

John Wall and Associates

Market Analysis

Crow Valley Heights
Family
Tax Credit (Sec. 42) Apartments

Dalton, Georgia
Whitfield County

Prepared For:
Hallmark Development Partners, LLC

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Formerly known as
National Council of Affordable
Housing Market Analysts

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Foreword

Qualifications Statement

John Wall and Associates specializes in market analysis, data mapping, and analysis of troubled properties. The firm began in 1983 concentrating on work in the Southeastern United States. In 1990, the office expanded its work to the entire United States.

John Wall and Associates has done over 2,600 market analyses, the majority of these being for apartment projects (both conventional and affordable). However, the firm is equipped for, and has done many other types of real estate market analyses, data mapping, troubled property analysis, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators and lending institutions.

John Wall and Associates is a charter member of the National Council of Housing Market Analysts (NCHMA). All market analysts in our office have successfully passed the NCHMA peer review process and possess their HUD MAP certificates.

Bob Rogers has a BS in Business from Penn State University, and an MBA from the University of Tennessee. He has been a market analyst with John Wall and Associates since 1992. He has served as Vice Chair and Co-Chair of the NCHMA Standards Committee (from 2004 to 2010). As Co-Chair, he led the revision of the NCHMA market study model content and market study terms. He was lead author for NCHMA's "Selecting Comparable Properties" best practices paper and also NCHMA's "Field Work" white paper. In 2007, he wrote "Ten Things Developers Should Know About Market Studies" for

Affordable Housing Finance Magazine. In 2014 Mr. Rogers authored the draft NCHMA paper "Senior Housing Options".

Joe Burriss has a Bachelor of Science degree in Marketing from Clemson University, and has been a market analyst with John Wall and Associates since 1999. He has successfully completed the National Council of Housing Market Analysts (NCHMA) peer review process, and has served as a member of the council's membership committee. In addition to performing market analysis, Mr. Burriss maintains many of the firm's client relationships and is responsible for business development.

Release of Information

This report shall not be released by John Wall and Associates to persons other than the client and his/her designates for a period of at least sixty (60) days. Other arrangements can be made upon the client's request.

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It is hereby attested to that the information contained in this report is true and accurate. The report can be relied upon as a true assessment of the low income housing rental market. However, no assumption of liability is being made or implied.

Identity of Interest

The market analyst will receive no fees contingent upon approval of the development by any agency or lending institution, before or after the fact, and the market analyst will have no interest in the housing development.

Certifications

Certification of Physical Inspection

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that

information has been used in the full assessment of the need and demand for new rental units.

Required Statement

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

To the best of my knowledge, the market can (cannot) support the development 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 development or relationship with the ownership entity and my compensation is not contingent on this development being funded

DCA may rely on the representation made in the market study provided, and the document is assignable to other lenders that are parties to the DCA loan transaction.

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This market study has been prepared by John Wall and Associates, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies, and Model Content Standards for the Content of Market Studies*. These standards are designed to enhance the quality of market studies and to make them easier to prepare,

understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

John Wall and Associates is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. John Wall and Associates is an independent market analyst. No principal or employee of John Wall and Associates has any financial interest whatsoever in the development for which this analysis has been undertaken.

(Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting www.housingonline.com)

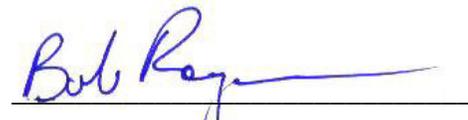
Submitted and attested to by:



Joe Burriss, Principal

4-26-19

Date



Bob Rogers, Principal

4-26-19

Date

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Introduction

Purpose

The purpose of this report is to analyze the apartment market for a specific site in Dalton, Georgia.

Scope

Considered in this report are market depth, bedroom mix, rental rates, unit size, and amenities. These items are investigated principally through a field survey conducted by John Wall and Associates. Unless otherwise noted, all charts and statistics are the result of this survey.

In general, only complexes of 30 units or more built since 1980 are considered in the field survey. Older or smaller developments are sometimes surveyed when it helps the analysis. Developments with rent subsidized units are included, if relevant, and noted.

Methodology

Three separate approaches to the analysis are used in this report; each is a check on the other. By using three generally accepted approaches, reasonable conclusions can be drawn. The three approaches used are:

- (1) Statistical
- (2) Like-Kind Comparison
- (3) Interviews

Regional Locator Map



The Statistical approach uses Census data and local statistics; 2010 is used as a base year. The population that would qualify for the proposed units is obtained from these figures.

The Like-Kind Comparison approach collects data on developments similar in nature to that which is being proposed and analyzes how they are doing. This approach assesses their strong points, as well as weak points, and compares them with the subject.

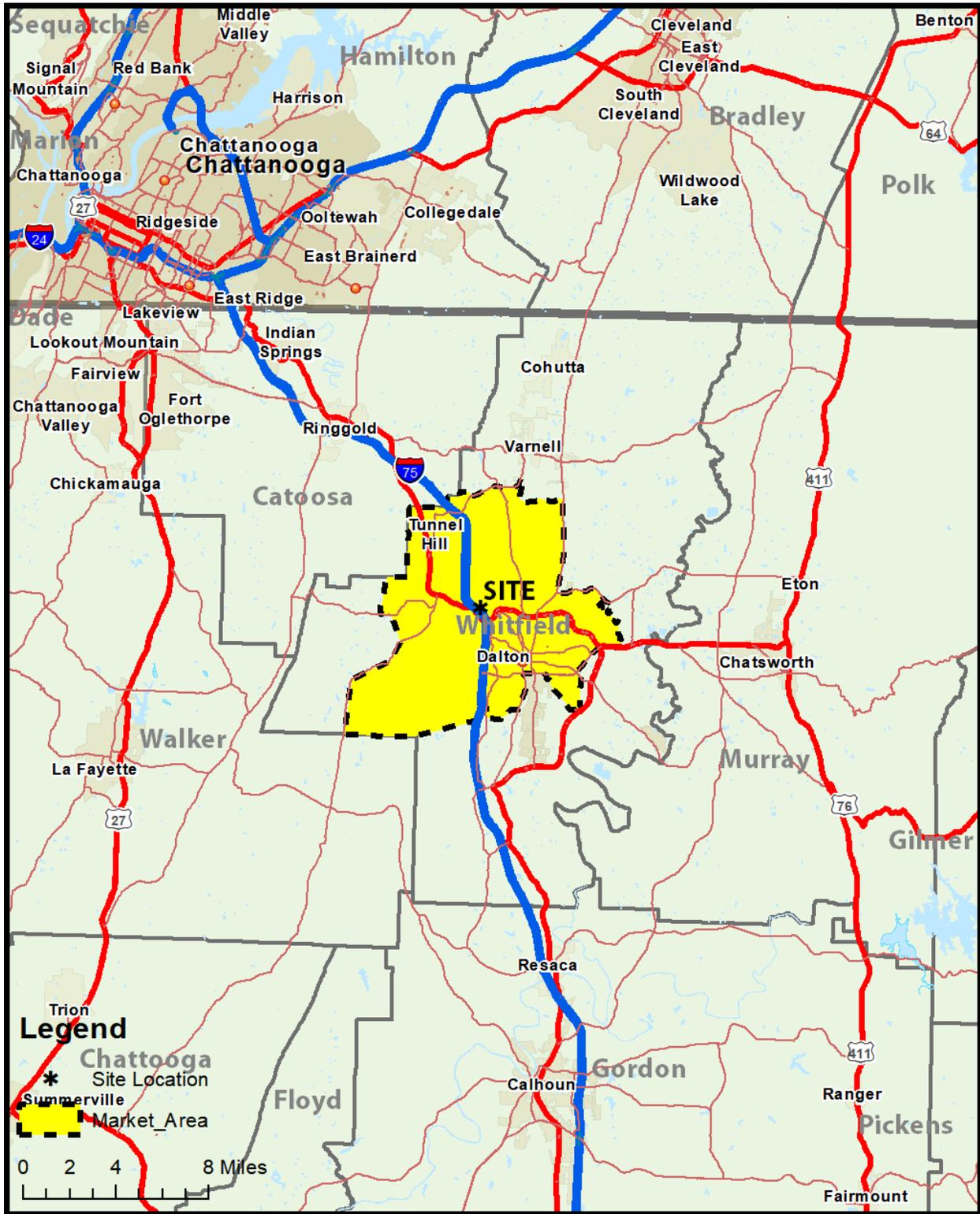
The last section, Interviews, assesses key individuals' special knowledge about the market area. While certainly subjective and limited in perspective, their collective knowledge, gathered and assessed, can offer valuable information.

Taken individually, these three approaches give a somewhat restricted view of the market. However, by examining them together, knowledge sufficient to draw reasonable conclusions can be achieved.

Limitations

This market study was written according to the Client's *Market Study Guide*. To the extent this guide differs from the NCHMA *Standard Definitions of Key Terms or Model Content Standards*, the client's guide has prevailed.

Area Locator Map



A. Executive Summary

The projected completion date of the proposed development is on or before 12/31/2021.

The market area consists of Census Tracts 3.02, 4, 5.01, 5.02, 6, 7 (70%), 8 (63%), 9, 10, 13, and 14 in Whitfield County.

The proposed development consists of 80 units of new construction.

The proposed development is for family households with incomes at 50% and 60% of AMI. Rents range from \$399 to \$670.

A.1 Development Description

- Address:
 - Crow Valley Road
- Construction and occupancy types:
 - New construction.
 - Garden
 - Family.
- Unit mix including bedrooms, bathrooms, square footage, income targeting, rents, and utility allowance:

Table 1—Unit Mix

AMI	Bedrooms	Baths	Number of Units	Square Feet	Net Rent	Utility Allow.	Gross Rent	Target Population	
50%	1	1	4	781	399	101	500	Tax Credit	
50%	2	2	10	1,111	475	127	602	Tax Credit	
50%	3	2	4	1,193	531	160	691	Tax Credit	
60%	1	1	12	781	501	101	602	Tax Credit	
60%	2	2	38	1,111	594	127	721	Tax Credit	
60%	3	2	12	1,193	670	160	830	Tax Credit	
Total Units			80						
Tax Credit Units			80						
PBRA Units			0						
Mkt. Rate Units			0						

- Any additional subsidies available including project based rental assistance:
 - There are none.
- Brief description of proposed amenities and how they compare to existing properties:
 - Development Amenities:
 - Laundry facility, clubhouse/community center, covered porch, fenced community gardens, wellness center, and furnished exercise/fitness center.

- Unit Amenities:
Refrigerator, range/oven, microwave, dishwasher, garbage disposal, washer/dryer connections, ceiling fan, HVAC, blinds, and cable pre-wired.
- Utilities Included:
Trash.
The subject's amenities are comparable with the other tax credit apartments surveyed except that Autumn Ridge has a swimming pool.

A.2 Site Description/Evaluation

- A brief description of physical features of the site and adjacent parcels:
The site is hilly and wooded. The adjacent parcels include similarly wooded and hilly parcels and also relatively flat parcels with buildings.
- A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural):
The neighborhood is a mix of residential, industrial, and undeveloped.
- A discussion of site access and visibility:
Access to the site is from Crow Valley Road. The site has good visibility from Crow Valley Road. The site will probably be visible from I-75 too, since it's at a higher elevation.
- Any significant positive or negative aspects of the subject site:
The site is convenient to goods and services. There are a number of multifamily developments nearby.
- A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.:
The site is on the northwest edge of Dalton, making it convenient to most goods and services.
- Discussion of public safety, including comments on local perceptions, maps, or statistic of crime in the area:
See section C.7. The site does not appear to be in a problematic area.
- An overall conclusion of the site's appropriateness for the proposed development:
The site is well suited for the proposed development.

A.3 Market Area Definition

- A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property:

The market area consists of Census Tracts 3.02, 4, 5.01, 5.02, 6, 7 (70%), 8 (63%), 9, 10, 13, and 14 in Whitfield County.

The northern boundary of the market area is Tunnel Hill Varnell Road. The western boundary is Lafayette Road. The eastern boundary is Highway 411. The southern boundary is Foster Road. The closest boundary is approximately 3 miles from the site, and the furthest boundary is approximately 6 miles from the site.

A.4 Community ` Demographic Data

- Current and projected household and population counts for the primary market area:

2010 population =57,350; 2019 population = 62,109;

2021 population = 62,695

2010 households =19,853; 2019 households = 19,940;

2021 households = 19,894

- Household tenure:
39.9% of the households in the market area rent.
- Household income:

Table 2—Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		17,140		20,640		17,140	
Upper Limit		30,375		36,450		36,450	
	Mkt. Area						
Renter occupied:	Households	%	#	%	#	%	#
Less than \$5,000	458	—	0	—	0	—	0
\$5,000 to \$9,999	507	—	0	—	0	—	0
\$10,000 to \$14,999	769	—	0	—	0	—	0
\$15,000 to \$19,999	1,245	0.57	712	—	0	0.57	712
\$20,000 to \$24,999	894	1.00	894	0.87	780	1.00	894
\$25,000 to \$34,999	1,456	0.54	783	1.00	1,456	1.00	1,456
\$35,000 to \$49,999	1,379	—	0	0.10	133	0.10	133
\$50,000 to \$74,999	1,053	—	0	—	0	—	0
\$75,000 to \$99,999	330	—	0	—	0	—	0
\$100,000 to \$149,999	168	—	0	—	0	—	0
\$150,000 or more	81	—	0	—	0	—	0
Total	8,340		2,389		2,369		3,195
Percent in Range			28.6%		28.4%		38.3%

- Impact of foreclosed, abandoned and vacant, single and multifamily homes, and commercial properties in the PMA on the proposed development:

There are no signs of any abandonment or foreclosure that would impact the subject.

A.5 Economic Data

- Trends in employment for the county and/or region:

Employment has been stable.

- Employment by sector:

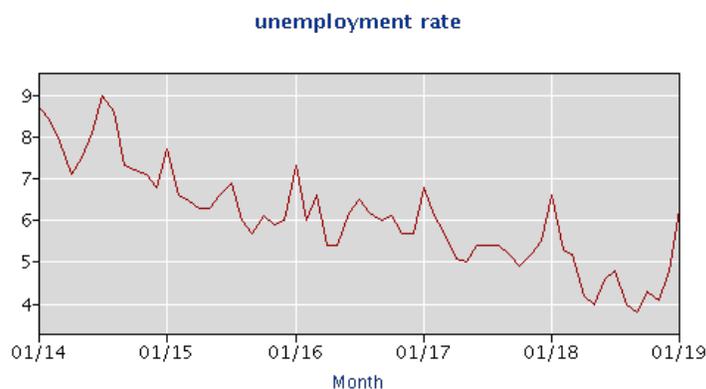
The largest sector of employment is:

Manufacturing — 39.3%

- Unemployment trends:

Over the last 12 months, the unemployment rate has been between 3.8% and 6.3%. For 2017, the average rate was 5.5% while for 2016, the average rate was 6.1%.

The graph below shows the county unemployment rate for the past five years.



Source: <https://data.bls.gov/PDQWeb/la>

- Recent or planned major employment contractions or expansions:

According to the Dalton Whitfield County Joint Development Authority, four companies have announced openings or expansions in Whitfield County in the past year, creating more than 525 new jobs. This includes Hanwha Q-CELLS with more than 500 new jobs, Poteet Properties, LLC, Healthier Choice Flooring with 25 new jobs, and Reagent Chemical and Research, Inc.

According to the 2018 and 2019 Georgia Business Layoff and Closure Listings, no companies in Whitfield County have announced closings or layoffs in the last year.

- Overall conclusion regarding the stability of the county’s overall economic environment:

The current economic environment will not negatively impact the demand for additional or renovated rental housing.

A.6 Development Specific Affordability and Demand Analysis

- Number renter households income qualified for the proposed development:

Table 3—Number of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		17,140		20,640		17,140	
Upper Limit		30,375		36,450		36,450	
Renter occupied:	Mkt. Area Households	%	#	%	#	%	#
Less than \$5,000	458	—	0	—	0	—	0
\$5,000 to \$9,999	507	—	0	—	0	—	0
\$10,000 to \$14,999	769	—	0	—	0	—	0
\$15,000 to \$19,999	1,245	0.57	712	—	0	0.57	712
\$20,000 to \$24,999	894	1.00	894	0.87	780	1.00	894
\$25,000 to \$34,999	1,456	0.54	783	1.00	1,456	1.00	1,456
\$35,000 to \$49,999	1,379	—	0	0.10	133	0.10	133
\$50,000 to \$74,999	1,053	—	0	—	0	—	0
\$75,000 to \$99,999	330	—	0	—	0	—	0
\$100,000 to \$149,999	168	—	0	—	0	—	0
\$150,000 or more	81	—	0	—	0	—	0
Total	8,340		2,389		2,369		3,195
Percent in Range			28.6%		28.4%		38.3%

- Overall estimate of demand:

Overall demand is 1,408.

- Capture rates

- Overall:

5.7%

- LIHTC units:

5.7%

Table 4—Capture Rates by AMI Targeting

	Income Range	Units	Total Demand	Supply	Net Demand	Capture Rate
50% AMI	17140-30375	18	1,128	0	1,128	1.6%
60% AMI	20640-36450	62	860	0	860	7.2%
All TC	17140-36450	80	1,408	0	1,408	5.7%

Table 4a—Capture Rates by Bedroom Targeting

		Income Range	Units	Total Demand	Supply	Net Demand	Capture Rate
50% AMI	1 BR	17140-21900	4	338	0	338	1.2%
	2 BR	20640-26300	10	564	0	564	1.8%
	3 BR	23690-30375	4	226	0	226	1.8%
	4 BR	0-33850	0	0	0	0	—
60% AMI	1 BR	20640-26280	12	258	0	258	4.7%
	2 BR	24720-31560	38	430	0	430	8.8%
	3 BR	28460-36450	12	172	0	172	7.0%
	4 BR	0-40620	0	0	0	0	—

- Conclusion regarding the achievability of these capture rates:

The capture rates are achievable.

A.7 Competitive Rental Analysis

- Analysis of the competitive properties in the PMA
- Number of properties:
8 properties were surveyed.
- Rent bands for each bedroom type proposed:
1BR = \$430 to \$880
2BR = \$511 to \$965
3BR = \$282 to \$1,100
- Average market rents:
1BR = \$761
2BR = \$866
3BR = \$982

A.8 Absorption/Stabilization Estimate

- Number of units expected to be leased per month:
The subject should be able to lease 15 units per month.
- Number of units to be leased by AMI targeting:
50% AMI = 18
60% AMI = 62
- Number of months required for the development to reach 93% occupancy:
The subject should be able to lease up within 5 months.

A.9 Overall Conclusion

Narrative detailing key conclusions of the report:

- The **site** appears suitable for the development. It is currently wooded.
- The **neighborhood** is compatible with the development. The immediate neighborhood is a mix of residential, industrial, and undeveloped land.
- The **location** is well suited to the development. There are several successful apartments nearby.
- The **population growth** in the market area is significant, but the number of households is slightly declining.
- The **economy** is stable.
- The calculated **demand** for the development is strong (1,408 overall).
- The **capture rates** for the development are reasonable. The overall tax credit capture rate is 5.7%.
- The **most comparable** apartments are Autumn Ridge and Dawnville Meadows (which is just outside the PMA).
- Total **vacancy rates** of the most comparable developments are both 0.0%.
- The average LIHTC vacancy rate is 0.0%.
- The overall **vacancy rate** among apartments surveyed is 0.5%.
- There are no **concessions** in the comparables.
- The **rents**, given prevailing rents, vacancy rates, and concessions in the market area, will be well received.
- The proposed **bedroom mix** is good.
- The **unit sizes** are reasonable for the proposal. The proposed units won't be the smallest in the market, but they will be smaller than the comparables.
- The subject's **amenities** are good and comparable to similarly priced apartments except that Autumn Ridge has a swimming pool.
- The subject's **value** should be perceived as good when compared to other tax credit apartments and very good when compared to market rate apartments.

- The subject's **affordability** is good from a programmatic gross rent standpoint; all of the units are \$21 to \$50 below the maximum allowable levels.
- Both of those **interviewed** felt the development should be successful.
- The proposal would have no long term **impact** on existing LIHTC developments.

A.9.1 *Recommendations*

None

A.9.2 *Notes*

None

A.9.2.1 *Strengths*

- Strong calculated demand
- Low vacancy rates
- Few existing tax credit units

A.9.2.2 *Weaknesses*

None

A.9.3 *Conclusion*

The development, as proposed, should be successful.

