



**NOVOGRADAC
& COMPANY** LLP®

CERTIFIED PUBLIC ACCOUNTANTS

**A MARKET CONDITIONS AND
PROJECT EVALUATION SUMMARY
OF:
THE VILLAGE
ON 5TH**

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: THE VILLAGE ON 5TH

811 5th Street
Augusta, Richmond County, Georgia 30901

Effective Date: April 11, 2019
Report Date: May 15, 2019

Prepared for:
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MACO Development Co.
111 N. Main Street
Clarkton, MO 63837

Prepared by:
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CERTIFIED PUBLIC ACCOUNTANTS

May 15, 2019

Jason Maddox
MACO Development Co.
111 N. Main Street
Clarkton, MO 63837

Re: Application Market Study for The Village on 5th, located in Augusta, Richmond County, Georgia

Dear Mr. Maddox:

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

The purpose of this market study is to assess the viability of the proposed 54-unit senior LIHTC project. It will be a newly constructed affordable LIHTC project, with 54 revenue generating units, restricted to senior households aged 55 and over, earning 50 and 60 percent of the Area Median Income (AMI) or less. 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.

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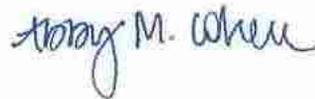
The Stated Purpose of this assignment is for tax credit application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without 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

The Village on 5th will be a newly constructed senior property located at 811 5th Street in Augusta, Richmond County, Georgia, which will consist of one, four-story, midrise 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	2019 HUD Fair Market Rents		
@50%									
1BR / 1BA	690	2	\$440	\$141	\$581	\$585	\$697		
2BR / 1BA	880	9	\$510	\$185	\$695	\$701	\$836		
@60%									
1BR / 1BA	690	6	\$550	\$141	\$691	\$702	\$697		
2BR / 1BA	880	37	\$630	\$185	\$815	\$841	\$836		
		54							

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

The proposed rents for the Subject’s units are below the maximum allowable rents. The Subject’s amenity packages are considered to be comparable to the existing housing supply in the market. The Subject’s biggest deficiency is its lack of proposed coat closets and walk-in closets. However, the Subject will offer a business center and community room, which is not currently offered at several of the comparables.

2. Site Description/Evaluation

The Subject site is located on the south side of Walton Way, the west side of 5th Street, and the north side of Taylor Street. The Subject site has good visibility and accessibility from 5th Street. The Subject site is currently a vacant lot. Surrounding uses consist of commercial uses, light industrial uses, single-family uses, and multifamily uses. Based on our inspection of the neighborhood, retail appeared to be 80 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by *WalkScore* with a rating of 46 out of 100. Crime risk indices in the Subject’s area are modestly elevated but the Subject’s proposed security features are market oriented. The

3. Market Area Definition

The PMA is defined as the city of Augusta, which generally includes the northern portion of Richmond County. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

- North: 5.8 miles
- East: 1.3 miles
- South: 5.6 miles
- West: 7.9 miles

The PMA boundaries are generally defined as Interstate 20 and the Savannah River to the north and Interstate 520 to the east, south, and west. This area was defined based on interviews with local market, including property managers at comparable properties. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2019 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 7.9 miles. The secondary market area (SMA) for the Subject is the Augusta-Richmond County, GA Metropolitan

Statistical Area, which is comprised of Lincoln, McDuffie, Columbia, Richmond, and Burke Counties in Georgia, and Edgefield and Aiken Counties in South Carolina.

4. Community Demographic Data

The population in the PMA remained stable from 2010 to 2018, while the population in the MSA increased by 1.1 percent annually over the same period. The population and number of households in the PMA is expected to continue to remain relatively stable through 2021. The current population of the PMA is 91,151 and is expected to be 91,353 in 2021. Senior renter households are concentrated in the lowest income cohorts, with 62.9 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning \$17,430 and \$29,940 for its units. Overall, while population growth has been stagnant, 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 March 2019. The city of Augusta is experiencing a foreclosure rate of one in every 1,162 homes, while Richmond County is experiencing foreclosure rate of one in every 1,259 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Augusta is experiencing a higher foreclosure rate than the nation and Richmond County as a whole. The Subject's neighborhood has a high percentage of vacant homes, which may impact the marketability of the Subject.

5. Economic Data

Employment in the PMA is concentrated in five industries which represent approximately 60 percent of total local employment. Two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn. Furthermore, Fort Gordon is the area's largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures. Between 2016 and 2018, Richmond County experienced 1,186 layoffs. However, these employment losses are offset by the 1,870 jobs added during the same period.

Overall, the MSA experienced strong total employment growth from 2015 to 2018. Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the nation. As of February 2019, MSA employment is below record levels; and is declining at a rate of 0.6 percent, compared to a 1.1 percent increase across the nation. The unemployment rate in the MSA as of February 2019 was four percent, 10 basis point lower than the national unemployment rate but significantly lower than the 2011 peak of 9.8 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$17,430	\$24,950	2	201	0	201	1.0%	\$440
1BR @60%	\$20,730	\$29,940	6	203	40	163	3.7%	\$550
1BR Overall	\$17,430	\$29,940	8	310	40	270	3.0%	-
2BR @50%	\$20,850	\$28,050	9	147	0	147	6.1%	\$510
2BR @60%	\$24,450	\$33,660	37	148	0	148	25.0%	\$630
2BR Overall	\$20,850	\$33,660	46	226	0	226	20.4%	-
@50% Overall	\$17,430	\$28,050	11	348	0	348	3.2%	-
@60% Overall	\$17,430	\$33,660	43	352	40	312	13.8%	-
Overall	\$17,430	\$33,660	54	536	40	496	10.9%	-

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 11 “true” comparable properties containing 1,408 units.

The availability of LIHTC data is considered good; there are 14 LIHTC properties in the PMA. However, the majority target a family tenancy. We included two mixed-income comparable properties that target a senior tenancy. Two other LIHTC properties target a senior population and offer similar unit types in comparison to the proposed Subject. One LIHTC comparable property targets a family tenancy but is the newest LIHTC property in the market and reported some senior tenants. The comparable LIHTC properties are all located in the PMA, between 1.6 and 5.9 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in Augusta and there are several market-rate properties in the area. We include six conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 0.4 and 6.9 miles from the Subject site. These comparables were built or renovated between 2003 and 2019. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types. Canalside Apartments, the newest market rate property in the PMA, is excluded from this analysis as we were unable to contact a management representative willing to provide information for our survey.

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 Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@50%	\$440	\$398	\$1,132	\$572	30%
1BR / 1BA	@60%	\$550	\$479	\$1,132	\$615	12%
2BR / 1BA	@50%	\$510	\$467	\$1,262	\$684	34%
2BR / 1BA	@60%	\$630	\$545	\$1,262	\$730	16%

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. The Subject’s proposed rents have a 12 to 34 percent rent advantage over the surveyed average of comparable rents.

The Glen at Alexander is achieving the highest one, two and three-bedroom unrestricted rents in the market. The Subject will be inferior to The Glen at Alexander as a market-rate property. The Glen at Alexander was built in 2003 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s garden-style design is also considered inferior to the Subject’s four-story, midrise design. The Glen at Alexander is located 5.0 miles from the Subject site and offers a superior location based on median household income, crime risk indices, and area vacant housing. The Glen at Alexander offers slightly superior in-unit amenities compared to the Subject’s proposed floor plans for offering coat closets and walk-in closets. The Glen at Alexander’s community amenities are considered superior to the Subject, as it offers a basketball court, tennis court, and swimming pool. The one and two-bedroom rents at The Glen at Alexander are approximately 100 to 157 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

Information regarding the absorption periods of two of the surveyed comparable properties and two additional properties in the Subject’s area is illustrated in the following table.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Gardens At Harvest Point	LIHTC	Family	2018	256	10
Legacy At Walton Green	LIHTC	Senior	2017	80	13
Walker Estates Apartments	Market	Family	2016	252	21
Grand Oaks At Crane Creek	Market	Family	2016	300	27

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is a proposed new construction, age-restricted tax credit property. The Subject will be most similar to Legacy at Walton Green, an age-restricted tax-credit property that opened in 2017. Legacy at Walton Green experienced an absorption pace of 13 units per month, for an absorption period of six months. The Subject will likely experience a similar absorption pace of 15 units per month for an absorption period of three to four months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 1.1 percent, which is considered low. However, all four of the vacant units at Augusta Spring Apartments and the vacant unit at Terraces at Edinburgh are pre-leased. Furthermore, all of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will

offer similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer in-unit washers and dryers, a business center, community room and exercise facility, which many of the comparables will 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 new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive. In general, the Subject will be similar to slightly superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several 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.

THE VILLAGE ON 5TH – AUGUSTA, GEORGIA – MARKET STUDY

Summary Table:

Development Name:	<u>The Village On 5th</u>	Total # Units:	<u>54</u>
Location:	<u>811 5th Street Augusta, GA 30901</u>	# LIHTC Units:	<u>54</u>
PMA Boundary:	<u>North: Interstate 20 and the Savannah River; South: Interstate 520 ; East: Interstate 520 ; West: Interstate 520</u>		
	Farthest Boundary Distance to Subject:		<u>7.9 miles</u>

Rental Housing Stock (found on page 69)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	53	5,377	279	94.8%
Market-Rate Housing	15	1,971	169	91.4%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	23	1,668	58	96.5%
LIHTC	15	1,738	51	97.1%
Stabilized Comps	53	5,377	279	94.8%
Properties in Construction & Lease Up	2	180	N/Ap	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1BR at 50% AMI	1	690	\$440	\$572	\$0.83	30%	\$1,132	\$1.64
9	2BR at 50% AMI	1	880	\$510	\$615	\$0.70	21%	\$1,262	\$1.43
6	1BR at 60% AMI	1	690	\$550	\$684	\$0.99	24%	\$1,132	\$1.64
37	2BR at 60% AMI	1	880	\$630	\$730	\$0.83	16%	\$1,262	\$1.43

Capture Rates (found on page 60)

Targeted Population	@50%	@60%	-	Market-rate	Other: __	Overall
Capture Rate:	3.2%	13.8%	-	-	-	10.9%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located at 811 5th Street in Augusta, Richmond County, Georgia 30901. The Subject site is currently vacant.
- 2. Construction Type:** The Subject will consist of one, four-story, midrise building.
- 3. Occupancy Type:** Seniors ages 55 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.

THE VILLAGE ON 5TH – AUGUSTA, GEORGIA – MARKET STUDY

The Village On 5th													
Location	811 5th Street Augusta, GA 30901 Richmond County												
Units	54												
Vacant Units	N/A												
Vacancy Rate	N/A												
Type	Midrise (age-restricted) (4 stories)												
Year Built / Renovated	2021 / n/a												
Market													
Program	@50%, @60%				Leasing Pace			N/A					
Annual Turnover Rate	N/A				Change in Rent (Past Year)			N/A					
Units/Month Absorbed	N/A				Concession			N/A					
Section 8 Tenants	N/A												
Utilities													
A/C	not included – central				Other Electric			not included					
Cooking	not included – electric				Water			not included					
Water Heat	not included – electric				Sewer			not included					
Heat	not included – electric				Trash Collection			included					
Unit Mix (face rent)													
Beds	Baths	Type	Units	Size (SF)	Rent	Concession	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?		
1	1	Midrise (4 stories)	2	690	\$440	\$0	@50%	N/A	N/A	N/A	no		
1	1	Midrise (4 stories)	6	690	\$550	\$0	@60%	N/A	N/A	N/A	no		
2	1	Midrise (4 stories)	9	880	\$510	\$0	@50%	N/A	N/A	N/A	no		
2	1	Midrise (4 stories)	37	880	\$630	\$0	@60%	N/A	N/A	N/A	no		
Amenities													
In-Unit	Balcony/Patio	Property	Business	Security	Intercom (Buzzer)								
	Blinds		Center/Computer Lab		Limited Access								
	Carpeting		Clubhouse/Meeting Room/Community		None								
	Central A/C		Room	Premium	Community								
	Dishwasher		Courtyard	Other	Garden								
	Garbage Disposal		Elevators		Health & Wellness								
	Hand Rails		Exercise Facility		Room								
	Microwave		Off-Street Parking		Adult Education								
	Oven		On-Site Management		Tutoring								
	Refrigerator		Picnic Area	Services									
	Washer/Dryer		Service Coordination										
			Wi-Fi										
Comments													
Adult education will include classes on healthy eating, computers and technology, as well as fitness. Free internet will be offered on the business center computers. The proposed utility allowances for the Subject's units are \$141 for one-bedroom units and \$185 for two-bedroom units.													

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in September 2020 and be completed in September 2021. Therefore, we utilized September 2021 as the market entry year for demographic purposes according to the DCA Market Study Manual.
- Conclusion:** The Subject will be an excellent-quality four-story, midrise apartment complex, comparable to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

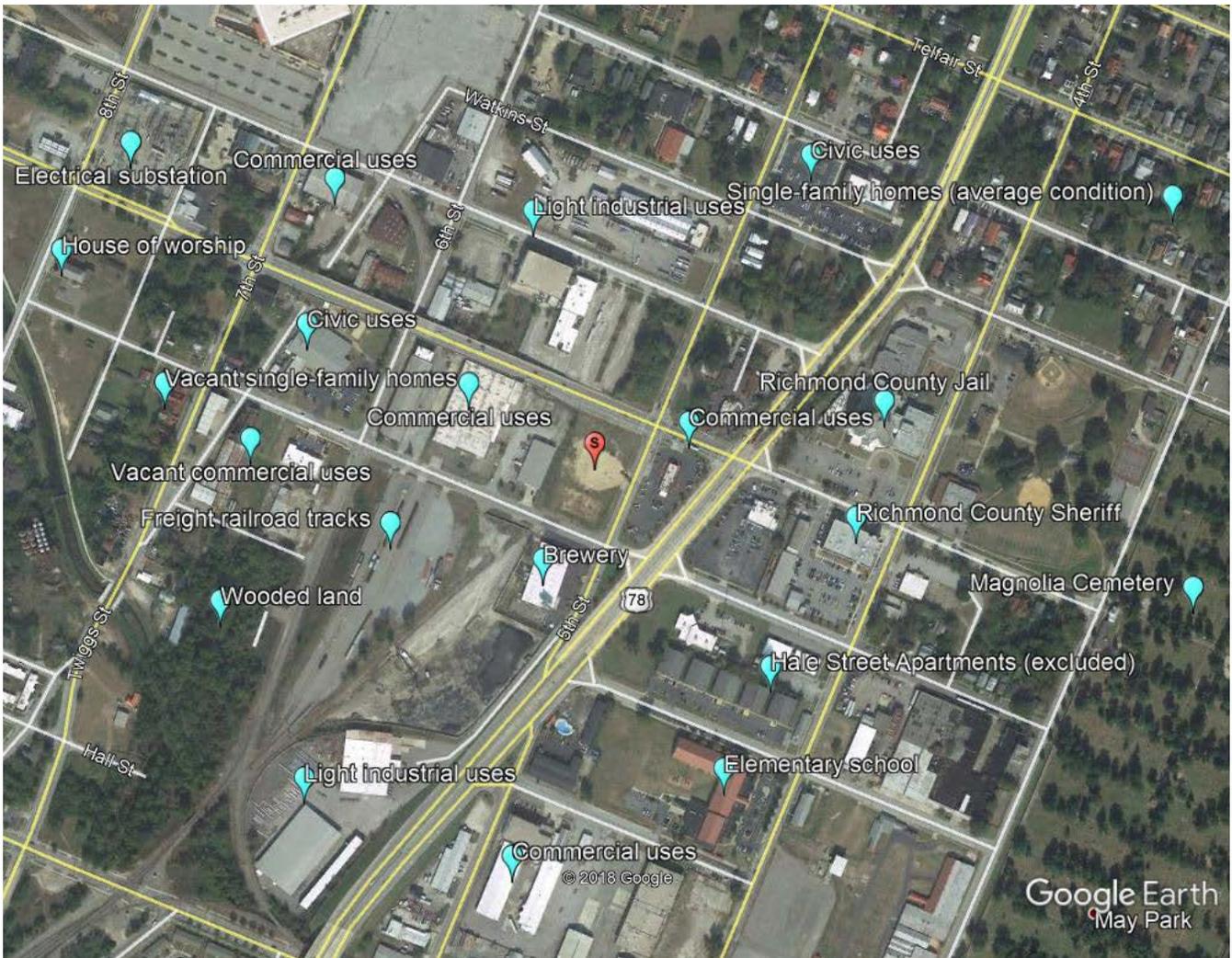
C. SITE EVALUATION

1. **Date of Site Visit and Name of Inspector:** Andrew Felder visited the site on April 11, 2019.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along Walton Way, 5th Street, and Taylor Street.

Visibility/Views: The Subject will be located on the southern side of Walton Way, the western side of 5th Street, and the northern side of Taylor Street. Visibility and views from the site will be good and will include vacant land, commercial uses, and light industrial uses.

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



Source: Google Earth, April 2019.

The Subject site is located on the south side of Walton Way, the west side of 5th Street, and the north side of Taylor Street. The Subject site is currently a vacant lot. Directly east of the Subject site are several

restaurants. Farther east of the Subject is Hale Street Apartments, a multifamily property we excluded as we could not contact a management representative. Additionally, this property exhibits a significantly inferior condition to the Subject’s anticipated condition upon completion. North and northwest of the Subject site are light industrial uses. South of the Subject site are commercial uses including a brewery. West of the Subject site are commercial and light industrial uses. Based on our inspection of the neighborhood, retail appeared to be 80 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject’s neighborhood exhibits an elevated amount of vacant housing in its immediate area. The Subject site is considered “Car-Dependent” by *WalkScore* with a rating of 46 out of 100. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, which are within 4.4 miles of the Subject site. The Subject site is considered an average location for rental housing.

Positive/Negative Attributes of Site:

The Subject’s proximity to retail and other locational amenities is considered a positive attribute. The Subject is located in downtown Augusta, approximately 0.8 miles from the Broad Street commercial corridor. A negative attribute of the Subject site would be the light industrial and nearby freight railroad tracks uses within the immediate vicinity of the Subject site as well as the nearby vacant uses. Additionally, there is an elevated percentage of vacant residential and commercial uses in the Subject’s immediate area.

3. Physical Proximity to Locational Amenities:

The Subject is located within 4.4 miles of all locational amenities. Additionally, it is within 10 miles of Fort Gordon, which is the area’s largest employer.

4. Pictures of Site and Adjacent Uses:

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



Subject site facing west



Subject site facing south



Subject site facing south east



Subject site facing south west



Subject site facing south



View facing east on Walton Way



View facing west on Walton Way



Subject site facing south west



Subject site facing north west



Subject site facing north west



Subject site facing west



View facing north on 5th Street



View facing south on 5th Street



View facing east on Taylor Street



View facing west on Taylor Street



View facing south east on 5th Street



Single family home in the Subject's neighborhood



Typical commercial use in the Subject's neighborhood



Dilapidated small multifamily use in the Subject's neighborhood



Single family home in the Subject's neighborhood



Red Lobster in the Subject's neighborhood



Vacant single family home in Subject's neighborhood



Vacant single family home in Subject's neighborhood



Vacant commercial use in the Subject's neighborhood

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Driving)
1	Richmond County Sheriff's Office	0.2 miles
2	May Park	0.2 miles
3	Bus Stop	0.4 miles
4	United States Postal Service	0.6 miles
5	Augusta-Richmond County Public Library	0.9 miles
6	First Community Bank	1.0 miles
7	Augusta Fire Department	1.3 miles
8	University Hospital	1.6 miles
9	CVS Pharmacy	1.8 miles
10	Publix Super Market	3.3 miles
11	Walmart	3.6 miles
12	Shiloh Senior Center	4.4 miles

6. Description of Land Uses

The Subject site is located on the south side of Walton Way, the west side of 5th Street, and the north side of Taylor Street. The Subject site is currently a vacant lot. North of the Subject site are light industrial uses. Farther north is the Broad Street commercial corridor, with several restaurants and local businesses. East of the Subject site are commercial uses. Farther east, across Gordon Highway, is the Richmond County Jail and Sheriff's Office, as well as May Park. Due to the development in the area we do not believe the jail is a detrimental influence. South of the Subject site are light industrial uses and commercial uses, as well as the Allen Homes, a public housing development excluded as a comparable in our analysis due to its subsidized tenancy. West of the Subject site are light industrial uses and the James Brown Arena. University Hospital and the Augusta University Medical Center are located 1.6 miles from the Subject site. Based on our inspection of the neighborhood, retail appeared to be 80 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *WalkScore* with a rating of 46 out of 100. The Subject's area exhibits an elevated amount of vacant residential housing and commercial uses. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in fair to average condition. However, the site has good proximity to locational amenities, which are within 4.4 miles of the Subject site. Further, given the civic, institutional, as well as new commercial uses such as the brewery, the Subject site is considered an average location for rental housing.

