

Market Feasibility Analysis

Euharlee & Elm Street Apartments
120 Gordon Street and 100 Morgan Valley Road
Rockmart, Polk County, Georgia 30153

Prepared For

Ms. Sandra Hudson
Northwest Georgia Housing Authority
Euharlee & Elm Street Apartments Limited Partnership (Owner)
800 North 5th Avenue
Rome, Georgia 30165

Effective Date

April 30, 2019

Job Reference Number

19-204 JW



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 Euharlee & Elm Street Apartments to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Rockmart, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is developed and operated as proposed in this report.

1. Project Description:

Euharlee & Elm Street Apartments involves the adaptive reuse of two vacant school buildings and the new construction of residential buildings located at 120 Gordon Street and 100 Morgan Valley Road in Rockmart, into a 75-unit apartment community. Together, the buildings will offer 17 one- and 29 two-bedroom garden-style units, as well as 25 three- and four (4) four-bedroom townhouse units within one- and two-story residential buildings. Community spaces will be integrated throughout each building. Euharlee & Elm Street Apartments will be developed utilizing funding from the LIHTC program and will target lower-income family households earning up to 60% of Area Median Household Income (AMHI). Additionally, 66 units will operate with Project-Based Voucher (PBV) assistance, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed project is expected to be complete sometime in 2021. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The proposed subject sites are situated within primarily established areas in the western portion of Rockmart. Surrounding land uses primarily include residential and commercial development, which are generally considered to be in fair to good condition. The intended use of the subject sites is consistent with the surrounding land uses and should contribute to their marketability. Access to the sites is considered good, as they are within close proximity of U.S. Highway 278, as well as State Routes 101 and 113. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street, a moderately traveled arterial within the immediate area, and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. The subject sites are located within close proximity of most basic community services, including grocery, discount shopping, pharmacies, gas stations/convenience stores, restaurants, banks and employment opportunities. Overall, the location of the subject sites and their convenient accessibility and proximity to area community services are considered conducive for affordable housing development within the Rockmart market.

3. Market Area Definition:

The Rockmart Site Primary Market Area (PMA) includes all or portions of Rockmart, Aragon, Cedartown, Taylorsville and Braswell, as well as the surrounding unincorporated areas of Polk County. Specifically, the boundaries of the Site PMA include the Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west. A map illustrating these boundaries is included on page D-2 of this report.

4. Community Demographic Data:

The population base and households within the Rockmart Site PMA experienced positive growth between 2000 and 2010. These trends have been generally stable since 2010 and are projected to remain relatively stable through 2021. Regardless, the market will continue to have a good base of age-appropriate support, as over 70% of all households within the market will be under the age of 65 in 2021. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project. Additional demographic data is included in Section E of this report.

5. Economic Data:

Based on online research and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Polk County economy has generally been experiencing nominal growth since the end of the national recession in 2010. During this time, the county's employment base increased by 1,164 jobs, or 7.1%, and remains below prerecession levels. The county's unemployment rate, on the other hand, has generally trended downward and is averaging 4.7% (through February 2019). However, in light of the recent announcements of business expansions within the county, it is expected that the local employment base will experience growth within the foreseeable future. This, in turn, will continue to create a stable environment for the local housing market. Additional economic data is included in Section F of this report.

6. Project-Specific Affordability and Demand Analysis:

Per GDCA guidelines, projects in rural markets with an overall capture rate of 35% or below are considered acceptable. As such, the project's overall capture rates of 5.4% as proposed with the subsidy and 16.3% in the unlikely event the subsidy was not offered are considered low and achievable, demonstrating that a good base of support will exist for the subject project within the Rockmart Site PMA. Capture rates by targeted income level and bedroom type are included in Section G of this report.

