

Market Feasibility Analysis

Peaks of Dawsonville
65 North 400 Center Lane
Dawsonville, Dawson County, Georgia 30534

Prepared For

Ms. D'Anne Hilsmier
Landbridge Development, LLC
Peaks of Dawsonville, LP (*developer*)
7000 Peachtree Dunwoody Road, Suite 4-100
Atlanta, Georgia 30328

Effective Date

April 25, 2019

Job Reference Number

19-180 CR



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

Table Of Contents

- A. Executive Summary
 - B. Project Description
 - C. Site Description and Evaluation
 - D. Primary Market Area Delineation
 - E. Community Demographic Data
 - F. Economic Trends
 - G. Project-Specific Demand Analysis
 - H. Rental Housing Analysis (Supply)
 - I. Absorption & Stabilization Rates
 - J. Interviews
 - K. Conclusions & Recommendations
 - L. Signed Statement
 - M. Market Study Representation
 - N. Qualifications
- Addendum A – Field Survey of Conventional Rentals
 - Addendum B – Comparable Property Profiles
 - Addendum C – Market Analyst Certification Checklist
 - Addendum D – Methodologies, Disclaimers & Sources
 - Addendum E – Achievable Market Rent Analysis

Section A – Executive Summary

This report evaluates the market feasibility of the Peaks of Dawsonville rental community to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Dawsonville, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, assuming it is developed and operated as detailed in this report.

1. Project Description:

The subject project involves the new construction of the 80-unit Peaks of Dawsonville rental community on an approximate 14.3-acre site at 65 North 400 Center Lane in Dawsonville, Georgia. The project will offer 12 one-bedroom, 40 two-bedroom, and 28 three-bedroom garden-style units in five (5) two-story, walk-up residential buildings together with a free-standing, 1,735 square-foot community building. Peaks of Dawsonville will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$550 to \$850, depending on unit size and AMHI level. It is also anticipated that eight (8) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by May 2021. Additional details regarding the proposed project are as follows and included in *Section B* of this report.

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	One-Br.	1.0	Garden	823	50%	\$550	\$101	\$651	\$701
9	One-Br.	1.0	Garden	823	60%	\$650	\$101	\$751	\$842
8	Two-Br.	2.0	Garden	916	50%	\$650	\$127	\$777	\$842
32	Two-Br.	2.0	Garden	916	60%	\$750	\$127	\$877	\$1,011
6	Three-Br.	2.0	Garden	1,160	50%	\$750	\$160	\$910	\$972
22	Three-Br.	2.0	Garden	1,160	60%	\$850	\$160	\$1,010	\$1,167
80	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2018)

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave, washer/dryer appliances, ceiling fan, carpet and VCT flooring, window blinds, central air conditioning, patio/balcony and exterior storage closets. Community amenities will include on-site management, a clubhouse, business center, wellness center, playground, picnic area, and community garden. Overall, the amenity package offered at the property is considered appropriate for and marketable to the targeted tenant population and will be competitive with those offered among the comparable projects in the market and region.

2. Site Description/Evaluation:

The subject site is situated within a mixed-use and good quality area of Dawsonville. The subject property is expected to fit well with and benefit from the well-maintained surrounding land uses. The subject site is clearly visible and easily accessible from North 400 Center Lane, a lightly traveled roadway bordering the site to the east and providing direct access to and from State Route 53 south of the site. Due to the location of existing surrounding structures to the east and south, promotional signage is recommended along State Route 53 south of the subject site. This will help enhance awareness of the property, particularly during its initial lease-up period. Most area services are located within 1.0 mile of the site and are easily accessible due to the subject's proximity to State Route 53 and U.S. Highway 19. In addition to the subject's location relative to arterial roadways and nearby area services, the Site Zip Code has a crime index of 110, which is slightly lower than that reported for Dawson County as a whole and is very similar to the national average of 100. This is a good indication of a low perception of crime within the subject site area. Based on the preceding factors, the proposed subject site location is considered conducive to affordable multifamily rental product such as that proposed and is expected to have a positive impact on the subject's overall marketability.

3. Market Area Definition:

The Primary Market Area (PMA) includes the municipalities, or portions, of Dawsonville, Chestatee, Coal Mountain, and Silver City, as well as some surrounding unincorporated portions of Dawson and Forsyth counties. The boundaries of the Site PMA include State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west. The boundaries of the Site PMA are generally within 7.9 miles of the subject site. A map illustrating these boundaries is included on page *D-3* of this report.

4. Community Demographic Data:

Demographic trends within the Dawsonville Site PMA are projected to be positive between 2019 and 2021, both in terms of total population and households. Household growth is projected to occur among all age cohorts, with the greatest growth projected for the 35 to 44 age cohort during this time period. The Dawsonville market is predominantly owner-occupied households, as renter households comprise less than 20.0% of the overall household base. However, the number of renter households is projected to increase slightly between 2019 and 2021 and more than 2,300 renter households are projected for the Site PMA in 2021. More than two-thirds (36.9%) of all renter households are projected to earn between \$20,000 and \$50,000 in 2021. Based on the preceding factors, a good base

of potential support for affordable rental product such as that proposed for the subject site exists within the Site PMA. Additional demographic data is included in *Section E* of this report.

Also note that based on 2013-2017 American Community Survey (ACS) data, 26.8% of the vacant housing units in the Site PMA are classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Dawsonville Site PMA, the established rental properties are operating at strong occupancy levels and some maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that based on information obtained from RealtyTrac.com, Dawson County has a lower foreclosure rate (0.02%) than the state of Georgia (0.05%) as a whole. Based on the preceding analysis, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability. This is especially true when considering the limited availability of general-occupancy LIHTC product in the Dawsonville market.

5. Economic Data:

The labor force within the Dawsonville Site PMA is largely comprised of industries which typically offer lower-wage paying positions conducive to affordable housing alternatives such as that proposed for the subject site. Specifically, more than half (51.0%) of the local labor force is comprised within the Retail, Food Service & Accommodation, and Manufacturing industries, with the Retail industry comprising nearly 31.0% of the local labor force. The Dawsonville area is likely heavily influenced by these aforementioned industry segments.

Dawson County has experienced improvement both in terms of total employment and unemployment rate trends each year since 2010. Much of the employment growth within the county during this time period occurred between 2015 and 2018, during which time the county added nearly 1,200 jobs and increased by more than 11.0%. The unemployment rate has declined by nearly eight full percentage points since 2010, declining to a rate of 3.3% through the end of 2018, lower than both state and national averages. Based on the preceding factors and considering the numerous announcements of recent and ongoing economic development activity, we expect the Dawson County economy will remain strong for the foreseeable future. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$22,320 to \$40,400)	60% AMHI (\$25,749 to \$48,480)	Overall (\$22,320 to \$48,480)
Net Demand	302	334	395
Proposed Units / Net Demand	17 / 302	63 / 334	80 / 395
Capture Rate	= 5.6%	= 18.9%	= 20.3%

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall capture rate of 20.3% is considered achievable within the Dawsonville Site PMA. This is especially true, given the relatively limited supply of existing comparable LIHTC product and high occupancy rates reported among existing properties in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 5.6% to 18.9%.

Applying the shares of demand detailed in *Section G* to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (35%)	50%	3	106	0	106	2.8%
One-Bedroom (35%)	60%	9	117	0	117	7.7%
One-Bedroom	Total	12	223	0	223	5.4%
Two-Bedroom (40%)	50%	8	121	0	121	6.6%
Two-Bedroom (40%)	60%	32	134	0	134	23.9%
Two-Bedroom	Total	40	255	0	255	15.7%
Three-Bedroom (25%)	50%	6	75	0	75	8.0%
Three-Bedroom (25%)	60%	22	83	0	83	26.5%
Three-Bedroom	Total	28	158	0	158	17.7%

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

The capture rates by bedroom type and targeted income level range from 2.8% to 26.5%. These capture rates are below GDCA's capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Dawsonville Site PMA for each of the unit types proposed for the subject development.

Detailed demand calculations are provided in *Section G* of this report.

7. Competitive Rental Analysis

The proposed subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA we identified and surveyed two non-subsidized LIHTC properties, though only one (Farmington Woods) is general-occupancy. This property has been included in our comparable analysis and is expected to be directly competitive with the proposed subject project.

Given the limited supply of general-occupancy LIHTC product in the Site PMA, we also identified and surveyed two additional properties outside the Site PMA that offer unit types and target a population similar to the proposed subject project. Due to their location, these properties are not considered competitive with the subject project but will offer a good additional base of comparison.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Dawsonville	2021	80	-	-	-	Families; 50% & 60% AMHI
3	Farmington Woods	2014	72	100.0%	5.7 Miles	1 & 3-Br: 15 H.H.	Families; 50% & 60% AMHI
902	Willows of Cumming	1996	156	100.0%	14.3 Miles	6-8 Months	Families; 60% AMHI
906	Highland Trace	2018	79	75.9%	12.8 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. – Households

900 series Map IDs are located outside the Site PMA

The three comparable LIHTC projects have a combined occupancy rate of 93.8%, which is reflective only of the vacant units reported at Highland Trace (Map ID 906), a recently completed property which is still within its initial lease-up period. The two established LIHTC properties surveyed, including the one located in the Site PMA, are both 100.0% occupied with waiting lists. These are clear indications of strong and pent-up demand for general-occupancy LIHTC product in the market and region.

It is also of note that the aforementioned Highland Trace property opened and began leasing units in December of 2018. As of April 2019, this property is 75.9% occupied as detailed in the preceding table. This results in an average monthly absorption rate of approximately 12 units per month since the time of opening for this property. This is considered a good absorption rate and further demonstrates strong demand for family-oriented LIHTC product in the region.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Dawsonville	\$651/50% (3) \$751/60% (9)	\$777/50% (8) \$877/60% (32)	\$910/50% (6) \$1,010/60% (22)	-
3	Farmington Woods	\$704/50% (3/0) \$829/60% (9/0)	\$836/50% (4/0) \$976/60% (32/0)	\$970/50% (4/0) \$1,085/60% (20/0)	None
902	Willows of Cumming	\$776/60% (16/0)	\$933/60% (116/0)	\$1,080/60% (24/0)	None
906	Highland Trace	\$534/50% (4/0) \$634/60% (12/6)	\$661/50% (8/0) \$736/60% (31/3)	\$780/50% (4/0) \$845/60% (20/10)	1 st Month's Rent Free

900 series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents are positioned below those reported for similar unit types at two of the three comparable LIHTC projects, including the one property located in the Site PMA, Farmington Woods (Map ID 3). Thus, the subject's proposed rents are considered competitive and marketable within the Dawsonville Site PMA.

Comparable/Competitive Tax Credit Summary

A limited supply of general-occupancy LIHTC product is offered within the Dawsonville Site PMA as only one such property was surveyed. This property, Farmington Woods (Map ID 3), is 100.0% occupied and maintains a waiting list for its next available unit. The subject project will help alleviate a portion of the pent-up demand in the Dawsonville market. The subject's proposed gross Tax Credit rents are lower than those reported among most of the comparable LIHTC projects surveyed in the market and region, including the one property located in the Dawsonville Site PMA. The subject development will also be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Overall, the subject project is considered marketable and will represent a value to low-income households within the Dawsonville Site PMA. An in-depth comparable analysis is included in *Section H* of this report.

Average Market Rent

The following table illustrates the weighted average *collected* rents of the comparable *market-rate* projects by bedroom type, *for units similar to those proposed at the subject site*.

Weighted Average Collected Rent of Comparable Market-Rate Units*		
One-Br.	Two-Br.	Three-Br.
\$1,147	\$1,310	\$1,415

*As identified in *Addendum E*

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$1,147	- \$550 (50%)	\$597	/ \$550 (50%)	108.5%
		- \$650 (60%)	\$497	/ \$650 (60%)	76.5%
Two-Br.	\$1,310	- \$650 (50%)	\$660	/ \$650 (50%)	101.5%
		- \$750 (60%)	\$560	/ \$750 (60%)	74.7%
Three-Br.	\$1,415	- \$750 (50%)	\$664	/ \$750 (50%)	88.5%
		- \$850 (60%)	\$565	/ \$850 (60%)	66.5%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 74.7% to 108.5%, depending upon unit type, as compared to the weighted average collected rents of the comparable *market-rate* projects as identified in *Addendum E*. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development’s collected rents are available in *Addendum E* of this report.

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 80 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project’s site, rent, amenities or opening date may alter these findings. Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable/ competitive LIHTC product in this market. We have no recommendations to the subject project at this time.

SUMMARY TABLE

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

Development Name:	Peaks of Dawsonville	Total # Units:	80
Location:	65 North 400 Center Lane	# LIHTC Units:	80
PMA Boundary:	State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west.		
	Farthest Boundary Distance to Subject:		7.9 miles

RENTAL HOUSING STOCK (found on page H-2 & Add. A-4 & 5)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	8	742	216	70.9%*
Market-Rate Housing	6	614	216	64.8%*
Assisted/Subsidized Housing not to include LIHTC	0	0	-	-
LIHTC	2	128	0	100.0%
Stabilized Comps**	1	72	0	100.0%
Properties in Construction & Lease Up	1	292	213	27.1%

*Due to one property still in lease-up

**In-Market LIHTC comps only

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
3	One-Br.	1.0	823	\$550	\$1,147	\$1.32	108.5%	\$1,210	\$1.46
9	One-Br.	1.0	823	\$650	\$1,147	\$1.32	76.5%	\$1,210	\$1.46
8	Two-Br.	2.0	916	\$650	\$1,310	\$1.06	101.5%	\$1,465	\$1.28
32	Two-Br.	2.0	916	\$750	\$1,310	\$1.06	74.7%	\$1,465	\$1.28
6	Three-Br.	2.0	1,160	\$750	\$1,415	\$1.03	88.5%	\$1,695	\$1.22
22	Three-Br.	2.0	1,160	\$850	\$1,415	\$1.03	66.5%	\$1,695	\$1.22

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate	-	5.6%	18.9%	-	-	20.3%

Section B - Project Description

The subject project involves the new construction of the 80-unit Peaks of Dawsonville rental community on an approximate 14.3-acre site at 65 North 400 Center Lane in Dawsonville, Georgia. The project will offer 12 one-bedroom, 40 two-bedroom, and 28 three-bedroom garden-style units in five (5) two-story, walk-up residential buildings together with a free-standing, 1,735 square-foot community building. Peaks of Dawsonville will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$550 to \$850, depending on unit size and AMHI level. It is also anticipated that eight (8) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by May 2021. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Peaks of Dawsonville
2. **Property Location:** 65 North 400 Center Lane
Dawsonville, Georgia 30534
(Dawson County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	One-Br.	1.0	Garden	823	50%	\$550	\$101	\$651	\$701
9	One-Br.	1.0	Garden	823	60%	\$650	\$101	\$751	\$842
8	Two-Br.	2.0	Garden	916	50%	\$650	\$127	\$777	\$842
32	Two-Br.	2.0	Garden	916	60%	\$750	\$127	\$877	\$1,011
6	Three-Br.	2.0	Garden	1,160	50%	\$750	\$160	\$910	\$972
22	Three-Br.	2.0	Garden	1,160	60%	\$850	\$160	\$1,010	\$1,167
80	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2018)

5. **Target Market:** Family and disabled
6. **Project Design:** Garden-style units in five (5) two-story, walk-up residential buildings together with a free-standing, 1,735 square-foot community building.

7. Original Year Built: Not Applicable

8. Projected Opening Date: May 2021

9. Unit Amenities:

- Electric Range
- Refrigerator
- Garbage Disposal
- Dishwasher
- Microwave
- Patio/Balcony
- Carpet & VCT Flooring
- Window Blinds
- Ceiling Fan
- Central Air Conditioning
- Washer/Dryer Appliances
- Exterior Storage Closet

10. Community Amenities:

- On-Site Management
- Clubhouse
- Business Center
- Wellness Center
- Playground
- Picnic Area
- Community Garden

11. Resident Services:

Not Applicable.

12. Utility Responsibility:

The cost of trash collection will be included in the rent, while tenants will be responsible for the following:

- General Electricity
- Electric Heat
- Cold Water
- Electric Water Heat
- Electric Cooking
- Sewer

13. Rental Assistance:

Not applicable.

14. Parking:

The subject site will offer 164 surface parking spaces.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

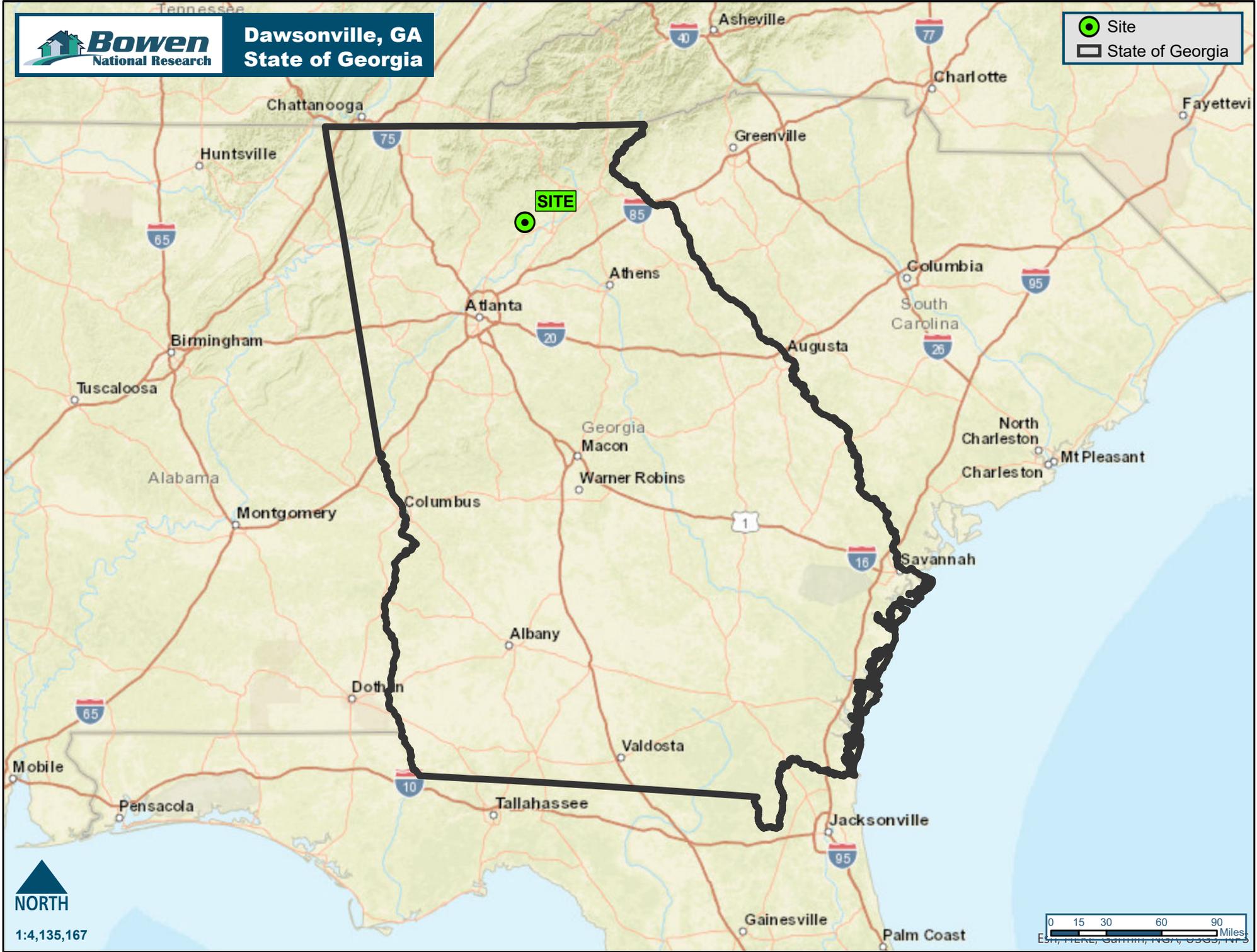
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area (2018)

A state map, area map and map illustrating the site neighborhood are on the following pages.