A.10 DCA Summary Table

Table 5—DCA Summary Table

Summary Table: (must be completed by the analyst and included in the executive summary)										
Development	Crow Valley Heights							Total # Units:	80	
Location:	Dalton							# LIHTC Units:	80	
PMA Boundary:	<u>See map on page 35</u>							Farthest Boundary Distance to Subject: 6 miles		
RENTAL HOUSING STOCK (found in Apartment Inventory)										
Type	# Properties	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	8	320	2	99.4%						
Market-Rate Housing	6	147	1	99.3%						
Assisted/Subsidized Housing not to include LIHTC	0	0	0	—						
LIHTC	2	173	1	99.4%						
Stabilized Comps	2	173	1	99.4%						
Properties in Construction & Lease Up	0	0	0	—						
Subject Development					Average Market Rent			Highest Comp Rent		
# Units	# BR's	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Advtg.	Per Unit	Per SF	
4	1	1	781	399	761	0.97	0.91	880	1.10	
10	2	2	1,111	475	866	0.78	0.82	965	0.88	
4	3	2	1,193	531	982	0.82	0.85	1,100	0.85	
12	1	1	781	501	761	0.97	0.52	880	1.10	
38	2	2	1,111	594	866	0.78	0.46	965	0.88	
12	3	2	1,193	670	982	0.82	0.47	1,100	0.85	
DEMOGRAPHIC DATA (found on page 12,16,40)										
					2014		2019		2021	
Renter Households					8,340	40%	7,963	40%	7,945	40%
Income-Qualified Renter HHs (LIHTC)					3,195	38%	3,051	38%	3,044	38%
Targeted Income-Qualified Renter Household Demand (found on page 17, 62)										
Type of Demand	30%	50%	60%	mkt-rate	Other: _	Overall				
Renter Household Growth		0	0			0				
Existing HH (Overburden)		903	637			1,108				
Existing HH (Substandard)		225	223			300				
Homeowner conversion (Seniors)		n/a	n/a			n/a				
Less Comparable/Competitive Supply		0	0			0				
Adjusted Income-qualified Renter HHs		1,128	860			1,408				
CAPTURE RATES (found on page 12, 63)										
Targeted Population	30%	50%	60%	mkt-rate	Other: _	Overall				
Capture Rate		1.6%	7.2%			5.7%				

A.11 Demand

Table 6—Demand

	50% AMI: \$17,140 to \$30,375	60% AMI: \$20,640 to \$36,450	Overall Tax Credit: \$17,140 to \$36,450
New Housing Units Required	0	0	0
Rent Overburden Households	903	637	1,108
Substandard Units	225	223	300
Demand	1,128	860	1,408
Less New Supply	0	0	0
Net Demand	1,128	860	1,408

A.11.1 Market Bedroom Mix

The following bedroom mix will keep the market in balance over the long term. Diversity among projects is necessary for a healthy market.

Table 7—Market Bedroom Mix

Bedrooms	Mix
1	30%
2	50%
3	20%
4	0%
Total	100%

A.11.2 Absorption

Given reasonable marketing and management, the development should be able to rent up to 93% occupancy within 5 months — a few months longer if the development is completed in November, December, or January. The absorption rate determination considers such factors as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy. With advance marketing and preleasing, the absorption period could be less.

A.12 NCHMA Capture Rate

NCHMA defines capture rate as:

The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to achieve the stabilized level of occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area. See penetration rate for rate for entire market area.

This definition varies from the capture rate used above.

Table 8—NCHMA Capture Rate

	Income Qualified Renter Households	Proposal	Capture Rate
50% AMI: \$17,140 to \$30,375	2,389	18	0.8%
60% AMI: \$20,640 to \$36,450	2,369	62	2.6%
Overall Tax Credit: \$17,140 to \$36,450	3,195	80	2.5%

B. Development Description

The development description is provided by the developer.

B.1 Development Location

The site is on the northwest side of Dalton, Georgia. It is located on Crow Valley Road, near I-75.

B.2 Construction Type

New construction.

B.3 Occupancy

The proposal is for occupancy by family households.

B.4 Target Income Group

Low income

B.5 Special Population

Four units designed for mobility impaired (two w/roll-in showers) and two units designed for sensory impaired.

B.6 Structure Type

Garden; the subject has one community and five residential buildings; the residential buildings have two floors

Floor plans and elevations were not available at the time the study was conducted.

B.7 Unit Sizes, Rents and Targeting

Table 9—Unit Sizes, Rents and Targeting

AMI	Bedrooms	Baths	Number of Units	Square Feet	Net Rent	Utility Allow.	Gross Rent	Target Population
50%	1	1	4	781	399	101	500	Tax Credit
50%	2	2	10	1,111	475	127	602	Tax Credit
50%	3	2	4	1,193	531	160	691	Tax Credit
60%	1	1	12	781	501	101	602	Tax Credit
60%	2	2	38	1,111	594	127	721	Tax Credit
60%	3	2	12	1,193	670	160	830	Tax Credit
Total Units			80					
Tax Credit Units			80					
PBRA Units			0					
Mkt. Rate Units			0					

These *pro forma* rents will be evaluated in terms of the market in the Supply section of the study.

B.8 Rental Assistance

There is no rental assistance proposed

B.9 Development Amenities

Laundry facility, clubhouse/community center, covered porch, fenced community gardens, wellness center, and furnished exercise/fitness center.

B.10 Unit Amenities

Refrigerator, range/oven, microwave, dishwasher, garbage disposal, washer/dryer connections, ceiling fan, HVAC, blinds, and cable pre-wired.

B.11 Rehab

This is not a rehabilitation proposal.

B.12 Utilities Included

Trash.

B.13 Projected Certificate of Occupancy Date

It is anticipated that the subject will have its final certificates of occupancy on or before 12/31/2021.

C. Site Evaluation

C.1 Date of Site Visit

Bob Rogers visited the site on April 6, 2019.

C.2 Physical Features of Site and Adjacent Parcels

- Physical features:

The site is irregularly shaped, wooded, and has slopes.

- Adjacent parcels:

N: woods

E: Crow Valley Road then woods, residential, and industrial

S: Interstate 75

W: woods

- Condition of surrounding land uses:

All the surrounding land uses appear to be in good condition.

- Positive and negative attributes:

Positive: Attractive neighborhood; proximity to goods, services, and amenities

Negative: None

C.3 Surrounding Roads, Transportation, Amenities, Employment, Community Services

Crow Valley Road is the only road on which the site fronts. Crow Valley Road connects to Willowdale Road, just a little south of the site. Traveling east on Willowdale Road takes one to Dalton, where amenities and services are found. There is an industrial park immediately to the east of the site with a large number of employers.

Whitfield County Transit Service provides demand-response transportation to all consumers within Whitfield County. Fares are \$4.00 per trip. Passengers must call 706-278-3606 48 hours in advance to schedule a ride.

Site and Neighborhood Photos and Adjacent Land Uses Map



Site Photos & Adjacent Land Uses

John Wall and Associates
Seneca, South Carolina — 864/261-3147

C.4 Site and Neighborhood Photos



Photo 1—the site



Photo 2—looking north on Crow Valley Road; the site is on the left



Photo 3—looking south on Crow Valley Road; the site is on the right



Photo 4—condos across the road from the site



Photo 5—property adjacent to the site



Photo 6—mini storage on the east side of Crow Valley Road near the intersection of Willowdale Road



Photo 7—a warehouse on the east side of Crow Valley Road



Photo 8—Lyle Industrial across Crow Valley Road from the site



Photo 9—looking south on Crow Valley Road; the site is on the right



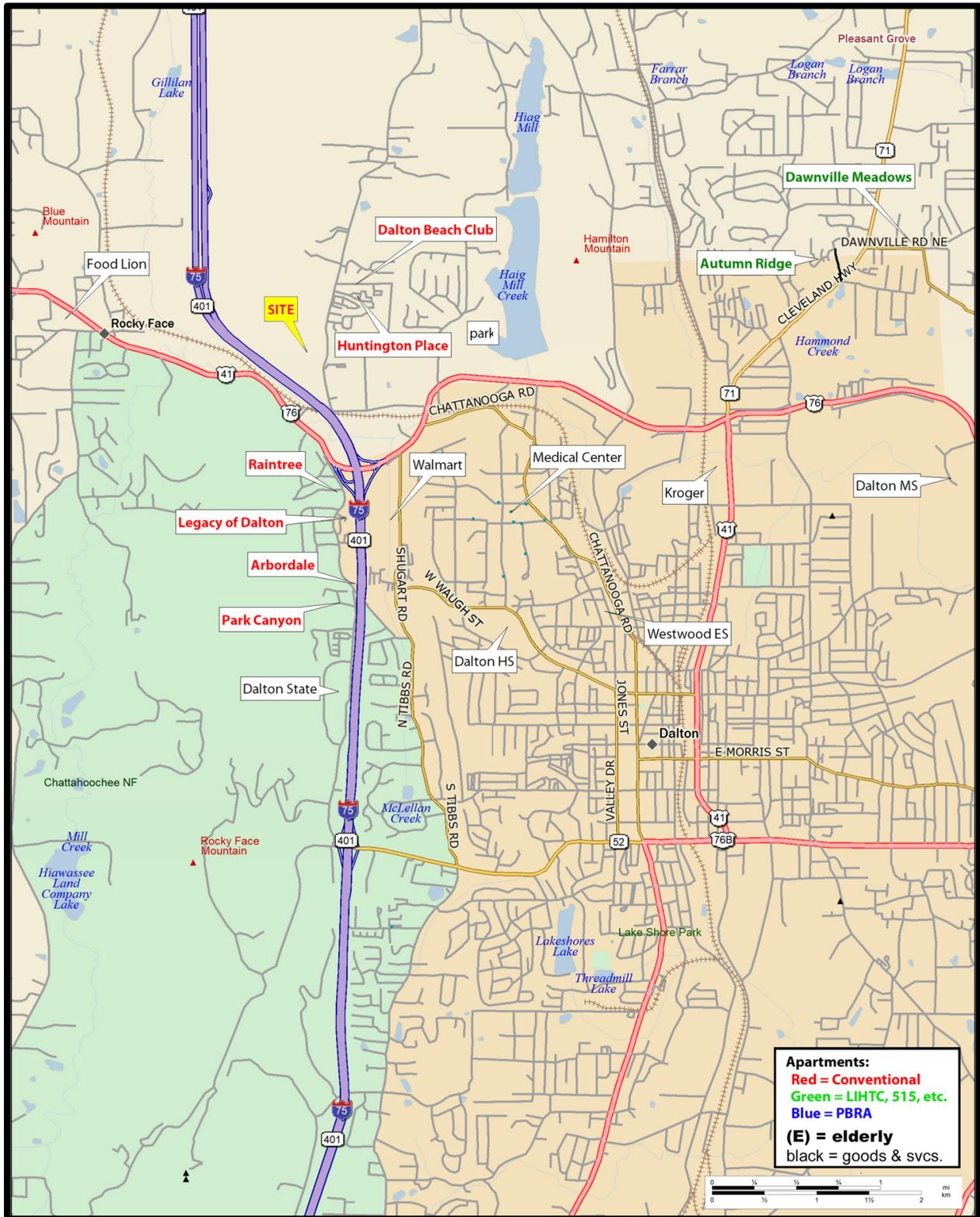
Photo 10—looking north on Crow Valley Road away from the site



Photo 11—Meadowbrook Condos on Crow Valley Road north of the site

C.5 Site Location Map

Site Location Map



- Listing of closest shopping areas, schools, employment centers, medical facilities and other important amenities with distance to site:

Table 10—Community Amenities

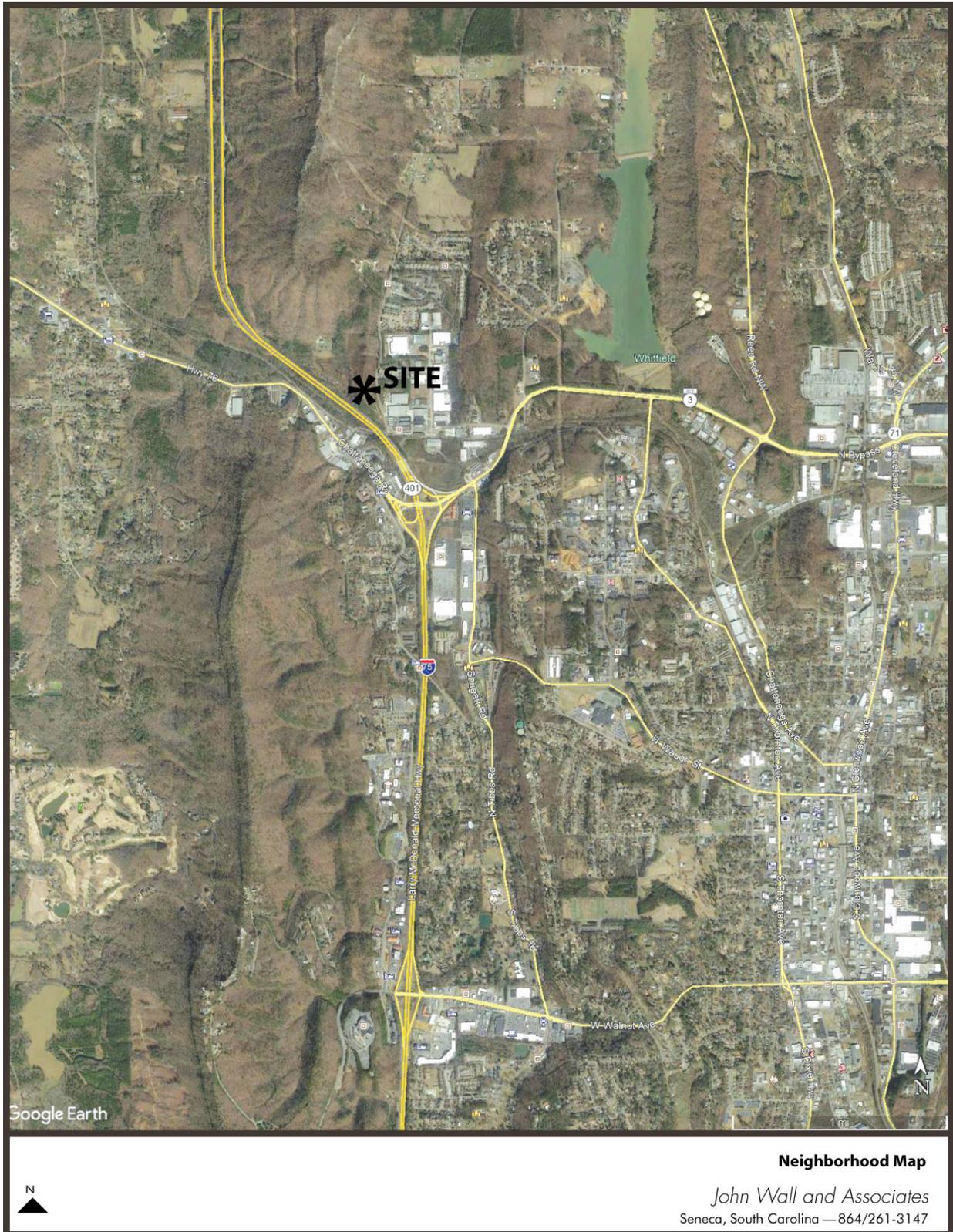
Amenity	Distance
Walmart	1 mi
Medical Center	1 ½ mi
Dalton HS	1 ½ mi
Dalton State	2 mi
Park	1 mi
Kroger	2 mi
Dalton MS	4 mi
Westwood ES	2 mi

Amenities Map



C.6 Land Uses of the Immediate Area

Neighborhood Map



C.7 Public Safety Issues

According to the FBI, in 2017 the following crimes were reported to police:

Table 11—Crimes Reported to Police

	City	County
Population:	34,228	—
Violent Crime	108	138
Murder	0	2
Rape	16	18
Robbery	17	6
Assault	75	112
Property Crime	981	1,263
Burglary	126	342
Larceny	782	815
Motor Vehicle Theft	73	106
Arson	4	4

Source: 2017 Crime in the United States

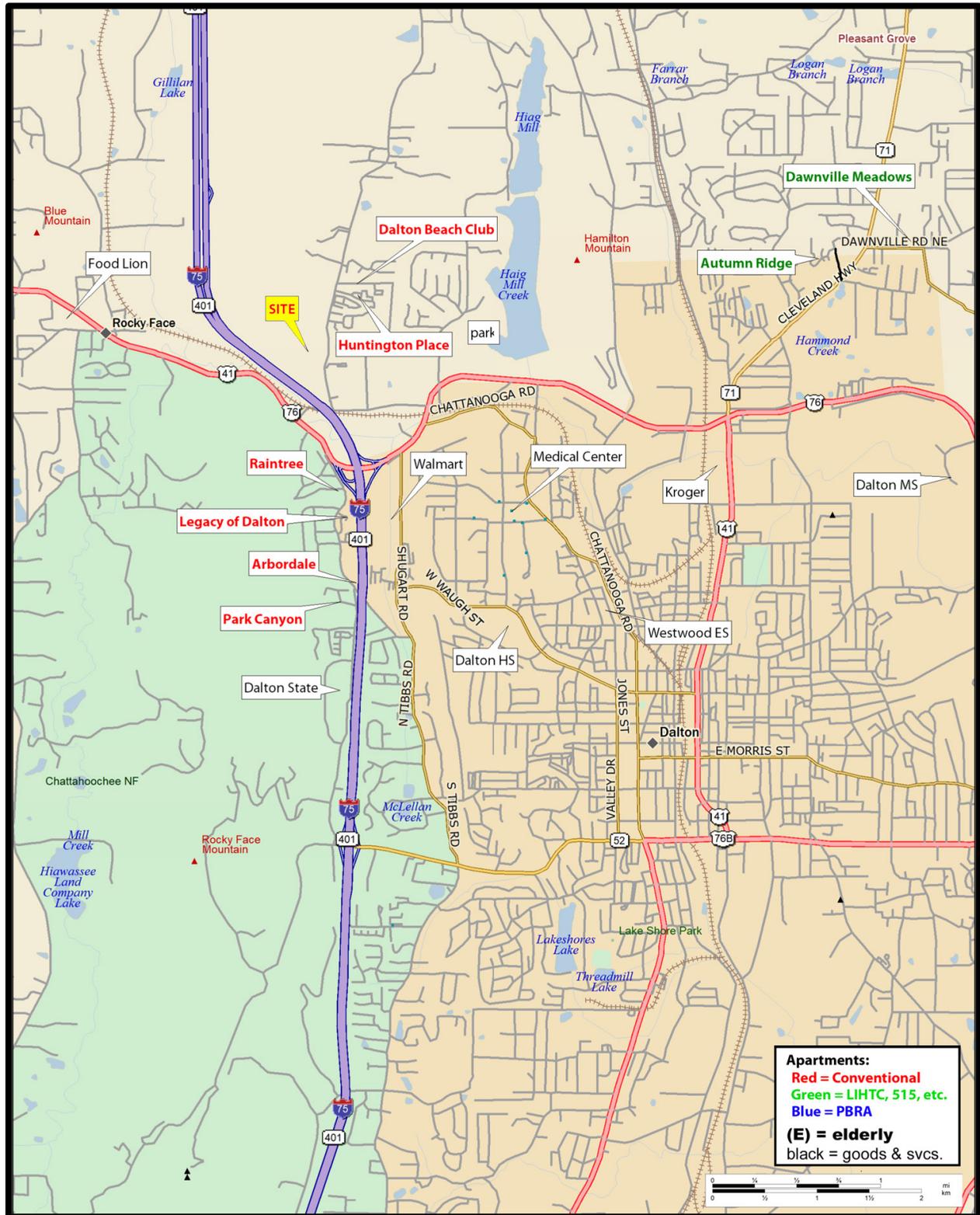
<https://ucr.fbi.gov/crime-in-the-u.s/2017/crime-in-the-u.s.-2017/tables/table-8/table-8.xls/view>

<https://ucr.fbi.gov/crime-in-the-u.s/2017/crime-in-the-u.s.-2017/tables/table-10/table-10.xls/view>

A crime map is in the appendix. The site does not appear to be in a problematic area.

C.8 Multifamily Residential Developments

Apartment Locations Map



C.9 Road and infrastructure Improvements

No road or infrastructure projects were noted in the immediate area that would impact the subject.

C.10 Ingress, Egress, and Visibility

Access to the site is from Crow Valley Road. There are no problems with ingress and egress. The site has good visibility from Crow Valley Road and will probably have visibility from I-75.

