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**A MARKET CONDITIONS AND  
PROJECT EVALUATION SUMMARY**

**OF:**

**HERNDON  
SQUARE  
SENIORS**

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: HERNDON SQUARE SENIORS**

Cameron Madison Alexander Boulevard NW and Gray Street NW  
Atlanta, Fulton County, Georgia 30318

Effective Date: May 10, 2019  
Report Date: May 23, 2019

Prepared for:  
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May 23, 2019

Mark Straub  
Regional Vice President  
Pennrose, LLC  
3800 St. Elmo Avenue, Suite 204  
Chattanooga, Tennessee 37409

Re: Application Market Study for Herndon Senior Squares, located in Atlanta, Fulton County, Georgia

Dear Mr. Mark Straub:

At your request, Novogradac & Company LLP performed a study of the multifamily rental market in the Atlanta, Fulton County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We previously completed an application market study for this property in May 2017 and November 2018.

The purpose of this market study is to assess the viability of the proposed 97-unit senior LIHTC project. It will be a newly constructed affordable LIHTC project, with 97 revenue generating units, restricted to senior households ages 62 and older earning 60 percent of the Area Median Income (AMI) or less. All units will operate with project-based rental subsidy, where tenants will pay 30 percent of their income towards rent. 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 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



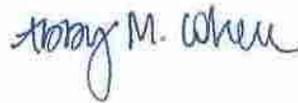
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**Addendum**

# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Herndon Square Seniors will be a newly constructed senior property located at Cameron Madison Alexander Boulevard NW and Gray Street NW in Atlanta, Fulton County, Georgia, which will consist of one, five-story, midrise, residential building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2018 LIHTC Maximum Allowable Gross Rent	2018 HUD Small Area Fair Market Rents
@60% (PBRA)							
1BR / 1BA	692	87	\$757	\$163	\$920	\$842	\$920
2BR / 2BA	957	10	\$826	\$234	\$1,060	\$1,011	\$1,060
		<b>97</b>					

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

All of the Subject’s units at the 60 percent of AMI level will operate with a Section 8 project-based subsidy. Tenants in these units will pay 30 percent of their AMI towards rent. The proposed rents for the Subject’s units at the 60 percent of AMI level are contract rents and are above the maximum allowable levels. Were the Subject to lose its subsidy, these rents would be lowered to within the maximum allowable levels. The Subject’s amenity package is considered to be comparable to the existing housing supply in the market.

### 2. Site Description/Evaluation

The Subject site is located along the south side of Cameron Madison Alexander Boulevard NW, just west of its intersection with Gray Street NW, and is part of a larger master planned community, which will also include general population rental units, commercial and retail uses, and townhouses. The Subject site has average visibility and good accessibility from Cameron Madison Alexander Boulevard NW. The Subject site is currently undeveloped sparsely wooded vacant land. The Subject’s neighborhood appears to be a good location for a new senior multifamily development. Most desirable locational amenities are located less than two miles from the Subject site including a grocery store, retail, a senior center, public transportation, and a public library. The Subject site is in a mixed-use neighborhood with surrounding land uses consisting of vacant land that is part of the Subject’s larger master planned community, single-family homes in average condition, commercial and retail uses in average to good condition, and office buildings in average to good condition. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 51 out of 100. Crime risk indices in the Subject’s area are considered high; however, the Subject will offer limited access and video surveillance as security features. We believe the proposed security features will be sufficient to deter crime at the property. The Subject site is considered a desirable building site for rental housing.

### 3. Market Area Definition

The PMA boundaries consist of Perry Boulevard, West Marietta Street, and 17<sup>th</sup> Street to the north, Interstate 285 to the west, Arthur B. Langford Jr. Parkway to the south, and Interstate 75/85 to the east. This area includes the central and southwestern portion of the city of Atlanta. The distances from the Subject to the farthest boundaries of the PMA in each direction area listed as follows:

North: 4.3 miles  
East: 1.6 miles  
South: 7.4 miles  
West: 7.7 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from all over the Atlanta metropolitan area. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2018 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 7.7 miles. The 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**

The senior population in the PMA and the MSA increased significantly from 2000 to 2018, though the rate of growth is projected to slow through market entry and 2023. The current senior population of the PMA is 22,718 and is expected to be 24,417 in 2021. Renter households are concentrated in the lowest income cohorts, with 81.9 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target households earning between \$0 and \$35,940 for its PBRA units as proposed and \$25,260 to \$35,940 absent subsidy; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been steady, and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 2,312 housing units nationwide was in some stage of foreclosure as of April 2019. The city of Atlanta is experiencing a foreclosure rate of one in every 1,718 homes, while Fulton County is experiencing foreclosure rate of one in every 1,850 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Atlanta is experiencing a similar foreclosure rate to Fulton County, and a higher rate than Georgia and the nation as a whole. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

#### **5. Economic Data**

Employment in the PMA is concentrated in four industries which represent approximately 47.6 percent of total local employment. The large share of PMA employment in retail trade and accommodation/food services is notable as both industries are historically volatile, and prone to contraction during recessionary periods. 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. The local economy appears to have diverse and low paying jobs in the educational services, retail trade, accommodation/food services, and healthcare/social assistance sectors which is expected to generate demand for affordable housing in the PMA.

The effects of the recession were particularly pronounced in the MSA, which suffered a 6.9 percentage point contraction in employment growth (2007-2010), well below the 4.9 percentage point contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.8 percent, slightly lower than the current national unemployment rate of 4.1 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

## 6. Project-Specific Affordability and Demand Analysis

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents*
1BR @60% (PBRA)	\$0	\$35,940	87	2,257	58	2199	4.0%	\$679
1BR @60%	\$25,260	\$35,940	87	376	58	318	27.4%	\$679
2BR @60% (PBRA)	\$0	\$35,940	10	476	19	457	2.2%	\$777
2BR @60%	\$30,330	\$35,940	10	79	19	60	16.6%	\$777
@60% (PBRA) Overall	\$0	\$35,940	97	2,733	77	2656	3.7%	-
@60% Overall	\$25,260	\$35,940	97	455	77	378	25.7%	-

\*Represents maximum allowable rents at the 60 percent of AMI level

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 eight “true” comparable properties containing 2,232 units.

The availability of LIHTC data is considered good; we utilized four affordable LIHTC properties within the PMA, three of which are affordable/market rate properties, and one of which also benefits from Project-based Section 8 Vouchers, similar to the proposed Subject. Three of the LIHTC properties are age-restricted developments that offer similar unit types in comparison to the proposed Subject. The comparable LIHTC properties are all located in the PMA, between 0.5 and 5.5 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in the western portion of Atlanta and there are numerous market rate properties in the area. We included four conventional properties in our analysis of the competitive market. All of the market rate properties are located within the PMA, between 0.3 and 1.1 miles from the Subject site. These comparables were built or renovated between 2003 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 types.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. 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 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

**SUBJECT COMPARISON TO COMPARABLE RENTS**

Unit Type	Rent Level	Subject Proposed Rent*	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60% (PBRA)	\$679	\$577	\$1,900	\$1,235	82%
2BR / 2BA	@60% (PBRA)	\$777	\$666	\$3,016	\$1,527	97%

\*Represents maximum allowable rents at the 60 percent of AMI level

As illustrated in the previous table, the Subject’s LIHTC rents for the one and two-bedroom units are well below the surveyed average when compared to the comparables. The Subject’s maximum allowable one and two-bedroom LIHTC rents are 82 to 97 percent below the surveyed averages, respectively. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable unrestricted rents at the market rate properties.

1016 Lofts is achieving the highest one-bedroom unrestricted rents among the comparables. The Subject will be slightly inferior to 1016 Lofts upon completion. 1016 Lofts was built in 2003 and exhibits good condition, which is slightly inferior to the Subject’s anticipated excellent condition upon completion. This development is located approximately 1.1 miles north of the Subject site and offers a similar location. 1016 Lofts offers superior property amenities, as it offers garage parking and a swimming pool, neither of which will be offered at the Subject. However, 1016 Lofts offers slightly inferior in-unit amenities when compared to the Subject as it does not offer a pull cords or hand rails, both of which will be offered at the Subject, and are amenities that seniors desire. The maximum allowable LIHTC rents for the Subject’s one-bedroom units at 60 percent of the AMI are approximately 106 percent below the lowest rents being achieved at 1016 Lofts.

935M is achieving the highest two-bedroom unrestricted rents among the comparables. The Subject will be similar to 935M upon completion. 935M was built in 2010 and exhibits good condition, which is slightly inferior to the Subject’s anticipated excellent condition upon completion. This development is located approximately 0.8 miles north of the Subject site and offers a similar location. 935M offers slightly superior property amenities, as it offers garage parking and a swimming pool, neither of which will be offered at the Subject. However, 935M offers slightly inferior in-unit amenities when compared to the Subject as it does not offer a pull cords, hand rails, or in-unit washer/dryers, all of which will be offered at the Subject. The maximum allowable LIHTC rents for the Subject’s two-bedroom units at 60 percent of the AMI are approximately 143 percent below the lowest rents being achieved at 935M. Overall, we believe that the Subject’s proposed rents are achievable in the market, absent subsidy, and will offer a significant advantage when compared to the average rents being achieved at comparable properties. However, as a fully subsidized property, all tenants will contribute 30 percent of their income towards rent.

**8. Absorption/Stabilization Estimate**

Information regarding the absorption periods of three properties is illustrated in the following table. Note that only one of the comparable properties was able to report absorption information, therefore we supplemented our analysis with two additional properties in the PMA.

<b>ABSORPTION</b>					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Platform Apartments	Market	Family	2018	324	21
Baptist Gardens	LIHTC	Senior	2013	100	15
Veranda At Scholars Landing	Section 8	Senior	2013	100	66

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed new construction age-restricted LIHTC/PBRA development that will target seniors age 62 and older. The most recently completed multifamily development able to report absorption information, Platform Apartments, is a market rate property that was completed in 2018, and was absorbed at a rate of 21 units per month. Baptist Gardens and Veranda at Scholars Landing are the most comparable properties that could report absorption information to the Subject, as both properties are affordable age-restricted developments. Given the above information, the low vacancy rates and extensive waiting lists at the affordable senior comparables, subsidy in place on all units, and generally low capture rates, we believe that the Subject will reach 93 percent

occupancy within three months of completion. This equates to an absorption rate of approximately 30 units per month.

## 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 properties reported an overall vacancy rate of 1.1 percent. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length. Based on these factors, we believe that there is sufficient demand for additional affordable senior rental housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to inferior property amenities. According to the developer, the Subject will offer a computer lab, game room, elevators, an exercise facility, central laundry facilities, on-site management, a picnic area, and a recreation area, which many of the comparables lack. However, the Subject will lack a swimming pool, which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As a new construction development, the Subject will be in excellent condition upon completion, will offer competitive in-unit amenities, and will be slightly superior to the multifamily LIHTC developments in the area. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer two-bedroom units, which are generally much less prevalent among the age-restricted LIHTC comparable properties and are demonstrated to be in demand in the market. In general, the Subject will be slightly inferior to similar when compared to the market rate comparables, and similar to slightly superior when compared to the affordable comparables. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing of all types as evidenced by extensive waiting lists and low vacancy rates at the majority of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

**HERNDON SQUARE SENIORS – ATLANTA, GEORGIA – MARKET STUDY**

Summary Table:	
Development Name:	<b>Herndon Square Seniors</b> Cameron Madison Alexander Boulevard NW @ Gray Street NW Atlanta, GA 30318
Location:	
PMA Boundary:	North: Perry Boulevard, West Marietta Street, and 17th Street; South: Arthur B. Langford Jr. Parkway; East: Interstate 75/85; West: Interstate 285
	Farthest Boundary Distance to Subject: 7.7 miles
Total # Units:	<b>97</b>
# LIHTC Units:	97

Rental Housing Stock (found on page 61)				
Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	116	20,078	404	98.0%
Market-Rate Housing	44	6,702	170	97.5%
Assisted/Subsidized Housing not to include LIHTC	30	4,450	99	97.8%
LIHTC	42	8,926	135	98.5%
Stabilized Comps	116	20,078	404	98.0%
Properties in Construction & Lease Up	35	8,523	8,523	0.0%

*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
87	1BR at 60% AMI	1	692	\$679	\$1,235	\$1.78	82%	\$1,900	\$2.80
10	2BR at 60% AMI	2	957	\$777	\$1,527	\$1.60	97%	\$3,016	\$3.88

Capture Rates (found on page 59)						
Targeted Population	@60% (PBRA)	@60%	0%	Market-rate	Other: __	Overall
Capture Rate:	3.7%	25.7%	-	-	-	-

\*Includes LIHTC and unrestricted (when applicable)  
 \*\*Maximum LIHTC rents at 60% AMI

## **B. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located along the south side of Cameron Madison Alexander Boulevard NW at Gray Street NW in Atlanta, Fulton County, Georgia 30318. The Subject site is currently vacant. It should be noted that the Subject is part of a larger master planned community that will also include general population rental units, commercial and retail uses, and townhouses.
- 2. Construction Type:** The Subject will consist of one, four-story, elevator-serviced, midrise building. The Subject will be new construction.
- 3. Occupancy Type:** Seniors ages 62 and older.
- 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.

**HERNDON SQUARE SENIORS – ATLANTA, GEORGIA – MARKET STUDY**

Herndon Square Seniors												
<b>Location</b>	South Side of Cameron Madison Alexander Boulevard NW @ Gray Street NW Atlanta, GA 30318 Fulton County											
<b>Units</b>	97											
<b>Type</b>	Midrise (age-restricted) (4 stories)											
<b>Year Built / Renovated</b>	2020 / n/a											
<b>Tenant Characteristics</b>	Seniors 62+											
Market												
<b>Program</b>	@60% (Project Based Rental Assistance - PBRA)					<b>Leasing Pace</b>	n/a					
<b>Annual Turnover Rate</b>	n/a					<b>Change in Rent (Past Year)</b>	n/a					
<b>Units/Month Absorbed</b>	n/a					<b>Concession</b>						
<b>Section 8 Tenants</b>	n/a											
Utilities												
<b>A/C</b>	not included – central					<b>Other Electric</b>	not included					
<b>Cooking</b>	not included – electric					<b>Water</b>	not included					
<b>Water Heat</b>	not included – electric					<b>Sewer</b>	not included					
<b>Heat</b>	not included – electric					<b>Trash Collection</b>	included					
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Midrise (4 stories)	87	692	\$757	\$0	@60% (Project Based Rental Assistance - PBRA)	n/a	N/A	N/A	yes	
2	2	Midrise (4 stories)	10	957	\$826	\$0	@60% (Project Based Rental Assistance - PBRA)	n/a	N/A	N/A	yes	
Amenities												
<b>In-Unit</b>	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Pull Cords Refrigerator Walk-In Closet Washer/Dryer Washer/Dryer hookup					<b>Security</b>	Intercom (Buzzer) Limited Access Video Surveillance					
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Recreation Areas Wi-Fi					<b>Premium</b>	Hairdresser / Barber					
<b>Services</b>	none					<b>Other</b>	none					
Comments												
Construction is anticipated to start in October 2019 and last for 14 months, indicating a completion date of December 2020. The proposed utility allowance for one-bedroom units is \$163 and for two-bedroom units is \$234.												

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in October 2019 and be completed in December 2020. However, we have utilized 2021 as the market entry year for demographic purposes according to the DCA Market Study Manual.
- Conclusion:** The Subject will be an excellent-quality brick and vinyl siding four-story elevator-serviced, midrise style apartment complex, similar to superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brinton Noble visited the site on May 10, 2019.

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

**Frontage:** The Subject site has frontage along the south side of Cameron Madison Alexander Boulevard NW.

**Visibility/Views:** The Subject site has good visibility from the south side of Cameron Madison Alexander Boulevard NW. Visibility and views from the site will be good and initially will include vacant land and commercial uses. Views will eventually consist of Blocks one, two, and four of the Subject’s larger master planned community, which will consist of general population rental units, commercial and retail uses, and townhouses.

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



Source: Google Earth, April 2019.

The Subject site is located along the south side of Cameron Madison Alexander Boulevard NW. The Subject is a portion of the larger Herndon Homes development, which will consist of four separate blocks. The Subject will consist of a portion of Block 3. Immediately north of the Subject site is vacant undeveloped land and the Technology Enterprise Park in good condition. Immediately east of the Subject site, land use consists of undeveloped vacant land that is part of Block 3 and is proposed to be developed with 32 market rate townhomes. Land use farther east consists of a large office complex in average condition. Immediately south of the Subject site is undeveloped vacant land that is proposed to be developed with Block 4 of Herndon Homes development, which will consist of 169 one, two, and three-bedroom units. Farther south of the Subject site, land use consists of a commercial parking lot. Southwest of the Subject site is undeveloped vacant land that is proposed to be developed with Block 2 of the Herndon Homes development, which will consist of 200 one, two, and three-bedroom units and retail space. Farther southwest of the Subject site, land use consists of the Point at Westside Apartments, a 263-unit multifamily development in good condition that has been utilized as a comparable in this report. Immediately west of the Subject site is also undeveloped vacant land that is part of the Subject site. This site will eventually be improved with Block 1 of the Herndon Homes development, which will offer 194 one, two, and three-bedroom units, in addition to retail and commercial space. Further west of the Subject site consists of a house of worship in average condition, vacant commercial buildings in fair condition, and vacant wooded land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. It should be noted that some commercial space will be developed as part of the Subject’s larger master planned community. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 51 out of 100. The Subject site is considered a desirable building site for rental housing. The uses surrounding the Subject are generally in good condition and the site has good proximity to locational amenities, which are within 2.7 miles of the Subject site.

**Positive/Negative Attributes of Site:**

The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Interstate 75/85, which provides convenient access to other employment centers. Further, retail uses will be constructed in Blocks I and II and will be walkable from the Subject. We did not observe any negative attributes.

- 3. **Physical Proximity to Locational Amenities:**
- 4. **Pictures of Site and Adjacent Uses:**

The Subject is located within 2.7 miles of all locational amenities.

The following are pictures of the Subject site and adjacent uses.

**PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD**



View of Subject site



View of Subject site



View of Subject site



View north from Subject site



View east from Subject site



View of Subject site and vacant land of future phases of development



View of Subject site and vacant land of future phases of development



View of vacant land of future phases of development



View west along Cameron Madison Alexander Boulevard



View east along Cameron Madison Alexander Boulevard



View north along Gray Street



View south along Gray Street



Commercial uses in Subject's neighborhood



House of worship in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Mercedes-Benz Stadium



Commercial uses in Subject's neighborhood



Commercial uses 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 table details the Subject’s distance from key locational amenities.



Source: Google Earth, April 2019.

**LOCATIONAL AMENITIES**

Map #	Service or Amenity	Distance from Subject (Driving)
1	Circle K	0.3 miles
2	Bus Stop	0.7 miles
3	Wells Fargo Bank	0.8 miles
4	United States Postal Service	1.0 miles
5	Vine City Transit Station	1.1 miles
6	Atlanta Police Department Magnolia Street Precinct	1.2 miles
7	Centennial Olympic Park	1.2 miles
8	Atlanta Fire Rescue Station 16	1.5 miles
9	Walmart	1.6 miles
10	Publix	1.8 miles
11	Walgreens	1.8 miles
12	Atlanta Central Library	2.3 miles
13	Grady Memorial Hospital	2.7 miles

**6. Description of Land Uses**

The Subject site is located along the south side of Cameron Madison Alexander Boulevard NW. The Subject is a portion of the larger Herndon Homes development, which will consist of four separate blocks. The Subject will consist of a portion of Block 3. Immediately north of the Subject site is vacant undeveloped land and the Technology Enterprise Park in good condition. Immediately east of the Subject site, land use consists of undeveloped vacant land that is part of Block 3 and is proposed to be developed with 32 market rate townhomes. Land use farther east consists of a large office complex in average condition. Immediately south of the Subject site is undeveloped vacant land that is proposed to be developed with Block 4 of Herndon Homes development, which will consist of 169 one, two, and three-bedroom units. Farther south of the Subject site, land use consists of a commercial parking lot. Southwest of the Subject site is undeveloped vacant land that is proposed to be developed with Block 2 of the Herndon Homes development, which will consist of 200 one, two, and three-bedroom units and retail space. Farther southwest of the Subject site, land use consists of the Point at Westside Apartments, a 263-unit multifamily development in good condition that has been utilized as a comparable in this report. Immediately west of the Subject site is also undeveloped vacant land that is part of the Subject site. This site will eventually be improved with Block 1 of the Herndon Homes development, which will offer 194 one, two, and three-bedroom units, in addition to retail and commercial space. Farther west of the Subject site consists of a house of worship in average condition, vacant commercial buildings in fair condition, and vacant wooded land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. It should be noted that some commercial space will be developed as part of the Subject's larger master planned community. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 51 out of 100. The Subject site is considered a desirable building site for rental housing. The uses surrounding the Subject are generally in good condition and the site has good proximity to locational amenities, which are within 2.7 miles of the Subject site.

**7. Crime:**

The following table illustrates crime statistics in the Subject's PMA compared to the MSA.

**2018 CRIME INDICES**

	PMA	Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area
<b>Total Crime*</b>	<b>324</b>	<b>139</b>
<b>Personal Crime*</b>	<b>487</b>	<b>130</b>
Murder	631	155
Rape	181	88
Robbery	641	163
Assault	442	118
<b>Property Crime*</b>	<b>302</b>	<b>140</b>
Burglary	326	147
Larceny	268	134
Motor Vehicle Theft	518	178

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

\*Unweighted aggregations

The total crime indices in the PMA are significantly above that of the MSA and the nation. The Subject will offer limited access and video surveillance. All of the comparables offer at least two security features. As such, we believe the Subject’s proposed security features are necessary and market-oriented.

- 8. Existing Assisted Rental Housing Property Map:** The following map and list identifies all assisted rental housing properties in the PMA.

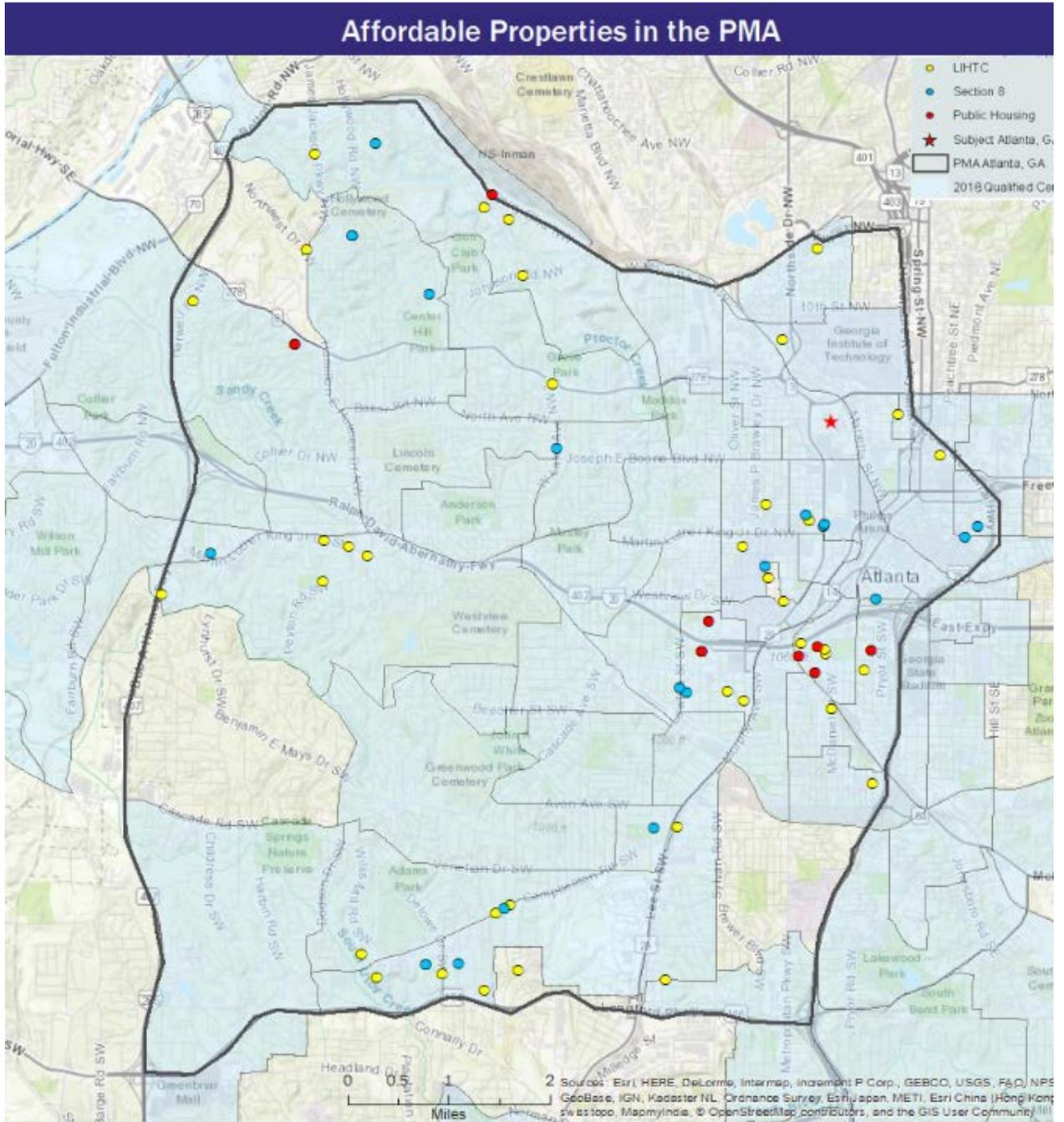
**HERNDON SQUARE SENIORS – ATLANTA, GEORGIA – MARKET STUDY**

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color
Herndon Square Seniors	LIHTC/PBRA	Atlanta	Senior	97	-	Star
Baptist Gardens	LIHTC	Atlanta	Senior	100	5.5 miles	Yellow
Centennial Place Apartments	LIHTC/ Market	Atlanta	Family	732	0.5 miles	
Columbia Senior Res. At Mechanicsville	LIHTC/ Market	Atlanta	Senior	154	1.9 miles	
Lillie R. Campbell House	LIHTC/ Market	Atlanta	Senior	96	4.8 miles	
Ashley Scholars Landing I	LIHTC/ Market	Atlanta	Family	135	1.3 miles	
Phoenix House	LIHTC/PBRA	Atlanta	Family	65	3.7 miles	
Quest Commons West	LIHTC/ Market	Atlanta	Family	53	1.0 miles	
The Villages At Castleberry Hill	LIHTC/ Market	Atlanta	Family	630	1.5 miles	
Ashley Collegetown Apartments	LIHTC/Section 8/ Market	Atlanta	Family	376	1.9 miles	
Ashley West End	LIHTC/ Market	Atlanta	Family	112	2.4 miles	
Atlantic Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	130	1.5 miles	
Avalon Park - Family	LIHTC/ Market	Atlanta	Family	175	4.4 miles	
Brentwood Village Apartments	LIHTC	Atlanta	Family	506	5.5 miles	
Columbia At Sylvan Hills	LIHTC/ Market	Atlanta	Family	189	4.8 miles	
Columbia Commons	LIHTC/ Market	Atlanta	Family	158	4.1 miles	
Columbia Crest	LIHTC/ Market	Atlanta	Family	152	3.3 miles	
Columbia Estates	LIHTC/ Market	Atlanta	Family	124	3.1 miles	
Columbia Grove	LIHTC	Atlanta	Family	138	2.8 miles	
Commons At Imperial Hotel	LIHTC/PBRA	Atlanta	Family	90	0.9 miles	
Crogman School Lofts	LIHTC/ Market	Atlanta	Family	105	3.0 miles	
Enclave At Webster Park	LIHTC/ Market	Atlanta	Family	230	4.3 miles	
Grove Park Gardens	LIHTC/ Market	Atlanta	Family	110	2.2 miles	
Heritage Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	220	2.4 miles	
Huntingwood Pointe	LIHTC	Atlanta	Family	376	6.4 miles	
M Street Apartments	LIHTC/ Market	Atlanta	Family	308	0.8 miles	
Magnolia Park Apartments	LIHTC/ Market	Atlanta	Family	400	1.3 miles	
Manor At Scott's Crossing	LIHTC/Public Housing	Atlanta	Family	100	4.7 miles	
Mechanicsville Family	LIHTC/ Market	Atlanta	Family	174	1.9 miles	
Oglethorpe Place	LIHTC/ Market	Atlanta	Family	144	2.4 miles	
Park Commons	LIHTC/ Market	Atlanta	Senior	332	4.4 miles	
Parkside at Quarry Yards	LIHTC/Market	Atlanta	Family	177	1.6 miles	
Peaks At West Atlanta	LIHTC/ Market	Atlanta	Family	214	4.5 miles	
Peaks Of MLK	LIHTC/Section 8/ Market	Atlanta	Family	183	4.0 miles	
Preserve At Bent Creek	LIHTC/ Market	Atlanta	Family	324	5.9 miles	
Preserve At Collier Ridge	LIHTC/ Market	Atlanta	Family	419	5.3 miles	
QLS Garden	LIHTC	Atlanta	Family	248	4.9 miles	
Rosa Burney Manor	LIHTC	Atlanta	Family	54	2.0 miles	
Seven Courts Apartments	LIHTC/PBRA	Atlanta	Family	171	4.6 miles	
The Residences At Citycenter	LIHTC/ Market	Atlanta	Family	182	0.9 miles	
Towne West Manor	LIHTC/ Market	Atlanta	Family	111	5.7 miles	
Village Highlands	LIHTC	Atlanta	Family	258	5.2 miles	
Villages of Cascade	LIHTC	Atlanta	Family	180	6.4 miles	
Wells Court Apartments	LIHTC	Atlanta	Family	62	5.8 miles	
Westview Lofts	LIHTC	Atlanta	Family	16	2.7 miles	