Dawsonville, GA State of Georgia

● Site
▭ State of Georgia



1:4,135,167

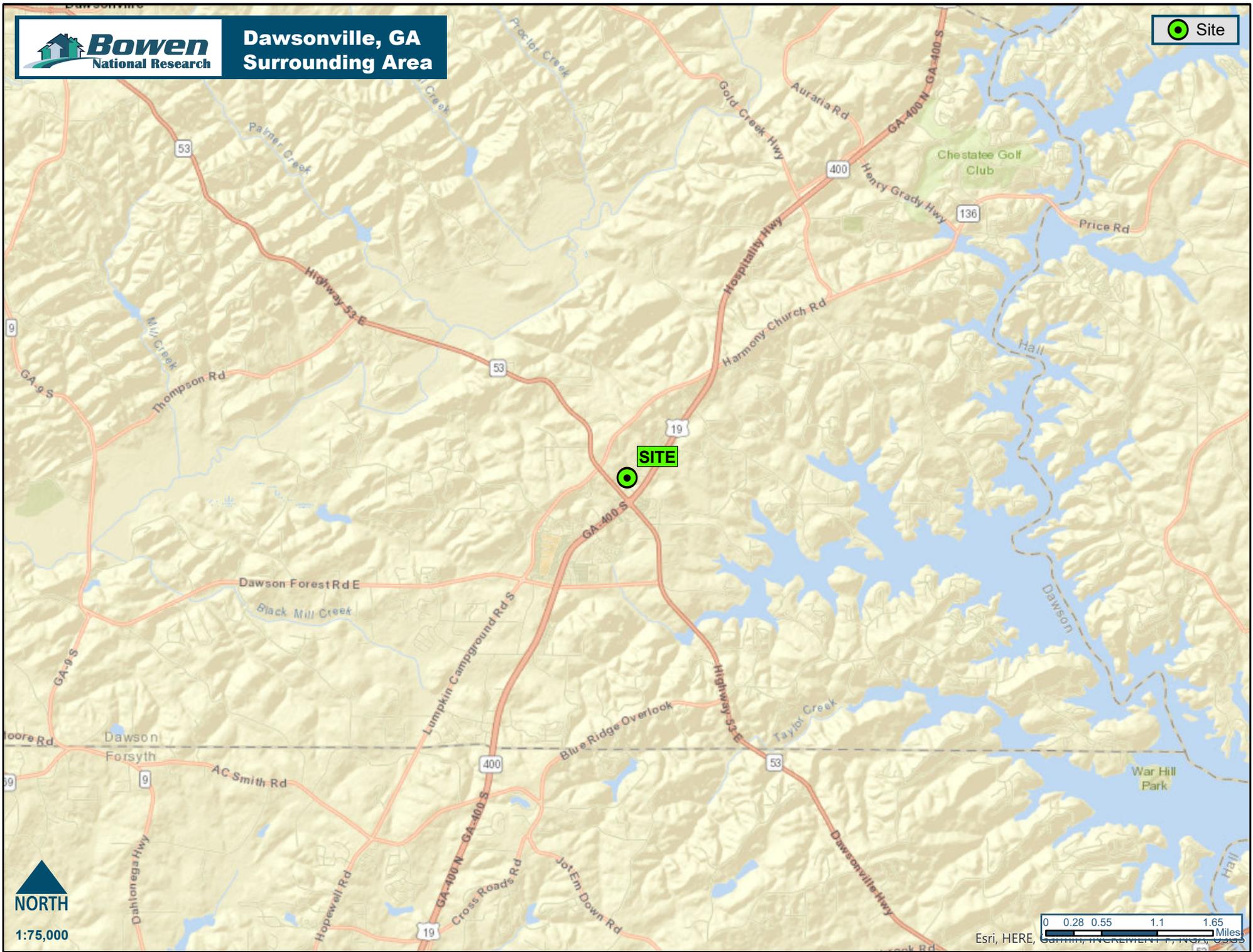


ESRI, HERE, Garmin, NAVI, USGS, FWS



Dawsonville, GA Surrounding Area

Site



1:75,000

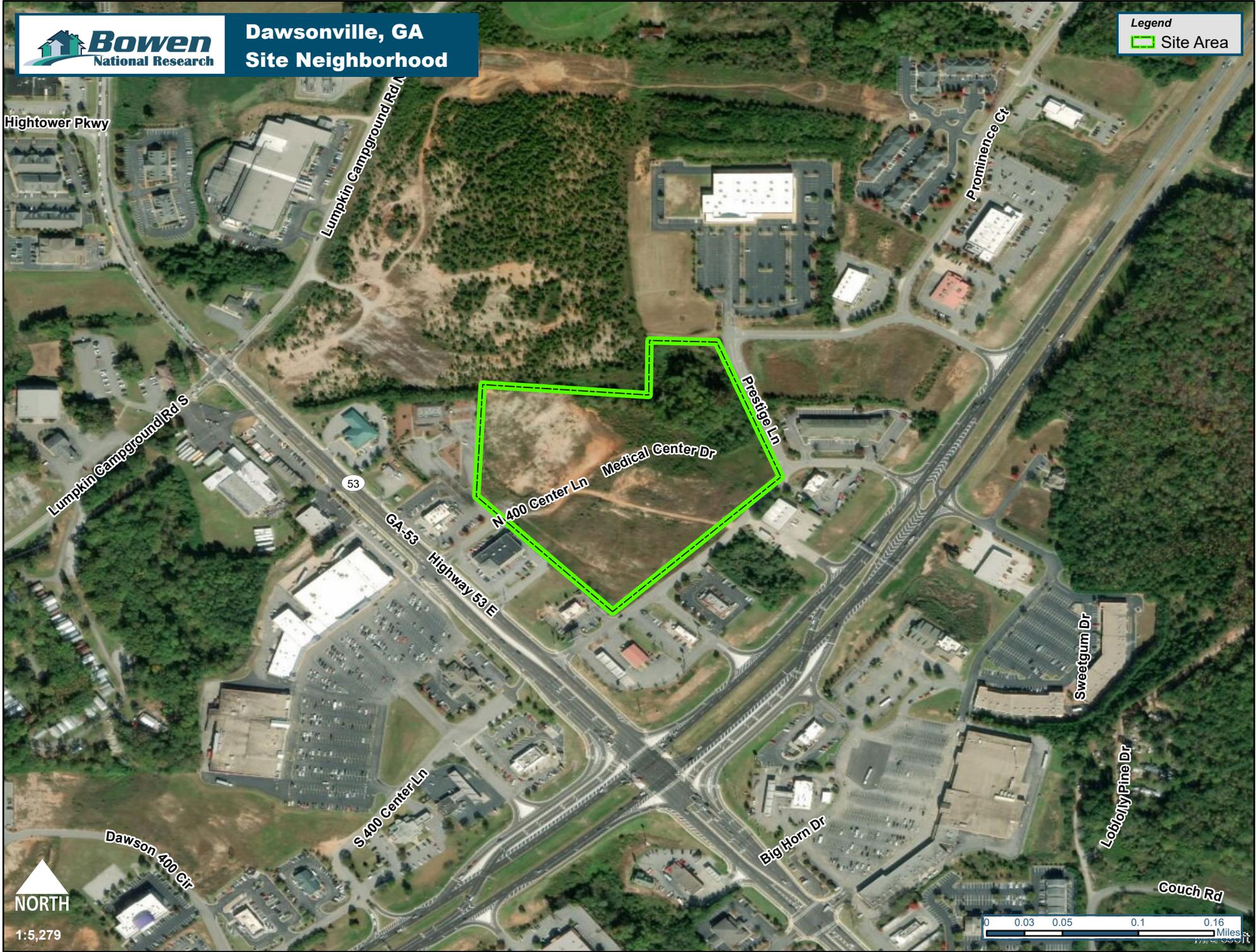


Esri, HERE, Garmin, INCREMENT P, NOAA, USGS

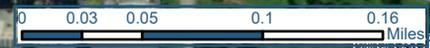


Dawsonville, GA Site Neighborhood

Legend
Site Area



1:5,279



Section C – Site Description And Evaluation

1. LOCATION

The proposed subject site is comprised of an undeveloped 14.2-acre parcel located at 65 North 400 Center Lane in the southeastern portion of Dawsonville, Georgia. Situated in Dawson County, Dawsonville is approximately 50.0 miles northeast of Atlanta, Georgia. Tammy Whited, an employee of Bowen National Research, inspected the proposed subject site and area apartments during the week of February 25, 2019.

2. SURROUNDING LAND USES

The proposed subject site is located within a partially developed area of Dawsonville, Georgia. Surrounding land uses generally include local businesses, area community services, undeveloped land and single-family homes. Adjacent land uses are detailed as follows:

North -	Vacant land defines the northern subject site boundary followed by a movie theatre. Extending farther north is primarily undeveloped land and single-family homes.
East -	Prestige Lane followed by a Super 8 motel define the eastern site boundary. Continuing east is U.S. Highway 19 and extending farther east is primarily undeveloped land and single-family homes.
South -	A gas station, restaurants and a CVS border the subject site to the south followed by U.S. Highway 53. Extending farther south/southeast is commercial development and undeveloped land.
West -	Undeveloped land defines the western site boundary followed by U.S. Highway 53. Extending farther west is a variety of local businesses and primarily commercial development including the Dawson 400 Shopping Center.

The commercial and residential structures surrounding the subject site were observed to be in satisfactory to good condition. These generally well-maintained structures should contribute to the overall marketability of the proposed subject development. Overall, the subject property is expected to fit well with the surrounding land uses and they should contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

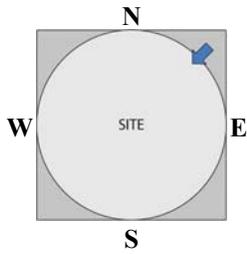
According to site plans provided at the time of this report, the proposed subject site will maintain frontage along North 400 Center Lane as well as Prestige Lane, both lightly traveled, two-lane roadways with clear lines of site in each direction. Visibility of the subject site is partially obstructed, however, due to the surrounding area services to the east and south, Thus, promotional (if not permanent) signage is recommended along the more heavily traveled surrounding arterials such as U.S.

Highway 19 to the east and/or State Route 53 to the south. This will help enhance awareness of the subject property, particularly during its initial lease-up period. Site plans provided at the time of this report indicate that the subject property will be provided two separate vehicular entrance points. The first of these points of entrance will be located on the eastern edge of the property along North 400 Center Lane while the second access point will be provided on the southwest side of the property and will essentially provide access from State Route 53 south of the site. Traffic patterns were observed to be light along North 400 Center Lane and moderate along State Route 53. North 400 Center Lane also provides direct access to State Route 53, an arterial roadway providing direct access to U.S. Highway 19 south of the site. Considering the light vehicular traffic patterns within the immediate site area and the subject's proximity to various arterial roadways, access to the subject site is considered good. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

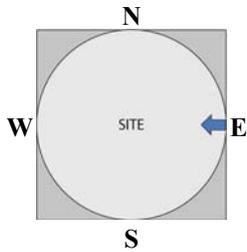
4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

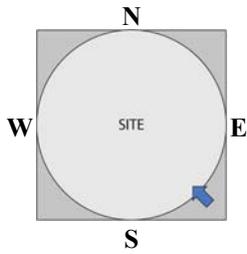
SITE PHOTOGRAPHS



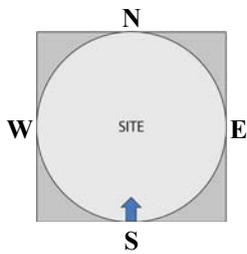
View of site from the northeast



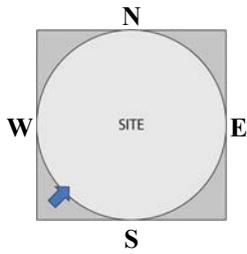
View of site from the east



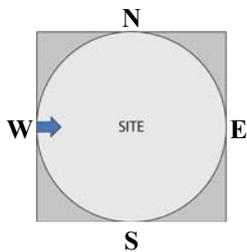
View of site from the southeast



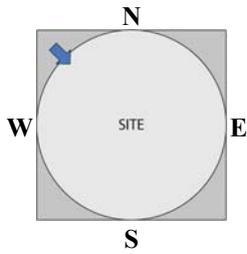
View of site from the south



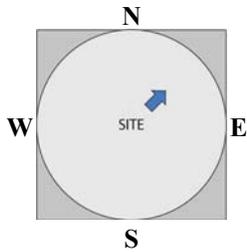
View of site from the southwest



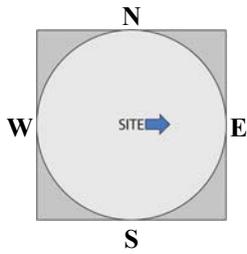
View of site from the west



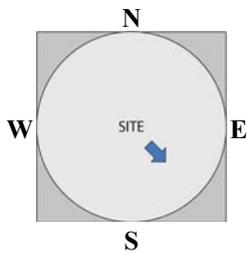
View of site from the northwest



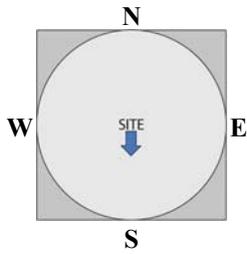
Northeast view from site



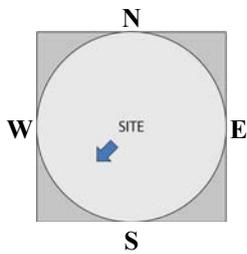
East view from site



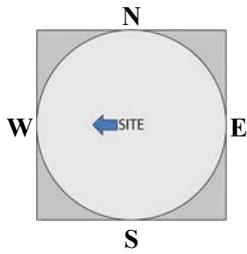
Southeast view from site



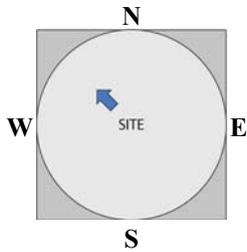
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape - Northeast view of Center Lane



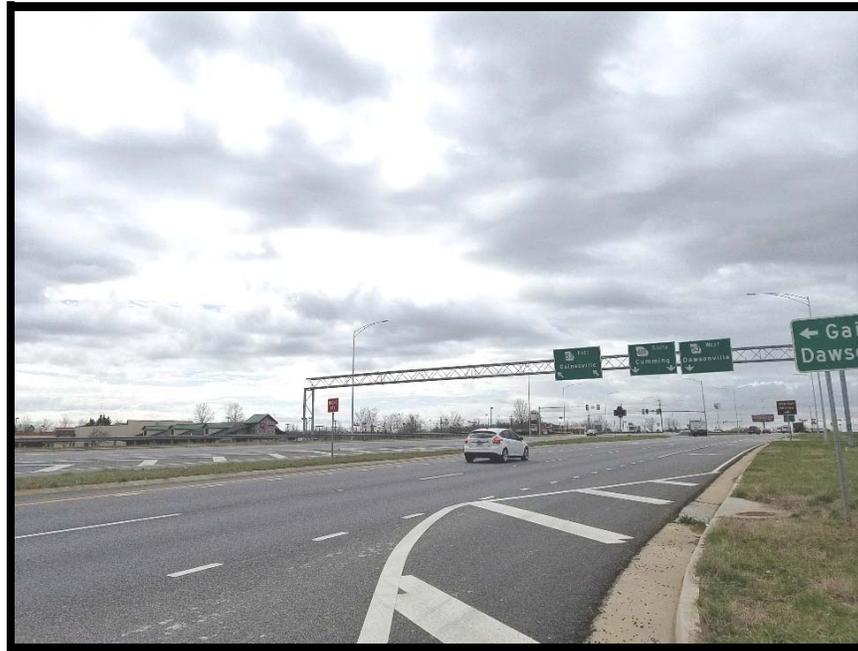
Streetscape - Southwest view of Center Lane



Streetscape - South view of State Route 53



Streetscape - North view of State Route 53



Streetscape - South view of U.S. Highway 19



Streetscape - North view of U.S. Highway 19



Streetscape - Prestige Lane

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 53	0.1 South
	U.S. Highway 19	0.2 South
Public Bus Stop	Dawson Transit	On-Demand
Major Employers/ Employment Centers	North Georgia Premium Outlets	0.8 Southwest
	Walmart Supercenter	1.2 Southwest
Convenience Store	Exxon Mobile	0.1 South
	Chevron Quick Mart	0.2 Southwest
	Shell	0.2 Southeast
Grocery	Ingles Market	0.4 Southwest
	Walmart Supercenter	1.2 Southwest
	Kroger	1.7 Southwest
Discount Department Store	Dollar General	0.3 Southwest
	Goodwill Thrift Store	0.4 West
	Walmart Supercenter	1.2 Southwest
Shopping Center/Mall	Dawson 400 Shopping Center	0.2 Southwest
	North Georgia Premium Outlets	0.8 Southwest
Schools: Elementary Middle/Junior High High	Kilough Elementary School	1.6 East
	Dawson County Middle School	5.0 West
	Dawson County High School	5.7 Northwest
Hospital	Medical Plaza 400	0.4 Northeast
	Northside Family Medicine & Urgent Care	0.6 Southwest
	Chestatee Regional Hospital	13.4 Northeast
Police	Dawson County Sheriff	6.9 Northwest
Fire	Dawson Fire Department	6.6 Northwest
Post Office	U.S. Post Office	7.0 Northwest
Bank	United Community Bank	0.1 Southwest
	BB&T	0.2 Southwest
	Regions Bank	0.2 West
Recreational Facilities	Dawson 400 Cinema	0.2 Northwest
	Anytime Fitness	0.2 Northeast
Senior Center	Dawson County Senior Citizens	9.5 Northwest
Gas Station	Exxon Mobile	0.1 South
	Chevron Quick Mart	0.2 Southwest
	Shell	0.2 Southeast
Pharmacy	CVS Pharmacy	0.1 Southwest
	Rite Aid	0.6 South
	Rite Aid	2.3 East
Restaurant	Dairy Queen	0.1 Southwest
	El Jinete Mexican Restaurant	0.1 East
	Krystal	0.1 South
	Waffle House	0.1 South
	Burger King	0.2 West
	McDonald's	0.2 South

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Day Care	Dawson Learning Center	0.7 Northwest
	Discovery Point Child Development	0.4 Northeast
	White Oak Learning Academy	0.9 West
Library	Dawson County Library	6.3 Northwest
Church	Bethel United Methodist	0.5 West
	Christ Fellowship Church	0.7 Northwest
	Harbor Worship Center	0.8 Northwest

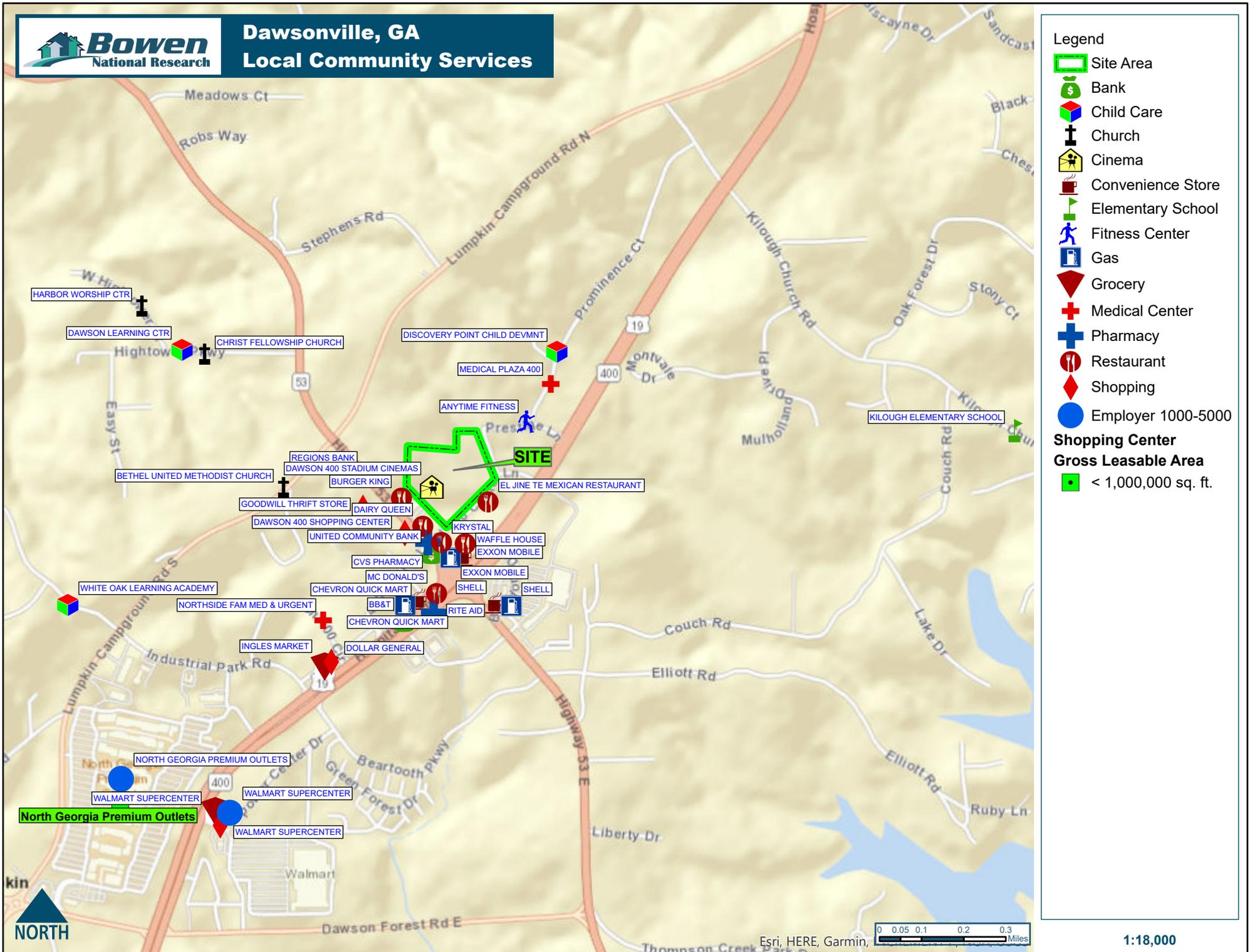
The proposed subject site is located within proximity of numerous area services, many of which are located within 1.0 mile of the subject site, as illustrated in the preceding table. These nearby services are easily accessible from the subject site given the subject's proximity to arterial roadways such as State Route 53 and U.S. Highway 19 which provide access throughout the immediate site area. It is also of note that while most basic community services are located within a short drive of the subject site, many are also accessible via on demand public transportation through Dawson Transit, available Monday through Saturday at a nominal cost to residents of Dawson County. This should enhance marketability of the proposed subject development within the Dawsonville market.