C.11 Observed Visible Environmental or Other Concerns

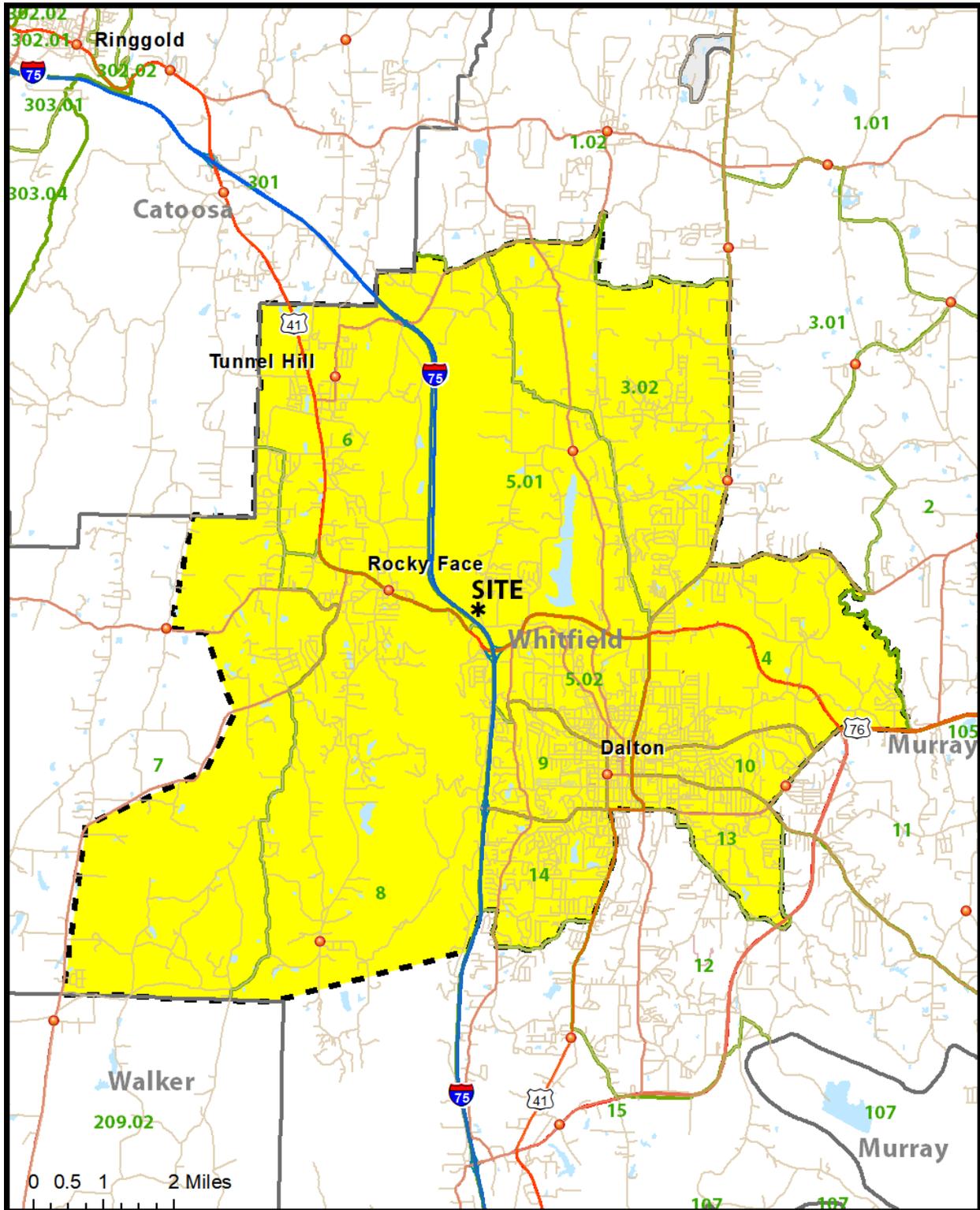
There were no other visible environmental or other concerns.

C.12 Conclusion

The site is well-suited for the proposed development.

D. Market Area

Market Area Map



D.1 Market Area Determination

The market area is the community where the development will be located and only those outlying rural areas that will be significantly impacted by the development, generally excluding other significant established communities. The market area is considered to be the area from which most of the prospective tenants will be drawn. Some people will move into the market area from nearby towns, while others will move away. These households are accounted for in the “Household Trends” section. The border of the market area is based on travel time, commuting patterns, the gravity model, physical boundaries, and the distribution of renters in the area. The analyst visits the area before the market area definition is finalized.

Housing alternatives and local perspective will be presented in the Development Comparisons section of this report.

D.2 Driving Times and Place of Work

Commuter time to work is shown below:

Table 12—Workers’ Travel Time to Work for the Market Area (Time in Minutes)

	State	%	County	%	Market Area	%	City	%
Total:	4,214,451		44,121		24,640		13,480	
Less than 5 minutes	96,242	2.3%	737	1.7%	510	2.1%	358	2.7%
5 to 9 minutes	342,484	8.1%	2,946	6.7%	1,868	7.6%	1,260	9.3%
10 to 14 minutes	543,276	12.9%	6,387	14.5%	4,299	17.4%	2,903	21.5%
15 to 19 minutes	649,164	15.4%	11,069	25.1%	6,706	27.2%	3,755	27.9%
20 to 24 minutes	617,298	14.6%	10,010	22.7%	5,703	23.1%	2,504	18.6%
25 to 29 minutes	252,641	6.0%	3,035	6.9%	1,153	4.7%	521	3.9%
30 to 34 minutes	600,109	14.2%	5,584	12.7%	2,489	10.1%	1,200	8.9%
35 to 39 minutes	134,151	3.2%	996	2.3%	352	1.4%	89	0.7%
40 to 44 minutes	161,792	3.8%	746	1.7%	362	1.5%	258	1.9%
45 to 59 minutes	404,855	9.6%	1,656	3.8%	694	2.8%	433	3.2%
60 to 89 minutes	296,262	7.0%	617	1.4%	305	1.2%	84	0.6%
90 or more minutes	116,177	2.8%	338	0.8%	200	0.8%	115	0.9%

Source: 2016-5yr ACS (Census)

D.3 Market Area Definition

The market area for this report has been defined as Census Tracts 3.02, 4, 5.01, 5.02, 6, 7 (70%), 8 (63%), 9, 10, 13, and 14 in Whitfield County(2010 Census). The market area is defined in terms of standard US Census geography so it will be possible to obtain accurate, verifiable information about it. The Market Area Map highlights this area.

D.3.1 Secondary Market Area

The secondary market area for this report has been defined as Whitfield County. Demand will neither be calculated for, nor derived from, the secondary market area.

E. Demographic Analysis

E.1 Population

E.1.1 Population Trends

The following table shows the population in the state, county, market area, and city for five years that the Census Bureau provides data.

Table 13—Population Trends

Year	State	County	Market Area	City
2008	9,468,815	99,910	57,350	32,373
2009	9,600,612	101,234	58,087	32,756
2010	9,714,569	102,152	59,648	33,049
2011	9,810,417	102,556	59,825	33,217
2012	9,907,756	103,132	60,100	33,336
2013	10,006,693	103,456	60,005	33,496
2014	10,099,320	103,653	59,089	33,653

Sources: 2010, 2011, 2012, 2013, 2014, 2015, and 2016 5yr ACS (Census)

E.1.2 Age

Population is shown below for several age categories. The percent figures are presented in such a way as to easily compare the market area to the state, which is a “norm.” This will point out any peculiarities in the market area.

Table 14—Persons by Age

	State	%	County	%	Market Area	%	City	%
Total	9,687,653		102,599		58,009		33,128	
Under 20	2,781,629	28.7%	32,295	31.5%	18,431	31.8%	10,817	32.7%
20 to 34	2,015,640	20.8%	20,271	19.8%	11,956	20.6%	7,442	22.5%
35 to 54	2,788,792	28.8%	28,102	27.4%	15,387	26.5%	8,422	25.4%
55 to 61	783,421	8.1%	7,597	7.4%	4,062	7.0%	2,114	6.4%
62 to 64	286,136	3.0%	2,889	2.8%	1,530	2.6%	784	2.4%
65 plus	1,032,035	10.7%	11,445	11.2%	6,640	11.4%	3,549	10.7%
55 plus	2,101,592	21.7%	21,931	21.4%	12,232	21.1%	6,447	19.5%
62 plus	1,318,171	13.6%	14,334	14.0%	8,170	14.1%	4,333	13.1%

Source: 2010 Census

E.1.3 Race and Hispanic Origin

The racial composition of the market area does not factor into the demand for units; the information below is provided for reference.

Note that “Hispanic” is not a racial category. “White,” “Black,” and “Other” represent 100% of the population. Some people in each of those categories also consider themselves “Hispanic.” The percent figures allow for a comparison between the state (“norm”) and the market area.

Table 15—Race and Hispanic Origin

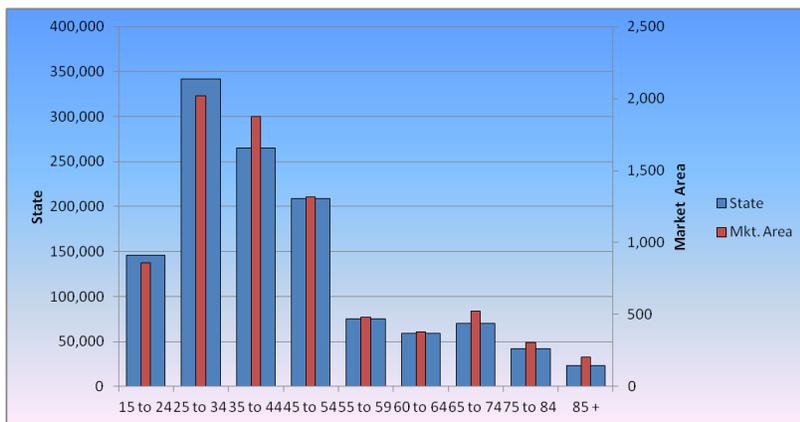
	State	%	County	%	Market Area	%	City	%
Total	9,687,653		102,599		58,009		33,128	
Not Hispanic or Latino	8,833,964	91.2%	70,128	68.4%	36,772	63.4%	17,237	52.0%
White	5,413,920	55.9%	63,818	62.2%	32,544	56.1%	14,055	42.4%
Black or African American	2,910,800	30.0%	3,631	3.5%	2,510	4.3%	1,974	6.0%
American Indian	21,279	0.2%	180	0.2%	85	0.1%	41	0.1%
Asian	311,692	3.2%	1,292	1.3%	916	1.6%	749	2.3%
Native Hawaiian	5,152	0.1%	29	0.0%	14	0.0%	12	0.0%
Some Other Race	19,141	0.2%	96	0.1%	44	0.1%	24	0.1%
Two or More Races	151,980	1.6%	1,082	1.1%	658	1.1%	382	1.2%
Hispanic or Latino	853,689	8.8%	32,471	31.6%	21,237	36.6%	15,891	48.0%
White	373,520	3.9%	14,805	14.4%	9,952	17.2%	7,494	22.6%
Black or African American	39,635	0.4%	214	0.2%	168	0.3%	134	0.4%
American Indian	10,872	0.1%	478	0.5%	266	0.5%	171	0.5%
Asian	2,775	0.0%	38	0.0%	20	0.0%	30	0.1%
Native Hawaiian	1,647	0.0%	41	0.0%	24	0.0%	30	0.1%
Some Other Race	369,731	3.8%	15,333	14.9%	9,869	17.0%	7,343	22.2%
Two or More Races	55,509	0.6%	1,562	1.5%	939	1.6%	689	2.1%

Source: 2010 Census

Note that the “Native Hawaiian” category above also includes “Other Pacific Islander” and the “American Indian” category also includes “Alaska Native.”

E.2 Households

Renter Households by Age of Householder



Source: 2010 Census

The graph above shows the relative distribution of households by age in the market area as compared to the state.

E.2.1 Household Trends

The following table shows the number of households in the state, county, market area, and city for several years that the Census Bureau provides data.

Table 16—Household Trends

Year	State	County	Market Area	City
2008	3,468,704	34,292	19,853	11,313
2009	3,490,754	34,514	20,034	11,602
2010	3,508,477	34,473	20,276	11,769
2011	3,518,097	34,450	20,154	11,538
2012	3,540,690	34,734	20,104	11,446
2013	3,574,362	34,575	19,997	11,404
2014	3,611,706	34,814	19,872	11,189

Sources: 2010, 2011, 2012, 2013, 2014, 2015, and 2016 5yr ACS (Census)

E.2.2 Household Tenure

The table below shows how many units are occupied by owners and by renters. The percent of the households in the market area that are occupied by renters will be used later in determining the demand for new rental housing.

Table 17—Occupied Housing Units by Tenure

	State	%	County	%	Market Area	%	City	%
Households	3,585,584	—	35,180	—	19,945	—	11,337	—
Owner	2,354,402	65.7%	23,093	65.6%	11,980	60.1%	5,511	48.6%
Renter	1,231,182	34.3%	12,087	34.4%	7,965	39.9%	5,826	51.4%

Source: 2010 Census

From the table above, it can be seen that 39.9% of the households in the market area rent. This percentage will be used later in the report to calculate the number of general occupancy units necessary to accommodate household growth.

E.2.3 Projections

Population projections are based on the average trend from the most recent Census data. First the percent change in population is calculated for each pair of years.

Table 18—Population

ACS Year	Market Area	Change	Percent Change
2010	57,350	—	—
2011	58,087	737	1.3%
2012	59,648	1,561	2.7%
2013	59,825	177	0.3%
2014	60,100	275	0.5%
2015	60,005	-95	-0.2%
2016	59,089	-916	-1.5%

Sources: 2010, 2011, 2012, 2013, 2014, 2015, and 2016 5yr ACS (Census)

As seen in the table above, the percent change ranges from -1.5% to 2.7%. Excluding the highest and lowest observed values, the average is 0.5%. This value will be used to project future changes.

Household projections are based on the average trend from the most recent Census data. First the percent change in population is calculated for each pair of years.

Table 19—Households

ACS Year	Market Area	Change	Percent Change
2010	19,853	—	—
2011	20,034	181	0.9%
2012	20,276	242	1.2%
2013	20,154	-122	-0.6%
2014	20,104	-50	-0.2%
2015	19,997	-107	-0.5%
2016	19,872	-125	-0.6%

Sources: 2010, 2011, 2012, 2013, 2014, 2015, and 2016 5yr ACS (Census)

As seen in the table above, the percent change ranges from -0.6% to 1.2%. Excluding the highest and lowest observed values, the average is -0.1%. This value will be used to project future changes.

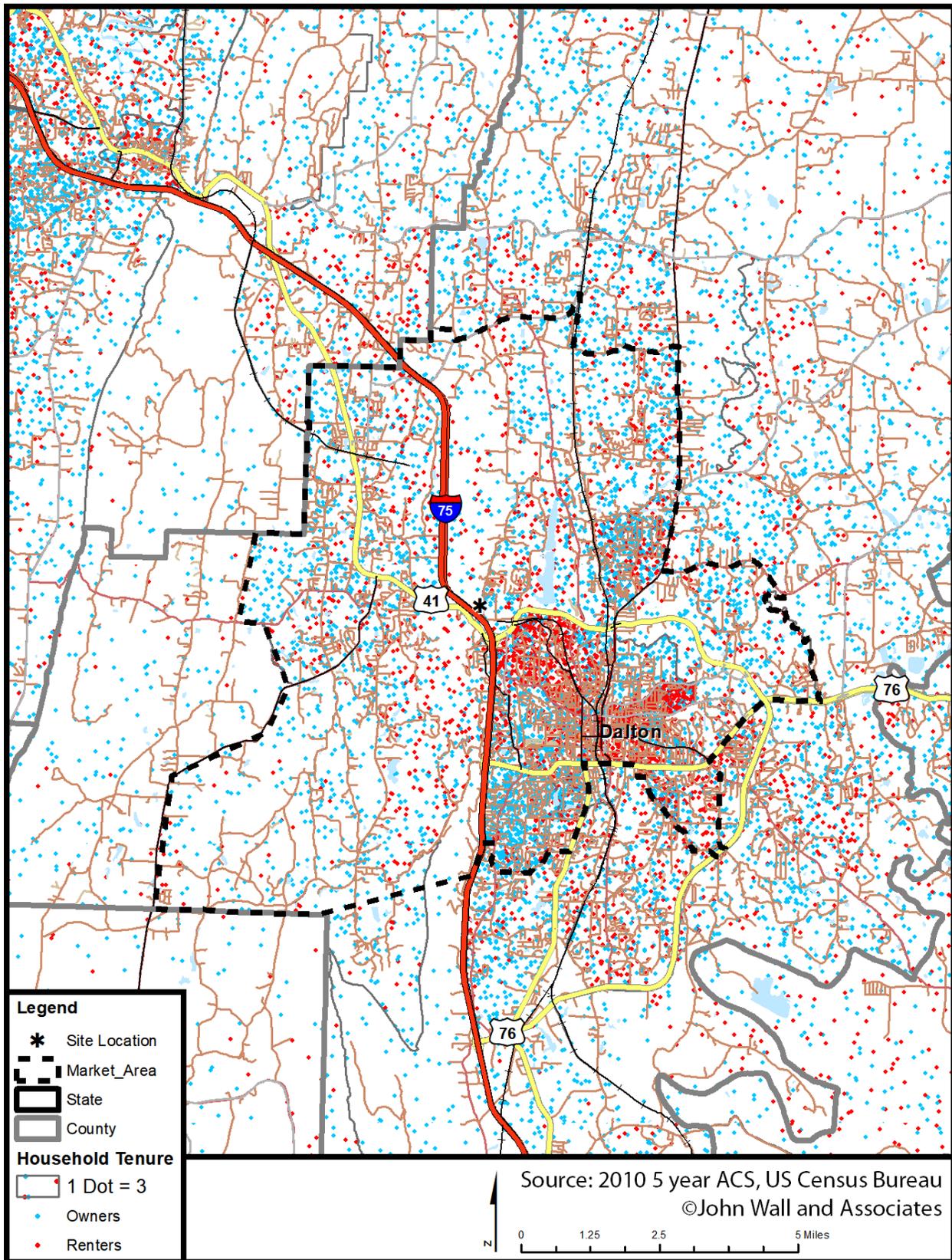
The average percent change figures calculated above are used to generate the projections that follow.

Table 20—Population and Household Projections

Projections	Population	Annual Change	Households	Annual Change
2016	61,240	380	20,010	-31
2017	61,528	288	19,986	-24
2018	61,818	290	19,963	-23
2019	62,109	291	19,940	-23
2020	62,401	292	19,917	-23
2021	62,695	294	19,894	-23
2019 to 2021	579	290	-47	-24

Source: John Wall and Associates from figures above

Tenure Map



E.2.4 Household Size

Household size is another characteristic that needs to be examined. The household size of those presently renting can be used as a strong indicator of the bedroom mix required. Renters and owners have been shown separately in the tables below because the make-up of owner-occupied units is significantly different from that of renters. A comparison of the percent figures for the market area and the state (“norm”) is often of interest.

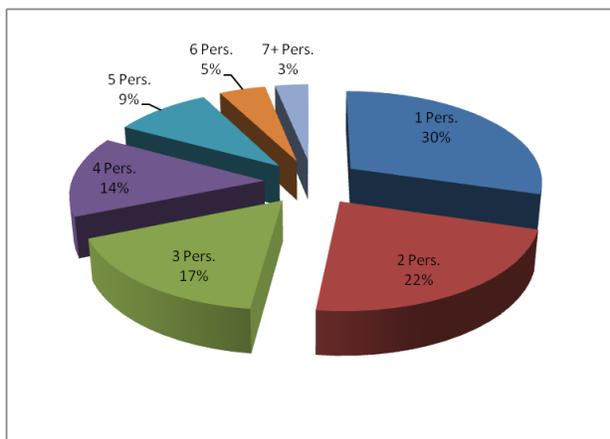
Table 21—Housing Units by Persons in Unit

	State		County		Market Area		City	
Owner occupied:	2,354,402	—	23,093	—	11,980	—	5,511	—
1-person	498,417	21.2%	4,246	18.4%	2,362	19.7%	1,197	21.7%
2-person	821,066	34.9%	7,752	33.6%	3,999	33.4%	1,687	30.6%
3-person	417,477	17.7%	3,904	16.9%	1,878	15.7%	761	13.8%
4-person	360,504	15.3%	3,510	15.2%	1,755	14.6%	797	14.5%
5-person	159,076	6.8%	1,984	8.6%	1,041	8.7%	535	9.7%
6-person	60,144	2.6%	966	4.2%	524	4.4%	283	5.1%
7-or-more	37,718	1.6%	731	3.2%	421	3.5%	251	4.6%
Renter occupied:	1,231,182	—	12,087	—	7,965	—	5,826	—
1-person	411,057	33.4%	3,297	27.3%	2,357	29.6%	1,900	32.6%
2-person	309,072	25.1%	2,770	22.9%	1,782	22.4%	1,330	22.8%
3-person	203,417	16.5%	2,110	17.5%	1,338	16.8%	910	15.6%
4-person	155,014	12.6%	1,801	14.9%	1,128	14.2%	749	12.9%
5-person	84,999	6.9%	1,192	9.9%	748	9.4%	514	8.8%
6-person	37,976	3.1%	543	4.5%	357	4.5%	237	4.1%
7-or-more	29,647	2.4%	374	3.1%	255	3.2%	186	3.2%

Source: 2010 Census

The percent and number of large (5 or more persons) households in the market is an important fact to consider in developments with a significant number of 3 or 4 bedroom units. In such cases, this fact has been taken into account and is used to refine the analysis. It also helps to determine the upper income limit for the purpose of calculating demand. In the market area, 17.1% of the renter households are large, compared to 12.4% in the state.

