711



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	22
HCV Tenants	0%
Leasing Pace	1 week
Annual Chg. in Rent	Increased by 5%
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	Garden (3 stories)	N/A	691	\$1,020	\$0	Market	No	1	N/A	N/A	None
1	1	Garden (3 stories)	N/A	890	\$1,176	\$0	Market	No	5	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,186	\$1,300	\$0	Market	No	5	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,332	\$1,399	\$0	Market	No	3	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,540	\$1,720	\$0	Market	No	2	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,595	\$1,570	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,020 - \$1,176	\$0	\$1,020 - \$1,176	\$15	\$1,035 - \$1,191
2BR / 2BA	\$1,300 - \$1,399	\$0	\$1,300 - \$1,399	\$15	\$1,315 - \$1,414
3BR / 2BA	\$1,570 - \$1,720	\$0	\$1,570 - \$1,720	\$15	\$1,585 - \$1,735

Hawthorne At Sugarloaf, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Cable/Satellite/Internet	Carpeting	Limited Access	
Central A/C	Coat Closet	Patrol	
Dishwasher	Garbage Disposal	Perimeter Fencing	
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	None	Billiards and Free DVD Library
Exercise Facility	Garage(\$0.00)		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Playground		
Swimming Pool	Theatre		

Comments

This property does not accept Housing Choice Vouchers. Eight of the 17 vacant units are pre-leased. Contact reported a typical occupancy of 95 to 97 percent.

Photos



PROPERTY PROFILE REPORT

Knollwood Park

Effective Rent Date	11/07/2018
Location	255 Honeysuckle Circle Lawrenceville, GA 30045 Gwinnettt County
Distance	1.3 miles
Units	142
Vacant Units	12
Vacancy Rate	8.5%
Type	Garden (2 stories)
Year Built/Renovated	1998 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ashton Creek, Greens at Hillcrest
Tenant Characteristics	Mixed tenancy, majority families from Gwinnett County
Contact Name	Tony
Phone	770-277-8078



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 6.4%
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	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	2	Garden (2 stories)	90	1,082	\$1,079	\$0	Market	No	3	3.3%	no	None
3	2	Garden (2 stories)	52	1,304	\$1,200	\$0	Market	No	9	17.3%	no	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,079	\$0	\$1,079	-\$50	\$1,029
3BR / 2BA	\$1,200	\$0	\$1,200	-\$62	\$1,138

Knollwood Park, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Patrol	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	Sun room
Clubhouse/Meeting Room/Community	Exercise Facility		
Central Laundry	Neighborhood Network		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area	Playground		

Comments

This property does not accept Housing Choice Vouchers. Four of the 12 units at this property are pre-leased. The contact reported vacancy is slightly elevated at the moment; typical vacancy has ranged from three to five percent over the past two years.

Photos



PROPERTY PROFILE REPORT

SYNC At Ten Oaks

Effective Rent Date	11/07/2018
Location	405 Philip Blvd. Lawrenceville, GA 30046 Gwinnett County
Distance	2.2 miles
Units	288
Vacant Units	14
Vacancy Rate	4.9%
Type	Garden
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Preserve at Legacy Park, Madison Apartments
Tenant Characteristics	Mixed tenancy; mostly from Lawrenceville
Contact Name	Tiffany
Phone	855-236-6436



Market Information

Program	Market
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	One week
Annual Chg. in Rent	Daily LRO system
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	Garden	102	795	\$1,154	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden	174	1,054	\$1,317	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden	12	1,247	\$1,505	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,154	\$0	\$1,154	\$15	\$1,169
2BR / 2BA	\$1,317	\$0	\$1,317	\$15	\$1,332
3BR / 2BA	\$1,505	\$0	\$1,505	\$15	\$1,520

Amenities

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

Comments

This property was formerly known as Ten Oaks Apartments. The contact was unable to provide a breakdown of vacant units by floor plan. Exterior storage units are available to rent for \$25 to \$35 per month. The contact did not know the number of storage units at the property but reported 100 percent utilization. This property does not accept Housing Choice Vouchers.

Photos



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

Housing Choice Vouchers

We were unable to reach a representative of the Georgia Department of Community Affairs, despite multiple attempts. However, in May 2018 we spoke with Sharon El, Administrative Assistant with the Georgia Department of Community Affairs, to gather information pertaining to the use of Housing Choice Vouchers. Ms. El reported that the Housing Authority currently issues 17,000 Housing Choice Vouchers to 149 counties throughout Georgia, 15,877 of which are in use, including 1,149 in Gwinnett County. The waiting list is currently closed and consists of 20,525 households. The waiting list is purged annually. The following table illustrates voucher usage at the comparable properties.

TENANTS WITH VOUCHERS

Property Name	Rent Structure	Housing Choice Voucher Tenants
Alexander Mill	LIHTC	7%
Greens At Hillcrest II	LIHTC	10%
Herrington Mill Apartments	LIHTC	19%
Magnolia Pointe*	LIHTC/ Market	25%
Magnolia Village	LIHTC/ Market	10%
The View At Sugarloaf	LIHTC	15%
1760 Apartment Homes	Market	0%
Carolina Apartments	Market	13%
Deauville Apartments	Market	0%
Hawthorne At Sugarloaf	Market	0%
Knollwood Park	Market	0%
SYNC At Ten Oaks	Market	0%

*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from zero to 25 percent. The LIHTC properties surveyed report a low to moderate reliance on tenants with vouchers. The Subject is a LIHTC property that will continue to operate with LIHTC restrictions post-renovation. Therefore, tenant-based vouchers will be accepted at the Subject post-renovation. According to the client, approximately 30 percent of the Subject’s tenants are currently utilizing housing choice vouchers. We believe the Subject would maintain a voucher usage of approximately 30 percent following renovations.

Lease Up History

We were able to obtain absorption data from one of the comparables. We also included recent absorption data from properties in Gwinnett County and neighboring DeKalb County. Information regarding the absorption periods of these properties is illustrated in the following table.

ABSORPTION

Property Name	Rent Structure	Year Built	Number of Units	Units Absorbed / Month
1760 Apartment Homes*	Market	2017	239	13
The Point on Scott	Market	2016	250	13
The Reserve at Decatur	Market	2016	298	14
Columbia Mill	LIHTC	2014	100	20
Retreat at Edgewood Phase II	LIHTC	2012	40	12
Retreat at Edgewood	LIHTC	2011	100	20
Average			171	15

*Utilized as a comparable

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is the proposed renovation of an existing LIHTC property. The Subject is currently 96.4 percent occupied as of the rent roll dated November 9, 2018. Renovations are scheduled to begin in May 2019 and be completed in December 2019. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. With the healthy LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units, if the Subject were hypothetically 100 percent vacant, could reasonably expect to lease 15 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within eight to nine months.