The subject site is within the Dawson County School District and all applicable attendance schools are located within 5.7 miles of the subject site. Public safety services are provided by the Dawson County Sheriff and the Dawson Fire Department which are located within 6.9 miles of the site. Chestatee Regional Hospital is the nearest major hospital and is within 13.4 miles of the subject site. However, multiple general medical practices/services are located within 1.0 mile of the site.

Maps illustrating the location of community services are on the following pages.



Dawsonville, GA Local Community Services

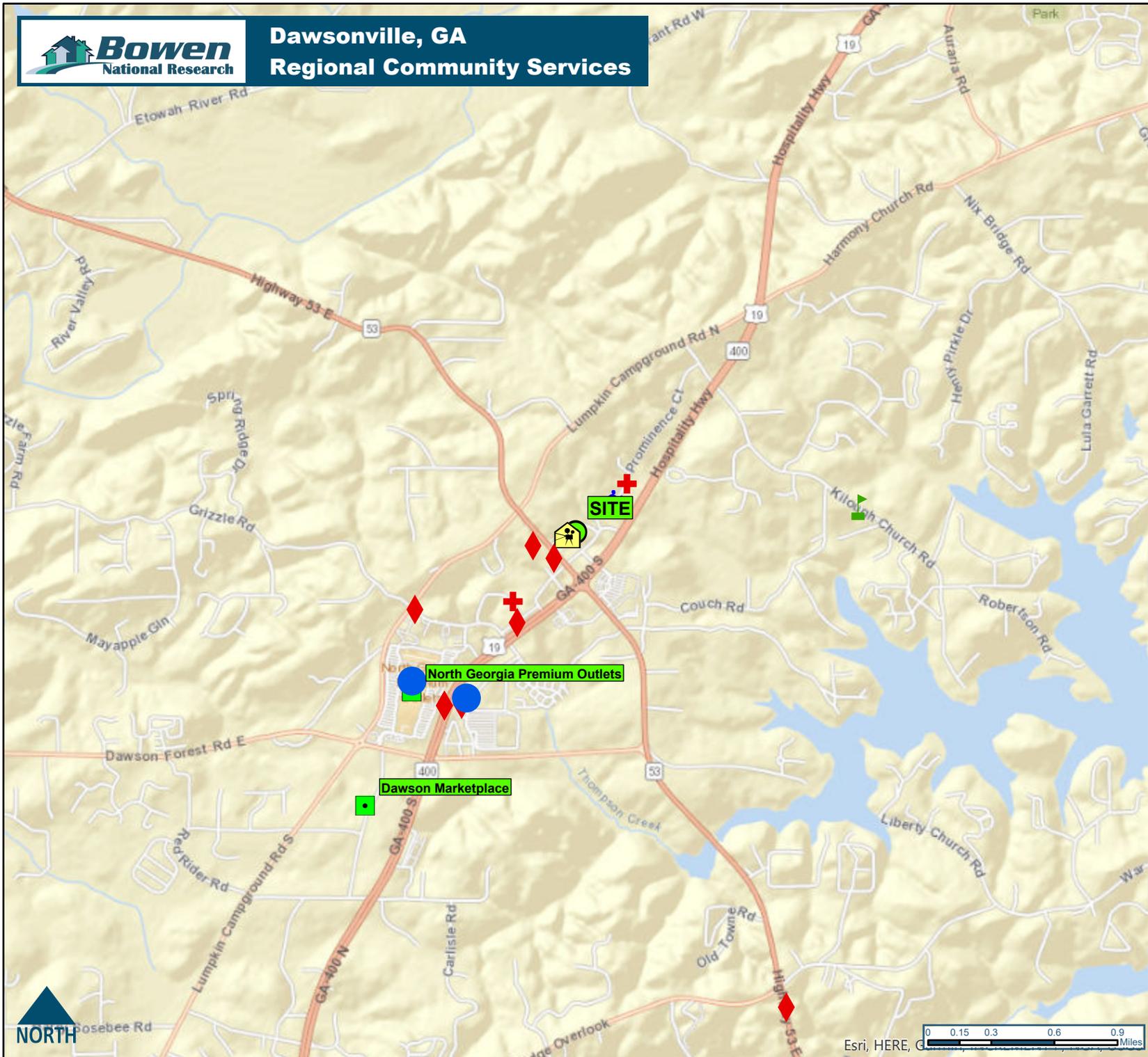


- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Cinema
 - Convenience Store
 - Elementary School
 - Fitness Center
 - Gas
 - Grocery
 - Medical Center
 - Pharmacy
 - Restaurant
 - Shopping
 - Employer 1000-5000
- Shopping Center
Gross Leasable Area**
- < 1,000,000 sq. ft.



1:18,000

Esri, HERE, Garmin,



Legend

- Site
- Cinema
- Elementary School
- Fitness Center
- Medical Center
- Shopping
- Employer 1000-5000

Shopping Center
Gross Leasable Area

- < 1,000,000 sq. ft.



6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk for the Site ZIP Code is 110, with an overall personal crime index of 62 and a property crime index of 117. Total crime risk for Dawson County is 115, with indexes for personal and property crime of 68 and 122, respectively.

	Crime Risk Index	
	Site ZIP Code	Dawson County
Total Crime	110	115
Personal Crime	62	68
Murder	60	72
Rape	103	108
Robbery	38	47
Assault	66	71
Property Crime	117	122
Burglary	113	117
Larceny	120	125
Motor Vehicle Theft	105	108

Source: Applied Geographic Solutions

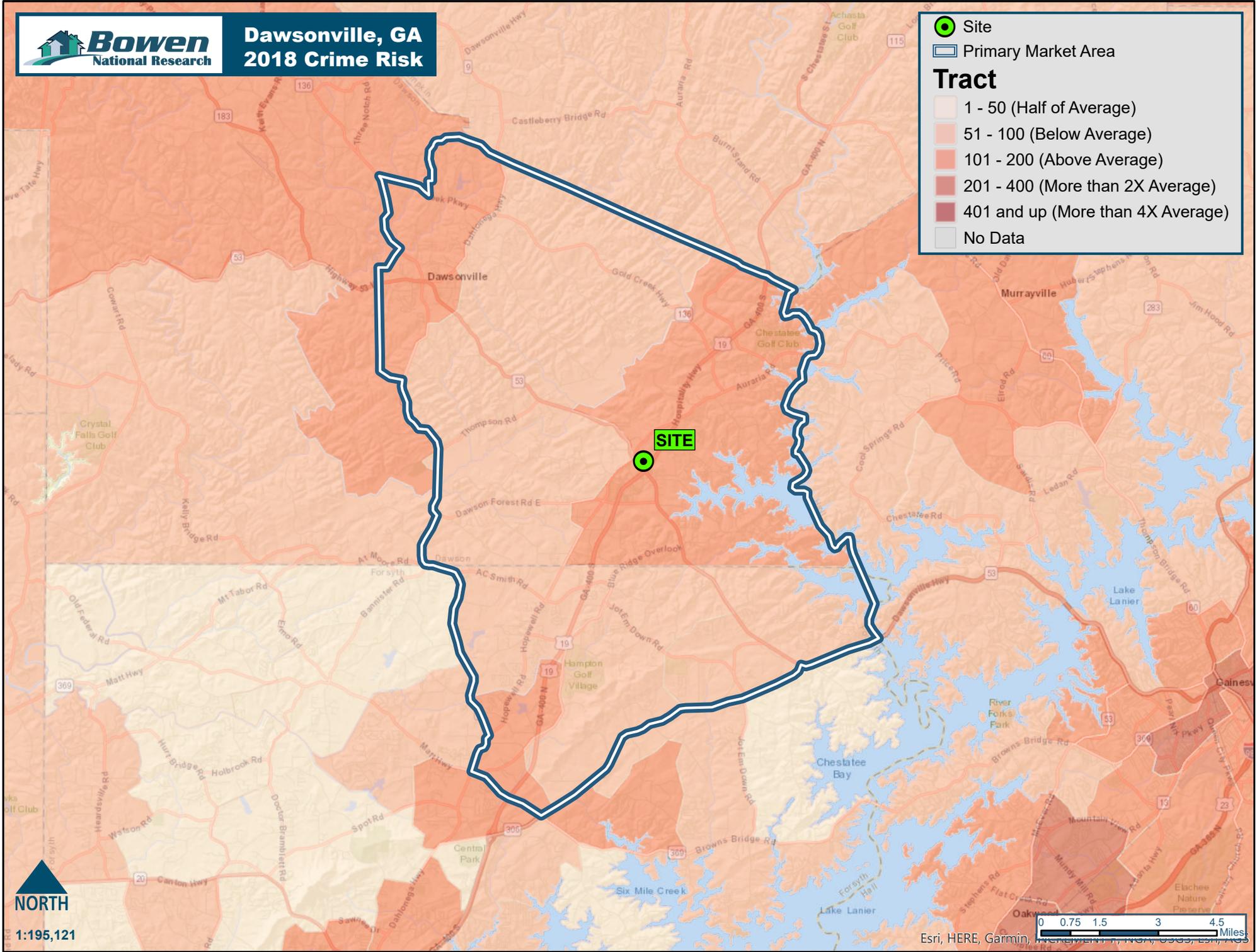
The crime risk index for the Site ZIP Code (110) is slightly lower than that reported for Dawson County as a whole (115) and is very similar to the national average of 100. This is a good indication that there is likely a low perception of crime within the Dawsonville market. Crime is not expected to be a factor which negatively impacts marketability of the subject project.

A map illustrating crime risk is on the following page.

-  Site
-  Primary Market Area

Tract

-  1 - 50 (Half of Average)
-  51 - 100 (Below Average)
-  101 - 200 (Above Average)
-  201 - 400 (More than 2X Average)
-  401 and up (More than 4X Average)
-  No Data



NORTH
1:195,121



7. OVERALL SITE EVALUATION

The subject site is situated within a mixed-use and good quality area of Dawsonville. The subject property is expected to fit well with and benefit from the well-maintained surrounding land uses. The subject site is clearly visible and easily accessible from North 400 Center Lane, a lightly traveled roadway bordering the site to the east and providing direct access to and from State Route 53 south of the site. Due to the location of existing surrounding structures to the east and south, promotional signage is recommended along State Route 53 south of the subject site. This will help enhance awareness of the property, particularly during its initial lease-up period. Most area services are located within 1.0 mile of the site and are easily accessible due to the subject's proximity to State Route 53 and U.S. Highway 19. Based on the preceding factors, the proposed subject site location is considered conducive to affordable multifamily rental product such as that proposed and is expected to have a positive impact on the subject's overall marketability.

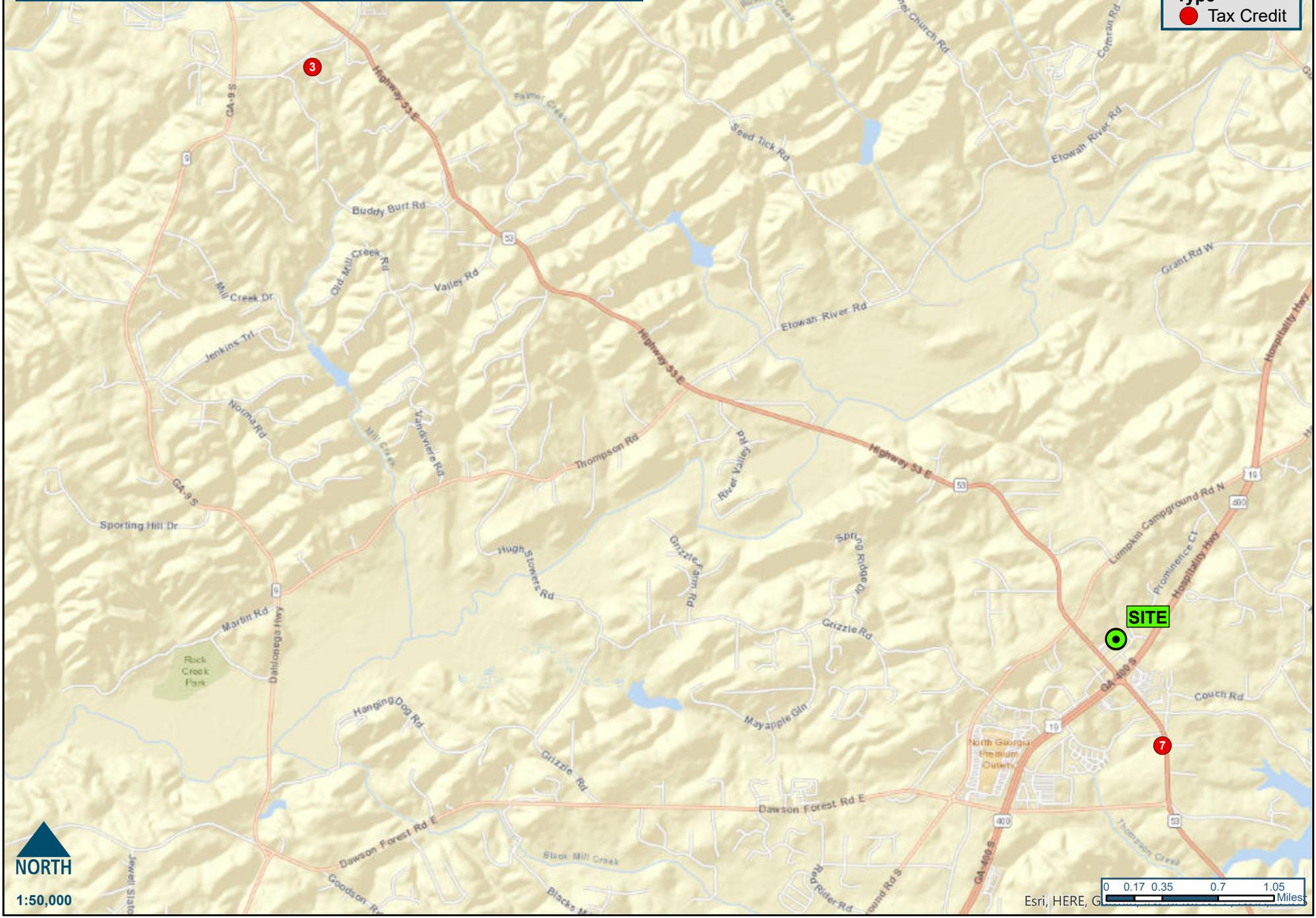
8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

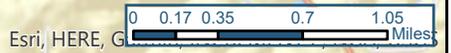


Dawsonville, GA Low-Income Property Locations

- Site
- Apartments
- Type
- Tax Credit



1:50,000



Esri, HERE, G

Section D – Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Dawsonville Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Primary Market Area (PMA) includes the municipalities, or portions, of Dawsonville, Chestatee, Coal Mountain, and Silver City, as well as some surrounding unincorporated portions of Dawson and Forsyth counties. The boundaries of the Site PMA include State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west.

The following are summaries of interviews conducted with various area sources that helped to confirm the boundaries of the Site PMA:

- Valarie Cowart, Leasing Specialist at Dawson Forest, a market-rate community located in the Site PMA stated that she notices that most of the tenants she gets are moving from the Dawsonville and Cumming areas. Ms. Cowart confirmed the boundaries of the Site PMA.
- Barbara Tolson is the Property Manager for Farmington Woods, a general-occupancy Tax Credit property within the Site PMA. Ms. Tolson agreed with the boundaries of the Site PMA and explained that this area encompasses the areas from which she has received the majority of support for her property.