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color	
Atrium At Collegetown	LIHTC/Public Housing	Atlanta	Senior	190	2.0 miles	Red	
Adair Court	LIHTC/Public Housing/Market	Atlanta	Senior	91	2.1 miles		
Avalon Park Senior	LIHTC/Public Housing/Market	Atlanta	Senior	136	4.4 miles		
City Views At Rosa Burney Park	LIHTC/Public Housing/Market	Atlanta	Family	180	1.9 miles		
Columbia At Mechanicsville Station	LIHTC/Public Housing/Market	Atlanta	Family	164	1.9 miles		
Columbia Heritage Senior Residences	LIHTC/Public Housing/Market	Atlanta	Senior	132	3.4 miles		
GE Tower Apartments	LIHTC/Public Housing	Atlanta	Family	201	2.1 miles		
Heritage Station	LIHTC/Public Housing/Market	Atlanta	Senior	150	2.4 miles		
Mechanicsville Crossing	LIHTC/Public Housing/Market	Atlanta	Family	164	2.0 miles		
The Veranda At Collegetown	LIHTC/Public Housing	Atlanta	Senior	100	1.9 miles		
Abernathy Tower Apartments	Section 8	Atlanta	Senior	100	2.5 miles		Blue
Allen Hills	LIHTC/ Section 8	Atlanta	Family	458	5.2 miles		
Baptist Towers	Section 8	Atlanta	Family	300	5.4 miles		
Big Bethel Tower Apartments	Section 8	Atlanta	Family	180	1.5 miles		
Community Friendship Housing	Section 8	Atlanta	Family	12	2.5 miles		
Edgewood Center II	Section 8/Market	Atlanta	Family	50	1.5 miles		
Flipper Temple	Section 8	Atlanta	Family	163	4.4 miles		
Friendship Towers	Section 202	Atlanta	Family	102	0.9 miles		
Gateway Capitol View	Section 8	Atlanta	Senior	162	3.6 miles		
Jonnie B Moore Towers	Section 8	Atlanta	Senior	56	3.8 miles		
Landrum Arms Apartments	Section 8	Atlanta	Family	264	6.4 miles		
Oakland City/West End Apartments	Section 8	Atlanta	Family	111	3.7 miles		
Oasis of Vine City	Section 8	Atlanta	Senior	105	0.6 miles		
Providence Manor	Section 8	Atlanta	Senior	46	5.8 miles		
QLS Haven	Section 8	Atlanta	Senior	120	4.8 miles		
Rolling Bends Phase I	Section 8	Atlanta	Family	164	4.2 miles		
Rolling Bends Phase II	Section 8	Atlanta	Family	190	4.2 miles		
Shawnee/Hollywood	Section 8	Atlanta	Family	81	3.5 miles		
Silvertree Seniors	Section 8	Atlanta	Senior	98	2.3 miles		
Veranda At Scholars Landing	Section 8	Atlanta	Senior	100	1.3 miles		
Vine City Terrace Apartments	Section 8	Atlanta	Family	85	0.8 miles		
Welcome House	Section 8	Atlanta	Family	209	1.5 miles		
Westlake Manor Townhouses	Section 8	Atlanta	Family	32	3.1 miles		



**9. Road, Infrastructure or Proposed Improvements:**

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

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

The Subject site can be accessed from Cameron Madison Alexander Boulevard NW, which is a two-lane, neighborhood street that provides access to Gray Street NW just east of the Subject site. Ivan Allen Jr. Boulevard NW is a four-lane road that can be accessed via Gray Street NW. Ivan Allen Jr. Boulevard NW provides access to Interstate 75/85 approximately 0.8 miles to the east. Interstate 75/85

provides access to Chattanooga, TN to the north, and Macon to the south. Overall, access is considered good and visibility is considered average.

**11. Conclusion:**

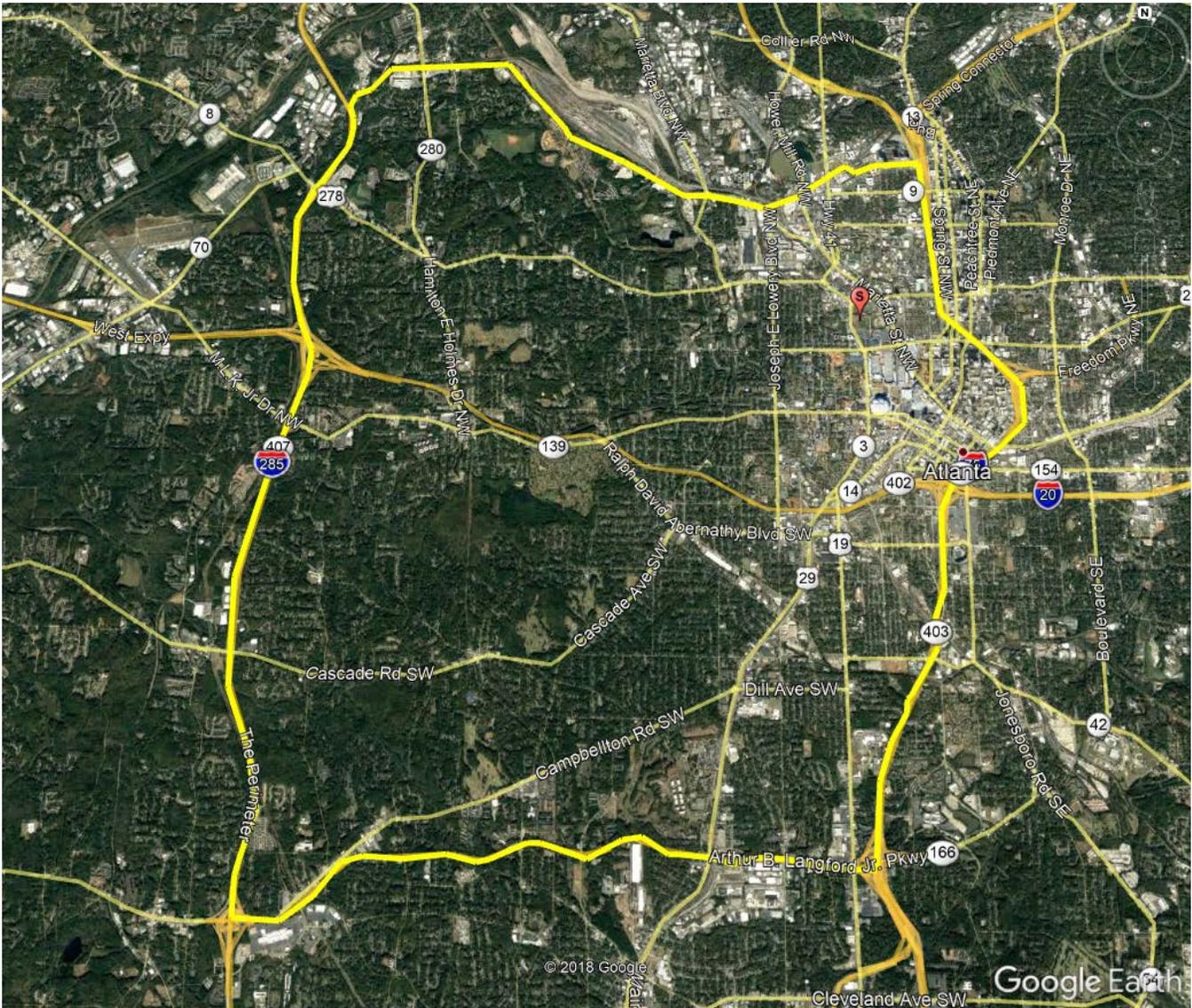
The Subject site is located along the south side of Cameron Madison Alexander Boulevard NW, just west of its intersection with Gray Street NW, and is part of a larger master planned community, which will also include general population rental units, commercial and retail uses, and townhouses. The Subject site has average visibility and good accessibility from Cameron Madison Alexander Boulevard NW. The Subject site is currently undeveloped sparsely wooded vacant land. The Subject's neighborhood appears to be a good location for a new senior multifamily development. Most desirable locational amenities are located less than two miles from the Subject site including a grocery store, retail, a senior center, public transportation, and a public library. The Subject site is in a mixed-use neighborhood with surrounding land uses consisting of vacant land that is part of the Subject's larger master planned community, single-family homes in average condition, commercial and retail uses in average to good condition, and office buildings in average to good condition. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 51 out of 100. Crime risk indices in the Subject's area are considered high; however, the Subject will offer limited access and video surveillance as security features. We believe the proposed security features will be sufficient to deter crime at the property. The Subject site is considered a desirable building site for rental housing.

## **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, April 2019.

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

The PMA boundaries consist of Perry Boulevard, West Marietta Street, and 17<sup>th</sup> Street to the north, Interstate 285 to the west, Arthur B. Langford Jr. Parkway to the south, and Interstate 75/85 to the east. This area

includes the central and southwestern portion of the city of Atlanta. The distances from the Subject to the farthest boundaries of the PMA in each direction area listed as follows:

North: 4.3 miles  
East: 1.6 miles  
South: 7.4 miles  
West: 7.7 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from all over the Atlanta metropolitan area. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2018 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 7.7 miles. The 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.

# **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 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 Atlanta-Sandy Springs-Roswell, GA MSA. Although the Subject’s anticipated completion is in December 2020, we have utilized June 2021 as the estimated market entry time in this section of the report according to DCA guidelines.

**1. Population Trends**

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly 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 Change	Number	Annual Change	Number	Annual Change
2000	153,974	-	4,261,895	-	281,038,168	-
2010	139,726	-0.9%	5,286,728	2.4%	308,745,538	1.0%
2018	148,784	0.8%	5,891,925	1.4%	330,088,686	0.8%
Projected Mkt Entry June 2021	152,617	0.9%	6,153,308	1.5%	338,177,184	0.8%
2023	155,354	0.9%	6,340,010	1.5%	343,954,683	0.8%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

SENIOR POPULATION, 62+						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	19,281	-	407,114	-	41,431,899	-
2010	17,787	-0.8%	625,999	5.4%	50,358,738	2.2%
2018	22,718	3.4%	900,670	5.3%	65,111,602	3.6%
Projected Mkt Entry June 2021	24,417	2.6%	1,015,767	4.4%	70,910,884	3.1%
2023	25,631	2.6%	1,097,978	4.4%	75,053,229	3.1%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

Between 2010 and 2018 there was approximately 3.4 percent annual growth in the senior population of the PMA, which lagged the MSA and slightly lagged the national population growth. Over the next five years, the senior population growth in the PMA is expected to increase at a rate of 2.6 percent per year, which is projected to lag both the MSA and the nation over the same time period. Overall, we believe that population growth in the PMA and MSA is a positive indication of demand for the Subject’s proposed units.

**1b. Total Population by Age Group**

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

**POPULATION BY AGE GROUP**

Age Cohort	PMA				
	2000	2010	2018	Projected Mkt Entry June 2021	2023
0-4	10,412	8,766	8,562	8,803	8,975
5-9	11,353	7,566	8,095	8,058	8,031
10-14	10,433	7,085	7,619	7,757	7,855
15-19	16,671	16,217	15,559	15,845	16,049
20-24	17,584	20,827	19,900	19,762	19,663
25-29	11,510	11,115	13,016	12,858	12,745
30-34	10,133	8,994	10,526	11,360	11,956
35-39	10,682	7,678	8,605	9,037	9,345
40-44	10,437	7,336	7,476	8,047	8,454
45-49	9,469	8,312	7,765	7,799	7,824
50-54	7,817	8,359	7,853	7,887	7,911
55-59	5,967	7,352	8,161	7,967	7,828
60-64	5,560	5,829	7,324	7,554	7,718
65-69	4,697	4,348	6,206	6,580	6,847
70-74	4,003	3,649	4,620	5,189	5,595
75-79	2,948	2,757	3,278	3,666	3,943
80-84	2,234	1,883	2,102	2,279	2,405
85+	2,063	1,653	2,118	2,172	2,210
<b>Total</b>	<b>153,973</b>	<b>139,726</b>	<b>148,785</b>	<b>152,617</b>	<b>155,354</b>

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

**POPULATION BY AGE GROUP**

Age Cohort	Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area				
	2000	2010	2018	Projected Mkt Entry June 2021	2023
0-4	318,718	380,735	382,402	397,255	407,865
5-9	325,853	394,306	398,594	406,328	411,853
10-14	314,167	390,992	409,292	418,865	425,703
15-19	290,064	378,372	391,878	404,872	414,153
20-24	289,487	341,650	395,195	395,840	396,300
25-29	363,934	377,057	444,697	450,847	455,239
30-34	382,069	386,120	422,567	467,675	499,895
35-39	396,706	417,987	417,742	442,594	460,346
40-44	359,953	415,233	402,436	419,584	431,833
45-49	307,240	411,635	415,663	405,316	397,926
50-54	267,442	364,330	399,550	405,114	409,088
55-59	186,716	301,331	381,689	383,793	385,295
60-64	131,017	252,453	323,874	348,645	366,339
65-69	101,827	170,690	268,305	290,969	307,158
70-74	82,788	114,130	186,724	218,052	240,429
75-79	65,285	81,144	115,987	143,460	163,084
80-84	42,347	57,082	68,975	82,510	92,178
85+	36,257	51,481	66,355	71,588	75,326
<b>Total</b>	<b>4,261,870</b>	<b>5,286,728</b>	<b>5,891,925</b>	<b>6,153,308</b>	<b>6,340,010</b>

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

The largest age cohorts in the PMA are between 15 and 19 and 20 and 24. This concentration of young adults in the PMA bodes well for the Subject, as many seniors may relocate to the area to be near their children and younger family members. The age cohorts of 60 to 85 plus, represent 17.2 percent of the total population in

the PMA. The elderly population comprises almost a quarter of the total population in the PMA, which is a positive indicator of demand at the Subject.

**1c. Number of Elderly and Non-Elderly**

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

**NUMBER OF ELDERLY AND NON-ELDERLY**

Year	PMA			Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area		
	Total	Non-Elderly	Elderly (62+)	Total	Non-Elderly	Elderly (62+)
2000	153,974	134,693	19,281	4,261,895	3,615,658	407,114
2010	139,726	121,939	17,787	5,286,728	4,258,417	625,999
2018	148,784	126,066	22,718	5,891,925	4,480,016	900,670
Projected Mkt Entry June 2021	152,617	128,199	24,417	6,153,308	4,614,291	1,015,767
2023	155,354	129,723	25,631	6,340,010	4,710,201	1,097,978

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

The elderly population in the PMA is expected to increase through market entry and 2023.

**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, (e) Elderly Households 62 within the population 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 WITH SENIOR HOUSEHOLDER, 62+**

Year	PMA		Atlanta-Sandy Springs-Roswell, GA Metropolitan		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,628	-	253,278	-	26,183,427	-
2010	12,559	-0.8%	362,827	4.3%	30,451,595	1.6%
2018	14,538	1.9%	524,107	5.4%	38,109,323	3.0%
Projected Mkt Entry June 2021	15,684	2.7%	591,504	4.4%	41,139,464	2.7%
2023	16,502	2.7%	639,644	4.4%	43,303,850	2.7%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.57	-	2.68	-	2.59	-
2010	2.37	-0.7%	2.67	0.0%	2.58	-0.1%
2018	2.33	-0.2%	2.69	0.1%	2.59	0.1%
Projected Mkt Entry June 2021	2.33	0.0%	2.69	0.1%	2.60	0.1%
2023	2.33	0.0%	2.70	0.1%	2.61	0.1%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

Senior household growth in the PMA grew at a lesser rate than the MSA and nation as a whole between 2010 and 2018. Over the next five years, the household growth in the PMA is expected to grow at a similar rate to the nation, and a lower rate than the MSA. The average household size in the PMA is slightly smaller than the national average at 2.33 persons in 2018. 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	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	20,202	38.9%	31,689	61.1%
2018	16,969	31.6%	36,786	68.4%
Projected Mkt Entry June 2021	17,775	32.1%	37,675	67.9%
2023	18,351	32.4%	38,310	67.6%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

**PMA TENURE PATTERNS OF SENIORS 62+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,601	63.1%	5,027	36.9%
2018	7,712	53.0%	6,826	47.0%
Projected Mkt Entry June 2021	8,263	52.7%	7,420	47.3%
2023	8,657	52.5%	7,845	47.5%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

As the table illustrates, senior households within the PMA reside fairly evenly in owner-occupied residences renter-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to remain relatively stable over the next five years. While the number of senior renter-households is projected to increase over the same time period.

**2c. Household Income**

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA**

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	9,545	25.9%	9,500	25.2%	9,467	24.7%
\$10,000-19,999	7,760	21.1%	7,725	20.5%	7,700	20.1%
\$20,000-29,999	5,266	14.3%	5,359	14.2%	5,425	14.2%
\$30,000-39,999	4,176	11.4%	4,199	11.1%	4,216	11.0%
\$40,000-49,999	2,482	6.7%	2,520	6.7%	2,547	6.6%
\$50,000-59,999	1,722	4.7%	1,811	4.8%	1,875	4.9%
\$60,000-74,999	2,088	5.7%	2,170	5.8%	2,228	5.8%
\$75,000-99,999	1,472	4.0%	1,659	4.4%	1,793	4.7%
\$100,000-124,999	903	2.5%	1,052	2.8%	1,159	3.0%
\$125,000-149,999	493	1.3%	603	1.6%	682	1.8%
\$150,000-199,999	442	1.2%	509	1.4%	557	1.5%
\$200,000+	437	1.2%	568	1.5%	661	1.7%
<b>Total</b>	<b>36,786</b>	<b>100.0%</b>	<b>37,675</b>	<b>100.0%</b>	<b>38,310</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, April 2019

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

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	96,676	12.1%	94,785	11.6%	93,435	11.3%
\$10,000-19,999	114,132	14.3%	110,282	13.6%	107,532	13.1%
\$20,000-29,999	111,698	14.0%	109,413	13.4%	107,780	13.1%
\$30,000-39,999	101,667	12.7%	100,564	12.4%	99,776	12.1%
\$40,000-49,999	83,543	10.4%	83,752	10.3%	83,902	10.2%
\$50,000-59,999	64,734	8.1%	66,454	8.2%	67,683	8.2%
\$60,000-74,999	71,271	8.9%	74,132	9.1%	76,176	9.2%
\$75,000-99,999	65,820	8.2%	70,557	8.7%	73,940	9.0%
\$100,000-124,999	35,891	4.5%	39,626	4.9%	42,294	5.1%
\$125,000-149,999	19,141	2.4%	22,052	2.7%	24,131	2.9%
\$150,000-199,999	18,229	2.3%	21,119	2.6%	23,183	2.8%
\$200,000+	17,057	2.1%	21,079	2.6%	23,951	2.9%
<b>Total</b>	<b>799,859</b>	<b>100.0%</b>	<b>813,815</b>	<b>100.0%</b>	<b>823,783</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, April 2019

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 62+**

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	787	21.4%	796	20.7%	803	20.3%
\$10,000-19,999	939	25.5%	961	25.0%	977	24.7%
\$20,000-29,999	526	14.3%	534	13.9%	539	13.6%
\$30,000-39,999	362	9.8%	367	9.6%	371	9.4%
\$40,000-49,999	266	7.2%	289	7.5%	306	7.7%
\$50,000-59,999	187	5.1%	195	5.1%	200	5.1%
\$60,000-74,999	147	4.0%	156	4.1%	163	4.1%
\$75,000-99,999	157	4.3%	166	4.3%	172	4.3%
\$100,000-	133	3.6%	163	4.2%	184	4.6%
\$125,000-	58	1.6%	72	1.9%	82	2.1%
\$150,000-	53	1.4%	64	1.7%	71	1.8%
\$200,000+	62	1.7%	78	2.0%	89	2.2%
<b>Total</b>	<b>3,677</b>	<b>100.0%</b>	<b>3,840</b>	<b>100.0%</b>	<b>3,957</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, May 2019

**RENTER HOUSEHOLD INCOME DISTRIBUTION - Albany, GA Metropolitan Statistical Area, 62+**

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,036	21.2%	1,052	20.6%	1,063	20.3%
\$10,000-19,999	1,340	27.4%	1,370	26.9%	1,392	26.6%
\$20,000-29,999	648	13.2%	653	12.8%	656	12.5%
\$30,000-39,999	471	9.6%	473	9.3%	475	9.1%
\$40,000-49,999	346	7.1%	375	7.4%	396	7.6%
\$50,000-59,999	228	4.7%	237	4.7%	244	4.7%
\$60,000-74,999	207	4.2%	222	4.4%	233	4.4%
\$75,000-99,999	209	4.3%	218	4.3%	224	4.3%
\$100,000-	176	3.6%	209	4.1%	233	4.4%
\$125,000-	78	1.6%	98	1.9%	112	2.1%
\$150,000-	72	1.5%	88	1.7%	99	1.9%
\$200,000+	80	1.6%	98	1.9%	111	2.1%
<b>Total</b>	<b>4,891</b>	<b>100.0%</b>	<b>5,093</b>	<b>100.0%</b>	<b>5,238</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, May 2019

The Subject will target tenants earning between \$0 and \$35,940 as proposed and \$25,260 to \$35,940 absent subsidy. As the table above depicts, approximately 81.9 percent of senior renter households in the PMA are earning incomes between \$0 and \$39,999, which is higher than the 71.4 percent of renter households in the MSA in 2018. For the projected market entry date of June 2021, these percentages are projected to slightly decrease to 80.8 percent and 69.6 percent for the PMA and MSA, respectively.

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

The following table illustrates household size for all households in 2018, 2021 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 June 2021		2023	
	Number	Percentag	Number	Percentag	Number	Percentag
1 Person	7,394	35.8%	7,232	36.1%	7,117	36.2%
2 Persons	5,220	25.3%	5,032	25.1%	4,898	24.9%
3 Persons	3,351	16.2%	3,261	16.3%	3,197	16.3%
4 Persons	2,459	11.9%	2,395	11.9%	2,350	12.0%
5+ Persons	2,219	10.7%	2,139	10.7%	2,081	10.6%
<b>Total Households</b>	<b>20,643</b>	<b>100%</b>	<b>20,060</b>	<b>100%</b>	<b>19,643</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, May 2019

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 62+**

Household Size	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentag	Number	Percentag	Number	Percentag
1 Person	1,705	46.4%	1,777	46.3%	1,829	46.2%
2 Persons	1,300	35.4%	1,385	36.1%	1,445	36.5%
3 Persons	293	8.0%	311	8.1%	323	8.2%
4 Persons	248	6.7%	240	6.3%	235	5.9%
5+ Persons	131	3.6%	128	3.3%	125	3.2%
<b>Total Households</b>	<b>3,677</b>	<b>100%</b>	<b>3,840</b>	<b>100%</b>	<b>3,957</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, May 2019

The majority of senior renter households in the PMA are one and two-person households.