7. Crime:

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

2018 CRIME INDICES

	PMA	Augusta-Richmond County, GA-SC Metropolitan Statistical Area
Total Crime*	184	126
Personal Crime*	154	113
Murder	224	143
Rape	118	96
Robbery	230	114
Assault	119	113
Property Crime*	188	127
Burglary	253	163
Larceny	163	115
Motor Vehicle Theft	217	130

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

*Unweighted aggregations

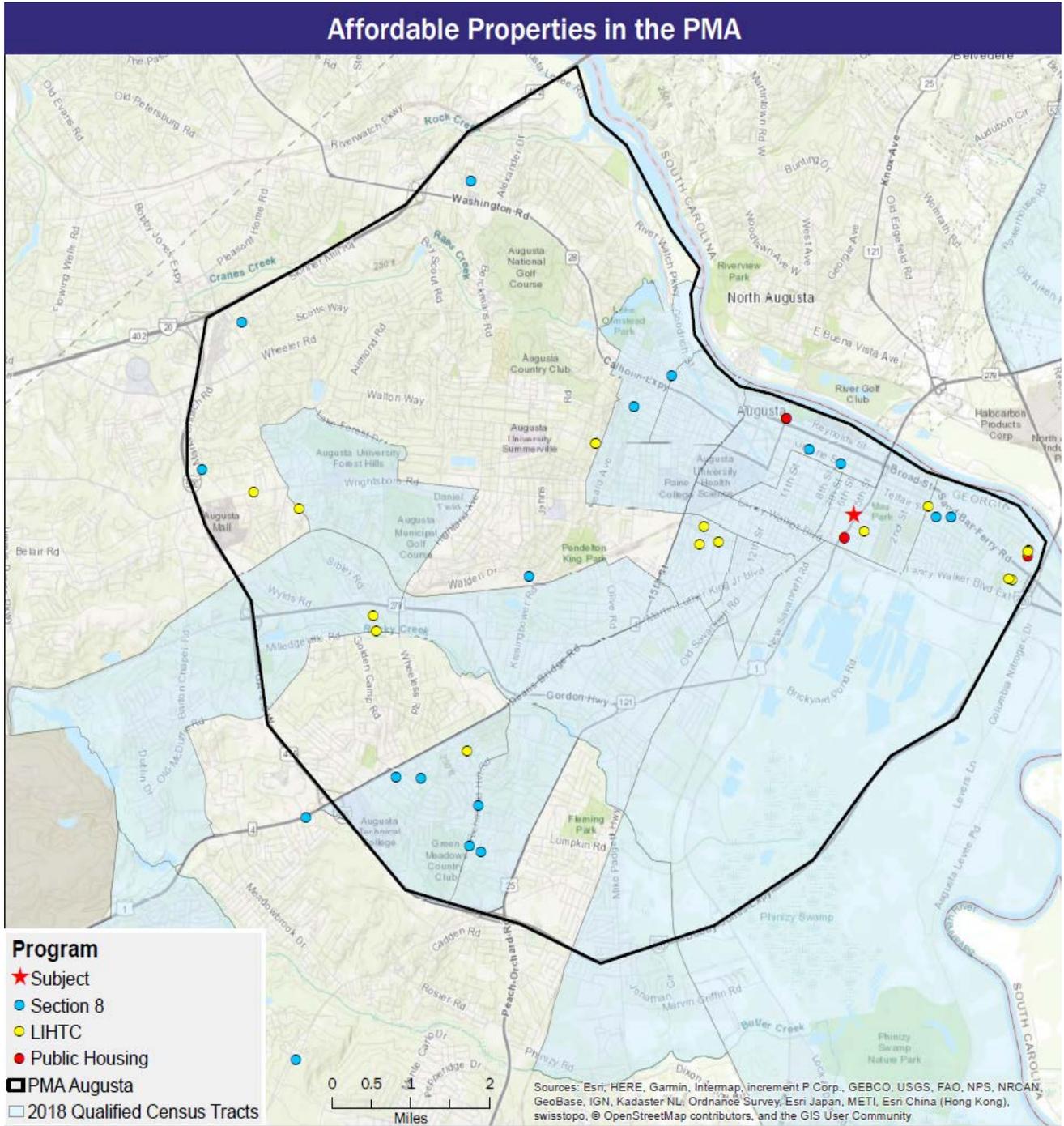
Total crime risk indices in the PMA are modestly elevated relative to the national average and above the surrounding MSA. Both geographic areas feature crime risk indices above the overall nation. Personal crime in the PMA is above national personal crime levels. The Subject will offer intercoms and limited access as security features. Four of the comparable properties do not offer any security features. However, the majority of the comparable properties offer some form of security features, including intercoms, limited access, patrols, and perimeter fencing. Given the presence of security features among the comparables, we believe the Subject's security features are market oriented and will be well accepted in the market.

8. Existing Assisted Rental Housing Property Map:

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

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color	
The Village on 5th	LIHTC	Augusta	Senior	60	-	Star	
Augusta Senior Spring Apartments	LIHTC	Augusta	Senior	200	5.9 miles	Yellow	
Gardens at Harvest Point	LIHTC	Augusta	Family	256	5.8 miles		
Legacy at Walton Green	LIHTC/ACC/Market	Augusta	Senior	80	1.9 miles		
Linden Square Apartments	LIHTC/Market	Augusta	Senior	48	1.6 miles		
Terraces at Edinburgh	LIHTC	Augusta	Family	72	5.2 miles		
Legacy at Walton Green II (UC)	LIHTC	Augusta	Family	90	2.7 miles		
Legacy at Walton Green III (Prop)	LIHTC	Augusta	Senior	90	2.7 miles		
Hale Street Apartments	LIHTC	Augusta	Family	16	0.4 miles		
Riverchase Apartments	LIHTC	Augusta	Family	80	2.4 miles		
Sandbar Manor II	LIHTC	Augusta	Family	80	2.4 miles		
East Augusta Commons	LIHTC	Augusta	Family	148	1.2 miles		
Maxwell House	Section 8/LIHTC	Augusta	Family	216	1.2 miles		
Cedarwood Apartments	LIHTC	Augusta	Family	184	5.6 miles		
The Crest at Edinburgh	LIHTC	Augusta	Family	40	6.3 miles		
Legacy at Walton Oaks I	LIHTC	Augusta	Senior	75	2.7 miles		
Legacy at Walton Oaks II	LIHTC	Augusta	Senior	62	2.7 miles		
Walton Oaks Apartment Homes	LIHTC	Augusta	Family	181	2.7 miles		
Riverglen Apartments	Section 8	Augusta	Family	192	1.2 miles		Blue
Augusta Manor	Section 8	Augusta	Family	100	7.7 miles		
Augusta Properties	Section 8	Augusta	Family	88	2.9 miles		
Bon Air Apartments	Section 8	Augusta	Family	203	3.0 miles		
Villa Marie Apartments	Section 8	Augusta	Family	140	8.1 miles		
Independent Living Horizons I	Section 8	Augusta	Senior	3	4.3 miles		
Independent Living Horizons II	Section 8	Augusta	Senior	9	3.3 miles		
Independent Living Horizons III	Section 8	Augusta	Senior	5	5.4 miles		
Independent Living Horizons IV	Section 8	Augusta	Senior	20	6.0 miles		
Independent Living Horizons V	Section 8	Augusta	Senior	11	5.8 miles		
Independent Living Horizons 6	Section 8	Augusta	Senior	40	6.0 miles		
Independent Living Horizons 8	Section 8	Augusta	Senior	40	5.7 miles		
Independent Living Horizons 11	Section 8	Augusta	Senior	13	5.9 miles		
Independent Living Horizons 12	Section 8	Augusta	Senior	6	6.2 miles		
Independent Living Horizons 15	Section 8	Augusta	Senior	12	6.2 miles		
Lynndale Group Homes	Section 8	Augusta	Senior	12	7.3 miles		
Lynndale West Apartments	Section 8	Augusta	Senior	11	9.6 miles		
S.G. Noble Garden of Hope	Section 8	Augusta	Senior	30	1.6 miles		
Shadowood Apartments	Section 8	Augusta	Family	78	6.5 miles		
St. John's Towers	Section 8	Augusta	Family	266	0.7 miles		
Freedoms Path	Section 8	Augusta	Veterans	78	4.4 miles		
Richmond Summit Apartments	Public Housing	Augusta	Family	136	1.0 miles	Red	
Allen Homes	Public Housing	Augusta	Family	175	0.5 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 Walton Way, 5th Street, and Taylor Street, which are two-lane, neighborhood streets. 5th Street provides access to US-78, a limited access highway that provides access to Interstate 520 to the north and south. Overall, access and visibility are considered good.

11. Conclusion:

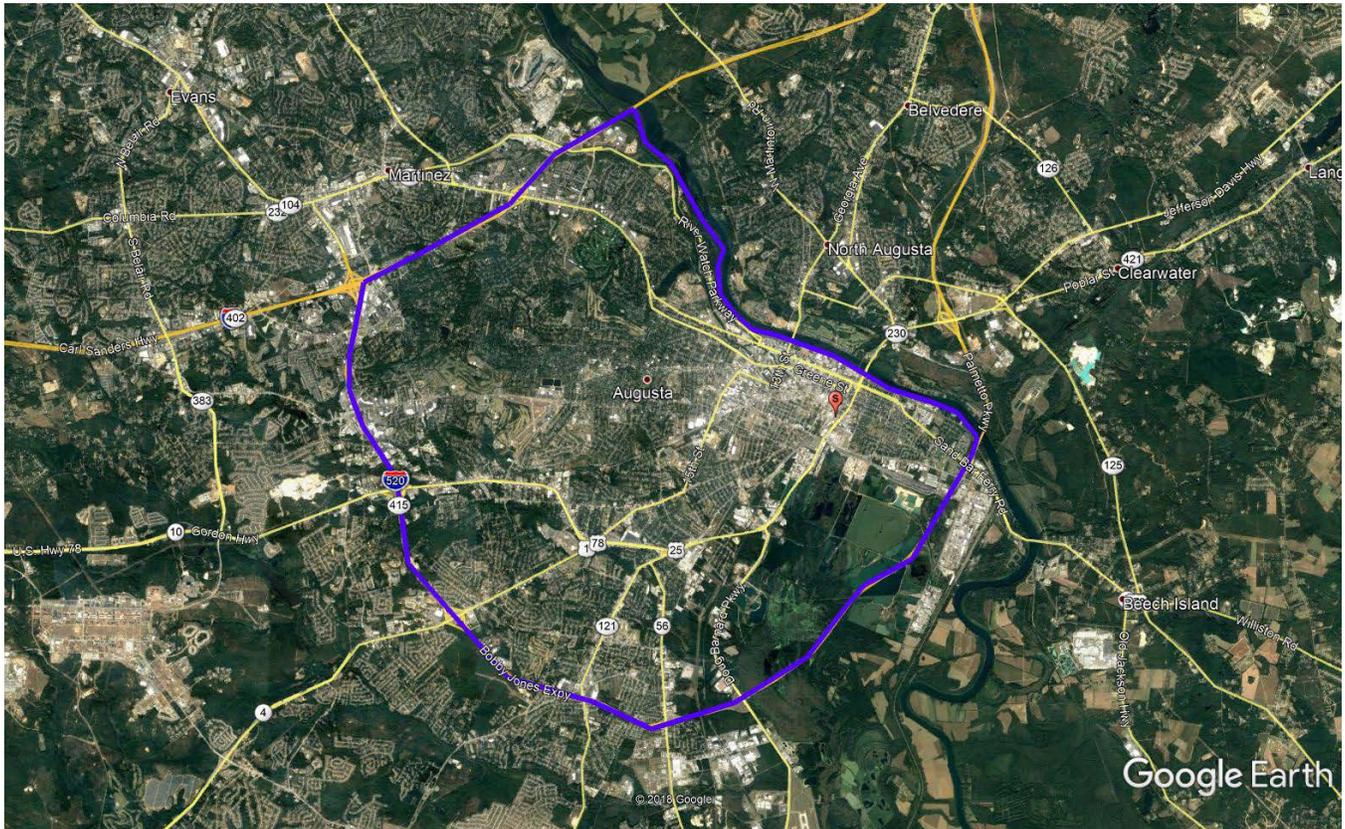
The Subject site is located on the south side of Walton Way, the west side of 5th Street, and the north side of Taylor Street. The Subject site has good visibility and accessibility from 5th Street. The Subject site is currently a vacant lot. Surrounding uses consist of commercial uses, light industrial uses, single-family uses, and multifamily uses. Based on our inspection of the neighborhood, retail appeared to be 80 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *WalkScore* with a rating of 46 out of 100. Crime risk indices in the Subject's area are modestly elevated but the Subject's proposed security features are market oriented. The Subject's area exhibits an elevated amount of vacant residential housing and commercial uses. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in fair to average condition. However, the site has good proximity to locational amenities, which are within 4.4 miles of the Subject site. Further, given the civic, institutional, as well as new commercial uses such as the brewery, the Subject site is considered an average location 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 Richmond, GA MSA are areas of growth or contraction.

The PMA is defined as the city of Augusta, which generally includes the northern portion of Richmond County. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

- North: 5.8 miles
- East: 1.3 miles
- South: 5.6 miles
- West: 7.9 miles

The PMA boundaries are generally defined as Interstate 20 and the Savannah River to the north and Interstate 520 to the east, south, and west. This area was defined based on interviews with local market, including property managers at comparable properties. While we do believe the Subject will experience leakage from

outside the PMA boundaries, per the 2019 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 7.9 miles. The secondary market area (SMA) for the Subject is the Augusta-Richmond County, GA Metropolitan Statistical Area, which is comprised of Lincoln, McDuffie, Columbia, Richmond, and Burke Counties in Georgia, and Edgefield and Aiken Counties in South Carolina.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the Augusta-Richmond County, GA-SC Metropolitan Statistical Area (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 Augusta-Richmond County, GA-SC MSA. We utilized September 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, SMA and nation from 2000 through 2023.

Year	PMA		Augusta-Richmond County, GA-SC Metropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	99,358	-	508,032	-	281,038,168	-
2010	91,159	-0.8%	564,873	1.1%	308,745,538	1.0%
2018	91,151	0.0%	615,322	1.1%	330,088,686	0.8%
Projected Mkt Entry September 2021	91,353	0.1%	636,290	1.1%	338,870,484	0.8%
2023	91,470	0.1%	648,429	1.1%	343,954,683	0.8%

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

Between 2010 and 2018 there was approximate zero percent annual population growth in the PMA, and 1.1 percent annual growth in the MSA. Over the next five years, population growth in the PMA is projected to increase slightly by 0.1 percent annually, while the MSA will continue to experience 1.1 percent annual population growth, exceeding national projections. 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			Projected Mkt Entry September 2021	2023
	2000	2010	2018		
0-4	7,243	6,875	6,277	6,261	6,251
5-9	7,046	5,697	5,890	5,785	5,724
10-14	6,578	4,888	5,293	5,372	5,417
15-19	6,667	5,940	5,130	5,319	5,428
20-24	8,427	8,233	6,475	6,373	6,314
25-29	8,197	7,940	7,478	6,918	6,593
30-34	6,545	5,953	7,049	6,770	6,608
35-39	6,613	4,846	5,824	6,062	6,199
40-44	6,811	4,957	4,763	5,306	5,620
45-49	6,451	5,840	4,836	4,783	4,753
50-54	5,751	6,253	5,306	5,085	4,957
55-59	4,580	5,944	5,866	5,469	5,239
60-64	3,955	4,930	5,679	5,647	5,629
65-69	3,979	3,708	4,948	5,132	5,238
70-74	3,748	2,834	3,647	4,029	4,250
75-79	3,186	2,570	2,697	2,979	3,143
80-84	2,031	1,994	1,924	2,017	2,071
85+	1,550	1,757	2,068	2,048	2,036
Total	99,358	91,159	91,150	91,353	91,470

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

POPULATION BY AGE GROUP

Age Cohort	Augusta-Richmond County, GA-SC Metropolitan Statistical Area				
	2000	2010	2018	Projected Mkt Entry September 2021	2023
0-4	35,148	38,363	38,461	39,237	39,687
5-9	39,235	38,347	39,738	40,330	40,672
10-14	40,150	38,333	39,838	41,364	42,248
15-19	39,522	41,854	38,688	40,618	41,736
20-24	33,910	39,438	39,096	37,834	37,104
25-29	34,136	39,010	44,256	41,348	39,664
30-34	35,041	35,144	42,527	44,236	45,226
35-39	40,524	34,928	40,086	42,983	44,660
40-44	41,135	36,072	36,154	39,768	41,860
45-49	37,509	41,435	37,231	37,165	37,127
50-54	32,222	41,665	39,322	38,868	38,605
55-59	24,624	37,449	42,602	40,916	39,940
60-64	18,977	32,145	40,215	41,862	42,815
65-69	16,929	23,962	35,268	37,930	39,471
70-74	14,563	16,932	25,263	29,370	31,748
75-79	11,482	12,955	16,455	19,935	21,950
80-84	7,132	9,168	10,277	12,012	13,016
85+	5,791	7,673	9,845	10,513	10,900
Total	508,030	564,873	615,322	636,290	648,429

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

The largest age cohorts in the PMA are between 25 to 29 and 30 to 34, which indicates the presence of families.

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	Total	PMA		Augusta-Richmond County, GA-SC Metropolitan		
		Non-Elderly	Elderly (55+)	Total	Non-Elderly	Elderly (55+)
2000	99,358	76,329	23,029	508,032	408,534	99,498
2010	91,159	67,422	23,737	564,873	424,589	140,284
2018	91,151	64,322	26,829	615,322	435,397	179,925
Projected Mkt Entry	91,353	64,032	27,321	636,290	443,752	192,538
2023	91,470	63,864	27,606	648,429	448,589	199,840

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

The elderly population in the PMA is increase moderately through market entry and 2023. Elderly growth in the PMA was strong between 2010 and 2018 compared to general population growth. This bodes well for age-restricted housing in the PMA.

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) Housing for Older Persons Households 55+ 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

Year	PMA		Augusta-Richmond County, GA-SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	41,199	-	188,041	-	105,403,008	-
2010	39,211	-0.5%	215,524	1.5%	116,716,296	1.1%
2018	39,353	0.0%	234,850	1.1%	124,110,017	0.8%
Projected Mkt Entry September 2021	39,375	0.0%	242,513	1.0%	127,115,763	0.8%
2023	39,387	0.0%	246,949	1.0%	128,855,931	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Augusta-Richmond County, GA-SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.33	-	2.61	-	2.59	-
2010	2.24	-0.4%	2.54	-0.3%	2.58	-0.1%
2018	2.25	0.1%	2.55	0.0%	2.59	0.1%
Projected Mkt Entry September 2021	2.26	0.1%	2.55	0.1%	2.60	0.1%
2023	2.26	0.1%	2.56	0.1%	2.61	0.1%

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

The number of households in the PMA remained stable between 2010 and 2018, while the number of households in the MSA increased by 1.1 percent annually over the same period, exceeding the national household growth rate. Over the next five years, the number of households in the PMA is expected to continue to remain stable, lagging household growth in the MSA and nation. The average household size in the PMA is smaller than the national average at 2.25 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 Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	20,224	49.1%	20,975	50.9%
2018	15,647	39.8%	23,706	60.2%
Projected Mkt Entry September 2021	15,931	40.5%	23,444	59.5%
2023	16,095	40.9%	23,292	59.1%

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,038	72.5%	4,178	27.5%
2018	10,170	60.4%	6,665	39.6%
Projected Mkt Entry September 2021	10,527	61.2%	6,666	38.8%
2023	10,733	61.7%	6,666	38.3%

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Among senior households, approximately 85 percent of households nationally reside in owner-occupied units and 15 percent reside in renter-occupied units. Therefore, there is a larger percentage of renters in the PMA than the nation, including among the senior population. This percentage is projected to remain relatively stable over the next five years.