We recognize that the subject project will likely receive some support from areas outside the Site PMA. However, this potential base of support is anticipated to be minimal. Areas north and west of the Site PMA are generally rural, less populated and/or comprised of low shares of renter households, which will result in minimal support from these areas. Potential out-of-market support for the subject project is more likely to originate from areas east and south of the Site PMA, as these areas are more developed and thus more densely populated than areas north and west of the Site PMA. These areas are, however, generally comprised of higher-income households as compared to areas within the Site PMA. These areas are also more developed and thus offer a larger variety of services, housing alternatives, and employment opportunities as compared to areas comprised within the Site PMA. Lake Lanier also serves as a natural boundary to the east of the Dawsonville market and limits access to and from areas farther east such as the Gainesville area. Areas south of the Site PMA are closer

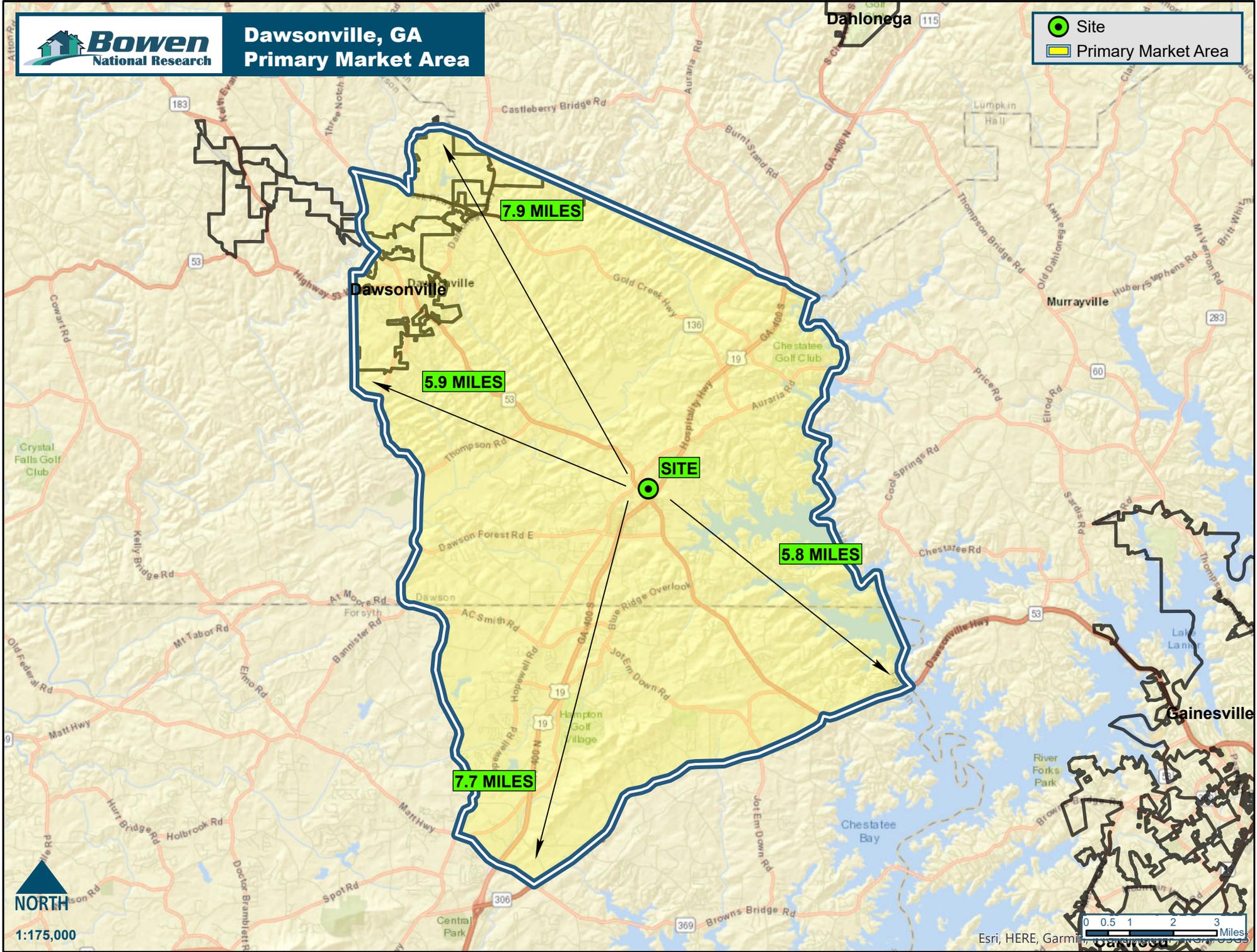
to the Alpharetta and Greater Atlanta area(s) as compared to the generally more rural areas comprised within the Site PMA. Areas outside the Site PMA are also generally beyond a 15-minute drive from the subject site. Due to the preceding factors, we expect minimal support from areas outside the Site PMA and that the subject project will derive the majority of its support from within the Site PMA boundaries.

A map delineating the boundaries of the Site PMA is included on the following page.



Dawsonville, GA Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:175,000



Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2019 (estimated) and 2021 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2021 (Projected)
Population	17,293	28,029	34,673	36,536
Population Change	-	10,736	6,644	1,863
Percent Change	-	62.1%	23.7%	5.4%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Dawsonville Site PMA population base increased by 10,736 between 2000 and 2010. This represents a 62.1% increase over the 2000 population, or an annual rate of 4.9%. Between 2010 and 2019, the population increased by 6,644, or 23.7%. It is projected that the population will increase by 1,863, or 5.4%, between 2019 and 2021.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,981	28.5%	9,129	26.3%	9,587	26.2%	458	5.0%
20 to 24	1,602	5.7%	1,796	5.2%	1,807	4.9%	12	0.6%
25 to 34	3,495	12.5%	4,490	13.0%	4,637	12.7%	146	3.3%
35 to 44	4,415	15.8%	4,841	14.0%	5,216	14.3%	375	7.7%
45 to 54	4,125	14.7%	4,880	14.1%	4,968	13.6%	88	1.8%
55 to 64	3,373	12.0%	4,379	12.6%	4,603	12.6%	224	5.1%
65 to 74	2,014	7.2%	3,298	9.5%	3,535	9.7%	237	7.2%
75 & Over	1,024	3.7%	1,860	5.4%	2,183	6.0%	323	17.4%
Total	28,029	100.0%	34,673	100.0%	36,536	100.0%	1,863	5.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 54% of the population is expected to be between 25 and 64 years old in 2019. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Dawsonville Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2021 (Projected)
Households	6,394	10,075	12,447	13,101
Household Change	-	3,681	2,372	654
Percent Change	-	57.6%	23.5%	5.3%
Household Size	2.70	2.78	2.78	2.78

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Dawsonville Site PMA, households increased by 3,681 (57.6%) between 2000 and 2010. Between 2010 and 2019, households increased by 2,372 or 23.5%. By 2021, there will be 13,101 households, an increase of 654 households, or 5.3% over 2019 levels. This is an increase of approximately 327 households annually over the next two years.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	310	3.1%	338	2.7%	349	2.7%	11	3.2%
25 to 34	1,451	14.4%	1,836	14.8%	1,886	14.4%	50	2.7%
35 to 44	2,252	22.4%	2,406	19.3%	2,575	19.7%	169	7.0%
45 to 54	2,231	22.1%	2,541	20.4%	2,568	19.6%	26	1.0%
55 to 64	1,902	18.9%	2,333	18.7%	2,430	18.6%	98	4.2%
65 to 74	1,264	12.5%	1,882	15.1%	2,001	15.3%	119	6.3%
75 to 84	552	5.5%	929	7.5%	1,081	8.3%	152	16.4%
85 & Over	113	1.1%	181	1.5%	210	1.6%	30	16.4%
Total	10,075	100.0%	12,447	100.0%	13,101	100.0%	654	5.3%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Household growth is projected among all age cohorts between 2019 and 2021, a good indication demand for both family- and senior-oriented housing alternatives will increase during this time period. Notably, the 35 to 44 age cohort will experience the greatest household growth during this time period, in terms of total households.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,173	81.1%	10,155	81.6%	10,794	82.4%
Renter-Occupied	1,902	18.9%	2,292	18.4%	2,307	17.6%
Total	10,075	100.0%	12,447	100.0%	13,101	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2019, homeowners occupied 81.6% of all occupied housing units, while the remaining 18.4% were occupied by renters. The share of renters is relatively low and indicates that this market is predominantly comprised of owner-occupied households. Nonetheless, the number of renter households is projected to increase slightly between 2019 and 2021 and more than 2,300 renter households will exist in 2021.

The household sizes by tenure within the Site PMA, based on the 2019 estimates and 2021 projections, were distributed as follows:

Persons Per Renter Household	2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Households	Percent	Households	Percent	Households	Percent
1 Person	808	35.3%	814	35.3%	7	0.8%
2 Persons	626	27.3%	630	27.3%	4	0.6%
3 Persons	430	18.8%	439	19.0%	9	2.2%
4 Persons	219	9.6%	217	9.4%	-3	-1.3%
5 Persons+	208	9.1%	207	9.0%	-2	-0.8%
Total	2,292	100.0%	2,307	100.0%	15	0.7%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,292	22.6%	2,430	22.5%	138	6.0%
2 Persons	4,858	47.8%	5,184	48.0%	326	6.7%
3 Persons	1,439	14.2%	1,530	14.2%	91	6.3%
4 Persons	987	9.7%	1,037	9.6%	50	5.0%
5 Persons+	582	5.7%	614	5.7%	33	5.6%
Total	10,158	100.0%	10,795	100.0%	638	6.3%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The one- through three-bedroom units proposed for the subject site will allow the property to accommodate up to five-person households. As such, the subject project will appeal to a wide range of household sizes which will contribute to the subject's overall marketability within the Dawsonville Site PMA.

The distribution of households by income within the Dawsonville Site PMA is summarized as follows:

Household Income	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	620	6.2%	448	3.6%	455	3.5%
\$10,000 to \$19,999	903	9.0%	879	7.1%	912	7.0%
\$20,000 to \$29,999	988	9.8%	982	7.9%	996	7.6%
\$30,000 to \$39,999	981	9.7%	1,083	8.7%	1,115	8.5%
\$40,000 to \$49,999	1,074	10.7%	1,079	8.7%	1,128	8.6%
\$50,000 to \$59,999	945	9.4%	1,141	9.2%	1,210	9.2%
\$60,000 to \$74,999	1,308	13.0%	1,384	11.1%	1,429	10.9%
\$75,000 to \$99,999	1,334	13.2%	1,812	14.6%	1,901	14.5%
\$100,000 to \$124,999	736	7.3%	1,476	11.9%	1,602	12.2%
\$125,000 to \$149,999	420	4.2%	650	5.2%	681	5.2%
\$150,000 to \$199,999	431	4.3%	783	6.3%	848	6.5%
\$200,000 & Over	335	3.3%	734	5.9%	825	6.3%
Total	10,075	100.0%	12,449	100.0%	13,102	100.0%
Median Income	\$54,989		\$66,644		\$67,710	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$54,989. This increased by 21.2% to \$66,644 in 2019. By 2021, it is projected that the median household income will be \$67,710, an increase of 1.6% over 2019.

The following tables illustrate renter household income by household size for 2010, 2019 and 2021 for the Dawsonville Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	89	64	37	29	27	246
\$10,000 to \$19,999	127	83	48	38	35	331
\$20,000 to \$29,999	110	80	46	37	33	306
\$30,000 to \$39,999	78	65	37	30	27	237
\$40,000 to \$49,999	70	64	37	29	27	226
\$50,000 to \$59,999	47	42	24	19	18	150
\$60,000 to \$74,999	63	59	34	27	25	208
\$75,000 to \$99,999	36	34	19	15	14	119
\$100,000 to \$124,999	14	13	7	6	5	46
\$125,000 to \$149,999	8	7	4	3	3	26
\$150,000 to \$199,999	1	1	1	1	0	4
\$200,000 & Over	1	1	1	0	0	3
Total	646	513	294	235	214	1,902

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	79	54	37	19	18	208
\$10,000 to \$19,999	160	88	61	31	29	369
\$20,000 to \$29,999	121	90	62	32	30	334
\$30,000 to \$39,999	101	83	57	29	28	298
\$40,000 to \$49,999	81	71	49	25	24	249
\$50,000 to \$59,999	56	50	34	18	17	175
\$60,000 to \$74,999	69	61	42	21	20	213
\$75,000 to \$99,999	59	53	36	19	18	185
\$100,000 to \$124,999	29	27	18	9	9	92
\$125,000 to \$149,999	13	12	8	4	4	41
\$150,000 to \$199,999	21	19	13	7	6	65
\$200,000 & Over	20	18	12	6	6	63
Total	808	626	430	219	208	2,292

Source: ESRI; Urban Decision Group

Renter Households	2021 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	78	54	37	19	18	205
\$10,000 to \$19,999	160	88	61	30	29	369
\$20,000 to \$29,999	116	86	60	30	28	320
\$30,000 to \$39,999	98	81	56	28	27	289
\$40,000 to \$49,999	79	69	48	24	23	242
\$50,000 to \$59,999	53	47	33	16	16	166
\$60,000 to \$74,999	64	56	39	19	18	196
\$75,000 to \$99,999	57	51	36	18	17	178
\$100,000 to \$124,999	28	26	18	9	8	89
\$125,000 to \$149,999	12	11	8	4	4	38
\$150,000 to \$199,999	35	31	22	10	10	108
\$200,000 & Over	35	30	21	10	10	107
Total	814	630	439	217	207	2,307

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

Demographic Summary

Demographic trends within the Dawsonville Site PMA are projected to be positive between 2019 and 2021, both in terms of total population and households. Household growth is projected to occur among all age cohorts, with the greatest growth projected for the 35 to 44 age cohort during this time period. The Dawsonville market is predominantly owner-occupied households, as renter households comprise less than 20.0% of the overall household base. However, the number of renter households is projected to increase slightly between 2019 and 2021 and more than 2,300 renter households are projected for the Site PMA in 2021. More than two-thirds (36.9%) of all renter households are projected to earn between \$20,000 and \$50,000 in 2021. Based on the preceding factors, a good base of potential support for affordable rental product such as that proposed for the subject site exists within the Site PMA.

Section F – Economic Trends

1. LABOR FORCE PROFILE

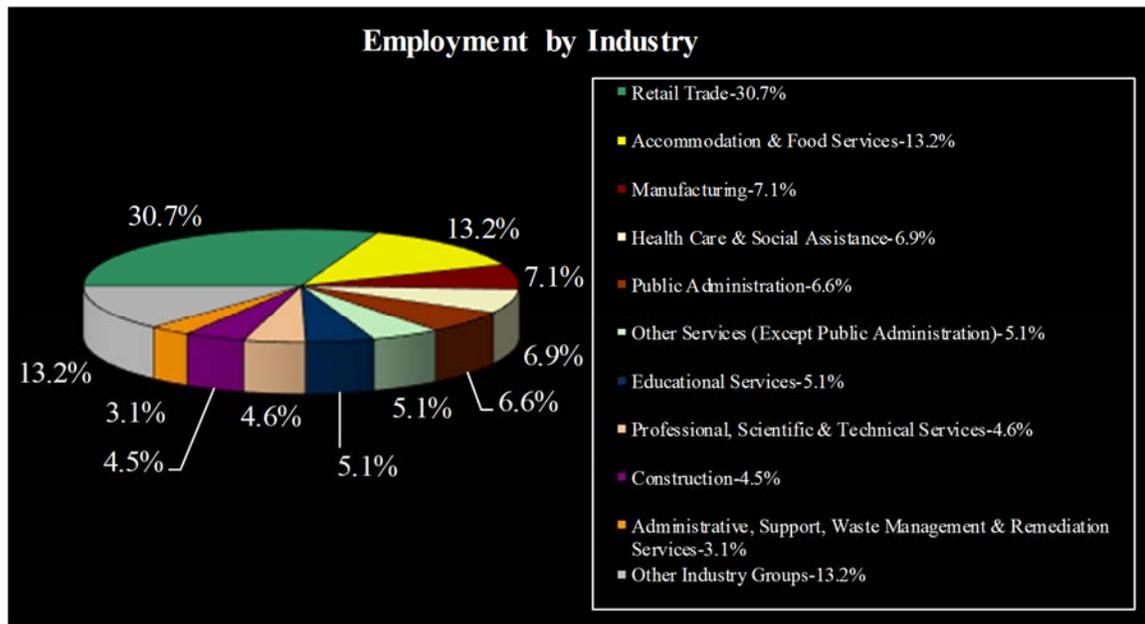
The labor force within the Dawsonville Site PMA is based primarily in two sectors. Retail Trade (which comprises 30.7%) and Accommodation & Food Services comprise nearly 44% of the Site PMA labor force. Employment in the Dawsonville Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.5%	25	0.2%	4.2
Mining	0	0.0%	0	0.0%	0.0
Utilities	3	0.2%	29	0.3%	9.7
Construction	105	8.3%	484	4.5%	4.6
Manufacturing	47	3.7%	764	7.1%	16.3
Wholesale Trade	29	2.3%	260	2.4%	9.0
Retail Trade	278	22.0%	3,294	30.7%	11.8
Transportation & Warehousing	15	1.2%	186	1.7%	12.4
Information	17	1.3%	136	1.3%	8.0
Finance & Insurance	49	3.9%	229	2.1%	4.7
Real Estate & Rental & Leasing	76	6.0%	224	2.1%	2.9
Professional, Scientific & Technical Services	84	6.7%	491	4.6%	5.8
Management of Companies & Enterprises	1	0.1%	2	0.0%	2.0
Administrative, Support, Waste Management & Remediation Services	57	4.5%	330	3.1%	5.8
Educational Services	26	2.1%	547	5.1%	21.0
Health Care & Social Assistance	86	6.8%	743	6.9%	8.6
Arts, Entertainment & Recreation	33	2.6%	295	2.7%	8.9
Accommodation & Food Services	79	6.3%	1,417	13.2%	17.9
Other Services (Except Public Administration)	140	11.1%	551	5.1%	3.9
Public Administration	64	5.1%	707	6.6%	11.0
Nonclassifiable	66	5.2%	28	0.3%	0.4
Total	1,261	100.0%	10,742	100.0%	8.5

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Atlanta-Sandy Springs-Roswell MSA	Georgia
Management Occupations	\$124,820	\$116,180
Business and Financial Occupations	\$75,130	\$71,950
Computer and Mathematical Occupations	\$88,440	\$85,890
Architecture and Engineering Occupations	\$80,600	\$79,150
Community and Social Service Occupations	\$50,470	\$46,610
Art, Design, Entertainment and Sports Medicine Occupations	\$54,830	\$53,840
Healthcare Practitioners and Technical Occupations	\$79,910	\$75,250
Healthcare Support Occupations	\$31,320	\$29,550
Protective Service Occupations	\$39,780	\$38,160
Food Preparation and Serving Related Occupations	\$21,110	\$20,850
Building and Grounds Cleaning and Maintenance Occupations	\$27,140	\$25,830
Personal Care and Service Occupations	\$26,690	\$25,700
Sales and Related Occupations	\$40,110	\$36,940
Office and Administrative Support Occupations	\$37,890	\$35,920
Construction and Extraction Occupations	\$44,180	\$41,690
Installation, Maintenance and Repair Occupations	\$47,420	\$45,380
Production Occupations	\$35,290	\$34,330
Transportation and Moving Occupations	\$36,390	\$34,690

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$21,110 to \$54,830 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$89,780. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have slightly higher typical wages than the state of Georgia's typical wages. Nonetheless, the proposed project will generally target households with incomes between \$20,000 and \$50,000. As such, the area employment base appears to have a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest employers within the Dawsonville area comprise a total of 2,651 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
North Georgia Premium Outlets	Retail	1,100
Gold Creek Foods, LLC	Produce Wholesaler	317
BTD Manufacturing	Metal Fabricator	250
Kroger	Grocer	232
Walmart	Department Store	221
Fort Dearborn	Commercial Printer	114
Publix	Grocer	98
Home Depot	Home Improvement	94
Ingles	Grocer	85
Premier Surplus	Recycling Center	70
Mesh Engineering	Machining Manufacturer	70
Total		2,651

Source: Dawson County Chamber of Commerce, January 2019

According to a representative with the Development Authority of Dawson County, the Dawson County economy is growing quickly and is very vibrant. There are a lot of new businesses opening and a lot of residential and commercial construction. Growth is on an upward trajectory, especially in the southern part of the city around the Georgia State Route 400 corridor. The entire county is positively impacted by the area's numerous universities and colleges that provide an ongoing labor pool of educated workers. The continuous flow has sheltered the area from the workforce shortage facing many cities.

The following table summarizes some recent and notable economic development activity within the Dawson County area:

Economic Development Activity			
Project Name/Location	Investment	Job Creation	Scope of Work/Details
Abba House Restaurant and Venue 336 State Route 9 Dawsonville	N/A	N/A	Opened a new event venue and restaurant in March 2019 that will help support the Abba House residential treatment facility for women and their children.
America's Best Contacts & Eyeglasses 534 Marketplace Parkway Dawsonville	N/A	N/A	Opened a new location at the Kroger Marketplace Shopping Center in 2018
Beall's Outlet 534 Marketplace Parkway Dawsonville	N/A	N/A	Clothing outlet store; opened in the Kroger Marketplace Shopping Center in March 2018
Buffalo Wild Wings 140 Crossroads Boulevard Dawsonville	\$2,100,000	N/A	Opened February 2019
Burlington Coat Factory 534 Marketplace Parkway Dawsonville	N/A	50 to 100	New retail location with 40,000 square feet opened in Spring 2018.
The Carriage Venue 348 State Route 9 South Dawsonville	N/A	N/A	A 4,000 square foot venue to cater special events; restaurant and catering opened in March of 2019.
Crave Hot Dogs and BBQ	N/A	N/A	Opened October 2018
Dawson Nails and Beyond	N/A	N/A	Opened October 2018
Dollar Tree 534 Marketplace Parkway Dawsonville	\$881,000	N/A	Opened January 2019
Express Oil Change & Tire Engineers	N/A	N/A	Built new facility next to Dunkin' Donuts
Extreme Car Wash	N/A	N/A	Expected to be built behind the Verizon store.
Giorgio's Italian Restaurant	N/A	N/A	Opened in 2018 next to Northside Family Medicine and Urgent Care
Holiday Inn Express State Route 400 & Carlisle Road	N/A	N/A	A 94-room hotel in the pipeline. ECD fall of 2019.
Home Goods 534 Marketplace Parkway Dawsonville	N/A	N/A	Opened in the Kroger Marketplace Shopping Center in 2018
Home Helpers	N/A	N/A	Opened January 2019
Lift Salon	N/A	N/A	Opened March 2019
Magnolia Senior Living 89 Ozora Road Loganville	\$5,500,000	N/A	Opened March 2018
Planet Fitness 78 Dawson Village Way Dawsonville	\$20,000,000	N/A	Opened January 2019
Poke Bowl	N/A	N/A	Asian restaurant opened in 2018 at the Publix Shopping Center and Dawson Crossroads.