Phased Developments

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

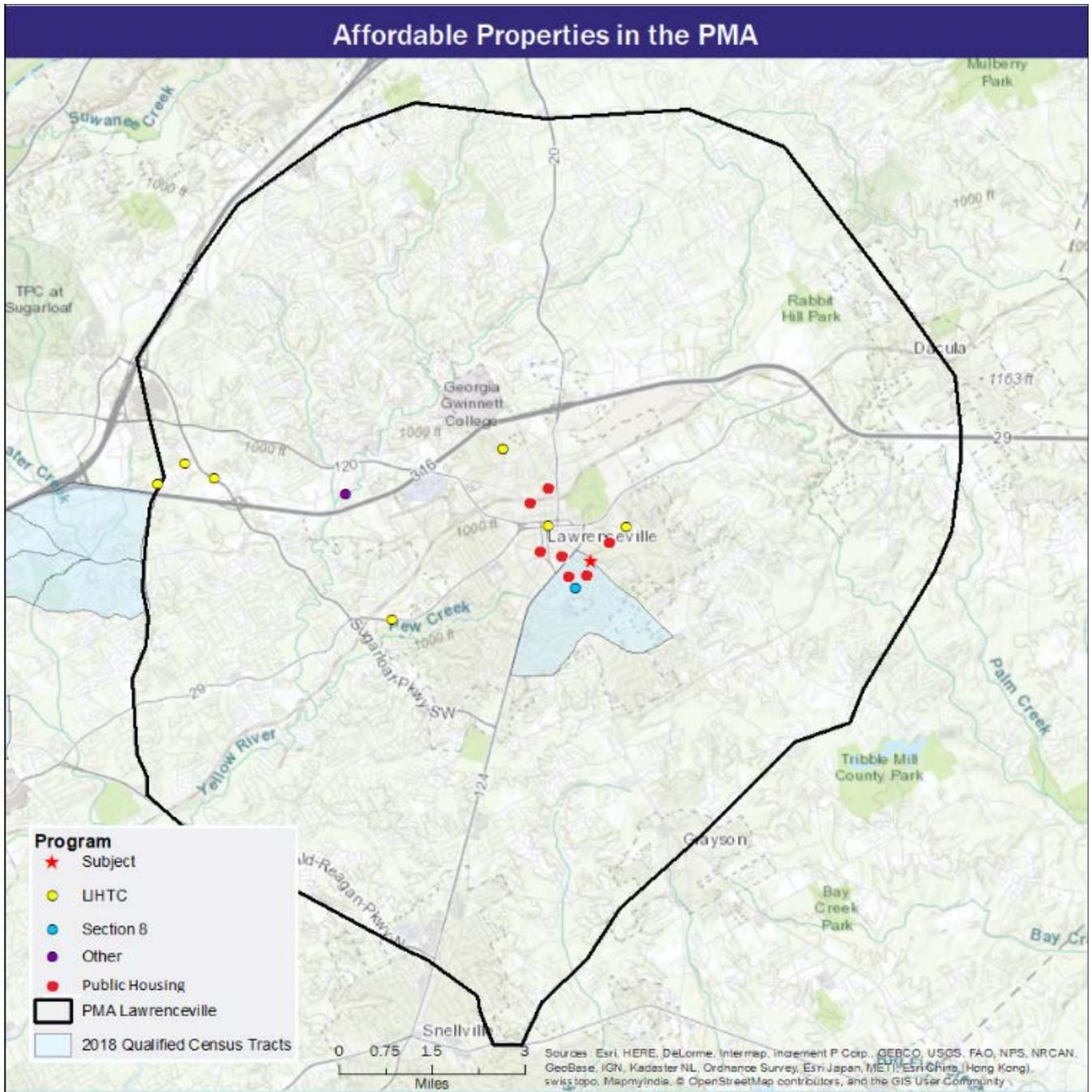
Rural Areas

The Subject is not located in a rural area.

2. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color	
Ashton Creek Apartments	LIHTC	Lawrenceville	Family	140	N/A	Star	
Alexander Mill	LIHTC	Lawrenceville	Family	224	0.6 miles		
Greens At Hillcrest I	LIHTC	Lawrenceville	Family	176	1.9 miles		
Greens At Hillcrest II	LIHTC	Lawrenceville	Family	146	1.9 miles		
Hearthside Sugarloaf	LIHTC/Market	Lawrenceville	Senior	110	5.7 miles		
Magnolia Village	LIHTC/Market	Lawrenceville	Family	190	0.7 miles		
Redland Creek Villas	LIHTC/Market	Lawrenceville	Senior	96	2.8 miles		
The View At Sugarloaf	LIHTC	Lawrenceville	Family	130	5.1 miles		
Herrington Mill Apartments	LIHTC	Lawrenceville	Family	292	5.9 miles		
Applewood Towers I	Section 8	Lawrenceville	Senior	100	0.4 miles		
Applewood Towers II	Section 8	Lawrenceville	Senior	175	0.4 miles		
Applewood Towers III	Section 8	Lawrenceville	Senior	100	0.4 miles		
Bridgeway Village	PSHP	Lawrenceville	Family	31	3.3 miles		
Glenn Edge Apartments	Public Housing	Lawrenceville	Family	50	1.1 miles		
Grady Holt	Public Housing	Lawrenceville	Family	26	1.4 miles		
Omie Harris Apartments	Public Housing	Lawrenceville	Family	6	0.2 miles		
Rob Dunham	Public Housing	Lawrenceville	Family	10	0.8 miles		
Floyd Braswell	Public Housing	Lawrenceville	Family	20	1.0 miles		
Hooper Renwick	Public Housing	Lawrenceville	Family	20	0.1 miles		
New Memorial	Public Housing	Lawrenceville	Family	20	0.2 miles		
Rich Martin	Public Housing	Lawrenceville	Family	40	0.1 miles		
Sally Craig	Public Housing	Lawrenceville	Family	20	0.1 miles		



3. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below.

AMENITY MATRIX													
	Subject	Alexander Mill	Greens At Hillcrest II	Herrington Mill Apartments	Magnolia Pointe	Magnolia Village	The View At Sugarloaf	1760 Apartment Homes	Carolina Apartments	Deauville Apartments	Hawthorne At Sugarloaf	Knollwood Park	SYNC At Ten Oaks
Rent Structure	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC/Market	LIHTC/Market	LIHTC	Market	Market	Market	Market	Market	Market
Building													
Property Type	Garden	Garden	Various	Garden	Garden	Garden	Garden	Midrise	Various	Garden	Garden	Garden	Garden
# of Stories	3-stories	3-stories	3-stories	3-stories	2-stories	3-stories	2-stories	4-stories	2-stories	1-stories	3-stories	2-stories	1-stories
Year Built	2003	2002	2002	2003	2000	2002	1994	2017	1982	1970's	2007	1998	2007
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	2013	n/a	2004	n/a	n/a	n/a	n/a
Elevators	no	no	no	no	no	no	no	yes	no	no	no	no	no
Courtyard	yes	no	no	no	no	no	no	yes	no	no	no	no	no
Utility Structure													
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	yes	no	yes	no	yes	no	no	yes	no
Sewer	no	no	no	yes	yes	no	yes	no	yes	no	no	yes	no
Trash	yes	no	yes	yes	yes	no	yes	no	yes	no	no	yes	no
Accessibility													
Unit Amenities													
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes	no	no	yes	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite	no	no	no	no	no	no	no	no	no	yes	yes	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	no	no	no	no	yes	yes	no	yes	no	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	yes	yes	yes	yes	no	no	no	no	no	yes
Vaulted Ceilings	no	no	no	yes	no	no	no	no	no	no	no	no	yes
Walk-In Closet	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Washer/Dryer	yes	no	no	no	no	no	no	yes	yes	no	no	no	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen													
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Microwave	yes	yes	no	no	no	no	no	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community													
Business Center	yes	yes	yes	yes	yes	no	no	no	no	no	no	yes	yes
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	no
Central Laundry	no	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Recreation													
Basketball Court	no	no	no	yes	no	no	yes	no	no	no	no	yes	no
Exercise Facility	yes	yes	yes	yes	yes	yes	no	yes	no	no	yes	yes	yes
Playground	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes	no
Swimming Pool	yes	yes	yes	yes	yes	yes	no	yes	no	no	yes	no	yes
Picnic Area	yes	yes	no	no	yes	no	yes	yes	no	no	no	yes	yes
Sport Court	no	no	no	no	no	no	no	no	no	yes	no	no	no
Tennis Court	no	no	no	yes	no	yes	no	no	no	no	no	no	no
Jacuzzi	no	no	no	no	no	no	no	yes	no	no	no	no	no
Hot Tub	no	no	no	no	no	no	no	yes	no	no	no	no	no
Theatre	no	no	no	no	no	no	no	no	no	no	yes	no	no
Recreational Area	yes	no	no	no	no	no	no	yes	no	no	no	no	no
Volleyball Court	no	no	no	no	no	no	yes	no	no	no	no	no	no
WiFi	no	no	no	no	no	no	no	yes	no	no	no	no	no
Neighborhood	no	no	no	no	no	no	no	no	no	no	no	yes	no
Non-Shelter	no	no	yes	no	no	no	no	no	no	no	no	no	no
Security													
In-Unit Alarm	no	yes	no	yes	no	no	no	no	no	no	no	no	no
Intercom (Buzzer)	no	no	no	no	no	no	no	yes	no	no	yes	no	no
Limited Access	yes	no	no	yes	no	yes	no	yes	no	no	yes	no	yes
Patrol	no	yes	no	yes	yes	yes	no	no	yes	no	yes	yes	no
Perimeter Fencing	yes	no	no	yes	no	yes	no	no	no	no	yes	no	yes
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	no	no	no
Parking Ratio	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-
Parking													
Carport Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garage	no	no	no	yes	no	no	no	yes	no	no	yes	no	no
Garage Fee	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes

The renovated Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities. Notable unit amenities offered by Subject include walk-in closets and in-unit washers and dryers. The majority of the comparable properties lack in-unit washers and dryers, which are included in the Subject's proposed amenity scheme. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by

Subject include a courtyard, business center, community room, on-site management, exercise facility, playground, swimming pool, picnic area, and recreational area. The surveyed LIHTC comparables offer similar to slightly inferior property amenities relative to the Subject. The majority of the comparable properties lack features such as a courtyard, business center, or recreational area, all of which are included in the Subject's proposed amenity scheme. Overall, we believe the Subject's property amenities will be competitive in the market.

4. Comparable Tenancy

The Subject will continue to target families. All of the comparable properties also target families.

5. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Alexander Mill	LIHTC	224	6	2.7%
Greens At Hillcrest II	LIHTC	146	12	8.2%
Herrington Mill Apartments	LIHTC	292	0	0.0%
Magnolia Pointe*	LIHTC/ Market	242	5	2.1%
Magnolia Village	LIHTC/ Market	190	2	1.1%
The View At Sugarloaf	LIHTC	130	3	2.3%
1760 Apartment Homes	Market	239	6	2.5%
Carolina Apartments	Market	82	0	0.0%
Deauville Apartments	Market	78	0	0.0%
Hawthorne At Sugarloaf	Market	260	17	6.5%
Knollwood Park	Market	142	12	8.5%
SYNC At Ten Oaks	Market	288	14	4.9%
Total LIHTC		1,224	28	2.3%
Total Market Rate		1,089	49	4.5%
Overall Total		2,313	77	3.3%

*Located outside of the PMA

Overall vacancy in the market is low at 3.3 percent. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Greens At Hillcrest II reported the highest vacancy rate among the LIHTC and mixed-income comparables at 8.2 percent. However, our contact at this comparable reports that five of the 12 vacant units are pre-leased. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from zero to 8.5 percent, averaging 4.5 percent, which is considered low. Hawthorne At Sugarloaf and Knollwood Park reported the highest vacancy rate among market rate comparables at 6.5 and 8.5 percent, respectively. According to our contact at Hawthorne At Sugarloaf, vacancy rates typically range from three to five percent. Further, eight of the 17 vacant units at this property are pre-leased. Our contact at Knollwood Park reported a typical vacancy rate ranges from three to five percent and stated that four of the 12 units currently vacant are pre-leased. The low vacancy rates among the other market rate comparables indicates strong demand for conventional housing in the area. The Subject is currently 96.4 percent occupied as of the rent roll dated November 9, 2018. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. As a newly renovated property, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on the low vacancy rates among the LIHTC

and market rate comparables, as well as the presence of waiting lists among the LIHTC comparables and current performance at the Subject property, 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.

6. Properties Under Construction and Proposed

The following section details properties currently planned, proposed or under construction.

South Lawn

- a. Location: 285 South Clayton Street, Lawrenceville, GA 30046
- b. Owner: George Berkow Inc. and Novare Group
- c. Total number of units: 600 units (zero competitive)
- d. Unit configuration: Studio, one, two, and three-bedroom units
- e. Rent structure: Market
- f. Estimated market entry: The development will be completed in phases over the next three to five years.
- g. Relevant information: South Lawn is currently under construction 0.6 miles from the Subject in Lawrenceville. Upon completion, this property will offer 600 single-family and townhome style studio, one, two, and three-bedroom market rate units. As this property offers unrestricted units, it will not directly compete with the Subject.

Redland Creek Villas

- a. Location: 1340 Lawrenceville Highway, Lawrenceville, GA 30046
- b. Owner: Redland Creek Housing, LLC
- c. Total number of units: 96 units
- d. Unit configuration: One and two-bedroom units
- e. Rent structure: LIHTC/Market
- f. Estimated market entry: Unknown
- g. Relevant information: Will not directly compete with Subject as it will target senior tenancy

7. 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.

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

SIMILARITY MATRIX

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Alexander Mill	LIHTC	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Similar	-5
2	Greens At Hillcrest II	LIHTC	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Slightly Inferior	-10
3	Herrington Mill Apartments	LIHTC	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Similar	-5
4	Magnolia Pointe	LIHTC/Market	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Inferior	-15
5	Magnolia Village	LIHTC/Market	Family	Similar	Slightly Inferior	Similar	Slightly Inferior	Similar	-10
6	The View At Sugarloaf	LIHTC	Family	Slightly Inferior	Slightly Inferior	Slightly Superior	Similar	Inferior	-15
7	1760 Apartment Homes	Market	Family	Similar	Slightly Superior	Slightly Superior	Slightly Superior	Similar	15
8	Carolina Apartments	Market	Family	Inferior	Similar	Similar	Slightly Inferior	Similar	-15
9	Deauville Apartments	Market	Family	Inferior	Slightly Inferior	Similar	Inferior	Inferior	-35
10	Hawthorne At Sugarloaf	Market	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Superior	5
11	Knollwood Park	Market	Family	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Similar	-5
12	SYNC At Ten Oaks	Market	Family	Slightly Inferior	Similar	Similar	Slightly Inferior	Similar	-10

*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 in the following table.

LIHTC RENT COMPARISON @60%

Property Name	1BR	2BR	3BR	4BR	Rents at Max?
Ashton Creek Apartments	\$751	\$899	\$1,028	\$1,131	Yes
2018 LIHTC Maximum Rent (Net) (Gwinnett County)	\$751	\$899	\$1,028	\$1,131	
Alexander Mill	-	\$925	\$1,055	-	Yes
Greens At Hillcrest II	-	\$881	\$1,004	-	No
Herrington Mill Apartments	\$750	\$899	\$1,028	-	Yes
Magnolia Pointe	\$770	\$919	\$1,049	-	Yes
Magnolia Village	\$782	\$929	\$1,071	-	Yes
The View At Sugarloaf	-	\$885	\$1,003	-	Yes
Average	\$767	\$906	\$1,035	-	

The AMI in Gwinnett County in 2018 is the highest level the county has ever experienced. Therefore, none of the comparable properties are “held harmless.” All of the comparables will operate with the same maximum allowable income and rent limits as the Subject’s proposed income and rent limits.