Renter Persons Per Unit For The Market Area



E.2.5 Household Incomes

The table below shows the number of households (both renter and owner) that fall within various income ranges for the market area.

Table 22—Number of Households in Various Income Ranges

	State	%	County	%	Market Area	%	City	%
Total:	3,611,706		34,814		19,872		11,189	
Less than \$10,000	298,701	8.3%	2,091	6.0%	1,381	6.9%	854	7.6%
\$10,000 to \$14,999	198,287	5.5%	2,561	7.4%	1,429	7.2%	1,003	9.0%
\$15,000 to \$19,999	192,794	5.3%	2,734	7.9%	1,735	8.7%	1,201	10.7%
\$20,000 to \$24,999	201,968	5.6%	2,627	7.5%	1,489	7.5%	810	7.2%
\$25,000 to \$29,999	186,210	5.2%	2,342	6.7%	1,291	6.5%	808	7.2%
\$30,000 to \$34,999	188,941	5.2%	2,459	7.1%	1,583	8.0%	962	8.6%
\$35,000 to \$39,999	176,062	4.9%	1,872	5.4%	1,060	5.3%	526	4.7%
\$40,000 to \$44,999	174,362	4.8%	1,646	4.7%	897	4.5%	495	4.4%
\$45,000 to \$49,999	152,256	4.2%	1,791	5.1%	1,054	5.3%	579	5.2%
\$50,000 to \$59,999	290,377	8.0%	3,410	9.8%	1,756	8.8%	964	8.6%
\$60,000 to \$74,999	359,941	10.0%	3,341	9.6%	1,852	9.3%	963	8.6%
\$75,000 to \$99,999	420,635	11.6%	3,174	9.1%	1,730	8.7%	841	7.5%
\$100,000 to \$124,999	275,919	7.6%	1,886	5.4%	928	4.7%	400	3.6%
\$125,000 to \$149,999	160,150	4.4%	772	2.2%	436	2.2%	127	1.1%
\$150,000 to \$199,999	167,373	4.6%	1,098	3.2%	645	3.2%	276	2.5%
\$200,000 or more	167,730	4.6%	1,010	2.9%	609	3.1%	380	3.4%

Source: 2016-5yr ACS (Census)

F. Employment Trends

The economy of the market area will have an impact on the need for apartment units.

F.1 Total Jobs

The following table shows how many people were employed in the county. These employed persons do not necessarily live in the county, so the trends are useful to determining the economic health of the area.

Table 23—Covered Employment

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2001	60,223	60,267	60,462	60,949	60,806	60,377	59,662	59,961	59,968	59,405	59,187	59,175	60,037
2002	59,256	59,557	60,234	61,043	60,950	61,089	61,631	62,008	62,018	62,092	62,413	62,820	61,259
2003	61,203	61,527	61,632	61,356	61,495	61,828	61,239	61,957	62,363	62,101	62,433	62,705	61,820
2004	62,528	62,623	63,253	62,207	62,637	62,125	62,404	63,104	62,828	62,632	62,697	62,770	62,651
2005	61,212	61,977	62,107	62,692	63,534	63,076	62,851	63,805	63,675	63,394	63,630	63,145	62,925
2006	63,383	63,875	64,083	64,530	64,510	64,741	64,153	64,613	64,223	63,385	63,920	63,940	64,113
2007	62,518	62,976	63,196	63,702	63,391	63,333	62,584	62,810	62,736	61,652	62,076	62,156	62,761
2008	60,850	60,399	60,217	60,544	60,269	60,229	58,440	58,773	58,037	57,033	55,966	55,767	58,877
2009	54,623	54,044	53,638	53,029	53,329	53,375	52,785	52,549	52,461	51,882	52,283	52,448	53,037
2010	52,153	52,150	52,434	53,227	53,534	53,498	52,728	52,589	53,398	53,000	52,750	52,641	52,842
2011	52,143	53,295	53,891	54,073	54,131	53,780	52,997	53,332	53,449	52,938	53,136	52,546	53,309
2012	51,483	51,705	52,096	52,243	52,244	52,122	50,912	51,315	51,688	51,497	51,725	51,935	51,747
2013	51,667	51,887	51,974	52,144	52,328	52,370	51,656	52,529	52,486	52,514	52,689	53,138	52,282
2014	52,417	52,964	53,743	54,256	54,539	54,366	53,734	54,679	54,602	54,313	54,497	55,009	54,093
2015	54,320	54,720	55,127	55,020	55,318	55,382	54,564	55,042	55,435	54,990	54,965	55,155	55,003
2016	56,878	57,316	57,451	57,372	57,420	57,174	57,168	57,139	57,288	54,744	54,951	55,040	56,662
2017	54,588	55,039	55,324	55,490	55,483	55,417	55,343	55,523	55,358	55,157	55,481	55,725	55,327
2018	55,179 (P)	55,510 (P)	55,571 (P)	55,983 (P)	56,272 (P)	56,551 (P)	56,743 (P)	57,260 (P)	57,160 (P)				



Source: <http://data.bls.gov/pdq/querytool.jsp?survey=en>

F.2 Jobs by Industry and Occupation

Table 24—Occupation of Employed Persons Age 16 Years And Over

	State	%	County	%	Market Area	%	City	%
Total	4,489,112		45,576		25,584		13,962	
Management, business, science, and arts occupations:	1,627,112	36%	9,733	21%	5,617	22%	2,807	20%
Management, business, and financial occupations:	681,311	15%	4,404	10%	2,700	11%	1,306	9%
Management occupations	463,817	10%	3,156	7%	1,878	7%	917	7%
Business and financial operations occupations	217,494	5%	1,248	3%	823	3%	389	3%
Computer, engineering, and science occupations:	231,429	5%	801	2%	476	2%	214	2%
Computer and mathematical occupations	129,920	3%	306	1%	146	1%	31	0%
Architecture and engineering occupations	69,828	2%	302	1%	239	1%	151	1%
Life, physical, and social science occupations	31,681	1%	193	0%	91	0%	32	0%
Education, legal, community service, arts, and media occupations:	477,953	11%	2,949	6%	1,662	6%	893	6%
Community and social service occupations	66,843	1%	276	1%	166	1%	93	1%
Legal occupations	45,999	1%	333	1%	172	1%	84	1%
Education, training, and library occupations	287,171	6%	1,993	4%	1,170	5%	616	4%
Arts, design, entertainment, sports, and media occupations	77,940	2%	347	1%	154	1%	100	1%
Healthcare practitioners and technical occupations:	236,419	5%	1,579	3%	778	3%	394	3%
Health diagnosing and treating practitioners and other technical occupations	156,272	3%	1,069	2%	528	2%	334	2%
Health technologists and technicians	80,147	2%	510	1%	250	1%	60	0%
Service occupations:	755,483	17%	5,419	12%	3,023	12%	1,704	12%
Healthcare support occupations	88,274	2%	555	1%	277	1%	151	1%
Protective service occupations:	101,008	2%	835	2%	372	1%	111	1%
Fire fighting and prevention, and other protective service workers including supervisors	50,906	1%	611	1%	245	1%	74	1%
Law enforcement workers including supervisors	50,102	1%	224	0%	127	0%	37	0%
Food preparation and serving related occupations	259,638	6%	1,902	4%	1,179	5%	809	6%
Building and grounds cleaning and maintenance occupations	176,109	4%	1,355	3%	877	3%	432	3%
Personal care and service occupations	130,454	3%	772	2%	317	1%	201	1%
Sales and office occupations:	1,103,416	25%	10,841	24%	6,079	24%	3,034	22%
Sales and related occupations	516,091	11%	5,090	11%	3,008	12%	1,428	10%
Office and administrative support occupations	587,325	13%	5,751	13%	3,071	12%	1,606	12%
Natural resources, construction, and maintenance occupations:	409,143	9%	4,154	9%	2,276	9%	1,163	8%
Farming, fishing, and forestry occupations	26,469	1%	120	0%	63	0%	50	0%
Construction and extraction occupations	220,938	5%	2,208	5%	1,154	5%	712	5%
Installation, maintenance, and repair occupations	161,736	4%	1,826	4%	1,059	4%	401	3%
Production, transportation, and material moving occupations:	593,958	13%	15,429	34%	8,588	34%	5,254	38%
Production occupations	279,553	6%	10,382	23%	5,863	23%	3,526	25%
Transportation occupations	181,847	4%	1,955	4%	958	4%	532	4%
Material moving occupations	132,558	3%	3,092	7%	1,768	7%	1,196	9%

Source: 2016-5yr ACS (Census)

Occupation for the State and Market Area

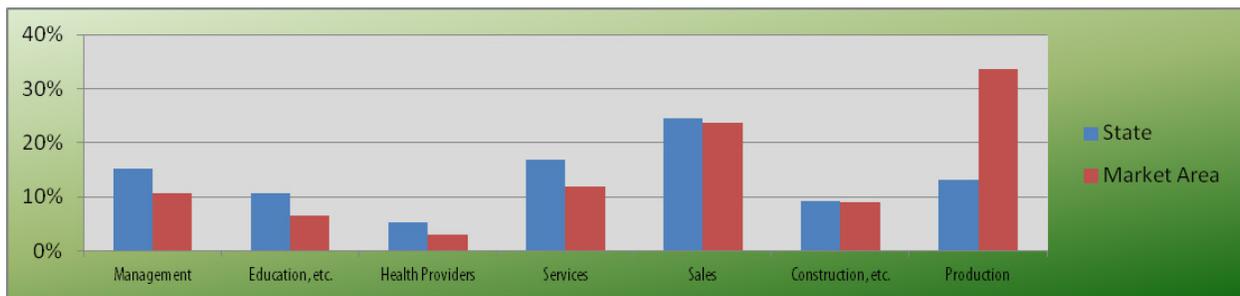


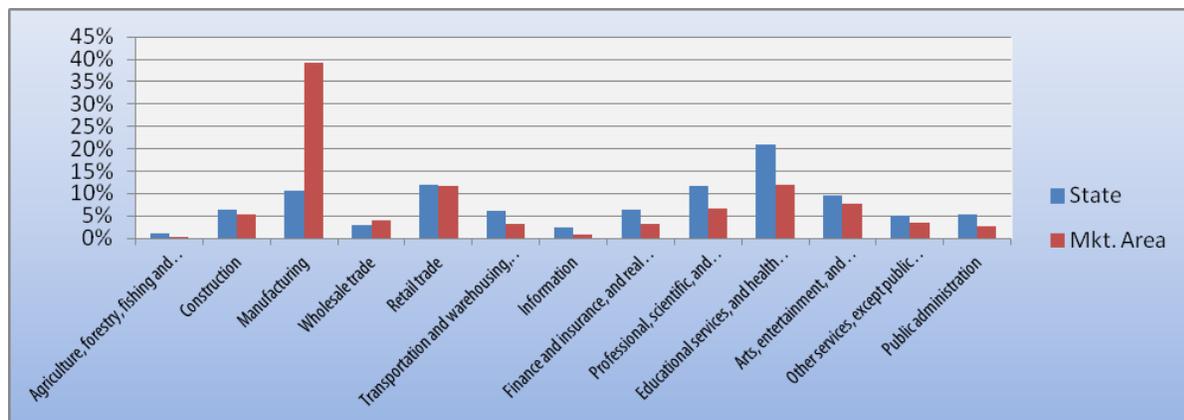
Table 25—Industry of Employed Persons Age 16 Years And Over

	State	%	County	%	Market Area	%	City	%
Total:	4,489,112		45,576		25,584		13,962	
Agriculture, forestry, fishing and hunting, and mining:	52,077	1%	300	1%	75	0%	23	0%
Agriculture, forestry, fishing and hunting	46,838	1%	258	1%	56	0%	23	0%
Mining, quarrying, and oil and gas extraction	5,239	0%	42	0%	19	0%	0	0%
Construction	285,883	6%	2,613	6%	1,353	5%	814	6%
Manufacturing	480,335	11%	17,868	39%	10,064	39%	5,940	43%
Wholesale trade	128,010	3%	1,465	3%	1,027	4%	467	3%
Retail trade	533,456	12%	5,116	11%	2,970	12%	1,581	11%
Transportation and warehousing, and utilities:	271,554	6%	1,755	4%	808	3%	221	2%
Transportation and warehousing	229,690	5%	1,297	3%	531	2%	177	1%
Utilities	41,864	1%	458	1%	277	1%	44	0%
Information	110,451	2%	409	1%	203	1%	63	0%
Finance and insurance, and real estate and rental and leasing:	284,707	6%	1,382	3%	797	3%	356	3%
Finance and insurance	197,403	4%	966	2%	556	2%	231	2%
Real estate and rental and leasing	87,304	2%	416	1%	241	1%	125	1%
Professional, scientific, and management, and administrative and waste management services:	526,848	12%	3,078	7%	1,714	7%	926	7%
Professional, scientific, and technical services	309,993	7%	1,253	3%	692	3%	337	2%
Management of companies and enterprises	4,203	0%	10	0%	0	0%	0	0%
Administrative and support and waste management services	212,652	5%	1,815	4%	1,022	4%	589	4%
Educational services, and health care and social assistance:	936,236	21%	5,575	12%	3,039	12%	1,595	11%
Educational services	421,694	9%	2,403	5%	1,412	6%	672	5%
Health care and social assistance	514,542	11%	3,172	7%	1,627	6%	923	7%
Arts, entertainment, and recreation, and accommodation and food services:	423,961	9%	3,122	7%	1,980	8%	1,336	10%
Arts, entertainment, and recreation	69,489	2%	527	1%	349	1%	170	1%
Accommodation and food services	354,472	8%	2,595	6%	1,630	6%	1,166	8%
Other services, except public administration	221,992	5%	1,679	4%	890	3%	377	3%
Public administration	233,602	5%	1,214	3%	665	3%	263	2%

Source: 2016-5yr ACS (Census)

Note: Bold numbers represent category totals and add to 100%

Industry for the State and Market Area



Source: 2016-5yr ACS (Census)

F.3 Major Employers

Table 26—Major Employers

The following is a list of major employers in the county:

Company	Employees
Shaw Industries, Inc	6,593
Mohawk Industries	4,100
Engineered Floors, LLC/J+J Flooring Group	3,100
Whitfield County Schools	1,626
Hamilton Medical Center	1,300
Tandus Centiva	1,182
Dalton Public Schools	978
Whitfield County	685
City of Dalton	535
Durkan Hospitality/ Division of Mohawk	501
IVC U.S., Inc.	446
SHIROKI North America, Inc.	425
Goodwill Industries	420
Garland Sales, Inc.	375
Phenix Flooring, LLC	360
Wal-Mart- Walnut Avenue	350
US Floors, Inc.	341
Dalton Utilities	311
Wal-Mart- Shugart Road	297
North Georgia Health District	284
The Andersen Company	250
Highland Rivers Center	180
Windstream Communications	168
Carpets of Dalton, Inc.	147
Lyle Industries	146

Source: Dalton Whitfield County Joint Development Authority

F.3.1 *New or Planned Changes in Workforce*

If there are any, they will be discussed in the Interviews section of the report.

F.4 Employment (Civilian Labor Force)

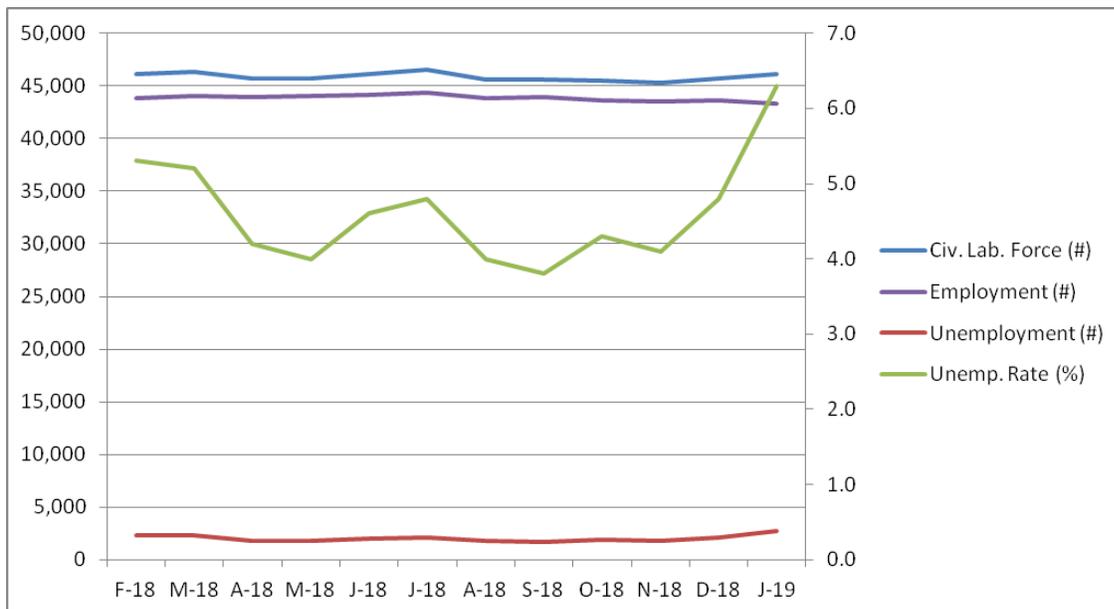
In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county level. This table also shows the change in the size of the labor force, an indicator of change in housing requirements for the county.