2c. Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2018		Projected Mkt Entry September 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,606	24.1%	1,582	23.7%	1,568	23.5%
\$10,000-19,999	1,574	23.6%	1,566	23.5%	1,562	23.4%
\$20,000-29,999	1,013	15.2%	989	14.8%	975	14.6%
\$30,000-39,999	607	9.1%	594	8.9%	587	8.8%
\$40,000-49,999	459	6.9%	469	7.0%	475	7.1%
\$50,000-59,999	291	4.4%	292	4.4%	293	4.4%
\$60,000-74,999	326	4.9%	334	5.0%	339	5.1%
\$75,000-99,999	322	4.8%	325	4.9%	327	4.9%
\$100,000-124,999	120	1.8%	135	2.0%	144	2.2%
\$125,000-149,999	116	1.7%	126	1.9%	131	2.0%
\$150,000-199,999	120	1.8%	130	1.9%	135	2.0%
\$200,000+	111	1.7%	123	1.8%	130	2.0%
Total	6,665	100.0%	6,666	100.0%	6,666	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - Augusta-Richmond County, GA-SC Metropolitan Statistical Area, 55+

Income Cohort	2018		Projected Mkt Entry September 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,842	17.4%	3,787	16.7%	3,755	16.3%
\$10,000-19,999	4,567	20.7%	4,521	19.9%	4,495	19.5%
\$20,000-29,999	2,878	13.0%	2,907	12.8%	2,923	12.7%
\$30,000-39,999	2,193	9.9%	2,216	9.8%	2,230	9.7%
\$40,000-49,999	1,540	7.0%	1,581	7.0%	1,605	7.0%
\$50,000-59,999	1,333	6.0%	1,373	6.0%	1,396	6.1%
\$60,000-74,999	1,316	6.0%	1,395	6.1%	1,440	6.2%
\$75,000-99,999	1,804	8.2%	1,894	8.3%	1,946	8.4%
\$100,000-124,999	985	4.5%	1,085	4.8%	1,143	5.0%
\$125,000-149,999	635	2.9%	734	3.2%	791	3.4%
\$150,000-199,999	476	2.2%	545	2.4%	585	2.5%
\$200,000+	525	2.4%	659	2.9%	737	3.2%
Total	22,094	100.0%	22,697	100.0%	23,046	100.0%

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

The Subject will target tenants earning between \$17,430 and \$29,940. As the table above depicts, approximately 38.8 percent of renter households aged 55 and over in the PMA are earning incomes between \$10,000 and \$29,999, which is above the 33.7 percent of renter households in the MSA in 2018. For the projected market entry date of September 2021, these percentages are projected to slightly decrease to 38.3 percent to 32.7 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, 55+

Household Size	2018		Projected Mkt Entry September 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	4,271	64.1%	4,329	64.9%	4,362	65.4%
2 Persons	1,395	20.9%	1,389	20.8%	1,385	20.8%
3 Persons	411	6.2%	398	6.0%	390	5.9%
4 Persons	278	4.2%	255	3.8%	241	3.6%
5+ Persons	310	4.7%	296	4.4%	288	4.3%
Total Households	6,665	100%	6,666	100%	6,666	100%

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

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

Conclusion

The population in the PMA remained stable from 2010 to 2018, while the population in the MSA increased by 1.1 percent annually over the same period. The population and number of households in the PMA is expected to continue to remain relatively stable through 2021. The current population of the PMA is 91,151 and is expected to be 91,353 in 2021. Senior renter households are concentrated in the lowest income cohorts, with 62.9 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning \$17,430 and \$29,940 for its units. Overall, while population growth has been stagnant, 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

The PMA and Richmond County are economically reliant on Fort Gordon, a U.S. Army base with operations centered on electronic signals intelligence and cyber warfare. Fort Gordon currently employs of 25,000 military personnel and civilian employees, and contributes an estimated \$1.5 billion per year in economic impact. Employment is also heavily concentrated in the healthcare sector; the PMA is home to the Augusta University Medical Center, which contributed more than \$1.5 billion to the local and state economy in 2018. Industries related to tourism also represent major employment sectors in the PMA. Augusta hosts the Masters Tournament, an annual golf tournament, which attracts 250,000 visitors and contributes an annual \$120 million to the local economy. Employment levels in the PMA decreased during the national recession but have surpassed pre-recession highs and is now in an expansionary phase.

1. Covered Employment

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

COVERED EMPLOYMENT		
Richmond County, Georgia		
Year	Total Employment	% Change
2008	85,658	-
2009	82,033	-4.4%
2010	78,209	-4.9%
2011	78,559	0.4%
2012	79,050	0.6%
2013	78,191	-1.1%
2014	77,305	-1.1%
2015	78,051	1.0%
2016	79,198	1.4%
2017	81,450	2.8%
2018	84,279	3.4%
2019 YTD Average	82,501	1.3%
Jan-18	83,854	-
Jan-19	82,094	-2.1%

Source: U.S. Bureau of Labor Statistics

YTD as of Mar 2019

As illustrated in the table above, Richmond County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth was slow to rebound and uneven as Richmond County experienced growth in 2011 and 2012 before experiencing another decline. From 2015 through 2018, the county exhibited employment growth while the county experienced a decline from January 2018 to January 2019.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Richmond County, Georgia as of second quarter 2018.

TOTAL JOBS BY INDUSTRY
Richmond County, Georgia - Q2 2018

	Number	Percent
Total, all industries	81,490	-
Goods-producing	11,503	-
Natural resources and mining	104	0.1%
Construction	3,591	4.4%
Manufacturing	7,808	9.6%
Service-providing	69,987	-
Trade, transportation, and utilities	15,992	19.6%
Information	1,600	2.0%
Financial activities	2,573	3.2%
Professional and business services	14,730	18.1%
Education and health services	19,150	23.5%
Leisure and hospitality	13,210	16.2%
Other services	2,626	3.2%
Unclassified	106	0.1%

Source: Bureau of Labor Statistics, 2019

Education and health services is the largest industry in Richmond County, followed by trade, transportation, and utilities and professional and business services. These industries are somewhat vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. 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
Healthcare/Social Assistance	6,770	17.5%	22,154,439	14.0%
Accommodation/Food Services	5,231	13.5%	11,958,374	7.6%
Retail Trade	4,841	12.5%	17,381,607	11.0%
Educational Services	3,324	8.6%	14,568,337	9.2%
Manufacturing	3,060	7.9%	15,694,985	9.9%
Construction	2,161	5.6%	10,333,928	6.5%
Public Administration	2,035	5.3%	7,345,537	4.7%
Admin/Support/Waste Mgmt Svcs	2,012	5.2%	6,943,459	4.4%
Other Services	1,961	5.1%	7,758,801	4.9%
Prof/Scientific/Tech Services	1,536	4.0%	11,673,939	7.4%
Transportation/Warehousing	1,072	2.8%	6,660,099	4.2%
Arts/Entertainment/Recreation	1,049	2.7%	3,672,444	2.3%
Real Estate/Rental/Leasing	932	2.4%	3,165,171	2.0%
Wholesale Trade	828	2.1%	4,028,405	2.6%
Finance/Insurance	709	1.8%	7,284,572	4.6%
Information	647	1.7%	2,881,691	1.8%
Utilities	465	1.2%	1,433,069	0.9%
Mgmt of Companies/Enterprises	12	0.0%	87,511	0.1%
Mining	9	0.0%	591,596	0.4%
Agric/Forestry/Fishing/Hunting	9	0.0%	2,273,158	1.4%
Total Employment	38,663	100.0%	157,891,122	100.0%

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

Employment in the PMA is concentrated in the healthcare/social assistance, accommodation/food services, and retail trade industries, which comprise 43.6 percent of local employment. The large share of PMA employment in accommodation/food services and retail trade 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 nation, the PMA features greater employment in the accommodation/food services, healthcare/social assistance, and retail trade industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and manufacturing industries.

3. Major Employers

The table below shows the largest employers in the Augusta region.

MAJOR EMPLOYERS AUGUSTA REGION

Rank	Employer Name	Industry	# Of Employees
1	U.S. Army Cyber Center & Fort Gordon	Military	25,264
2	Augusta University	Education	4,656
3	Richmond County School System	Education	4,418
4	NSA Augusta	Government	4,000
5	University Hospital	Healthcare	3,200
6	Augusta University Hospitals	Healthcare	3,054
7	Augusta-Richmond County	Municipal Services	2,612
8	VA Medical Centers	Healthcare	2,082
9	East Central Regional Hospital	Healthcare	1,488
10	Doctors Hospital	Healthcare	1,210

Source: Augusta Economic Development, 2017; retrieved April 2019

As indicated in the table above, the major employers in Augusta are concentrated in the military, education and healthcare sectors. These three sectors account for eight of the top 10 employers in the region.

Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 1, 2016 in Richmond County according to the Georgia Department of Labor.

WARN LISTINGS RICHMOND COUNTY, GA - 2016-YTD 2019

Company	Industry	Employees Affected	Layoff Date
Cerner Corporation	Technology	129	3/31/2019
Solo Cup Operating Corporation	Manufacturing	139	12/31/2018
Georgia Pacific	Manufacturing	55	4/30/2018
Textron	Manufacturing	60	1/23/2018
General Dynamics Mission Systems	Defense	122	7/11/2017
Standard Textile	Manufacturing	30	5/1/2017
Whole Foods Market	Retail	70	2/22/2017
CDK Global, LLC	Technology	61	12/31/2016
Augusta Service Company, Inc.	Maintenance	21	7/31/2016
Resolute Forest Products	Manufacturing	96	7/5/2016
Fibrant	Professional Services	285	6/30/2016
DB Schenker, Inc.	Professional Services	27	4/23/2016
South State Bank	Financial Services	91	2/17/2016

Source: Georgia Department of Labor, April 2019

As illustrated in the above table, there have been 1,186 employees in the area impacted by layoffs or closures since 2016. Despite these job losses, employment growth in the area has continued.

We attempted to contact the Augusta Economic Development Authority; however, as of the date of this report's completion, our calls have not been returned. As such, we have conducted online research to obtain information regarding business expansions or contractions within Augusta.

- In May 2019, Starbucks Corp. celebrated the opening of a \$130 million expansion of its plant in Augusta. The expansion created 100 new jobs.
- In October 2018, it was announced the Parsons Corporation, an engineering and construction firm, will become the newest tenant at the Georgia Cyber Center. The new office will house 25 workers, with the potential to add up to 25 more employees.
- In 2018, Sitel Group, a customer service provider, announced plans to add 500 new jobs to its call center in Augusta.
- BurningCastle LLC, an information technology company, began hiring in 2018 to fill 50 new positions.
- In 2017, TaxSlayer, a financial services company, purchased a new building in downtown Augusta for its new headquarters. The company added 120 new jobs at its new headquarters.
- In 2016, Unisys, a technology company, opened a new client service center in Augusta. The company plans to create up to 700 new jobs at the center through 2021.
- In 2016, Textron Specialized Vehicles, Inc., an automobile parts manufacturer, announced plans to open a new manufacturing facility in Augusta. The company plans to add 400 new jobs at the facility.

Military

The largest employer in the Augusta area is the Fort Gordon military base, which is located approximately 10 miles from the Subject. This base was established in 1917 and played key roles in both World Wars as well as the Vietnam War. Following the World War II, base operations became centered on electronic signals intelligence and cyber warfare. According to employment statistics published by the Augusta Economic Development Department, Fort Gordon employs 25,264 persons including both military and civilian personnel. The economic impact of Fort Gordon on the local economy is estimated to be \$1.5 billion per year. In December 2013 the military selected Fort Gordon to house the consolidated US Army Cyber Command, and began plans to expand base facilities to accommodate this new role. According to an article published by the Augusta Chronicle, construction on a new "Army Cyber Command Complex" began in November 2016, and was completed in October 2018. A second phase is scheduled to begin in 2019 with an anticipated completion of June 2020. The Army Cyber Command Complex will house the Army Cyber Protection Brigade, which maintains and defends the nation's defense networks; and the post's joint-force operations, which include Navy, Air Force and Marines' cyber and intelligence personnel. The combined Army Cyber Command Complex will have space for more than 1,200 soldiers and civilian contractors by late 2020.

Also noteworthy is that the National Security Agency (NSA) constructed a 600,000 square foot cryptologic center in 2012, which is located adjacent to the site of the Army Cyber Command Complex. The NSA facility employs approximately 4,000 analysts who intercept and decipher communications from the Middle East, North Africa and Europe. The cyber industry's average annual salaries are \$115,000, well above the Subject's maximum income limits. However, multiplier effects and capital infusion into the regional economy resulting from military expansion will likely be beneficial to the future economic performance of the Subject. We are not aware of any planned downsizing or closures. Further, given the substantial level of long-term fixed investment as well as the increased role of cyber technology in modern military intelligence and warfare, we believe Fort Gordon's core functions will continue to be paramount to U.S. national security for the foreseeable future.

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)

	Augusta-Richmond County, GA-SC Metropolitan Statistical Area			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2003	234,215	-	-10.1%	137,736,000	-	-11.6%
2004	239,841	2.4%	-8.0%	139,252,000	1.1%	-10.6%
2005	240,686	0.4%	-7.6%	141,730,000	1.8%	-9.0%
2006	242,357	0.7%	-7.0%	144,427,000	1.9%	-7.3%
2007	246,618	1.8%	-5.4%	146,047,000	1.1%	-6.2%
2008	247,126	0.2%	-5.2%	145,363,000	-0.5%	-6.7%
2009	240,106	-2.8%	-7.9%	139,878,000	-3.8%	-10.2%
2010	230,828	-3.9%	-11.4%	139,064,000	-0.6%	-10.7%
2011	233,616	1.2%	-10.4%	139,869,000	0.6%	-10.2%
2012	235,384	0.8%	-9.7%	142,469,000	1.9%	-8.5%
2013	235,857	0.2%	-9.5%	143,929,000	1.0%	-7.6%
2014	237,200	0.6%	-9.0%	146,305,000	1.7%	-6.1%
2015	242,412	2.2%	-7.0%	148,833,000	1.7%	-4.4%
2016	247,428	2.1%	-5.1%	151,436,000	1.7%	-2.8%
2017	253,345	2.4%	-2.8%	153,337,000	1.3%	-1.6%
2018	260,594	2.9%	0.0%	155,761,000	1.6%	0.0%
2019 YTD Average*	258,999	-0.6%	-	155,857,333	0.1%	-
Feb-2018	262,014	-	-	154,403,000	-	-
Feb-2019	260,317	-0.6%	-	156,167,000	1.1%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Augusta-Richmond County, GA-SC Metropolitan Statistical Area			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2003	5.2%	-	1.1%	6.0%	-	2.1%
2004	5.4%	0.2%	1.3%	5.5%	-0.5%	1.6%
2005	6.1%	0.7%	2.0%	5.1%	-0.5%	1.2%
2006	5.9%	-0.2%	1.8%	4.6%	-0.5%	0.7%
2007	5.5%	-0.5%	1.4%	4.6%	0.0%	0.7%
2008	6.3%	0.9%	2.2%	5.8%	1.2%	1.9%
2009	9.3%	3.0%	5.2%	9.3%	3.5%	5.4%
2010	9.7%	0.5%	5.6%	9.6%	0.3%	5.7%
2011	9.8%	0.1%	5.7%	9.0%	-0.7%	5.1%
2012	9.2%	-0.6%	5.1%	8.1%	-0.9%	4.2%
2013	8.4%	-0.8%	4.3%	7.4%	-0.7%	3.5%
2014	7.3%	-1.1%	3.2%	6.2%	-1.2%	2.3%
2015	6.4%	-0.9%	2.3%	5.3%	-0.9%	1.4%
2016	5.7%	-0.7%	1.6%	4.9%	-0.4%	1.0%
2017	5.0%	-0.7%	0.9%	4.4%	-0.5%	0.4%
2018	4.1%	-0.9%	0.0%	3.9%	-0.4%	0.0%
2019 YTD Average*	4.4%	0.3%	-	4.1%	0.2%	-
Feb-2018	4.7%	-	-	4.4%	-	-
Feb-2019	4.0%	-0.7%	-	4.1%	-0.3%	-

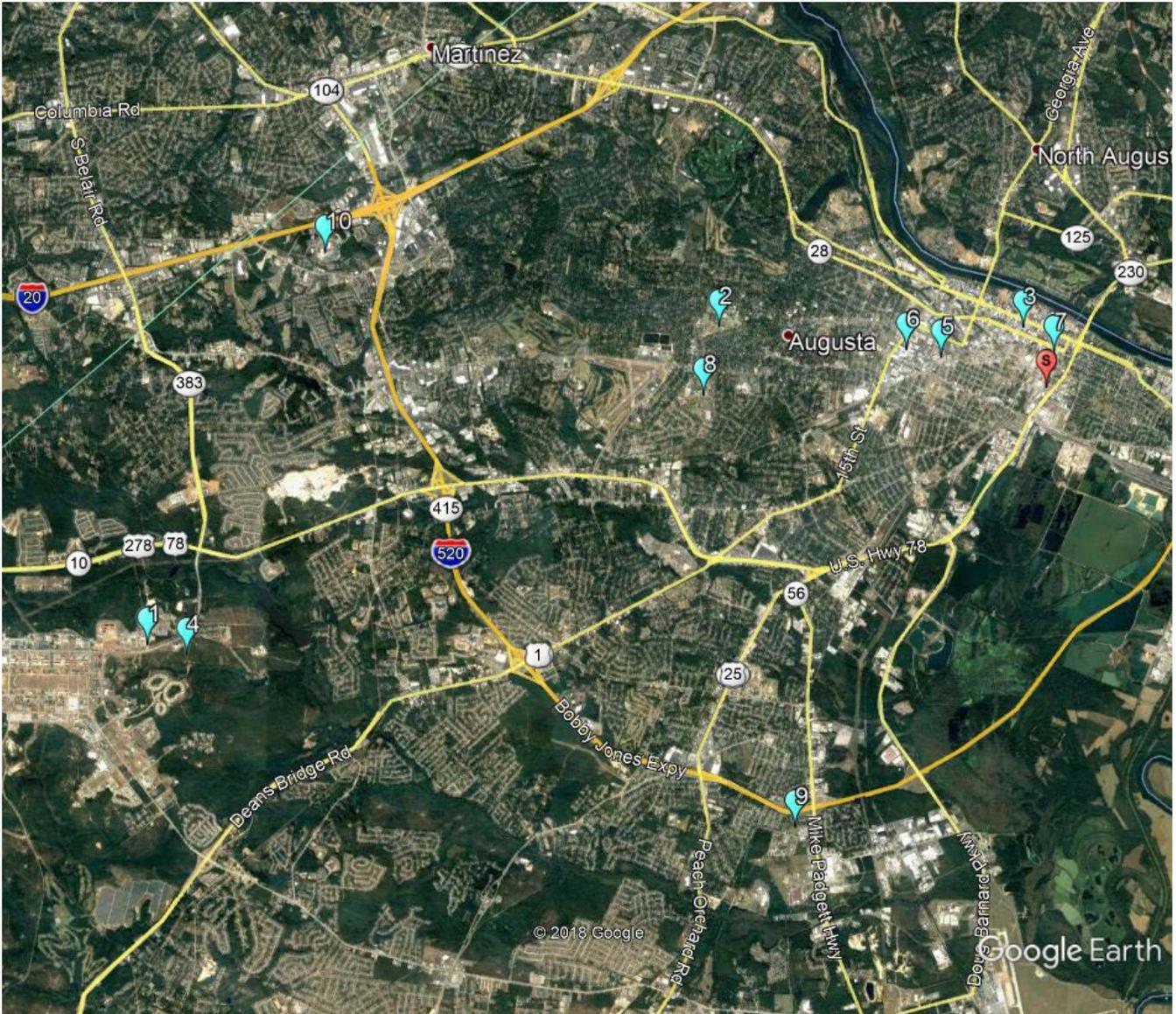
Source: U.S. Bureau of Labor Statistics, April 2019

Prior to the most recent national recession, average employment growth in the MSA generally trailed the nation. Annual job growth in the MSA lagged the nation in all but three years between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 6.6 percent contraction in employment growth (2008-2010), well below the 4.8 percent reduction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the nation. Since 2012, job growth in the MSA generally exceeded the nation. As of February 2019, MSA employment is below record levels; and is declining at a rate of 0.6 percent, compared to a 1.1 percent increase across the nation.

The MSA experienced a higher average unemployment rate relative to the overall nation during the years preceding the recession. However, the local labor market demonstrated relative strength during the recession, as the rate of unemployment increased by only 3.5 percentage points, compared to a 3.8 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a higher unemployment rate compared to the nation. According to the most recent labor statistics, the unemployment rate in the MSA is 4.0 percent, slightly lower than the current national unemployment rate of 4.1 percent. However, given that total employment in the MSA surpassed its pre-recession levels, and unemployment remains low, it appears the MSA is fully recovered and entered into an expansionary phase indicating strong demand for housing in the area.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in the Augusta region.



Source: Google Earth, April 2019.

**MAJOR EMPLOYERS
AUGUSTA REGION**

Rank	Employer Name	Industry	# Of Employees
1	U.S. Army Cyber Center & Fort Gordon	Military	25,264
2	Augusta University	Education	4,656
3	Richmond County School System	Education	4,418
4	NSA Augusta	Government	4,000
5	University Hospital	Healthcare	3,200
6	Augusta University Hospitals	Healthcare	3,054
7	Augusta-Richmond County	Municipal Services	2,612
8	VA Medical Centers	Healthcare	2,082
9	East Central Regional Hospital	Healthcare	1,488
10	Doctors Hospital	Healthcare	1,210

Source: Augusta Economic Development, 2017; retrieved April 2019

6. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 60 percent of total local employment. Two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn. Furthermore, Fort Gordon is the area’s largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures. Between 2016 and 2018, Richmond County experienced 1,186 layoffs. However, these employment losses are offset by the 1,870 jobs added during the same period.