7. Competitive Rental Analysis

We identified and surveyed three family (general-occupancy) non-subsidized rental properties within the market that offer LIHTC units. These projects target households with incomes up to 50% and 60% of AMHI and, as such, are considered competitive with the subject project. Additionally, we identified and surveyed one rental community outside of the market, but within the region in Cartersville that offers non-subsidized LIHTC units for this comparability analysis. It should be noted that this project outside of the market is not considered competitive with the subject development, as it derives demographic support from a different geographical area. The four comparable LIHTC projects and the subject project are summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Euharlee & Elm Street Apartments	2021	75	-	-	-	Families; 60% AMHI & PBV
3	Vinings at Oxford	2016	62	100.0%	11.2 Miles	12 H.H.	Families; 50% & 60% AMHI
6	Park Place Apts.	2003	48*	100.0%	0.5 Miles	None	Families; 50% & 60% AMHI
8	Evergreen Village	2000	56	100.0%	13.6 Miles	6 H.H.	Families; 50% & 60% AMHI
903	Somerset Club Apts.	2004	120*	100.0%	25.5 Miles	None	Families; 60% AMHI

OCC. – Occupancy

H.H. – Households

PBV – Project Based Vouchers

*Tax Credit units only

Map ID 903 is located outside of Site PMA

The four competitive/comparable LIHTC projects have a combined occupancy rate of 100.0%, two of which maintain wait lists. This indicates that pent-up demand exists for additional affordable rental housing within the market and region. The subject project will be able to accommodate a portion of this unmet demand.

Vinings at Oxford (Map ID 3) is the newest LIHTC rental community within the market. While property management was unable to provide lease-up information for this development, this project is 100.0% occupied with a 12-household waiting list. This illustrates that new affordable rental housing has been very well received within the market. This will bode well for the demand of the subject units.

The gross rents for the competing/comparable projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the table on the following page.

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Euharlee & Elm Street Apartments	\$556-\$578/60% (17)	\$675-\$746/60% (29)	\$886-\$911*/60% (25)	\$1,015*/60% (4)
3	Vinings at Oxford	\$461/50% (8/0) \$497/60% (11/0)	\$559/50% (16/0) \$630/60% (21/0)	\$648/50% (2/0) \$704/60% (4/0)	-
6	Park Place Apts.	\$466/50% (9/0) \$477/60% (3/0)	\$552/50% (12/0) \$567/60% (5/0)	\$633/50% (14/0) \$689/60% (5/0)	-
8	Evergreen Village	\$460/50% (8/0) \$465/60% (8/0)	\$547/50% (10/0) \$584/60% (10/0)	\$625/50% (10/0) \$645/60% (10/0)	-
903	Somerset Club Apts.	\$874/60% (30/0)	\$1,048/60% (54/0)	\$1,210/60% (36/0)	-

*2018 maximum allowable LIHTC gross rent
Map ID 903 is located outside of Site PMA

The proposed subject gross LIHTC rents, ranging from \$556 to \$1,015, will be some of the highest LIHTC rents targeting similar income levels within the market and region. Notably, the rents proposed at the site will be at least \$45 higher than those offered in the *market*. However, considering that all comparable LIHTC projects are 100.0% occupied, it is likely that these developments could charge higher rents without having an adverse impact on their marketability. In addition, the subject project will be the newest LIHTC project in the market, offering generally larger unit sizes (square feet) and a superior amenities package, which will further enable the development to charge significant rent premiums. Lastly, as indicated in our demand analysis, a good base of demographic support will exist within the market to support the proposed rent structure at the subject project. For the reasons detailed above, it is believed that the proposed rent structure at the site is appropriately positioned to be marketable within the Rockmart Site PMA. Further, a total of 66 subject units will operate with Project-Based Vouchers (PBV), which will require tenants to pay up to 30% of their gross adjusted income towards housing costs. Therefore, the aforementioned subject units will represent a substantial value to low-income renters. Additionally, the remaining nine non-subsidized subject units will be able to accommodate those with a Housing Choice Voucher (HCV).

Also note that the subject project will be the only LIHTC project to offer four-bedroom units. As such, the development will provide an affordable rental housing alternative to larger low-income family households that are currently underserved within the market. This will position the subject at a market advantage.