ECD – Estimated Completion Date

N/A- Not Available

(Continued)

Economic Development Activity			
Project Name/Location	Investment	Job Creation	Scope of Work/Details
Restoration Hardware Outlet 534 Marketplace Parkway Dawsonville	N/A	N/A	Opened in the Kroger Marketplace Shopping Center in 2018
Signature Nails & Spa 534 Marketplace Parkway Dawsonville	N/A	N/A	Opened in the Kroger Marketplace Shopping Center in 2018
Torrid	N/A	N/A	New clothing store that opened in October 2018
Wendy's 534 Marketplace Parkway Dawsonville	N/A	N/A	Opened in the Kroger Marketplace Shopping Center in 2018

ECD – Estimated Completion Date

N/A- Not Available

In addition to the preceding economic development activity, the following are summaries of some recently proposed projects in the development pipeline within the Dawson County area.

- In March 2019, a large mixed-use development, Etowah Village, to be located along State Route 400 and Lumpkin Campground Road, was proposed by Wakefield Beasley & Associates. The development will center around a traditional Chinese Garden with retail, office and apartment space. The concept plan includes a luxury hotel and conference center, a performing arts center and an Asian garden. The project proposes 2,727 housing units, a 350-unit continuing care retirement community, single-family housing, and a park. This project, if it moves forward, is estimated to cost around \$600 million and could take up to 10 years to complete construction.
- A proposed mixed-use residential subdivision along State Route 9 and Perimeter Road near JC Burt Road, is being planned by Fall Leaf Residential development. The development is expected to include 102 homes which were approved by the Dawsonville planning commission in January 2019.

Infrastructure Projects

The following summarizes some infrastructure projects within the Dawson County area:

Infrastructure Projects			
Project Name	Scope of Work	Status	Investment
Roundabout at the intersection of Highway 53 and Highway 183	Construction of a new roundabout	Construction to begin April 2019 and ECD by the end of 2019	\$250,000
Roundabout at Dawson Forest Road and Highway 9 South	Replacing two traditional four-way intersections with two roundabouts	Construction expected to begin in July 2019 and continue through summer 2021.	\$4.7 million
Roundabout at Highway 52 and Highway 183	Construction of a new roundabout	ECD Spring 2020	N/A
Lumpkin Campground Road	Expansion and improvement. Install turn lanes and add two additional lanes.	ECD Spring 2019	N/A
Black's Mill Road Bridge	Replace a one-lane bridge that was closed due to safety.	Construction to start in January 2019	\$608,700

ECD – Estimated Completion Date

N/A – Not available

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on March 26, 2019, and according to the Georgia Department of Labor there have been no WARN notices reported for Dawson County over the past 18 months. This is a good indication of the strength and stability of the local economy.

3. EMPLOYMENT TRENDS

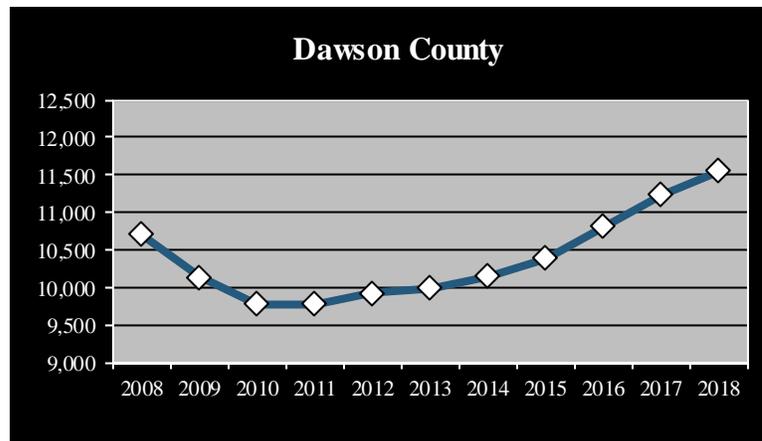
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2018, the employment base has increased by 12.5% over the past five years in Dawson County, more than the Georgia state increase of 10.4%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Dawson County, the state of Georgia and the United States.

Year	Total Employment					
	Dawson County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2008	10,707	-	4,575,010	-	146,047,748	-
2009	10,134	-5.3%	4,311,854	-5.8%	140,696,560	-3.7%
2010	9,771	-3.6%	4,202,052	-2.5%	140,469,139	-0.2%
2011	9,779	0.1%	4,263,305	1.5%	141,791,255	0.9%
2012	9,928	1.5%	4,348,083	2.0%	143,621,634	1.3%
2013	9,986	0.6%	4,366,374	0.4%	145,017,562	1.0%
2014	10,142	1.6%	4,403,433	0.8%	147,446,676	1.7%
2015	10,387	2.4%	4,490,414	2.0%	149,733,744	1.6%
2016	10,814	4.1%	4,658,053	3.7%	152,169,822	1.6%
2017	11,231	3.9%	4,822,263	3.5%	154,577,364	1.6%
2018	11,548	2.8%	4,906,411	1.7%	156,752,471	1.4%

Source: Department of Labor; Bureau of Labor Statistics

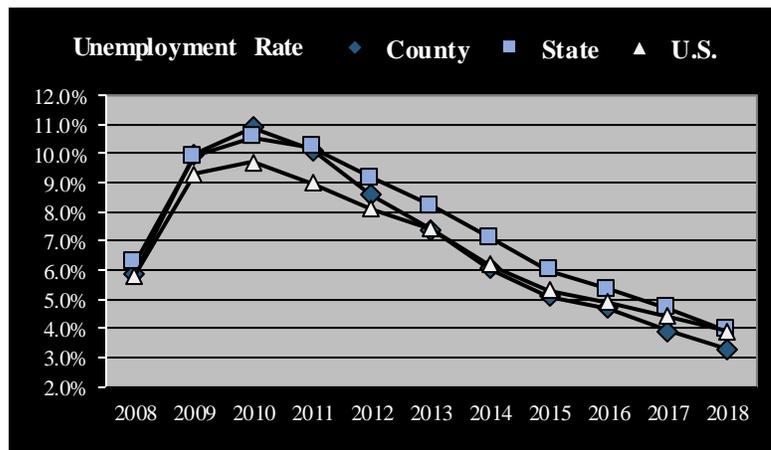


As the preceding illustrates, the Dawson County employment base has increased each year since 2010, with the majority of this growth occurring between 2015 and 2018. Specifically, the employment base has increased by 1,161 jobs, or 11.1%, since 2015.

Unemployment rates for Dawson County, the state of Georgia and the United States are illustrated as follows:

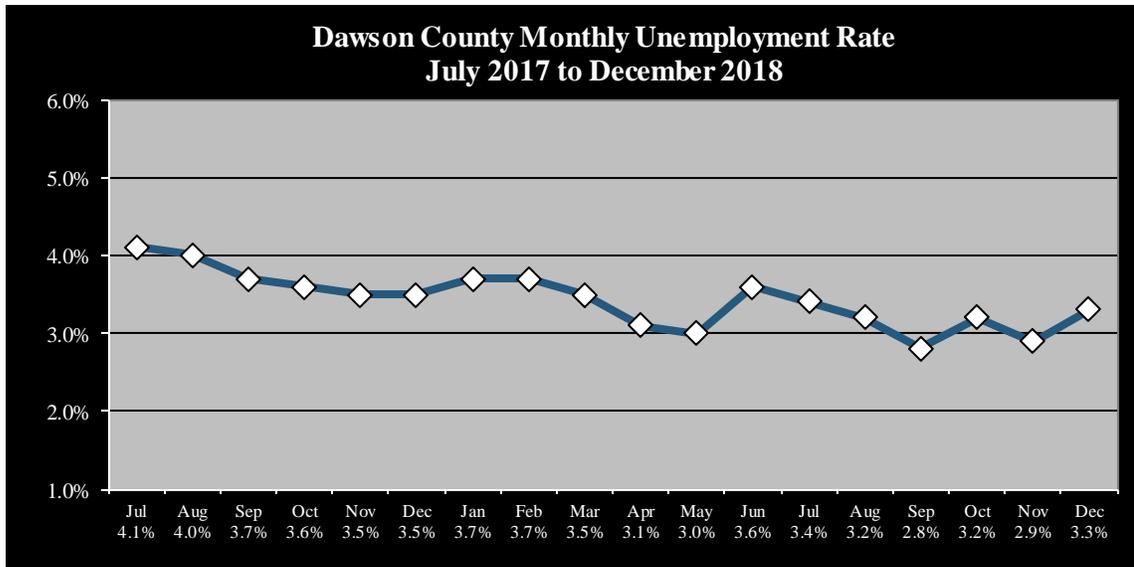
Year	Unemployment Rate		
	Dawson County	Georgia	United States
2008	5.9%	6.2%	5.8%
2009	10.0%	9.9%	9.3%
2010	10.9%	10.6%	9.7%
2011	10.1%	10.2%	9.0%
2012	8.6%	9.2%	8.1%
2013	7.4%	8.2%	7.4%
2014	6.1%	7.1%	6.2%
2015	5.1%	6.0%	5.3%
2016	4.7%	5.3%	4.9%
2017	3.9%	4.7%	4.4%
2018	3.3%	3.9%	3.9%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in Dawson County has declined each year since 2010, likely due in part to the increased employment base during this time period. Notably, the unemployment rate has declined by nearly eight full percentage points between 2010 and 2018. The unemployment rate of 3.3% through the end of 2018 is lower than both state and national averages, a trend which has been consistent since 2014.

The following table illustrates the monthly unemployment rate in Dawson County for the most recent 18-month period for which data is currently available.



The monthly unemployment rate has generally trended downward over the past 18-month period and has generally remained around 3.0% each month since August of 2018.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Dawson County.

In-Place Employment Dawson County			
Year	Employment	Change	Percent Change
2008	7,659	-	-
2009	7,232	-427	-5.6%
2010	7,295	63	0.9%
2011	7,425	130	1.8%
2012	7,673	248	3.3%
2013	7,586	-87	-1.1%
2014	7,475	-111	-1.5%
2015	7,851	376	5.0%
2016	8,315	464	5.9%
2017	9,035	720	8.7%
2018*	9,169	134	1.5%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2017, the most recent year that year-end figures are available, indicates in-place employment in Dawson County to be 80.4% of the total Dawson County employment. This means that Dawson County has more employed persons leaving the county for daytime employment than those who work in the county. This is not uncommon, however, of areas such as the Dawson County area due to the county's proximity to larger metropolitan areas such as the Greater Atlanta area south of Dawson County. We do not anticipate in-place employment trends to have any adverse impact on the subject's marketability within the Dawsonville area.

4. ECONOMIC FORECAST

The labor force within the Dawsonville Site PMA is largely comprised of industries which typically offer lower-wage paying positions conducive to affordable housing alternatives such as that proposed for the subject site. Specifically, more than half (51.0%) of the local labor force is comprised within the Retail, Food Service & Accommodation, and Manufacturing industries, with the Retail industry comprising nearly 31.0% of the local labor force. The Dawsonville area is likely heavily influenced by these aforementioned industry segments.

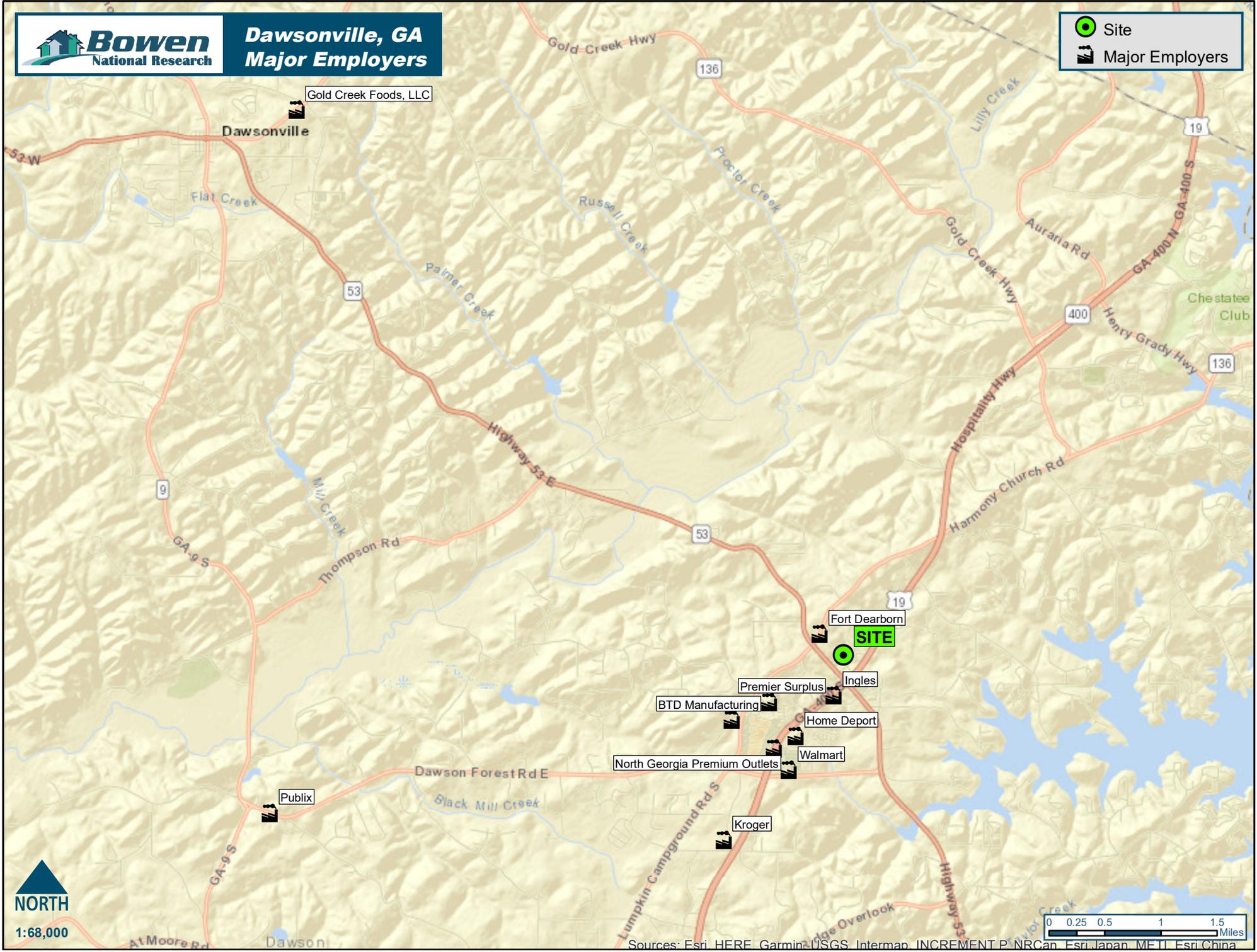
Dawson County has experienced improvement both in terms of total employment and unemployment rate trends each year since 2010. Much of the employment growth within the county during this time period occurred between 2015 and 2018, during which time the county added nearly 1,200 jobs and increased by more than 11.0%. The unemployment rate has declined by nearly eight full percentage points since 2010, declining to a rate of 3.3% through the end of 2018, lower than both state and national averages. Based on the preceding factors and considering the numerous announcements of recent and ongoing economic development activity, we expect the Dawson County economy will remain strong for the foreseeable future.

A map illustrating notable employment centers is on the following page.



Dawsonville, GA Major Employers

 Site
 Major Employers



NORTH
1:68,000

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area, which has a median four-person household income of \$74,800 for 2018. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$26,200	\$31,440
Two-Person	\$29,950	\$35,940
Three-Person	\$33,700	\$40,440
Four-Person	\$37,400	\$44,880
Five-Person	\$40,400	\$48,480

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$48,480**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to Georgia Department of Community Affairs (GDCA) market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The proposed LIHTC units will have a lowest gross rent of \$651 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,812. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$22,320**.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 50% and 60% of AMHI is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 50% Of AMHI)	\$22,320	\$40,400
Tax Credit (Limited to 60% Of AMHI)	\$25,749	\$48,480
Tax Credit (Overall)	\$22,320	\$48,480

2. **METHODOLOGY**

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs (GDCA):

a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*

b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent.*

Based on Table B25074 of the American Community Survey (ACS) 2013-2017 5-year estimates, approximately 48.5% to 51.0% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing.*

Based on Table B25016 of the American Community Survey (ACS) 2013-2017 5-year estimates, 5.8% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.

- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

Not applicable; subject property will not be age-restricted.

- c. **Other:** *GDCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2017/2018) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2017 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **GDCA requires analysts to include ALL projects that have been funded, are proposed for**

funding and/or received a bond allocation from GDCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

Within the Site PMA, we did not identify any rental units within the development pipeline that will directly compete with the subject project. In addition, we did not identify any competitive projects placed in service prior to 2017 that have not reached a stabilized occupancy of 90%. Thus, we have not considered any directly competitive supply units in our demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$22,320 to \$40,400)	60% AMHI (\$25,749 to \$48,480)	Overall (\$22,320 to \$48,480)
Demand from New Households (Age- And Income-Appropriate)	545 - 564 = -19	631 - 651 = -20	740 - 766 = -26
+			
Demand from Existing Households (Rent Overburdened)	564 X 51.0% = 288	651 X 48.5% = 316	766 X 49.2% = 377
+			
Demand from Existing Households (Renters in Substandard Housing)	564 X 5.8% = 33	651 X 5.8% = 38	766 X 5.8% = 44
=			
Demand Subtotal	302	334	395
+			
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A
=			
Total Demand	302	334	395
-			
Supply (Directly Comparable Units Built and/or Funded Since 2017)	0	0	0
=			
Net Demand	302	334	395
Proposed Units / Net Demand	17 / 302	63 / 334	80 / 395
Capture Rate	= 5.6%	= 18.9%	= 20.3%

N/A – Not Applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall capture rate of 20.3% is considered achievable within the Dawsonville Site PMA. This is especially true, given the relatively limited supply of existing comparable LIHTC product and high occupancy rates reported among existing properties in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 5.6% to 18.9%.

Based on the distribution of households by household size, our survey of conventional apartments and the distribution of bedroom types in balanced markets, the estimated shares of demand by bedroom type for the Site PMA are distributed as follows.

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	35.0%
Two-Bedroom	40.0%
Three-Bedroom	25.0%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (35%)	50%	3	106	0	106	2.8%	1 Month	\$1,147	\$1,025-\$1,210	\$550
One-Bedroom (35%)	60%	9	117	0	117	7.7%	1 Month	\$1,147	\$1,025-\$1,210	\$650
One-Bedroom	Total	12	223	0	223	5.4%	2 Months	\$1,147	\$1,025-\$1,210	-
Two-Bedroom (40%)	50%	8	121	0	121	6.6%	1 Month	\$1,310	\$1,120-\$1,465	\$650
Two-Bedroom (40%)	60%	32	134	0	134	23.9%	5 Months	\$1,310	\$1,120-\$1,465	\$750
Two-Bedroom	Total	40	255	0	255	15.7%	6 Months	\$1,310	\$1,120-\$1,465	-
Three-Bedroom (25%)	50%	6	75	0	75	8.0%	1 Month	\$1,415	\$1,355-\$1,695	\$750
Three-Bedroom (25%)	60%	22	83	0	83	26.5%	3 Months	\$1,415	\$1,355-\$1,695	\$850
Three-Bedroom	Total	28	158	0	158	17.7%	4 Months	\$1,415	\$1,355-\$1,695	-

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in *Addendum E*.