Overall, the MSA experienced strong total employment growth from 2015 to 2018. Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the nation. As of February 2019, MSA employment is below record levels; and is declining at a rate of 0.6 percent, compared to a 1.1 percent increase across the nation. The unemployment rate in the MSA as of February 2019 was four percent, 10 basis point lower than the national unemployment rate but significantly lower than the 2011 peak of 9.8 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum 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.

55+ INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
1BR	\$17,430	\$24,950	\$20,730	\$29,940
2BR	\$20,850	\$24,950	\$24,450	\$29,940

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.

- Legacy at Walton Green Phase II is located 2.8 miles west of the Subject. This development was allocated tax credits in 2016 and will offer 90 one and two bedroom LIHTC/PBRA/market rate units. Of the 90 units, 66 are LIHTC restricted at the 60 percent AMI level and nine are subsidized units. The remaining 24 units are unrestricted market rate units. Due to this property targeting a family tenancy, we did not deduct any units from our demand analysis as they are not considered directly competitive with the proposed Subject.
- Legacy at Walton Green Phase III was awarded tax credits in 2017. The project will consist of 90 one-bedroom affordable units for seniors. Of the total units, 40 units will be restricted to 60 percent of the AMI, 20 units will be subsidized, and 30 units will be market rate. Construction is anticipated to be completed in 2020. We deducted the 40 units restricted to 60 percent of the AMI as they are expected to compete directly with the Subject.
- Riverglen Apartments received tax exempt bond financing in 2018 for a rehabilitation of its existing units. As this development is subsidized and fully stabilized, we did not deduct any units from 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.

ADDITIONS TO SUPPLY						
Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Unrestricted	Overall
0BR						0
1BR				40		40
2BR						0
3BR						0
4BR						0
5BR						0
Total	0	0	0	40	0	40

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, 55+

Income Cohort	2018		Projected Mkt Entry September 2021		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,606	24.1%	1,582	23.7%	1,568	23.5%
\$10,000-19,999	1,574	23.6%	1,566	23.5%	1,562	23.4%
\$20,000-29,999	1,013	15.2%	989	14.8%	975	14.6%
\$30,000-39,999	607	9.1%	594	8.9%	587	8.8%
\$40,000-49,999	459	6.9%	469	7.0%	475	7.1%
\$50,000-59,999	291	4.4%	292	4.4%	293	4.4%
\$60,000-74,999	326	4.9%	334	5.0%	339	5.1%
\$75,000-99,999	322	4.8%	325	4.9%	327	4.9%
\$100,000-124,999	120	1.8%	135	2.0%	144	2.2%
\$125,000-149,999	116	1.7%	126	1.9%	131	2.0%
\$150,000-199,999	120	1.8%	130	1.9%	135	2.0%
\$200,000+	111	1.7%	123	1.8%	130	2.0%
Total	6,665	100.0%	6,666	100.0%	6,666	100.0%

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50%

Minimum Income Limit		\$17,430		Maximum Income Limit		\$24,950	
Income Category	New Renter Households - Total Change in		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Households PMA 2018 to Prj Mrkt Entry	September 2021					
\$0-9,999	-24	-3800.0%	\$0	0.0%	0		
\$10,000-19,999	-8	-1200.0%	\$2,568	25.7%	-2		
\$20,000-29,999	-24	-3800.0%	\$4,951	49.5%	-12		
\$30,000-39,999	-13	-2000.0%	\$0	0.0%	0		
\$40,000-49,999	10	1600.0%	\$0	0.0%	0		
\$50,000-59,999	1	200.0%	\$0	0.0%	0		
\$60,000-74,999	8	1300.0%	\$0	0.0%	0		
\$75,000-99,999	3	500.0%	\$0	0.0%	0		
\$100,000-124,999	15	2400.0%	\$0	0.0%	0		
\$125,000-149,999	10	1500.0%	\$0	0.0%	0		
\$150,000-199,999	10	1500.0%	\$0	0.0%	0		
\$200,000+	12	1900.0%	\$0	0.0%	0		
Total	1	100.0%		-2189.8%	-14		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50%

Minimum Income Limit		\$17,430		Maximum Income Limit		\$24,950	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,606	24.1%	\$0	0.0%	0		
\$10,000-19,999	1,574	23.6%	\$2,568	25.7%	404		
\$20,000-29,999	1,013	15.2%	\$4,951	49.5%	502		
\$30,000-39,999	607	9.1%	\$0	0.0%	0		
\$40,000-49,999	459	6.9%	\$0	0.0%	0		
\$50,000-59,999	291	4.4%	\$0	0.0%	0		
\$60,000-74,999	326	4.9%	\$0	0.0%	0		
\$75,000-99,999	322	4.8%	\$0	0.0%	0		
\$100,000-124,999	120	1.8%	\$0	0.0%	0		
\$125,000-149,999	116	1.7%	\$0	0.0%	0		
\$150,000-199,999	120	1.8%	\$0	0.0%	0		
\$200,000+	111	1.7%	\$0	0.0%	0		
Total	6,665	100.0%		13.6%	906		

ASSUMPTIONS - @50%

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

Demand from New Renter Households 2018 to September 2021

Income Target Population	@50%
New Renter Households PMA	1
Percent Income Qualified	-2189.8%
New Renter Income Qualified Households	-14

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@50%
Total Existing Demand	6,665
Income Qualified	13.6%
Income Qualified Renter Households	906
Percent Rent Overburdened Prj Mrkt Entry September 2021	44.9%
Rent Overburdened Households	407

Demand from Living in Substandard Housing

Income Qualified Renter Households	906
Percent Living in Substandard Housing	0.9%
Households Living in Substandard Housing	8

Senior Households Converting from Homeownership

Income Target Population	@50%
Total Senior Homeowners	10,527
Rural Versus Urban	0.05%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households	420
Total New Demand	-14
Total Demand (New Plus Existing Households)	406

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	1.3%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	64.9%	263
Two Persons	20.8%	85
Three Persons	6.0%	24
Four Persons	3.8%	15
Five Persons	4.4%	18
Total	100.0%	406

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	70%	184
Of two-person households in 1BR units	20%	17
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	30%	79
Of two-person households in 2BR units	80%	68
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%	24
Of four-person households in 3BR units	70%	11
Of five-person households in 3BR units	0%	0
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%	5
Of five-person households in 4BR units	100%	18
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0

Total Demand **406**

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	201	-	0	=	201
2 BR	147	-	0	=	147
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	348		0		348

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	2	/	201	=	1.0%
2 BR	9	/	147	=	6.1%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	11		348		3.2%

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,730		Maximum Income Limit		\$29,940	
Income Category	New Renter Households - Total Change in Households PMA 2018 to Prj Mrkt Entry September 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-24			-3800.0%	\$0	0.0%
\$10,000-19,999	-8	-1200.0%	\$0	0.0%	0		
\$20,000-29,999	-24	-3800.0%	\$9,209	92.1%	-22		
\$30,000-39,999	-13	-2000.0%	\$0	0.0%	0		
\$40,000-49,999	10	1600.0%	\$0	0.0%	0		
\$50,000-59,999	1	200.0%	\$0	0.0%	0		
\$60,000-74,999	8	1300.0%	\$0	0.0%	0		
\$75,000-99,999	3	500.0%	\$0	0.0%	0		
\$100,000-124,999	15	2400.0%	\$0	0.0%	0		
\$125,000-149,999	10	1500.0%	\$0	0.0%	0		
\$150,000-199,999	10	1500.0%	\$0	0.0%	0		
\$200,000+	12	1900.0%	\$0	0.0%	0		
Total	1	100.0%		-3499.8%	-22		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,730		Maximum Income Limit		\$29,940	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	1,606			24.1%	\$0	0.0%
\$10,000-19,999	1,574	23.6%	\$0	0.0%	0		
\$20,000-29,999	1,013	15.2%	\$9,209	92.1%	933		
\$30,000-39,999	607	9.1%	\$0	0.0%	0		
\$40,000-49,999	459	6.9%	\$0	0.0%	0		
\$50,000-59,999	291	4.4%	\$0	0.0%	0		
\$60,000-74,999	326	4.9%	\$0	0.0%	0		
\$75,000-99,999	322	4.8%	\$0	0.0%	0		
\$100,000-124,999	120	1.8%	\$0	0.0%	0		
\$125,000-149,999	116	1.7%	\$0	0.0%	0		
\$150,000-199,999	120	1.8%	\$0	0.0%	0		
\$200,000+	111	1.7%	\$0	0.0%	0		
Total	6,665	100.0%		14.0%	933		

ASSUMPTIONS - @60%

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

Demand from New Renter Households 2018 to September 2021

Income Target Population	@60%
New Renter Households PMA	1
Percent Income Qualified	-3499.8%
New Renter Income Qualified Households	-22

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	6,665
Income Qualified	14.0%
Income Qualified Renter Households	933
Percent Rent Overburdened Prj Mrkt Entry September 2021	44.9%
Rent Overburdened Households	419

Demand from Living in Substandard Housing

Income Qualified Renter Households	933
Percent Living in Substandard Housing	0.9%
Households Living in Substandard Housing	8

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	10,527
Rural Versus Urban	0.05%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households	432
Total New Demand	-22
Total Demand (New Plus Existing Households)	410

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	1.3%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	64.9%	266
Two Persons	20.8%	85
Three Persons	6.0%	24
Four Persons	3.8%	16
Five Persons	4.4%	18
Total	100.0%	410

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	70%	186
Of two-person households in 1BR units	20%	17
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	30%	80
Of two-person households in 2BR units	80%	68
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%	24
Of four-person households in 3BR units	70%	11
Of five-person households in 3BR units	0%	0
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%	5
Of five-person households in 4BR units	100%	18
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		410

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	203	-	40	=	163
2 BR	148	-	0	=	148
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	352		40		312

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	6	/	163	=	3.7%
2 BR	37	/	148	=	25.0%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	43		312		13.8%

Overall

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$17,430		Maximum Income Limit		\$29,940	
Income Category	New Renter Households - Total Change in		Income Brackets	Percent within Cohort	Renter		
	Households PMA 2018 to Prj Mrkt Entry	September 2021			Households	within Bracket	
\$0-9,999	-24	-3800.0%	\$0	0.0%	0		
\$10,000-19,999	-8	-1200.0%	\$2,568	25.7%	-2		
\$20,000-29,999	-24	-3800.0%	\$9,941	99.4%	-24		
\$30,000-39,999	-13	-2000.0%	\$0	0.0%	0		
\$40,000-49,999	10	1600.0%	\$0	0.0%	0		
\$50,000-59,999	1	200.0%	\$0	0.0%	0		
\$60,000-74,999	8	1300.0%	\$0	0.0%	0		
\$75,000-99,999	3	500.0%	\$0	0.0%	0		
\$100,000-124,999	15	2400.0%	\$0	0.0%	0		
\$125,000-149,999	10	1500.0%	\$0	0.0%	0		
\$150,000-199,999	10	1500.0%	\$0	0.0%	0		
\$200,000+	12	1900.0%	\$0	0.0%	0		
Total	1	100.0%		-4086.1%	-26		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$17,430		Maximum Income Limit		\$29,940	
Income Category	Total Renter Households PMA 2018		Income Brackets	Percent within Cohort	Households		
	Households	%			within Bracket		
\$0-9,999	1,606	24.1%	\$0	0.0%	0		
\$10,000-19,999	1,574	23.6%	\$2,568	25.7%	404		
\$20,000-29,999	1,013	15.2%	\$9,941	99.4%	1,007		
\$30,000-39,999	607	9.1%	\$0	0.0%	0		
\$40,000-49,999	459	6.9%	\$0	0.0%	0		
\$50,000-59,999	291	4.4%	\$0	0.0%	0		
\$60,000-74,999	326	4.9%	\$0	0.0%	0		
\$75,000-99,999	322	4.8%	\$0	0.0%	0		
\$100,000-124,999	120	1.8%	\$0	0.0%	0		
\$125,000-149,999	116	1.7%	\$0	0.0%	0		
\$150,000-199,999	120	1.8%	\$0	0.0%	0		
\$200,000+	111	1.7%	\$0	0.0%	0		
Total	6,665	100.0%		21.2%	1,411		

ASSUMPTIONS - Overall

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

Demand from New Renter Households 2018 to September 2021

Income Target Population	Overall
New Renter Households PMA	1
Percent Income Qualified	-4086.1%
New Renter Income Qualified Households	-26

Demand from Existing Households 2018

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	6,665
Income Qualified	21.2%
Income Qualified Renter Households	1,411
Percent Rent Overburdened Prj Mrkt Entry September 2021	44.9%
Rent Overburdened Households	633

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,411
Percent Living in Substandard Housing	0.9%
Households Living in Substandard Housing	12

Senior Households Converting from Homeownership

Income Target Population	Overall
Total Senior Homeowners	10,527
Rural Versus Urban	0.05%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households	651
Total New Demand	-26
Total Demand (New Plus Existing Households)	625

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.8%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	64.9%	406
Two Persons	20.8%	130
Three Persons	6.0%	37
Four Persons	3.8%	24
Five Persons	4.4%	28
Total	100.0%	625

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	70%	284
Of two-person households in 1BR units	20%	26
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	30%	122
Of two-person households in 2BR units	80%	104
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%	37
Of four-person households in 3BR units	70%	17
Of five-person households in 3BR units	0%	0
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	100%	28
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		625

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	0	=	-
1 BR	310	-	40	=	270
2 BR	226	-	0	=	226
3 BR	-	-	0	=	-
4 BR	-	-	0	=	-
5 BR	-	-	0	=	-
Total	536		40		496

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	8	/	270	=	3.0%
2 BR	46	/	226	=	20.4%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	54		496		10.9%

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 households in the PMA is not expected to increase 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

DCA Conclusion Tables (Senior)	HH at @50% AMI (\$17,430 to \$28,050)	HH at @60% AMI (\$20,730 to \$33,660)	All Tax Credit Households
Demand from New Households (age and income appropriate)	-14	-22	-26
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	8	8	12
PLUS	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	407	419	633
Sub Total	400	405	620
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	5	5	5
Equals Total Demand	406	410	625
Less	-	-	-
Competitive New Supply	0	40	40
Equals Net Demand	406	370	585

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 @50%	\$17,430	\$24,950	2	201	0	201	1.0%	3-4 mos.	\$572	\$398	\$1,132	\$440
1BR @60%	\$20,730	\$29,940	6	203	40	163	3.7%	3-4 mos.	\$618	\$479	\$1,132	\$550
1BR Overall	\$17,430	\$29,940	8	310	40	270	3.0%	3-4 mos.	-	-	-	-
2BR @50%	\$20,850	\$28,050	9	147	0	147	6.1%	3-4 mos.	\$685	\$467	\$1,262	\$510
2BR @60%	\$24,450	\$33,660	37	148	0	148	25.0%	3-4 mos.	\$731	\$545	\$1,262	\$630
2BR Overall	\$20,850	\$33,660	46	226	0	226	20.4%	3-4 mos.	-	-	-	-
@50% Overall	\$17,430	\$28,050	11	348	0	348	3.2%	3-4 mos.	-	-	-	-
@60% Overall	\$17,430	\$33,660	43	352	40	312	13.8%	3-4 mos.	-	-	-	-
Overall	\$17,430	\$33,660	54	536	40	496	10.9%	3-4 mos.	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 1.0 to 6.1 percent, with an overall capture rate of 3.2 percent. The Subject’s 60 percent AMI capture rates range from 3.7 to 25.0 percent, with an overall capture rate of 13.8 percent. The overall capture rate for the project’s 50 and 60 percent units is 10.9 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 11 “true” comparable properties containing 1,408 units.

The availability of LIHTC data is considered good; there are 14 LIHTC properties in the PMA. However, the majority target a family tenancy. We included two mixed-income comparable properties that target a senior tenancy. Two other LIHTC properties target a senior population and offer similar unit types in comparison to the proposed Subject. One LIHTC comparable property targets a family tenancy but is the newest LIHTC property in the market and reported some senior tenants. The comparable LIHTC properties are all located in the PMA, between 1.6 and 5.9 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in Augusta and there are several market-rate properties in the area. We include six conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 0.4 and 6.9 miles from the Subject site. These comparables were built or renovated between 2003 and 2019. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types. Canalside Apartments, the newest market rate property in the PMA, is excluded from this analysis as we were unable to contact a management representative willing to provide information for our survey.

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.

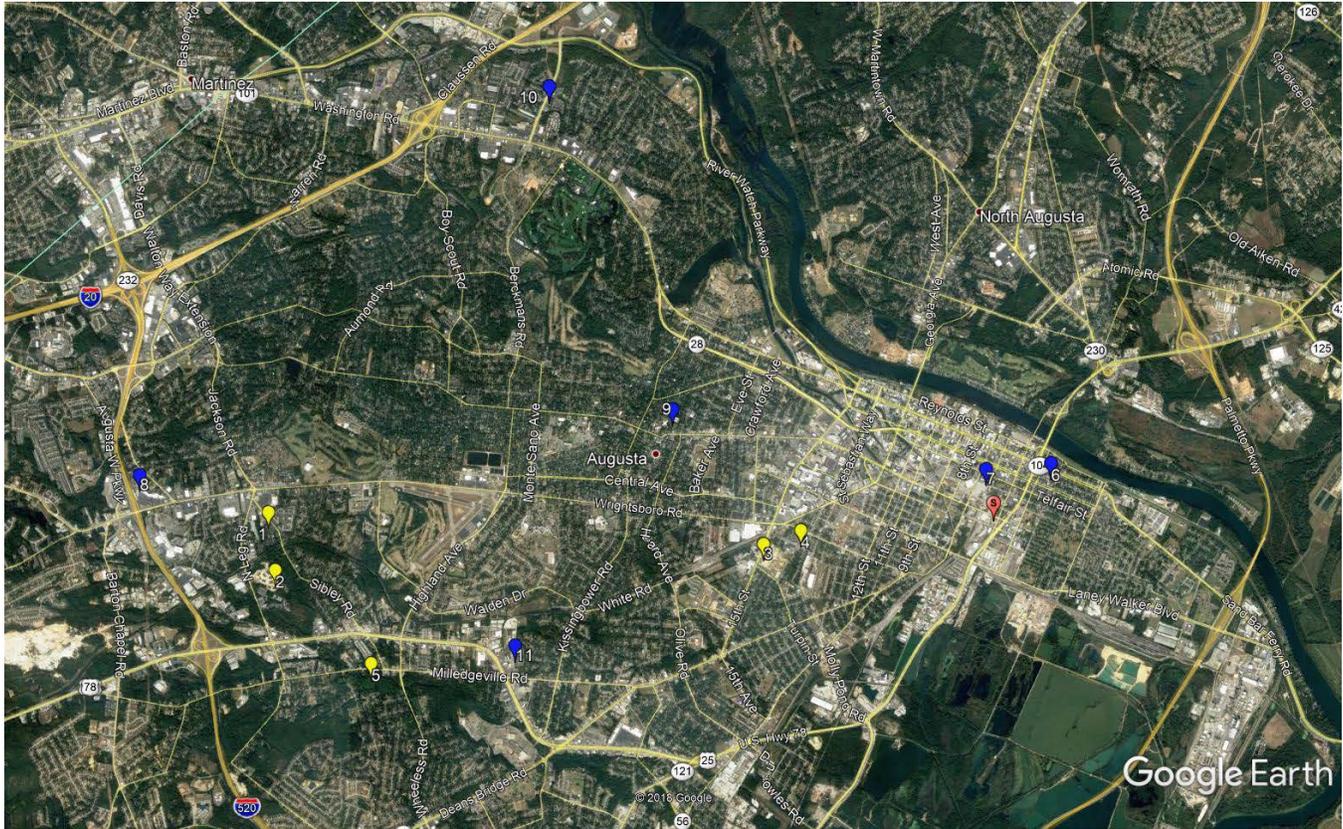
Excluded Properties

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
The Village on 5th	LIHTC	Augusta	Senior	60	-
Legacy at Walton Green II (UC)	LIHTC	Augusta	Family	90	Under Construction
Legacy at Walton Green III (Prop)	LIHTC	Augusta	Senior	90	Proposed
Hale Street Apartments	LIHTC	Augusta	Family	16	Unable to contact
Riverchase Apartments	LIHTC	Augusta	Family	80	Differing Design
Sandbar Manor II	LIHTC	Augusta	Family	80	Differing Design
East Augusta Commons	LIHTC	Augusta	Family	148	Unable to contact
Maxwell House	Section 8/LIHTC	Augusta	Family	216	Unable to contact
Cedarwood Apartments	LIHTC	Augusta	Family	184	Distance from Subject
The Crest at Edinburgh	LIHTC	Augusta	Family	40	Distance from Subject
Legacy at Walton Oaks I	LIHTC	Augusta	Senior	75	Unable to contact
Legacy at Walton Oaks II	LIHTC	Augusta	Senior	62	Unable to contact
Walton Oaks Apartment Homes	LIHTC	Augusta	Family	181	Differing Design
Riverglenn Apartments	Section 8	Augusta	Family	192	Subsidized
Augusta Manor	Section 8	Augusta	Family	100	Subsidized
Augusta Properties	Section 8	Augusta	Family	88	Subsidized
Bon Air Apartments	Section 8	Augusta	Family	203	Subsidized
Villa Marie Apartments	Section 8	Augusta	Family	140	Subsidized
Independent Living Horizons I	Section 8	Augusta	Senior	3	Subsidized
Independent Living Horizons II	Section 8	Augusta	Senior	9	Subsidized
Independent Living Horizons III	Section 8	Augusta	Senior	5	Subsidized
Independent Living Horizons IV	Section 8	Augusta	Senior	20	Subsidized
Independent Living Horizons V	Section 8	Augusta	Senior	11	Subsidized
Independent Living Horizons 6	Section 8	Augusta	Senior	40	Subsidized
Independent Living Horizons 8	Section 8	Augusta	Senior	40	Subsidized
Independent Living Horizons 11	Section 8	Augusta	Senior	13	Subsidized
Independent Living Horizons 12	Section 8	Augusta	Senior	6	Subsidized
Independent Living Horizons 15	Section 8	Augusta	Senior	12	Subsidized
Lynndale Group Homes	Section 8	Augusta	Senior	12	Subsidized
Lynndale West Apartments	Section 8	Augusta	Senior	11	Subsidized
S.G. Noble Garden of Hope	Section 8	Augusta	Senior	30	Subsidized
Shadowood Apartments	Section 8	Augusta	Family	78	Subsidized
St. John's Towers	Section 8	Augusta	Family	266	Subsidized
Freedoms Path	Section 8	Augusta	Veterans	78	Subsidized
Richmond Summit Apartments	Public Housing	Augusta	Family	136	Subsidized
Allen Homes	Public Housing	Augusta	Family	175	Subsidized
Cedar Grove Apartments	Market	Augusta	Family	125	Elevated Voucher Usage
Cedar Ridge Apartments	Market	Augusta	Family	75	Distance from Subject
Champion's Pines	Market	Augusta	Family	220	Distance from Subject
Oak Hill Apartments	Market	Augusta	Family	120	Inferior condition
Oxford Glen Apartments	Market	Augusta	Family	96	Distance from Subject
Providence Place	Market	Augusta	Family	296	Inferior condition
Regency Village	Market	Augusta	Family	95	Distance from Subject
Woodhill Apartments	Market	Augusta	Family	182	Distance from Subject
Canalside Apartments	Market	Augusta	Family	106	Unable to contact

Comparable Rental Property Map



Source: Google Earth, April 2019.