Comparable/Competitive Tax Credit Summary

Based on our analysis of unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the proposed development will be marketable. While the proposed subject LIHTC rents will be the highest LIHTC rents within the market, its newness, generally larger unit sizes and superior amenities package will enable it to charge higher rents. Additionally, given the fact that all comparable LIHTC projects are 100.0% occupied, two of which maintain waiting lists, higher rents are likely attainable within the Rockmart Site PMA. Further, as the majority of the subject units will offer a subsidy, the subject development will represent a substantial value to low-income renters. This has been considered in our absorption projections.

An in-depth analysis of the Rockmart rental housing market is included in Section H of this report.

8. Absorption/Stabilization Estimates

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 reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Rockmart Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 75 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in less than six months of opening. This absorption period is based on an average monthly absorption rate of approximately 11 units per month. These absorption assumptions assume that the project will offer Project-Based Vouchers (PBV) on 66 of the subject units. In the unlikely event the subject project did not offer a subsidy, it will likely experience an extended absorption period of approximately 12 months, based on an absorption rate of approximately six units per month.

These absorption projections assume a 2021 opening date. An earlier or later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built 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.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 75 LIHTC units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Rockmart rental housing market is performing at a very strong occupancy rate of 99.5%, as a result of only three vacant units. In fact, the three general-occupancy, non-subsidized developments identified and surveyed within the market are 100.0% occupied, two of which maintain a waiting list for the next available unit. This illustrates that pent-up demand exists for additional non-subsidized affordable rental housing within the market. The subject development will be able to accommodate a portion of this unmet demand. It should also be noted that the subject development will be the only LIHTC project within the market to offer four-bedroom units. This will position the subject development at a market advantage, as it will provide an affordable rental housing alternative to low-income larger family households that are currently underserved within the Rockmart Site PMA.

While the proposed subject rents will be the highest LIHTC rents targeting similar income levels within the market, its newness, larger unit sizes and amenities offered will enable it to charge higher rents within the Rockmart Site PMA. This is further supported by the fact that all general-occupancy LIHTC developments within the market are 100.0% occupied, demonstrating that these projects could likely charge higher rents without having an adverse impact on their occupancy levels. Nonetheless, it should be reiterated that 88%, or 66, of the subject units will offer a subsidy, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject project will represent a substantial value to low-income renters within the market. Only nine of the subject units will require tenants to pay the quoted rents, which are not expected to be difficult lease. This is especially true, considering the depth of demographic support that exists in the market for such units, which represent a capture rate of 20.9%.

Assuming the subject project operates without a subsidy, the overall required capture rate for the subject development is 16.3%. This is below GDCA's capture rate threshold of 35% for developments located within rural markets and is considered achievable. This demonstrates that a good base of potential income-appropriate renter household support exists for the subject project within the Rockmart Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Rockmart Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

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

Development Name:	Euharlee & Elm Street Apartments	Total # Units:	75
Location:	120 Gordon St. & 100 Morgan Valley Rd., Rockmart, GA 30153	# LIHTC Units:	75
PMA Boundary:	Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west.		
	Farthest Boundary Distance to Subject:		12.9 miles

RENTAL HOUSING STOCK (found on page H-1, 2 & 5; Add A)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	576	3	99.5%
Market-Rate Housing	4	71	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	5	172	0	100.0%
LIHTC	7	333	3	99.1%
Stabilized Comps	3	166*	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

*Tax Credit units 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
4	One-Br.	1.0	791	\$472	\$922	\$1.17	95.3%	\$1,025	\$1.55
9	One-Br.	1.0	791	\$491	\$922	\$1.17	93.3%	\$1,025	\$1.55
4	One-Br.	1.0	791	\$491	\$922	\$1.17	87.8%	\$1,025	\$1.55
21	Two-Br.	2.0	1,000	\$582	\$1,082	\$1.08	85.9%	\$1,240	\$1.18
8	Two-Br.	2.0	1,000	\$683	\$1,082	\$1.08	58.4%	\$1,240	\$1.18
19	Three-Br.	2.0	1,300	\$776	\$1,312	\$1.01	69.1%	\$1,490	\$1.09
6	Three-Br.	2.0	1,300	\$811*	\$1,312	\$1.01	61.8%	\$1,490	\$1.09
2	Four-Br.	2.0	1,500	\$895*	\$1,109	\$0.74	23.9%	\$1,109	\$0.76
2	Four-Br.	2.0	1,500	\$902*	\$1,109	\$0.74	22.9%	\$1,109	\$0.76