Five of the six surveyed LIHTC and mixed-income properties report achieving rents at the 2018 maximum allowable levels for their one, two, and three-bedroom units at 60 percent of AMI. However, the rents at these properties appear to be slightly below the maximum allowable levels. This is most likely due to differences in these properties utility structures and allowances from the Subject’s proposed utility structure. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates maximum allowable rents are achievable in the area.

Alexander Mill is located 0.6 miles from the Subject in Lawrenceville and offers a slightly superior location to the Subject. Alexander Mill was constructed in 2002 and exhibits average condition, which is considered slightly inferior to the anticipated good condition of the Subject upon completion of renovations. Alexander Mill offers similar property amenities compared to the Subject as it offers a business center, community room, on-site management, exercise facility, playground, swimming pool, and picnic area, which the Subject also offers. This property offers slightly inferior in-unit amenities compared to the Subject as it offers exterior storage, which the Subject does not offer, though it lacks hand rails and in-unit washers and dryers, which the Subject does offer. Alexander Mill offers similar unit sizes compared to the Subject. Overall, Alexander Mill is considered slightly inferior to the Subject. Alexander Mill is currently 97.3 percent occupied and is achieving the maximum allowable rents in Gwinnett County.

Magnolia Village is located 0.7 miles from the Subject in Lawrenceville and offers a similar location to the Subject. Magnolia Village was constructed in 2002 and exhibits average condition, which is considered slightly inferior to the anticipated good condition of the Subject upon completion of renovations. Magnolia Village offers similar property amenities compared to the Subject as it offers a tennis court, which the Subject does not offer, though it lacks a business center, which the Subject does offer. This property offers slightly inferior in-unit amenities compared to the Subject as it offers balconies/patios and exterior storage, which the Subject does not offer, though it lacks hand rails and in-unit washers and dryers, which the Subject does offer. Magnolia Village offers similar unit sizes compared to the Subject. Overall, Magnolia Village is considered inferior to the Subject. Magnolia Village is currently 98.9 percent occupied and the one vacant unit at the property is pre-leased. Further, this property maintains a waiting list over 500 households in length. Magnolia Village is achieving the maximum allowable rents in Gwinnett County.

The Subject’s current and proposed rents are set at the 2018 maximum allowable levels. Five of the six comparable LIHTC and mixed-income properties reported achieving rents at the maximum allowable rent levels. Given the Subject’s anticipated superior condition upon completion, we believe the Subject’s 60 percent AMI rents, which are set at maximum allowable levels, are achievable. It should be noted that none of the LIHTC comparables offer four-bedroom units. However, given the low vacancy rates and presence of waiting lists in the market for three-bedroom units, we believe there will be demand for four-bedroom units in the market. Further, the Subject’s achievable four-bedroom units provide a significant rental advantage over the classified listings presented later in this report.

Classified Listings

To supplement the lack of available four-bedroom market rate data in the market, an analysis of classified listings for four-bedroom units in the Subject’s area is included in the following table.

CLASSIFIED LISTINGS

Unit Type	Building Type	Location	City	Rent	Size (SF)	Condition	Utilities Included
4BR / 2.5BA	Single-family	245 Kubol Drive	Lawrenceville	\$1,800	2,704	Good	None
4BR / 2.5BA	Single-family	343 Clearsprings Drive	Lawrenceville	\$1,440	1,548	Average	None
4BR / 2.5BA	Single-family	648 Castlebrooke Way	Lawrenceville	\$1,600	2,098	Average	None
4BR / 3BA	Single-family	161 Harrington Lane	Lawrenceville	\$1,725	2,794	Good	None
4BR / 2.5BA	Single-family	642 Lynnfield Drive	Lawrenceville	\$1,870	2,837	Good	None
Average				\$1,687	2,396		

Source: Zillow.com, November 2018

The classified listings are single-family homes that are superior to the Subject. However, the Subject will offer superior property amenities and a similar to slightly superior condition when compared to the majority

of the classified listings. The classified listings above will be used in our analysis of the four-bedroom market rate data below.

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.

When comparing the Subject’s rents to the average comparable rent, we do not include 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 do not include 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 MARKET RENTS

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 60%	\$751	\$750	\$1,365	\$953	27%
2BR @ 60%	\$899	\$725	\$1,640	\$1,039	16%
3BR @ 60%	\$1,028	\$974	\$1,827	\$1,227	19%
4BR @ 60%*	\$1,131	\$1,440	\$1,870	\$1,687	49%

*Includes local classified listings in lieu of four-bedroom comparable data

As illustrated, the Subject’s proposed rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate.

1760 Apartment Homes is achieving the highest one, two, and three-bedroom unrestricted rents in the market. The Subject will be inferior to 1760 Apartment Homes. 1760 Apartment Homes was built in 2017 and exhibits excellent condition, which is slightly superior to the anticipated good condition of the Subject, upon completion of renovations. 1760 Apartment Homes is located 4.7 miles from the Subject and offers a slightly superior location with respect to median gross rents. 1760 Apartment Homes offers similar property amenities when compared to the Subject as it lacks a business center and playground, which the Subject offers, though it offers a Jacuzzi and hot tub, which the Subject does not offer. 1760 Apartment Homes offers slightly superior in-unit amenities in comparison to the Subject as it offers balconies/patios, which the Subject does not offer, though it lacks hand rails, which the Subject does offer. The lowest one, two, and three-bedroom unrestricted rents at 1760 Apartment Homes are approximately 82, 82, and 78 percent higher than the Subject’s one, two, and three-bedroom rents at 60 percent of AMI.

As stated previously, there is a limited supply of market rate multifamily properties in the Subject’s area offering four-bedroom units. As such, we utilized classified listings in the Subject’s immediate area. The

classified listings are single-family homes that are superior to the Subject. However, the Subject will offer superior property amenities and a similar to slightly superior condition when compared to the majority of the classified listings. The classified listings above will be used in our analysis of the four-bedroom market rate data below. The lowest four-bedroom unrestricted rents among the classified listings are approximately 27 percent higher than the Subject’s four-bedroom units at 60 percent of AMI.

Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types. If allocated, the Subject will be slightly superior to the existing LIHTC housing stock. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

One property has been allocated in the Subject’s PMA since 2016. Redland Creek Villas was awarded LIHTC equity in 2016 for the new construction of 96 one and two-bedroom units targeting seniors in Lawrenceville, Georgia. The property offers 22 units restricted to 50 percent of AMI, or less, 50 units restricted to 60 percent of AMI, or less, and 24 market rate units. As this property targets seniors, it does not directly compete with the Subject. Thus, we have not deducted any units from this property in our demand analysis. We do not believe the addition of the Subject will impact any additional LIHTC properties in the area.

9. Rental Trends in the PMA

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

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner- Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	40,949	83.6%	8,034	16.4%
2018	58,413	74.7%	19,831	25.3%
Projected Mkt Entry December 2019	60,071	75.1%	19,906	24.9%
2023	64,263	76.2%	20,094	23.8%

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

The share of renter-occupied housing in the PMA increased between 2000 and 2018. Through the projected market entry date and 2023, the percentage of renter-occupied households is projected to decrease slightly. However, the number of renter households in the Subject’s PMA is projected to increase through projected market entry and 2023. As of 2018, the share of owner-occupied households nationally was approximately two-thirds according to the US Census Bureau, indicating that the share of renter-occupied households in the PMA is below the nation.