The capture rates by bedroom type and targeted income level range from 2.8% to 26.5%. These capture rates are below GDCA's capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Dawsonville Site PMA for each of the unit types proposed for the subject development.

Supplemental Special Needs Demand Estimates

As detailed throughout this report, the subject project will offer eight (8) units that will also operate with a HUD Section 811 subsidy and target disabled households. As a single person/household could be classified as having multiple disabilities, we have conservatively only considered physically disabled households for this analysis in order to eliminate double-counting. Within the Dawsonville Site PMA, there are a total 1,705 persons with an ambulatory (physical) disability, based on 2013-2017 American Community Survey (ACS) 5-Year Estimates-Table S1810.

Income data for the special needs population is difficult to obtain given the transient nature, instability of work history, and/or physical illness of this special needs population. However, the subject units will be restricted to households earning up to 60% of Area Median Household Income (AMHI) as detailed in *Section III*. Considering the income levels targeted and unit types offered, the subject's disabled units could potentially accommodate households earning up to \$48,480. The minimum income requirement for the special needs units will effectively be \$0 as the subsidy will allow the property to accommodate households earning little to no income.

The following table summarizes the subject's special needs capture rates based on the preceding factors:

	Disabled Capture Rate
Physically Disabled Households	1,705
x Site PMA Renter Share	x 18.4%
x Income Qualified Share	x 62.9%
= Total Qualified Households	= 197
Proposed Units / Qualified Households	8 / 197
= Capture Rate	= 4.1%

Utilizing this methodology, the subject's capture rate of 4.1% for the special needs units is considered low and indicative of a deep base of potential support for these proposed unit types.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Dawsonville Site PMA in 2010 and 2019 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2019 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	10,075	86.7%	12,447	87.3%
Owner-Occupied	8,173	81.1%	10,155	81.6%
Renter-Occupied	1,902	18.9%	2,292	18.4%
Vacant	1,541	13.3%	1,816	12.7%
Total	11,616	100.0%	14,263	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2019 update of the 2010 Census, of the 14,263 total housing units in the market, 12.7% were vacant, which is a slight decline from the 13.3% share of vacant units reported in 2010. It is important to understand, however, that the number of vacant housing units reflected in the preceding table includes abandoned, dilapidated, and/or for-sale housing units, as well as housing unit utilized solely for seasonal/recreational purposes.

The following table illustrates the status of vacant units within the Site PMA

Vacant Units	Number	Percent
For Rent	87	4.3%
For-Sale Only	199	9.8%
Renter/Sold, Not Occ.	104	5.1%
Seasonal or Recreational	1,103	54.0%
Other Vacant	548	26.8%
Total	2,041	100.0%

Source: American Community Survey (2013-2017); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, of the 2,041 vacant units in the Site PMA, nearly 81.0% are classified as “Seasonal or Recreational”, or “Other Vacant”. Further, only 4.3% are classified as “For Rent”. This is a good indication that the vacant housing units included in the table earlier on this page are not reflective of the long-term rental housing market within the Site PMA. Regardless, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental market within the Site PMA.

The Dawsonville Site PMA is somewhat rural and thus offers a relatively limited supply of conventional rental product, as evident by the fact that we identified and personally surveyed just eight conventional rental housing projects containing a total of 742 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	6	614	216	64.8%
Tax Credit	2	128	0	100.0%
Total	8	742	216	70.9%

While the overall occupancy rate of the eight properties surveyed is 70.9%, a less than stable occupancy rate, this is due to one recently completed market-rate property (Falls at Forsyth) which is currently in its initial lease-up period. When excluding this property, the seven remaining and established properties surveyed are 99.3% occupied, a strong rate for rental product. It is also of note that the two non-subsidized Tax Credit properties surveyed in the Dawsonville Site PMA are both 100.0% occupied and both maintain waiting lists for their next available units. These are good indications of strong and pent-up demand for affordable non-subsidized rental product similar to that proposed for the subject site.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	201	32.7%	96	47.8%	\$1,291
Two-Bedroom	1.5	16	2.6%	0	0.0%	\$897
Two-Bedroom	2.0	315	51.3%	119	37.8%	\$1,439
Three-Bedroom	2.0	82	13.4%	1	1.2%	\$1,585
Total Market-Rate		614	100.0%	216	35.2%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	40	31.3%	0	0.0%	\$786
Two-Bedroom	2.0	64	50.0%	0	0.0%	\$896
Three-Bedroom	2.0	24	18.8%	0	0.0%	\$1,085
Total Tax Credit		128	100.0%	0	0.0%	-

The market-rate units are 64.8% occupied and the non-subsidized Tax Credit units are 100.0% occupied. The low occupancy rate reported among the market-rate properties is reflective of the one property (Falls at Forsyth) which is still in lease-up after opening its first units in August of 2018. Since this time, this property has experienced an average monthly absorption rate of approximately 13 units per month.

Also, note the median gross Tax Credit rents in the preceding table, as they are significantly lower than the median gross rents reported among similar market-rate units surveyed. These lower median gross rents, along with the 100.0% occupancy rate, are good indications that non-subsidized Tax Credit product represents a significant value in the Dawsonville market.

We rated each property surveyed on a scale of "A" through "F". All properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	314	67.8%
A-	1	268	1.1%
C-	2	26	0.0%
D	1	6	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	128	0.0%

The non-subsidized Tax Credit properties surveyed are considered to be of very good condition, as indicated by the quality ratings assigned by our analyst. This is reflective of the age of these properties, as both were built within the past five years. The subject project is expected to have a similar overall quality which will contribute to its marketability within the Dawsonville Site PMA.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of just two federally subsidized and/or Tax Credit apartment developments in the Dawsonville Site PMA, both of which are non-subsidized Tax Credit properties. These projects were surveyed in February 2019 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occupancy	Gross Rent (Unit Mix)				
						Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
3	Farmington Woods	TAX	2014	72	100.0%	-	\$704 - \$829 (12)	\$836 - \$976 (36)	\$970 - \$1,085 (24)	-
7	Farmington Creek Apts.	TAX	2016	56	100.0%	-	\$661 - \$786 (28)	\$796 - \$896 (28)	-	-
Total				128	100.0%					

Note: Contact names and method of contact, as well as amenities and other features are listed in the field survey
TAX - Tax Credit

As detailed in the preceding table and discussed earlier in this report, the two Tax Credit properties surveyed are both 100.0% occupied and both maintain waiting lists for their next available units. These are clear indications that such product is in high demand and is limited in supply within the Site PMA. The proposed subject project will help to alleviate a portion of this pent-up demand, particularly when considering that only one of the two properties surveyed (Farmington Woods) is general-occupancy such as the subject project.

Housing Choice Voucher Holders

As detailed in our Field Survey of Conventional Rentals (Addendum A), the two non-subsidized Tax Credit properties surveyed both accept Housing Choice Vouchers. However, the number of vouchers currently in use was only available for one of these properties, Farmington Woods (Map ID 3). According to management, only four (4) of the 72 units offered at this property are occupied by voucher holders. This is reflective of just 5.6% of the 72 total units offered, which is considered a very low share of voucher support. This is a good indication that the gross rents reported at this property are achievable within the Dawsonville market and will serve as an accurate benchmark with which to compare the subject project. This also indicates that non-subsidized Tax Credit properties do not rely heavily on support from voucher holders within this market.

If the rents do not exceed the payment standards established by the local/regional housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Georgia Department of Community Affairs (GDCA), the payment standards for Dawson County, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$966	\$651 (50%) \$751 (60%)
Two-Bedroom	\$1,083	\$777 (50%) \$877 (60%)
Three-Bedroom	\$1,412	\$910 (50%) \$1,010 (60%)

As the preceding table illustrates, the proposed gross rents are below the payment standards for Dawson County. As such, those who hold Housing Choice Vouchers will likely respond to the subject development. This will increase the base of income-appropriate renter households within the Dawsonville Site PMA for the subject project and has been considered in our absorption estimates in Section I – *Absorption & Stabilization* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are two rental housing projects planned within the Site PMA. These planned developments are summarized as follows:

- Falls at Forsyth, located at 5310 Falls Drive in Dawsonville, is a new market-rate development with a total of 356 units. This project is being developed by Central Forsyth Properties LLC and all units are expected to be completed by August 2019. These units are all market-rate and consist of a mixture of one- and two-bedroom garden-style apartments and townhomes. The one-bedroom units are 735 to 972 square feet and rent for \$1,167 to \$1,314 per month while the two-bedroom units are 1,296 to 1,325 square feet and rent for \$1,447 to \$1,620 per month. The heat, hot water, and cooking are all electric and paid by the tenant. The tenant also pays water, sewer, trash, cable, internet, and phone. The kitchen is fully-equipped with refrigerator, icemaker, dishwasher, disposal, microwave, and range. Each unit is also equipped with central air conditioning, wood floor coverings, and blinds are provided for the windows. Every unit has a washer and dryer hookup and a patio/balcony area. The community amenities include a swimming pool, on-site management, community space, fitness center, picnic area, dog park, storage areas that can be rented for an additional \$35 per month, and a security gate at the entrance. There is a surface parking lot and a parking garage that tenants can rent a parking space in for an additional \$125 per month.
- Crossings of Dawsonville, located at 117 Dawson Avenue in Dawsonville, is a new market-rate development with a total of 216 units. The units are expected to be completed in phases and will open as the phases are complete. These units are all market-rate and consist of one-, two-, and three-bedroom apartments. The one-bedroom units are 829 square feet and will rent for \$1,165 per month while the two- and three-bedroom units are 1,146 and 1,384 square feet and will rent for \$1,465 and \$1,695 per month, respectively. The heat, hot water, and cooking are all electric and paid by the tenant. The tenant also pays water, sewer, trash, cable, internet, and phone. The kitchen is fully-equipped with refrigerator, icemaker, dishwasher, disposal, microwave, and range. Each unit is also equipped with central air conditioning, wood flooring, and window blinds are provided. Every unit has a washer and dryer hookup and the residents have the option to rent a washer and dryer for \$50 per month. Each unit has a patio or balcony and a ceiling fan. The community amenities include a swimming pool, on-site management, laundry room, club house, fitness center, car wash area, pet washing station, car charging station, and a theater. There is a surface parking lot and a parking garage that tenants can rent a parking space in for an additional \$125 per month.

Considering that the two projects in the development pipeline are both unrestricted market-rate properties with rents set well above those proposed for the subject project, we do not anticipate any competitive overlap between these projects and the proposed subject development.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Dawsonville and Dawson County for the most recent ten-year period available:

Housing Unit Building Permits for Dawsonville, GA:										
Permits	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Multifamily Permits	0	0	0	0	72	0	0	0	0	0
Single-Family Permits	23	4	2	1	1	11	16	51	71	129
Total Units	23	4	2	1	73	11	16	51	71	129

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Dawson County:										
Permits	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Multifamily Permits	0	0	0	0	72	0	56	0	220	0
Single-Family Permits	99	29	35	37	35	84	121	173	272	310
Total Units	99	29	35	37	107	84	177	173	492	310

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

The majority of the multifamily building permits issued within the area over this ten-year period were issued within Dawson County, with most of these being issued in 2016. It is important to understand, however, that the preceding is not an exhaustive list of building permit activity within the area, as evidenced by the fact that nearly 350 market-rate units have been added to the Dawsonville market between 2016 and 2018 though only 276 multifamily building permits have been reported for the county since 2014.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA we identified and surveyed two non-subsidized LIHTC properties, though only one (Farmington Woods) is general-occupancy. This property has been included in our comparable analysis and is expected to be directly competitive with the proposed subject project.

Given the limited supply of general-occupancy LIHTC product in the Site PMA, we also identified and surveyed two additional properties outside the Site PMA that offer unit types and target a population similar to the proposed subject project. Due to their location, these properties are not considered competitive with the subject project but will offer a good additional base of comparison.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Dawsonville	2021	80	-	-	-	Families; 50% & 60% AMHI
3	Farmington Woods	2014	72	100.0%	5.7 Miles	1 & 3-Br: 15 H.H.	Families; 50% & 60% AMHI
902	Willows of Cumming	1996	156	100.0%	14.3 Miles	6-8 Months	Families; 60% AMHI
906	Highland Trace	2018	79	75.9%	12.8 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. – Households

900 series Map IDs are located outside the Site PMA

The three comparable LIHTC projects have a combined occupancy rate of 93.8%, which is reflective only of the vacant units reported at Highland Trace (Map ID 906), a recently completed property which is still within its initial lease-up period. The two established LIHTC properties surveyed, including the one located in the Site PMA, are both 100.0% occupied with waiting lists. These are clear indications of strong and pent-up demand for general-occupancy LIHTC product in the market and region.

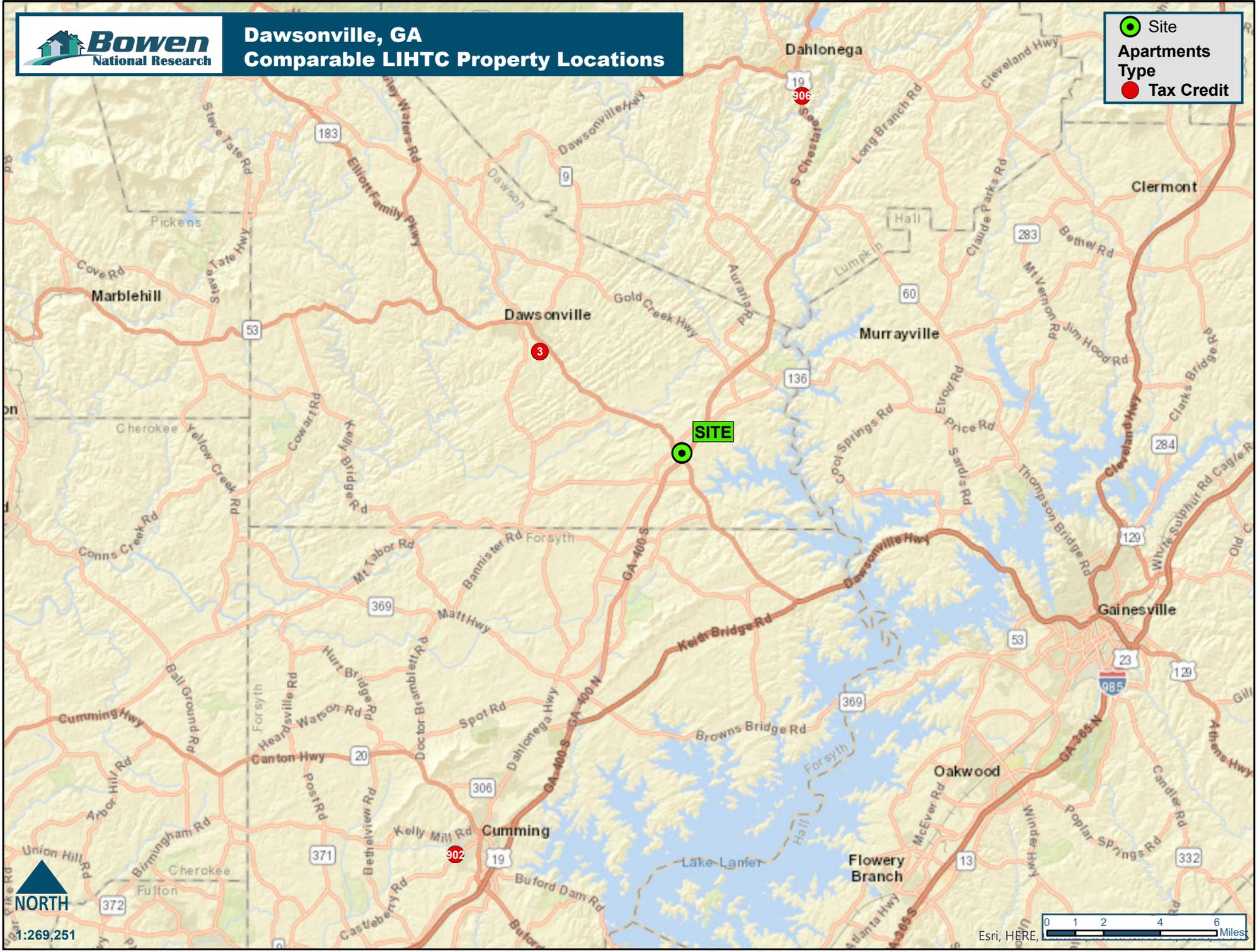
It is also of note that the aforementioned Highland Trace property opened and began leasing units in December of 2018. As of April 2019, this property is 75.9% occupied as detailed in the preceding table. This results in an average monthly absorption rate of approximately 12 units per month since the time of opening for this property. This is considered a good absorption rate and further demonstrates strong demand for family-oriented LIHTC product in the region.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed subject site location.



Dawsonville, GA Comparable LIHTC Property Locations

● Site
● Apartments
● Type
● Tax Credit



1:269,251

Esri, HERE, 0 1 2 4 6 Miles

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	Peaks of Dawsonville	\$651/50% (3) \$751/60% (9)	\$777/50% (8) \$877/60% (32)	\$910/50% (6) \$1,010/60% (22)	-
3	Farmington Woods	\$704/50% (3/0) \$829/60% (9/0)	\$836/50% (4/0) \$976/60% (32/0)	\$970/50% (4/0) \$1,085/60% (20/0)	None
902	Willows of Cumming	\$776/60% (16/0)	\$933/60% (116/0)	\$1,080/60% (24/0)	None
906	Highland Trace	\$534/50% (4/0) \$634/60% (12/6)	\$661/50% (8/0) \$736/60% (31/3)	\$780/50% (4/0) \$845/60% (20/10)	1 st Month's Rent Free

900 series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents are positioned below those reported for similar unit types at two of the three comparable LIHTC projects, including the one property located in the Site PMA, Farmington Woods (Map ID 3). Thus, the subject's proposed rents are considered competitive and marketable within the Dawsonville Site PMA.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC units by bedroom type and targeted income level:

Weighted Average Collected Rent of Comparable LIHTC Units (AMHI)		
One-Br.	Two-Br.	Three-Br.
\$498 (50%)	\$583 (50%)	\$705 (50%)
\$652 (60%)	\$803 (60%)	\$861 (60%)

The rent advantage for the proposed Tax Credit units is calculated as follows (average weighted collected LIHTC rent – proposed LIHTC rent) / proposed LIHTC rent).

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$498 (50%)	- \$550 (50%)	-\$52	/ \$550 (50%)	-9.5%
	\$652 (60%)	- \$650 (60%)	\$2	/ \$650 (60%)	0.3%
Two-Br.	\$583 (50%)	- \$650 (50%)	-\$67	/ \$650 (50%)	-10.3%
	\$803 (60%)	- \$750 (60%)	\$53	/ \$750 (60%)	7.1%
Three-Br.	\$705 (50%)	- \$750 (50%)	-\$45	/ \$750 (50%)	-6.0%
	\$861 (60%)	- \$850 (60%)	\$11	/ \$850 (60%)	1.3%

As the preceding table illustrates, the majority of the proposed collected rents represent little to no rent advantage. However, it should be noted that this analysis is reflective of the collected rent and does not account for utility responsibilities and/or other features of the subject project, including the subject's newness, which will enable it to charge higher rents. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are included in *Addendum E* of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market and region are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	823	916	1,160
3	Farmington Woods	740	1,150	1,250
902	Willows of Cumming	708	929	1,169
906	Highland Trace	820	1,054	1,218

900 series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	1.0	2.0	2.0
3	Farmington Woods	1.0	2.0	2.0
902	Willows of Cumming	1.0	2.0	2.0
906	Highland Trace	1.0	2.0	2.0

900 series Map IDs are located outside the Site PMA

The proposed development will offer some of the smallest unit sizes (square feet) but will still be competitive with the existing LIHTC projects in the market and region based on unit size (square footage) and the number of baths offered.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.