*Units will operate with a Project-Based Voucher (PBV); Rents are reflective of the maximum allowable LIHTC gross rents minus tenant-paid utilities

CAPTURE RATES (found on page G-5)

Targeted Population	30%	PBV	60%	Market-rate	Overall as Proposed	Overall LIHTC-Only
Capture Rate	-	4.7%	6.3%	-	5.4%	16.3%

Section B - Project Description

The subject project involves the adaptive reuse of two vacant school buildings and the new construction of residential buildings located at 120 Gordon Street and 100 Morgan Valley Road in Rockmart, Georgia into a 75-unit apartment community to be known as Euharlee & Elm Street Apartments. Together, the buildings will offer 17 one- and 29 two-bedroom garden-style units, as well as 25 three- and four (4) four-bedroom townhouse units within one- and two-story residential buildings. Community spaces will be integrated throughout each building. Euharlee & Elm Street Apartments will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and will target lower-income family households earning up to 60% of Area Median Household Income (AMHI). Additionally, 66 units will operate with Project-Based Voucher (PBV) assistance, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed project is expected to be complete sometime in 2021. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Euharlee & Elm Street Apartments
2. **Property Location:** 120 Gordon Street and
100 Morgan Valley Road
Rockmart, Georgia 30153
(Polk County)
3. **Project Type:** Adaptive reuse/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	
4	One-Br.	1.0	Garden	791	60%/PBV	\$472	\$84	\$556	\$657
4	One-Br.	1.0	Garden	791	60%/PBV	\$491	\$83	\$574	\$657
9	One-Br.	1.0	Garden	791	60%	\$477	\$101	\$578	\$657
21	Two-Br.	2.0	Garden	1,000	60%/PBV	\$582	\$93	\$675	\$789
8	Two-Br.	2.0	Garden	1,000	60%/PBV	\$653	\$93	\$746	\$789
19	Three-Br.	2.0	Townhome	1,300	60%/PBV	\$776	\$110	\$886	\$911
6	Three-Br.	2.0	Townhome	1,300	60%/PBV	\$882	\$100	\$982	\$911
2	Four-Br.	2.0	Townhome	1,500	60%/PBV	\$955	\$120	\$1,075	\$1,015
2	Four-Br.	2.0	Townhome	1,500	60%/PBV	\$1,028	\$113	\$1,141	\$1,015
75	Total								

Source: Northwest Georgia Housing Authority

AMHI – Area Median Household Income (2018 National Nonmetropolitan Median Income)

PBV – Project-Based Voucher

Note that some of the proposed subject gross rents for the PBV units are above the maximum allowable LIHTC gross rents for the national nonmetropolitan area. In the unlikely event the subsidy was not offered on the majority of the units, these rents will need to be lowered to or below the maximum allowable LIHTC gross rents. Note that the lower of the proposed rents or the maximum allowable LIHTC rents for these specific subject units have been utilized throughout the remainder of this report.

- 5. Target Market:** Family
- 6. Project Design:** Garden-style and townhome units within one- and two-story residential buildings with integrated community spaces.
- 7. Original Year Built:** 1940/1974 (existing structures)
- 8. Projected Opening Date:** 2021
- 9. Unit Amenities:**
- Electric Range
 - Refrigerator
 - Garbage Disposal
 - Dishwasher
 - Microwave
 - Tile Flooring
 - Window Blinds
 - Central Air Conditioning
 - Washer/Dryer Hookups
- 10. Community Amenities:**
- On-Site Management
 - Community Room
 - Laundry Facility
 - Fitness Center
 - Fenced Community Garden
 - Covered Picnic Area
 - Computer Center
 - Library
 - Swimming Pool
 - Basketball Court
 - Playground
- 11. Resident Services:**
- Resident programs will be provided by the owner, which include resident education, organizing around tenancy issues and training activities.
- 12. Utility Responsibility:**
- Trash collection will be included in the rent. Tenants will be responsible for the cost of all other utilities (electric), as well as cold water and sewer.