Historical Vacancy

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

ASHTON CREEK APARTMENTS – LAWRENCEVILLE, GEORGIA – MARKET STUDY

Comparable Property	Type	Total Units	1QTR 2013	4QTR 2014	1QTR 2015	2QTR 2017	4QTR 2017	4QTR 2018
Ashton Creek Apartments	Garden	140	2.1%	3.6%	2.9%	0.0%	N/A	3.6%
Alexander Mill	Garden	224	2.7%	N/A	N/A	0.0%	2.2%	2.7%
Greens At Hillcrest II	Various	146	0.7%	N/A	N/A	N/A	N/A	8.2%
Herrington Mill Apartments	Garden	292	2.1%	2.4%	1.4%	0.0%	N/A	0.0%
Magnolia Pointe*	Garden	242	5.8%	2.9%	2.9%	0.4%	N/A	2.1%
Magnolia Village	Garden	190	3.2%	N/A	N/A	N/A	0.0%	1.1%
The View At Sugarloaf	Garden	130	N/A	N/A	N/A	N/A	0.0%	2.3%
1760 Apartment Homes	Midrise	239	N/A	N/A	N/A	N/A	N/A	2.5%
Carolina Apartments	Various	82	N/A	N/A	N/A	N/A	N/A	0.0%
Deauville Apartments	Garden	78	N/A	N/A	N/A	N/A	N/A	0.0%
Hawthorne At Sugarloaf	Garden	260	N/A	N/A	N/A	N/A	N/A	6.5%
Knollwood Park	Garden	142	N/A	N/A	N/A	N/A	4.9%	8.5%
SYNC At Ten Oaks	Garden	288	N/A	N/A	N/A	N/A	N/A	4.9%
		2,453	2.8%	3.0%	2.4%	0.1%	1.8%	3.3%

*Located outside PMA

As illustrated in the table, we were able to obtain historical vacancy rates at several of the comparable properties for several quarters in the past five years. In general, vacancy rates at the comparable properties have remained low since 2013. 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	Rent Growth
Alexander Mill	LIHTC	Increased to maximum allowable levels
Greens At Hillcrest II	LIHTC	Increased \$100
Herrington Mill Apartments	LIHTC	Increased to maximum allowable levels
Magnolia Pointe*	LIHTC/ Market	Increased to maximum allowable levels
Magnolia Village	LIHTC/ Market	Increased to maximum allowable levels
The View At Sugarloaf	LIHTC	Increased to maximum allowable levels
1760 Apartment Homes	Market	Daily LRO system
Carolina Apartments	Market	Increase 4.3% to 9.3%
Deauville Apartments	Market	Increased 8-10%
Hawthorne At Sugarloaf	Market	Increased by 5%
Knollwood Park	Market	Increased 6.4%
SYNC At Ten Oaks	Market	Daily LRO system

*Located outside of the PMA

Five of the six surveyed affordable properties report increasing rents to 2018 maximum allowable levels. The market rate properties reported rent growth of 4.3 to ten percent. We anticipate that the Subject would be able to achieve moderate rent growth in the future as a LIHTC property, limited by the increase in AMI growth.

10. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 2,402 housing units nationwide was in some stage of foreclosure as of September 2018. Gwinnett County is experiencing a foreclosure rate of one in every 2,707 homes, while Georgia experienced one foreclosure in every 2,504 housing units. Overall, Gwinnett County is experiencing a lower foreclosure rate compared to the nation and state of Georgia, indicating a strong housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant single-family homes that would impact the marketability of the Subject.

11. Primary Housing Void

The Subject is an existing property that currently exhibits average condition. The Subject is currently 96.4 percent occupied as of the rent roll dated November 9, 2018. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Therefore, the renovation of the Subject will help the preservation of existing units for which there is ample demand. Additionally, the Subject offers four-bedroom units, which are in limited supply in the market. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Greens At Hillcrest II reported the highest vacancy rate among the LIHTC and mixed-income comparables at 8.2 percent. However, our contact at this comparable reports that five of the 12 vacant units are pre-leased. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. Based on the historical performance of the Subject and the current performance of the comparable properties, we believe that the Subject will continue to fill a void in the market by providing affordable units restricted to households earning 60 percent of the AMI or less.

12. Effect of Subject on Other Affordable Units in Market

One property has been allocated in the Subject's PMA since 2016. Redland Creek Villas was awarded LIHTC equity in 2016 for the new construction of 96 one and two-bedroom units targeting seniors in Lawrenceville, Georgia. The property offers 22 units restricted to 50 percent of AMI, or less, 50 units restricted to 60 percent of AMI, or less, and 24 market rate units. As this property targets seniors, it does not directly compete with the Subject. Thus, we have not deducted any units from this property in our demand analysis. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. We do not believe the addition of the Subject will impact any additional LIHTC properties in the area.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject is an existing property that currently exhibits average condition and is 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Therefore, the renovation of the Subject will help the preservation of existing units for which there is ample demand. The Subject offers four-bedroom units, which are in limited supply in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will undergo an extensive renovation. The renovated Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities. Notable in-unit amenities offered by Subject include walk-in closets and in-unit washers and dryers. Notable property amenities offered by Subject include a courtyard, business center, community room, on-site management, exercise facility, playground, swimming pool, picnic area, and recreational area. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the Subject's current performance, we believe that the renovated Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption data from one of the comparables. We also included recent absorption data from properties in Gwinnett County and neighboring DeKalb County. Information regarding the absorption periods of these properties is illustrated in the following table.

ABSORPTION

Property Name	Rent Structure	Year Built	Number of Units	Units Absorbed / Month
1760 Apartment Homes*	Market	2017	239	13
The Point on Scott	Market	2016	250	13
The Reserve at Decatur	Market	2016	298	14
Columbia Mill	LIHTC	2014	100	20
Retreat at Edgewood Phase II	LIHTC	2012	40	12
Retreat at Edgewood	LIHTC	2011	100	20
Average			171	15

*Utilized as a comparable

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is the proposed renovation of an existing LIHTC property that is currently 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Renovations are scheduled to begin in May 2019 and be completed in December 2019. With the healthy LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject's units, if the Subject were hypothetically 100 percent vacant, could reasonably expect to lease 15 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within eight to nine months.

J. INTERVIEWS

Georgia Department of Community Affairs

We were unable to reach a representative of the Georgia Department of Community Affairs, despite multiple attempts. However, in May 2018 we spoke with Sharon El, Administrative Assistant with the Georgia Department of Community Affairs, to gather information pertaining to the use of Housing Choice Vouchers. Ms. El reported that the Housing Authority currently issues 17,000 Housing Choice Vouchers to 149 counties throughout Georgia, 15,877 of which are in use, including 1,149 in Gwinnett County. The waiting list is currently closed and consists of 20,525 households. The waiting list is purged annually. The payment standards for Gwinnett County are listed below.

PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$943
Two-Bedroom	\$1,083
Three-Bedroom	\$1,412
Four-Bedroom	\$1,734

Source: Georgia DCA, effective October 2017

The Subject’s proposed rents are set below the current payment standards. The maximum allowable LIHTC rents are below the 2018 payment standards and tenants with Housing Choice Vouchers would be able to reside at the Subject without paying additional rent out of pocket.