**Conclusion**

The senior population in the PMA and the MSA increased significantly from 2000 to 2018, though the rate of growth is projected to slow through market entry and 2023. The current senior population of the PMA is 22,718 and is expected to be 24,417 in 2021. Renter households are concentrated in the lowest income cohorts, with 81.9 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target households earning between \$0 and \$35,940 for its PBRA units as proposed and \$25,260 to \$35,940 absent subsidy; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been steady, and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **F. EMPLOYMENT TRENDS**

**Employment Trends**

Fulton County encompasses the city of Atlanta, which is easily accessed via Interstate 75 and Interstate 85. The largest industries in the PMA are educational services, retail trade, accommodation/food services, and healthcare/social assistance industries. These industries account for 47.6 percent of total employment within the PMA. Many of Fulton County’s major employers are within close proximity of the subject site. Delta Air Lines and Emory University & Emory Healthcare are the two largest employers in the county, each with more than 30,000 employed at several locations throughout the county.

**1. Covered Employment**

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

<b>COVERED EMPLOYMENT</b>		
<b>Fulton County, Georgia</b>		
<b>Year</b>	<b>Total Employment</b>	<b>% Change</b>
2008	465,380	-
2009	437,746	-6.3%
2010	434,315	-0.8%
2011	448,034	3.1%
2012	464,673	3.6%
2013	467,197	0.5%
2014	473,594	1.4%
2015	483,972	2.1%
2016	503,142	3.8%
2017	521,549	3.5%
2018	536,576	2.8%
2019 YTD Average	529,154	1.4%
Jan-18	526,840	-
Jan-19	529,154	0.4%

Source: U.S. Bureau of Labor Statistics  
 YTD as of Mar 2019

As illustrated in the table above, Fulton County experienced a weakening economy during the national recession. Employment levels declined substantially in 2009 by 6.3 percent. Employment growth quickly rebounded and Fulton County exhibited employment growth from 2010 through 2018. Total employment in Fulton County increased approximately 0.4 percent from January 2018 to January 2019. The strong employment growth since 2010 bodes well for the local market and proposed Subject.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Fulton County as of the 2<sup>nd</sup> quarter of 2018.

<b>TOTAL JOBS BY INDUSTRY</b>		
<b>Fulton County, Georgia - Q2 2018</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total, all industries</b>	<b>769,029</b>	<b>100.0%</b>
<b>Goods-producing</b>	<b>50,891</b>	<b>6.6%</b>
Natural resources and mining	357	0.0%
Construction	19,358	2.5%
Manufacturing	31,176	4.1%
<b>Service-providing</b>	<b>718,138</b>	<b>93.4%</b>
Trade, transportation, and utilities	146,075	19.0%
Information	55,562	7.2%
Financial activities	77,533	10.1%
Professional and business services	207,044	26.9%
Education and health services	107,955	14.0%
Leisure and hospitality	98,217	12.8%
Other services	23,919	3.1%
Unclassified	1,833	0.2%

Source: Bureau of Labor Statistics, 2019

Professional and business services is the largest industry in Fulton County, followed by trade, transportation, and utilities, education and health services, leisure and hospitality. These industries of trade, transportation, leisure and hospitality are particularly vulnerable in economic downturns and are historically volatile industries. The utilities, education and health services, professional and business services sectors are generally more resilient during times economic contraction. The following table illustrates employment by industry for the PMA as of 2018 (most recent year available).

**2018 EMPLOYMENT BY INDUSTRY**

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Educational Services	8,581	14.8%	14,568,337	9.2%
Retail Trade	7,142	12.3%	17,381,607	11.0%
Accommodation/Food Services	6,812	11.8%	11,958,374	7.6%
Healthcare/Social Assistance	5,013	8.7%	22,154,439	14.0%
Prof/Scientific/Tech Services	4,440	7.7%	11,673,939	7.4%
Transportation/Warehousing	4,040	7.0%	6,660,099	4.2%
Other Services	3,656	6.3%	7,758,801	4.9%
Admin/Support/Waste Mgmt Svcs	3,623	6.3%	6,943,459	4.4%
Public Administration	2,440	4.2%	7,345,537	4.7%
Manufacturing	2,429	4.2%	15,694,985	9.9%
Construction	2,166	3.7%	10,333,928	6.5%
Finance/Insurance	1,583	2.7%	7,284,572	4.6%
Information	1,572	2.7%	2,881,691	1.8%
Arts/Entertainment/Recreation	1,526	2.6%	3,672,444	2.3%
Wholesale Trade	1,285	2.2%	4,028,405	2.6%
Real Estate/Rental/Leasing	1,204	2.1%	3,165,171	2.0%
Utilities	242	0.4%	1,433,069	0.9%
Agric/Forestry/Fishing/Hunting	112	0.2%	2,273,158	1.4%
Mgmt of Companies/Enterprises	36	0.1%	87,511	0.1%
Mining	11	0.0%	591,596	0.4%
<b>Total Employment</b>	<b>57,913</b>	<b>100.0%</b>	<b>157,891,122</b>	<b>100.0%</b>

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

Employment in the PMA is concentrated in the educational services, retail trade, accommodation/food services, and healthcare/social assistance industries, which collectively comprise 47.6 percent of local employment. The large share of PMA employment in retail trade and accommodation/food services is notable as both industries are historically volatile, and prone to contraction during recessionary periods. 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 educational services, accommodation/food services, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the manufacturing, healthcare/social assistance, and construction industries. We view the lack of employment in the manufacturing industry as an indicator of greater stability during recessionary periods.

**3. Major Employers**

The table below shows the largest employers in Fulton County, Georgia.

**MAJOR EMPLOYERS: FULTON COUNTY, GA**

Rank	Employer Name	Industry	# Of Employees
1	Delta Air Lines	Transportation	34,500
2	Emory University & Emory Healthcare	Educational/Healthcare	32,091
3	The Home Depot	Retail Trade	16,510
4	Northside Hospital	Healthcare	16,000
5	Piedmont Healthcare	Healthcare	15,900
6	Publix Super Markets	Retail Trade	15,591
7	WellStar Health System	Healthcare	15,353
8	The Kroger Co.	Retail Trade	15,000
9	AT&T	Communications	15,000
10	UPS	Logistics	14,594
<b>Totals</b>			<b>190,539</b>

Source: The Metro Atlanta Chamber of Commerce, April 2019

As the previous table illustrates, the major Fulton County employers are concentrated in the transportation, educational services, healthcare, and retail trade sectors. Historically, the educational service and healthcare industries have been stable during times of recession, while the transportation, retail trade, and communications sectors are prone to cyclical employment cycles. The major employers represent diverse industry sectors and account for a significant amount of the area’s employment. This indicates that the local economy in Fulton County is relatively stable and would perform well in the event of a future recession.

**Expansions/Contractions**

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 1, 2018 in Fulton County according to the Georgia Department of Economic Development listing WARN (Worker Adjustment and Retraining Notification) notices.

**WARN LISTINGS: FULTON COUNTY 2018-2019**

Company	Industry	Employees Affected	Layoff Date
Kellogg Company	Food Services	20	4/26/2019
Worldpay, LLC	Technology Services	234	3/31/2019
Jacobson Warehouse Company, Inc	Warehousing	48	3/31/2019
Facet Technologies	Technology Services	119	3/1/2019
ABM	Facility Services	144	1/1/2019
ABM	Facility Services	32	1/1/2019
Conifer Revenue Cycle Solutions, LLC	Healthcare/Social Assistance	83	12/31/2018
Conifer Revenue Solutions, LLC	Healthcare/Social Assistance	54	12/31/2018
Legal Sea Foods, LLC	Accommodation/Food Services	78	12/18/2018
Bank of America	Finance	100	11/24/2018
Sodexo-Atlanta Medical Center	Healthcare/Social Assistance	81	11/18/2018
Morrison Healthcare (Food Service Div)	Accommodation/Food Services	162	7/31/2018
Owens-Brockway Glass Container	Manufacturing	256	7/18/2018
Parsec	Manufacturing	206	7/2/2018
US Healthworks	Healthcare/Social Assistance	70	5/30/2018
DHL	Transportation	498	5/3/2018
Coca-Cola	Manufacturing	231	4/30/2018
Comcast	Communications	290	2/26/2018
<b>Total</b>		<b>2,706</b>	

Source: Georgia Department of Labor, April 2019

As illustrated in the above table, there have been 2,706 employees in the area impacted by layoffs or closures since 2018. Despite these job losses, employment growth in the area has continued.

**EXPANSIONS/NEW ADDITIONS - FULTON COUNTY 2018-2019**

Company Name	Industry	Jobs
Inspire Brands	Accommodation/Food Services	1,100
BlackRock	Financial Services	1,000
Norfolk Southern	Transportation	850
Salesforce	Information	600
Starbucks	Accommodation/Food Services	500
Pandora	Entertainment	250
InComm	Technology Services	150
Ivy Linen Services	Manufacturing	150
Attis Inovations	Scientific Services	100
VanRiet Material Handling Systems	Manufacturing	70
Smarp	Technology Services	60
ZKTeco	Manufacturing	40
<b>Totals</b>		<b>4,870</b>

Source: Georgia Department of Economic Development, April 2019

As illustrated, there are several additions in a variety of industries including manufacturing, information, entertainment, transportation, financial services, accommodation/food services, technology services, and scientific services. Between 2018 and 2019, there were a total of 4,870 jobs created, which helps to counteract the 2,706 layoffs in the county during the same period. Inspire Brands added the greatest number of employees over this period. Inspire Brands is a multi-brand restaurant company whose portfolio includes more than 8,300 Arby's, Buffalo Wild Wings, Sonic Drive-In, and Rusty Taco locations worldwide. The company has added approximately 1,100 employees in Fulton County in the past year.

We have also included some expansions within the MSA for 2018-2019, detailed following.

- According to a March 2019 article by Business Facilities, ZKTeco will create 40 new jobs and invest over \$5 million in the relocation and expansion of its U.S. headquarters to Alpharetta, GA. Currently based in Fairfield, NJ, ZKTeco USA is the subsidiary of China-based ZKTeco, the world's largest developer and manufacturer of RFID and biometric recognition technology, including fingerprint, facial, finger-vein, and palm-vein readers.
- According to a December 2018 article by Business Facilities, Norfolk Southern Corporation, one of the nation's premier transportation companies, will locate its headquarters in Fulton County, GA, creating 850 jobs and investing \$575 million. Norfolk Southern's new campus will house the company's headquarters, dispatch operations, operations and service support center, crew management center, corridor operations offices, national customer service center, administrative functions, marketing department and police communications center.
- According to an August 2018 article by The Atlanta Journal-Constitution, Starbucks plans to open a major office in Atlanta. The company plans to invest \$16 million in an 85,000 square-foot facility. Invest Atlanta will grant the company up to \$250,000 toward the business expansion, which is expected to have a \$190 million economic impact and create approximately 500 new jobs.
- According to an August 2018 article by The Atlanta Journal-Constitution, Pandora Media, the music streaming company, signed a lease for what will become an office for 250 jobs locally over the next three years.
- According to an April 2018 press release from the Office of the Governor's office, InComm, a prepaid product and payment technology company that is based in Atlanta, plans to invest over \$20 million in capital towards projects in the Atlanta metro and Columbus metro areas. The investments are expected to create over 150 jobs.
- According to a Global Atlanta article in February 2018, VanRiet Material Handling Systems, a manufacturer of automated transport and sorting solutions, plans to create 70 new jobs with a new facility in Fulton County.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2003 to February 2019.

##### 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
2003	2,347,173	-	-20.6%	137,736,000	-	-11.6%
2004	2,382,163	1.5%	-19.4%	139,252,000	1.1%	-10.6%
2005	2,445,674	2.7%	-17.3%	141,730,000	1.8%	-9.0%
2006	2,538,141	3.8%	-14.1%	144,427,000	1.9%	-7.3%
2007	2,618,825	3.2%	-11.4%	146,047,000	1.1%	-6.2%
2008	2,606,822	-0.5%	-11.8%	145,363,000	-0.5%	-6.7%
2009	2,452,057	-5.9%	-17.0%	139,878,000	-3.8%	-10.2%
2010	2,440,037	-0.5%	-17.4%	139,064,000	-0.6%	-10.7%
2011	2,486,895	1.9%	-15.9%	139,869,000	0.6%	-10.2%
2012	2,545,474	2.4%	-13.9%	142,469,000	1.9%	-8.5%
2013	2,572,589	1.1%	-13.0%	143,929,000	1.0%	-7.6%
2014	2,611,988	1.5%	-11.6%	146,305,000	1.7%	-6.1%
2015	2,677,148	2.5%	-9.4%	148,833,000	1.7%	-4.4%
2016	2,791,452	4.3%	-5.6%	151,436,000	1.7%	-2.8%
2017	2,898,961	3.9%	-1.9%	153,337,000	1.3%	-1.6%
2018	2,955,581	2.0%	0.0%	155,761,000	1.6%	0.0%
2019 YTD Average*	2,950,378	-0.2%	-	155,857,333	0.1%	-
Feb-2018	2,951,588	-	-	154,403,000	-	-
Feb-2019	2,962,829	0.4%	-	156,167,000	1.1%	-

Source: U.S. Bureau of Labor Statistics, April 2019

**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
2003	4.9%	-	1.1%	6.0%	-	2.1%
2004	4.8%	-0.1%	1.0%	5.5%	-0.5%	1.6%
2005	5.4%	0.6%	1.6%	5.1%	-0.5%	1.2%
2006	4.7%	-0.7%	0.9%	4.6%	-0.5%	0.7%
2007	4.4%	-0.2%	0.7%	4.6%	0.0%	0.7%
2008	6.2%	1.7%	2.4%	5.8%	1.2%	1.9%
2009	9.9%	3.8%	6.2%	9.3%	3.5%	5.4%
2010	10.3%	0.4%	6.5%	9.6%	0.3%	5.7%
2011	9.9%	-0.4%	6.1%	9.0%	-0.7%	5.1%
2012	8.8%	-1.1%	5.0%	8.1%	-0.9%	4.2%
2013	7.8%	-1.0%	4.0%	7.4%	-0.7%	3.5%
2014	6.7%	-1.1%	3.0%	6.2%	-1.2%	2.3%
2015	5.7%	-1.0%	1.9%	5.3%	-0.9%	1.4%
2016	5.1%	-0.6%	1.4%	4.9%	-0.4%	1.0%
2017	4.5%	-0.6%	0.7%	4.4%	-0.5%	0.4%
2018	3.8%	-0.7%	0.0%	3.9%	-0.4%	0.0%
2019 YTD Average*	4.0%	0.2%	-	4.1%	0.2%	-
Feb-2018	4.2%	-	-	4.4%	-	-
Feb-2019	3.8%	-0.4%	-	4.1%	-0.3%	-

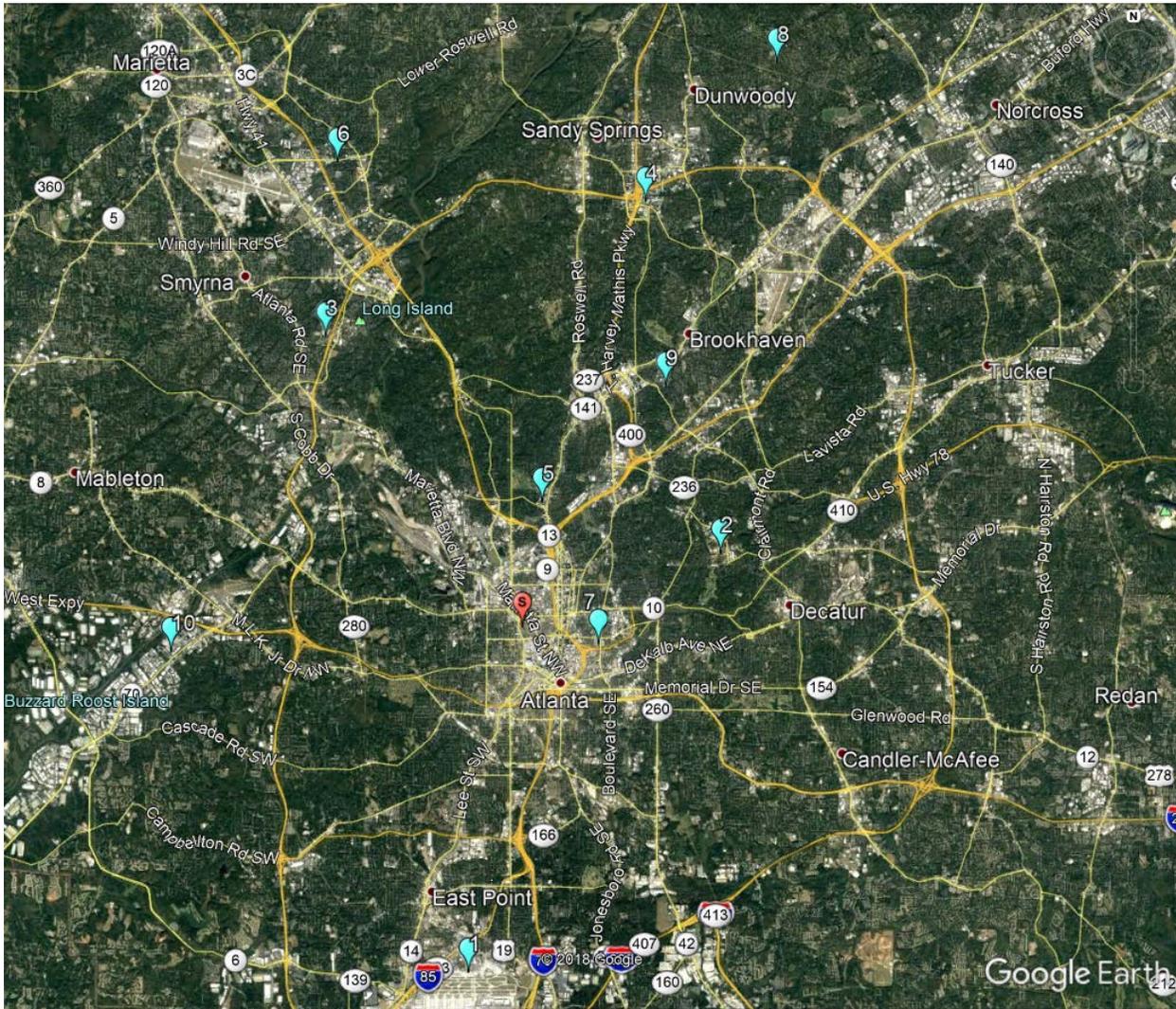
Source: U.S. Bureau of Labor Statistics, April 2019

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 6.9 percentage point contraction in employment growth (2007-2010), well below the 4.9 percentage point contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. As of February 2019, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 0.4 percent, compared to 1.1 percent across the overall nation. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject’s proposed units.

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 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 3.8 percent, slightly lower than the current national unemployment rate of 4.1 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.

### 5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Fulton County, Georgia.



Source: Google Earth, April 2019.

#### MAJOR EMPLOYERS: FULTON COUNTY, GA

Rank	Employer Name	Industry	# Of Employees
1	Delta Air Lines	Transportation	34,500
2	Emory University & Emory Healthcare	Educational/Healthcare	32,091
3	The Home Depot	Retail Trade	16,510
4	Northside Hospital	Healthcare	16,000
5	Piedmont Healthcare	Healthcare	15,900
6	Publix Super Markets	Retail Trade	15,591
7	WellStar Health System	Healthcare	15,353
8	The Kroger Co.	Retail Trade	15,000
9	AT&T	Communications	15,000
10	UPS	Logistics	14,594
<b>Totals</b>			<b>190,539</b>

Source: The Metro Atlanta Chamber of Commerce, April 2019

## 6. Conclusion

Employment in the PMA is concentrated in four industries which represent approximately 47.6 percent of total local employment. The large share of PMA employment in retail trade and accommodation/food services is notable as both industries are historically volatile, and prone to contraction during recessionary periods. 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. The local economy appears to have diverse and low paying jobs in the educational services, retail trade, accommodation/food services, and healthcare/social assistance sectors which is expected to generate demand for affordable housing in the PMA.

The effects of the recession were particularly pronounced in the MSA, which suffered a 6.9 percentage point contraction in employment growth (2007-2010), well below the 4.9 percentage point contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.8 percent, slightly lower than the current national unemployment rate of 4.1 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

# **G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS**

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

**1. Income Restrictions**

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum 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). However, very few senior households have more than two persons. Therefore, we assume a maximum household size of two persons in our analysis.

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

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

**2. Affordability**

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 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 and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis. We conducted a demand analysis for the Subject assuming both a subsidy and absent a subsidy. In the absent subsidy scenario, the minimum income limit was based on the maximum allowable rents for the Subject’s subsidized units.

62+ INCOME LIMITS - AS PROPOSED			62+ INCOME LIMITS - ABSENT SUBSIDY		
Unit Type	Minimum Allowable Income	Maximum Allowable Income	Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60% (PBRA)			@60%	
1BR	\$0	\$35,940	1BR	\$25,260	\$35,940
2BR	\$0	\$35,940	2BR	\$30,330	\$35,940

**3. Demand**

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

**Demand from New Households**

The number of new households entering the market is the first level of demand calculated. We utilized 2021, the anticipated date of market entry, as the base year for the analysis. Therefore, 2018 household population

estimates are inflated to 2021 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 2021. This number takes the overall growth from 2018 to 2021 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.

**Demand from Existing Households**

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

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

**Demand from Elderly Homeowners likely to Convert to Rentership**

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

**3d. Other**

Per the 2019 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.

**Net Demand**

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 are in properties that have not yet reached stabilized occupancy
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or are in properties that have not yet reached stabilized occupancy. 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
Adair Court	LIHTC	Atlanta	Senior	Under construction	77
Quest Commons West	LIHTC	Atlanta	Family	Complete	0
Centennial Place Apartments	LIHTC	Atlanta	Family	Acq/Rehab	0
Ashley Scholars Landing	LIHTC	Atlanta	Family	Under Construction	0
The Villages at Castleberry Hill	LIHTC	Atlanta	Family	Acq/Rehab	0
Grove Park Gardens	LIHTC	Atlanta	Family	Proposed	0
Oasis of Vine City Senior Apartments	PBRA	Atlanta	Senior	Under construction	0
Edgewood Center II	PBRA	Atlanta	Family	Proposed	0

- Adair Court, a proposed new construction 91-unit age-restricted multifamily development. The project will be located at 806 Murphy Avenue SW, approximately 2.1 miles south of the Subject site. The development has an expected completion date of 2019. The property will be restricted to individuals age 55 and older, and will offer 69 one-bedroom units and 22 two-bedroom units restricted at the 50 and 60 percent AMI levels, in addition to 14 unrestricted market rate units. The anticipated rents for the affordable units will range from \$475 to \$597, while the rents for the unrestricted market rate units will range from \$850 to \$1,000. As an age-restricted affordable development, this project will directly compete with the Subject and the 77 affordable units will be deducted from our demand analysis.
- Quest Commons West is a proposed new construction, 53-unit development that was allocated tax credits in 2017. This property will be located at 891 Rock Street NW, approximately 1.0 miles from the Subject site. This development will offer one, two and three-bedroom units restricted to families earning 50 and 60 percent of the AMI, as well as market rate units. The affordable units at this property will range from \$516 to \$831 and the unrestricted units at this property will range from \$800 to \$1,100. As a development that targets the general population, this project will not compete directly with the Subject.
- Centennial Place Apartments, an existing 738-unit multifamily LIHTC development, has been allocated tax credits in phases over the last four years for the acquisition and rehabilitation of its existing units with LIHTC equity. The development is located at 526 Centennial Olympic Park Drive approximately 0.5 miles east of the Subject site. The property currently offers one, two, three, and four-bedroom units restricted at the 60 percent AMI level, in addition to market rate units. Rents at the property range from \$762 to \$1,171 for the affordable units and \$1,350 to \$2,315 for the market rate units. Given that the development targets the general population, this project will not compete directly with the Subject. This property is included as a comparable development in this report.
- Ashley Scholars Landing, a proposed new construction 135-unit multifamily LIHTC development, was allocated tax credits in 2016. The project will be located at 669 Atlanta Student Movement Boulevard, approximately 1.3 miles southwest of the Subject site. The property will offer studio, one, two, and three-bedroom units restricted at the 60 percent AMI level, in addition to market rate units. 54 of the units will be restricted at the 60 percent AMI level and will benefit from Project-based Vouchers through the Atlanta Housing Authority where tenants will pay 30 percent of their income towards rent, while the remaining 81 units will be unrestricted market rate units. The rents for the market rate units are anticipated to be \$717, \$768, and \$921 for the studio, one, and two-bedroom units, respectively. The project is expected to be completed in 2019. As a development that targets the general population, this project will not compete directly with the Subject.

- The Villages at Castleberry Hill, an existing 450-unit affordable multifamily development, received an allocation in 2016 for the renovation of 166 units. The property is located at 600 Greensferry Avenue SW, approximately 1.5 miles south of the Subject site. The property offers one, two, and three-bedroom units restricted at the 60 percent AMI level, in addition to market rate units. As a development that targets the general population, this project does not compete directly with the Subject.
- Grove Park Gardens was allocated in 2018 for the new construction of 110 units targeting families in Atlanta, approximately 2.2 miles from the Subject. The subject property is proposed to consist of 110 revenue-producing units including one, two and three-bedroom garden-style apartment units. A total of 34 units are proposed to be income restricted to 50% of AMI; a total of 56 units are proposed to be income restricted to 60% of AMI; a total of 20 units are proposed to be set aside as market rate units. Given the dissimilar tenancy, this property will not directly compete with the Subject and these units have not been deducted in our demand analysis.
- Oasis of Vine City Senior Apartments was allocated in 2016 for the new construction of 105-units targeting seniors (55+) in Atlanta, approximately 0.6 miles from the Subject. Upon completion, the property will consist of one, four-story, elevator-serviced midrise residential building and one community building and will offer 96 one-bedroom and nine two-bedroom units. All of the Subject’s 105 units will be subsidized through Project-Based Rental Assistance (PBRA). This is currently under construction with delivery second quarter 2019. Given the subsidized rents at this property, it will not directly compete with the Subject assuming LIHTC restrictions only, and these units have not been deducted in our demand analysis.
- Edgewood Center II is an existing Section 8 and market rate development that was awarded LIHTC equity in 2018 for the acquisition/rehab and new construction of 50 units targeting formerly homeless persons who are living with HIV/AIDS. The property is located approximately 1.5 miles from the Subject site. Given the dissimilar tenancy and subsidized nature of this project, this property will not directly compete with the Subject and these units have not been deducted in our demand analysis.