13. Rental Assistance:

A total of 66 units will operate with PBV assistance.

14. Parking:

An unassigned surface parking lot with 113 spaces will be available.

15. Current Project Status:

Not applicable; The subject project will involve the adaptive reuse of vacant buildings and the new construction of residential buildings.

16. Statistical Area:

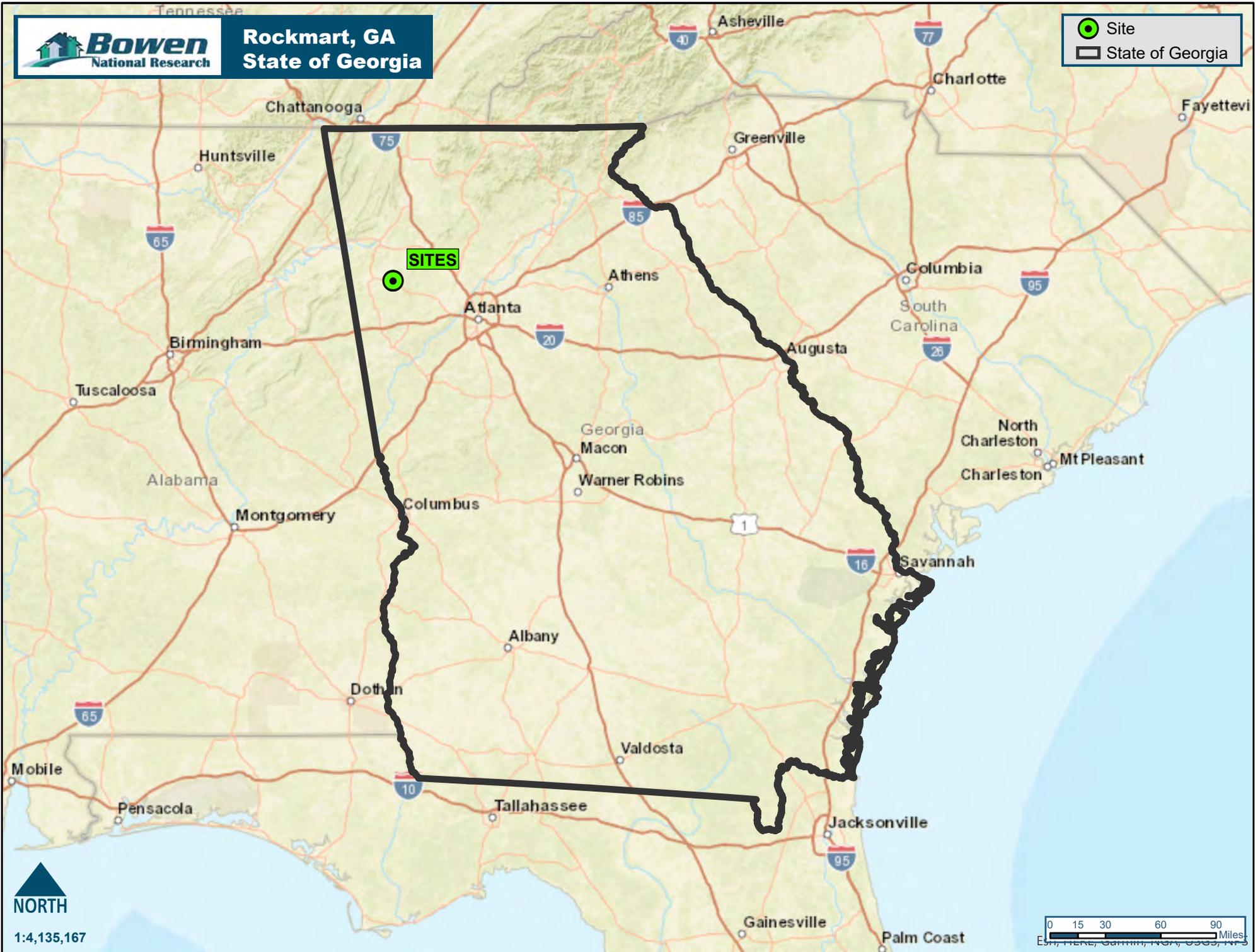
Polk County, Georgia (2018)