Planning

We spoke with Ms. Melissa Rowe with the Lawrenceville Planning and Development Department, who informed us she was aware of two planned, proposed, or under construction multifamily developments within the Subject’s PMA.

PLANNED DEVELOPMENT IN THE PMA

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	Distance to Subject
South Lawn	Market	Family	600	0	Under Construction	0.6 miles
Redland Creek Villas	LIHTC/Market	Senior	96	0	Proposed	2.6 miles

As illustrated above, there are two developments currently planned, proposed, or under construction in the Subject’s PMA. South Lawn is currently under construction 0.6 miles from the Subject in Lawrenceville. Upon completion, this property will offer 600 single-family and townhome style studio, one, two, and three-bedroom market rate units. As this property offers unrestricted units, it will not directly compete with the Subject. Redland Creek Villas was awarded LIHTC equity in 2016 for the new construction of 96 one and two-bedroom units targeting seniors in Lawrenceville, Georgia. The property offers 22 units restricted to 50 percent of AMI, or less, 50 units restricted to 60 percent of AMI, or less, and 24 market rate units. As this property targets seniors, it does not directly compete with the Subject.

Gwinnett County Chamber of Commerce

We attempted to contact the Gwinnett County Chamber of Commerce to inquire about recent business expansions or contractions in the area, but to date our attempts have been unsuccessful. However, we utilized the Partnership Gwinnett website to find the following business expansions in Gwinnett County announced in 2017 through 2018, most of which are located on lands identified through the Gwinnett County Village Community Improvement District (CID) initiative, an organization that works to promote redevelopment and infrastructure development in the area.

- Southlawn, a 32-acre, \$200 million mixed-use development, broke ground in late July of 2018 in Lawrenceville. The development will include more than 15,000 square feet of retail space, 600-

plus residences (single-family homes and townhomes that will not directly compete with the Subject as they will be market rate), and a town green that will connect with Lawrenceville's City Hall, police station, and downtown. The development will be completed in phases over the next three to five years.

- Gezolan, a Swiss manufacturing company, opened a 60,000-square-foot facility off Hamilton Mill Road in Buford in June 2018, representing a \$12 million investment.
- Assurant, Inc., a global leader in risk management solutions, opened a technical support center in Duluth in May 2018, which created 335 new jobs and represented a \$2.2 million investment.
- GEBHARDT Logistic Solutions Inc., a market leader in storage and transport solutions for retail and trade industries, announced the expansion of its operations and relocation to Gwinnett County, metro Atlanta, Georgia. GEBHARDT's 30,000-square-foot facility, located at 1650 Horizon Parkway Northeast approximately 4.4 miles north of the Subject site, will serve as a headquarters for the company's North American production and services for storage and transport solutions. The facility will house four full-time employees and 10 to 20 part-time employees including sales managers, customer service managers, engineers, logisticians and a general manager. The company seeks to actively increase its number of full-time employees as it expands into the North American market.
- Convergent Technologies, a worldwide leader in service-based systems integration, announced the expansion of its operations in Gwinnett County. The announcement represents 150 existing jobs, a projected 33% increase in new jobs in the coming years, and \$1 million in capital investment for the community. Convergent's 25,000-square-foot facility will be located at 1955 Evergreen Boulevard, approximately ten miles south of the Subject site.
- AZZ Inc., a provider of specialty electrical equipment and highly engineered services, announced in June 2017 plans to expand and relocate the company's specialty welding operation to a new 180,000 square-foot facility located at 560 Horizon Drive, 4.5 miles southwest of the Subject site. At the time of the announcement, there was no information for how many jobs the relocation is expected to add to the local economy.
- Carcoustics, a supplier to the automobile industry, plans to invest \$6 million to construct a 130,000 square-foot manufacturing facility that will produce acoustic and thermal components for the automobile industry. Over the next five years, the company intends to create 200 jobs at the facility.
- Liftmaster, a manufacturer of residential garage door openers, announced in April 2017 plans to move their distribution operations and customer experience and training centers to a newly constructed 96,000 square-foot facility. Liftmaster plans to increase full-time staff in the area by 30 percent when the distribution center is fully operational, though no numbers of jobs expected to be added were given.
- National Compressor Exchange (NCE), an ISO Certified compressor remanufacturer, announced in April 2017 that it plans to establish a southeastern and international division headquarters that will house the company's warehouse, sales operations, and customer showroom. The \$500,000 initial investment will immediately add four new jobs with plans to add an additional 40 jobs over the next five years.
- Crawford & Company, the world's largest publicly listed independent provider of claims management to insurance companies, announced in March 2017 plans to move their global headquarters to the City of Peachtree Corners in Gwinnett County. The project will include \$15 million in capital investment and is expected to add 500 new jobs over the next three years.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

Population growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced population growth greater than the overall nation during the same time period. Population growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, similar to the MSA and above the nation as a whole. Household growth in the PMA exceeded the MSA between 2000 and 2010. Both geographic areas experienced household growth greater than the overall nation during the same time period. Household growth in the PMA slowed between 2010 and 2018; however, it increased at a faster rate than the MSA and nation. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively constant at 1.6 percent through 2023, above the MSA and the overall nation. Approximately 25 percent of households in the PMA are renters. The Subject will target tenants earning between \$28,869 and \$52,080. Approximately 63.4 percent of renter households earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject.

Employment Trends

The largest industries in the PMA are retail trade, healthcare/social assistance, and professional/scientific/technical services. Relative to the overall nation, the PMA features comparatively greater employment in the wholesale trade, retail trade, and professional/scientific/technical services industries. Conversely, the PMA is underrepresented in the healthcare/social assistance, manufacturing, and agriculture/forestry/fishing/hunting industries. The large share of PMA employment in retail trade is notable as this industry is historically volatile and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 6.8 percent contraction in employment growth (2007-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2014, the same year as the nation. Employment growth in the MSA exceeded the nation in every year since 2012. As of August 2018, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 2.8 percent, compared to 1.3 percent across the overall nation. Several employers announced expansions in the region, which is positive for the local economy, while there have been a limited number of WARN notices filed in comparison. Overall, the economy appears to be in an expansionary phase that has been ongoing since 2010. This suggests that demand for all housing types should be trending positively as the areas employment base grows. The growing local economy is a positive indicator of demand for rental housing and the Subject's renovated 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	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$28,869	\$35,940	32	719	0	719	4.5%	\$751
2BR @60%	\$34,663	\$40,440	58	758	0	758	7.7%	\$899
3BR @60%	\$40,011	\$48,480	24	619	0	619	3.9%	\$1,028
4BR @60%	\$44,640	\$52,080	26	320	0	320	8.1%	\$1,131
@60% Overall	\$28,869	\$52,080	140	2,416	0	2,416	5.8%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover.

Absorption

We were able to obtain absorption data from one of the comparables. We also included recent absorption data from properties in Gwinnett County and neighboring DeKalb County. Information regarding the absorption periods of these properties is illustrated in the following table.