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated or are not yet stabilized. Note that this table may illustrate non-competitive units and competitive properties that are not deducted from our demand analysis.

<b>ADDITIONS TO SUPPLY</b>						
<b>Unit Type</b>	<b>30% AMI</b>	<b>40% AMI</b>	<b>50% AMI</b>	<b>60% AMI</b>	<b>Unrestricted</b>	<b>Overall</b>
OBR						0
1BR				58		58
2BR				19		19
3BR						0
4BR						0
5BR						0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77</b>	<b>0</b>	<b>77</b>

**Rehab Developments and PBRA**

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

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

**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 2021 are illustrated in the previous section of this report.

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA**

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	9,545	25.9%	9,500	25.2%	9,467	24.7%
\$10,000-19,999	7,760	21.1%	7,725	20.5%	7,700	20.1%
\$20,000-29,999	5,266	14.3%	5,359	14.2%	5,425	14.2%
\$30,000-39,999	4,176	11.4%	4,199	11.1%	4,216	11.0%
\$40,000-49,999	2,482	6.7%	2,520	6.7%	2,547	6.6%
\$50,000-59,999	1,722	4.7%	1,811	4.8%	1,875	4.9%
\$60,000-74,999	2,088	5.7%	2,170	5.8%	2,228	5.8%
\$75,000-99,999	1,472	4.0%	1,659	4.4%	1,793	4.7%
\$100,000-124,999	903	2.5%	1,052	2.8%	1,159	3.0%
\$125,000-149,999	493	1.3%	603	1.6%	682	1.8%
\$150,000-199,999	442	1.2%	509	1.4%	557	1.5%
\$200,000+	437	1.2%	568	1.5%	661	1.7%
<b>Total</b>	<b>36,786</b>	<b>100.0%</b>	<b>37,675</b>	<b>100.0%</b>	<b>38,310</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, April 2019

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 62+**

Income Cohort	2018		Projected Mkt Entry June 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,842	27.0%	1,957	26.4%	2,039	26.0%
\$10,000-19,999	2,088	30.6%	2,218	29.9%	2,310	29.4%
\$20,000-29,999	1,045	15.3%	1,156	15.6%	1,235	15.7%
\$30,000-39,999	613	9.0%	661	8.9%	695	8.9%
\$40,000-49,999	282	4.1%	335	4.5%	372	4.7%
\$50,000-59,999	254	3.7%	273	3.7%	286	3.6%
\$60,000-74,999	195	2.9%	205	2.8%	212	2.7%
\$75,000-99,999	186	2.7%	225	3.0%	253	3.2%
\$100,000-124,999	95	1.4%	122	1.6%	142	1.8%
\$125,000-149,999	106	1.6%	123	1.7%	135	1.7%
\$150,000-199,999	62	0.9%	71	1.0%	77	1.0%
\$200,000+	58	0.8%	76	1.0%	89	1.1%
<b>Total</b>	<b>6,826</b>	<b>100.0%</b>	<b>7,420</b>	<b>100.0%</b>	<b>7,845</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2018, Novogradac & Company LLP, April 2019

60% AMI – As Proposed

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60% (PBRA)

Minimum Income Limit		\$0		Maximum Income Limit		\$35,940	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2018 to Prj Mrkt Entry June 2021						
\$0-9,999	115	19.3%	\$9,999	100.0%	115		
\$10,000-19,999	130	21.8%	\$9,999	100.0%	130		
\$20,000-29,999	111	18.6%	\$9,999	100.0%	111		
\$30,000-39,999	48	8.0%	\$5,940	59.4%	28		
\$40,000-49,999	53	8.8%	\$0	0.0%	0		
\$50,000-59,999	19	3.1%	\$0	0.0%	0		
\$60,000-74,999	10	1.7%	\$0	0.0%	0		
\$75,000-99,999	39	6.6%	\$0	0.0%	0		
\$100,000-124,999	27	4.6%	\$0	0.0%	0		
\$125,000-149,999	17	2.8%	\$0	0.0%	0		
\$150,000-199,999	9	1.5%	\$0	0.0%	0		
\$200,000+	18	3.0%	\$0	0.0%	0		
<b>Total</b>	<b>594</b>	<b>100.0%</b>		<b>64.5%</b>	<b>384</b>		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60% (PBRA)

Minimum Income Limit		\$0		Maximum Income Limit		\$35,940	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,842	27.0%	\$9,999	100.0%	1,842		
\$10,000-19,999	2,088	30.6%	\$9,999	100.0%	2,088		
\$20,000-29,999	1,045	15.3%	\$9,999	100.0%	1,045		
\$30,000-39,999	613	9.0%	\$5,940	59.4%	364		
\$40,000-49,999	282	4.1%	\$0	0.0%	0		
\$50,000-59,999	254	3.7%	\$0	0.0%	0		
\$60,000-74,999	195	2.9%	\$0	0.0%	0		
\$75,000-99,999	186	2.7%	\$0	0.0%	0		
\$100,000-124,999	95	1.4%	\$0	0.0%	0		
\$125,000-149,999	106	1.6%	\$0	0.0%	0		
\$150,000-199,999	62	0.9%	\$0	0.0%	0		
\$200,000+	58	0.8%	\$0	0.0%	0		
<b>Total</b>	<b>6,826</b>	<b>100.0%</b>		<b>78.2%</b>	<b>5,339</b>		

ASSUMPTIONS - @60% (PBRA)

Tenancy	62+	% of Income towards Housing			40%
Rural/Urban	Urban	Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	90%	10%	0%	0%
2	0%	60%	40%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2018 to June 2021**

Income Target Population	@60% (PBRA)
New Renter Households PMA	594
Percent Income Qualified	64.5%
<b>New Renter Income Qualified Households</b>	<b>384</b>

**Demand from Existing Households 2018**

**Demand from Rent Overburdened Households**

Income Target Population	@60% (PBRA)
Total Existing Demand	6,826
Income Qualified	78.2%
Income Qualified Renter Households	5,339
Percent Rent Overburdened Prj Mrkt Entry June 2021	50.6%
<b>Rent Overburdened Households</b>	<b>2,700</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	5,339
Percent Living in Substandard Housing	1.8%
<b>Households Living in Substandard Housing</b>	<b>95</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60% (PBRA)
Total Senior Homeowners	8,263
Rural Versus Urban	0.75%
<b>Senior Demand Converting from Homeownership</b>	<b>62</b>

**Total Demand**

Total Demand from Existing Households	2,857
Total New Demand	384
<b>Total Demand (New Plus Existing Households)</b>	<b>3,240</b>

Demand from Seniors Who Convert from Homeownership	62
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	63.5%	2,058
Two Persons	20.8%	675
Three Persons	6.7%	218
Four Persons	4.6%	148
Five Persons	4.4%	141
<b>Total</b>	<b>100.0%</b>	<b>3,240</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	1852
Of two-person households in 1BR units	60%	405
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%	206
Of two-person households in 2BR units	40%	270
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	218
Of four-person households in 3BR units	70%	103
Of five-person households in 3BR units	50%	71
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%	44
Of five-person households in 4BR units	50%	71
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
<b>Total Demand</b>		<b>3,240</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	2,257	-	58	=	2,199
2 BR	476	-	19	=	457
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>2,733</b>		<b>77</b>		<b>2,656</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	87	/	2,199	=	4.0%
2 BR	10	/	457	=	2.2%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>97</b>		<b>2,656</b>		<b>3.7%</b>

**60% AMI - Absent Subsidy**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$25,260		Maximum Income Limit		\$35,940	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2018 to Prj Mrkt Entry June 2021						
\$0-9,999	115	19.3%	\$0	0.0%	0		
\$10,000-19,999	130	21.8%	\$0	0.0%	0		
\$20,000-29,999	111	18.6%	\$4,739	47.4%	53		
\$30,000-39,999	48	8.0%	\$5,940	59.4%	28		
\$40,000-49,999	53	8.8%	\$0	0.0%	0		
\$50,000-59,999	19	3.1%	\$0	0.0%	0		
\$60,000-74,999	10	1.7%	\$0	0.0%	0		
\$75,000-99,999	39	6.6%	\$0	0.0%	0		
\$100,000-124,999	27	4.6%	\$0	0.0%	0		
\$125,000-149,999	17	2.8%	\$0	0.0%	0		
\$150,000-199,999	9	1.5%	\$0	0.0%	0		
\$200,000+	18	3.0%	\$0	0.0%	0		
<b>Total</b>	<b>594</b>	<b>100.0%</b>		<b>13.6%</b>	<b>81</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$25,260		Maximum Income Limit		\$35,940	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,842	27.0%	\$0	0.0%	0		
\$10,000-19,999	2,088	30.6%	\$0	0.0%	0		
\$20,000-29,999	1,045	15.3%	\$4,739	47.4%	495		
\$30,000-39,999	613	9.0%	\$5,940	59.4%	364		
\$40,000-49,999	282	4.1%	\$0	0.0%	0		
\$50,000-59,999	254	3.7%	\$0	0.0%	0		
\$60,000-74,999	195	2.9%	\$0	0.0%	0		
\$75,000-99,999	186	2.7%	\$0	0.0%	0		
\$100,000-124,999	95	1.4%	\$0	0.0%	0		
\$125,000-149,999	106	1.6%	\$0	0.0%	0		
\$150,000-199,999	62	0.9%	\$0	0.0%	0		
\$200,000+	58	0.8%	\$0	0.0%	0		
<b>Total</b>	<b>6,826</b>	<b>100.0%</b>		<b>12.6%</b>	<b>859</b>		

**ASSUMPTIONS - @60%**

Tenancy	62+		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	60%	40%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	

**Demand from New Renter Households 2018 to June 2021**

Income Target Population	@60%
New Renter Households PMA	594
Percent Income Qualified	13.6%
<b>New Renter Income Qualified Households</b>	<b>81</b>

**Demand from Existing Households 2018**

**Demand from Rent Overburdened Households**

Income Target Population	@60%
Total Existing Demand	6,826
Income Qualified	12.6%
Income Qualified Renter Households	859
Percent Rent Overburdened Prj Mrkt Entry June 2021	50.6%
<b>Rent Overburdened Households</b>	<b>435</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	859
Percent Living in Substandard Housing	1.8%
<b>Households Living in Substandard Housing</b>	<b>15</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60%
Total Senior Homeowners	8,263
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>8</b>

**Total Demand**

Total Demand from Existing Households	458
Total New Demand	81
<b>Total Demand (New Plus Existing Households)</b>	<b>539</b>

Demand from Seniors Who Convert from Homeownership	8
Percent of Total Demand From Homeownership Conversion	1.5%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	63.5%	342
Two Persons	20.8%	112
Three Persons	6.7%	36
Four Persons	4.6%	25
Five Persons	4.4%	24
<b>Total</b>	<b>100.0%</b>	<b>539</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	308
Of two-person households in 1BR units	60%	67
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%	34
Of two-person households in 2BR units	40%	45
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	36
Of four-person households in 3BR units	70%	17
Of five-person households in 3BR units	50%	12
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%	7
Of five-person households in 4BR units	50%	12
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
<b>Total Demand</b>		<b>539</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	376	-	58	=	318
2 BR	79	-	19	=	60
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>455</b>		<b>77</b>		<b>378</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	87	/	318	=	27.4%
2 BR	10	/	60	=	16.6%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>97</b>		<b>378</b>		<b>25.7%</b>

#### 4. Capture Rate Analysis Chart

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 senior households in the PMA is expected to increase 2.7 percent between 2018 and 2021.
- 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 @60% (PBRA) AMI (\$0 to \$35,940)	HH @60% AMI (\$25,260 to \$35,940)
Demand from New Households (age and income appropriate)	384	81
<b>PLUS</b>	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	2,700	435
<b>PLUS</b>	+	+
Demand from Existing Renter Households - Substandard Housing	95	15
=	=	=
<b>Sub Total</b>	<b>3,178</b>	<b>531</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	62	8
<b>Equals Total Demand</b>	<b>3,240</b>	<b>539</b>
<b>Less</b>	-	-
New Supply	0	0
<b>Equals Net Demand</b>	<b>3,240</b>	<b>539</b>

**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% (PBRA)	\$0	\$35,940	87	2,257	58	2199	4.0%	Three months	\$1,235	\$577	\$1,900	\$679
1BR @60%	\$25,260	\$35,940	87	376	58	318	27.4%	Three months	\$1,235	\$577	\$1,900	\$679
2BR @60% (PBRA)	\$0	\$35,940	10	476	19	457	2.2%	Three months	\$1,527	\$666	\$3,016	\$777
2BR @60%	\$30,330	\$35,940	10	79	19	60	16.6%	Three months	\$1,527	\$666	\$3,016	\$777
@60% (PBRA) Overall	\$0	\$35,940	97	2,733	77	2656	3.7%	Three months	-	-	-	-
@60% Overall	\$25,260	\$35,940	97	455	77	378	25.7%	Three months	-	-	-	-

\*Represents maximum allowable rents at the 60 percent of AMI level

As the analysis illustrates, the Subject’s capture rates at the 60 percent AMI level with a subsidy will range from 2.2 to 4.0 percent, with an overall capture rate of 3.7 percent. The Subject’s 60 percent AMI capture rates absent a subsidy range from 16.6 to 27.4 percent, with an overall capture rate of 25.7 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

# **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 eight “true” comparable properties containing 2,232 units.

The availability of LIHTC data is considered good; we utilized four affordable LIHTC properties within the PMA, three of which are affordable/market rate properties, and one of which also benefits from Project-based Section 8 Vouchers, similar to the proposed Subject. Three of the LIHTC properties are age-restricted developments that offer similar unit types in comparison to the proposed Subject. The comparable LIHTC properties are all located in the PMA, between 0.5 and 5.5 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in the western portion of Atlanta and there are numerous market rate properties in the area. We included four conventional properties in our analysis of the competitive market. All of the market rate properties are located within the PMA, between 0.3 and 1.1 miles from the Subject site. These comparables were built or renovated between 2003 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 types.

A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

**Excluded Properties**

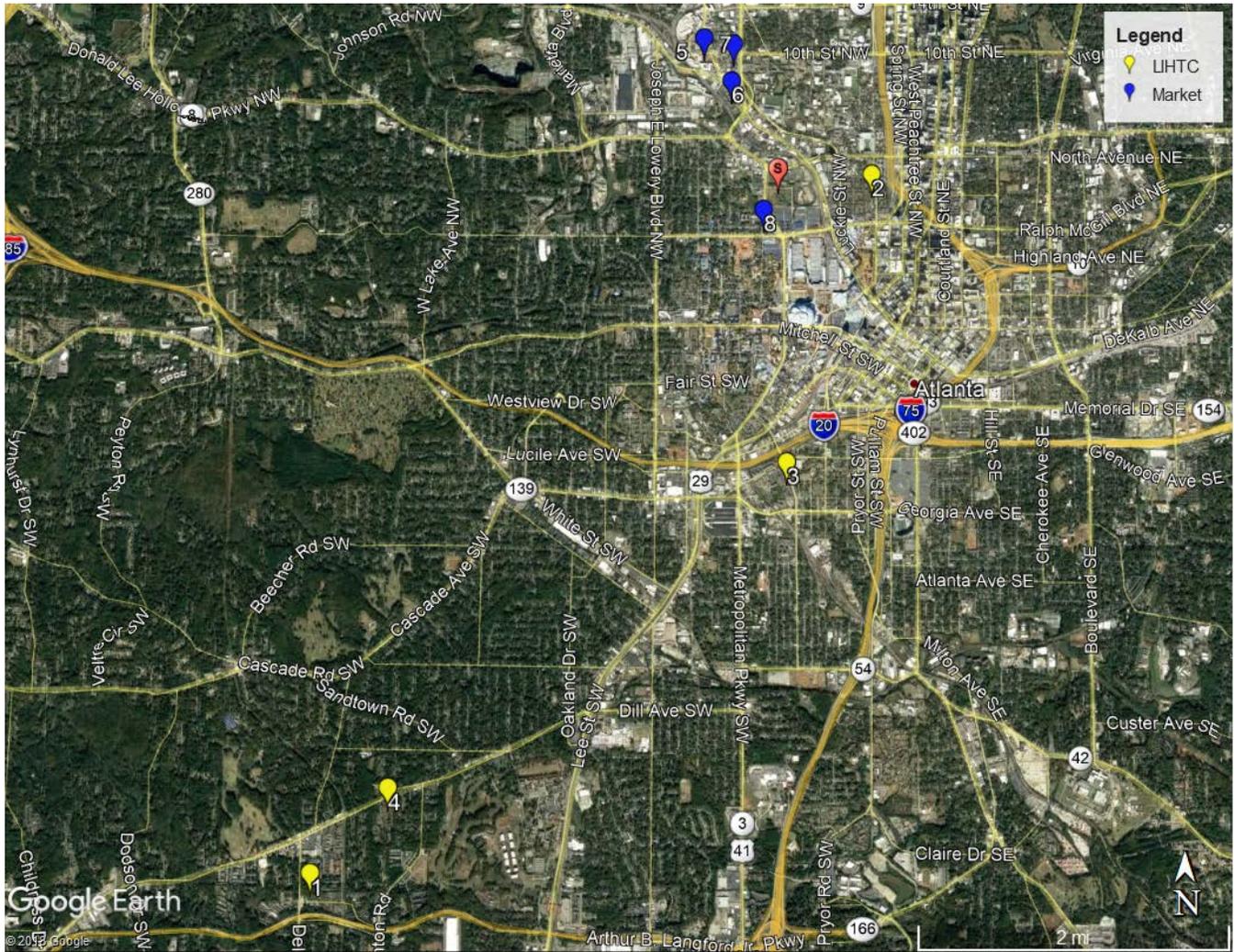
The following table illustrates properties within the PMA that are excluded from our analysis along with their reason for exclusion.

EXCLUDED PROPERTIES					
Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Herndon Square Seniors	LIHTC/PBRA	Atlanta	Senior	97	-
Ashley Scholars Landing I	LIHTC/ Market	Atlanta	Family	135	Under construction
Phoenix House	LIHTC/PBRA	Atlanta	Family	65	Subsidized
Quest Commons West	LIHTC/ Market	Atlanta	Family	53	Under construction
The Villages At Castleberry Hill	LIHTC/ Market	Atlanta	Family	630	Under construction
Ashley Collegetown Apartments	LIHTC/Section 8/ Market	Atlanta	Family	376	More comparable properties available
Ashley West End	LIHTC/ Market	Atlanta	Family	112	More comparable properties available
Atlantic Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	130	More comparable properties available
Avalon Park - Family	LIHTC/ Market	Atlanta	Family	175	More comparable properties available
Brentwood Village Apartments	LIHTC	Atlanta	Family	506	More comparable properties available
Columbia At Sylvan Hills	LIHTC/ Market	Atlanta	Family	189	More comparable properties available
Columbia Commons	LIHTC/ Market	Atlanta	Family	158	More comparable properties available
Columbia Crest	LIHTC/ Market	Atlanta	Family	152	More comparable properties available
Columbia Estates	LIHTC/ Market	Atlanta	Family	124	More comparable properties available
Columbia Grove	LIHTC	Atlanta	Family	138	More comparable properties available
Commons At Imperial Hotel	LIHTC/PBRA	Atlanta	Family	90	More comparable properties available
Crogman School Lofts	LIHTC/ Market	Atlanta	Family	105	More comparable properties available
Enclave At Webster Park	LIHTC/ Market	Atlanta	Family	230	More comparable properties available
Grove Park Gardens	LIHTC/ Market	Atlanta	Family	110	Proposed
Heritage Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	220	More comparable properties available
Huntingwood Pointe	LIHTC	Atlanta	Family	376	More comparable properties available
M Street Apartments	LIHTC/ Market	Atlanta	Family	308	Unable to contact
Magnolia Park Apartments	LIHTC/ Market	Atlanta	Family	400	More comparable properties available
Manor At Scott's Crossing	LIHTC/Public Housing	Atlanta	Family	100	More comparable properties available
Mechanicsville Family	LIHTC/ Market	Atlanta	Family	174	More comparable properties available
Oglethorpe Place	LIHTC/ Market	Atlanta	Family	144	More comparable properties available
Park Commons	LIHTC/ Market	Atlanta	Senior	332	More comparable properties available
Parkside at Quarry Yards	LIHTC/Market	Atlanta	Family	177	Proposed
Peaks At West Atlanta	LIHTC/ Market	Atlanta	Family	214	More comparable properties available
Peaks Of MLK	LIHTC/Section 8/ Market	Atlanta	Family	183	More comparable properties available
Preserve At Bent Creek	LIHTC/ Market	Atlanta	Family	324	More comparable properties available
Preserve At Collier Ridge	LIHTC/ Market	Atlanta	Family	419	More comparable properties available
QLS Garden	LIHTC	Atlanta	Family	248	More comparable properties available
Rosa Burney Manor	LIHTC	Atlanta	Family	54	More comparable properties available
Seven Courts Apartments	LIHTC/PBRA	Atlanta	Family	171	More comparable properties available
The Residences At Citycenter	LIHTC/ Market	Atlanta	Family	182	More comparable properties available
Towne West Manor	LIHTC/ Market	Atlanta	Family	111	More comparable properties available
Village Highlands	LIHTC	Atlanta	Family	258	More comparable properties available
Villages of Cascade	LIHTC	Atlanta	Family	180	More comparable properties available
Wells Court Apartments	LIHTC	Atlanta	Family	62	More comparable properties available
Westview Lofts	LIHTC	Atlanta	Family	16	More comparable properties available
Atrium At Collegetown	LIHTC/Public Housing	Atlanta	Senior	190	Subsidized
Adair Court	LIHTC/Public Housing/Market	Atlanta	Senior	91	Under construction
Avalon Park Senior	LIHTC/Public Housing/Market	Atlanta	Senior	136	Subsidized
City Views At Rosa Burney Park	LIHTC/Public Housing/Market	Atlanta	Family	180	Subsidized
Columbia At Mechanicsville Station	LIHTC/Public Housing/Market	Atlanta	Family	164	Subsidized
Columbia Heritage Senior Residences	LIHTC/Public Housing/Market	Atlanta	Senior	132	Subsidized
GE Tower Apartments	LIHTC/Public Housing	Atlanta	Family	201	Subsidized
Heritage Station	LIHTC/Public Housing/Market	Atlanta	Senior	150	Subsidized
Mechanicsville Crossing	LIHTC/Public Housing/Market	Atlanta	Family	164	Subsidized
The Veranda At Collegetown	LIHTC/Public Housing	Atlanta	Senior	100	Subsidized
Abernathy Tower Apartments	Section 8	Atlanta	Senior	100	Subsidized
Allen Hills	LIHTC/ Section 8	Atlanta	Family	458	Subsidized
Baptist Towers	Section 8	Atlanta	Family	300	Subsidized
Big Bethel Tower Apartments	Section 8	Atlanta	Family	180	Subsidized

**EXCLUDED PROPERTIES**

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Community Friendship Housing	Section 8	Atlanta	Family	12	Subsidized
Edgewood Center II	Section 8/Market	Atlanta	Family	50	Proposed
Flipper Temple	Section 8	Atlanta	Family	163	Subsidized
Friendship Towers	Section 202	Atlanta	Family	102	Subsidized
Gateway Capitol View	Section 8	Atlanta	Senior	162	Subsidized
Jonnie B Moore Towers	Section 8	Atlanta	Senior	56	Subsidized
Landrum Arms Apartments	Section 8	Atlanta	Family	264	Subsidized
Oakland City/West End Apartments	Section 8	Atlanta	Family	111	Subsidized
Oasis of Vine City	Section 8	Atlanta	Senior	105	Under construction
Providence Manor	Section 8	Atlanta	Senior	46	Subsidized
QLS Haven	Section 8	Atlanta	Senior	120	Subsidized
Rolling Bends Phase I	Section 8	Atlanta	Family	164	Subsidized
Rolling Bends Phase II	Section 8	Atlanta	Family	190	Subsidized
Shawnee/Hollywood	Section 8	Atlanta	Family	81	Subsidized
Silvertree Seniors	Section 8	Atlanta	Senior	98	Subsidized
Veranda At Scholars Landing	Section 8	Atlanta	Senior	100	Subsidized
Vine City Terrace Apartments	Section 8	Atlanta	Family	85	Subsidized
Welcome House	Section 8	Atlanta	Family	209	Subsidized
Westlake Manor Townhouses	Section 8	Atlanta	Family	32	Subsidized
1890 Adams House Apartments	Market	Atlanta	Family	176	More comparable properties available
Abbey Ridge	Market	Atlanta	Family	112	More comparable properties available
Appletree Townhouses	Market	Atlanta	Family	210	More comparable properties available
Artist Square Apartments	Market	Atlanta	Family	76	More comparable properties available
Aspen Courts	Market	Atlanta	Family	157	More comparable properties available
Autumn Crest Apartments	Market	Atlanta	Family	88	More comparable properties available
Bent Creek Colony	Market	Atlanta	Family	88	More comparable properties available
Brookside Park Apartments	Market	Atlanta	Family	200	More comparable properties available
Capitol View Apartments	Market	Atlanta	Family	120	More comparable properties available
Caribu Apartments	Market	Atlanta	Family	166	More comparable properties available
Centra Villa Apartments	Market	Atlanta	Family	132	More comparable properties available
Chappell Forest	Market	Atlanta	Family	219	More comparable properties available
Chateau Chennault	Market	Atlanta	Family	71	More comparable properties available
City Plaza	Market	Atlanta	Family	167	More comparable properties available
Collier Heights	Market	Atlanta	Family	336	More comparable properties available
Daron Village	Market	Atlanta	Family	130	More comparable properties available
Dogwood Apartments	Market	Atlanta	Family	80	More comparable properties available
Donnelly Gardens	Market	Atlanta	Family	250	More comparable properties available
Elite At Cascade Colony	Market	Atlanta	Family	88	More comparable properties available
Fairlie Poplar Lofts	Market	Atlanta	Family	15	More comparable properties available
Faith Hill	Market	Atlanta	Family	14	More comparable properties available
Freeman Ford	Market	Atlanta	Family	42	More comparable properties available
Harmony Apartment Homes I	Market	Atlanta	Family	81	More comparable properties available
Harmony Apartment Homes II	Market	Atlanta	Family	88	More comparable properties available
Hotel Roxy Lofts	Market	Atlanta	Family	18	More comparable properties available
Intown Lofts	Market	Atlanta	Family	87	More comparable properties available
London Townhouses	Market	Atlanta	Family	200	More comparable properties available
Marquis Townhomes	Market	Atlanta	Family	34	More comparable properties available
Muse Lofts	Market	Atlanta	Family	65	More comparable properties available
Northside Plaza Apartments	Market	Atlanta	Family	127	More comparable properties available
Park At Lakewood Apartments	Market	Atlanta	Family	299	More comparable properties available
Rachel's Court	Market	Atlanta	Family	64	More comparable properties available
Shamrock Gardens Apartments	Market	Atlanta	Family	343	More comparable properties available
Sierra Ridge	Market	Atlanta	Family	235	More comparable properties available
Steelworks	Market	Atlanta	Family	317	More comparable properties available
Stonewall Lofts	Market	Atlanta	Family	38	More comparable properties available
The Flats	Market	Atlanta	Family	86	More comparable properties available
The Woods At Landrum	Market	Atlanta	Family	88	More comparable properties available
Westmar Student Lofts	Market	Atlanta	Family	365	More comparable properties available
Wood Court Apartments	Market	Atlanta	Family	80	More comparable properties available

**Comparable Rental Property Map**



Source: Google Earth, April 2019.