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



Rockmart, GA State of Georgia

● Site
▭ State of Georgia



NORTH

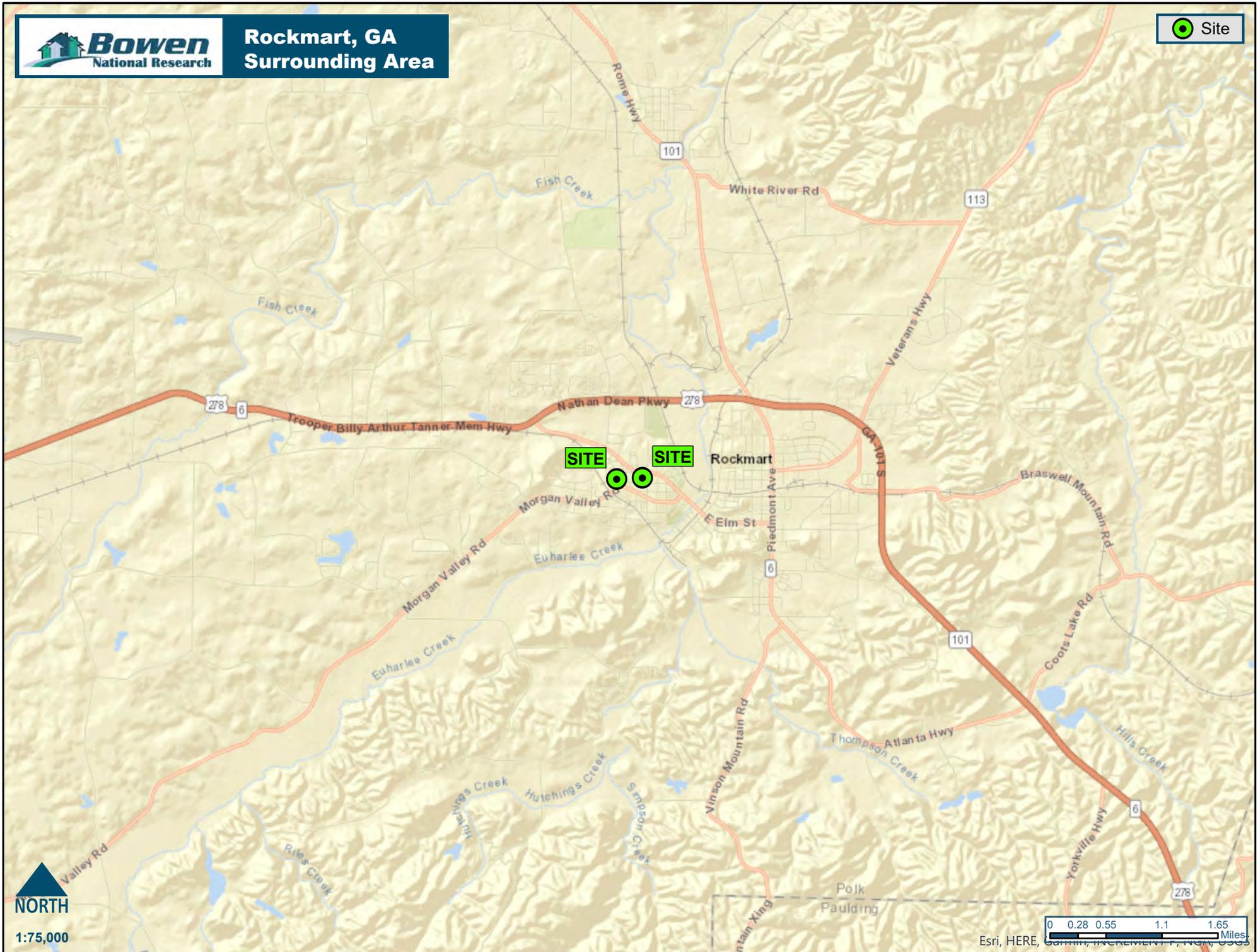
1:4,135,167

0 15 30 60 90 Miles
ESRI, HERE, Garmin, NAVI, USGS, FWS



Rockmart, GA Surrounding Area

Site



NORTH

1:75,000

0 0.28 0.55 1.1 1.65 Miles

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



Rockmart, GA Site Neighborhood

Legend
Site Area



NORTH
1:4,000

0 0.02 0.04 0.08 0.12 Miles

Section C – Site Description and Evaluation

1. LOCATION

The subject sites currently consist of two vacant school buildings and undeveloped land located at 120 Gordon Street (Euharlee School) and 100 Morgan Valley Road (Elm Street School), in the western portion of Rockmart, Georgia. Situated in Polk County, Rockmart is approximately 47.0 miles northwest of Atlanta, Georgia. Tammy Whited, an employee of Bowen National Research, inspected the subject sites and area apartments during the week of March 18, 2019.

2. SURROUNDING LAND USES

The subject sites are located within primarily established areas of Rockmart. Surrounding land uses include single-family homes, multifamily homes, a cemetery, local businesses, area community services and undeveloped land. Adjacent land uses are detailed as follows:

North -	Hill Street borders the Elm Street School site to the north and continuing north are single-family homes, local businesses and area services. Elm Street borders the Euharlee School site to the north and continuing north are local businesses, residential development, baseball fields and undeveloped land.
East -	Undeveloped land and single-family homes border the Elm Street School site to the east and continuing east are a shopping plaza and single-family homes, followed by the Euharlee School site. Williamson Street borders the Euharlee School site to the east and continuing are multi and single-family homes, local businesses and a cemetery.
South -	Morgan Valley Road defines the southern boundary of the Elm Street School site and continuing south are commercial development, single-family homes and undeveloped land. Golden Street defines the southern boundary of the Euharlee School site, followed by single-family homes and additional residential development.