Table 27—Employment Trends

Year	Civilian Labor Force	Unemployment	Rate (%)	Employment	Employment Change		Annual Change	
					Number	Pct.	Number	Pct.
2000	43,587	1,515	3.6	42,072	—	—	—	—
2015	45,422	2,732	6.4	42,690	618	1.5%	41	0.1%
2016	44,622	2,565	6.1	42,057	-633	-1.5%	-633	-1.5%
2017	45,176	2,355	5.5	42,821	764	1.8%	764	1.8%
F-18	46,134	2,322	5.3	43,812	991	2.3%		
M-18	46,299	2,289	5.2	44,010	198	0.5%		
A-18	45,732	1,843	4.2	43,889	-121	-0.3%		
M-18	45,749	1,760	4.0	43,989	100	0.2%		
J-18	46,167	2,030	4.6	44,137	148	0.3%		
J-18	46,488	2,129	4.8	44,359	222	0.5%		
A-18	45,579	1,753	4.0	43,826	-533	-1.2%		
S-18	45,605	1,670	3.8	43,935	109	0.2%		
O-18	45,533	1,877	4.3	43,656	-279	-0.6%		
N-18	45,292	1,784	4.1	43,508	-148	-0.3%		
D-18	45,742	2,095	4.8	43,647	139	0.3%		
J-19	46,086	2,731	6.3	43,355	-292	-0.7%		

Source: State Employment Security Commission

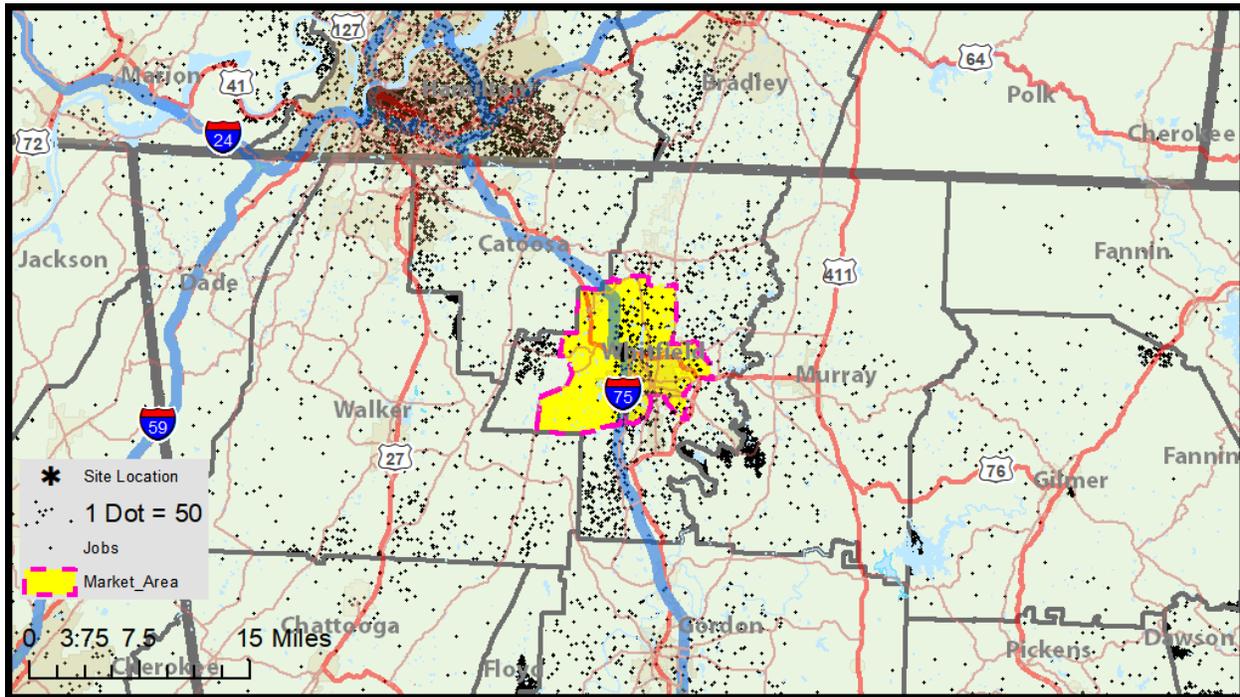
County Employment Trends



Source: State Employment Security Commission

F.5 Employment Concentrations Map

Employment Concentrations Map



F.6 Economic Summary

The largest number of persons in the market area is employed in the "Production, transportation, and material moving occupations" occupation category and in the "Manufacturing" industry category.

A change in the size of labor force frequently indicates a corresponding change in the need for housing. The size of the labor force has been stable over the past several years.

Employment has been stable over the past several years. For the past 12 months, it has been stable.

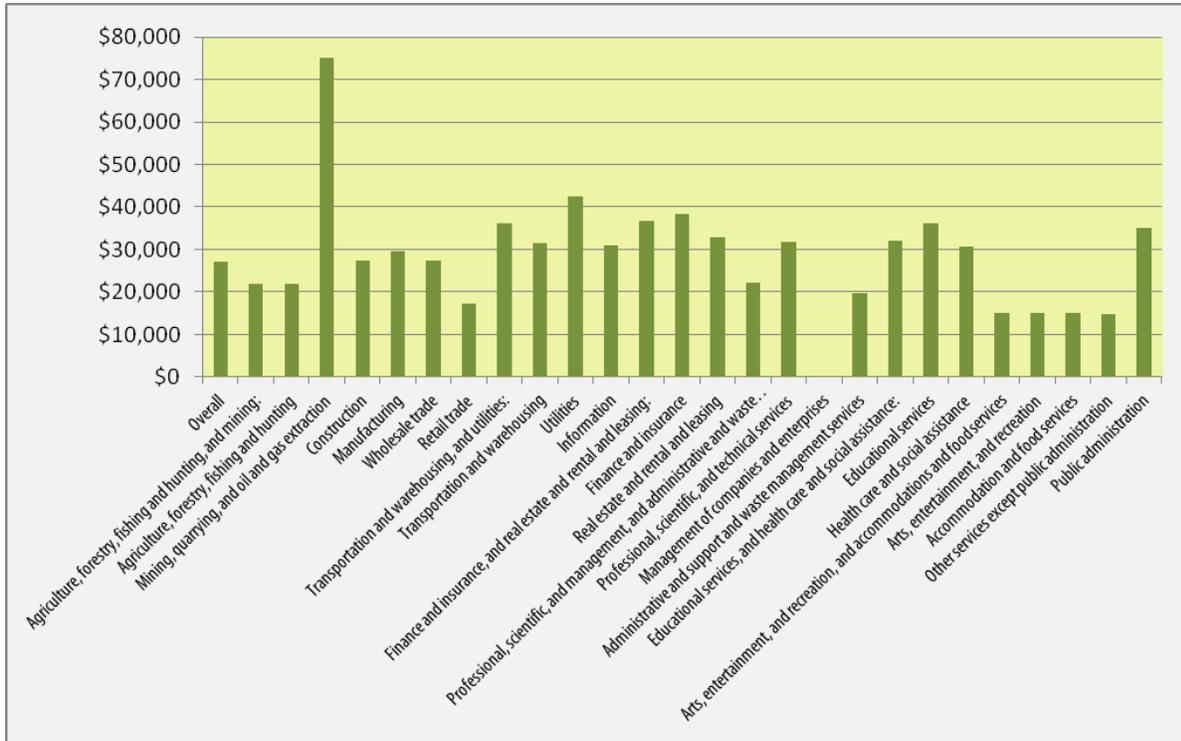
Table 28—Median Wages by Industry

	State	County	City
Overall	\$32,175	\$27,101	\$25,602
Agriculture, forestry, fishing and hunting, and mining:	\$26,045	\$22,000	—
Agriculture, forestry, fishing and hunting	\$24,668	\$21,813	—
Mining, quarrying, and oil and gas extraction	\$43,139	\$75,000	—
Construction	\$30,459	\$27,421	\$24,194
Manufacturing	\$37,330	\$29,633	\$27,304
Wholesale trade	\$41,825	\$27,293	\$22,146
Retail trade	\$21,732	\$17,269	\$16,792
Transportation and warehousing, and utilities:	\$41,887	\$36,108	\$25,710
Transportation and warehousing	\$40,552	\$31,538	\$25,540
Utilities	\$52,714	\$42,396	\$37,969
Information	\$55,046	\$30,825	\$35,491
Finance and insurance, and real estate and rental and leasing:	\$45,193	\$36,698	\$36,303
Finance and insurance	\$50,291	\$38,225	\$37,775
Real estate and rental and leasing	\$36,678	\$32,813	\$35,854
Professional, scientific, and management, and administrative and waste management services:	\$41,310	\$22,282	\$25,563
Professional, scientific, and technical services	\$60,390	\$31,767	\$34,964
Management of companies and enterprises	\$63,330	—	—
Administrative and support and waste management services	\$23,645	\$19,818	\$21,337
Educational services, and health care and social assistance:	\$35,077	\$31,987	\$33,453
Educational services	\$37,359	\$36,185	\$35,100
Health care and social assistance	\$32,658	\$30,795	\$33,025
Arts, entertainment, and recreation, and accommodations and food services	\$14,260	\$15,150	\$15,353
Arts, entertainment, and recreation	\$18,713	\$15,018	\$9,063
Accommodation and food services	\$13,773	\$15,166	\$15,444
Other services except public administration	\$22,459	\$14,681	\$13,542
Public administration	\$43,249	\$35,000	\$31,782

Source: 2016-5yr ACS (Census)

Note: Dashes indicate data suppressed by Census Bureau; no data is available for the market area.

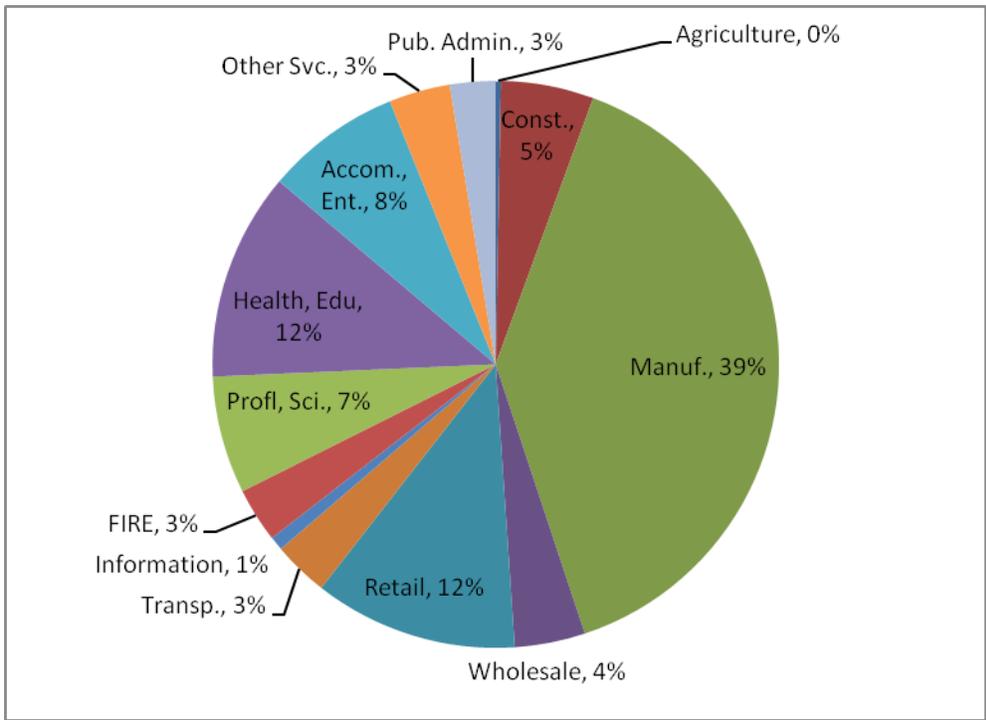
Wages by Industry for the County



2010-5yr ACS (Census)

A downturn in the economy and thus a corresponding increase in unemployment will impact LIHTC properties without rental assistance. LIHTC properties without rental assistance require tenants who either earn enough money to afford the rent or have a rent subsidy voucher. When there is an increase in unemployment, there will be households where one or more employed persons become unemployed. Some households that could afford to live in the proposed units will no longer have enough income. By the same token, there will be other households that previously had incomes that were too high to live in the proposed units that will now be income qualified.

Percent of Workers by Industry for the Market Area



Source: 2016-5yr ACS (Census)

G. Development-Specific Affordability & Demand Analysis

Several economic factors need to be examined in a housing market study. Most important is the number of households that would qualify for apartments on the basis of their incomes. A variety of circumstances regarding restrictions and affordability are outlined below.

These minimum and maximum incomes are used to establish the income *range* for households entering the development. Only households whose incomes fall within the range are considered as a source of demand.

Income data have been shown separately for owner and renter households. Only the renter household income data are used for determining demand for rental units.

Gross rent includes utilities, but it excludes payments of rental assistance by federal, state, and local entities. In this study, gross rent is always monthly.

G.1 Income Restrictions

G.1.1 Establishing Tax Credit Qualifying Income Ranges

It is critical to establish the number of households that qualify for apartments under the tax credit program based on their incomes. The income ranges are established in two stages. First, the maximum incomes allowable are calculated by applying the tax credit guidelines. Then, minimum incomes required are calculated. According to United States Code, either 20% of the units must be occupied by households who earn under 50% of the area median gross income (AMI), OR 40% of the units must be occupied by households who earn under 60% of the AMI. Sometimes units are restricted for even lower income households. In many cases, the developer has chosen to restrict the rents for 100% of the units to be for low income households.

Table 29—Maximum Income Limit (HUD FY 2018)

Pers.	VLIL	50%	60%
1	20,450	20,450	24,540
2	23,350	23,350	28,020
3	26,300	26,300	31,560
4	29,200	29,200	35,040
5	31,550	31,550	37,860
6	33,850	33,850	40,620
7	36,200	36,200	43,440
8	38,550	38,550	46,260

Source: Very Low Income (50%) Limit and 60% limit: HUD, Low and Very-Low Income Limits by Family Size
Others: John Wall and Associates, derived from HUD figures

The table above shows the maximum tax credit allowable incomes for households moving into the subject based on household size and the

percent of area median gross income (AMI). Because the county is below the national non-metro, and because the site is not an ineligible area as determined by RD and because the subject is not using bond funds, the national non-metro figures have been substituted for the standard income limits.

After establishing the maximum income, the lower income limit will be determined. The lower limit is the income a household must have in order to be able to afford the rent and utilities. The realistic lower limit of the income range is determined by the following formula:

$$\text{Gross rent} \div 35\% \text{ [or } 30\% \text{ or } 40\%, \text{ as described in the subsections above]} \times 12 \text{ months} = \text{annual income}$$

This provides for up to 35% [or 30% or 40%] of adjusted annual income (AAI) to be used for rent plus utilities.

The proposed gross rents, as supplied by the client, and the minimum incomes required to maintain 35% [or 30% or 40%] or less of income spent on gross rent are:

Table 30—Minimum Incomes Required and Gross Rents

	Bedrooms	Number of Units	Net Rent	Gross Rent	Minimum Income Required	Target Population
50%	1	4	399	500	\$17,143	Tax Credit
50%	2	10	475	602	\$20,640	Tax Credit
50%	3	4	531	691	\$23,691	Tax Credit
60%	1	12	501	602	\$20,640	Tax Credit
60%	2	38	594	721	\$24,720	Tax Credit
60%	3	12	670	830	\$28,457	Tax Credit

Source: John Wall and Associates from data provided by client

From the tables above, the practical lower income limits for units *without* rental assistance can be established. Units *with* rental assistance will use \$0 as their lower income limit.

When the minimum incomes required are combined with the maximum tax credit limits, the income *ranges* for households entering the development can be established. Only households whose incomes fall within the ranges can be considered as a source of demand. Note that *both* the income limits *and* the amount of spread in the ranges are important.

G.1.2 Households Not Receiving Rental Assistance

Most households do not receive rental assistance. With respect to estimating which households may consider the subject a possible housing choice, we will evaluate the gross rent as a percent of their income according to the following formula:

$$\text{gross rent} \div X\% \times 12 \text{ months} = \text{annual income}$$

X% in the formula will vary, depending on the circumstance, as outlined in the next two sections.

G.1.3 Households Qualifying for Tax Credit Units

Households who earn less than a defined percentage (usually 50% or 60%) of the county or MSA median income as adjusted by HUD (AMI) qualify for low income housing tax credit (LIHTC) units. Therefore, feasibility for developments expecting to receive tax credits will be based in part on the incomes required to support the tax credit rents.

For those tax credit units occupied by low income households, the monthly gross rent should not realistically exceed 35% of the household income.

G.2 Affordability

The most important information from the tables above is summarized in the table below. Income requirements for any PBRA units will be calculated for the contract rent.

Table 31—Qualifying Income Ranges by Bedrooms and Persons Per Household

AMI	Bedrooms	Persons	Gross Rent	Income Based Lower Limit	Spread Between Limits	Upper Limit
50%	1	1	500	17,140	3,310	20,450
50%	1	2	500	17,140	6,210	23,350
50%	2	2	602	20,640	2,710	23,350
50%	2	3	602	20,640	5,660	26,300
50%	2	4	602	20,640	8,560	29,200
50%	3	3	691	23,690	2,610	26,300
50%	3	4	691	23,690	5,510	29,200
50%	3	5	691	23,690	7,860	31,550
50%	3	6	691	23,690	10,160	33,850
60%	1	1	602	20,640	3,900	24,540
60%	1	2	602	20,640	7,380	28,020
60%	2	2	721	24,720	3,300	28,020
60%	2	3	721	24,720	6,840	31,560
60%	2	4	721	24,720	10,320	35,040
60%	3	3	830	28,460	3,100	31,560
60%	3	4	830	28,460	6,580	35,040
60%	3	5	830	28,460	9,400	37,860
60%	3	6	830	28,460	12,160	40,620

Sources: Gross rents: client; Limits: tables on prior pages; Spread: calculated from data in table

G.2.1 Upper Income Determination

DCA requires using 1.5 persons per bedroom, rounded up to the nearest whole person for the upper income limit determination.

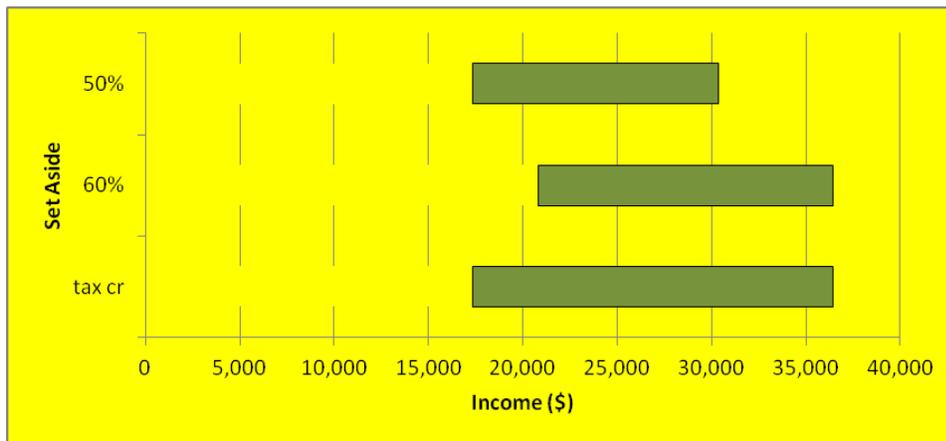
G.2.2 Programmatic and Pro Forma Rent Analysis

The table below shows a comparison of programmatic rent and *pro forma* rent.

Table 32—Qualifying and Proposed and Programmatic Rent Summary

	1-BR	2-BR	3-BR
50% Units			
Number of Units	4	10	4
Max Allowable Gross Rent	\$547	\$657	\$759
Pro Forma Gross Rent	\$500	\$602	\$691
Difference (\$)	\$47	\$55	\$68
Difference (%)	8.6%	8.4%	9.0%
60% Units			
Number of Units	12	38	12
Max Allowable Gross Rent	\$657	\$789	\$911
Pro Forma Gross Rent	\$602	\$721	\$830
Difference (\$)	\$55	\$68	\$81
Difference (%)	8.4%	8.6%	8.9%

Targeted Income Ranges



An income range of \$17,140 to \$30,375 is reasonable for the 50% AMI units.

An income range of \$20,640 to \$36,450 is reasonable for the 60% AMI units.

An income range of \$17,140 to \$36,450 is reasonable for the project overall.

G.2.3 Households with Qualified Incomes

The table below shows income levels for renters and owners separately. The number and percent of income qualified *renter* households is calculated from this table.

Table 33—Number of Specified Households in Various Income Ranges by Tenure

	State	%	County	%	Market Area	%	City	%
Owner occupied:	2,266,411		22,040		11,532		4,843	
Less than \$5,000	52,518	2.3%	423	1.9%	216	1.9%	44	0.9%
\$5,000 to \$9,999	46,652	2.1%	320	1.5%	200	1.7%	70	1.4%
\$10,000 to \$14,999	79,381	3.5%	1,351	6.1%	660	5.7%	304	6.3%
\$15,000 to \$19,999	86,379	3.8%	949	4.3%	489	4.2%	183	3.8%
\$20,000 to \$24,999	94,078	4.2%	1,256	5.7%	595	5.2%	181	3.7%
\$25,000 to \$34,999	191,280	8.4%	2,537	11.5%	1,418	12.3%	607	12.5%
\$35,000 to \$49,999	291,145	12.8%	3,238	14.7%	1,632	14.2%	569	11.7%
\$50,000 to \$74,999	437,153	19.3%	5,083	23.1%	2,554	22.1%	1,210	25.0%
\$75,000 to \$99,999	318,346	14.0%	2,562	11.6%	1,400	12.1%	674	13.9%
\$100,000 to \$149,999	365,635	16.1%	2,336	10.6%	1,196	10.4%	440	9.1%
\$150,000 or more	303,844	13.4%	1,985	9.0%	1,172	10.2%	561	11.6%
Renter occupied:	1,345,295		12,774		8,340		6,346	
Less than \$5,000	100,086	7.4%	641	5.0%	458	5.5%	400	6.3%
\$5,000 to \$9,999	99,445	7.4%	707	5.5%	507	6.1%	340	5.4%
\$10,000 to \$14,999	118,906	8.8%	1,210	9.5%	769	9.2%	699	11.0%
\$15,000 to \$19,999	106,415	7.9%	1,785	14.0%	1,245	14.9%	1,018	16.0%
\$20,000 to \$24,999	107,890	8.0%	1,371	10.7%	894	10.7%	629	9.9%
\$25,000 to \$34,999	183,871	13.7%	2,264	17.7%	1,456	17.5%	1,163	18.3%
\$35,000 to \$49,999	211,535	15.7%	2,071	16.2%	1,379	16.5%	1,031	16.2%
\$50,000 to \$74,999	213,165	15.8%	1,668	13.1%	1,053	12.6%	717	11.3%
\$75,000 to \$99,999	102,289	7.6%	612	4.8%	330	4.0%	167	2.6%
\$100,000 to \$149,999	70,434	5.2%	322	2.5%	168	2.0%	87	1.4%
\$150,000 or more	31,259	2.3%	123	1.0%	81	1.0%	95	1.5%

Source: 2016-5yr ACS (Census)

The percent of renter households in the appropriate income ranges will be applied to the renter household growth figures to determine the number of new renter households that will be income qualified to move into each of the different unit types the subject will offer.