**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
<b>S</b>	<b>Herndon Square Seniors</b>	<b>Atlanta</b>	<b>LIHTC/PBRA</b>	<b>Senior</b>	<b>-</b>
1	Baptist Gardens	Atlanta	LIHTC	Senior	5.5 miles
2	Centennial Place Apartments	Atlanta	LIHTC/ Market	Family	0.5 miles
3	Columbia Senior Residences At Mechanicsville	Atlanta	LIHTC/ Market	Senior	1.9 miles
4	Lillie R. Campbell House	Atlanta	LIHTC/ Market	Senior	4.8 miles
5	1016 Lofts	Atlanta	Market	Family	1.1 miles
6	935M	Atlanta	Market	Family	0.8 miles
7	Arium Westside	Atlanta	Market	Family	1.0 miles
8	Point At Westside	Atlanta	Market	Family	0.3 miles

**HERNDON SQUARE SENIORS - ATLANTA, 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	Hemdon Square Seniors Cameron Madison Alexander Boulevard NW @ Gray Street NW Atlanta, GA 30318 Fulton County		Midrise 4-stories 2020 / n/a Senior	@60% (PBRA)	1BR / 1BA	87	89.7%	692	@60% (PBRA)	\$757	Yes	N/A	N/A	N/A
					2BR / 2BA	10	10.3%	957	@60% (PBRA)	\$826	Yes	N/A	N/A	N/A
						97							N/A	N/A
1	Baptist Gardens 1928 Delowe Drive SW Atlanta, GA 30311 Fulton County	5.5 miles	Lowrise 3-stories 2013 / n/a Senior	@50%, @60%	1BR / 1BA	25	25.0%	750	@50%	\$510	Yes	Yes	0	0.0%
					1BR / 1BA	75	75.0%	750	@60%	\$577	Yes	Yes	0	0.0%
						100							0	0.0%
2	Centennial Place Apartments 526 Centennial Olympic Park Dr Atlanta, GA 30313 Fulton County	0.5 miles	Various 3-stories 1996 / 2019 Family	@60%, Market	1BR / 1BA	N/A	N/A	688	@60%	\$762	Yes	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	688	Market	\$1,350	N/A	No	N/A	N/A
					2BR / 1BA	N/A	N/A	875	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	875	Market	\$1,650	N/A	No	N/A	N/A
					2BR / 1.5BA	N/A	N/A	1,075	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 1.5BA	N/A	N/A	1,075	Market	\$1,650	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,050	@60%	\$785	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,231	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,050	Market	\$1,770	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,231	Market	\$1,770	N/A	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	1,340	@60%	\$867	No	Yes	N/A	N/A
					3BR / 2.5BA	N/A	N/A	1,441	@60%	\$1,052	Yes	Yes	N/A	N/A
3BR / 2.5BA	N/A	N/A	1,340	Market	\$1,870	N/A	No	N/A	N/A					
3BR / 2.5BA	N/A	N/A	1,441	Market	\$2,315	N/A	No	N/A	N/A					
4BR / 2BA	N/A	N/A	N/A	@60%	\$928	No	Yes	N/A	N/A					
4BR / 2BA	N/A	N/A	N/A	@60%	\$1,171	Yes	Yes	N/A	N/A					
						732							12	1.6%
3	Columbia Senior Residences At Mechanicsville 555 McDaniel St SW Atlanta, GA 30312 Fulton County	1.9 miles	Midrise 4-stories 2007 / n/a Senior	@60%, Market, PBRA	1BR / 1BA	18	11.7%	750	@60%	\$758	Yes	Yes	0	0.0%
					1BR / 1BA	1	0.7%	750	Market	\$800	N/A	Yes	0	0.0%
					1BR / 1BA	135	87.7%	750	PBRA	\$758	N/A	Yes	0	0.0%
						154							0	0.0%
4	Lillie R. Campbell House 1830 Campbellton Rd SW Atlanta, GA 30311 Fulton County	4.8 miles	Midrise 4-stories 2008 / n/a Senior	@60%, Market	1BR / 1BA	19	19.8%	626	@60%	\$637	Yes	Yes	0	0.0%
					1BR / 1BA	5	5.2%	626	Market	\$752	N/A	Yes	0	0.0%
					2BR / 1BA	48	50.0%	831	@60%	\$666	Yes	Yes	0	0.0%
					2BR / 1BA	12	12.5%	831	Market	\$916	N/A	Yes	0	0.0%
					2BR / 2BA	6	6.3%	882	@60%	\$706	Yes	Yes	0	0.0%
					2BR / 2BA	2	2.1%	882	Market	\$966	N/A	Yes	0	0.0%
					3BR / 2BA	3	3.1%	1,108	@60%	\$816	Yes	Yes	0	0.0%
					3BR / 2BA	1	1.0%	1,108	Market	\$991	N/A	Yes	0	0.0%
						96							0	0.0%
5	1016 Lofts 1016 Howell Mill Rd Atlanta, GA 30318 Fulton County	1.1 miles	Midrise 6-stories 2003 / n/a Family	Market	0BR / 1BA	N/A	N/A	630	Market	\$1,180	N/A	No	1	N/A
					0BR / 1BA	N/A	N/A	630	Market	\$1,440	N/A	No	1	N/A
					0BR / 1BA	N/A	N/A	649	Market	\$1,197	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	720	Market	\$1,402	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	972	Market	\$1,557	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	1,278	Market	\$1,900	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	972	Market	\$1,538	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,218	Market	\$1,967	N/A	No	0	N/A
					2BR / 2BA	N/A	N/A	1,367	Market	\$2,032	N/A	No	1	N/A
											265			
6	935M 935 Marietta St NW Atlanta, GA 30318 Fulton County	0.8 miles	Various 7-stories 2010 / n/a Family	Market	0BR / 1BA	94	33.3%	560	Market	\$1,365	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	600	Market	\$1,410	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	520	Market	\$1,320	N/A	No	N/A	N/A
					1BR / 1BA	94	33.3%	768	Market	\$1,370	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	850	Market	\$1,470	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	685	Market	\$1,270	N/A	No	N/A	N/A
					2BR / 2BA	94	33.3%	1,140	Market	\$1,885	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,300	Market	\$2,045	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	980	Market	\$1,965	N/A	No	N/A	N/A
					2BR / 3BA	N/A	N/A	2,415	Market	\$3,016	N/A	No	N/A	N/A
						282							12	4.3%
7	Arium Westside 1000 Northside Dr NW Atlanta, GA 30318 Fulton County	1.0 miles	Midrise 6-stories 2006 / 2017 Family	Market	1BR / 1BA	145	43.2%	777	Market	\$1,350	N/A	No	N/A	N/A
					1BR / 1BA	15	4.5%	856	Market	\$1,410	N/A	No	N/A	N/A
					1BR / 1BA	74	22.0%	877	Market	\$1,435	N/A	No	N/A	N/A
					1BR / 1BA	3	0.9%	1,286	Market	\$1,600	N/A	No	N/A	N/A
					2BR / 2BA	70	20.8%	1,068	Market	\$1,825	N/A	No	N/A	N/A
					2BR / 2BA	10	3.0%	1,108	Market	\$1,875	N/A	No	N/A	N/A
2BR / 2BA	14	4.2%	1,157	Market	\$1,950	N/A	No	N/A	N/A					
3BR / 2BA	5	1.5%	1,386	Market	\$2,895	N/A	No	0	0.0%					
						336							6	1.8%
8	Point At Westside 370 Northside Drive NW Atlanta, GA 30318 Fulton County	0.3 miles	Midrise 4-stories 2004 / 2015 Family	Market	0BR / 1BA	7	2.6%	595	Market	\$1,145	N/A	No	0	0.0%
					1BR / 1BA	3	1.1%	674	Market	\$1,218	N/A	No	0	0.0%
					1BR / 1BA	5	1.9%	729	Market	\$1,193	N/A	No	0	0.0%
					1BR / 1BA	11	4.1%	751	Market	\$1,195	N/A	No	1	9.1%
					1BR / 1BA	11	4.1%	1,148	Market	\$1,422	N/A	No	3	27.3%
					1BR / 1BA	11	4.1%	1,190	Market	\$1,752	N/A	No	1	9.1%
					1BR / 1BA	4	1.5%	1,234	Market	\$1,698	N/A	No	0	0.0%
					2BR / 2BA	46	17.2%	1,028	Market	\$1,588	N/A	No	4	8.7%
					2BR / 2BA	2	0.8%	1,040	Market	\$1,417	N/A	No	1	50.0%
					2BR / 2BA	60	22.5%	1,056	Market	\$1,354	N/A	No	5	8.3%
					2BR / 2BA	2	0.8%	1,076	Market	\$1,435	N/A	No	0	0.0%
					2BR / 2BA	2	0.8%	1,102	Market	\$1,495	N/A	No	0	0.0%
					2BR / 2BA	53	19.9%	1,300	Market	\$1,750	N/A	No	5	9.4%
					3BR / 2BA	34	12.7%	1,211	Market	\$1,840	N/A	No	3	8.8%
					3BR / 2BA	16	6.0%	1,234	Market	\$1,925	N/A	No	0	0.0%
						267							23	8.6%

**HERNDON SQUARE SENIORS – ATLANTA, GEORGIA – MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.</b>				
	Units Surveyed:	2,232	Weighted Occupancy:	97.3%
	Market Rate	1,150	Market Rate	95.8%
	Tax Credit	1,082	Tax Credit	98.9%
<b>One-Bedroom One Bath</b>		<b>Two-Bedroom Two Bath</b>		
<b>RENT</b>	<b>Property</b>	<b>Average</b>	<b>Property</b>	<b>Average</b>
	1016 Lofts (Market)	\$1,900	935M (Market)(3BA)	\$3,016
	Point At Westside (Market)	\$1,752	935M (Market)	\$2,045
	Point At Westside (Market)	\$1,698	1016 Lofts (Market)	\$2,032
	Arium Westside (Market)	\$1,600	1016 Lofts (Market)	\$1,967
	1016 Lofts (Market)	\$1,557	935M (Market)	\$1,965
	935M (Market)	\$1,470	Arium Westside (Market)	\$1,950
	Arium Westside (Market)	\$1,435	935M (Market)	\$1,885
	Point At Westside (Market)	\$1,422	Arium Westside (Market)	\$1,875
	Arium Westside (Market)	\$1,410	Arium Westside (Market)	\$1,825
	1016 Lofts (Market)	\$1,402	Centennial Place Apartments (Market)	\$1,770
	935M (Market)	\$1,370	Centennial Place Apartments (Market)	\$1,770
	Centennial Place Apartments (Market)	\$1,350	Point At Westside (Market)	\$1,750
	Arium Westside (Market)	\$1,350	Centennial Place Apartments (Market)(1.5BA)	\$1,650
	935M (Market)	\$1,270	Centennial Place Apartments (Market)(1BA)	\$1,650
	Point At Westside (Market)	\$1,218	Point At Westside (Market)	\$1,588
	Point At Westside (Market)	\$1,195	1016 Lofts (Market)(1BA)	\$1,538
	Point At Westside (Market)	\$1,193	Point At Westside (Market)	\$1,495
	Columbia Senior Residences At Mechanicsville (Market)	\$800	Point At Westside (Market)	\$1,435
	Centennial Place Apartments (@60%)	\$762	Point At Westside (Market)	\$1,417
	Columbia Senior Residences At Mechanicsville (@60%)	\$758	Point At Westside (Market)	\$1,354
	Columbia Senior Residences At Mechanicsville (PBRA)	\$758	Lillie R. Campbell House (Market)	\$966
	<b>Herndon Square Seniors (@60%)</b>	<b>\$752</b>	Lillie R. Campbell House (Market)(1BA)	\$916
	Lillie R. Campbell House (Market)	\$752	Centennial Place Apartments (@60%)(1.5BA)	\$912
	Lillie R. Campbell House (@60%)	\$637	Centennial Place Apartments (@60%)(1BA)	\$912
	Baptist Gardens (@60%)	\$577	Centennial Place Apartments (@60%)	\$912
	Baptist Gardens (@50%)	\$510	<b>Herndon Square Seniors (@60%)</b>	<b>\$826</b>
			Centennial Place Apartments (@60%)	\$785
			Lillie R. Campbell House (@60%)	\$706
			Lillie R. Campbell House (@60%)(1BA)	\$666
<b>SQUARE FOOTAGE</b>				
	Arium Westside (Market)	1,286	935M (Market)(3BA)	2,415
	1016 Lofts (Market)	1,278	1016 Lofts (Market)	1,367
	Point At Westside (Market)	1,234	935M (Market)	1,300
	Point At Westside (Market)	1,190	Point At Westside (Market)	1,300
	Point At Westside (Market)	1,148	Centennial Place Apartments (@60%)	1,231
	1016 Lofts (Market)	972	Centennial Place Apartments (Market)	1,231
	Arium Westside (Market)	877	1016 Lofts (Market)	1,218
	Arium Westside (Market)	856	Arium Westside (Market)	1,157
	935M (Market)	850	935M (Market)	1,140
	Arium Westside (Market)	777	Arium Westside (Market)	1,108
	935M (Market)	768	Point At Westside (Market)	1,102
	Point At Westside (Market)	751	Point At Westside (Market)	1,076
	Baptist Gardens (@50%)	750	Centennial Place Apartments (@60%)(1.5BA)	1,075
	Columbia Senior Residences At Mechanicsville (Market)	750	Centennial Place Apartments (Market)(1.5BA)	1,075
	Columbia Senior Residences At Mechanicsville (@60%)	750	Arium Westside (Market)	1,068
	Columbia Senior Residences At Mechanicsville (PBRA)	750	Point At Westside (Market)	1,056
	Baptist Gardens (@60%)	750	Centennial Place Apartments (@60%)	1,050
	Point At Westside (Market)	729	Centennial Place Apartments (Market)	1,050
	1016 Lofts (Market)	720	Point At Westside (Market)	1,040
	<b>Herndon Square Seniors (@60%)</b>	<b>692</b>	Point At Westside (Market)	1,028
	Centennial Place Apartments (Market)	688	935M (Market)	980
	Centennial Place Apartments (@60%)	688	1016 Lofts (Market)(1BA)	972
	935M (Market)	685	<b>Herndon Square Seniors (@60%)</b>	<b>957</b>
	Point At Westside (Market)	674	Lillie R. Campbell House (Market)	882
	Lillie R. Campbell House (@60%)	626	Lillie R. Campbell House (@60%)	882
	Lillie R. Campbell House (Market)	626	Centennial Place Apartments (@60%)(1BA)	875
			Centennial Place Apartments (Market)(1BA)	875
			Lillie R. Campbell House (@60%)(1BA)	831
			Lillie R. Campbell House (Market)(1BA)	831
<b>RENT PER SQUARE FOOT</b>				
	Centennial Place Apartments (Market)	\$1.96	935M (Market)	\$2.01
	1016 Lofts (Market)	\$1.95	Centennial Place Apartments (Market)(1BA)	\$1.89
	935M (Market)	\$1.85	Arium Westside (Market)	\$1.71
	Point At Westside (Market)	\$1.81	Arium Westside (Market)	\$1.69
	935M (Market)	\$1.78	Centennial Place Apartments (Market)	\$1.69
	Arium Westside (Market)	\$1.74	Arium Westside (Market)	\$1.69
	935M (Market)	\$1.73	935M (Market)	\$1.65
	Arium Westside (Market)	\$1.65	1016 Lofts (Market)	\$1.61
	Point At Westside (Market)	\$1.64	1016 Lofts (Market)(1BA)	\$1.58
	Arium Westside (Market)	\$1.64	935M (Market)	\$1.57
	1016 Lofts (Market)	\$1.60	Point At Westside (Market)	\$1.54
	Point At Westside (Market)	\$1.59	Centennial Place Apartments (Market)(1.5BA)	\$1.53
	1016 Lofts (Market)	\$1.49	1016 Lofts (Market)	\$1.49
	Point At Westside (Market)	\$1.47	Centennial Place Apartments (Market)	\$1.44
	Point At Westside (Market)	\$1.38	Point At Westside (Market)	\$1.36
	Arium Westside (Market)	\$1.24	Point At Westside (Market)	\$1.36
	Point At Westside (Market)	\$1.24	Point At Westside (Market)	\$1.35
	Lillie R. Campbell House (Market)	\$1.20	Point At Westside (Market)	\$1.33
	Centennial Place Apartments (@60%)	\$1.11	Point At Westside (Market)	\$1.28
	<b>Herndon Square Seniors (@60%)</b>	<b>\$1.09</b>	935M (Market)(3BA)	\$1.25
	Columbia Senior Residences At Mechanicsville (Market)	\$1.07	Lillie R. Campbell House (Market)(1BA)	\$1.10
	Lillie R. Campbell House (@60%)	\$1.02	Lillie R. Campbell House (Market)	\$1.10
	Columbia Senior Residences At Mechanicsville (PBRA)	\$1.01	Centennial Place Apartments (@60%)(1BA)	\$1.04
	Columbia Senior Residences At Mechanicsville (@60%)	\$1.01	<b>Herndon Square Seniors (@60%)</b>	<b>\$0.86</b>
	Baptist Gardens (@60%)	\$0.77	Centennial Place Apartments (@60%)(1.5BA)	\$0.85
	Baptist Gardens (@50%)	\$0.68	Lillie R. Campbell House (@60%)(1BA)	\$0.80
			Lillie R. Campbell House (@60%)	\$0.80
			Centennial Place Apartments (@60%)	\$0.75
			Centennial Place Apartments (@60%)	\$0.74

# PROPERTY PROFILE REPORT

## Baptist Gardens

Effective Rent Date	4/30/2019
Location	1928 Delowe Drive SW Atlanta, GA 30311 Fulton County
Distance	5.5 miles
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	9/01/2012
Leasing Began	1/01/2013
Last Unit Leased	6/01/2013
Major Competitors	None identified
Tenant Characteristics	Senior tenants 55+ (Av. Age 65-70), mostly drawn from greater ATL
Contact Name	Sheri
Phone	404-753-2500



### Market Information

Program	@50%, @60%
Annual Turnover Rate	15%
Units/Month Absorbed	15
HCV Tenants	20%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased five percent
Concession	None
Waiting List	Yes, three months in length

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	25	750	\$673	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	75	750	\$740	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$673	\$0	\$673	-\$163	\$510	1BR / 1BA	\$740	\$0	\$740	-\$163	\$577

### Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Blinds	Carpet/Hardwood	Intercom (Buzzer)	Shuttle Service
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Perimeter Fencing	
Ceiling Fan	Microwave		
Oven	Refrigerator		
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	Delivered Hot Lunches	None
Elevators	Exercise Facility	Hairdresser / Barber	
Central Laundry	Off-Street Parking(\$0.00)	Medical Professional	
On-Site Management	Picnic Area		
Recreation Areas	Service Coordination		

## Baptist Gardens, continued

### Comments

The contact reported strong demand for affordable senior housing in the area.

Photos



# PROPERTY PROFILE REPORT

## Centennial Place Apartments

Effective Rent Date	4/29/2019
Location	526 Centennial Olympic Park Dr Atlanta, GA 30313 Fulton County
Distance	0.5 miles
Units	732
Vacant Units	12
Vacancy Rate	1.6%
Type	Various (3 stories)
Year Built/Renovated	1996 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	M Street, 710 Peachtree
Tenant Characteristics	None identified
Contact Name	Erica
Phone	404-892-0772



### Market Information

Program	@60%, Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Yes, 8,000 households

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
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	N/A	688	\$762	\$0	@60%	Yes	N/A	N/A	yes	None
1	1	Garden	N/A	688	\$1,350	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden	N/A	875	\$912	\$0	@60%	Yes	N/A	N/A	yes	None
2	1	Garden	N/A	875	\$1,650	\$0	Market	No	N/A	N/A	N/A	None
2	1.5	Townhouse	N/A	1,075	\$912	\$0	@60%	Yes	N/A	N/A	yes	None
2	1.5	Townhouse	N/A	1,075	\$1,650	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden	N/A	1,050	\$785	\$0	@60%	Yes	N/A	N/A	no	None
2	2	Garden	N/A	1,231	\$912	\$0	@60%	Yes	N/A	N/A	yes	None
2	2	Garden	N/A	1,050	\$1,770	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden	N/A	1,231	\$1,770	\$0	Market	No	N/A	N/A	N/A	None
3	2.5	Townhouse	N/A	1,340	\$867	\$0	@60%	Yes	N/A	N/A	no	None
3	2.5	Townhouse	N/A	1,441	\$1,052	\$0	@60%	Yes	N/A	N/A	yes	None
3	2.5	Townhouse	N/A	1,340	\$1,870	\$0	Market	No	N/A	N/A	N/A	None
3	2.5	Townhouse	N/A	1,441	\$2,315	\$0	Market	No	N/A	N/A	N/A	None
4	2	Garden	N/A	N/A	\$928	\$0	@60%	Yes	N/A	N/A	no	None
4	2	Garden	N/A	N/A	\$1,171	\$0	@60%	Yes	N/A	N/A	yes	None



Photos



# PROPERTY PROFILE REPORT

## Columbia Senior Residences At Mechanicsville

Effective Rent Date	4/09/2019
Location	555 Mcdaniel St SW Atlanta, GA 30312 Fulton County
Distance	1.9 miles
Units	154
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	3/01/2008
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 62+, primarily from local area, few out of state moving closer to be near families
Contact Name	Wanda
Phone	(404) 577-3553



### Market Information

Program	@60%, Market, PBRA
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Decreased nine to increased nine percent
Concession	None
Waiting List	Yes, 102 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	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)	18	750	\$758	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	1	750	\$800	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	135	750	\$758	\$0	PBRA	Yes	0	0.0%	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$758	\$0	\$758	\$0	\$758	1BR / 1BA	\$800	\$0	\$800	\$0	\$800
PBRA	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$758	\$0	\$758	\$0	\$758						

## Columbia Senior Residences At Mechanicsville, continued

### Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Garbage Disposal	Hand Rails	Perimeter Fencing	
Oven	Pull Cords	Video Surveillance	
Refrigerator	Washer/Dryer hookup		
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	Medical Professional	Game room, garden, library, art
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Recreation Areas	Service Coordination		
Theatre			

### Comments

The contact stated current occupancy is typical and reported strong demand for affordable housing in the area.

Photos



# PROPERTY PROFILE REPORT

## Lillie R. Campbell House

Effective Rent Date	4/30/2019
Location	1830 Campbellton Rd SW Atlanta, GA 30311 Fulton County
Distance	4.8 miles
Units	96
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	8/01/2008
Last Unit Leased	5/01/2009
Major Competitors	None identified
Tenant Characteristics	Seniors 55+. Mostly former home owners and retirees from the Atlanta area
Contact Name	Jacquelyn
Phone	404-766-2929



### Market Information

Program	@60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	10
HCV Tenants	35%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, 300 households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	19	626	\$800	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	5	626	\$915	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (4 stories)	48	831	\$900	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	12	831	\$1,150	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	6	882	\$940	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	2	882	\$1,200	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Midrise (4 stories)	3	1,108	\$1,125	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Midrise (4 stories)	1	1,108	\$1,300	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$800	\$0	\$800	-\$163	\$637	1BR / 1BA	\$915	\$0	\$915	-\$163	\$752
2BR / 1BA	\$900	\$0	\$900	-\$234	\$666	2BR / 1BA	\$1,150	\$0	\$1,150	-\$234	\$916
2BR / 2BA	\$940	\$0	\$940	-\$234	\$706	2BR / 2BA	\$1,200	\$0	\$1,200	-\$234	\$966
3BR / 2BA	\$1,125	\$0	\$1,125	-\$309	\$816	3BR / 2BA	\$1,300	\$0	\$1,300	-\$309	\$991

## Lillie R. Campbell House, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	Shuttle Service
Carpet/Hardwood	Central A/C	Intercom (Phone)	
Coat Closet	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal		
Hand Rails	Microwave		
Oven	Pull Cords		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Concierge	Courtyard		
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Recreation Areas	Service Coordination		
Theatre			

### Comments

The contact reported the property is typically at 100 percent occupancy. The contact reported demand for affordable housing in the market is strong.