ABSORPTION

Property Name	Rent Structure	Year Built	Number of Units	Units Absorbed / Month
1760 Apartment Homes*	Market	2017	239	13
The Point on Scott	Market	2016	250	13
The Reserve at Decatur	Market	2016	298	14
Columbia Mill	LIHTC	2014	100	20
Retreat at Edgewood Phase II	LIHTC	2012	40	12
Retreat at Edgewood	LIHTC	2011	100	20
Average			171	15

*Utilized as a comparable

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is the proposed renovation of an existing LIHTC property that is currently 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Renovations are scheduled to begin in May 2019 and be completed in December 2019. With the healthy LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units, if the Subject were hypothetically 100 percent vacant, could reasonably expect to lease 15 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within eight to nine months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Alexander Mill	LIHTC	224	6	2.7%
Greens At Hillcrest II	LIHTC	146	12	8.2%
Herrington Mill Apartments	LIHTC	292	0	0.0%
Magnolia Pointe*	LIHTC/ Market	242	5	2.1%
Magnolia Village	LIHTC/ Market	190	2	1.1%
The View At Sugarloaf	LIHTC	130	3	2.3%
1760 Apartment Homes	Market	239	6	2.5%
Carolina Apartments	Market	82	0	0.0%
Deauville Apartments	Market	78	0	0.0%
Hawthorne At Sugarloaf	Market	260	17	6.5%
Knollwood Park	Market	142	12	8.5%
SYNC At Ten Oaks	Market	288	14	4.9%
Total LIHTC		1,224	28	2.3%
Total Market Rate		1,089	49	4.5%
Overall Total		2,313	77	3.3%

*Located outside of the PMA

Overall vacancy in the market is low at 3.3 percent. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Greens At Hillcrest II reported the highest vacancy rate among the LIHTC and mixed-income comparables at 8.2 percent. However, our contact at this comparable reports that five of the 12 vacant units are pre-leased. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from zero to 8.5 percent, averaging 4.5 percent, which is considered low. Hawthorne At Sugarloaf and Knollwood Park reported the highest vacancy rate among market rate comparables at 6.5 and 8.5 percent, respectively. According to our contact at Hawthorne At Sugarloaf, vacancy rates typically range from three to five percent. Further, eight of the 17 vacant units at this property are pre-leased. Our contact at Knollwood Park reported a typical vacancy rate ranges from three to five percent and stated that four of the 12 units currently vacant are pre-leased. The low vacancy rates among the other market rate comparables indicates strong demand for conventional housing in the area. The Subject is currently 96.4 percent occupied as of the rent roll dated November 9, 2018. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. As a newly renovated property, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on the low vacancy rates among the LIHTC and market rate comparables, as well as the presence of waiting lists among the LIHTC comparables and current performance at the Subject property, 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.

Strengths of the Subject

There are no apparent significant issues with the proposed concept. The majority of the comparable properties are older and generally exhibit average condition. The Subject will undergo an extensive renovation and will exhibit good condition, post-renovation. The slightly superior condition of the Subject will be a strength of the development. The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 2.3 percent, which is considered very low. Additionally, three of the LIHTC and mixed-income comparables maintain waiting lists, with one over 500 households in length. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject is an existing property that currently exhibits average condition and is 96.4 percent occupied. It should be noted that all five vacant units are pre-leased. Additionally, the Subject maintains a waiting list that consists of five households. Therefore, the renovation of the Subject will help the preservation of existing units for which there is ample demand. The Subject offers four-bedroom units, which are in limited supply in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will undergo an extensive renovation. The renovated Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and similar to slightly superior property amenities. Notable in-unit amenities offered by Subject include walk-in closets and in-unit washers and dryers. Notable property amenities offered by Subject include a courtyard, business center, community room, on-site management, exercise facility, playground, swimming pool, picnic area, and recreational area. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the Subject's current performance, we believe that the renovated Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) 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 is 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.



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@novoco.com
913-312-4615

December 17, 2018



Brian Neukam
Manager
Brian.Neukam@novoco.com

December 17, 2018



Travis Jorgenson
Jr. Analyst
Travis.Jorgenson@novoco.com

December 17, 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.



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@novoco.com
913-312-4615

December 17, 2018



Travis Jorgenson
Jr. Analyst
Travis.Jorgenson@novoco.com

December 17, 2018



Brian Neukam
Manager
Brian.Neukam@novoco.com

December 17, 2018

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 AND NEIGHBORHOOD



Exterior view of Subject



Exterior view of Subject



Exterior view of Subject



Exterior view of Subject



Subject signage



Leasing office at Subject



View NW along New Hope Road



View SE along New Hope Road



Computer lab at Subject



Management office at Subject



Swimming pool at Subject



Exercise facility at Subject



Playground at Subject



Video surveillance at Subject



Community room at Subject



Laundry facility 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



Typical bathroom at Subject



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Member of Kansas Housing Association
Board of Directors 2017 - Present
Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network

State of Arkansas Certified General Real Estate Appraisal No. CG2682
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of Louisiana Certified General Real Estate Appraiser No. 4018
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

Various Continuing Education Classes as required by licensing, 2016 & 2017
USPAP Update, January 2016
Forecasting Revenue, June 2015
Discounted Cash Flow Model, June 2015
Business Practices and Ethics, April 2015
HUD MAP Training – June 2013
The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
How to Analyze and Value Income Properties, May 2011
Appraising Apartments – The Basics, May 2011
HUD MAP Third Party Tune-Up Workshop, September 2010

HUD MAP Third Party Valuation Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
HUD MAP – Valuation Advance MAP Training, April 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

A representative sample of Valuation or Consulting Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. 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 market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- 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 and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with

HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.

- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Midwest FHA Lenders Conference: Annual Meetings
- Southwest FHA Mortgage Association Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- National Council of State Housing Agencies: Housing Credit Connect Conferences
- National Leased Housing Association: Annual Meeting
- Nebraska's County Assessors: Annual Meeting
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing (CCAH) Meetings

**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.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Travis Jorgenson

I. Education

Georgia Institute of Technology- Atlanta, GA
Bachelors of Business Administration and Management, General Management

II. Professional Experience

Junior Analyst, Novogradac & Company LLP, July 2017 – Present
Claims Analyst, Zelis Healthcare, May 2017-July 2017
Automotive Research Intern, Hearst Autos, October 2016-May 2017