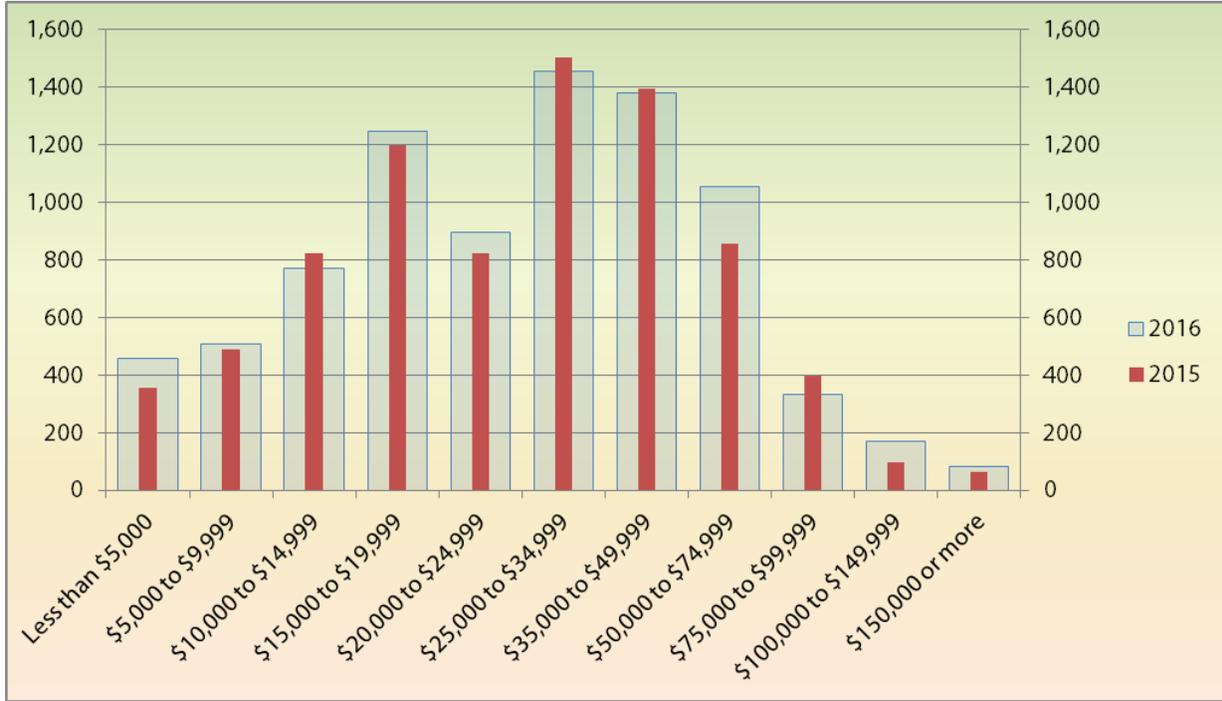
Table 34—Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI	50%		60%		Tx. Cr.		
Lower Limit	17,140		20,640		17,140		
Upper Limit	30,375		36,450		36,450		
	Mkt. Area						
Renter occupied:	Households	%	#	%	#	%	#
Less than \$5,000	458	—	0	—	0	—	0
\$5,000 to \$9,999	507	—	0	—	0	—	0
\$10,000 to \$14,999	769	—	0	—	0	—	0
\$15,000 to \$19,999	1,245	0.57	712	—	0	0.57	712
\$20,000 to \$24,999	894	1.00	894	0.87	780	1.00	894
\$25,000 to \$34,999	1,456	0.54	783	1.00	1,456	1.00	1,456
\$35,000 to \$49,999	1,379	—	0	0.10	133	0.10	133
\$50,000 to \$74,999	1,053	—	0	—	0	—	0
\$75,000 to \$99,999	330	—	0	—	0	—	0
\$100,000 to \$149,999	168	—	0	—	0	—	0
\$150,000 or more	81	—	0	—	0	—	0
Total	8,340		2,389		2,369		3,195
Percent in Range			28.6%		28.4%		38.3%

Source: John Wall and Associates from figures above

The table above shows how many renter households are in each income range. The number and percent are given in the last two rows (e.g., 2,389, or 28.6% of the renter households in the market area are in the 50% range.)

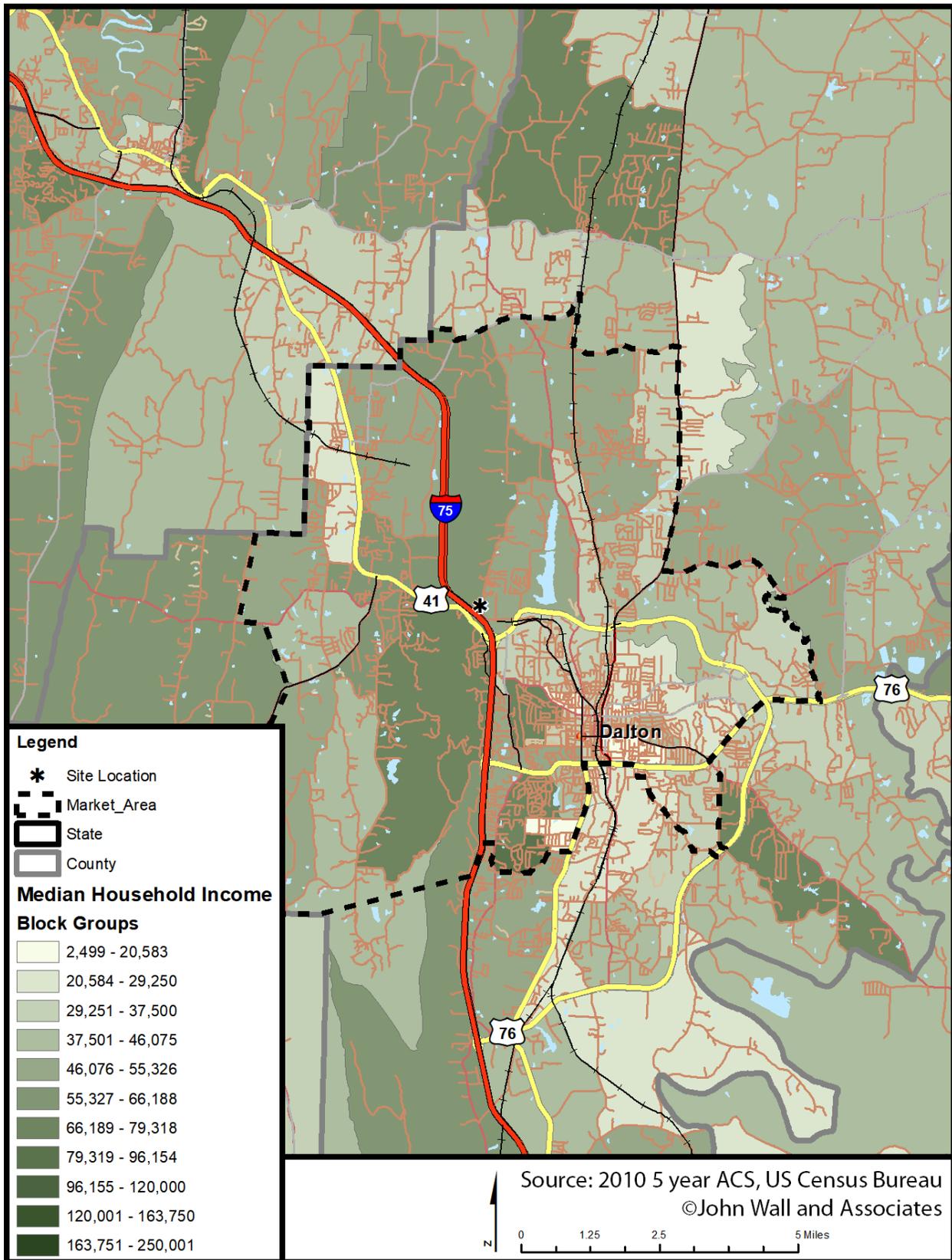
Change in Renter Household Income



Sources: 2015 and 2016-5yr ACS (Census)

The above table shows the change in renter households in various income ranges. The more current data is reflected on the left axis.

Median Household Income Map



G.3 Demand

G.3.1 Demand from New Households

G.3.1.1 New Households

It was shown in the Household Trends section of this study that 0 new housing units will be needed by the year of completion. It was shown in the Tenure section that the area ratio of rental units to total units is 39.9%. Therefore, 0 of these new units will need to be rental.

The table “Percent of Renter Households in Appropriate Income Ranges for the Market Area” shows the percentage of renter households in various income ranges. These percentages are applied to the total number of new rental units needed to arrive at the *number* of new rental units needed in the relevant income categories:

Table 35—New Renter Households in Each Income Range for the Market Area

	New Renter Households	Percent Income Qualified	Demand due to new Households
50% AMI: \$17,140 to \$30,375	0	28.6%	0
60% AMI: \$20,640 to \$36,450	0	28.4%	0
Overall Tax Credit: \$17,140 to \$36,450	0	38.3%	0

Source: John Wall and Associates from figures above

G.3.2 Demand from Existing Households

G.3.2.1 Demand from Rent Overburdened Households

A household is defined as rent overburdened when it pays 30% or more of its income on gross rent (rent plus utilities). Likewise, the household is *severely* rent overburdened if it pays 35% or more of its income on gross rent.

For tax credit units *without* rental assistance, households may pay 35% of their incomes for gross rent. Therefore, up to 35% of income for gross rent is used in establishing affordability in the “Demand from New Households” calculations. Hence, only *severely* (paying in excess of 35%) rent overburdened households are counted as a source of demand for tax credit units without rental assistance.

For units *with* rental assistance (tenants pay only 30% of their income for gross rent), any households paying more than 30% for gross rent would benefit by moving into the unit so all overburdened households in the relevant income range are counted as a source of demand.

The following table presents data on rent overburdened households in various income ranges.

Table 36—Percentage of Income Paid For Gross Rent (Renter Households in Specified Housing Units)

	State		County		Market Area		City	
Less than \$10,000:	199,531		1,348		965		740	
30.0% to 34.9%	4,117	2.1%	43	3.2%	27	2.8%	27	3.6%
35.0% or more	126,362	63.3%	872	64.7%	627	65.0%	455	61.5%
\$10,000 to \$19,999:	225,321		2,995		2,014		1,717	
30.0% to 34.9%	10,515	4.7%	195	6.5%	160	7.9%	59	3.4%
35.0% or more	175,271	77.8%	2,308	77.1%	1,549	76.9%	1,383	80.5%
\$20,000 to \$34,999:	291,761		3,635		2,350		1,792	
30.0% to 34.9%	44,406	15.2%	748	20.6%	544	23.1%	435	24.3%
35.0% or more	164,558	56.4%	1,104	30.4%	665	28.3%	514	28.7%
\$35,000 to \$49,999:	211,535		2,071		1,379		1,031	
30.0% to 34.9%	34,780	16.4%	182	8.8%	131	9.5%	87	8.4%
35.0% or more	42,424	20.1%	6	0.3%	6	0.4%	6	0.6%
\$50,000 to \$74,999:	213,165		1,668		1,053		717	
30.0% to 34.9%	13,998	6.6%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	8,773	4.1%	9	0.5%	0	0.0%	0	0.0%
\$75,000 to \$99,999:	102,289		612		330		167	
30.0% to 34.9%	1,605	1.6%	10	1.6%	10	3.0%	0	0.0%
35.0% or more	1,266	1.2%	0	0.0%	0	0.0%	0	0.0%
\$100,000 or more:	101,693		445		249		182	
30.0% to 34.9%	369	0.4%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	421	0.4%	0	0.0%	0	0.0%	0	0.0%

Source: 2016-5yr ACS (Census)

From the table above, the number of rent overburdened households in each appropriate income range can be estimated in the table below.

Table 37—Rent Overburdened Households in Each Income Range for the Market Area

35%+ Overburden AMI		50%		60%		Tx. Cr.	
Lower Limit		17,140		20,640		17,140	
Upper Limit	Mkt. Area	30,375		36,450		36,450	
	Households	%	#	%	#	%	#
Less than \$10,000:	627	—	0	—	0	—	0
\$10,000 to \$19,999:	1,549	0.29	443	—	0	0.29	443
\$20,000 to \$34,999:	665	0.69	460	0.96	637	1.00	665
\$35,000 to \$49,999:	6	—	0	0.10	1	0.10	1
\$50,000 to \$74,999:	0	—	0	—	0	—	0
\$75,000 to \$99,999:	0	—	0	—	0	—	0
\$100,000 or more:	0	—	0	—	0	—	0
Column Total	2,847		903		637		1,108

Source: John Wall and Associates from figures above

G.3.2.2 Demand from Substandard Conditions

The Bureau of the Census defines substandard conditions as 1) lacking plumbing, or 2) 1.01 or more persons per room.

Table 38—Substandard Occupied Units

	State	%	County	%	Market Area	%	City	%
Owner occupied:	2,266,411		22,040		11,532		4,843	
Complete plumbing:	2,260,723	100%	22,018	100%	11,516	100%	4,843	100%
1.00 or less	2,233,315	99%	21,184	96%	11,005	95%	4,421	91%
1.01 to 1.50	21,506	1%	759	3%	480	4%	417	9%
1.51 or more	5,902	0%	75	0%	30	0%	5	0%
Lacking plumbing:	5,688	0%	22	0%	16	0%	0	0%
1.00 or less	5,504	0%	22	0%	16	0%	0	0%
1.01 to 1.50	135	0%	0	0%	0	0%	0	0%
1.51 or more	49	0%	0	0%	0	0%	0	0%
Renter occupied:	1,345,295		12,774		8,340		6,346	
Complete plumbing:	1,339,219	100%	12,747	100%	8,330	100%	6,336	100%
1.00 or less	1,282,818	95%	11,560	90%	7,557	91%	5,709	90%
1.01 to 1.50	41,325	3%	1,036	8%	693	8%	539	8%
1.51 or more	15,076	1%	151	1%	81	1%	88	1%
Lacking plumbing:	6,076	0%	27	0%	10	0%	10	0%
1.00 or less	5,680	0%	27	0%	10	0%	10	0%
1.01 to 1.50	92	0%	0	0%	0	0%	0	0%
1.51 or more	304	0%	0	0%	0	0%	0	0%
Total Renter Substandard					784			

Source: 2016-5yr ACS (Census)

From these tables, the need from substandard rental units can be drawn. There are 784 substandard rental units in the market area.

From the figures above the number of substandard units in each appropriate income range can be estimated in the table below.

Table 39—Substandard Conditions in Each Income Range for the Market Area

	Total Substandard Units	Percent Income Qualified	Demand due to Substandard
50% AMI: \$17,140 to \$30,375	784	28.6%	225
60% AMI: \$20,640 to \$36,450	784	28.4%	223
Overall Tax Credit: \$17,140 to \$36,450	784	38.3%	300

Source: John Wall and Associates from figures above

G.4 Demand for New Units

The demand components shown in the previous section are summarized below.

Table 40—Demand for New Units

	50% AMI: \$17,140 to \$30,375	60% AMI: \$20,640 to \$36,450	Overall Tax Credit: \$17,140 to \$36,450
New Housing Units Required	0	0	0
Rent Overburden Households	903	637	1,108
Substandard Units	225	223	300
Demand	1,128	860	1,408
Less New Supply	0	0	0
Net Demand	1,128	860	1,408

* Numbers may not add due to rounding.

G.5 Capture Rate Analysis Chart

Table 41—Capture Rate by Unit Size (Bedrooms) and Targeting

		Income Range	Units	Total Demand	Supply	Net Demand	Capture Rate	Absrptn.	Average Mkt. Rent	Mkt. Rent Range	Prop. Rents
50% AMI	1 BR	17140-21900	4	338	0	338	1.2%	5 mo.	761	430 to 880	399
	2 BR	20640-26300	10	564	0	564	1.8%	5 mo.	866	511 to 965	475
	3 BR	23690-30375	4	226	0	226	1.8%	5 mo.	982	282 to 1100	531
	4 BR	0-33850	0	0	0	0	—	—	—	—	—
60% AMI	1 BR	20640-26280	12	258	0	258	4.7%	5 mo.	761	430 to 880	501
	2 BR	24720-31560	38	430	0	430	8.8%	5 mo.	866	511 to 965	594
	3 BR	28460-36450	12	172	0	172	7.0%	5 mo.	982	282 to 1100	670
	4 BR	0-40620	0	0	0	0	—	—	—	—	—
TOTAL											
for	50% AMI	17140-30375	18	1,128	0	1,128	1.6%	5 mo.	—	—	—
Project	60% AMI	20640-36450	62	860	0	860	7.2%	5 mo.	—	—	—
	All TC	17140-36450	80	1,408	0	1,408	5.7%		—	—	—

* Numbers may not add due to rounding.

The capture rate is not intended to be used in isolation. A low capture rate does not guarantee a successful development, nor does a high capture rate assure failure; the capture rate should be considered in the context of all the other indicators presented in the study. It is one of many factors considered in reaching a conclusion.

H. Competitive Analysis (Existing Competitive Rental Environment)

This section contains a review of statistical data on rental property in the market area and an analysis of the data collected in the field survey of apartments in the area.

H.1 Survey of Apartments

John Wall and Associates conducted a survey of apartments in the area. All of the apartments of interest are surveyed. Some of them are included because they are close to the site, or because they help in understanding the context of the segment where the subject will compete. The full details of the survey are contained in the apartment photo sheets later in this report. A summary of the data focusing on rents is shown in the apartment inventory, also later in this report. A summary of vacancies sorted by rent is presented in the schedule of rents, units, and vacancies.

Table 42—List of Apartments Surveyed

Name	Units	Vacancy Rate	Type	Comments
Arbordale	78	0.0%	Conventional	
Autumn Ridge	130	0.0%	LIHTC (30%, 50% & 60%)	Comparable
Dalton Beach Club	155	0.0%	Conventional	
Dawnville Meadows	120	0.0%	Bond (60%)	Comparable; out of PMA
Huntington Place	152	0.0%	Conventional	
Legacy of Dalton	158	2.5%	Conventional	
Park Canyon	171	0.0%	Conventional	
Raintree	23	0.0%	Conventional	

H.1.1 Comparables

The apartments in the market most comparable to the subject are listed below:

Table 43—Comparison of Comparables to Subject

Development Name	Approximate		Reason for Comparability	Degree of Comparability
	Distance			
Autumn Ridge	3.5 mi		LIHTC	Good
Dawnville Meadows	3.5 mi		LIHTC	Good

All the tax credit apartments in or near the market area were selected as comparables. The subject is well positioned with respect to the comparables since it will have a good location and competitive rents.

H.1.2 Apartment Inventory

The apartment inventory follows this page. Summary information is shown for each apartment surveyed and detailed information is provided on individual property photo sheets.