Photos



# PROPERTY PROFILE REPORT

## 1016 Lofts

Effective Rent Date	4/30/2019
Location	1016 Howell Mill Rd Atlanta, GA 30318 Fulton County
Distance	1.1 miles
Units	265
Vacant Units	7
Vacancy Rate	2.6%
Type	Midrise (6 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly singles
Contact Name	Nate
Phone	833-826-1576



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Fluctuates often
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
0	1	Midrise (6 stories)	N/A	630	\$1,180	\$0	Market	No	1	N/A	N/A	None
0	1	Midrise (6 stories)	N/A	630	\$1,440	\$0	Market	No	1	N/A	N/A	None
0	1	Midrise (6 stories)	N/A	649	\$1,197	\$0	Market	No	1	N/A	N/A	None
1	1	Midrise (6 stories)	N/A	720	\$1,402	\$0	Market	No	1	N/A	N/A	None
1	1	Midrise (6 stories)	N/A	972	\$1,557	\$0	Market	No	1	N/A	N/A	None
1	1	Midrise (6 stories)	N/A	1,278	\$1,900	\$0	Market	No	0	N/A	N/A	None
2	1	Midrise (6 stories)	N/A	972	\$1,538	\$0	Market	No	1	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,218	\$1,967	\$0	Market	No	0	N/A	N/A	None
2	2	Midrise (6 stories)	N/A	1,367	\$2,032	\$0	Market	No	1	N/A	N/A	None



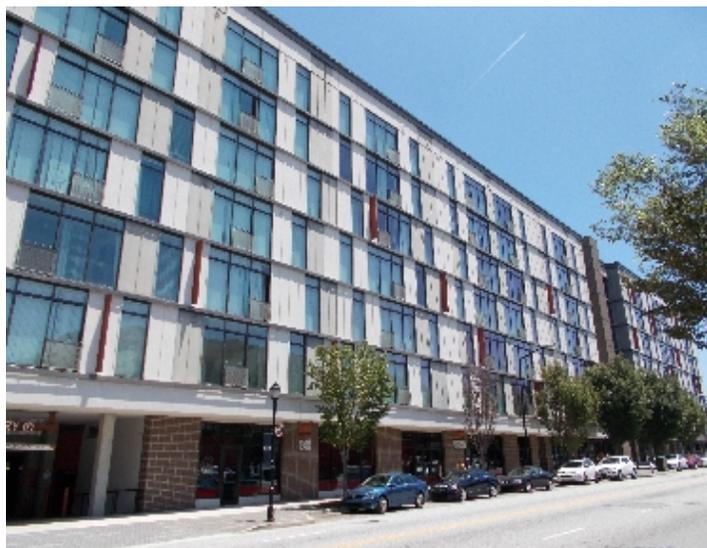
Photos



# PROPERTY PROFILE REPORT

935M

Effective Rent Date	4/30/2019
Location	935 Marietta St NW Atlanta, GA 30318 Fulton County
Distance	0.8 miles
Units	282
Vacant Units	12
Vacancy Rate	4.3%
Type	Various (7 stories)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly young professionals and students; approximately 10 percent seniors, average age 55
Contact Name	Leah
Phone	866-991-5178



## Market Information

Program	Market
Annual Turnover Rate	80%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased nine to 33 percent
Concession	None
Waiting List	None

## Utilities

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

## Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Highrise (7 stories)	94	560	\$1,365	\$0	Market	No	N/A	N/A	N/A	AVG*
0	1	Highrise (7 stories)	N/A	600	\$1,410	\$0	Market	No	N/A	N/A	N/A	HIGH*
0	1	Highrise (7 stories)	N/A	520	\$1,320	\$0	Market	No	N/A	N/A	N/A	LOW*
1	1	Highrise (7 stories)	94	768	\$1,370	\$0	Market	No	N/A	N/A	N/A	AVG*
1	1	Highrise (7 stories)	N/A	850	\$1,470	\$0	Market	No	N/A	N/A	N/A	HIGH*
1	1	Highrise (7 stories)	N/A	685	\$1,270	\$0	Market	No	N/A	N/A	N/A	LOW*
2	2	Highrise (7 stories)	94	1,140	\$1,885	\$0	Market	No	N/A	N/A	N/A	AVG*
2	2	Highrise (7 stories)	N/A	1,300	\$2,045	\$0	Market	No	N/A	N/A	N/A	HIGH*
2	2	Highrise (7 stories)	N/A	980	\$1,965	\$0	Market	No	N/A	N/A	N/A	LOW*
2	3	Highrise (7 stories)	N/A	2,415	\$3,016	\$0	Market	No	N/A	N/A	N/A	None

## Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,320 - \$1,410	\$0	\$1,320 - \$1,410	\$0	\$1,320 - \$1,410
1BR / 1BA	\$1,270 - \$1,470	\$0	\$1,270 - \$1,470	\$0	\$1,270 - \$1,470
2BR / 2BA	\$1,885 - \$2,045	\$0	\$1,885 - \$2,045	\$0	\$1,885 - \$2,045
2BR / 3BA	\$3,016	\$0	\$3,016	\$0	\$3,016

## Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Intercom (Phone)	
Coat Closet	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal	Video Surveillance	
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Granite, Stainless steel
Commercial/Retail	Elevators		
Exercise Facility	Garage(\$5.00)		
Central Laundry	On-Site Management		
Picnic Area	Playground		
Recreation Areas	Swimming Pool		
Wi-Fi			

## Comments

The rent premium is indicative of square footage and preferred location of units. The property does not accept Housing Choice Vouchers. The contact stated that there is high demand for rental housing in the area.

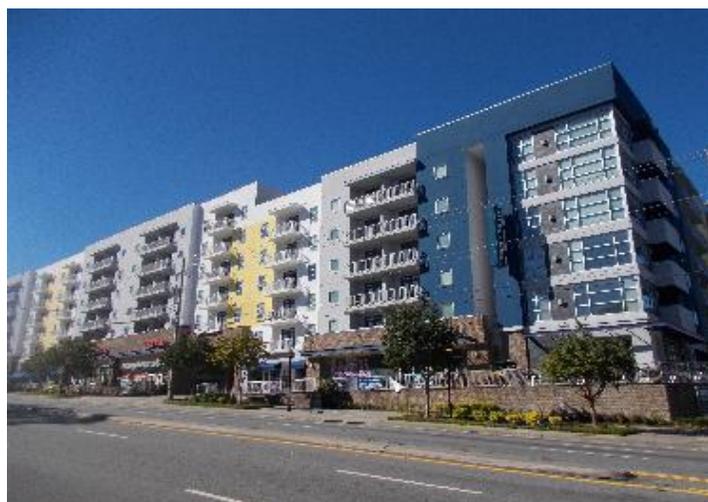
Photos



# PROPERTY PROFILE REPORT

## Arium Westside

Effective Rent Date	4/30/2019
Location	1000 Northside Dr NW Atlanta, GA 30318 Fulton County
Distance	1 mile
Units	336
Vacant Units	6
Vacancy Rate	1.8%
Type	Midrise (6 stories)
Year Built/Renovated	2006 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Other Midtown Apartments
Tenant Characteristics	Diverse mix, including students, university staff
Contact Name	Saudia
Phone	404-937-3411



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	increased five to ten percent
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (6 stories)	145	777	\$1,350	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (6 stories)	15	856	\$1,410	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (6 stories)	74	877	\$1,435	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (6 stories)	3	1,286	\$1,600	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (6 stories)	70	1,068	\$1,825	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (6 stories)	10	1,108	\$1,875	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (6 stories)	14	1,157	\$1,950	\$0	Market	No	N/A	N/A	N/A	None
3	2	Midrise (6 stories)	5	1,386	\$2,895	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,350 - \$1,600	\$0	\$1,350 - \$1,600	\$0	\$1,350 - \$1,600
2BR / 2BA	\$1,825 - \$1,950	\$0	\$1,825 - \$1,950	\$0	\$1,825 - \$1,950
3BR / 2BA	\$2,895	\$0	\$2,895	\$0	\$2,895

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpet/Hardwood	Central A/C	Intercom (Buzzer)	
Coat Closet	Dishwasher	Intercom (Phone)	
Ceiling Fan	Garbage Disposal	Limited Access	
Microwave	Oven		
Refrigerator	Washer/Dryer		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Tile, Stainless, Cafe, Game room
Commercial/Retail	Courtyard		
Elevators	Exercise Facility		
Garage(\$0.00)	On-Site Management		
Picnic Area	Recreation Areas		
Swimming Pool	Wi-Fi		

Comments

Three of the six vacancies are pre-leased. The property does not accept Housing Choice Vouchers.

Photos



# PROPERTY PROFILE REPORT

## Point At Westside

**Effective Rent Date** 4/29/2019  
**Location** 370 Northside Drive NW  
 Atlanta, GA 30318  
 Fulton County  
**Distance** 0.3 miles  
**Units** 267  
**Vacant Units** 23  
**Vacancy Rate** 8.6%  
**Type** Midrise (4 stories)  
**Year Built/Renovated** 2004 / 2015  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Other Midtown apartments  
**Tenant Characteristics** Young professionals  
**Contact Name** Jasmine  
**Phone** 404-880-0110



### Market Information

**Program** Market  
**Annual Turnover Rate** N/A  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within two months  
**Annual Chg. in Rent** Increased six to ten percent  
**Concession** None  
**Waiting List** None

### Utilities

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



Photos



### 1. Housing Choice Vouchers

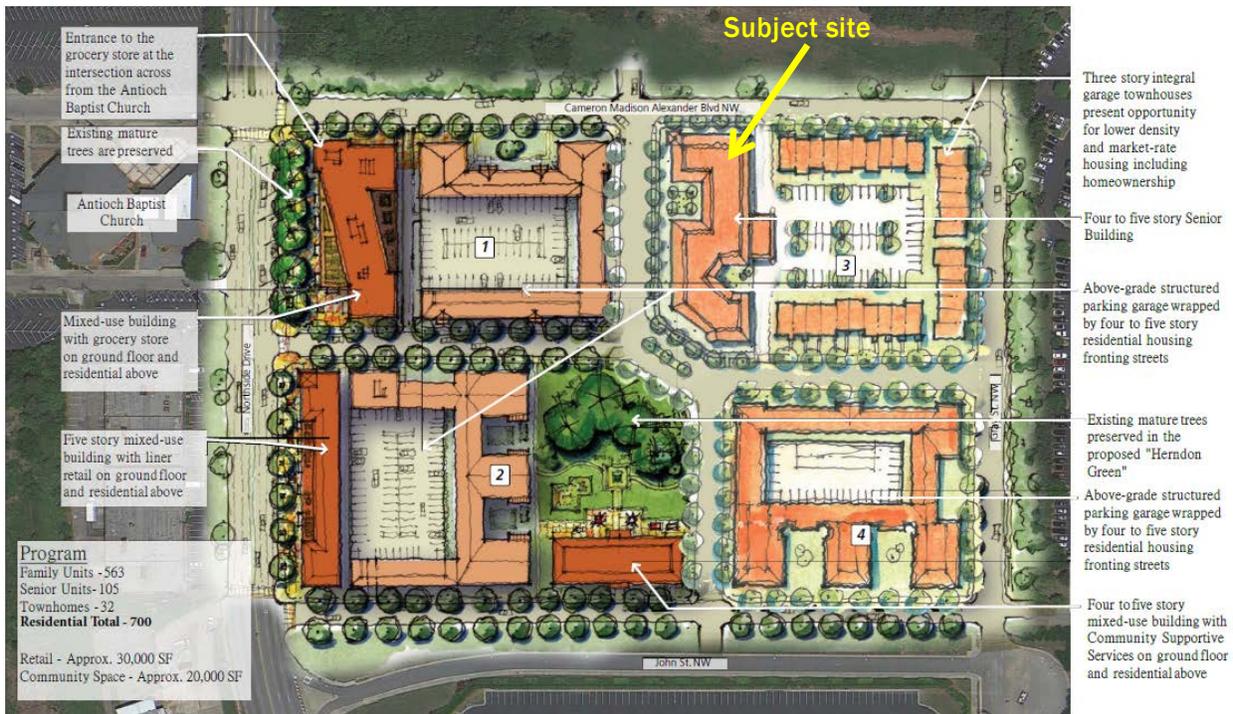
We were unable to reach a representative of the Atlanta Housing Authority by the date of this report. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS				
Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants	
Baptist Gardens	LIHTC	Senior	20%	
Centennial Place Apartments	LIHTC/ Market	Family	0%	
Columbia Senior Residences At Mechanicsville	LIHTC/ Market	Senior	10%	
Lillie R. Campbell House	LIHTC/ Market	Senior	35%	
1016 Lofts	Market	Family	0%	
935M	Market	Family	0%	
Arium Westside	Market	Family	0%	
Point At Westside	Market	Family	0%	

The comparable properties reported voucher usage ranging from zero to 35 percent. None of the market rate properties reported voucher usage. Four of the LIHTC properties reported voucher usage, with an average utilization of 16.2 percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 15 percent.

### 2. Phased Developments

The Subject will consist of a portion of Block III of the multi-phase development to be known as Herndon Homes. The remaining portion of Block III has not been analyzed in this report. The following map illustrates the various phases of the larger development.



### Lease Up History

Information regarding the absorption periods of three properties is illustrated in the following table. Note that only one of the comparable properties was able to report absorption information, therefore we supplemented our analysis with two additional properties in the PMA.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Platform Apartments	Market	Family	2018	324	21
Baptist Gardens	LIHTC	Senior	2013	100	15
Veranda At Scholars Landing	Section 8	Senior	2013	100	66

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed new construction age-restricted LIHTC/PBRA development that will target seniors age 62 and older. The most recently completed multifamily development able to report absorption information, Platform Apartments, is a market rate property that was completed in 2018, and was absorbed at a rate of 21 units per month. Baptist Gardens and Veranda at Scholars Landing are the most comparable properties that could report absorption information to the Subject, as both properties are affordable age-restricted developments. Given the above information, the low vacancy rates and extensive waiting lists at the affordable senior comparables, subsidy in place on all units, and generally low capture rates, we believe that the Subject will reach 93 percent occupancy within three months of completion. This equates to an absorption rate of approximately 30 units per month.

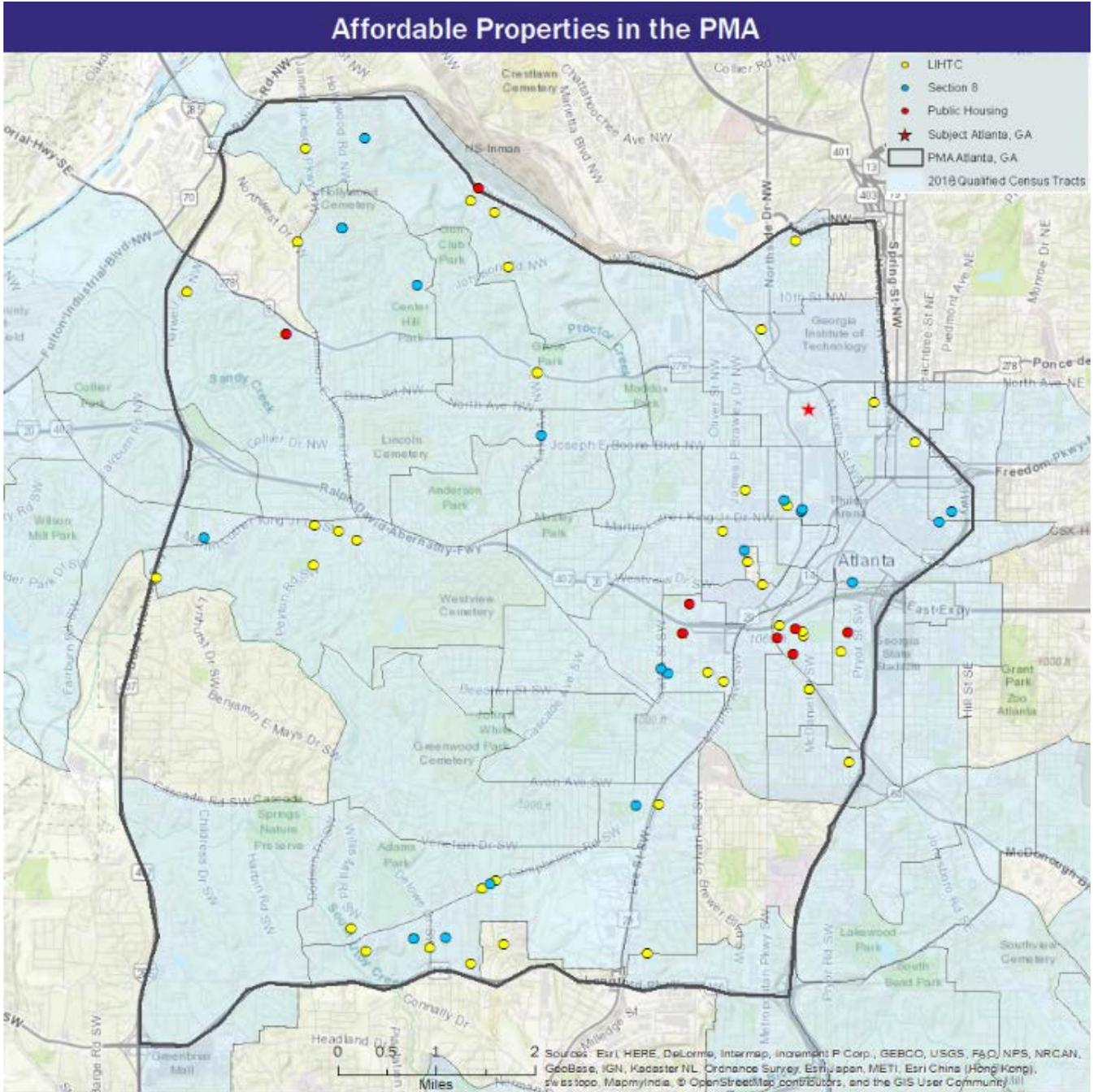
3. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Herndon Square Seniors	LIHTC/PBRA	Atlanta	Senior	97	-	Star
Baptist Gardens	LIHTC	Atlanta	Senior	100	100.0%	
Centennial Place Apartments	LIHTC/ Market	Atlanta	Family	732	98.4%	
Columbia Senior Res. At Mechanicsville	LIHTC/ Market	Atlanta	Senior	154	100.0%	
Lillie R. Campbell House	LIHTC/ Market	Atlanta	Senior	96	100.0%	
Ashley Scholars Landing I	LIHTC/ Market	Atlanta	Family	135	N/A	
Phoenix House	LIHTC/PBRA	Atlanta	Family	65	100.0%	
Quest Commons West	LIHTC/ Market	Atlanta	Family	53	N/A	
The Villages At Castleberry Hill	LIHTC/ Market	Atlanta	Family	630	N/A	
Ashley Collegetown Apartments	LIHTC/Section 8/ Market	Atlanta	Family	376	100.0%	
Ashley West End	LIHTC/ Market	Atlanta	Family	112	97.3%	
Atlantic Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	130	N/A	
Avalon Park - Family	LIHTC/ Market	Atlanta	Family	175	100.0%	
Brentwood Village Apartments	LIHTC	Atlanta	Family	506	99.2%	
Columbia At Sylvan Hills	LIHTC/ Market	Atlanta	Family	189	100.0%	
Columbia Commons	LIHTC/ Market	Atlanta	Family	158	98.7%	
Columbia Crest	LIHTC/ Market	Atlanta	Family	152	N/A	
Columbia Estates	LIHTC/ Market	Atlanta	Family	124	N/A	
Columbia Grove	LIHTC	Atlanta	Family	138	N/A	
Commons At Imperial Hotel	LIHTC/PBRA	Atlanta	Family	90	92.2%	
Crogman School Lofts	LIHTC/ Market	Atlanta	Family	105	100.0%	
Enclave At Webster Park	LIHTC/ Market	Atlanta	Family	230	N/A	
Grove Park Gardens	LIHTC/ Market	Atlanta	Family	110	N/A	
Heritage Station Apartments	LIHTC/Section 8/ Market	Atlanta	Family	220	97.7%	
Huntingwood Pointe	LIHTC	Atlanta	Family	376	N/A	
M Street Apartments	LIHTC/ Market	Atlanta	Family	308	N/A	
Magnolia Park Apartments	LIHTC/ Market	Atlanta	Family	400	95.0%	
Manor At Scott's Crossing	LIHTC/Public Housing	Atlanta	Family	100	N/A	
Mechanicsville Family	LIHTC/ Market	Atlanta	Family	174	N/A	
Oglethorpe Place	LIHTC/ Market	Atlanta	Family	144	97.9%	
Park Commons	LIHTC/ Market	Atlanta	Senior	332	98.2%	
Parkside at Quarry Yards	LIHTC/Market	Atlanta	Family	177	N/A	
Peaks At West Atlanta	LIHTC/ Market	Atlanta	Family	214	97.2%	
Peaks Of MLK	LIHTC/Section 8/ Market	Atlanta	Family	183	98.4%	
Preserve At Bent Creek	LIHTC/ Market	Atlanta	Family	324	90.7%	
Preserve At Collier Ridge	LIHTC/ Market	Atlanta	Family	419	100.0%	
QLS Garden	LIHTC	Atlanta	Family	248	94.8%	
Rosa Burney Manor	LIHTC	Atlanta	Family	54	98.1%	
Seven Courts Apartments	LIHTC/PBRA	Atlanta	Family	171	98.8%	
The Residences At Citycenter	LIHTC/ Market	Atlanta	Family	182	100.0%	
Towne West Manor	LIHTC/ Market	Atlanta	Family	111	100.0%	
Village Highlands	LIHTC	Atlanta	Family	258	95.0%	
Villages of Cascade	LIHTC	Atlanta	Family	180	N/A	
Wells Court Apartments	LIHTC	Atlanta	Family	62	93.5%	
Westview Lofts	LIHTC	Atlanta	Family	16	N/A	

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color	
Atrium At Collegetown	LIHTC/Public Housing	Atlanta	Senior	190	95.8%	Red	
Adair Court	LIHTC/Public Housing/Market	Atlanta	Senior	91	N/A		
Avalon Park Senior	LIHTC/Public Housing/Market	Atlanta	Senior	136	97.8%		
City Views At Rosa Burney Park	LIHTC/Public Housing/Market	Atlanta	Family	180	97.8%		
Columbia At Mechanicsville Station	LIHTC/Public Housing/Market	Atlanta	Family	164	98.8%		
Columbia Heritage Senior Residences	LIHTC/Public Housing/Market	Atlanta	Senior	132	N/A		
GE Tower Apartments	LIHTC/Public Housing	Atlanta	Family	201	96.0%		
Heritage Station	LIHTC/Public Housing/Market	Atlanta	Senior	150	N/A		
Mechanicsville Crossing	LIHTC/Public Housing/Market	Atlanta	Family	164	N/A		
The Veranda At Collegetown	LIHTC/Public Housing	Atlanta	Senior	100	92.0%		
Abernathy Tower Apartments	Section 8	Atlanta	Senior	100	98.0%		Blue
Allen Hills	LIHTC/ Section 8	Atlanta	Family	458	96.5%		
Baptist Towers	Section 8	Atlanta	Family	300	96.7%		
Big Bethel Tower Apartments	Section 8	Atlanta	Family	180	N/A		
Community Friendship Housing	Section 8	Atlanta	Family	12	N/A		
Edgewood Center II	Section 8/Market	Atlanta	Family	50	N/A		
Flipper Temple	Section 8	Atlanta	Family	163	N/A		
Friendship Towers	Section 202	Atlanta	Family	102	97.1%		
Gateway Capitol View	Section 8	Atlanta	Senior	162	N/A		
Jonnie B Moore Towers	Section 8	Atlanta	Senior	56	100.0%		
Landrum Arms Apartments	Section 8	Atlanta	Family	264	100.0%		
Oakland City/West End Apartments	Section 8	Atlanta	Family	111	96.4%		
Oasis of Vine City	Section 8	Atlanta	Senior	105	N/A		
Providence Manor	Section 8	Atlanta	Senior	46	93.5%		
QLS Haven	Section 8	Atlanta	Senior	120	92.5%		
Rolling Bends Phase I	Section 8	Atlanta	Family	164	94.5%		
Rolling Bends Phase II	Section 8	Atlanta	Family	190	95.3%		
Shawnee/Hollywood	Section 8	Atlanta	Family	81	100.0%		
Silvertree Seniors	Section 8	Atlanta	Senior	98	99.0%		
Veranda At Scholars Landing	Section 8	Atlanta	Senior	100	N/A		
Vine City Terrace Apartments	Section 8	Atlanta	Family	85	N/A		
Welcome House	Section 8	Atlanta	Family	209	N/A		
Westlake Manor Townhouses	Section 8	Atlanta	Family	32	N/A		