COMPARABLE PROPERTIES AMENITIES - DAWSONVILLE, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES										OTHER			
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY		WINDOW TREATMENTS	E-CALL BUTTONS	PARKING
SITE	X	X		X	X	X	X		C	X	X	X	X				B		S	Exterior Storage
3	X	X	X	X	X	X	X		C		X	X	X				B		S	
902	X	X	X	X	X		X		C		X	X	X				B		S	Patio Storage
906	X	X	X	X		X	X		W	X	X	X	X				B		S	Exterior Storage

MAP ID	PROJECT AMENITIES																OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA		SOCIAL SERVICES	BUSINESS CENTER
SITE		X		X			X									X		X	Wellness Center; Community Garden
3	X	X	X		X		X									X			
902	X	X	X	X		X	X												
906		X		X	X														

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenity package proposed for the subject site is considered competitive and marketable, both in terms of unit and project amenities, as detailed in the preceding tables. The subject project does not appear to lack any key amenities that would adversely impact its marketability within the Dawsonville market, particularly when considering the newness of the subject property and the relatively low proposed gross rents. In fact, the inclusion of in-unit washer/dryer appliances, a business center, and wellness center will likely create a competitive advantage for the property.

Comparable/Competitive Tax Credit Summary

A limited supply of general-occupancy LIHTC product is offered within the Dawsonville Site PMA as only one such property was surveyed. This property, Farmington Woods (Map ID 3), is 100.0% occupied and maintains a waiting list for its next available unit. The subject project will help alleviate a portion of the pent-up demand in the Dawsonville market. The subject’s proposed gross Tax Credit rents are lower than those reported among most of the comparable LIHTC projects surveyed in the market and region, including the one property located in the Dawsonville Site PMA. The subject development will also be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Overall, the subject project is considered marketable and will represent a value to low-income households within the Dawsonville Site PMA.

Competitive Housing Impact

The anticipated occupancy rate of the one existing comparable/competitive Tax Credit development located in the Site PMA following completion of the subject project is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021
3	Farmington Woods	100.0%	95.0% +

As detailed throughout this section of the report, the one existing comparable/competitive LIHTC property within the Site PMA is currently 100.0% occupied and maintains a waiting list for its next available unit. Based on this high occupancy rate and considering the general lack of family-oriented LIHTC product, and demographic projections for the Dawsonville market, we do not expect the subject development to have any adverse impact on future occupancy rates at this aforementioned property.

One-page profiles of the Comparable/Competitive Tax Credit properties are included in *Addendum B* of this report.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$239,370. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$239,370 home is \$1,440, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$239,370
Mortgaged Value = 95% of Median Home Price	\$227,402
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,152
Estimated Taxes and Insurance*	\$288
Estimated Monthly Mortgage Payment	\$1,440

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$550 to \$850 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$590 greater than the cost of renting at the subject project. Considering the significantly higher cost of homeownership in this market, we do not anticipate any competitive overlap between the subject project and the homebuyer market.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2021 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2021.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists maintained among the existing comparable LIHTC properties in the market and region, as well as the limited supply of existing comparable LIHTC product in the Dawsonville Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate, achievable market rents.

Based on our analysis, it is our opinion that the 80 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month.

These absorption projections assume a May 2021 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Section J – Interviews

The following are summaries of interviews conducted with various local sources regarding the need for affordable housing within the Dawsonville Site PMA.

- Robbie Irvin, Planning Director for the City of Dawsonville, stated that there is currently a good range of housing choices in the area. However, Mr. Irvin does believe there is an increasing need for affordable senior housing and/or housing attractive to seniors because the senior population continues to grow in this area.
- Valarie Cowart, Leasing Specialist at Dawson Forest Apartments, a market-rate community located in the Site PMA, stated that she routinely fields calls from prospective tenants who cannot afford the rent at her property. As such, Ms. Cowart believes there is a great need for affordable housing in the area.
- Barbara Tolson is the Property Manager at Farmington Woods, a general-occupancy Tax Credit community located in the Site PMA. According to Ms. Tolson, her property is currently 100.0% and maintains a waiting list for their next available unit. Due to the relatively limited supply of affordable rental product and the high occupancy rate reported at her property, Ms. Tolson believes there is a need for additional affordable rental product in the market. The proposed subject project would be beneficial to the Dawsonville area according to Ms. Tolson.
- Betsy McGriff, Director of The Development Authority of Dawson County, stated there is absolutely a need for affordable housing in Dawson County as the current housing stock is too expensive for many of the residents in the area. Ms. McGriff stated there is a huge gap in wages and home/rent values which is creating a situation where working families cannot afford to buy a home. Ms. McGriff stated she would like to see all types of affordable housing in the area to give the residents options.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings.

The subject site location is considered conducive to affordable multifamily rental product and is within a good quality area which will contribute to the project's overall marketability. The subject site is also located within proximity of most basic area services and various arterial roadways which will also enhance the subject's overall marketability.

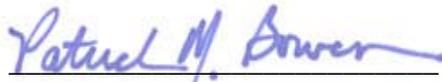
Demographic growth is projected within the Dawsonville Site PMA between 2019 and 2021 (subject site opening), in terms of both population and household growth. Notably, the number of renter households will also increase during this time period and more than two-thirds of renter households will earn between \$20,000 and \$50,000 in 2021, conducive to affordable rental product such as that proposed for the subject site. The subject's overall capture rate of 20.3% is further indication of a sufficient base of potential support for the subject project and is below the GDCA threshold of 30%.

A very limited supply of general-occupancy (family) LIHTC product is offered within the Dawsonville Site PMA, as only one such property was identified and surveyed. This property, Farmington Woods, is 100.0% occupied with a waiting list, as is the one additional age-restricted LIHTC property surveyed in the Site PMA. These are clear indications of pent-up demand for non-subsidized LIHTC product in this market. The subject project will help to alleviate a portion of this pent-up demand. The subject property will also be competitive in terms of overall design and amenities offered, particularly when considering the competitive position of the subject's proposed rents.

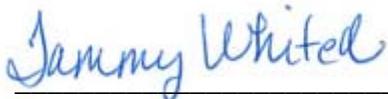
Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable/competitive LIHTC product in this market. We have no recommendations to the subject project at this time.

Section L - Signed 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 regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs (GDCA) rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GDCA market study manual and GDCA Qualified Action Plan.



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: April 25, 2019



Tammy Whited
Market Analyst
tammyw@bowennational.com
Date: April 25, 2019



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: April 25, 2019

Section M – Market Study Representation

The Georgia Department of Community Affairs (GDCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the GDCA loan transaction.

Section N - Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Christopher T. Bunch, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Tammy Whited, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Faysal Ahmed, Market Analyst, has a background in multifamily property management. This experience has provided him with inside knowledge of the day-to-day operations of rental housing. Mr. Ahmed holds a Bachelor of Public Affairs from The Ohio State University and a Master of Science in Applied Economics from Southern New Hampshire University.

Zachary Seaman, Market Analyst, has experience in the property management industry and has managed a variety of rental housing types. He has the ability to analyze market and economic trends and conditions, as well as to assess a proposed site's ability to perform successfully in the market.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

DAWSONVILLE, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

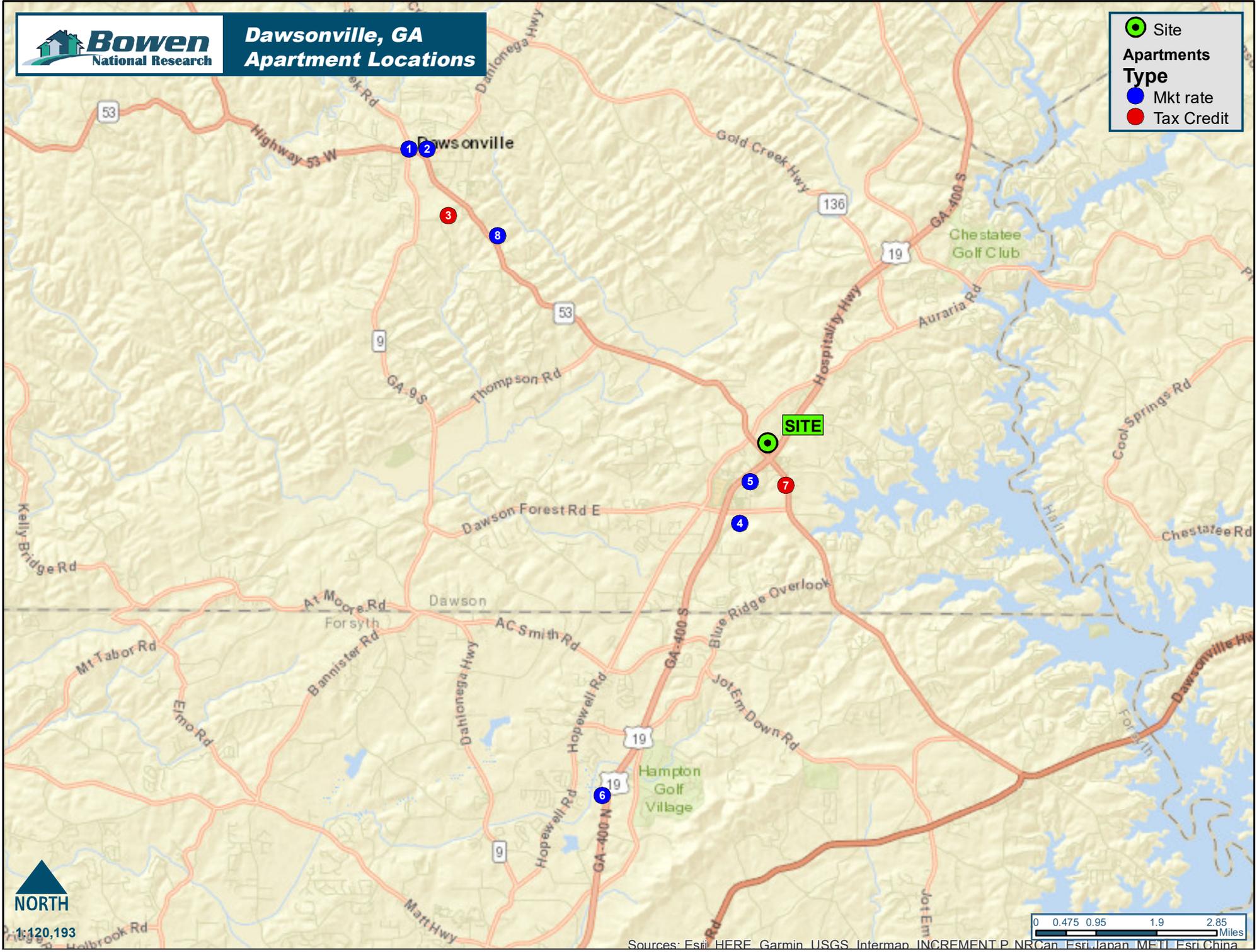
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.



Dawsonville, GA Apartment Locations

● Site
Apartment Type
● Mkt rate
● Tax Credit



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri, China

MAP IDENTIFICATION LIST - DAWSONVILLE, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Dawsonville Apts. I	MRR	C-	1985	14	0	100.0%	6.5
2	Dawsonville Apts. II	MRR	C-	1978	12	0	100.0%	6.5
3	Farmington Woods	TAX	A	2014	72	0	100.0%	5.7
4	Crossings of Dawsonville	MRR	A	2019	22	0	100.0%	1.3
5	Dawson Forest	MRR	A-	1998	268	3	98.9%	0.7
6	Falls at Forsyth	MRR	A	2018	292	213	27.1%	5.2
7	Farmington Creek Apts.	TAX	A	2016	56	0	100.0%	0.7
8	Gravitt Apts.	MRR	D	1982	6	0	100.0%	4.9

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	6	614	216	64.8%	258
TAX	2	128	0	100.0%	0

Total units does not include units under construction.

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

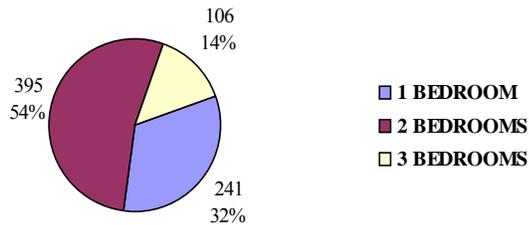
Survey Date: February 2019

DISTRIBUTION OF UNITS - DAWSONVILLE, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	201	32.7%	96	47.8%	\$1,291
2	1.5	16	2.6%	0	0.0%	\$897
2	2	315	51.3%	119	37.8%	\$1,439
3	2	82	13.4%	1	1.2%	\$1,585
TOTAL		614	100.0%	216	35.2%	
258 UNITS UNDER CONSTRUCTION						
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	40	31.3%	0	0.0%	\$786
2	2	64	50.0%	0	0.0%	\$896
3	2	24	18.8%	0	0.0%	\$1,085
TOTAL		128	100.0%	0	0.0%	
GRAND TOTAL		742	-	216	29.1%	

DISTRIBUTION OF UNITS BY BEDROOM

NON-SUBSIDIZED



SURVEY OF PROPERTIES - DAWSONVILLE, GEORGIA

1 Dawsonville Apts. I			
	Address 239 Hwy. 9 N Dawsonville, GA 30534	Phone (770) 267-1413 (Contact in person)	Total Units 14
	Year Built 1985 Comments Accepts HCV (14 units); Square footage estimated	Contact Wesley	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C- Waiting List None
2 Dawsonville Apts. II			
	Address 239 Hwy. 9 N Dawsonville, GA 30534	Phone (770) 267-1413 (Contact in person)	Total Units 12
	Year Built 1978 Comments Accepts HCV (12 units); Square footage estimated	Contact Wesley	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C- Waiting List None
3 Farmington Woods			
	Address 2201 Perimeter Rd. Dawsonville, GA 30534	Phone (706) 265-3021 (Contact in person)	Total Units 72
	Year Built 2014 Comments 50% & 60% AMHI; HCV (4 units)	Contact Barbara	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating A Waiting List 1 & 3-br: 15 HH
4 Crossings of Dawsonville			
	Address 117 Dawson Forest Rd. Dawsonville, GA 30534	Phone (470) 239-1679 (Contact in person)	Total Units 22
	Year Built 2019 Comments Does not accept HCV; 194 additional units UC, expect completion 10/2019; 1st units opened 4/2019, began preleasing 1/2019	Contact Kathy	Vacancies 0 Occupied 100.0% Floors 4 Quality Rating A Waiting List None
5 Dawson Forest			
	Address 100 Green Forest Dr. Dawsonville, GA 30534	Phone (706) 216-4292 (Contact in person)	Total Units 268
	Year Built 1998 Comments Does not accept HCV; Unit mix estimated	Contact Valarie	Vacancies 3 Occupied 98.9% Floors 2,3 Quality Rating A- Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2019

SURVEY OF PROPERTIES - DAWSONVILLE, GEORGIA

6 Falls at Forsyth			
	Address 5310 Falls Dr. Dawsonville, GA 30028	Phone (833) 250-4261 (Contact in person)	Total Units 292 Vacancies 213 Occupied 27.1%
	Year Built 2018 Comments Does not accept HCV; 64 additional units UC, expect completion 8/2019; 1st units Opened 8/2018, still in lease up, began preleasing 3/2018; Unit mix estimated	Contact Jennifer	Floors 2,3 Quality Rating A
Rent Special Select units one months rent free			Waiting List None
7 Farmington Creek Apts.			
	Address 35 Harvest Cir. Dawsonville, GA 30534	Phone (706) 265-0046 (Contact in person)	Total Units 56 Vacancies 0 Occupied 100.0%
	Year Built 2016 Comments Accepts HCV; Opened 12/2016; Unit mix estimated	Contact Veronica	Floors 1,2 Quality Rating A Senior Restricted (55+) Waiting List 100 households
8 Gravitt Apts.			
	Address 37 Gravitt Apartments Rd. Dawsonville, GA 30534	Phone (Contact in person)	Total Units 6 Vacancies 0 Occupied 100.0%
	Year Built 1982 Comments HCV (6 units)	Contact	Floors 1 Quality Rating D Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: February 2019

COLLECTED RENTS - DAWSONVILLE, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1		\$730					\$811		
2		\$730	\$811						
3		\$595 to \$720	\$700 to \$840	\$800 to \$915					
4		\$1165	\$1465	\$1695					
5		\$1110	\$1288	\$1400					
6		\$1167	\$1447			\$1314	\$1620		
7		\$595 to \$720	\$710 to \$810						
8		\$730							

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2019

PRICE PER SQUARE FOOT - DAWSONVILLE, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Dawsonville Apts. I	1	600	\$796	\$1.33
2	Dawsonville Apts. II	1	550	\$796	\$1.45
4	Crossings of Dawsonville	1	829	\$1289	\$1.55
5	Dawson Forest	1	778	\$1234	\$1.59
6	Falls at Forsyth	1	735 to 972	\$1291 to \$1440	\$1.48 to \$1.76
8	Gravitt Apts.	1	550	\$854	\$1.55
3	Farmington Woods	1	740	\$704 to \$829	\$0.95 to \$1.12
7	Farmington Creek Apts.	1	719	\$661 to \$786	\$0.92 to \$1.09
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Dawsonville Apts. I	1.5	770	\$901	\$1.17
2	Dawsonville Apts. II	1.5	760	\$897	\$1.18
4	Crossings of Dawsonville	2	1146	\$1616	\$1.41
5	Dawson Forest	2	1109 to 1144	\$1439	\$1.26 to \$1.30
6	Falls at Forsyth	2	1296 to 1325	\$1598 to \$1775	\$1.23 to \$1.34
3	Farmington Woods	2	1150	\$836 to \$976	\$0.73 to \$0.85
7	Farmington Creek Apts.	2	1029	\$796 to \$896	\$0.77 to \$0.87
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Crossings of Dawsonville	2	1384	\$1880	\$1.36
5	Dawson Forest	2	1378	\$1585	\$1.15
3	Farmington Woods	2	1250	\$970 to \$1085	\$0.78 to \$0.87

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2019

AVERAGE GROSS RENT PER SQUARE FOOT - DAWSONVILLE,
GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.68	\$1.25	\$1.16
TOWNHOUSE	\$1.48	\$1.34	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.03	\$0.83	\$0.85
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.55	\$1.17	\$1.09
TOWNHOUSE	\$1.48	\$1.34	\$0.00

TAX CREDIT UNITS - DAWSONVILLE, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Farmington Woods	3	740	1	50%	\$595
♦ 7	Farmington Creek Apts.	14	719	1	50%	\$595
3	Farmington Woods	9	740	1	60%	\$720
♦ 7	Farmington Creek Apts.	14	719	1	60%	\$720
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Farmington Woods	4	1150	2	50%	\$700
♦ 7	Farmington Creek Apts.	14	1029	2	50%	\$710
♦ 7	Farmington Creek Apts.	14	1029	2	60%	\$810
3	Farmington Woods	32	1150	2	60%	\$840
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Farmington Woods	4	1250	2	50%	\$800
3	Farmington Woods	20	1250	2	60%	\$915

♦ - Senior Restricted

QUALITY RATING - DAWSONVILLE, GEORGIA

MARKET-RATE PROJECTS AND UNITS

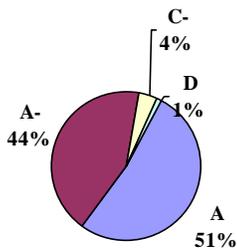
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	314	67.8%		\$1,291	\$1,598	\$1,880	
A-	1	268	1.1%		\$1,234	\$1,439	\$1,585	
C-	2	26	0.0%		\$796	\$897		
D	1	6	0.0%		\$854			