West -	A cemetery and undeveloped land border the Elm Street School site to the west and continuing west are undeveloped land and residential development. Gordon Street borders the Euharlee School site to the west, followed by residential development.

The commercial and residential structures surrounding the subject sites were generally observed to be in satisfactory to good condition. Overall, the subject properties are consistent with the surrounding land uses, which will contribute to their marketability.

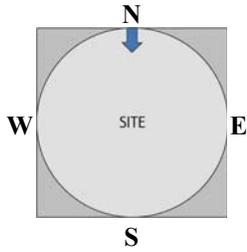
3. VISIBILITY AND ACCESS

The Elm Street School site maintains frontage along Morgan Valley Road, a two-lane, light to moderately traveled residential roadway bordering the site to the south, as well as Rome Street and Church Street to the east and Hill Street to the north, all three of which are lightly traveled, two-lane residential roadways. The Euharlee School site maintains frontage along West Elm Street, a moderately to heavily traveled, four-lane roadway to the north, as well as Gordon Street, Golden Street and Williamson Street to the west, south and east, respectively, all three of which are lightly traveled, two-lane residential roadways. Ingress and egress are considered convenient, with clear lines of sight in all directions of travel. The Euharlee School site and the Elm Street School site both have easy access to U.S. Highway 278, the closest arterial roadway providing access throughout Rockmart and surrounding areas located within 1.2 miles. In addition, the subject sites have easy access to State Routes 101 and 113, both major arterial roadways in the area located approximately 2.0 miles from the proposed subject sites. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

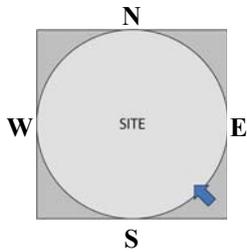
4. SITE PHOTOGRAPHS

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

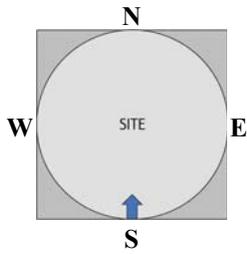
SITE PHOTOGRAPHS



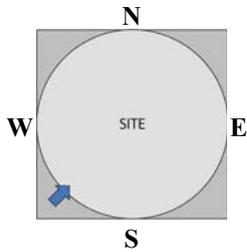
View of site from the north - Elm Street School