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

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
Subject	Ashton Creek Apartments 239 New Hope Road Lawrenceville, GA 30046 Gwinnett County	-	Garden 3-stories 2003 / n/a Family	@60%	1BR / 1BA	32	22.9%	822	@60%	\$751	Yes	Yes	0	0.0%
					2BR / 2BA	58	41.4%	1,086	@60%	\$899	Yes	Yes	3	5.2%
					3BR / 2BA	24	17.1%	1,209	@60%	\$1,028	Yes	Yes	1	4.2%
					4BR / 3BA	26	18.6%	1,460	@60%	\$1,131	Yes	Yes	1	3.9%
						<u>140</u>	<u>100.0%</u>							<u>5</u>
1	Alexander Mill 158 Paper Mill Road Lawrenceville, GA 30045 Gwinnett County	0.6 miles	Garden 3-stories 2002 / n/a Family	@60%	2BR / 2BA	157	70.1%	1,094	@60%	\$925	Yes	No	5	3.2%
					3BR / 2BA	67	29.9%	1,280	@60%	\$1,055	Yes	No	1	1.5%
						<u>224</u>	<u>100.0%</u>							<u>6</u>
2	Greens At Hillcrest II 850 Hillcrest Greens Drive Lawrenceville, GA 30045 Gwinnett County	1.9 miles	Various 3-stories 2002 / n/a Family	@60%	2BR / 2BA	40	27.4%	993	@60%	\$881	No	No	N/A	N/A
					2BR / 2BA	30	20.6%	1,110	@60%	\$881	No	No	N/A	N/A
					3BR / 2BA	40	27.4%	1,110	@60%	\$1,004	No	No	N/A	N/A
					3BR / 2BA	36	24.7%	1,363	@60%	\$1,004	No	No	N/A	N/A
						<u>146</u>	<u>100.0%</u>							
3	Herrington Mill Apartments 1564 Herrington Road Lawrenceville, GA 30043 Gwinnett County	5.9 miles	Garden 3-stories 2003 / n/a Family	@60%	1BR / 1BA	48	16.4%	975	@60%	\$750	Yes	Yes	0	0.0%
					2BR / 2BA	220	75.3%	1,175	@60%	\$899	Yes	Yes	0	0.0%
					3BR / 2BA	24	8.2%	1,350	@60%	\$1,028	Yes	Yes	0	0.0%
						<u>292</u>	<u>100.0%</u>							
4	Magnolia Pointe 1475 Boggs Rd Duluth, GA 30096 Gwinnett County	6.6 miles	Garden 2-stories 2000 / n/a Family	@50%, @60%, Market	1BR / 1BA	13	5.4%	737	@50%	\$625	Yes	Yes	0	0.0%
					1BR / 1BA	11	4.6%	737	@60%	\$770	Yes	Yes	0	0.0%
					1BR / 1BA	36	14.9%	737	Market	\$807	N/A	No	2	5.6%
					2BR / 2BA	22	9.1%	1,008	@50%	\$746	Yes	Yes	0	0.0%
					2BR / 2BA	18	7.4%	1,008	@60%	\$919	Yes	Yes	0	0.0%
					2BR / 2BA	70	28.9%	1,008	Market	\$965	N/A	No	2	2.9%
					3BR / 2BA	16	6.6%	1,163	@50%	\$849	Yes	Yes	0	0.0%
					3BR / 2BA	16	6.6%	1,163	@60%	\$1,049	Yes	Yes	0	0.0%
					3BR / 2BA	40	16.5%	1,163	Market	\$1,054	N/A	No	1	2.5%
						<u>242</u>	<u>100.0%</u>							
5	Magnolia Village 287 East Crogan Street Lawrenceville, GA 30046 Gwinnett County	0.7 miles	Garden 3-stories 2002 / n/a Family	@50%, @60%, Market	1BR / 1BA	19	10.0%	975	@50%	\$637	Yes	Yes	0	0.0%
					1BR / 1BA	8	4.2%	975	@60%	\$782	Yes	Yes	0	0.0%
					1BR / 1BA	9	4.7%	975	Market	\$900	N/A	Yes	0	0.0%
					2BR / 2BA	47	24.7%	1,175	@50%	\$756	Yes	Yes	0	0.0%
					2BR / 2BA	47	24.7%	1,175	@60%	\$929	Yes	Yes	1	2.1%
					2BR / 2BA	24	12.6%	1,175	Market	\$1,010	N/A	Yes	1	4.2%
					3BR / 2BA	20	10.5%	1,375	@50%	\$831	No	Yes	0	0.0%
					3BR / 2BA	8	4.2%	1,375	@60%	\$1,071	Yes	Yes	0	0.0%
					3BR / 2BA	8	4.2%	1,375	Market	\$1,140	N/A	Yes	0	0.0%
	<u>190</u>	<u>100.0%</u>								<u>2</u>	<u>1.1%</u>			
6	The View At Sugarloaf 5355 Sugarloaf Parkway Lawrenceville, GA 30043 Gwinnett County	5.1 miles	Garden 2-stories 1994 / 2013 Family	@50%, @60%	2BR / 2BA	8	6.2%	974	@50%	\$716	Yes	No	N/A	N/A
					2BR / 2BA	44	33.9%	974	@60%	\$885	Yes	No	N/A	N/A
					3BR / 2BA	5	3.9%	1,143	@50%	\$773	Yes	No	N/A	N/A
					3BR / 2BA	8	6.2%	1,197	@50%	\$808	Yes	No	N/A	N/A
					3BR / 2BA	25	19.2%	1,143	@60%	\$1,003	Yes	No	N/A	N/A
					3BR / 2BA	39	30.0%	1,197	@60%	\$1,003	Yes	No	N/A	N/A
					3BR / 2BA	1	0.8%	1,143	Non-Rental	-	N/A	No	0	0.0%
	<u>130</u>	<u>100.0%</u>								<u>3</u>	<u>2.3%</u>			
7	1760 Apartment Homes 1760 Lakes Parkway Lawrenceville, GA 30043 Gwinnett County	4.7 miles	Midrise 4-stories 2017 / n/a Family	Market	1BR / 1BA	125	52.3%	807	Market	\$1,365	N/A	No	N/A	N/A
					2BR / 1BA	99	41.4%	1,204	Market	\$1,640	N/A	No	N/A	N/A
					3BR / 2BA	15	6.3%	1,366	Market	\$1,827	N/A	No	N/A	N/A
						<u>239</u>	<u>100.0%</u>							
8	Carolina Apartments 215 Paper Mill Road Lawrenceville, GA 30046 Gwinnett County	0.7 miles	Various 2-stories 1982 / 2004 Family	Market	2BR / 1BA	N/A	N/A	900	Market	\$725	N/A	No	0	0.0%
					2BR / 1.5BA	N/A	N/A	1,200	Market	\$750	N/A	No	0	0.0%
						<u>82</u>	<u>100.0%</u>							<u>0</u>
9	Deauville Apartments 451 Huff Street Lawrenceville, GA 30046 Gwinnett County	1.3 miles	Garden 1-stories 1970's / n/a Family	Market	1BR / 1BA	25	32.1%	625	Market	\$765	N/A	Yes	0	0.0%
					2BR / 1BA	37	47.4%	900	Market	\$872	N/A	Yes	0	0.0%
					3BR / 1.5BA	16	20.5%	1,000	Market	\$974	N/A	Yes	0	0.0%
						<u>78</u>	<u>100.0%</u>							<u>0</u>
10	Hawthorne At Sugarloaf 4975 Sugarloaf Parkway Lawrenceville, GA 30044 Gwinnett County	4.6 miles	Garden 3-stories 2007 / n/a Family	Market	1BR / 1BA	N/A	N/A	691	Market	\$1,035	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	890	Market	\$1,191	N/A	No	5	N/A
					2BR / 2BA	N/A	N/A	1,186	Market	\$1,315	N/A	No	5	N/A
					2BR / 2BA	N/A	N/A	1,332	Market	\$1,414	N/A	No	3	N/A
					3BR / 2BA	N/A	N/A	1,540	Market	\$1,735	N/A	No	2	N/A
					3BR / 2BA	N/A	N/A	1,595	Market	\$1,585	N/A	No	1	N/A
	<u>260</u>									<u>17</u>	<u>6.5%</u>			
11	Knollwood Park 255 Honeysuckle Circle Lawrenceville, GA 30045 Gwinnett County	1.3 miles	Garden 2-stories 1998 / n/a Family	Market	2BR / 2BA	90	63.4%	1,082	Market	\$1,029	No	No	3	3.3%
					3BR / 2BA	52	36.6%	1,304	Market	\$1,138	No	No	9	17.3%
						<u>142</u>	<u>100.0%</u>							<u>12</u>
12	SYNC At Ten Oaks 405 Philip Blvd. Lawrenceville, GA 30046 Gwinnett County	2.2 miles	Garden 1-stories 2007 / n/a Family	Market	1BR / 1BA	102	35.4%	795	Market	\$1,169	N/A	No	N/A	N/A
					2BR / 2BA	174	60.4%	1,054	Market	\$1,332	N/A	No	N/A	N/A
					3BR / 2BA	12	4.2%	1,247	Market	\$1,520	N/A	No	N/A	N/A
						<u>288</u>	<u>100.0%</u>							

ADDENDUM E
Site Plan