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

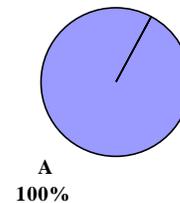
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	128	0.0%		\$786	\$896	\$1,085	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - DAWSONVILLE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	1	12	0	0.0%	12	1.7%
1980 to 1989	2	20	0	0.0%	32	2.8%
1990 to 1999	1	268	3	1.1%	300	37.2%
2000 to 2005	0	0	0	0.0%	300	0.0%
2006 to 2010	0	0	0	0.0%	300	0.0%
2011	0	0	0	0.0%	300	0.0%
2012	0	0	0	0.0%	300	0.0%
2013	0	0	0	0.0%	300	0.0%
2014	1	72	0	0.0%	372	10.0%
2015	0	0	0	0.0%	372	0.0%
2016	1	56	0	0.0%	428	7.8%
2017	0	0	0	0.0%	428	0.0%
2018**	1	292	213	72.9%	720	40.6%
TOTAL	7	720	216	30.0%	720	100.0 %

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of February 2019

Survey Date: February 2019

A-13



APPLIANCES AND UNIT AMENITIES - DAWSONVILLE, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	8	100.0%	742
REFRIGERATOR	8	100.0%	742
ICEMAKER	5	62.5%	710
DISHWASHER	5	62.5%	710
DISPOSAL	5	62.5%	710
MICROWAVE	4	50.0%	442
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	8	100.0%	742
AC - WINDOW	0	0.0%	
FLOOR COVERING	8	100.0%	742
WASHER/DRYER	1	12.5%	292
WASHER/DRYER HOOK-UP	8	100.0%	742
PATIO/DECK/BALCONY	7	87.5%	736
CEILING FAN	5	62.5%	710
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	1	12.5%	268
WINDOW TREATMENTS	8	100.0%	742
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - DAWSONVILLE, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	5	62.5%	710
ON-SITE MANAGEMENT	6	75.0%	468
LAUNDRY	3	37.5%	150
CLUB HOUSE	2	25.0%	290
MEETING ROOM	2	25.0%	364
FITNESS CENTER	4	50.0%	638
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	1	12.5%	72
COMPUTER LAB	1	12.5%	56
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	1	12.5%	292
BUSINESS CENTER	1	12.5%	56
CAR WASH AREA	2	25.0%	290
PICNIC AREA	3	37.5%	420
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - DAWSONVILLE, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	8	742	100.0%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	8	742	100.0%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	8	742	100.0%
			100.0%
ELECTRIC			
TENANT	8	742	100.0%
			100.0%
WATER			
LANDLORD	3	82	11.1%
TENANT	5	660	88.9%
			100.0%
SEWER			
LANDLORD	3	82	11.1%
TENANT	5	660	88.9%
TRASH PICK-UP			
LANDLORD	4	154	20.8%
TENANT	4	588	79.2%
			100.0%

UTILITY ALLOWANCE - DAWSONVILLE, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$8	\$12		\$8	\$3	\$9	\$2	\$5	\$20	\$18	\$18	\$15	\$20
1	GARDEN	\$12	\$17		\$9	\$5	\$14	\$3	\$7	\$28	\$21	\$22	\$15	\$20
1	TOWNHOUSE	\$13	\$18		\$9	\$5	\$14	\$3	\$7	\$29	\$21	\$22	\$15	\$20
2	GARDEN	\$14	\$20		\$11	\$7	\$19	\$4	\$10	\$37	\$24	\$26	\$15	\$20
2	TOWNHOUSE	\$16	\$23		\$11	\$7	\$19	\$4	\$10	\$38	\$24	\$26	\$15	\$20
3	GARDEN	\$18	\$26		\$16	\$8	\$24	\$5	\$12	\$46	\$30	\$32	\$15	\$20
3	TOWNHOUSE	\$20	\$28		\$16	\$8	\$24	\$5	\$12	\$47	\$30	\$32	\$15	\$20
4	GARDEN	\$24	\$31		\$20	\$10	\$29	\$6	\$15	\$57	\$35	\$39	\$15	\$20
4	TOWNHOUSE	\$26	\$36		\$20	\$10	\$29	\$6	\$15	\$59	\$35	\$39	\$15	\$20

ADDENDUM B

COMPARABLE PROPERTY PROFILES

4 Crossings of Dawsonville

1.3 miles to site



No Picture
on File

Address	117 Dawson Forest Rd. Dawsonville, GA 30534		
Phone	(470) 239-1679	Contact	Kathy
Total Units	22	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2019	Floors	4
Concessions	No Rent Specials		
Parking	Surface Parking, Parking Garage		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B
Remarks	Does not accept HCV; 194 additional units UC, expect completion 10/2019; 1st units opened 4/2019, began preleasing 1/2019		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Car Wash Area, Theater; Dog Wash;, Car Charging Station

Unit Configuration

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	10	0	829	\$1.41	\$1165
2	2	G	10	0	1146	\$1.28	\$1465
3	2	G	2	0	1384	\$1.22	\$1695

5 Dawson Forest

0.7 miles to site



Address	100 Green Forest Dr. Dawsonville, GA 30534		
Phone	(706) 216-4292	Contact	Valarie
Total Units	268	Vacancies	3
		Percent Occupied	98.9%
Project Type	Market-Rate		
Year Open	1998	Floors	2,3
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	A-	Neighborhood Rating	B+
Remarks	Does not accept HCV; Unit mix estimated		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Security System, Blinds
Project Amenities	Swimming Pool, Club House, Fitness Center, Storage, Car Wash Area, Dog Park;, Outdoor Kitchens

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	28	0	778	\$1.43	\$1110
2	2	G	160	2	1109 to 1144	\$1.13 - \$1.16	\$1288
3	2	G	80	1	1378	\$1.02	\$1400

6 Falls at Forsyth

5.2 miles to site



Address	5310 Falls Dr. Dawsonville, GA 30028		
Phone	(833) 250-4261	Contact	Jennifer
Total Units	292	Vacancies	213
		Percent Occupied	27.1%
Project Type	Market-Rate		
Year Open	2018	Floors	2,3
Concessions	Select units one months rent free		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B
Remarks	Does not accept HCV; 64 additional units UC, expect completion 8/2019; 1st units Opened 8/2018, still in lease up, began preleasing 3/2018; Unit mix estimated		



Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Meeting Room, Fitness Center, Storage, Security Gate, Picnic Area, Dog Park

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	T	47	34	972	\$1.35	\$1314
1	1	G	100	62	735	\$1.59	\$1167
2	2	T	45	33	1296	\$1.25	\$1620
2	2	G	100	84	1325	\$1.09	\$1447

903 Evergreen at Aubrey's Landing

14.6 miles to site



Address	3305 Hutchinson Cumming, GA 30040		
Phone	(678) 513-8180	Contact	Laura
Total Units	184	Vacancies	4
		Percent Occupied	97.8%
Project Type	Market-Rate		
Year Open	2000	Floors	2,3
Concessions	Select 3-br: One months rent free		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B+
Remarks	Does not accept HCV; Higher rent for renovated units		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Sports Court, Security Gate, Car Wash Area, Picnic Area, Business Center

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	74	1	1075	\$1.13 - \$1.31	\$1210 to \$1410
2	2	G	92	0	1301	\$1.04 - \$1.20	\$1355 to \$1555
3	2	G	18	3	1579	\$1.04 - \$1.17	\$1645 to \$1845

908 Columns at Pilgrim Mill

10.3 miles to site



Address	2090 Columns Dr. Cumming, GA 30028		
Phone	(770) 886-0500	Contact	Nicole
Total Units	238	Vacancies	18
		Percent Occupied	92.4%
Project Type	Market-Rate		
Year Open	2007	Floors	2,3,4
Concessions	Select units one months rent free		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Security Gate, Picnic Area, Business Center

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	43	1	943	\$1.11 - \$1.16	\$1045 to \$1090
1	1	G	28	1	798	\$1.25 - \$1.32	\$995 to \$1055
2	2	G	143	13	1226 to 1273	\$0.91 - \$0.97	\$1120 to \$1240
3	2	G	24	3	1461	\$0.91 - \$0.94	\$1335 to \$1375

3 Farmington Woods

5.7 miles to site



Address	2201 Perimeter Rd. Dawsonville, GA 30534		
Phone	(706) 265-3021	Contact	Barbara
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2014	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	1 & 3-br: 15 HH		
Quality Rating	A	Neighborhood Rating	A-
Remarks	50% & 60% AMHI; HCV (4 units)		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Playground, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	9	0	740	\$0.97	\$720	60%
1	1	G	3	0	740	\$0.80	\$595	50%
2	2	G	32	0	1150	\$0.73	\$840	60%
2	2	G	4	0	1150	\$0.61	\$700	50%
3	2	G	20	0	1250	\$0.73	\$915	60%
3	2	G	4	0	1250	\$0.64	\$800	50%

902 Willows of Cumming

14.3 miles to site



Address	225 Nancy Ln. Cumming, GA 30040		
Phone	(770) 886-0230	Contact	Jennifer
Total Units	156	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1996	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6-8 months		
Quality Rating	B	Neighborhood Rating	B+
Remarks	60% AMHI; HCV (8 units)		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Patio Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	16	0	708	\$1.00	\$710	60%
2	2	G	116	0	929	\$0.91	\$847	60%
3	2	G	24	0	1169	\$0.83	\$972	60%

906 Highland Trace

12.8 miles to site



Address	14 Adair Cir. Dahlonega, GA 30533		
Phone	(706) 867-0416	Contact	Jamie
Total Units	79	Vacancies	19
		Percent Occupied	75.9%
Project Type	Tax Credit		
Year Open	2018	Floors	2,3
Concessions	One months rent free		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	A-
Remarks	50% & 60% AMHI; HCV (1 unit); Opened & began preleasing 12/2018, still in lease up; One 2-br manager unit not included in total		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Club House, Meeting Room

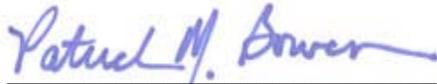
Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	12	6	820	\$0.64	\$525	60%
1	1	G	4	0	820	\$0.52	\$425	50%
2	2	G	31	3	1054	\$0.57	\$600	60%
2	2	G	8	0	1054	\$0.50	\$525	50%
3	2	G	20	10	1218	\$0.55	\$675	60%
3	2	G	4	0	1218	\$0.50	\$610	50%

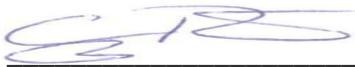
Addendum C – NCHMA Member Certification & Checklist

This market study has been prepared by Bowen National Research, 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 for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. 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.

Bowen National Research is duly qualified and experienced in providing market analysis for 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. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: April 25, 2019



Craig Rupert
Market Analyst
craig@bowennational.com
Date: April 25, 2019

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

Market Study Index

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
Employment and Economy		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
Demographic Characteristics		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	E
27.	Households by tenure	E
Competitive Environment		
28.	Comparable property profiles	Addendum B
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H & Addendum E
45.	Derivation of Achievable Market Rent and Market Advantage	Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	A
48.	Market strengths and weaknesses impacting project	A
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	A
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

Other Requirements		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	Addendum A
56.	Certifications	L
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	Addendum D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Dawsonville, Georgia by Peaks of Dawsonville, LP (developer).

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs (GDCA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. 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 end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
- A drive-time analysis for the site
- Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the project opens and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs (GDCA)
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties within, or near, the Dawsonville Site PMA that we consider comparable to the subject project in terms of overall design, age, unit types, and/or unit and project amenities. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	2021	80	-	12 (-)	40 (-)	28 (-)
4	Crossings of Dawsonville	2019	22 + 194*	100.0%	10 (100.0%)	10 (100.0%)	2 (100.0%)
5	Dawson Forest	1998	268	98.9%	28 (100.0%)	160 (98.8%)	80 (98.8%)
6	Falls at Forsyth	2018	292 + 64*	27.1%	147 (34.7%)	145 (19.3%)	-
903	Evergreen at Aubrey's Landing	2000	184	97.8%	74 (98.6%)	92 (100.0%)	18 (83.3%)
908	Columns at Pilgrim Mill	2007	238	92.4%	71 (97.2%)	143 (90.9%)	24 (87.5%)

900 Series Map IDs are located outside the Site PMA

Occ. – Occupancy

*Units under construction

The five selected market-rate projects have a combined total of 1,004 units with an overall occupancy rate of 76.3%. This is, however, reflective of the low occupancy rate currently reported at Falls at Forsyth (Map ID 6) which is still within its initial lease-up period as detailed earlier in this report. The four remaining comparable market-rate properties all report individual occupancy rates of 92.4% or higher, demonstrating that they've been well-received within their respective markets and will serve as accurate benchmarks with which to compare the subject project. Note that while the two newest comparable properties have either yet to reach a stabilized occupancy rate or currently offer only a minimal number of available/rentable units, these properties have been given less weight in our determination of achievable market rent for the subject units.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject development.

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Evergreen at Aubrey's Landing		Columns at Pilgrim Mill	
65 North 400 Center Lane		117 Dawson Forest Rd.		100 Green Forest Dr.		5310 Falls Dr.		3305 Hutchinson		2090 Columns Dr.	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,165		\$1,110		\$1,167		\$1,210		\$1,025	
2	Date Surveyed	Feb-19		Feb-19		Feb-19		Feb-19		Feb-19	
3	Rent Concessions	None		None		Yes (\$97)		None		Yes (\$85)	
4	Occupancy for Unit Type	100%		100%		38%		99%		96%	
5	Effective Rent & Rent/ sq. ft	\$1,165	1.41	\$1,110	1.43	\$1,070	1.46	\$1,210	1.13	\$940	1.18
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		WU/2,3		WU/2,3		WU/2,3,4	
7	Yr. Built/Yr. Renovated	2021	\$2	1998	\$23	2018	\$3	2000	\$21	2007	\$14
8	Condition/Street Appeal	E		E		E		E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	823	(\$2)	778	\$15	735	\$30	1075	(\$85)	798	\$8
14	Balcony/Patio	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		N	\$15
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU	\$25	HU/L	\$25
19	Floor Coverings	C/V		W		W		W		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		Y	(\$3)	N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/Y	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		N	\$5	Y		Y	
26	Security Features	N		N		N		Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F/MT	(\$12)	P/F	(\$12)	P/F/S	(\$15)	P/F	(\$12)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	9	2	5	2	3	3	6	2
41	Sum Adjustments B to D	\$41	(\$17)	\$87	(\$15)	\$44	(\$17)	\$51	(\$105)	\$80	(\$17)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$39	\$73	\$87	\$117	\$42	\$76	(\$39)	\$171	\$78	\$112
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,204		\$1,197		\$1,112		\$1,171		\$1,018	
45	Adj Rent/Last rent		103%		108%		104%		97%		108%
46	Estimated Market Rent	\$1,155	\$1.40 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Evergreen at Aubrey's Landing		Columns at Pilgrim Mill	
65 North 400 Center Lane		117 Dawson Forest Rd.		100 Green Forest Dr.		5310 Falls Dr.		3305 Hutchinson		2090 Columns Dr.	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,465		\$1,288		\$1,447		\$1,355		\$1,120	
2	Date Surveyed	Feb-19		Feb-19		Feb-19		Feb-19		Feb-19	
3	Rent Concessions	None		None		Yes (\$121)		None		Yes (\$93)	
4	Occupancy for Unit Type	100%		99%		16%		100%		91%	
5	Effective Rent & Rent/ sq. ft	\$1,465	1.28	\$1,288	1.16	\$1,326	1.00	\$1,355	1.04	\$1,027	0.84
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		WU/2,3		WU/2,3		WU/2,3,4	
7	Yr. Built/Yr. Renovated	2021	\$2	1998	\$23	2018	\$3	2000	\$21	2007	\$14
8	Condition/Street Appeal	E		E		E		E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	916	(\$63)	1109	(\$53)	1325	(\$112)	1301	(\$105)	1226	(\$85)
14	Balcony/Patio	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		N	\$15
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU	\$25	HU/L	\$25
19	Floor Coverings	C/V		W		W		W		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		Y	(\$3)	N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/Y	
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		N	\$5	Y		Y		Y	
26	Security Features	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F	(\$12)	P/F	(\$12)	P/F/S	(\$15)	P/F	(\$12)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	8	3	4	3	3	3	5	3
41	Sum Adjustments B to D	\$41	(\$78)	\$72	(\$68)	\$14	(\$129)	\$51	(\$125)	\$72	(\$102)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$22)	\$134	\$19	\$155	(\$100)	\$158	(\$59)	\$191	(\$15)	\$189
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,443		\$1,307		\$1,226		\$1,296		\$1,012	
45	Adj Rent/Last rent		99%		101%		92%		96%		99%
46	Estimated Market Rent	\$1,275	\$1.39 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Evergreen at Aubrey's Landing		Columns at Pilgrim Mill	
65 North 400 Center Lane		117 Dawson Forest Rd.		100 Green Forest Dr.		5310 Falls Dr.		3305 Hutchinson		2090 Columns Dr.	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,695		\$1,400		\$1,447		\$1,645		\$1,355	
2	Date Surveyed	Feb-19		Feb-19		Feb-19		Feb-19		Feb-19	
3	Rent Concessions	None		None		Yes (\$121)		Yes (\$137)		Yes	
4	Occupancy for Unit Type	100%		99%		16%		83%		88%	
5	Effective Rent & Rent/ sq. ft	\$1,695	1.22	\$1,400	1.02	\$1,326	1.00	\$1,508	0.96	\$1,355	0.93
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		WU/2,3		WU/2,3		WU/2,3,4	
7	Yr. Built/Yr. Renovated	2021	\$2	1998	\$23	2018	\$3	2000	\$21	2007	\$14
8	Condition/Street Appeal	E		E		E		E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		2	\$50	3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1160	(\$59)	1378	(\$58)	1325	(\$44)	1579	(\$111)	1461	(\$80)
14	Balcony/Patio	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		N	\$15
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU/L	\$25	W/D		HU	\$25	HU/L	\$25
19	Floor Coverings	C/V		W		W		W		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		Y	(\$3)	N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/Y	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		N	\$5	Y		Y	
26	Security Features	N		N		N		Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F/MT	(\$12)	P/F	(\$12)	P/F/S	(\$15)	P/F	(\$12)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	8	3	5	3	3	3	5	3
41	Sum Adjustments B to D	\$41	(\$74)	\$72	(\$73)	\$64	(\$61)	\$51	(\$131)	\$72	(\$97)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$18)	\$130	\$14	\$160	\$18	\$140	(\$65)	\$197	(\$10)	\$184
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,677		\$1,414		\$1,344		\$1,443		\$1,345	
45	Adj Rent/Last rent		99%		101%		101%		96%		99%
46	Estimated Market Rent	\$1,420	\$1.22 ←	Estimated Market Rent/ Sq. Ft							

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$1,155 for a one-bedroom unit, \$1,275 for a two-bedroom unit and \$1,420 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$550	\$1,155	52.4%
One-Br.	60%	\$650	\$1,155	43.7%
Two-Br.	50%	\$650	\$1,275	49.0%
Two-Br.	60%	\$750	\$1,275	41.2%
Three-Br.	50%	\$750	\$1,420	47.2%
Three-Br.	60%	\$850	\$1,420	40.1%

The proposed collected rents represent market rent advantages ranging from 40.1% to 52.4%, depending on bedroom type and targeted income level. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants within the market. As such, the proposed rents should represent significant values for the local market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
7. The subject property is expected to be complete in 2021. The selected properties were built between 1998 and 2019. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider having an inferior quality to the subject development.
10. Two of the selected properties are located outside of the Site PMA due to the limited supply of conventional comparable market-rate product in the Dawsonville market. These properties are, however, located in the nearby Cumming area south of the Site PMA, portions of which are located in the Site PMA. Due to the proximity of these properties to the subject market and the similarity of the markets in which these properties are located compared to the subject property, out of market adjustments were not warranted and have not been applied in the preceding Rent Comparability Grids.
11. One of the selected properties does not offer three-bedroom units. Thus, we have utilized the next most comparable floor plan (two-bedroom) as a comparable for the subject's three-bedroom units. A positive adjustment of \$50 has been applied to account for the additional defined bedroom within the subject's three-bedroom units.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package similar to the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a project amenities package which is generally considered inferior to those offered among the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property, as needed. The utility adjustments were based on the local housing authority's utility cost estimates.