COMPARABLE PROPERTIES

#	Comparable Property	Rent Structure	Tenancy	Distance to Subject
S	The Village On 5th	@50%, @60%	Senior	-
1	Augusta Spring Apartments	@50%, @50% (HOME), @60%, @60% (HOME)	Senior	5.9 miles
2	Gardens At Harvest Point	@60%	Family	5.8 miles
3	Legacy At Walton Green	@60%, @60% (ACC), Market	Senior	1.9 miles
4	Linden Square	@50%, @60%, Market	Senior	1.6 miles
5	Terraces At Edinburgh	@50%, @60%	Senior	5.2 miles
6	Broadway Apartments	Market	Family	0.6 miles
7	River Ridge	Market	Family	0.4 miles
8	Sage Creek	Market	Family	6.9 miles
9	Terraces Of Summerville	Market	Family	2.7 miles
10	The Glen At Alexander	Market	Family	5.0 miles
11	Woodhaven Apartments	Market	Family	4.0 miles

THE VILLAGE ON 5TH – AUGUSTA, 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	The Village On 5th 811 5th Street Augusta, GA 30901 Richmond County	-	Lowrise 4-stories 2021 / n/a Senior	@50% @60%	1BR / 1BA	2	3.7%	690	@50%	\$440	No	N/A	N/A	N/A
					1BR / 1BA	6	11.1%	690	@60%	\$550	No	N/A	N/A	N/A
					2BR / 1BA	9	16.7%	880	@50%	\$510	No	N/A	N/A	N/A
					2BR / 1BA	37	68.5%	880	@60%	\$630	No	N/A	N/A	N/A
					54									
1	Augusta Spring Apartments 1730 Sibley Road Augusta, GA 30909 Richmond County	5.9 miles	One-story 1-stories 1996/2002 / n/a Senior	@50% @50% (HOME), @60%	1BR / 1BA	4	2.0%	660	@50%	\$428	Yes	Yes	N/A	N/A
					1BR / 1BA	36	18.0%	660	@50% (HOME)	\$428	Yes	Yes	N/A	N/A
					1BR / 1BA	6	3.0%	660	@60%	\$479	Yes	Yes	N/A	N/A
					1BR / 1BA	54	27.0%	660	@60% (HOME)	\$479	Yes	Yes	N/A	N/A
					2BR / 1BA	37	18.5%	840	@50%	\$503	Yes	Yes	N/A	N/A
					2BR / 1BA	4	2.0%	840	@50% (HOME)	\$503	Yes	Yes	N/A	N/A
					2BR / 1BA	53	26.5%	840	@60%	\$643	Yes	Yes	N/A	N/A
					2BR / 1BA	6	3.0%	840	@60% (HOME)	\$643	Yes	Yes	N/A	N/A
200														
2	Gardens At Harvest Point 3351 Wrightsboro Rd., Suite 205A Augusta, GA 30909 Richmond County	5.8 miles	Garden 3-stories 2018 / n/a Family	@60%	1BR / 1BA	64	25.0%	788	@60%	\$526	No	Yes	1	1.6%
					2BR / 2BA	64	25.0%	1,140	@60%	\$628	No	Yes	0	0.0%
					2BR / 2BA	64	25.0%	1,170	@60%	\$628	No	Yes	0	0.0%
					3BR / 2BA	64	25.0%	1,385	@60%	\$724	No	Yes	0	0.0%
					256									
3	Legacy At Walton Green 1550 15th Street Augusta, GA 30901 Richmond County	1.9 miles	Midrise 4-stories 2017 / n/a Senior	@60% @60% (ACC), Market	1BR / 1BA	12	15.0%	750	@60%	\$600	Yes	Yes	0	0.0%
					1BR / 1BA	12	15.0%	750	@60% (ACC)	-	N/A	N/A	0	0.0%
					2BR / 2BA	40	50.0%	1,075	@60%	\$719	Yes	Yes	0	0.0%
					2BR / 2BA	16	20.0%	1,075	Market	\$900	Yes	Yes	1	6.3%
					80									
4	Linden Square 1425 Lee Beard Way Augusta, GA 30901 Richmond County	1.6 miles	Lowrise 2-stories 2003 / n/a Senior	@50% @60% Market	1BR / 1BA	14	29.2%	663	@50%	\$458	Yes	Yes	0	0.0%
					1BR / 1BA	14	29.2%	663	@60%	\$575	Yes	Yes	0	0.0%
					1BR / 1BA	8	16.7%	663	Market	\$610	N/A	Yes	0	0.0%
					2BR / 1BA	6	12.5%	890	@50%	\$532	Yes	Yes	0	0.0%
					2BR / 1BA	4	8.3%	890	@60%	\$672	Yes	Yes	0	0.0%
48														
5	Terraces At Edinburgh 3265 Milledgeville Road Augusta, GA 30909 Richmond County	5.2 miles	One-story 1-stories 2010 / n/a Senior	@50% @60%	1BR / 1BA	7	9.7%	891	@50%	\$398	Yes	Yes	0	0.0%
					1BR / 1BA	11	15.3%	891	@60%	\$515	Yes	Yes	0	0.0%
					2BR / 2BA	22	30.6%	1,103	@50%	\$467	Yes	Yes	0	0.0%
					2BR / 2BA	32	44.4%	1,103	@60%	\$594	Yes	Yes	1	3.1%
					72									
6	Broadway Apartments 335 Broad Street Augusta, GA 30901 Richmond County	0.6 miles	Garden 3-stories 1920 / 2016 Family	Market	1BR / 1BA	8	20.0%	612	Market	\$657	N/A	No	0	0.0%
					2BR / 2BA	8	20.0%	1,060	Market	\$781	N/A	No	1	12.5%
					2BR / 2BA	11	27.5%	1,125	Market	\$781	N/A	No	0	0.0%
					2BR / 2BA	13	32.5%	1,225	Market	\$781	N/A	No	0	0.0%
					40									
7	River Ridge 505 13th Street Augusta, GA 30901 Richmond County	0.4 miles	Garden 3-stories 1984 / 2012 Family	Market	2BR / 2BA	52	50.0%	850	Market	\$545	N/A	No	0	0.0%
					2BR / 2BA	52	50.0%	900	Market	\$545	N/A	No	0	0.0%
					104									
8	Sage Creek 1315 Marks Church Rd Augusta, GA 30909 Richmond County	6.9 miles	Garden 3-stories 2016 / n/a Family	Market	2BR / 2BA	N/A	N/A	944	Market	\$775	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,076	Market	\$821	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	812	Market	\$729	N/A	No	N/A	N/A
120														
9	Terraces Of Summerville 817 Hickman Street Augusta, GA 30904 Richmond County	2.7 miles	Garden 3-stories 1974 / 2017 Family	Market	1BR / 1BA	76	63.3%	705	Market	\$774	N/A	No	6	7.9%
					2BR / 1BA	44	36.7%	1,020	Market	\$831	N/A	No	6	13.6%
120														
10	The Glen At Alexander 1040 Alexander Drive Augusta, GA 30909 Richmond County	5.0 miles	Garden 3-stories 2003 / n/a Family	Market	1BR / 1BA	26	12.0%	975	Market	\$1,132	N/A	Yes	0	0.0%
					2BR / 2BA	130	60.2%	1,175	Market	\$1,262	N/A	Yes	0	0.0%
					3BR / 2BA	60	27.8%	1,350	Market	\$1,362	N/A	Yes	0	0.0%
216														
11	Woodhaven Apartments 1840 Killingsworth Rd Augusta, GA 30904 Richmond County	4.0 miles	Garden 2-stories 1979 / 2019 Family	Market	1BR / 1BA	152	100.0%	567	Market	\$517	N/A	No	3	2.0%
152														
													3	2.0%

THE VILLAGE ON 5TH – AUGUSTA, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.					
	Units Surveyed:	1,408	Weighted Occupancy:	97.5%	
	Market Rate	752	Market Rate	96.3%	
	Tax Credit	656	Tax Credit	98.9%	
One-Bedroom One Bath		Two-Bedroom One Bath			
Property	Average	Property	Average		
RENT	The Glen At Alexander (Market)	\$1,132	The Glen At Alexander (Market)(2BA)	\$1,262	
	Terraces Of Summerville (Market)	\$774	Legacy At Walton Green (Market)(2BA)	\$900	
	Broadway Apartments (Market)	\$657	Terraces Of Summerville (Market)	\$831	
	Linden Square (Market)	\$610	Sage Creek (Market)(2BA)	\$821	
	Legacy At Walton Green (@60%)	\$600	Broadway Apartments (Market)(2BA)	\$781	
	Linden Square (@60%)	\$575	Broadway Apartments (Market)(2BA)	\$781	
	The Village On 5th (@60%)	\$550	Broadway Apartments (Market)(2BA)	\$781	
	Gardens At Harvest Point (@60%)	\$526	Sage Creek (Market)(2BA)	\$775	
	Woodhaven Apartments (Market)	\$517	Sage Creek (Market)(2BA)	\$729	
	Terraces At Edinburgh (@60%)	\$515	Legacy At Walton Green (@60%)(2BA)	\$719	
	Augusta Spring Apartments (@60%)	\$479	Linden Square (Market)	\$707	
	Augusta Spring Apartments (@60%)	\$479	Linden Square (@60%)	\$672	
	Linden Square (@50%)	\$458	Augusta Spring Apartments (@60%)	\$643	
	The Village On 5th (@50%)	\$440	Augusta Spring Apartments (@60%)	\$643	
	Augusta Spring Apartments (@50%)	\$428	The Village On 5th (@60%)	\$630	
	Augusta Spring Apartments (@50%)	\$428	Gardens At Harvest Point (@60%)(2BA)	\$628	
	Terraces At Edinburgh (@50%)	\$398	Gardens At Harvest Point (@60%)(2BA)	\$628	
			Terraces At Edinburgh (@60%)(2BA)	\$594	
			River Ridge (Market)(2BA)	\$545	
			River Ridge (Market)(2BA)	\$545	
			Linden Square (@50%)	\$532	
			The Village On 5th (@50%)	\$510	
			Augusta Spring Apartments (@50%)	\$503	
			Augusta Spring Apartments (@50%)	\$503	
			Terraces At Edinburgh (@50%)(2BA)	\$467	
	SQUARE FOOTAGE	The Glen At Alexander (Market)	975	Broadway Apartments (Market)(2BA)	1,225
		Terraces At Edinburgh (@60%)	891	The Glen At Alexander (Market)(2BA)	1,175
		Terraces At Edinburgh (@50%)	891	Gardens At Harvest Point (@60%)(2BA)	1,170
Gardens At Harvest Point (@60%)		788	Gardens At Harvest Point (@60%)(2BA)	1,140	
Legacy At Walton Green (@60%)		750	Broadway Apartments (Market)(2BA)	1,125	
Legacy At Walton Green (@60%)		750	Terraces At Edinburgh (@60%)(2BA)	1,103	
Terraces Of Summerville (Market)		705	Terraces At Edinburgh (@50%)(2BA)	1,103	
The Village On 5th (@50%)		690	Sage Creek (Market)(2BA)	1,076	
The Village On 5th (@60%)		690	Legacy At Walton Green (@60%)(2BA)	1,075	
Linden Square (@60%)		663	Legacy At Walton Green (Market)(2BA)	1,075	
Linden Square (@50%)		663	Broadway Apartments (Market)(2BA)	1,060	
Linden Square (Market)		663	Terraces Of Summerville (Market)	1,020	
Augusta Spring Apartments (@50%)		660	Sage Creek (Market)(2BA)	944	
Augusta Spring Apartments (@60%)		660	River Ridge (Market)(2BA)	900	
Augusta Spring Apartments (@50%)		660	Linden Square (@60%)	890	
Augusta Spring Apartments (@60%)		660	Linden Square (Market)	890	
Broadway Apartments (Market)		612	Linden Square (@50%)	890	
Woodhaven Apartments (Market)		567	The Village On 5th (@50%)	880	
			The Village On 5th (@60%)	880	
			River Ridge (Market)(2BA)	850	
			Augusta Spring Apartments (@50%)	840	
			Augusta Spring Apartments (@60%)	840	
			Augusta Spring Apartments (@60%)	840	
			Augusta Spring Apartments (@50%)	840	
			Sage Creek (Market)(2BA)	812	
RENT PER SQUARE FOOT		The Glen At Alexander (Market)	\$1.16	The Glen At Alexander (Market)(2BA)	\$1.07
		Terraces Of Summerville (Market)	\$1.10	Sage Creek (Market)(2BA)	\$0.90
		Broadway Apartments (Market)	\$1.07	Legacy At Walton Green (Market)(2BA)	\$0.84
	Linden Square (Market)	\$0.92	Sage Creek (Market)(2BA)	\$0.82	
	Woodhaven Apartments (Market)	\$0.91	Terraces Of Summerville (Market)	\$0.81	
	Linden Square (@60%)	\$0.87	Linden Square (Market)	\$0.79	
	Legacy At Walton Green (@60%)	\$0.80	Augusta Spring Apartments (@60%)	\$0.77	
	The Village On 5th (@60%)	\$0.80	Augusta Spring Apartments (@60%)	\$0.77	
	Augusta Spring Apartments (@60%)	\$0.73	Sage Creek (Market)(2BA)	\$0.76	
	Augusta Spring Apartments (@60%)	\$0.73	Linden Square (@60%)	\$0.76	
	Linden Square (@50%)	\$0.69	Broadway Apartments (Market)(2BA)	\$0.74	
	Gardens At Harvest Point (@60%)	\$0.67	The Village On 5th (@60%)	\$0.72	
	Augusta Spring Apartments (@50%)	\$0.65	Broadway Apartments (Market)(2BA)	\$0.69	
	Augusta Spring Apartments (@50%)	\$0.65	Legacy At Walton Green (@60%)(2BA)	\$0.67	
	The Village On 5th (@50%)	\$0.64	River Ridge (Market)(2BA)	\$0.64	
	Terraces At Edinburgh (@60%)	\$0.58	Broadway Apartments (Market)(2BA)	\$0.64	
	Terraces At Edinburgh (@50%)	\$0.45	River Ridge (Market)(2BA)	\$0.61	
			Augusta Spring Apartments (@50%)	\$0.60	
			Augusta Spring Apartments (@50%)	\$0.60	
			Linden Square (@50%)	\$0.60	
			The Village On 5th (@50%)	\$0.58	
			Gardens At Harvest Point (@60%)(2BA)	\$0.55	
			Terraces At Edinburgh (@60%)(2BA)	\$0.54	
			Gardens At Harvest Point (@60%)(2BA)	\$0.54	
			Terraces At Edinburgh (@50%)(2BA)	\$0.42	

PROPERTY PROFILE REPORT

Augusta Spring Apartments

Effective Rent Date	4/11/2019
Location	1730 Sibley Road Augusta, GA 30909 Richmond County
Distance	5.9 miles
Units	200
Vacant Units	4
Vacancy Rate	2.0%
Type	One-story (age-restricted)
Year Built/Renovated	1996/2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Terrace at Edinburgh, Walton Ridge, Walton Terrace
Tenant Characteristics	Seniors ages 62 and over; Avg age 70; Majority from Richmond, Columbia County; Some from out-of-state
Contact Name	Mona
Phone	706-426-8151



Market Information

Program	@50%, @50% (HOME), @60%, @60% (HOME)
Annual Turnover Rate	6%
Units/Month Absorbed	8
HCV Tenants	7%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased up to three percent
Concession	None
Waiting List	Yes, six 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	One-story	4	660	\$585	\$0	@50%	Yes	N/A	N/A	yes	None
1	1	One-story	36	660	\$585	\$0	@50% (HOME)	Yes	N/A	N/A	yes	None
1	1	One-story	6	660	\$636	\$0	@60%	Yes	N/A	N/A	yes	None
1	1	One-story	54	660	\$636	\$0	@60% (HOME)	Yes	N/A	N/A	yes	None
2	1	One-story	37	840	\$701	\$0	@50%	Yes	N/A	N/A	yes	None
2	1	One-story	4	840	\$701	\$0	@50% (HOME)	Yes	N/A	N/A	yes	None
2	1	One-story	53	840	\$841	\$0	@60%	Yes	N/A	N/A	yes	None
2	1	One-story	6	840	\$841	\$0	@60% (HOME)	Yes	N/A	N/A	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	\$585	\$0	\$585	-\$157	\$428	1BR / 1BA	\$636	\$0	\$636	-\$157	\$479
2BR / 1BA	\$701	\$0	\$701	-\$198	\$503	2BR / 1BA	\$841	\$0	\$841	-\$198	\$643

Augusta Spring Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Hand Rails		
Oven	Pull Cords		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Courtyard	None	None
Exercise Facility	Central Laundry		
Off-Street Parking(\$0.00)	On-Site Management		
Picnic Area			

Comments

All four vacancies are pre-leased. The property was constructed in two phases. The property receives an average of between two and three inquiries per day from prospective tenants.

Photos



PROPERTY PROFILE REPORT

Gardens At Harvest Point

Effective Rent Date	4/09/2019
Location	1901 Harvest Point Way Augusta, GA 30909 Richmond County
Distance	5.8 miles
Units	256
Vacant Units	1
Vacancy Rate	0.4%
Type	Garden (3 stories)
Year Built/Renovated	2018 / N/A
Marketing Began	N/A
Leasing Began	11/01/2017
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Some seniors
Contact Name	Aneesa
Phone	706-869-5525



Market Information

Program	@60%
Annual Turnover Rate	N/A
Units/Month Absorbed	10
HCV Tenants	8%
Leasing Pace	N/A
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, 100 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	64	788	\$571	\$0	@60%	Yes	1	1.6%	no	None
2	2	Garden (3 stories)	64	1,140	\$696	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	64	1,170	\$696	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	64	1,385	\$806	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$571	\$0	\$571	-\$45	\$526
2BR / 2BA	\$696	\$0	\$696	-\$68	\$628
3BR / 2BA	\$806	\$0	\$806	-\$82	\$724

Gardens At Harvest Point, continued

Amenities

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

Comments

The contact stated that maximum allowable rents are likely achievable in the market. The property receives an average of 10 inquiries per day from prospective tenants. The contact could not provide detailed information on tenant composition but stated that some tenants are seniors. The contact did not know when the property reached stabilized occupancy. The absorption rate is based on the vacancy rate at the time of the previous interview conducted on March 23, 2018.