APARTMENT INVENTORY

Dalton, Georgia (PCN: 19-029)

KEY: P = proposed; UC= under construction; R = renovated; BOI = based on income

ID#	Apartment Name	Year Built vac%	Efficiency/Studio (e) One Bedroom			Two Bedroom			Three Bedroom			Four Bedroom			COMMENTS
			Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	
	19-029 SUBJECT Crow Valley Heights Crow Valley Rd. Dalton	Proposed	4 12	P P	399 501	10 38	P P	475 594	4 12	P P	531 670				LIHTC (50% & 60%); PBRA=0 *Covered porch, fenced community gardens, and wellness center.
	Arbordale 804 N. Tibbs Rd. Dalton Matt (3-26-19) 706-226-5722	1973 0%	21	0	720	21	0	810	36	0	890				Conventional; Sec 8=not accepted
	Autumn Ridge 850 Autumn Ct. Dalton Rachael (3-26-19) 706-226-0404	2005 0%	6 12 9 3 mkt	0 C C 0	PRRA 430 537 715	6 25 23 6 mkt	0 C C 0	PBRA 511 639 815	1 35* 0 4 mkt	0 C 0 0	PBRA 282/577/725 915				WI=17 LIHTC (30%, 50% & 60%); PBRA=13; Sec 8=2 2002 LIHTC allocation; *LIHTC mix for 3BR units: 3 units at 30% AMI, 17 units at 50% AMI and 15 units at 60% AMI; **Basketball court, multipurpose room, picnic area with grills and gameroom; There are 13 market rate units at this property; Office hours: M-F 9-6
	Dalton Beach Club 1902 Brady Dr. Dalton Rachael (3-26-19) 706-279-1801	1982 2019 Rehab 0%				155	0	860-885							Conventional; Sec 8=not accepted Formerly called Brookside Village; Quadraplexes; *Basketball court and pet play area; **Garden patio or deck; The property is currently being renovated
	Dawnville Meadows 161 Dawnville Rd. Dalton April (3-26-19) 706-278-5855	2000 2020 Rehab 0%				80	0	660	40	0	750				Bond (60%); PBRA=0; Sec 8=some This property is actually just outside the PMA; 1999 LIHTC allocation and 2019 Bond allocation; *Community center, gazebos, and sand volleyball; **Porch and storage; This was a 2019 Bond allocation issued by Dalton Housing Authority for Dalton Leased Housing in which the property will convert to all 60% AMI units in May 2019 (there had been some 50% AMI and some market rate units previously); The property will start renovations during the summer of 2019
	Huntington Place 1702 Crow Valley Rd. NW Dalton David (4-9-19) 706-226-2361	1986 0%	64	0	665-695	64	0	775-795	24	0	875-895				Conventional; Sec 8=not accepted Lower rent is without W/D connection *Picnic area and security guard; **Private patio/balcony; There was a long waiting list, but they have stopped keeping it because units are never available and they turn so many people away (21 people were turned away in the first week of April 2019)
	Legacy of Dalton 2111 Club Dr. Dalton Cindy (3-26-19) 706-226-3012	1971 2020 Rehab 2.5%	24	0	880	84	3	965	50	1	1100				Conventional; *Private patio/balcony; The property is currently being renovated
	Park Canyon 100 Park Canyon Dr. Dalton Donna (3-26-19) 706-226-6054	1988 2020 Rehab	e 34 37 50	UR UR UR	700 785 810	34 16	UR UR	875 915							Conventional; Sec 8=not accepted *Jacuzzi, car wash area, basketball courts, and picnic area; The property has just started renovations; The listed rents are for the units as they become renovated; The current occupancy is 96%
	Raintree 2202 Raintree Way Dalton mgt. co. (4-9-19) 706-508-4370 - mgt. co.	1974 0%				23	0	700							Conventional Managed by Eagle Property Services; **Patio and storage

Map Number	Complex:	Year Built:	Amenities								Appliances								Unit Features								Two-Bedroom			
			Laundry Facility	Tennis Court	Swimming Pool	Club House	Garages	Playground	Access/Security Gate	Other	Other	Refrigerator	Range/Oven	Dishwasher	Garbage Disposal	W/D Connection	Washer, Dryer	Microwave Oven	Other	Other	Fireplace	Free Cable	Furnished	Air Conditioning	Drapes/Blinds	Cable Pre-Wired	Utilities Included	Other	Other	Size (s.f.)
	19-029 SUBJECT	Proposed	x		x				x	*			x	x	x	x	x					x	x	x	t			1111	475	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								LIHTC (50% & 60%); PBRA=0								1111	594							
	Arbordale	1973											x	x	x	x	x							x	x	x	x	850	810	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Conventional; Sec 8=not accepted																
		0.0%	0.0%	0.0%		0.0%																								
	Autumn Ridge	2005				x	x	x		x	**		x	x	x	x	x		x				x	x	x			1208	PBRA	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								LIHTC (30%, 50% & 60%); PBRA=13; Sec 8=2								1208	511							
		0.0%	0.0%	0.0%		0.0%																1208	639							
																						1208	815							
	Dalton Beach Club	1982				x	x			x		*		x	x	x	x					x		x	x	x	tp	**	1150	860-885
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Conventional; Sec 8=not accepted																
				0.0%		0.0%																								
	Dawnville Meadows	2000				x	x			x		*		x	x	x	x	x					x	x	x	ws	**	948	660	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Bond (60%); PBRA=0; Sec 8=some																
				0.0%		0.0%																								
	Huntington Place	1986				x	x	x	x			*		x	x	x	x	x				s		x	x	x	ws	**	1040	775-795
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Conventional; Sec 8=not accepted																
		0.0%	0.0%	0.0%		0.0%																								
	Legacy of Dalton	1971				x	x	x	x		x	*		x	x	x	x	s					x	x	x	ws	*	1100	965	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Conventional;																
		0.0%	3.6%	2.0%		2.5%																								
	Park Canyon	1988				x	x	x	x	x		*		x	x	x	s						x	x	x			960	875	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall								Conventional; Sec 8=not accepted								1064	915							

	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	4	1	P	781	399
1 BR vacancy rate	12	1	P	781	501
Two-Bedroom					
2 BR vacancy rate	10	2	P	1111	475
	38	2	P	1111	594
Three-Bedroom					
3 BR vacancy rate	4	2	P	1193	531
	12	2	P	1193	670
Four-Bedroom					
4 BR vacancy rate					
TOTALS	80		0		

Complex:

19-029 SUBJECT
 Crow Valley Heights
 Crow Valley Rd.
 Dalton

Map Number:

Year Built:

Proposed

Last Rent Increase

Specials

Waiting List

Subsidies

LIHTC (50% & 60%); PBRA=0

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: *Covered porch, fenced community gardens, and wellness center.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	21	1.5	0	600	720
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	0.0%				
Three-Bedroom					
3 BR vacancy rate	0.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	78	0		

Complex:
 Arbordale
 804 N. Tibbs Rd.
 Dalton
 Matt (3-26-19)
 706-226-5722

Map Number:

Year Built:
 1973

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional; Sec 8=not
 accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent	
Efficiency/Studio						
One-Bedroom	6	1	0	892	PBRA	
1 BR vacancy rate	0.0%	12	1	0	892	430
		9	1	0	892	537
		3 mkt	1	0	892	715
Two-Bedroom	6	2	0	1208	PBRA	
2 BR vacancy rate	0.0%	25	2	0	1208	511
		23	2	0	1208	639
		6 mkt	2	0	1208	815
Three-Bedroom	1	2	0	1496	PBRA	
3 BR vacancy rate	0.0%	35*	2	0	1496	282/577/7
		4 mkt	2	0	1496	915
Four-Bedroom						
4 BR vacancy rate						
TOTALS	0.0%	130	0			

Complex:

Autumn Ridge
 850 Autumn Ct.
 Dalton
 Rachael (3-26-19)
 706-226-0404

Map Number:

Year Built:

2005

Last Rent Increase

Specials

Waiting List

WL=17

Subsidies

LIHTC (30%, 50% & 60%);
 PBRA=13; Sec 8=2

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- ** Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: 2002 LIHTC allocation; *LIHTC mix for 3BR units: 3 units at 30% AMI, 17 units at 50% AMI and 15 units at 60% AMI; **Basketball court, multipurpose room, picnic area with grills and gameroom; There are 13 market rate units at this property; Office hours: M-F 9-6



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	155	1.5	0	1150	860-885
0.0%					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	155	0		

Complex:

Dalton Beach Club
 1902 Brady Dr.
 Dalton
 Rachael (3-26-19)
 706-279-1801

Map Number:

Year Built:

1982
 2019 Rehab

Last Rent Increase

Specials

Waiting List

Subsidies

Conventional; Sec 8=not accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Formerly called Brookside Village; Quadraplexes; *Basketball court and pet play area; **Garden patio or deck; The property is currently being renovated



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	80	2	0	948	660
	0.0%				
Three-Bedroom					
3 BR vacancy rate	40	2	0	1250	750
	0.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	120	0		

Complex:
 Dawnville Meadows
 161 Dawnville Rd.
 Dalton
 April (3-26-19)
 706-278-5855

Map Number:

Year Built:
 2000
 2020 Rehab

Last Rent Increase

Specials

Waiting List

Subsidies

Bond (60%); PBRA=0; Sec 8=some

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- ** Other

Comments: This property is actually just outside the PMA; 1999 LIHTC allocation and 2019 Bond allocation; *Community center, gazebos, and sand volleyball; **Porch and storage; This was a 2019 Bond allocation issued by Dalton Housing Authority for Dalton Leased Housing in which the property will convert to all 60% AMI units in May 2019 (there had been some 50% AMI and some market rate units previously); The property will start renovations during the summer of 2019



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	64	1	0	740	665-695
1 BR vacancy rate	0.0%				
Two-Bedroom	64	1	0	1040	775-795
2 BR vacancy rate	0.0%				
Three-Bedroom	24	1	0	1326	875-895
3 BR vacancy rate	0.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	152	0		

Complex:

Huntington Place
 1702 Crow Valley Rd. NW
 Dalton
 David (4-9-19)
 706-226-2361

Map Number:

Year Built:

1986

Last Rent Increase

Specials

Waiting List

Subsidies

Conventional; Sec 8=not accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- s Fireplace
- wstp Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- ** Other

Comments: Lower rent is without W/D connection *Picnic area and security guard; **Private patio/balcony; There was a long waiting list, but they have stopped keeping it because units are never available and they turn so many people away (21 people were turned away in the first week of April 2019)



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	24	1	0	800	880
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	3.6%				
Three-Bedroom					
3 BR vacancy rate	2.0%				
Four-Bedroom					
4 BR vacancy rate					
TOTALS	2.5%	158	4		

Complex:
 Legacy of Dalton
 2111 Club Dr.
 Dalton
 Cindy (3-26-19)
 706-226-3012

Map Number:

Year Built:
 1971
 2020 Rehab

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- s W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- wst Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- * Other

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional;

Comments: *Private patio/balcony; The property is currently being renovated



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio	34	1	UR	453	700
One-Bedroom	37	1	UR	680	785
1 BR vacancy rate	50	1	UR	728	810
Two-Bedroom	34	1.5	UR	960	875
2 BR vacancy rate	16	1.5	UR	1064	915
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	171		0		

Complex:

Park Canyon
 100 Park Canyon Dr.
 Dalton
 Donna (3-26-19)
 706-226-6054

Map Number:

Year Built:

1988
 2020 Rehab

Last Rent Increase

Specials

Waiting List

Subsidies

Conventional; Sec 8=not accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- s W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: *Jacuzzi, car wash area, basketball courts, and picnic area; The property has just started renovations; The listed rents are for the units as they become renovated; The current occupancy is 96%



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	0.0%	23	1.5	0	N/A
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	23	0		

Complex:

Raintree
 2202 Raintree Way
 Dalton
 mgt. co. (4-9-19)
 706-508-4370 - mgt. co.

Map Number:

Year Built:

1974

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Managed by Eagle Property Services; **Patio and storage

H.1.3 Schedule of Present Rents, Units, and Vacancies

The present housing situation is examined in this section. The rents, number of units, and vacancies of the apartments listed in the apartment inventory (shown separately later) are summarized in the tables below. Rents, units, and vacancies are tabulated separately for the various bedroom sizes, a necessary step in making bedroom mix recommendations.

The table below shows surveyed apartment complexes in or near the market area. The *pro forma* rents, as given by the developer, are shown in orange in the table below. These rents will be compared to the other apartments in the area, and especially the comparable apartments to determine if they are reasonable. In addition to seeing how the *pro forma* rents compare in terms of absolute rents in the following table, it will be important to consider the amenities and locations of the other apartments.

Table 44—Schedule of Rents, Number of Units, and Vacancies for Apartment Units

1-Bedroom Units			2-Bedroom Units			3-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
399	4	Subj. 50%	475	10	Subj. 50%	282	3	0
430	12	0	511	25	0	531	4	Subj. 50%
501	12	Subj. 60%	594	38	Subj. 60%	577	17	0
537	9	0	639	23	0	670	12	Subj. 60%
680	64	0	660	80	0	725	15	0
715	3	0	700	23	0	750	40	0
720	21	0	785	64	0	885	24	0
785	37	UR	810	21	0	890	36	0
810	50	UR	815	6	0	915	4	0
880	24	0	873	155	0	1100	50	1
			875	34	UR			
			915	16	UR			
			965	84	3			

	1-Bedroom	2-Bedrooms	3-Bedrooms	TOTAL
Vacant Units	0	3	1	4
Total Units	133	481	189	803
Vacancy Rate	0.0%	0.6%	0.5%	0.5%
Median Rent	\$785	\$873	\$885	
Vacant Tax Credit Units	0	0	0	0
Total Tax Credit Units	21	128	75	224
Tax Credit Vacancy Rate	0.0%	0.0%	0.0%	0.0%
Tax Credit Median Rent	\$430	\$660	\$750	

Orange = Subject; Green = Tax Credit; Highlight = Tax Credit Median Rent; Underline=Elderly/Older Persons; b = basic rent; italics = average rent; UR = under rehabilitation; UC = under construction; RU = in rent up; PL = planned; N/A = information unavailable

Source: John Wall and Associates

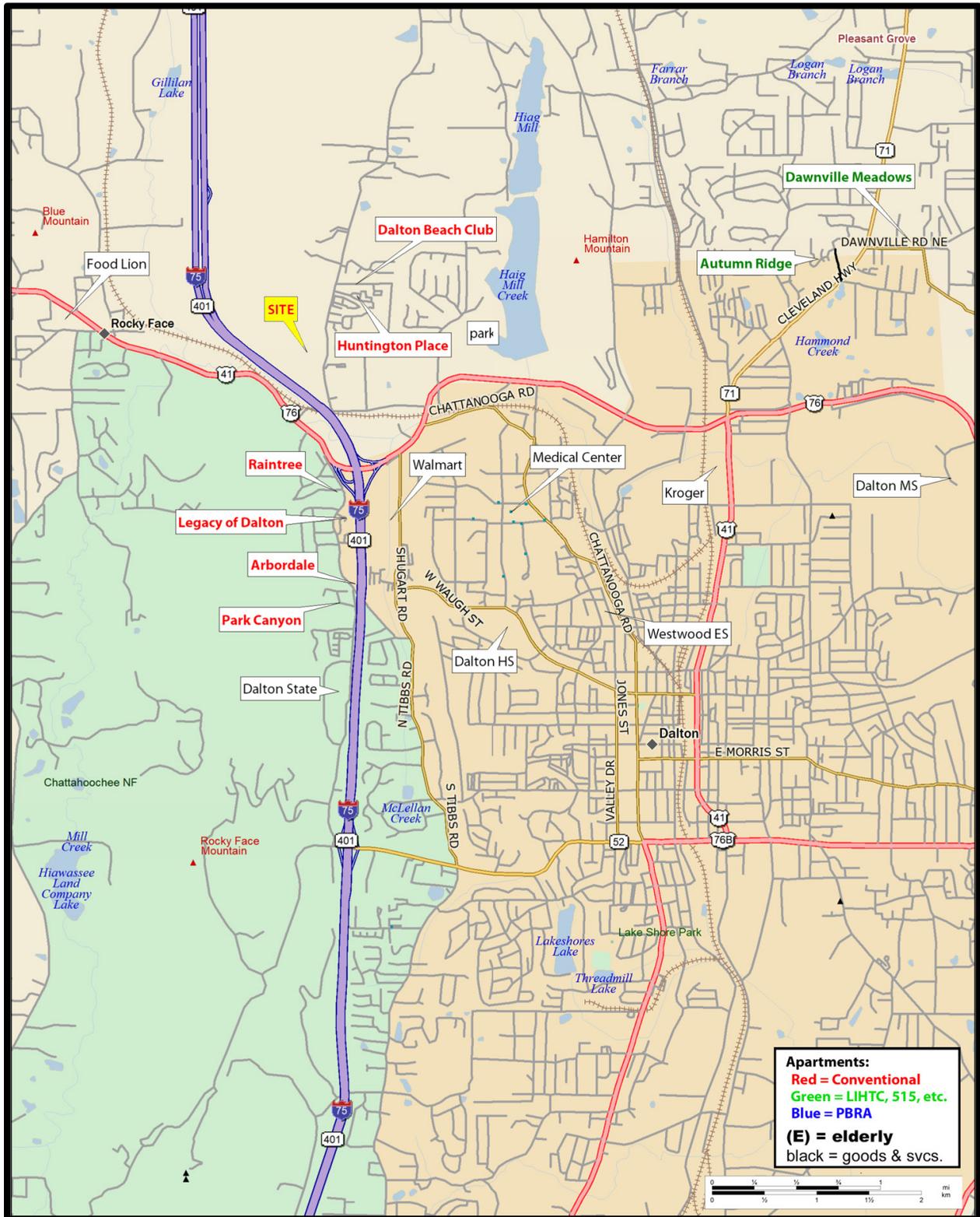
A vacancy rate of 5.0% is considered normal. The overall vacancy rate in the market is 0.5%. The overall tax credit vacancy rate is 0.0%.

H.2 Additional information on competitive environment

- Vouchers and certificates available in the market area:
This is not applicable because the subject will not rely on voucher support.
- Lease up history of competitive developments:
No information is available.
- Tenant profiles of existing phase:
This is not applicable.
- Additional information for rural areas lacking sufficient comps:
This is not applicable.

H.3 Apartment Locations Map

Apartment Locations Map



H.4 Amenity Analysis

Development Amenities:

Laundry facility, clubhouse/community center, covered porch, fenced community gardens, wellness center, and furnished exercise/fitness center.

Unit Amenities:

Refrigerator, range/oven, microwave, dishwasher, garbage disposal, washer/dryer connections, ceiling fan, HVAC, blinds, and cable pre-wired.

Utilities Included:

Trash.

The subject’s amenities, on average, are comparable to the other tax credit properties surveyed except that Autumn Ridge has a swimming pool.

H.5 Selection of Comps

See sections H.1.1.

H.6 Long Term Occupancy

In light of vacancy and stabilization rates in the local market area, the subject should not have any difficulty maintaining 93% stabilized occupancy or better.

H.7 New “Supply”

DCA requires comparable units built since the base year to be deducted from demand. Only comparable units within comparable complexes will be deducted from demand, as indicated by the asterisks.

Table 45—Apartment Units Built or Proposed Since the Base Year

Development Name	Year Built	Units With Rental Assistance	30% AMI, No Rental Assistance	50% AMI, No Rental Assistance	60% AMI, No Rental Assistance	Above Moderate Income	TOTAL
------------------	------------	------------------------------	-------------------------------	-------------------------------	-------------------------------	-----------------------	-------

NONE

There are no units to subtract out as new supply.

H.8 Average Market Rent and Rent Differential

See the apartment inventory, amenities chart, and community photo sheets previously for in depth comparisons of the subject to each complex surveyed. Total units, mix, rents, occupancy and other relevant details are shown in full on the apartment inventory.

Table 46—Market Rent Advantage

	Bedrooms	Number of Units	Net Rent	Market Rent	Market Advantage
50%	1	4	399	761	47.6%
50%	2	10	475	866	45.2%
50%	3	4	531	982	45.9%
60%	1	12	501	761	34.2%
60%	2	38	594	866	31.4%
60%	3	12	670	982	31.8%

The DCA Market Study Manual specifies Rent advantage is calculated as follows: $(\text{average market rent} - \text{proposed rent}) / \text{proposed rent}$.

Weighted average rents were calculated for each bedroom size using all of the conventional apartments in the inventory. All of the proposed units have large market advantages compared to the conventional apartments.

H.9 Information on Other DCA properties

See the Schedule of Rents Units and Vacancies along with the Apartment Inventory and the Photo Sheets.