**4. Amenities**

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

HERNDON SQUARE SENIORS – ATLANTA, GEORGIA – MARKET STUDY

AMENITY MATRIX

Subject	Baptist Gardens	Centennial Place	Columbia Senior	Lillie R. Campbell	1016 Lofts	935M	Arium Westside	Point At Westside	
<b>Rent Structure</b>	LIHTC/PBRA	LIHTC	LIHTC/Family	LIHTC/Senior	LIHTC/Senior	Market Family	Market Family	Market Family	
<b>Tenancy</b>	Senior	Senior	Family	Senior	Senior	Family	Family	Family	
<b>Building</b>									
<b>Property Type</b>	Midrise	Lowrise	Various	Midrise	Midrise	Midrise	Various	Midrise	Midrise
<b># of Stories</b>	4–stories	3–stories	3–stories	4–stories	4–stories	6–stories	7–stories	6–stories	4–stories
<b>Year Built</b>	2020	2013	1996	2007	2008	2003	2010	2006	2004
<b>Year Renovated</b>	n/a	n/a	2019	n/a	n/a	n/a	n/a	2017	2015
<b>Commercial</b>	no	no	no	no	no	yes	yes	yes	no
<b>Elevators</b>	yes	yes	no	yes	yes	yes	yes	yes	yes
<b>Courtyard</b>	yes	no	no	no	yes	yes	no	yes	yes
<b>Utility Structure</b>									
<b>Cooking</b>	no	yes	no	no	yes	no	no	no	no
<b>Water Heat</b>	no	yes	no	no	yes	no	no	no	no
<b>Heat</b>	no	yes	no	no	yes	no	no	no	no
<b>Other Electric</b>	no	yes	no	no	yes	no	no	no	no
<b>Water</b>	no	yes	no	no	yes	no	no	no	no
<b>Sewer</b>	no	yes	no	no	yes	no	no	no	no
<b>Trash</b>	yes	yes	no	yes	yes	no	no	no	no
<b>Accessibility</b>									
<b>Grab Bars</b>	no	no	no	no	no	no	no	no	no
<b>Hand Rails</b>	yes	no	no	yes	yes	no	no	no	no
<b>Pull Cords</b>	yes	no	no	yes	yes	no	no	no	no
<b>Unit Amenities</b>									
<b>Balcony/Patio</b>	yes	no	yes	yes	yes	yes	yes	yes	yes
<b>Blinds</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Cable/Satellite</b>	no	no	no	no	no	no	no	no	no
<b>Carpeting</b>	yes	yes	yes	yes	no	yes	yes	no	no
<b>Hardwood</b>	no	yes	no	no	yes	no	no	yes	yes
<b>Central A/C</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Ceiling Fan</b>	yes	yes	yes	no	yes	yes	yes	yes	yes
<b>Coat Closet</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Exterior Storage</b>	no	no	yes	no	no	no	no	no	yes
<b>Walk-In Closet</b>	yes	no	no	no	yes	yes	yes	no	yes
<b>Washer/Dryer</b>	yes	no	yes	no	no	yes	no	yes	yes
<b>W/D Hookup</b>	yes	no	yes	yes	yes	yes	yes	yes	yes
<b>Kitchen</b>									
<b>Dishwasher</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Disposal</b>	yes	no	yes	yes	yes	yes	yes	yes	yes
<b>Microwave</b>	yes	yes	no	no	yes	no	yes	yes	no
<b>Oven</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Refrigerator</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>									
<b>Business Center</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community Room</b>	yes	yes	yes	yes	yes	yes	yes	yes	no
<b>Central Laundry</b>	yes	yes	yes	yes	yes	no	yes	no	no
<b>On-Site Mgmt</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Concierge</b>	no	no	no	no	yes	no	no	no	no
<b>Recreation</b>									
<b>Basketball Court</b>	no	no	no	no	no	no	no	no	no
<b>Exercise Facility</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Playground</b>	no	no	yes	no	no	no	yes	no	no
<b>Swimming Pool</b>	no	no	yes	no	no	yes	yes	yes	yes
<b>Picnic Area</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Theatre</b>	no	no	no	yes	yes	no	no	no	no
<b>Recreational Area</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Volleyball Court</b>	no	no	no	no	no	no	no	no	no
<b>WiFi</b>	yes	no	no	no	no	yes	yes	yes	yes
<b>Services</b>									
<b>Daycare</b>	no	no	no	no	no	no	no	no	no
<b>Adult Education</b>	no	no	no	no	no	no	no	no	no
<b>Neighborhood</b>	no	no	no	no	no	no	no	no	no
<b>Non-Shelter</b>	no	no	no	no	no	no	no	no	no
<b>Service</b>	no	yes	no	yes	yes	no	no	no	no
<b>Shuttle Service</b>	no	yes	no	no	yes	no	no	no	no
<b>Senior Services</b>									
<b>Delivered Hot</b>	no	yes	no	no	no	no	no	no	no
<b>Dietician</b>	no	no	no	no	no	no	no	no	no
<b>Hairdresser/Barber</b>	yes	yes	no	no	no	no	no	no	no
<b>Home Health Aid</b>	no	no	no	no	no	no	no	no	no
<b>Housekeeping</b>	no	no	no	no	no	no	no	no	no
<b>Medical</b>	no	yes	no	yes	no	no	no	no	no
<b>Personal Assistance</b>	no	no	no	no	no	no	no	no	no
<b>Security</b>									
<b>In-Unit Alarm</b>	no	no	no	no	no	no	no	yes	no
<b>Intercom (Buzzer)</b>	yes	yes	no	yes	yes	yes	yes	yes	yes
<b>Intercom (Phone)</b>	no	no	no	no	yes	yes	yes	yes	yes
<b>Limited Access</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Patrol</b>	no	no	yes	yes	no	no	no	no	yes
<b>Perimeter Fencing</b>	no	yes	yes	yes	no	no	no	no	no
<b>Video Surveillance</b>	yes	no	no	yes	no	yes	yes	no	no
<b>Parking</b>									
<b>Garage</b>	no	no	yes	no	no	yes	yes	yes	yes
<b>Garage Fee</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0	\$30
<b>Off-Street Parking</b>	yes	yes	yes	yes	yes	no	no	no	no

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to inferior property amenities. According to the developer, the Subject will offer a computer lab, game room, elevators, an exercise facility, central laundry facilities, on-site management, a picnic area, and a recreation area, which many of the comparables lack. However, the Subject will lack a swimming pool, which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

### 5. Comparable Tenancy

The Subject will target seniors age 62 and above. Three of the comparable properties also target seniors, while the remaining properties target the general population. It should be noted that we were unable to identify any strictly-market rate properties that target seniors, as most are assisted living developments or include various additional services such as meal service and linen service.

#### Vacancy

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Baptist Gardens	LIHTC	Senior	100	0	0.0%
Centennial Place Apartments	LIHTC/ Market	Family	732	12	1.6%
Columbia Senior Residences At Mechanicsville	LIHTC/ Market	Senior	154	0	0.0%
Lillie R. Campbell House	LIHTC/ Market	Senior	96	0	0.0%
1016 Lofts	Market	Family	265	7	2.6%
935M	Market	Family	282	12	4.3%
Arium Westside	Market	Family	336	6	1.8%
Point At Westside	Market	Family	267	23	8.6%
<b>Total LIHTC</b>			<b>1,082</b>	<b>12</b>	<b>1.1%</b>
<b>Total Market Rate</b>			<b>1,150</b>	<b>48</b>	<b>4.2%</b>
<b>Overall Total</b>			<b>2,232</b>	<b>60</b>	<b>2.7%</b>

\*Located outside of the PMA

Overall vacancy in the market is low at 2.7 percent. The LIHTC properties reported an overall vacancy rate of 1.1 percent. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full-occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length.

The market rate properties reported an overall vacancy rate of 4.2 percent. Point at Westside reported an elevated vacancy rate. Management at Point at Westside reported that the vacancy rate is atypically high, and is due to an increase of rental units coming available in the area. However, this property has historically struggled to maintain a low vacancy rate while other market rate properties have not, indicating this development may face some property-specific issues. Online reviews indicate this property has issues with mismanagement and maintenance. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

### 6. Properties Under Construction and Proposed

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

PLANNED DEVELOPMENT

Property Name	Rent Structure	Tenancy	Total Units	Competitive Units	Construction Status	Distance to Subject
Adair Court	LIHTC/ Market	Senior	91	77	Under construction	2.1 miles
Ashley I at Scholars Landing	LIHTC/Market	Family	136	0	Under Construction	1.4 miles
Grove Park Gardens	LIHTC/ Market	Family	110	0	Proposed	2.2 miles
Parkside at Quarry Yards	LIHTC/Market	Family	177	0	Proposed	1.6 miles
Quest Commons West	LIHTC/ Market	Family	53	0	Under construction	1.0 miles
The Villages At Castleberry Hill	LIHTC/ Market	Family	630	0	Under construction	1.5 miles
1109 Howell Mill Rd	Market	Family	276	0	Proposed	1.3 miles
120 Piedmont	Market	Student	228	0	Under Construction	1.3 miles
125 Spring St SW	Market	Family	246	0	Under Construction	1.2 miles
143 Alabama St SW	Market	Family	112	0	Proposed	1.1 miles
200 14th St NW	Market	Family	128	0	Proposed	1.3 miles
582 NW Centennial Olympic Dr	Market	Student	255	0	Proposed	0.6 miles
811 Park St	Market	Student	188	0	Under Construction	1.9 miles
8 West	Market	Family	264	0	Under Construction	0.9 miles
900 Joseph E Lowery Blvd	Market	Family	171	0	Proposed	1.2 miles
933 Watkins St	Market	Family	95	0	Proposed	0.9 miles
Ascent Peachtree	Market	Family	345	0	Proposed	1.1 miles
Auburn Apartments	Market	Family	95	0	Proposed	1.4 miles
Broadstone Yards	Market	Family	275	0	Under Construction	1.4 miles
Castleberry Park	Market	Family	130	0	Under Construction	1.0 miles
Forty-One Marietta	Market	Family	131	0	Proposed	1.1 miles
Generation Atlanta	Market	Family	331	0	Under Construction	0.6 miles
Smith & Porter	Market	Family	115	0	Under Construction	1.3 miles
Star Metal Residences	Market	Family	409	0	Under Construction	1.2 miles
The Avery	Market	Family	180	0	Proposed	1.3 miles
The Gulch - Student Housing	Market	Student	70	0	Proposed	1.3 miles
The Gulch - Student Housing (II)	Market	Student	583	0	Proposed	1.5 miles
The Gulch I	Market	Family	751	0	Proposed	1.0 miles
The Gulch II	Market	Family	300	0	Proposed	1.3 miles
The Interlock	Market	Family	342	0	Proposed	1.3 miles
The Osprey	Market	Family	319	0	Under Construction	1.1 miles
Theory West Midtown	Market	Student	181	0	Under Construction	0.5 miles
Westside Yards	Market	Family	651	0	Proposed	0.7 miles
Edgewood Center II	Section 8/Market	Family	50	0	Proposed	1.6 miles
Oasis of Vine City Senior Apartments	Section 8	Senior	105	0	Under Construction	0.6 miles
<b>Totals</b>			<b>8,523</b>	<b>77</b>		

Source: CoStar, May 2019

**Edgewood Center II**

- a. Location: Edgewood Avenue SE, Atlanta, GA
- b. Owner: Edgewood Center II LP
- c. Total number of units: 50 units
- d. Unit configuration: Studio units
- e. Rent structure: Permanent Supportive housing
- f. Estimated market entry: 2021
- g. Relevant information: As a development that targets Homeless tenancy, this project will not compete directly with the Subject.

**Oasis of Vine City**

- a. Location: Maple St NW, Atlanta, GA
- b. Owner: Higher Ground Empowerment Center Church (developer)
- c. Total number of units: 105 units
- d. Unit configuration: One and two-bedroom units
- e. Rent structure: Project-based rental assistance
- f. Estimated market entry: 2021
- g. Relevant information: Given the subsidized rents at this property, it will not directly compete with the Subject assuming LIHTC restrictions only, and these units have not been deducted in our demand analysis.

**Grove Park Gardens**

- a. Location: 557 W Lake Avenue, Atlanta, Georgia
- b. Owner: Columbia Residential
- c. Total number of units: 110
- d. Unit configuration: One, two and three-bedroom
- e. Rent structure: 50 and 60 percent AMI, market rate
- f. Estimated market entry: 2020
- g. Relevant information: As a development that targets the general population, this project does not compete directly with the Subject.

**Quest Commons West**

- a. Location: Joseph E Lowery Boulevard, Atlanta, GA
- b. Owner: Columbia Residential (developer)
- c. Total number of units: 53 units
- d. Unit configuration: One, two and three- bedroom units
- e. Rent structure: 50, 60 percent AMI, market rate
- f. Estimated market entry: 2020
- g. Relevant information: As a development that targets the general population, this project will not compete directly with the Subject.

**Adair Court**

- a. Location: Murphy Ave SW, Atlanta, GA
- b. Owner: Woda Cooper Companies/Parallel Housing (developer)
- c. Total number of units: 91 units
- d. Unit configuration: One and two-bedroom units
- e. Rent structure: 50, 60 percent AMI, market rate
- f. Estimated market entry: 2019
- g. Relevant information: As an age-restricted affordable development, this project will directly compete with the Subject.

**Ashley Scholar's Landing I**

- a. Location: Atlanta Student Movement Boulevard, Atlanta, GA
- b. Owner: UH Scholars Partnership III (developer)
- c. Total number of units: 135 units
- d. Unit configuration: Studio, one, two and three-bedroom units
- e. Rent structure: 60 percent AMI, market rate
- f. Estimated market entry: 2019
- g. Relevant information: As a development that targets the general population, this project will not compete directly with the Subject.

**Centennial Place Apartments**

- a. Location: 526 Centennial Olympic Park Drive, Atlanta, GA
- b. Owner: Integral Group, LLC.
- c. Total number of units: 738
- d. Unit configuration: One, two, three, and four-bedroom units
- e. Rent structure: 60 percent AMI, market rate
- f. Estimated market entry: Renovations completed in 2018
- g. Relevant information: Given that the development targets the general population, this project will not compete directly with the Subject.

**The Villages at Castleberry Hill**

- a. Location: 600 Greensferry Avenue SW, Atlanta, GA
- b. Owner: H.J. Russell Company
- c. Total number of units: 450 units
- d. Unit configuration: One, two, and three-bedroom units
- e. Rent Structure: 60 percent AMI, market rate
- f. Estimated market entry: Renovations completed in 2018
- g. Relevant information: As a development that targets the general population, this project does not compete directly with the Subject.

The remaining properties under construction and proposed are market rate family developments that will not be competitive with the proposed Subject. The 77 under construction affordable units at Adair Court were previously deducted from our demand analysis.

**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.

**SIMILARITY MATRIX**

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Baptist Gardens	LIHTC	Senior	Slightly Superior	Inferior	Inferior	Slightly Inferior	Similar	-20
2	Centennial Place	LIHTC/Market	Family	Superior	Slightly Inferior	Similar	Inferior	Similar	-5
3	Columbia Senior	LIHTC/Market	Senior	Similar	Inferior	Similar	Slightly Inferior	Similar	-15
4	Lillie R. Campbell	LIHTC/Market	Senior	Slightly Superior	Inferior	Inferior	Slightly Inferior	Similar	-20
5	1016 Lofts	Market	Family	Superior	Slightly Inferior	Similar	Slightly Inferior	Superior	10
6	935M	Market	Family	Superior	Inferior	Similar	Slightly Inferior	Slightly Superior	0
7	Arium Westside	Market	Family	Superior	Slightly Inferior	Similar	Slightly Inferior	Slightly Superior	5
8	Point At Westside	Market	Family	Similar	Similar	Similar	Slightly Inferior	Slightly Superior	0

\*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	Tenancy	1BR	2BR	Rents at Max?
Herndon Square Seniors*	Senior	\$757	\$826	N/A
<b>2018 LIHTC Maximum Rent (Net) (Fulton County)</b>		<b>\$679</b>	<b>\$777</b>	
Baptist Gardens	Senior	\$577	-	Yes
Centennial Place Apartments	Family	\$762	\$912	Yes
Columbia Senior Residences At Mechanicsville	Senior	\$758	-	Yes
Lillie R. Campbell House	Senior	\$637	\$706	Yes
<b>Average</b>		<b>\$684</b>	<b>\$809</b>	

\*Contract rents

The Subject will offer one and two-bedroom units restricted at the 60 percent AMI level, all of which will benefit from Project-based Section 8 Vouchers where tenants will pay 30 percent of their income towards rent. The proposed rents for the Subject are contract rents and are above the maximum allowable levels. All of the comparables reported rents to be at the maximum allowable levels. However, the rents at some of these properties appear above or below the maximum allowable levels, but this is likely due to a difference in utility allowance. The Subject will be in excellent condition upon completion, will offer competitive in-unit amenities, and will be slightly superior to the multifamily LIHTC developments in the area in terms of condition.

Baptist Gardens, an age-restricted LIHTC multifamily development located approximately 5.5 miles southwest of the Subject site, reported that the property is achieving maximum allowable rents for their one-bedroom units, in addition to a waiting list. The contact at this property stated that management maintains a waiting list that is estimated to be a three month wait. Baptist Gardens offers slightly superior property amenities, inferior in-unit features, inferior location, slightly inferior condition, and similar unit size. Baptist Gardens reported rents at the maximum allowable level and maintains a waiting list reported to be three months in length. The property is currently fully-occupied.

Lillie R. Campbell House, an age-restricted LIHTC/market rate development located approximately 4.8 miles southwest of the Subject site, reported that the property is achieving maximum allowable rents for their one and two-bedroom units, in addition to a waiting list. Management at the property was unable to provide a breakdown of the waiting list by unit type, but reported that the property maintains a waiting list of approximately 300 households. Lillie R. Campbell House offers slightly superior property amenities, inferior in-unit features, inferior location, slightly inferior condition, and similar unit size. The property is currently fully-occupied. Given the Subject will be a superior development to both Baptist Gardens and Lillie R. Campbell House, which both reported strong demand at the maximum allowable rents, we believe the Subject will also be capable of achieving rents at the maximum allowable levels, absent a subsidy.

**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 COMPARABLE RENTS**

Unit Type	Rent Level	Subject Proposed Rent*	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60% (PBRA)	\$679	\$577	\$1,900	\$1,235	82%
2BR / 2BA	@60% (PBRA)	\$777	\$666	\$3,016	\$1,527	97%

\*Represents maximum allowable rents at the 60 percent of AMI level

As illustrated in the previous table, the Subject’s LIHTC rents for the one and two-bedroom units are well below the surveyed average when compared to the comparables. The Subject’s maximum allowable one and two-bedroom LIHTC rents are 82 to 97 percent below the surveyed averages, respectively. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable unrestricted rents at the market rate properties.

1016 Lofts is achieving the highest one-bedroom unrestricted rents among the comparables. The Subject will be slightly inferior to 1016 Lofts upon completion. 1016 Lofts was built in 2003 and exhibits good condition, which is slightly inferior to the Subject’s anticipated excellent condition upon completion. This development is located approximately 1.1 miles north of the Subject site and offers a similar location. 1016 Lofts offers superior property amenities, as it offers garage parking and a swimming pool, neither of which will be offered at the Subject. However, 1016 Lofts offers slightly inferior in-unit amenities when compared to the Subject as it does not offer a pull cords or hand rails, both of which will be offered at the Subject, and are amenities that seniors desire. The maximum allowable LIHTC rents for the Subject’s one-bedroom units at 60 percent of the AMI are approximately 106 percent below the lowest rents being achieved at 1016 Lofts.

935M is achieving the highest two-bedroom unrestricted rents among the comparables. The Subject will be similar to 935M upon completion. 935M was built in 2010 and exhibits good condition, which is slightly inferior to the Subject’s anticipated excellent condition upon completion. This development is located approximately 0.8 miles north of the Subject site and offers a similar location. 935M offers slightly superior property amenities, as it offers garage parking and a swimming pool, neither of which will be offered at the Subject. However, 935M offers slightly inferior in-unit amenities when compared to the Subject as it does not offer a pull cords, hand rails, or in-unit washer/dryers, all of which will be offered at the Subject. The maximum allowable LIHTC rents for the Subject’s two-bedroom units at 60 percent of the AMI are approximately 143 percent below the lowest rents being achieved at 935M. Overall, we believe that the Subject’s proposed rents are achievable in the market, absent subsidy, and will offer a significant advantage when compared to the average rents being achieved at comparable properties. However, as a fully subsidized property, all tenants will contribute 30 percent of their income towards rent.

**8. LIHTC Competition – DCA Funded Properties within the PMA**

Capture rates for the Subject are considered low to moderate for all bedroom types at the 60 percent AMI level. If allocated, the Subject will be slightly superior to the existing LIHTC housing stock. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length. Based on these factors, we believe that there is sufficient demand for additional affordable senior rental housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

Centennial Place Apartments has received multiple allocations over the last three years for the rehabilitation of the various phases of the property. Centennial place is located approximately 0.5 miles east of the Subject site, and will not introduce any new units to the housing supply as a rehabilitation project. Additionally, Ashely

Scholars Landing I was allocated tax credits in 2016 and will be a new construction 135 unit LIHTC project that will target the general population. Ashely Scholars Landing I will be located approximately 1.3 miles south of the Subject site and will not compete directly with the Subject given the difference in target tenancy. Adair Court is an age-restricted 91-unit LIHTC/market project that was allocated in 2016. The development will be located approximately 2.1 miles south of the Subject site. As an age restricted property, we believe that the affordable units Adair Court will compete directly with the Subject for tenancy. We believe that there will be sufficient demand for the Subject as proposed, despite the additional age-restricted units coming online. Additionally, all of the Subject’s units will benefit from Project-based Section 8 Vouchers, where tenants will contribute 30 percent of their income towards rent, which will be a significant advantage over the non-subsidized product in this market.

**9. Rental Trends in the PMA**

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

**TENURE PATTERNS PMA**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	20,202	38.9%	31,689	61.1%
2018	16,969	31.6%	36,786	68.4%
Projected Mkt Entry June 2021	17,775	32.1%	37,675	67.9%
2023	18,351	32.4%	38,310	67.6%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

**PMA TENURE PATTERNS OF SENIORS 62+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,601	63.1%	5,027	36.9%
2018	7,712	53.0%	6,826	47.0%
Projected Mkt Entry June 2021	8,263	52.7%	7,420	47.3%
2023	8,657	52.5%	7,845	47.5%

Source: Esri Demographics 2018, Novogradac & Company LLP, April 2019

As the table illustrates, senior households within the PMA reside fairly evenly in owner-occupied residences renter-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to remain relatively stable over the next five years. While the number of senior renter-households is projected to increase over the same time period.

**Historical Vacancy**

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

**HISTORICAL VACANCY**

Property Name	Program	Total Units	3 QTR 2015	2 QTR 2017	2 QTR 2018	3 QTR 2018	4 QTR 2018	2 QTR 2019
Baptist Gardens	LIHTC	100	N/A	0.0%	0.0%	0.0%	1.0%	0.0%
Centennial Place Apartments	LIHTC/ Market	732	2.0%	1.4%	N/A	0.1%	19.1%	1.6%
Columbia Senior Residences At Mechanicsville	LIHTC/ Market	154	2.6%	4.5%	N/A	N/A	2.6%	0.0%
Lillie R. Campbell House	LIHTC/ Market	96	1.0%	0.0%	N/A	N/A	0.0%	0.0%
1016 Lofts	Market	265	3.8%	7.2%	N/A	2.3%	2.6%	2.6%
935M	Market	282	5.7%	3.2%	N/A	N/A	7.4%	4.3%
Arium Westside	Market	336	4.2%	8.6%	N/A	3.6%	2.4%	1.8%
Point At Westside	Market	267	1.5%	3.8%	13.9%	13.9%	13.1%	8.6%

In general, the comparable properties experienced fluctuating vacancy rates from 2015 through the second quarter of 2019. Centennial Place Apartments’ vacancy rate increased significantly between the third quarter of 2018 and fourth quarter due to its recent renovations. According to the contact at this property, Centennial Place Apartments is preparing to begin its fourth and final phase of renovations on roughly 200 units. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate strong demand for affordable rental housing in the Subject’s market

**Change in Rental Rates**

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

**RENT GROWTH**

Property Name	Rent Structure	Tenancy	Rent Growth
Baptist Gardens	LIHTC	Senior	Increased five percent
Centennial Place Apartments	LIHTC/ Market	Family	Increased to max
Columbia Senior Residences At Mechanicsville	LIHTC/ Market	Senior	Decreased nine to increased nine percent
Lillie R. Campbell House	LIHTC/ Market	Senior	None
1016 Lofts	Market	Family	Fluctuates often
935M	Market	Family	Increased nine to 33 percent
Arium Westside	Market	Family	Increased five to ten percent
Point At Westside	Market	Family	Increased six to ten percent

The LIHTC properties have reported growth of up to nine percent in the past year and three of the four LIHTC comparables reported rent growth in the last year. All four LIHTC comparables reported achieving the maximum allowable rent levels. Three of the four market rate properties also reported rent growth over the past 12 months. However, one property reported rent decreases for some of their units. We anticipate that the Subject will be able to achieve maximum allowable LIHTC rents; as such, rent growth in the future will be dictated by an increase in the AMI levels.

**10. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 2,312 housing units nationwide was in some stage of foreclosure as of April 2019. The city of Atlanta is experiencing a foreclosure rate of one in every 1,718 homes, while Fulton County is experiencing foreclosure rate of one in every 1,850 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Atlanta is experiencing a similar foreclosure rate to Fulton County, and a higher rate than Georgia and the nation as a whole. The Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

**11. Effect of Subject on Other Affordable Units in Market**

There is one proposed competitive LIHTC development in the PMA. However, many of the comparable properties report extensive waiting lists, indicating pent up demand for affordable senior housing in the PMA, especially subsidized senior housing. We believe there is adequate demand for the addition of the Subject

within the market. The overall vacancy of the LIHTC comparables is 1.1 percent. Further, all three of the LIHTC senior comparables report maintaining full occupancy.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC properties reported an overall vacancy rate of 1.1 percent. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length. Based on these factors, we believe that there is sufficient demand for additional affordable senior rental housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to inferior property amenities. According to the developer, the Subject will offer a computer lab, game room, elevators, an exercise facility, central laundry facilities, on-site management, a picnic area, and a recreation area, which many of the comparables lack. However, the Subject will lack a swimming pool, which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As a new construction development, the Subject will be in excellent condition upon completion, will offer competitive in-unit amenities, and will be slightly superior to the multifamily LIHTC developments in the area. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer two-bedroom units, which are generally much less prevalent among the age-restricted LIHTC comparable properties and are demonstrated to be in demand in the market. In general, the Subject will be slightly inferior to similar when compared to the market rate comparables, and similar to slightly superior when compared to the affordable comparables. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing of all types as evidenced by extensive waiting lists and low vacancy rates at the majority of the LIHTC comparable properties, we believe that the 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**

Information regarding the absorption periods of three properties is illustrated in the following table. Note that only one of the comparable properties was able to report absorption information, therefore we supplemented our analysis with two additional properties in the PMA.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Platform Apartments	Market	Family	2018	324	21
Baptist Gardens	LIHTC	Senior	2013	100	15
Veranda At Scholars Landing	Section 8	Senior	2013	100	66

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed new construction age-restricted LIHTC/PBRA development that will target seniors age 62 and older. The most recently completed multifamily development able to report absorption information, Platform Apartments, is a market rate property that was completed in 2018, and was absorbed at a rate of 21 units per month. Baptist Gardens and Veranda at Scholars Landing are the most comparable properties that could report absorption information to the Subject, as both properties are affordable age-restricted developments. Given the above information, the low vacancy rates and extensive waiting lists at the affordable senior comparables, subsidy in place on all units, and generally low capture rates, we believe that the Subject will reach 93 percent occupancy within three months of completion. This equates to an absorption rate of approximately 30 units per month.