Photos



PROPERTY PROFILE REPORT

Legacy At Walton Green

Effective Rent Date	4/16/2019
Location	1550 15th Street Augusta, GA 30901 Richmond County
Distance	1.9 miles
Units	80
Vacant Units	1
Vacancy Rate	1.3%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 55+, average aged 65 to 75
Contact Name	Sabrina
Phone	706-993-1472



Market Information

Program	@60%, @60% (ACC), Market
Annual Turnover Rate	N/A
Units/Month Absorbed	13
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	Increased three to four percent
Concession	None
Waiting List	Yes, eight 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)	12	750	\$600	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	12	750	N/A	\$0	@60% (ACC)	N/A	0	0.0%	N/A	None
2	2	Midrise (4 stories)	40	1,075	\$719	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	16	1,075	\$900	\$0	Market	Yes	1	6.2%	yes	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	\$600	\$0	\$600	\$0	\$600	2BR / 2BA	\$900	\$0	\$900	\$0	\$900
2BR / 2BA	\$719	\$0	\$719	\$0	\$719						

Legacy At Walton Green, continued

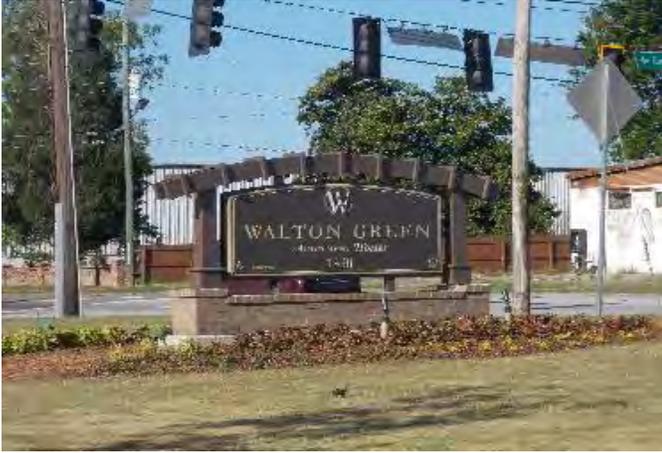
Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Buzzer)	None
Central A/C	Dishwasher	Limited Access	
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Pull Cords	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Elevators	None	None
Exercise Facility	Central Laundry		
On-Site Management	Service Coordination		

Comments

The contact reported strong demand for senior affordable housing in the area and reported achieving maximum allowable rents. The contact was unable to provide the contract rents for ACC units or the percentage of tenants utilizing Housing Choice Vouchers in the LIHTC and market rate units.

Photos



PROPERTY PROFILE REPORT

Linden Square

Effective Rent Date	4/12/2019
Location	1425 Lee Beard Way Augusta, GA 30901 Richmond County
Distance	4.6 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Augusta Spring, Maxwell House
Tenant Characteristics	55+, majority from Augusta or out-of-state moving to be with family; average age of 65
Contact Name	Alice Wells
Phone	(706) 722-0017



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	25%
Units/Month Absorbed	3
HCV Tenants	19%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased up to six percent
Concession	None
Waiting List	Yes, 10 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	14	663	\$503	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise (2 stories)	14	663	\$620	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (2 stories)	8	663	\$655	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise (2 stories)	6	890	\$600	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Lowrise (2 stories)	4	890	\$740	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Lowrise (2 stories)	2	890	\$775	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$503	\$0	\$503	-\$45	\$458	1BR / 1BA	\$620	\$0	\$620	-\$45	\$575
2BR / 1BA	\$600	\$0	\$600	-\$68	\$532	2BR / 1BA	\$740	\$0	\$740	-\$68	\$672
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$655	\$0	\$655	-\$45	\$610						
2BR / 1BA	\$775	\$0	\$775	-\$68	\$707						

Linden Square, continued

Amenities

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

Comments

The contact stated that demand is strong for affordable senior housing in the area.

Photos



PROPERTY PROFILE REPORT

Terraces At Edinburgh

Effective Rent Date	4/09/2019
Location	3265 Milledgeville Road Augusta, GA 30909 Richmond County
Distance	5.2 miles
Units	72
Vacant Units	1
Vacancy Rate	1.4%
Type	One-story (age-restricted)
Year Built/Renovated	2010 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Augusta Spring Apartments
Tenant Characteristics	Seniors aged 55 years or older, primarily from the local Augusta area
Contact Name	Robin
Phone	706-504-9114



Market Information

Program	@50%, @60%
Annual Turnover Rate	3%
Units/Month Absorbed	24
HCV Tenants	20%
Leasing Pace	Within one month
Annual Chg. in Rent	Decreased up to four percent
Concession	None
Waiting List	Yes, 30 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	One-story	7	891	\$398	\$0	@50%	Yes	0	0.0%	yes	None
1	1	One-story	11	891	\$515	\$0	@60%	Yes	0	0.0%	yes	None
2	2	One-story	22	1,103	\$467	\$0	@50%	Yes	0	0.0%	yes	None
2	2	One-story	32	1,103	\$594	\$0	@60%	Yes	1	3.1%	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	\$398	\$0	\$398	\$0	\$398	1BR / 1BA	\$515	\$0	\$515	\$0	\$515
2BR / 2BA	\$467	\$0	\$467	\$0	\$467	2BR / 2BA	\$594	\$0	\$594	\$0	\$594

Terraces At Edinburgh, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Hand Rails	Oven		
Refrigerator	Vaulted Ceilings		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Covered pavillion, gardens,
Exercise Facility	Central Laundry		
Non-shelter Services	Off-Street Parking(\$0.00)		
On-Site Management			

Comments

The one vacancy is pre-leased. The contact could not provide an explanation for the rent decrease, but stated that rents are set at the maximum allowable levels. The property receives an average of between five and ten inquiries per day from prospective tenants. The contact could not estimate an average age of tenants.

Photos



PROPERTY PROFILE REPORT

Broadway Apartments

Effective Rent Date	4/11/2019
Location	335 Broad Street Augusta, GA 30901 Richmond County
Distance	0.6 miles
Units	40
Vacant Units	1
Vacancy Rate	2.5%
Type	Garden (3 stories)
Year Built/Renovated	1920 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mix of professionals from various fields; 60% local, 40% out of state
Contact Name	Mike
Phone	706-737-4548



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	No change to increased three percent
Concession	\$300 off the first month's rent
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	8	612	\$739	\$37	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	8	1,060	\$899	\$50	Market	No	1	12.5%	N/A	None
2	2	Garden (3 stories)	11	1,125	\$899	\$50	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	13	1,225	\$899	\$50	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$739	\$37	\$702	-\$45	\$657
2BR / 2BA	\$899	\$50	\$849	-\$68	\$781

Broadway Apartments, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Phone)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Courtyard	Off-Street Parking(\$0.00)	None	None
On-Site Management	Picnic Area		

Comments

The current concession is available for leases signed through April 12, though the concession might be extended if the current vacancy is not leased by that date. The property receives an average of 10 inquiries per week from prospective tenants.

Photos



Comments

The property has offered the current concession since April 2018, and there is no expiration for the concession. The contact stated that demand is strong for units at the property. The contact stated that approximately 50 percent of turnover is due to evictions.

Photos



PROPERTY PROFILE REPORT

Sage Creek

Effective Rent Date	4/18/2019
Location	1315 Marks Church Rd Augusta, GA 30909 Richmond County
Distance	6.9 miles
Units	120
Vacant Units	12
Vacancy Rate	10.0%
Type	Garden (3 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Kirsten
Phone	706-869-3826



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	Increased up to four percent
Concession	One month of free rent
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	N/A	944	\$920	\$77	Market	No	N/A	N/A	N/A	AVG*
2	2	Garden (3 stories)	N/A	1,076	\$970	\$81	Market	No	N/A	N/A	N/A	HIGH*
2	2	Garden (3 stories)	N/A	812	\$870	\$73	Market	No	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$870 - \$970	\$73 - \$81	\$797 - \$889	-\$68	\$729 - \$821

Amenities

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

Comments

The contact could not provide an explanation for the elevated vacancy rate. The current concession is offered from April 14 through April 20, 2019 and the contact reported concessions can change on a weekly basis based on need. The contact could not estimate a turnover rate, leasing pace, or absorption pace. The property receives an average of 10 inquiries per day from prospective tenants.

Photos



PROPERTY PROFILE REPORT

Terraces Of Summerville

Effective Rent Date	3/25/2019
Location	817 Hickman Street Augusta, GA 30904 Richmond County
Distance	2.7 miles
Units	120
Vacant Units	12
Vacancy Rate	10.0%
Type	Garden (3 stories)
Year Built/Renovated	1974 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Other downtown Augusta properties
Tenant Characteristics	Several students and other working professionals
Contact Name	Nancy
Phone	706-733-9717



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Two weeks
Annual Chg. in Rent	N/A
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	76	705	\$819	\$0	Market	No	6	7.9%	N/A	None
2	1	Garden (3 stories)	44	1,020	\$899	\$0	Market	No	6	13.6%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$819	\$0	\$819	-\$45	\$774
2BR / 1BA	\$899	\$0	\$899	-\$68	\$831

Terraces Of Summerville, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpet/Hardwood	Carpeting		
Central A/C	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	Granite, SS Appliances
Central Laundry	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Swimming Pool	Tennis Court		

Comments

The contact reported strong demand for housing in the area. The contact reported the vacancy rate is due to recent evictions and turnover and that occupancy is typically around 95 percent.

Photos



PROPERTY PROFILE REPORT

The Glen At Alexander

Effective Rent Date	4/11/2019
Location	1040 Alexander Drive Augusta, GA 30909 Richmond County
Distance	5 miles
Units	216
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	9/01/2003
Leasing Began	9/01/2003
Last Unit Leased	9/01/2004
Major Competitors	None identified
Tenant Characteristics	From Augusta, North Augusta, and Aiken areas
Contact Name	Amy
Phone	706-738-6205



Market Information

Program	Market
Annual Turnover Rate	14%
Units/Month Absorbed	18
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, four households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	26	975	\$1,110	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	130	1,175	\$1,240	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	60	1,350	\$1,340	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,110	\$0	\$1,110	\$22	\$1,132
2BR / 2BA	\$1,240	\$0	\$1,240	\$22	\$1,262
3BR / 2BA	\$1,340	\$0	\$1,340	\$22	\$1,362

The Glen At Alexander, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	Afterschool Program
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	None
Car Wash	Clubhouse/Meeting Room/Community		
Concierge	Exercise Facility		
Garage(\$135.00)	Off-Street Parking(\$0.00)		
On-Site Management	Picnic Area		
Playground	Swimming Pool		
Tennis Court			

Comments

The contact stated that demand is strong for units at the property. The property receives an average of five inquiries per day from prospective tenants.

Photos



PROPERTY PROFILE REPORT

Woodhaven Apartments

Effective Rent Date	4/09/2019
Location	1840 Killingsworth Rd Augusta, GA 30904 Richmond County
Distance	4 miles
Units	152
Vacant Units	3
Vacancy Rate	2.0%
Type	Garden (2 stories)
Year Built/Renovated	1979 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Singles and couples
Contact Name	April
Phone	(706) 733-4832



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased six 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	Garden (2 stories)	152	567	\$495	\$0	Market	No	3	2.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$495	\$0	\$495	\$22	\$517

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Ceiling Fan		
Oven		
Walk-In Closet		
Property	Premium	Other
Central Laundry	None	None
On-Site Management	Off-Street Parking(\$0.00) Picnic Area	

Comments

All three vacancies are pre-leased. The property began renovating units in 2018, and completed renovations in 2019. The scope of renovations included new flooring, cabinets, countertops, appliances, and paint. The renovations raised rent rates by approximately \$78. The contact reported the property charges tenants a flat fee of \$25 for sewer and water service, and trash collection is an additional \$7 per month. The property does not accept Housing Choice Vouchers.

Photos



1. Housing Choice Vouchers

We spoke with Sirena Rogers, director of administration with the Augusta Housing Authority. There are currently 3,912 Housing Choice Vouchers in use in the city of Augusta, and the housing authority maintains a waiting list of 3,334 households. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS			
Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Augusta Spring Apartments	LIHTC/HOME	Senior	7%
Gardens At Harvest Point	LIHTC	Family	8%
Legacy At Walton Green	LIHTC/ Market	Senior	N/A
Linden Square	LIHTC/ Market	Senior	19%
Terraces At Edinburgh	LIHTC	Senior	20%
Broadway Apartments	Market	Family	0%
River Ridge	Market	Family	0%
Sage Creek	Market	Family	0%
Terraces Of Summerville	Market	Family	0%
The Glen At Alexander	Market	Family	0%
Woodhaven Apartments	Market	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 20 percent. None of the market rate properties reported voucher usage. Four of the LIHTC properties reported voucher usage, with an average utilization of 14 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 is not part of a multi-phase development.

Lease Up History

Information regarding the absorption periods of two of the surveyed comparable properties and two additional properties in the Subject’s area is illustrated in the following table.

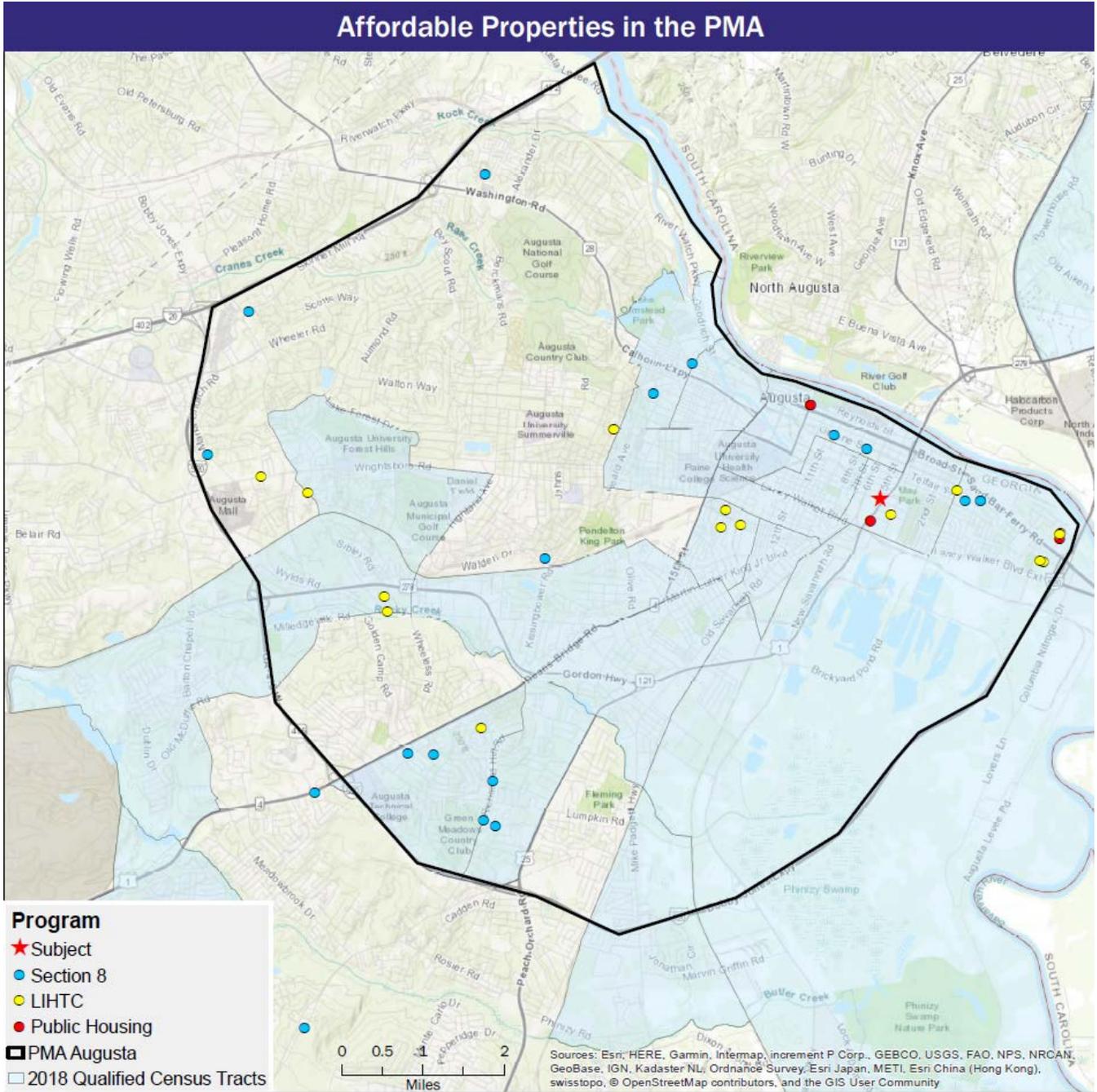
ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Gardens At Harvest Point	LIHTC	Family	2018	256	10
Legacy At Walton Green	LIHTC	Senior	2017	80	13
Walker Estates Apartments	Market	Family	2016	252	21
Grand Oaks At Crane Creek	Market	Family	2016	300	27

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is a proposed new construction, age-restricted tax credit property. The Subject will be most similar to Legacy at Walton Green, an age-restricted tax-credit property that opened in 2017. Legacy at Walton Green experienced an absorption pace of 13 units per month, for an absorption period of six months. The Subject will likely experience a similar absorption pace of 15 units per month for an absorption period of three to four months.

3. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color	
The Village on 5th	LIHTC	Augusta	Senior	60	N/A	Star	
Augusta Senior Spring Apartments	LIHTC	Augusta	Senior	200	98.0%	Yellow	
Gardens at Harvest Point	LIHTC	Augusta	Family	256	99.6%		
Legacy at Walton Green	LIHTC/ACC/Market	Augusta	Senior	80	98.7%		
Linden Square Apartments	LIHTC/Market	Augusta	Senior	48	100.0%		
Terraces at Edinburgh	LIHTC	Augusta	Family	72	98.6%		
Legacy at Walton Green II (UC)	LIHTC	Augusta	Family	90	N/Av		
Legacy at Walton Green III (Prop)	LIHTC	Augusta	Senior	90	N/Av		
Hale Street Apartments	LIHTC	Augusta	Family	16	100.0%		
Riverchase Apartments	LIHTC	Augusta	Family	80	100.0%		
Sandbar Manor II	LIHTC	Augusta	Family	80	100.0%		
East Augusta Commons	LIHTC	Augusta	Family	148	100.0%		
Maxwell House	Section 8/LIHTC	Augusta	Family	216	100.0%		
Cedarwood Apartments	LIHTC	Augusta	Family	184	92.9%		
The Crest at Edinburgh	LIHTC	Augusta	Family	40	100.0%		
Legacy at Walton Oaks I	LIHTC	Augusta	Senior	75	96.4%		
Legacy at Walton Oaks II	LIHTC	Augusta	Senior	62	96.4%		
Walton Oaks Apartment Homes	LIHTC	Augusta	Family	181	85.6%		
Riverglen Apartments	Section 8	Augusta	Family	192	96.9%		Blue
Augusta Manor	Section 8	Augusta	Family	100	96.0%		
Augusta Properties	Section 8	Augusta	Family	88	N/Av		
Bon Air Apartments	Section 8	Augusta	Family	203	97.1%		
Villa Marie Apartments	Section 8	Augusta	Family	140	92.9%		
Independent Living Horizons I	Section 8	Augusta	Senior	3	100.0%		
Independent Living Horizons II	Section 8	Augusta	Senior	9	100.0%		
Independent Living Horizons III	Section 8	Augusta	Senior	5	100.0%		
Independent Living Horizons IV	Section 8	Augusta	Senior	20	100.0%		
Independent Living Horizons V	Section 8	Augusta	Senior	11	100.0%		
Independent Living Horizons 6	Section 8	Augusta	Senior	40	100.0%		
Independent Living Horizons 8	Section 8	Augusta	Senior	40	89.5%		
Independent Living Horizons 11	Section 8	Augusta	Senior	13	100.0%		
Independent Living Horizons 12	Section 8	Augusta	Senior	6	100.0%		
Independent Living Horizons 15	Section 8	Augusta	Senior	12	100.0%		
Lynndale Group Homes	Section 8	Augusta	Senior	12	91.7%		
Lynndale West Apartments	Section 8	Augusta	Senior	11	91.7%		
S.G. Noble Garden of Hope	Section 8	Augusta	Senior	30	90.0%		
Shadowood Apartments	Section 8	Augusta	Family	78	94.6%		
St. John's Towers	Section 8	Augusta	Family	266	N/Av		
Freedoms Path	Section 8	Augusta	Veterans	78	100.0%		
Richmond Summit Apartments	Public Housing	Augusta	Family	136	97.0%	Red	
Allen Homes	Public Housing	Augusta	Family	175	91.4%		