H.10 Rental Trends in the Market Area

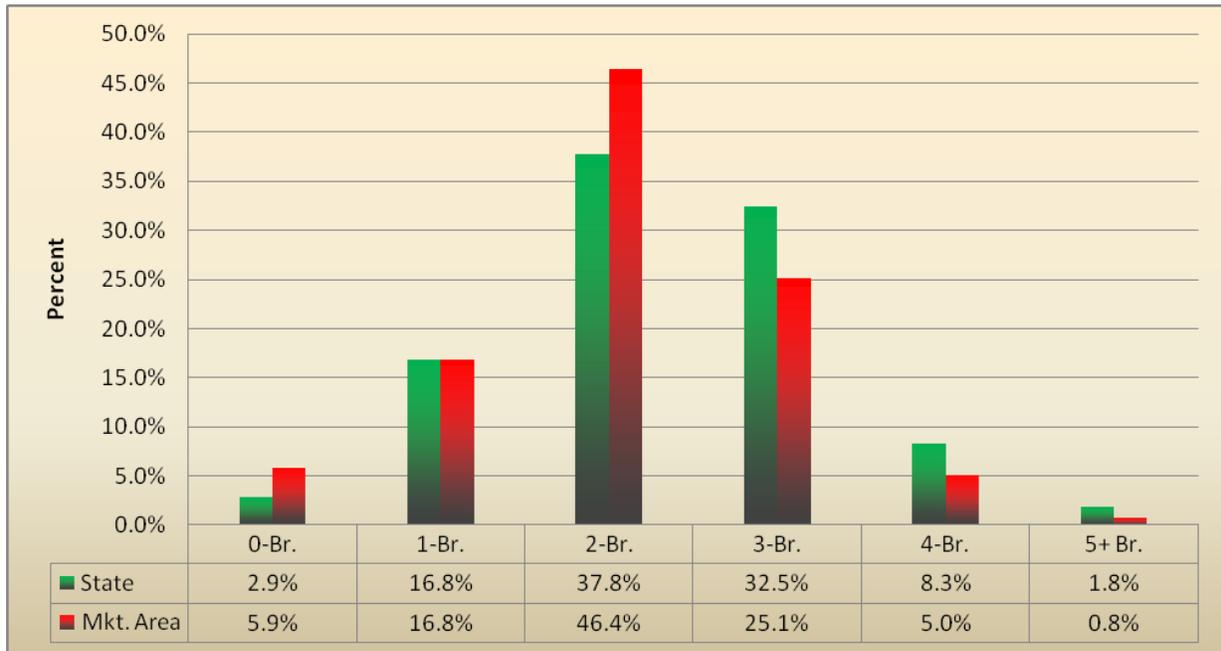
H.10.1 Tenure

Table 47—Tenure by Bedrooms

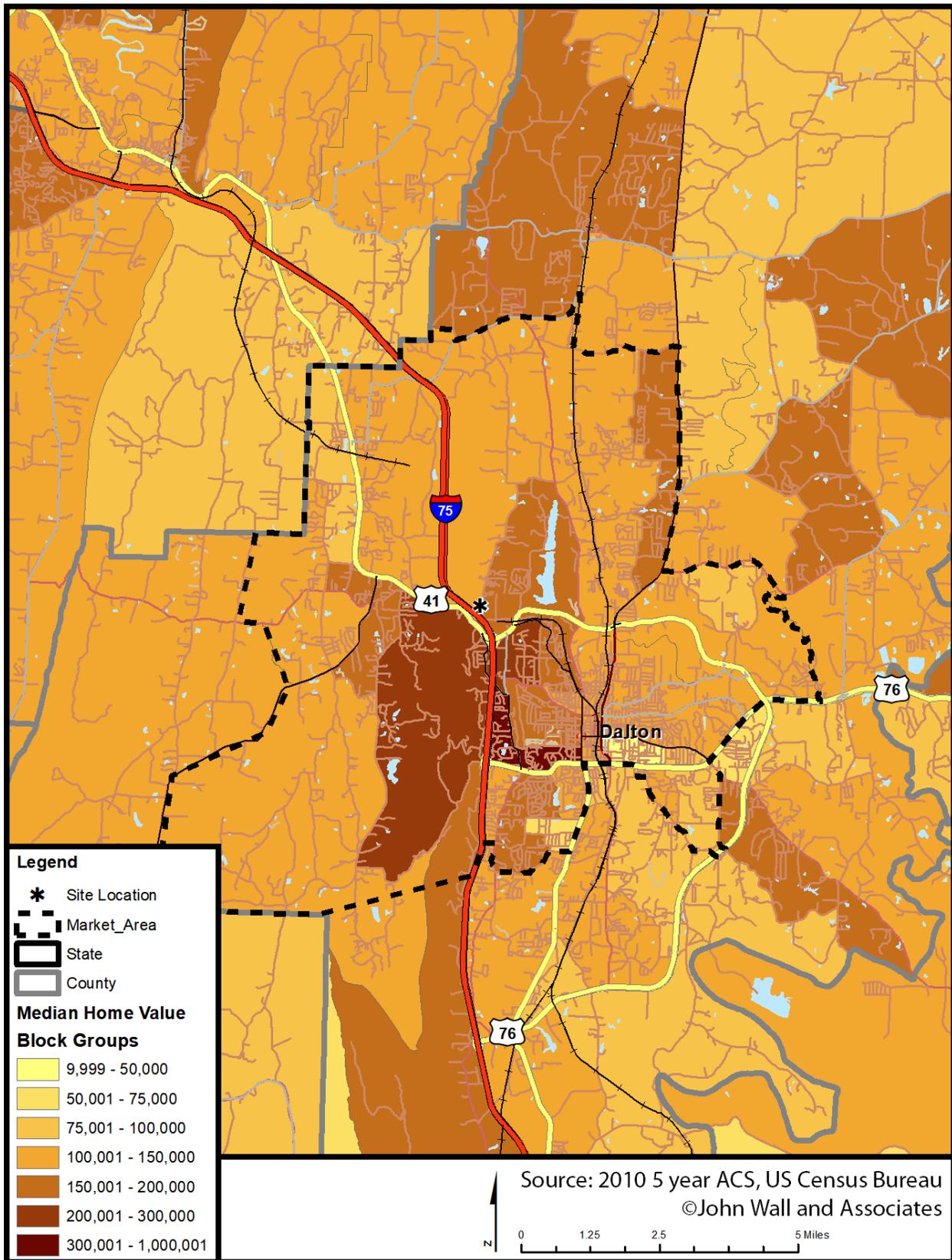
	State	%	County	%	Market Area	%	City	%
Owner occupied:	2,266,411		22,040		11,532		4,843	
No bedroom	6,282	0.3%	90	0.4%	50	0.4%	27	0.6%
1 bedroom	27,680	1.2%	164	0.7%	99	0.9%	55	1.1%
2 bedrooms	257,183	11.3%	3,998	18.1%	2,160	18.7%	960	19.8%
3 bedrooms	1,147,082	50.6%	12,245	55.6%	6,111	53.0%	2,123	43.8%
4 bedrooms	595,262	26.3%	4,505	20.4%	2,587	22.4%	1,424	29.4%
5 or more bedrooms	232,922	10.3%	1,038	4.7%	526	4.6%	254	5.2%
Renter occupied:	1,345,295		12,774		8,340		6,346	
No bedroom	38,470	2.9%	542	4.2%	488	5.9%	502	7.9%
1 bedroom	225,926	16.8%	1,662	13.0%	1,404	16.8%	1,310	20.6%
2 bedrooms	508,384	37.8%	5,915	46.3%	3,872	46.4%	3,023	47.6%
3 bedrooms	436,696	32.5%	3,942	30.9%	2,091	25.1%	1,307	20.6%
4 bedrooms	111,200	8.3%	544	4.3%	419	5.0%	204	3.2%
5 or more bedrooms	24,619	1.8%	169	1.3%	65	0.8%	0	0.0%

Source: 2016-5yr ACS (Census)

Tenure by Bedrooms for the State and Market Area



Median Home Value Map



H.11 Impact of Foreclosed, Abandoned, etc. Properties

There is no evidence of any adverse impact due to foreclosure or abandonment.

H.12 Long Term Impact

The subject will have no long term impact on the occupancy of other assisted properties.

H.13 Building Permits Issued

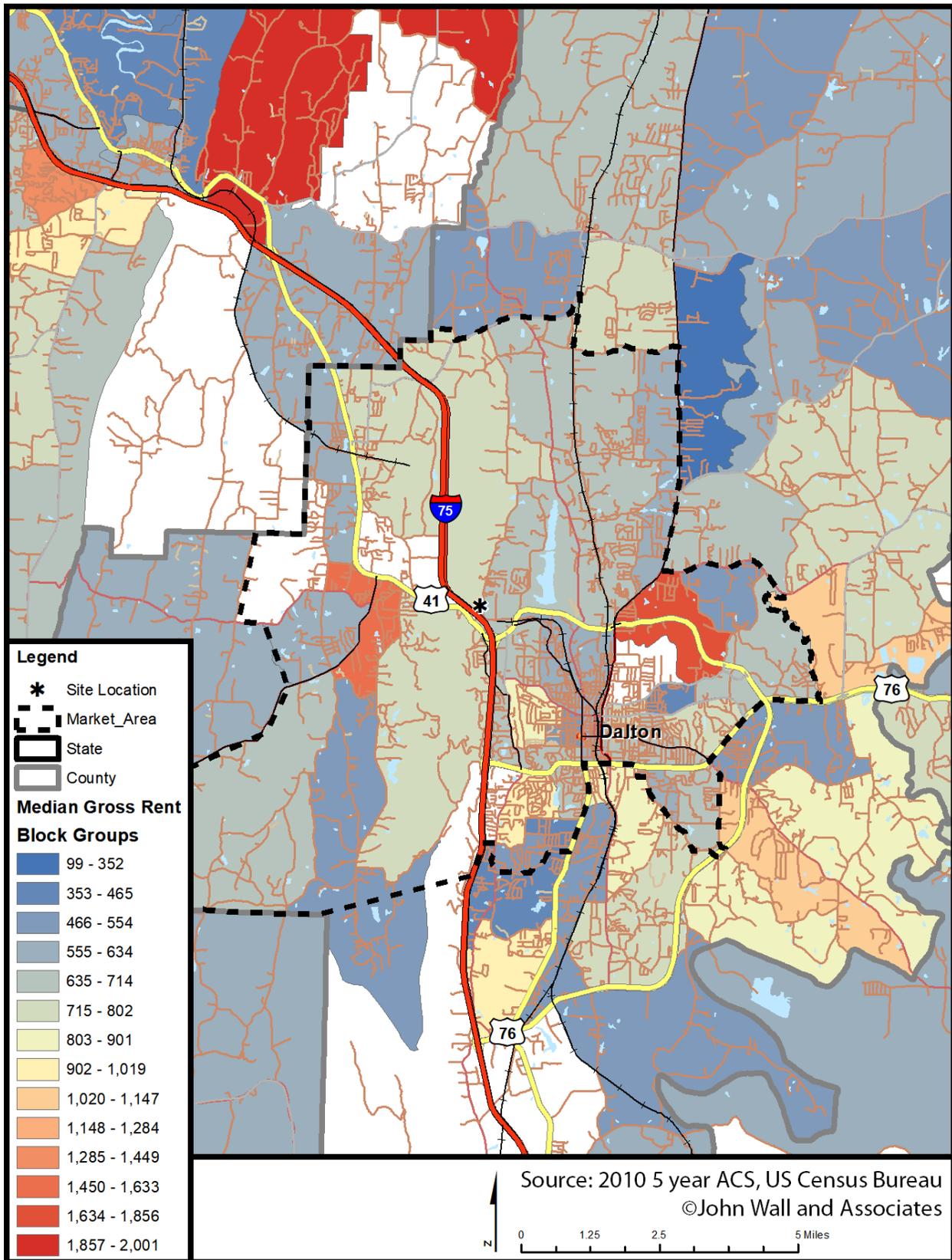
Building permits are an indicator of the economic strength and activity of a community. While permits are never issued for a market area, the multi-family permits issued for the county and town are an indicator of apartments recently added to the supply:

Table 48—Building Permits Issued

Year	County			City		
	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family
2000	876	367	509	482	97	385
2001	663	349	314	381	87	294
2002	487	361	126	234	114	120
2003	627	382	245	316	73	243
2004	610	448	162	276	124	152
2005	713	536	177	291	123	168
2006	590	437	153	253	112	141
2007	462	324	138	195	76	119
2008	247	153	94	139	45	94
2009	101	92	9	30	24	6
2010	70	59	11	16	5	11
2011	40	40	0	0	0	0
2012	34	34	0	0	0	0
2013	47	47	0	0	0	0
2014	99	93	6	0	0	0
2015	121	111	10	0	0	0
2016	131	122	9	0	0	0
2017	246	194	52	0	0	0

Source: "SOCDS Building Permits" <https://socds.huduser.gov/permits/>

Median Gross Rent Map



I. Absorption & Stabilization Rates

Given reasonable marketing and management, the development should be able to rent up to 93% occupancy within 5 months — a few months longer if the development is completed in November, December, or January. The absorption rate determination considers such factors as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy.

J. Interviews

The following interviews were conducted regarding demand for the subject.

J.1 Apartment Managers

Rachael, an apartment manager at Autumn Ridge (LIHTC), said the location of the subject's site is good. She said the proposed bedroom mix makes sense for Dalton, all of the proposed rents fit well in the market, and all of the proposed amenities sound very nice. She said there is definitely a need for more affordable housing in Dalton, and the subject should do very well.

April, the apartment manager at Dawnville Meadows (Bond), said the location of the subject's site is good. She said the proposed bedroom mix is really good for having one bedroom units (which her property does not have), the proposed rents are good, and all of the proposed amenities sound nice. Overall, April said there is a definite need for more affordable housing in Dalton, and the subject should do very well.

J.2 Economic Development

According to the Dalton Whitfield County Joint Development Authority, four companies have announced openings or expansions in Whitfield County in the past year, creating more than 525 new jobs. This includes Hanwha Q-CELLS with more than 500 new jobs, Poteet Properties, LLC, Healthier Choice Flooring with 25 new jobs and Reagent Chemical and Research, Inc.

According to the 2018 and 2019 Georgia Business Layoff and Closure Listings, no companies in Whitfield County have announced closings or layoffs in the last year.

K. Conclusions and Recommendations

The subject, as proposed, should be successful. See also Executive Summary.

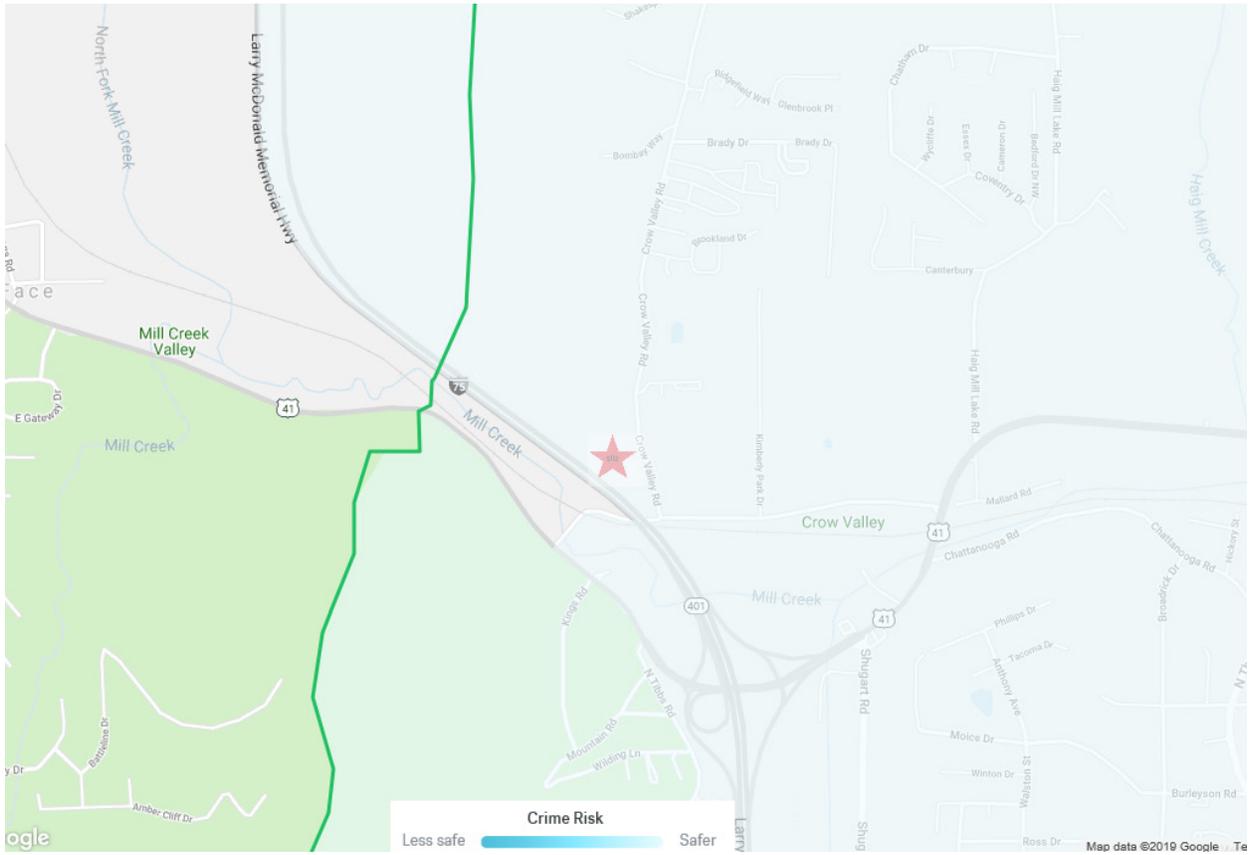
L. Signed Statement Requirements

See signed statement in front matter.

M. Market Study Representation

DCA may rely on the representations made in the market study to be true and accurate to the best knowledge of John Wall and Associates. DCA may assign the market study to other lenders who are parties to the DCA loan transaction.

N. Crime Appendix



Source: https://www.trulia.com/real_estate/30720-Dalton/crime/

O. NCHMA Market Study Index/Checklist

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

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6. Project description including unit features and
community amenities 19
7. Date of construction/preliminary completion 20
8. If rehabilitation, scope of work, existing rents,
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12. Site evaluation/neighborhood including
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P. Business References

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Q. Résumés**Bob Rogers****Experience****Principal and Market Analyst**

John Wall and Associates, Seneca, South Carolina (2017 to Present)

Responsibilities include: Business operations; development of housing demand methodology; development of computer systems and technologies; analysis of demographic trends; creation and production of analytic maps and graphics; and CRA compliance.

Senior Market Analyst

John Wall and Associates, Anderson, South Carolina (1992 to 2017)

Responsibilities included: Development of housing demand methodology; development of computer systems and technologies; analysis of demographic trends; creation and production of analytic maps and graphics; CRA compliance; courtroom presentation graphics.

Manager

Institute for Electronic Data Analysis, Knoxville, Tennessee (1990 to 1992)

Responsibilities included: Marketing, training new employees and users of US Bureau of the Census data products, and custom research.

Consultant

Sea Ray Boats, Inc., Knoxville, Tennessee (1991)

Project included: Using various statistical techniques to create customer profiles that the senior management team used to create a marketing strategy.

Consultant

Central Transport, High Point, North Carolina (1990)

Project included: Research and analysis in the area of driver retention and how to improve the company's turnover ratio.

Professional Organization

National Council of Housing Market Analysts (NCHMA)

Executive Committee Member (2004-2010)

Standards Committee Co-Chair (2006-2010)

Standards Committee Vice Chair (2004-2006)

Member delegate (2002-Present)

Publications

Senior Housing Options, NCHMA White Paper (draft)

Field Work for Market Studies, NCHMA White Paper, 2011

Ten Things Developers Should Know About Market Studies, Affordable Housing Finance Magazine, 2007

Selecting Comparable Properties (Best Practices), NCHMA publication 2006

Education

Continuing Education, National Council of Housing Market Analysts (2002 to present)

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

MBA Transportation and Logistics, The University of Tennessee, Knoxville, Tennessee (1991)

BS Business Logistics, Penn State, University Park, Pennsylvania (1989)

Joe Burriss

Experience

Principal and Market Analyst

John Wall & Associates, Seneca, South Carolina (2017 to present)

Responsibilities include: Business operations; author of numerous apartment market studies; make, review and evaluate recommendations regarding student housing analysis; collect and analyze multifamily rental housing information (both field and census); conduct site and location analysis. Design marketing plans and strategies; client development.

Marketing Director

John Wall & Associates, Anderson, South Carolina (2003 to 2017)

Responsibilities included: Designing marketing plans and strategies; client development.

Senior Market Analyst and Researcher

John Wall & Associates, Anderson, South Carolina (1999 to 2017)

Responsibilities included: Author of numerous apartment market studies; making, reviewing and evaluating recommendations regarding student housing analysis; collecting and analyzing multifamily rental housing information (both field and census); conducting site and location analysis.

Professional Organization

National Council of Housing Market Analysts (NCHMA)

FHA Lender and Underwriting (MAP) Committee (2012-Present)

Member Delegate (2002-Present)

Education

Continuing Education, National Council of Housing Market Analysts (2002-Present)

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

BS Marketing, Clemson University, Clemson, South Carolina (2002)