# **J. INTERVIEWS**

### Atlanta Housing Authority

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

PAYMENT STANDARDS	
Unit Type	Standard
One-Bedroom	\$1,550
Two-Bedroom	\$1,800

Source: Atlanta Housing Authority, effective April 2019

The Subject’s proposed rents are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent.

### Planning

We contacted both the Office of Buildings and the Office of Zoning and Development for the City of Atlanta to determine any multifamily developments that are currently planned, proposed, or under construction in the greater Atlanta area. Neither the Office of Zoning and Development nor the Office of Buildings were able to provide information regarding planned, under construction, or recently completed multifamily developments in the area. As such, we have consulted CoStar reports for the area. Additionally, we have reviewed the DCA list of LIHTC allocations in order to determine properties recently allocated tax credits within the PMA from 2014 to 2018 year-to-date.

- Quest Commons West is a proposed new construction, 53-unit development that was allocated tax credits in 2017. This property will be located at 891 Rock Street NW, approximately 1.0 miles from the Subject site. This development will offer one, two and three-bedroom units restricted to families earning 50 and 60 percent of the AMI, as well as market rate units. The affordable units at this property will range from \$516 to \$831 and the unrestricted units at this property will range from \$800 to \$1,100. As a development that targets the general population, this project will not compete directly with the Subject.
- Centennial Place Apartments, an existing 738-unit multifamily LIHTC development, has been allocated tax credits in phases over the last four years for the acquisition and rehabilitation of its existing units with LIHTC equity. The development is located at 526 Centennial Olympic Park Drive approximately 0.5 miles east of the Subject site. The property currently offers one, two, three, and four-bedroom units restricted at the 60 percent AMI level, in addition to market rate units. Rents at the property range from \$762 to \$1,171 for the affordable units and \$1,350 to \$2,315 for the market rate units. Given that the development targets the general population, this project will not compete directly with the Subject. This property is included as a comparable development in this report.
- Ashley Scholars Landing, a proposed new construction 135-unit multifamily LIHTC development, was allocated tax credits in 2016. The project will be located at 669 Atlanta Student Movement Boulevard, approximately 1.3 miles southwest of the Subject site. The property will offer studio, one, two, and three-bedroom units restricted at the 60 percent AMI level, in addition to market rate units. 54 of the units will be restricted at the 60 percent AMI level and will benefit from Project-based Vouchers through the Atlanta Housing Authority where tenants will pay 30 percent of their income towards rent, while the remaining 81 units will be unrestricted market rate units. The rents for the market rate units are anticipated to be \$717, \$768, and \$921 for the studio, one, and two-bedroom units, respectively. The project is expected to be completed in 2019. As a development that targets the general population, this project will not compete directly with the Subject.
- The Villages at Castleberry Hill, an existing 450-unit affordable multifamily development, received an allocation in 2016 for the renovation of 166 units. The property is located at 600 Greensferry Avenue SW, approximately 1.5 miles south of the Subject site. The property offers one, two, and three-bedroom units

restricted at the 60 percent AMI level, in addition to market rate units. As a development that targets the general population, this project does not compete directly with the Subject.

- Adair Court, a proposed new construction 91-unit age-restricted multifamily development. The project will be located at 806 Murphy Avenue SW, approximately 2.1 miles south of the Subject site. The development has an expected completion date of 2019. The property will be restricted to individuals age 55 and older, and will offer 69 one-bedroom units and 22 two-bedroom units restricted at the 50 and 60 percent AMI levels, in addition to 14 unrestricted market rate units. The anticipated rents for the affordable units will range from \$475 to \$597, while the rents for the unrestricted market rate units will range from \$850 to \$1,000. As an age-restricted affordable development, this project will directly compete with the Subject.
- Grove Park Gardens was allocated in 2018 for the new construction of 110 units targeting families in Atlanta, approximately 2.2 miles from the Subject. The subject property is proposed to consist of 110 revenue-producing units including one, two and three-bedroom garden-style apartment units. A total of 34 units are proposed to be income restricted to 50% of AMI; a total of 56 units are proposed to be income restricted to 60% of AMI; a total of 20 units are proposed to be set aside as market rate units. Given the dissimilar tenancy, this property will not directly compete with the Subject and these units have not been deducted in our demand analysis.
- Oasis of Vine City Senior Apartments was allocated in 2016 for the new construction of 105-units targeting seniors (55+) in Atlanta, approximately 0.6 miles from the Subject. Upon completion, the property will consist of one, four-story, elevator-serviced midrise residential building and one community building and will offer 96 one-bedroom and nine two-bedroom units. All of the Subject's 105 units will be subsidized through Project-Based Rental Assistance (PBRA). This is currently under construction with delivery second quarter 2019. Given the subsidized rents at this property, it will not directly compete with the Subject assuming LIHTC restrictions only, and these units have not been deducted in our demand analysis.
- Edgewood Center II is an existing Section 8 and market rate development that was awarded LIHTC equity in 2018 for the acquisition/rehab and new construction of 50 units targeting formerly homeless persons who are living with HIV/AIDS. Given the dissimilar tenancy and subsidized nature of this project, this property will not directly compete with the Subject and these units have not been deducted in our demand analysis.

The remaining properties under construction and proposed are market rate family developments that will not be competitive with the proposed Subject. The 77 under construction affordable units at Adair Court were previously deducted from our demand analysis.

### **Development Authority of Fulton County**

We attempted to contact the Development Authority of Fulton County regarding recent business expansions in the area. As of the date of this report, our calls have not been returned. Therefore, we conducted additional research regarding the current economic status of Fulton County and Atlanta.

**EXPANSIONS/NEW ADDITIONS - FULTON COUNTY 2018-2019**

Company Name	Industry	Jobs
Inspire Brands	Accommodation/Food Services	1,100
BlackRock	Financial Services	1,000
Norfolk Southern	Transportation	850
Salesforce	Information	600
Starbucks	Accommodation/Food Services	500
Pandora	Entertainment	250
InComm	Technology Services	150
Ivy Linen Services	Manufacturing	150
Attis Inovations	Scientific Services	100
VanRiet Material Handling Systems	Manufacturing	70
Smarp	Technology Services	60
ZKTeco	Manufacturing	40
<b>Totals</b>		<b>4,870</b>

Source: Georgia Department of Economic Development, April 2019

As illustrated, there are several additions in a variety of industries including manufacturing, information, entertainment, transportation, financial services, accommodation/food services, technology services, and scientific services. Between 2018 and 2019, there were a total of 4,870 jobs created, which helps to counteract the 2,706 layoffs in the county during the same period. Inspire Brands added the greatest number of employees over this period. Inspire Brands is a multi-brand restaurant company whose portfolio includes more than 8,300 Arby’s, Buffalo Wild Wings, Sonic Drive-In, and Rusty Taco locations worldwide. The company has added approximately 1,100 employees in Fulton County in the past year.

We have also included some expansions within the MSA for 2018-2019, detailed following.

- According to a March 2019 article by Business Facilities, ZKTeco will create 40 new jobs and invest over \$5 million in the relocation and expansion of its U.S. headquarters to Alpharetta, GA. Currently based in Fairfield, NJ, ZKTeco USA is the subsidiary of China-based ZKTeco, the world’s largest developer and manufacturer of RFID and biometric recognition technology, including fingerprint, facial, finger-vein, and palm-vein readers.
- According to a December 2018 article by Business Facilities, Norfolk Southern Corporation, one of the nation’s premier transportation companies, will locate its headquarters in Fulton County, GA, creating 850 jobs and investing \$575 million. Norfolk Southern’s new campus will house the company’s headquarters, dispatch operations, operations and service support center, crew management center, corridor operations offices, national customer service center, administrative functions, marketing department and police communications center.
- According to an August 2018 article by The Atlanta Journal-Constitution, Starbucks plans to open a major office in Atlanta. The company plans to invest \$16 million in an 85,000 square-foot facility. Invest Atlanta will grant the company up to \$250,000 toward the business expansion, which is expected to have a \$190 million economic impact and create approximately 500 new jobs.
- According to an August 2018 article by The Atlanta Journal-Constitution, Pandora Media, the music streaming company, signed a lease for what will become an office for 250 jobs locally over the next three years.
- According to an April 2018 press release from the Office of the Governor’s office, InComm, a prepaid product and payment technology company that is based in Atlanta, plans to invest over \$20 million in capital towards projects in the Atlanta metro and Columbus metro areas. The investments are expected to create over 150 jobs.
- According to a Global Atlanta article in February 2018, VanRiet Material Handling Systems, a manufacturer of automated transport and sorting solutions, plans to create 70 new jobs with a new facility in Fulton County.

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

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

The senior population in the PMA and the MSA increased significantly from 2000 to 2018, though the rate of growth is projected to slow through market entry and 2023. The current senior population of the PMA is 22,718 and is expected to be 24,417 in 2021. Renter households are concentrated in the lowest income cohorts, with 81.9 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target households earning between \$0 and \$35,940 for its PBRA units as proposed and \$25,260 to \$35,940 absent subsidy; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been steady, and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in four industries which represent approximately 47.6 percent of total local employment. The large share of PMA employment in retail trade and accommodation/food services is notable as both industries are historically volatile, and prone to contraction during recessionary periods. 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. The local economy appears to have diverse and low paying jobs in the educational services, retail trade, accommodation/food services, and healthcare/social assistance sectors which is expected to generate demand for affordable housing in the PMA.

The effects of the recession were particularly pronounced in the MSA, which suffered a 6.9 percentage point contraction in employment growth (2007-2010), well below the 4.9 percentage point contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. According to the most recent labor statistics, the unemployment rate in the MSA is 3.8 percent, slightly lower than the current national unemployment rate of 4.1 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

### Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents*
1BR @60% (PBRA)	\$0	\$35,940	87	2,257	58	2199	4.0%	\$679
1BR @60%	\$25,260	\$35,940	87	376	58	318	27.4%	\$679
2BR @60% (PBRA)	\$0	\$35,940	10	476	19	457	2.2%	\$777
2BR @60%	\$30,330	\$35,940	10	79	19	60	16.6%	\$777
@60% (PBRA) Overall	\$0	\$35,940	97	2,733	77	2656	3.7%	-
@60% Overall	\$25,260	\$35,940	97	455	77	378	25.7%	-

\*Represents maximum allowable rents at the 60 percent of AMI level

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

### Absorption

Information regarding the absorption periods of three properties is illustrated in the following table. Note that only one of the comparable properties was able to report absorption information, therefore we supplemented our analysis with two additional properties in the PMA.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Platform Apartments	Market	Family	2018	324	21
Baptist Gardens	LIHTC	Senior	2013	100	15
Veranda At Scholars Landing	Section 8	Senior	2013	100	66

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed new construction age-restricted LIHTC/PBRA development that will target seniors age 62 and older. The most recently completed multifamily development able to report absorption information, Platform Apartments, is a market rate property that was completed in 2018, and was absorbed at a rate of 21 units per month. Baptist Gardens and Veranda at Scholars Landing are the most comparable properties that could report absorption information to the Subject, as both properties are affordable age-restricted developments. Given the above information, the low vacancy rates and extensive waiting lists at the affordable senior comparables, subsidy in place on all units, and generally low capture rates, we believe that the Subject will reach 93 percent occupancy within three months of completion. This equates to an absorption rate of approximately 30 units per month.

**Vacancy Trends**

The following table illustrates the vacancy rates in the market.

**OVERALL VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Baptist Gardens	LIHTC	Senior	100	0	0.0%
Centennial Place Apartments	LIHTC/ Market	Family	732	12	1.6%
Columbia Senior Residences At Mechanicsville	LIHTC/ Market	Senior	154	0	0.0%
Lillie R. Campbell House	LIHTC/ Market	Senior	96	0	0.0%
1016 Lofts	Market	Family	265	7	2.6%
935M	Market	Family	282	12	4.3%
Arium Westside	Market	Family	336	6	1.8%
Point At Westside	Market	Family	267	23	8.6%
<b>Total LIHTC</b>			<b>1,082</b>	<b>12</b>	<b>1.1%</b>
<b>Total Market Rate</b>			<b>1,150</b>	<b>48</b>	<b>4.2%</b>
<b>Overall Total</b>			<b>2,232</b>	<b>60</b>	<b>2.7%</b>

\*Located outside of the PMA

Overall vacancy in the market is low at 2.7 percent. The LIHTC properties reported an overall vacancy rate of 1.1 percent. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full-occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length.

The market rate properties reported an overall vacancy rate of 4.2 percent. Point at Westside reported an elevated vacancy rate. Management at Point at Westside reported that the vacancy rate is atypically high, and is due to an increase of rental units coming available in the area. However, this property has historically struggled to maintain a low vacancy rate while other market rate properties have not, indicating this development may face some property-specific issues. Online reviews indicate this property has issues with mismanagement and maintenance. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors,

we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

### **Strengths of the Subject**

Strengths of the Subject will include its location as the Subject is approximately one mile from downtown Atlanta. Additionally, the low capture rates, high occupancy rates, low instances of vacancies and extensive waiting lists among the age-restricted senior comparables, all indicate strong demand for affordable senior housing in the area. Further, the Subject will offer competitive in-unit amenities including in-unit washer/dryers, walk-in closet, and microwaves, which are not offered at many of the comparables. Overall, we believe the Subject, as proposed, will be competitive within the market.

### **Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC properties reported an overall vacancy rate of 1.1 percent. Centennial Place Apartments is the only comparable LIHTC property that reported any vacancies. Currently this property has 12 vacant units. The contact at Centennial Place Apartments reported that management maintains an extensive waiting list of approximately 8,000 households, from which these vacancies are expected to be leased. The remaining LIHTC properties, all of which are age-restricted properties, reported full occupancy. All of the LIHTC properties maintain waiting lists, which are all reported to consist of at least 102 households or are estimated to be several months in length. Based on these factors, we believe that there is sufficient demand for additional affordable senior rental housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to inferior property amenities. According to the developer, the Subject will offer a computer lab, game room, elevators, an exercise facility, central laundry facilities, on-site management, a picnic area, and a recreation area, which many of the comparables lack. However, the Subject will lack a swimming pool, which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As a new construction development, the Subject will be in excellent condition upon completion, will offer competitive in-unit amenities, and will be slightly superior to the multifamily LIHTC developments in the area. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer two-bedroom units, which are generally much less prevalent among the age-restricted LIHTC comparable properties and are demonstrated to be in demand in the market. In general, the Subject will be slightly inferior to similar when compared to the market rate comparables, and similar to slightly superior when compared to the affordable comparables. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing of all types as evidenced by extensive waiting lists and low vacancy rates at the majority of the LIHTC comparable properties, we believe that the 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.

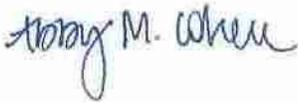
DCA may rely on the representation made in the market study. The document is assignable to other lenders.



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP

May 23, 2019



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Abby Cohen  
Principal  
Novogradac & Company LLP

May 23, 2019



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Brian Neukam  
Manager  
Novogradac & Company LLP

May 23, 2019



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Travis Jorgenson  
Analyst  
Novogradac & Company LLP

May 23, 2019

**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**



View of Subject site



View of Subject site



View of Subject site



View north from Subject site



View east from Subject site



View of Subject site and vacant land of future phases of development



View of Subject site and vacant land of future phases of development



View of vacant land of future phases of development



View west along Cameron Madison Alexander Boulevard



View east along Cameron Madison Alexander Boulevard



View north along Gray Street



View south along Gray Street



Commercial uses in Subject's neighborhood



House of worship in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Mercedes-Benz Stadium



Commercial uses in Subject's neighborhood



Commercial uses 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

## H. BLAIR KINCER, MAI, CRE

### I. Education

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

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

### II. Licensing and Professional Affiliation

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

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut  
Certified General Real Estate Appraiser, No. GA12288 – District of Columbia  
Certified General Real Estate Appraiser, No. CG1694 – State of Maine  
Certified General Real Estate Appraiser, No. 1326 – State of Maryland  
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts  
Certified General Real Estate Appraiser, No. 46000039124 – State of New York  
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina  
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania  
Certified General Real Estate Appraiser, No. CGA.0020047 – State of Rhode Island  
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina  
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee  
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia  
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

### III. Professional Experience

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

#### **IV. Professional Training**

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings

#### **V. Real Estate Assignments – Examples**

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

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

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

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

The Pennsylvania State University, University Park, PA  
Bachelor of Arts

### II. Licensing and Professional Affiliation

Certified General Appraiser, MD License #40032823  
Certified General Appraiser, NC License #A8127  
Certified General Appraiser, NJ License #42RG00255000  
Certified General Appraiser, SC License #7487

Candidate for Designation in the Appraisal Institute  
Designated Member of the National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

### III. Professional Experience

Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

### IV. Professional Training

7-Hour National USPAP Update for 2018-2019, February 2018  
Appraisal of Land Subject to Ground Leases, December 2017  
Business Practices and Ethics, January 2017  
General Appraiser Report Writing and Case Studies, February 2015  
General Appraiser Sales Comparison Approach, February 2015  
General Appraiser Site Valuation and Cost Approach, February 2015  
Expert Witness for Commercial Appraisers, January 2015  
Commercial Appraisal Review, January 2015  
Real Estate Finance Statistics and Valuation Modeling, December 2014  
General Appraiser Income Approach Part II, December 2014  
General Appraiser Income Approach Part I, November 2014  
General Appraiser Market Analysis and Highest & Best Use, November 2014  
IRS Valuation Summit, October 2014  
15-Hour National USPAP Equivalent, April 2013  
Basic Appraisal Procedures, March 2013  
Basic Appraisal Principles, January 2013

### V. Publications

Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," Novogradac Journal of Tax Credits, March 2016

## VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

**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. 8284**

**State of South Carolina Certified General Appraiser No. 7493**

**State of Illinois Certified General Appraiser No. 553.002704**

**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

Analyst, Novogradac & Company LLP, December 2018 – Present  
Junior Analyst, Novogradac & Company LLP, July 2017 – December 2018  
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	Herndon Square Seniors Cameron Madison Alexander Boulevard NW @ Gray Street NW Atlanta, GA 30318 Fulton County		Midrise 4-stories 2020 / n/a Senior	@60% (PBRA)	1BR / 1BA	87	89.7%	692	@60% (PBRA)	\$757	Yes	N/A	N/A	N/A
					2BR / 2BA	10	10.3%	957	@60% (PBRA)	\$826	Yes	N/A	N/A	N/A
97													N/A	N/A
1	Baptist Gardens 1928 Delowe Drive SW Atlanta, GA 30311 Fulton County	5.5 miles	Lowrise 3-stories 2013 / n/a Senior	@50%, @60%	1BR / 1BA	25	25.0%	750	@50%	\$510	Yes	Yes	0	0.0%
					1BR / 1BA	75	75.0%	750	@60%	\$577	Yes	Yes	0	0.0%
100													0	0.0%
2	Centennial Place Apartments 526 Centennial Olympic Park Dr Atlanta, GA 30318 Fulton County	0.5 miles	Various 3-stories 1996 / 2019 Family	@60%, Market	1BR / 1BA	N/A	N/A	688	@60%	\$762	Yes	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	688	Market	\$1,350	N/A	No	N/A	N/A
					2BR / 1BA	N/A	N/A	875	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	875	Market	\$1,650	N/A	No	N/A	N/A
					2BR / 1.5BA	N/A	N/A	1,075	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 1.5BA	N/A	N/A	1,075	Market	\$1,650	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,050	@60%	\$785	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,231	@60%	\$912	Yes	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,050	Market	\$1,770	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,231	Market	\$1,770	N/A	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	1,340	@60%	\$867	No	Yes	N/A	N/A
					3BR / 2.5BA	N/A	N/A	1,441	@60%	\$1,052	Yes	Yes	N/A	N/A
					3BR / 2.5BA	N/A	N/A	1,340	Market	\$1,870	N/A	No	N/A	N/A
3BR / 2.5BA	N/A	N/A	1,441	Market	\$2,315	N/A	No	N/A	N/A					
4BR / 2BA	N/A	N/A	N/A	@60%	\$928	No	Yes	N/A	N/A					
4BR / 2BA	N/A	N/A	N/A	@60%	\$1,171	Yes	Yes	N/A	N/A					
732													12	1.6%
3	Columbia Senior Residences At Mechanicsville 555 Modaniel St SW Atlanta, GA 30312 Fulton County	1.9 miles	Midrise 4-stories 2007 / n/a Senior	@60%, Market, PBRA	1BR / 1BA	18	11.7%	750	@60%	\$758	Yes	Yes	0	0.0%
					1BR / 1BA	1	0.7%	750	Market	\$800	N/A	Yes	0	0.0%
					1BR / 1BA	135	87.7%	750	PBRA	\$758	N/A	Yes	0	0.0%
154													0	0.0%
4	Lillie R. Campbell House 1830 Campbellton Rd SW Atlanta, GA 30311 Fulton County	4.8 miles	Midrise 4-stories 2008 / n/a Senior	@60%, Market	1BR / 1BA	19	19.8%	626	@60%	\$637	Yes	Yes	0	0.0%
					1BR / 1BA	5	5.2%	626	Market	\$752	N/A	Yes	0	0.0%
					2BR / 1BA	48	50.0%	831	@60%	\$666	Yes	Yes	0	0.0%
					2BR / 1BA	12	12.5%	831	Market	\$916	N/A	Yes	0	0.0%
					2BR / 2BA	6	6.3%	882	@60%	\$706	Yes	Yes	0	0.0%
					2BR / 2BA	2	2.1%	882	Market	\$966	N/A	Yes	0	0.0%
					3BR / 2BA	3	3.1%	1,108	@60%	\$816	Yes	Yes	0	0.0%
3BR / 2BA	1	1.0%	1,108	Market	\$991	N/A	Yes	0	0.0%					
96													0	0.0%
5	1016 Lofts 1016 Howell Mill Rd Atlanta, GA 30318 Fulton County	1.1 miles	Midrise 6-stories 2003 / n/a Family	Market	0BR / 1BA	N/A	N/A	630	Market	\$1,180	N/A	No	1	N/A
					0BR / 1BA	N/A	N/A	630	Market	\$1,440	N/A	No	1	N/A
					0BR / 1BA	N/A	N/A	649	Market	\$1,197	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	720	Market	\$1,402	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	972	Market	\$1,557	N/A	No	1	N/A
					1BR / 1BA	N/A	N/A	1,278	Market	\$1,900	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	972	Market	\$1,538	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,218	Market	\$1,967	N/A	No	0	N/A
2BR / 2BA	N/A	N/A	1,367	Market	\$2,032	N/A	No	1	N/A					
265													7	2.6%
6	935M 935 Marietta St NW Atlanta, GA 30318 Fulton County	0.8 miles	Various 7-stories 2010 / n/a Family	Market	0BR / 1BA	94	33.3%	560	Market	\$1,365	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	600	Market	\$1,410	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	520	Market	\$1,320	N/A	No	N/A	N/A
					1BR / 1BA	94	33.3%	768	Market	\$1,370	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	850	Market	\$1,470	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	685	Market	\$1,270	N/A	No	N/A	N/A
					2BR / 2BA	94	33.3%	1,140	Market	\$1,885	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,300	Market	\$2,045	N/A	No	N/A	N/A
2BR / 2BA	N/A	N/A	980	Market	\$1,965	N/A	No	N/A	N/A					
2BR / 3BA	N/A	N/A	2,415	Market	\$3,016	N/A	No	N/A	N/A					
282													12	4.3%
7	Arium Westside 1000 Northside Dr NW Atlanta, GA 30318 Fulton County	1.0 miles	Midrise 6-stories 2006 / 2017 Family	Market	1BR / 1BA	145	43.2%	777	Market	\$1,350	N/A	No	N/A	N/A
					1BR / 1BA	15	4.5%	856	Market	\$1,410	N/A	No	N/A	N/A
					1BR / 1BA	74	22.0%	877	Market	\$1,435	N/A	No	N/A	N/A
					1BR / 1BA	3	0.9%	1,286	Market	\$1,600	N/A	No	N/A	N/A
					2BR / 2BA	70	20.8%	1,068	Market	\$1,825	N/A	No	N/A	N/A
					2BR / 2BA	10	3.0%	1,108	Market	\$1,875	N/A	No	N/A	N/A
					2BR / 2BA	14	4.2%	1,157	Market	\$1,950	N/A	No	N/A	N/A
3BR / 2BA	5	1.5%	1,386	Market	\$2,895	N/A	No	0	0.0%					
336													6	1.8%
8	Point At Westside 370 Northside Drive NW Atlanta, GA 30318 Fulton County	0.3 miles	Midrise 4-stories 2004 / 2015 Family	Market	0BR / 1BA	7	2.6%	595	Market	\$1,145	N/A	No	0	0.0%
					1BR / 1BA	3	1.1%	674	Market	\$1,218	N/A	No	0	0.0%
					1BR / 1BA	5	1.9%	729	Market	\$1,193	N/A	No	0	0.0%
					1BR / 1BA	11	4.1%	751	Market	\$1,195	N/A	No	1	9.1%
					1BR / 1BA	11	4.1%	1,148	Market	\$1,422	N/A	No	3	27.3%
					1BR / 1BA	11	4.1%	1,190	Market	\$1,752	N/A	No	1	9.1%
					1BR / 1BA	4	1.5%	1,234	Market	\$1,698	N/A	No	0	0.0%
					2BR / 2BA	46	17.2%	1,028	Market	\$1,588	N/A	No	4	8.7%
					2BR / 2BA	2	0.8%	1,040	Market	\$1,417	N/A	No	1	50.0%
					2BR / 2BA	60	22.5%	1,056	Market	\$1,354	N/A	No	5	8.3%
					2BR / 2BA	2	0.8%	1,076	Market	\$1,435	N/A	No	0	0.0%
					2BR / 2BA	2	0.8%	1,102	Market	\$1,495	N/A	No	0	0.0%
					2BR / 2BA	53	19.9%	1,300	Market	\$1,750	N/A	No	5	9.4%
3BR / 2BA	34	12.7%	1,211	Market	\$1,840	N/A	No	3	8.8%					
3BR / 2BA	16	6.0%	1,234	Market	\$1,925	N/A	No	0	0.0%					
267													23	8.6%