4. Amenities

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

AMENITY MATRIX												
	Subject	Augusta Spring Apartments	Gardens At Harvest Point	Legacy At Walton Green	Linden Square	Terraces At Edinburgh	Broadway Apartments	River Ridge	Sage Creek	Terraces Of Summerville	The Glen At Alexander	Woodhaven Apartments
Rent Structure	LIHTC	LIHTC/HOME	LIHTC	LIHTC/Market	LIHTC/Market	LIHTC	Market	Market	Market	Market	Market	Market
Tenancy	Senior	Senior	Family	Senior	Senior	Senior	Family	Family	Family	Family	Family	Family
Building												
Property Type	Midrise	One-story	Garden	Midrise	Lowrise	One-story	Garden	Garden	Garden	Garden	Garden	Garden
# of Stories	4-stories	1-stories	3-stories	4-stories	2-stories	1-stories	3-stories	3-stories	3-stories	3-stories	3-stories	2-stories
Year Built	2021	1996/2002	2018	2017	2003	2010	1920	1984	2016	1974	2003	1979
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	2016	2012	n/a	2017	n/a	2019
Elevators	yes	no	no	yes	yes	no	no	no	no	no	no	no
Courtyard	yes	yes	no	no	no	no	yes	no	no	no	no	no
Utility Structure												
Cooking	no	yes	no	no	no	no	no	no	no	no	no	no
Water Heat	no	yes	no	no	no	no	no	no	no	no	no	no
Heat	no	yes	no	no	no	no	no	no	no	no	no	no
Other Electric	no	yes	no	no	no	no	no	no	no	no	no	no
Water	no	yes	yes	no	yes	no	yes	yes	yes	yes	no	no
Sewer	no	yes	yes	no	yes	no	yes	yes	yes	yes	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no
Accessibility												
Hand Rails	yes	yes	no	no	no	yes	no	no	no	no	no	no
Pull Cords	no	yes	no	yes	yes	no	no	no	no	no	no	no
Unit Amenities												
Balcony/Patio	yes	yes	yes	no	yes	yes	no	no	yes	yes	yes	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hardwood	no	no	no	no	no	no	no	no	no	yes	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	yes	yes	no	no	no	no	no	yes	yes	yes
Coat Closet	no	yes	yes	no	yes	yes	yes	yes	yes	no	yes	no
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no	no	no
Walk-In Closet	no	no	yes	no	yes	no	yes	yes	yes	no	yes	yes
Washer/Dryer	yes	no	no	no	no	no	no	no	no	no	yes	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	no
Kitchen												
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	no	yes	no	yes	yes	yes	yes
Microwave	yes	no	yes	yes	no	no	no	no	yes	yes	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community												
Business Center	yes	no	yes	no	yes	yes	no	no	no	no	yes	no
Community Room	yes	yes	yes	yes	yes	yes	no	no	no	yes	yes	no
Central Laundry	no	yes	yes	yes	yes	yes	no	yes	no	yes	no	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	no	no	no	no	yes	no
Recreation												
Basketball Court	no	no	no	no	no	no	no	no	no	no	yes	no
Exercise Facility	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes	no
Playground	no	no	no	no	no	no	no	no	no	no	yes	no
Swimming Pool	no	no	yes	no	no	no	no	no	yes	yes	yes	no
Picnic Area	yes	yes	no	no	yes	no	yes	no	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	no	no	yes	yes	no
Theatre	no	no	yes	no	no	no	no	no	no	no	no	no
Recreational Area	no	no	yes	no	no	no	no	no	no	no	no	no
WiFi	yes	no	no	no	no	no	no	no	no	no	no	no
Adult Education	yes	no	no	no	no	no	no	no	no	no	no	no
Non-Shelter Services	no	no	no	no	no	yes	no	no	no	no	no	no
Service Coordination	yes	no	no	yes	no	no	no	no	no	no	no	no
Security												
Intercom (Buzzer)	yes	no	no	yes	yes	no	no	no	no	no	no	no
Intercom (Phone)	no	no	no	no	no	no	yes	no	no	no	no	no
Limited Access	yes	no	no	yes	yes	no	yes	no	yes	yes	yes	no
Patrol	no	yes	no	no	no	no	no	no	yes	no	no	no
Perimeter Fencing	no	no	no	no	no	no	no	no	yes	no	no	no
Parking												
Garage	no	no	no	no	no	no	no	no	no	no	yes	no
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$135	\$0
Off-Street Parking	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer in-unit washers and dryers, a business center, community room and exercise facility, which many of the comparables will 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 aged 55 and over. All but one of the comparable LIHTC properties also target seniors and all of the comparable market rate properties reported some portion of tenants are seniors.

Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Augusta Spring Apartments	LIHTC/HOME	Senior	200	4	2.0%
Gardens At Harvest Point	LIHTC	Family	256	1	0.4%
Legacy At Walton Green	LIHTC/ Market	Senior	80	1	1.3%
Linden Square	LIHTC/ Market	Senior	48	0	0.0%
Terraces At Edinburgh	LIHTC	Senior	72	1	1.4%
Broadway Apartments	Market	Family	40	1	2.5%
River Ridge	Market	Family	104	0	0.0%
Sage Creek	Market	Family	120	12	10.0%
Terraces Of Summerville	Market	Family	120	12	10.0%
The Glen At Alexander	Market	Family	216	0	0.0%
Woodhaven Apartments	Market	Family	152	3	2.0%
Total LIHTC			656	7	1.1%
Total Market Rate			752	28	3.7%
Overall Total			1,408	35	2.5%

Overall vacancy in the market is low at 2.5 percent. Total LIHTC vacancy is lower, at 1.1 percent. None of the comparable LIHTC properties reported elevated vacancy rates. Additionally, Augusta Spring Apartments and Terraces at Edinburg reported all of their vacant units are pre-leased. The remaining LIHTC properties reported low vacancy rates and all maintain waiting lists. Augusta Springs Apartments reported a waiting list of six months and Gardens at Harvest Point reported a waiting list of 100 households.

The vacancy rates among the market-rate comparable properties range from zero to 10 percent, averaging 3.7 percent, which is considered moderate. The contact at Terraces at Summerville reported their high vacancy rate is due to recent evictions and turnover and the property typically operates with a five percent vacancy rate. Management at Sage Creek could not indicate why vacancy rates are elevated; further, online reviews indicate the property is well managed. We therefore believe the elevated vacancy rate is due to the limited unit mix at the property, as it only offers two-bedroom units, and turnover at the property. Thus, we do not believe the elevated vacancy rates reported by Terraces of Summerville and Sage Creek to be indicative of market conditions. Management at Woodhaven Apartments reported all three of their vacant units are pre-leased. 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.

901 Broad Street

- a. Location: 901 Broad Street, Augusta, GA
- b. Owner: Haltermann Partners Inc.
- c. Total number of units: nine units
- d. Unit configuration: One and two-bedroom units
- e. Rent structure: market rate
- f. Estimated market entry: 2019
- g. Relevant information: Adaptive reuse of historic warehouse with ground-floor retail

Foundry Place

- a. Location: 1610 Hunter Street, Augusta, GA
- b. Owner: Columbia Ventures LLC
- c. Total number of units: 221
- d. Unit configuration: Studio, one, two, and three-bedroom units
- e. Rent structure: market rate
- f. Estimated market entry: 2019
- g. Relevant information: began pre-leasing in January

King Mill Redevelopment Apartments

- a. Location: 1700 Goodrich Street, Augusta, GA
- b. Owner: Cape Augusta
- c. Total number of units: 250
- d. Unit configuration: N/A
- e. Rent structure: Market rate
- f. Estimated market entry: 2020
- g. Relevant information: Adaptive reuse of historic mill as part of a larger mixed-use development

Legacy at Walton Green Phase II

- a. Location: 1550 15th Street, Augusta, GA
- b. Owner: Walton Communities
- c. Total number of units: 90
- d. Unit configuration: studios
- e. Rent structure: LIHTC/market
- f. Estimated market entry: third quarter 2019
- g. Relevant information: Family tenancy

Riverfront at the Depot Apartments

- a. Location: Reynolds Street, Augusta, GA
- b. Owner: BLOC Global Group
- c. Total number of units: 140
- d. Unit configuration: N/A
- e. Rent structure: Market rate
- f. Estimated market entry: 2020
- g. Relevant information: Adaptive reuse of a historic train depot as part of a mixed-use development

Riverwatch Phase II

- a. Location: 205 River Place, Augusta, GA

- b. Owner: InterMark Development LLC
- c. Total number of units: 120
- d. Unit configuration: Studio
- e. Rent structure: Market rate
- f. Estimated market entry: 2019
- g. Relevant information: Riverwatch Phase I, consisting of 140 units, opened in 2018

Legacy at Walton Green Phase III

- a. Location: 1550 15th Street, Augusta, GA
- b. Owner: Walton Communities
- c. Unit configuration: N/A
- d. Rent structure: LIHTC/market
- e. Estimated market entry: 2020
- f. Relevant information: Senior tenancy

7. Rental Advantage

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

SIMILARITY MATRIX

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Augusta Spring Apartments	LIHTC/HOME	Senior	Slightly Inferior	Slightly Inferior	Superior	Inferior	Slightly Inferior	-15
2	Gardens At Harvest Point	LIHTC	Family	Superior	Slightly Inferior	Superior	Similar	Superior	25
3	Legacy At Walton Green	LIHTC/ Market	Senior	Slightly Inferior	Inferior	Slightly Inferior	Similar	Slightly Superior	-15
4	Linden Square	LIHTC/ Market	Senior	Similar	Slightly Inferior	Slightly Inferior	Inferior	Similar	-20
5	Terraces At Edinburgh	LIHTC	Senior	Slightly Inferior	Slightly Inferior	Superior	Slightly Inferior	Superior	5
6	Broadway Apartments	Market	Family	Inferior	Slightly Inferior	Superior	Slightly Inferior	Similar	-10
7	River Ridge	Market	Family	Inferior	Slightly Inferior	Slightly Inferior	Slightly Inferior	Similar	-25
8	Sage Creek	Market	Family	Similar	Slightly Inferior	Superior	Similar	Similar	5
9	Terraces Of Summerville	Market	Family	Superior	Inferior	Superior	Slightly Inferior	Similar	5
10	The Glen At Alexander	Market	Family	Superior	Slightly Superior	Superior	Inferior	Superior	25
11	Woodhaven Apartments	Market	Family	Inferior	Inferior	Superior	Slightly Inferior	Slightly Inferior	-20

*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 50 and 60 percent AMI rents in the following table.

LIHTC RENT COMPARISON @50%

Property Name	Tenancy	1BR	2BR	Rents at Max?
The Village On 5th	Senior	\$440	\$510	No
LIHTC Maximum Rent (Net)		\$444	\$516	
Augusta Spring Apartments	Senior	\$428	\$503	Yes
Linden Square	Senior	\$458	\$532	Yes
Terraces At Edinburgh	Senior	\$398	\$467	Yes
Average		\$428	\$501	

LIHTC RENT COMPARISON @60%

Property Name	Tenancy	1BR	2BR	Rents at Max?
The Village On 5th	Senior	\$550	\$630	No
LIHTC Maximum Rent (Net)		\$561	\$656	
Augusta Spring Apartments	Senior	\$479	\$643	Yes
Gardens At Harvest Point	Family	\$526	\$628	No
Legacy At Walton Green	Senior	-	\$719	Yes
Linden Square	Senior	\$575	\$672	Yes
Terraces At Edinburgh	Senior	\$515	\$594	Yes
Average		\$524	\$651	

All of the comparable properties, except for Gardens at Harvest Point, reported achieving rents at the 2018 maximum allowable rents. However, the rents at Terraces at Edinburg appear to be below the maximum allowable levels. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. Linden Square appears to be achieving rents higher than the 2018 maximum allowable net rents for 60 percent of the AMI level. This is also most likely due to differences in this property’s utility structure and allowance. Linden Square reported no vacant units and a waiting list of 10 households, indicating that its rents are achievable in the market.

Legacy at Walton Green is considered the most comparable LIHTC property to the Subject and is located 1.9 miles from the Subject site. The one-bedroom unit sizes at Legacy at Walton Green are similar to the proposed unit sizes at the Subject, while the two-bedroom units are larger. The Subject will offer slightly superior property amenities since Legacy at Walton Green lacks a business center and picnic area, which will be offered at the Subject. The Subject will offer superior in-unit amenities to this property as it does not offer balconies/patios or in-unit washers and dryers, which the Subject will offer. Legacy at Walton Green was built in 2017 and exhibits excellent condition. The Subject will be completed in 2021 and will exhibit excellent condition, similar to this property. The Subject will offer a four-story, midrise, which is similar to the four-story midrise design that Legacy at Walton Green offers. This comparable property exhibits a low vacancy at 1.3 percent, and maintains a waiting list of eight households. The vacant unit is a market rate unit. The contact at this property mentioned that there is strong demand for senior affordable housing in the area. Legacy at Walton Green’s performance indicates that the maximum allowable LIHTC rents at 50 and 60 percent of the AMI are achievable in the market. Based on the Subject’s anticipated similarity to Legacy at Walton Green, it should be able to achieve similar rents to this property.

Linden Square is located 1.6 miles from the Subject site and is considered slightly inferior to the proposed Subject. This property offers similar unit sizes compared to the proposed Subject, further supporting the competitiveness of the Subject’s unit sizes. This property offers similar property amenities compared to the proposed Subject. However, Linden Square offers pull cords, coat closets, and walk-in closets, but does not offer in-unit washers and dryers and therefore offers slightly inferior in-unit amenities compared to the proposed Subject. This comparable property was built in 2003 and exhibits average condition, which will be considered inferior to the proposed Subject. This property reported no vacant units and maintains a waiting list of eight households while achieving the maximum allowable LIHTC rents. As the Subject will be newly

constructed and offer a competitive amenity package, we believe that the Subject should be able to achieve similar rents to Linden Square.

The two most similar comparable properties to the Subject are achieving the 2018 maximum allowable LIHTC net rents for their two and three-bedroom units restricted to 50 percent of the AMI. Additionally, both of these properties reported no vacancies among their LIHTC units and both maintain waiting lists. As such, we believe the Subject is feasible as proposed and its proposed rents are achievable.

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 Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@50%	\$440	\$398	\$1,132	\$572	30%
1BR / 1BA	@60%	\$550	\$479	\$1,132	\$615	12%
2BR / 1BA	@50%	\$510	\$467	\$1,262	\$684	34%
2BR / 1BA	@60%	\$630	\$545	\$1,262	\$730	16%

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. The Subject’s proposed rents have a 12 to 34 percent rent advantage over the surveyed average of comparable rents.

The Glen at Alexander is achieving the highest one, two and three-bedroom unrestricted rents in the market. The Subject will be inferior to The Glen at Alexander as a market-rate property. The Glen at Alexander was built in 2003 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s garden-style design is also considered inferior to the Subject’s four-story, midrise design. The Glen at Alexander is located 5.0 miles from the Subject site and offers a superior location based on median household income, crime risk indices, and area vacant housing. The Glen at Alexander offers slightly superior in-unit amenities compared to the Subject’s proposed floor plans for offering coat closets and walk-in closets. The Glen at Alexander’s community amenities are considered superior to the Subject, as it offers a basketball court, tennis court, and swimming pool. The one and two-bedroom rents at The Glen at

Alexander are approximately 100 to 157 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. LIHTC Competition – DCA Funded Properties within the PMA

According to the Georgia Department of Community Affairs, there have been four properties awarded tax credits in the PMA since 2014.

Capture rates for the Subject are considered low for all bedroom types and AMI levels. If allocated, the Subject will be slightly inferior to slightly superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is low at 1.1 percent. Of the LIHTC properties, only one reports a vacancy rates above 1.4 percent. Of the four vacant units at Augusta Springs Apartments, all are pre-leased and the vacant unit at Terraces at Edinburgh reported their vacant unit is pre-leased. Additionally, the vacant unit at Legacy at Walton Green is a market rate unit.

Legacy at Walton Green II was allocated tax credits in 2016 and is currently under construction and scheduled to open in fall 2019. This development will target a family tenancy and will contain a total of 90 units, 42 of which will be LIHTC. The property has not begun pre-leasing. Legacy at Walton Creek Phase III was awarded tax credits in 2017 and will offer 90 one-bedroom unit for seniors. This property is under construction. Given the low vacancy rate at this development’s first phase, Legacy at Walton Green, it appears that there is demand for additional LIHTC housing in the market. Riverglen Apartments is an existing subsidized development that received tax-exempt bond financing in 2018, as this development is subsidized and stabilized, we not believe it will compete with the proposed Subject. Overall, we do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well. However, it is possible that the Subject will draw tenants from the older LIHTC properties that suffer from deferred maintenance and those that are currently underperforming the 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 Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	20,224	49.1%	20,975	50.9%
2018	15,647	39.8%	23,706	60.2%
Projected Mkt Entry September 2021	15,931	40.5%	23,444	59.5%
2023	16,095	40.9%	23,292	59.1%

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,038	72.5%	4,178	27.5%
2018	10,170	60.4%	6,665	39.6%
Projected Mkt Entry September 2021	10,527	61.2%	6,666	38.8%
2023	10,733	61.7%	6,666	38.3%

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Among senior households, approximately 85 percent of households nationally reside in owner-occupied units and 15 percent reside in renter-occupied units. Therefore, there is a larger percentage of renters in the PMA than the nation, including among the senior population. This percentage is projected to remain relatively stable over the next five years.

Historical Vacancy

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

HISTORICAL VACANCY

Property Name	Program	Total Units	2013 Q2	2014 Q1	2014 Q2	2016 Q2	2017 Q4	2018 Q1	2019 Q2
Augusta Spring Apartments	LIHTC/HOME	200	N/A	2.0%	N/A	0.5%	N/A	N/A	2.0%
Gardens At Harvest Point	LIHTC	256	N/A	N/A	N/A	N/A	N/A	15.4%	0.4%
Legacy At Walton Green	LIHTC/ Market	80	N/A	N/A	N/A	N/A	N/A	N/A	1.3%
Linden Square	LIHTC/ Market	48	0.0%	0.0%	0.0%	0.0%	N/A	N/A	0.0%
Terraces At Edinburgh	LIHTC	72	N/A	N/A	0.0%	0.0%	N/A	N/A	1.4%
Broadway Apartments	Market	40	2.5%	N/A	2.5%	7.5%	2.5%	2.5%	2.5%
River Ridge	Market	104	38.5%	N/A	18.3%	0.0%	6.7%	4.8%	0.0%
Sage Creek	Market	120	N/A	N/A	N/A	N/A	N/A	N/A	10.0%
Terraces Of Summerville	Market	120	4.2%	N/A	2.5%	1.7%	N/A	N/A	N/A
The Glen At Alexander	Market	216	3.2%	0.5%	0.5%	3.7%	1.4%	0.0%	0.0%
Woodhaven Apartments	Market	152	N/A	N/A	N/A	N/A	N/A	N/A	2.0%

The historical vacancy rates at all of the comparable properties for several quarters in the past six years are illustrated in the previous table. Vacancy rates generally decreased in the past year. Augusta Spring Apartments experienced the greatest increase in vacancy. However, all vacancies at this development are pre-leased, and the vacant unit at Terraces at Edinburgh is currently pre-leased. Among the market-rate comparable properties, Broadway Apartments, The Glen at Alexander, and Woodhaven Apartments maintained low vacancy rates. River Ridge experienced a significant decrease in vacancy. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH

Property Name	Rent Structure	Rent Growth
Augusta Spring Apartments	LIHTC/HOME	Increased up to three percent
Gardens At Harvest Point	LIHTC	None
Legacy At Walton Green	LIHTC/ Market	Increased three to four percent
Linden Square	LIHTC/ Market	Increased up to six percent
Terraces At Edinburgh	LIHTC	Decreased up to four percent
Broadway Apartments	Market	No change to increased three percent
River Ridge	Market	Increased four percent
Sage Creek	Market	Increased up to four percent
Terraces Of Summerville	Market	None
The Glen At Alexander	Market	None
Woodhaven Apartments	Market	Increased six percent

The LIHTC properties report growth of up to six percent in the past year. The market rate properties reported in some instances rent growth. However, one of these properties is currently offering concessions, indicating this significant increase in rents is above achievable levels. The two mixed-income property reported rent increases in their market rate units. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

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 March 2019. The city of Augusta is experiencing a foreclosure rate of one in every 1,162 homes, while Richmond County is experiencing foreclosure rate of one in every 1,259 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Augusta is experiencing a higher foreclosure rate than the nation and Richmond County as a whole. The Subject’s neighborhood has a high percentage of vacant homes, which may impact the marketability of the Subject.

11. Effect of Subject on Other Affordable Units in Market

There is one proposed LIHTC development in addition to one under construction development in the PMA. Two of the comparable properties report extensive waiting lists, as Augusta Spring Apartments reported a six month waiting list and Gardens at Harvest Point reported a waiting list of 100 households. We believe there is adequate demand for the addition of the Subject within the market. The vacancy rate among the existing LIHTC comparables is low at 1.1 percent and of the seven vacant units among the LIHTC properties, five are pre-leased. Several property managers indicated that there is demand for additional senior affordable housing in the area. Additionally, the current and historical vacancy rates at the majority of the LIHTC comparable properties, as well as the waiting lists at the comparable properties, indicate unmet demand in the market for affordable housing. In summary, the performance of the comparable LIHTC properties and the existence of waiting lists for affordable units, indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 1.1 percent, which is considered low. However, all four of the vacant units at Augusta Spring Apartments and the vacant unit at Terraces at Edinburgh are pre-leased. Furthermore, all of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer in-unit washers and dryers, a business center, community room and exercise facility, which many of the comparables will 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 new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive. In general, the Subject will be similar to slightly superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several 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 two of the surveyed comparable properties and two additional properties in the Subject’s area is illustrated in the following table.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Gardens At Harvest Point	LIHTC	Family	2018	256	10
Legacy At Walton Green	LIHTC	Senior	2017	80	13
Walker Estates Apartments	Market	Family	2016	252	21
Grand Oaks At Crane Creek	Market	Family	2016	300	27

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is a proposed new construction, age-restricted tax credit property. The Subject will be most similar to Legacy at Walton Green, an age-restricted tax-credit property that opened in 2017. Legacy at Walton Green experienced an absorption pace of 13 units per month, for an absorption period of six months. The Subject will likely experience a similar absorption pace of 15 units per month for an absorption period of three to four months.

J. INTERVIEWS

Augusta Housing Authority

We spoke with Sirena Rogers, director of administration with the Augusta Housing Authority. There are currently 3,912 Housing Choice Vouchers in use in the city of Augusta, and the housing authority maintains a waiting list of 3,334 households. The payment standards for Augusta are listed below.

PAYMENT STANDARDS	
Unit Type	Standard
One-Bedroom	\$738
Two-Bedroom	\$848

Source: Augusta Housing Authority, effective October 3, 2018

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 spoke with Mr. Kevin Boyd with the Augusta Planning and Development Department to identify planned or under construction multifamily developments in Augusta. We additionally consulted an April 2019 CoStar report, and the Georgia Department of Community Affairs' listing of projects awarded tax credit funds in Augusta between 2016 and 2018.

- Riverfront at the Depot is a proposed mixed-use development located at 511 Reynolds Street in Augusta. The project will consist of the adaptive reuse of a historic train depot as 100,000 square feet of office space, up to 8,000 square feet of retail, and 140 market rate residential units. Construction is expected to be complete in the fall of 2020.
- Beacon Station is a market rate development currently under construction in Augusta, located at 1480 Wrightsboro Road. The project consists of four-story buildings containing 221 one, two, and three-bedroom units. It will offer luxury amenities including a yoga studio, dog park, and theater. Pre-leasing began in March 2019, and construction is expected to be complete in the fall of 2019.
- McHenry Square Phase II is a market rate development currently under construction at 4009 Harper Franklin Avenue in Augusta. The project will consist of 208 studio units. Construction is expected to be complete in 2019.
- Residence at Riverwatch is a market rate development that opened in 2018 and 2019, located at 205 River Place in Augusta. The development opened in two phases in 2018 and 2019, and offers 260 one, two, and three-bedroom units in four-story buildings.
- Legacy at Walton Green Phase III was awarded tax credits in 2017. The project will consist of 90 affordable units for seniors.
- Legacy at Walton Green Phase II was awarded tax credits in 2016. This family LIHTC project, located at 1550 15th Street in Augusta, will consist of 90 studio units. Construction is expected to be complete in Fall 2019.
- The King Mill Redevelopment Apartments is a proposed market rate development located at 1700 Goodrich Street in Augusta. This project will consist of the redevelopment of a historic mill as 250 market rate units.

The market rate developments planned or under construction are not expected to directly compete with the Subject. As Legacy at Walton Green Phase II targets families, it is also not expected to directly compete with the Subject. Legacy at Walton Green Phase III is a senior LIHTC project, and will directly compete with the Subject. However, based on our analysis of the comparable properties, it appears there is sufficient demand to absorb the Subject's proposed units as well as Legacy at Walton Green Phase III into the market.

Augusta Economic Development Authority

We attempted to contact the Augusta Economic Development Authority; however, as of the date of this report's completion, our calls have not been returned. As such, we have conducted online research to obtain information regarding business expansions or contractions within Augusta.

- According to an article published by the Area Development New Desk dated November 3, 2017 titled "Starbucks awarded \$130 million bond issue to expand Augusta, Georgia, coffee plant," Starbucks received a \$130 million bond from the Augusta Economic Development Agency to fund a 140,000 square foot expansion of the company's plant at the Augusta Corporate Park. The expansion is expected to create 100 new jobs.
- In 2018, Sitel Group, a customer service provider, announced plans to add 500 new jobs to its call center in Augusta.
- BurningCastle LLC, an information technology company, began hiring in 2018 to fill 50 new positions.
- In 2017, TaxSlayer, a financial services company, purchased a new building in downtown Augusta for its new headquarters. The company added 120 new jobs at its new headquarters.
- In 2016, Unisys, a technology company, opened a new client service center in Augusta. The company plans to create up to 700 new jobs at the center through 2021.
- In 2016, Textron Specialized Vehicles, Inc., an automobile parts manufacturer, announced plans to open a new manufacturing facility in Augusta. The company plans to add 400 new jobs at the facility.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The population in the PMA remained stable from 2010 to 2018, while the population in the MSA increased by 1.1 percent annually over the same period. The population and number of households in the PMA is expected to continue to remain relatively stable through 2021. The current population of the PMA is 91,151 and is expected to be 91,353 in 2021. Senior renter households are concentrated in the lowest income cohorts, with 62.9 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning \$17,430 and \$29,940 for its units. Overall, while population growth has been stagnant, 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 five industries which represent approximately 60 percent of total local employment. Two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn. Furthermore, Fort Gordon is the area's largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures. Between 2016 and 2018, Richmond County experienced 1,186 layoffs. However, these employment losses are offset by the 1,870 jobs added during the same period.

Overall, the MSA experienced strong total employment growth from 2015 to 2018. Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the nation. As of February 2019, MSA employment is below record levels; and is declining at a rate of 0.6 percent, compared to a 1.1 percent increase across the nation. The unemployment rate in the MSA as of February 2019 was four percent, 10 basis point lower than the national unemployment rate but significantly lower than the 2011 peak of 9.8 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$17,430	\$24,950	2	201	0	201	1.0%	\$440
1BR @60%	\$20,730	\$29,940	6	203	40	163	3.7%	\$550
1BR Overall	\$17,430	\$29,940	8	310	40	270	3.0%	-
2BR @50%	\$20,850	\$28,050	9	147	0	147	6.1%	\$510
2BR @60%	\$24,450	\$33,660	37	148	0	148	25.0%	\$630
2BR Overall	\$20,850	\$33,660	46	226	0	226	20.4%	-
@50% Overall	\$17,430	\$28,050	11	348	0	348	3.2%	-
@60% Overall	\$17,430	\$33,660	43	352	40	312	13.8%	-
Overall	\$17,430	\$33,660	54	536	40	496	10.9%	-

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

Absorption

Information regarding the absorption periods of two of the surveyed comparable properties and two additional properties in the Subject’s area is illustrated in the following table.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Gardens At Harvest Point	LIHTC	Family	2018	256	10
Legacy At Walton Green	LIHTC	Senior	2017	80	13
Walker Estates Apartments	Market	Family	2016	252	21
Grand Oaks At Crane Creek	Market	Family	2016	300	27

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. The Subject is a proposed new construction, age-restricted tax credit property. The Subject will be most similar to Legacy at Walton Green, an age-restricted tax-credit property that opened in 2017. Legacy at Walton Green experienced an absorption pace of 13 units per month, for an absorption period of six months. The Subject will likely experience a similar absorption pace of 15 units per month for an absorption period of three to four months.

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
Augusta Spring Apartments	LIHTC/HOME	Senior	200	4	2.0%
Gardens At Harvest Point	LIHTC	Family	256	1	0.4%
Legacy At Walton Green	LIHTC/ Market	Senior	80	1	1.3%
Linden Square	LIHTC/ Market	Senior	48	0	0.0%
Terraces At Edinburgh	LIHTC	Senior	72	1	1.4%
Broadway Apartments	Market	Family	40	1	2.5%
River Ridge	Market	Family	104	0	0.0%
Sage Creek	Market	Family	120	12	10.0%
Terraces Of Summerville	Market	Family	120	12	10.0%
The Glen At Alexander	Market	Family	216	0	0.0%
Woodhaven Apartments	Market	Family	152	3	2.0%
Total LIHTC			656	7	1.1%
Total Market Rate			752	28	3.7%
Overall Total			1,408	35	2.5%

Overall vacancy in the market is low at 2.5 percent. Total LIHTC vacancy is lower, at 1.1 percent. None of the comparable LIHTC properties reported elevated vacancy rates. Additionally, Augusta Spring Apartments and Terraces at Edinburg reported all of their vacant units are pre-leased. The remaining LIHTC properties reported low vacancy rates and all maintain waiting lists. Augusta Springs Apartments reported a waiting list of six months and Gardens at Harvest Point reported a waiting list of 100 households.

The vacancy rates among the market-rate comparable properties range from zero to 10 percent, averaging 3.7 percent, which is considered moderate. The contact at Terraces at Summerville reported their high vacancy rate is due to recent evictions and turnover and the property typically operates with a five percent vacancy rate. Management at Sage Creek could not indicate why vacancy rates are elevated; further, online reviews indicate the property is well managed. We therefore believe the elevated vacancy rate is due to the limited unit mix at the property, as it only offers two-bedroom units, and turnover at the property. Thus, we do not

believe the elevated vacancy rates reported by Terraces of Summerville and Sage Creek to be indicative of market conditions. Management at Woodhaven Apartments reported all three of their vacant units are pre-leased. 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 common area amenities when compared to other tax credit and market rate properties in the local market. The Subject will offer a business center, community room, and adult education classes that most of the comparable developments lack. Additionally, the demand analysis indicates low capture rates for the Subject's proposed units indicating unmet demand for age-restricted housing in 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 comparables are experiencing a weighted average vacancy rate of 1.1 percent, which is considered low. However, all four of the vacant units at Augusta Spring Apartments and the vacant unit at Terraces at Edinburgh are pre-leased. Furthermore, all of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer in-unit washers and dryers, a business center, community room and exercise facility, which many of the comparables will 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 new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive. In general, the Subject will be similar to slightly superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several 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.

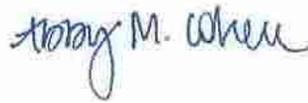
To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with 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.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

May 15, 2019



Abby Cohen
Principal
Novogradac & Company LLP

May 15, 2019



Jordan Howard
Analyst
Novogradac & Company LLP

May 15, 2019



Molly Carpenter
Junior Analyst
Novogradac & Company LLP

May 15, 2019



Andrew Felder
Junior Analyst
Novogradac & Company LLP

May 3, 2019
Date

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



Subject site facing west



Subject site facing south



Subject site facing south east



Subject site facing south west



Subject site facing south



View facing east on Walton Way



View facing west on Walton Way



Subject site facing south west



Subject site facing north west



Subject site facing north west



Subject site facing west



View facing north on 5th Street



View facing south on 5th Street



View facing east on Taylor Street



View facing west on Taylor Street



View facing south east on 5th Street



Single family home in the Subject's neighborhood



Typical commercial use in the Subject's neighborhood



Dilapidated small multifamily use in the Subject's neighborhood



Single family home in the Subject's neighborhood



Red Lobster in the Subject's neighborhood



Vacant single family home in Subject's neighborhood



Vacant single family home in Subject's neighborhood



Vacant commercial use in the Subject's neighborhood

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

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

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

V. Real Estate Assignments – Examples

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

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

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

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

Jordan Howard

I. Education

Georgia Institute of Technology – Atlanta, GA
Master of City and Regional Planning

College of Charleston – Charleston, SC
Bachelor of Arts, Political Science

II. Professional Experience

Analyst, *Novogradac & Company LLP* – December 2018 - Present
Junior Analyst, *Novogradac & Company LLP* – August 2017 – December 2018
Memorial Drive Intern, *Central Atlanta Progress* – September 2016 – June 2017
Community Choices Intern, *Atlanta Regional Commission* – May 2016 - September 2016
Deputy Finance Director – *Razor Solutions Group* – March 2015 to September 2016

III. Research Assignments

A representative sample of work on various types of projects:

- Assisted in performing and writing market studies of proposed and existing Low Income Housing Tax Credit (LIHTC) properties
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit (LIHTC) properties, and market rate multifamily developments. Analysis includes property screenings, expense comparability analysis, demographic, and economic analysis.
- Researched web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information
- Contacted local planning and economic development agencies for information regarding proposed and planned development projects
- Assisted in the completion of 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 financial underwriting and design of market rate and LIHTC properties. Analysis typically includes: unit mix determination, demand projects, rental rate analysis, competitive property surveying, and overall market analysis

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MOLLY CARPENTER

I. Education

University of Maryland, College Park – College Park, MD
Master of Community Planning

Iowa State University – Ames, IA
Bachelor of Science, Community and Regional Planning

II. Professional Experience

Junior Analyst, *Novogradac & Company LLP* – March 2018 – Present

Research Analyst, *Sage Computing* – June 2017 – March 2018

Intern, *Maryland Department of Housing and Community Development* – August 2016 – May 2017

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies 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.

STATEMENT OF PROFESSIONAL QUALIFICATIONS ANDREW FELDER

I. Education

College of Alameda – Alameda, CA
Associates of Science in Automotive Technology

Merritt College – Oakland, CA
Associates of Arts in Justice Administration

II. Professional Experience

Junior Analyst, *Novogradac & Company LLP* – September 2017 – Present

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies 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	The Village On 5th 811 5th Street Augusta, GA 30901 Richmond County	-	Lowrise 2021 / n/a Senior	@50% @60%	1BR / 1BA	2	3.7%	690	@50%	\$440	No	N/A	N/A	N/A
					1BR / 1BA	6	11.1%	690	@60%	\$550	No	N/A	N/A	N/A
					2BR / 1BA	9	16.7%	880	@50%	\$510	No	N/A	N/A	N/A
					2BR / 1BA	37	68.5%	880	@60%	\$630	No	N/A	N/A	N/A
						54								N/A
1	Augusta Spring Apartments 1730 Sibley Road Augusta, GA 30909 Richmond County	5.9 miles	One-story 1-stories 1996/2002 / n/a Senior	@50% @50% (HOME), @60%	1BR / 1BA	4	2.0%	660	@50%	\$428	Yes	Yes	N/A	N/A
					1BR / 1BA	36	18.0%	660	@50% (HOME)	\$428	Yes	Yes	N/A	N/A
					1BR / 1BA	6	3.0%	660	@60%	\$479	Yes	Yes	N/A	N/A
					1BR / 1BA	54	27.0%	660	@60% (HOME)	\$479	Yes	Yes	N/A	N/A
					2BR / 1BA	37	18.5%	840	@50%	\$503	Yes	Yes	N/A	N/A
					2BR / 1BA	4	2.0%	840	@50% (HOME)	\$503	Yes	Yes	N/A	N/A
					2BR / 1BA	53	26.5%	840	@60%	\$643	Yes	Yes	N/A	N/A
					2BR / 1BA	6	3.0%	840	@60% (HOME)	\$643	Yes	Yes	N/A	N/A
	200									4	2.0%			
2	Gardens At Harvest Point 3351 Wrightsboro Rd., Suite 205A Augusta, GA 30909 Richmond County	5.8 miles	Garden 3-stories 2018 / n/a Family	@60%	1BR / 1BA	64	25.0%	788	@60%	\$526	No	Yes	1	1.6%
					2BR / 2BA	64	25.0%	1,140	@60%	\$628	No	Yes	0	0.0%
					2BR / 2BA	64	25.0%	1,170	@60%	\$628	No	Yes	0	0.0%
					3BR / 2BA	64	25.0%	1,385	@60%	\$724	No	Yes	0	0.0%
						256								1
3	Legacy At Walton Green 1550 15th Street Augusta, GA 30901 Richmond County	1.9 miles	Midrise 4-stories 2017 / n/a Senior	@60% @60% (ACC), Market	1BR / 1BA	12	15.0%	750	@60%	\$600	Yes	Yes	0	0.0%
					1BR / 1BA	12	15.0%	750	@60% (ACC)		N/A	N/A	0	0.0%
					2BR / 2BA	40	50.0%	1,075	@60%	\$719	Yes	Yes	0	0.0%
					2BR / 2BA	16	20.0%	1,075	Market	\$900	Yes	Yes	1	6.3%
						80								1
4	Linden Square 1425 Lee Beard Way Augusta, GA 30901 Richmond County	1.6 miles	Lowrise 2-stories 2003 / n/a Senior	@50% @60% Market	1BR / 1BA	14	29.2%	663	@50%	\$458	Yes	Yes	0	0.0%
					1BR / 1BA	14	29.2%	663	@60%	\$575	Yes	Yes	0	0.0%
					1BR / 1BA	8	16.7%	663	Market	\$610	N/A	Yes	0	0.0%
					2BR / 1BA	6	12.5%	890	@50%	\$532	Yes	Yes	0	0.0%
					2BR / 1BA	4	8.3%	890	@60%	\$672	Yes	Yes	0	0.0%
					2BR / 1BA	2	4.2%	890	Market	\$707	N/A	Yes	0	0.0%
						48								0
5	Terraces At Edinburg 3265 Milledgeville Road Augusta, GA 30909 Richmond County	5.2 miles	One-story 1-stories 2010 / n/a Senior	@50% @60%	1BR / 1BA	7	9.7%	891	@50%	\$398	Yes	Yes	0	0.0%
					1BR / 1BA	11	15.3%	891	@60%	\$515	Yes	Yes	0	0.0%
					2BR / 2BA	22	30.6%	1,103	@50%	\$467	Yes	Yes	0	0.0%
					2BR / 2BA	32	44.4%	1,103	@60%	\$594	Yes	Yes	1	3.1%
						72								1
6	Broadway Apartments 335 Broad Street Augusta, GA 30901 Richmond County	0.6 miles	Garden 3-stories 1920 / 2016 Family	Market	1BR / 1BA	8	20.0%	612	Market	\$657	N/A	No	0	0.0%
					2BR / 2BA	8	20.0%	1,060	Market	\$781	N/A	No	1	12.5%
					2BR / 2BA	11	27.5%	1,125	Market	\$781	N/A	No	0	0.0%
					2BR / 2BA	13	32.5%	1,225	Market	\$781	N/A	No	0	0.0%
						40								1
7	River Ridge 505 13th Street Augusta, GA 30901 Richmond County	0.4 miles	Garden 3-stories 1984 / 2012 Family	Market	2BR / 2BA	52	50.0%	850	Market	\$545	N/A	No	0	0.0%
					2BR / 2BA	52	50.0%	900	Market	\$545	N/A	No	0	0.0%
						104								0
8	Sage Creek 1315 Marks Church Rd Augusta, GA 30909 Richmond County	6.9 miles	Garden 3-stories 2016 / n/a Family	Market	2BR / 2BA	N/A	N/A	944	Market	\$775	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,076	Market	\$821	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	812	Market	\$729	N/A	No	N/A	N/A
	120									12	10.0%			
9	Terraces Of Summerville 817 Hickman Street Augusta, GA 30904 Richmond County	2.7 miles	Garden 3-stories 1974 / 2017 Family	Market	1BR / 1BA	76	63.3%	705	Market	\$774	N/A	No	6	7.9%
					2BR / 1BA	44	36.7%	1,020	Market	\$831	N/A	No	6	13.6%
						120								12
10	The Glen At Alexander 1040 Alexander Drive Augusta, GA 30909 Richmond County	5.0 miles	Garden 3-stories 2003 / n/a Family	Market	1BR / 1BA	26	12.0%	975	Market	\$1,132	N/A	Yes	0	0.0%
					2BR / 2BA	130	60.2%	1,175	Market	\$1,262	N/A	Yes	0	0.0%
					3BR / 2BA	60	27.8%	1,350	Market	\$1,362	N/A	Yes	0	0.0%
	216									0	0.0%			
11	Woodhaven Apartments 1840 Killingsworth Rd Augusta, GA 30904 Richmond County	4.0 miles	Garden 2-stories 1979 / 2019 Family	Market	1BR / 1BA	152	100.0%	567	Market	\$517	N/A	No	3	2.0%
						152								3

ADDENDUM E

**Subject Floor Plans
(Not Provided)**