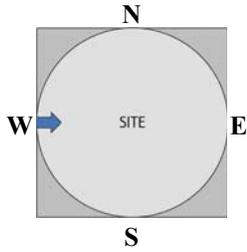
View of site from the southeast - Elm Street School



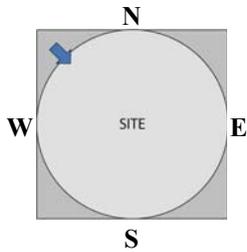
View of site from the south - Elm Street School



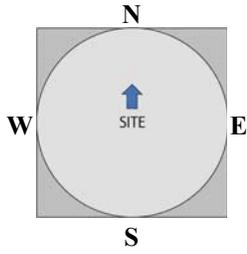
View of site from the southwest - Elm Street School



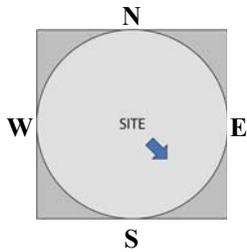
View of site from the west - Elm Street School



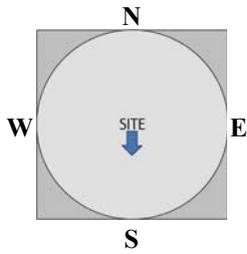
View of site from the northwest - Elm Street School



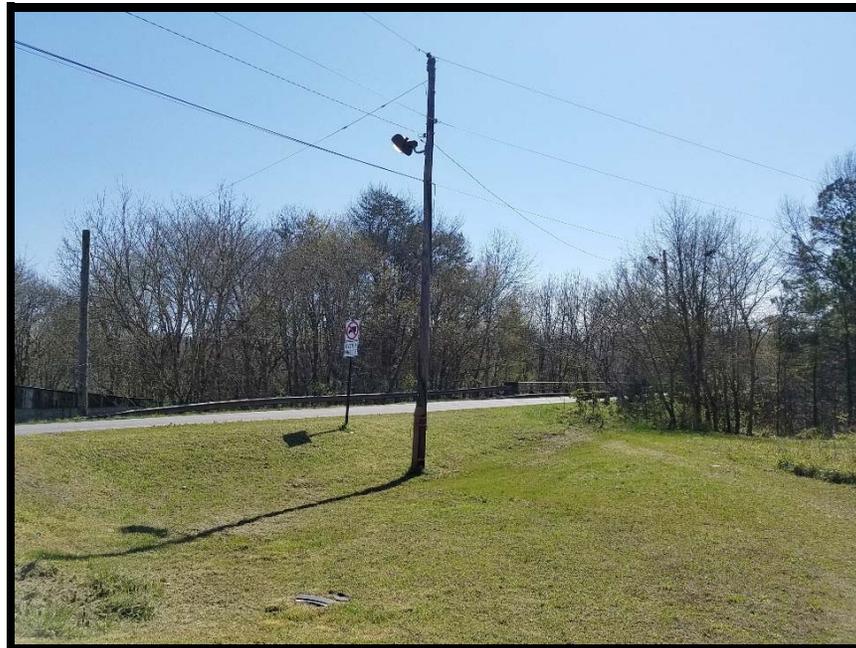
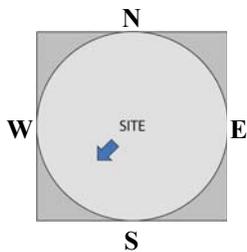
North view from site - Elm Street School



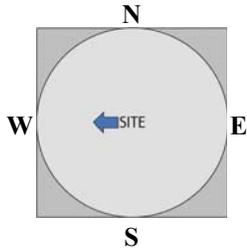
Southeast view from site - Elm Street School



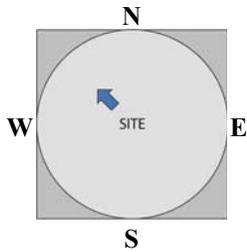
South view from site - Elm Street School



Southwest view from site - Elm Street School



West view from site - Elm Street School



Northwest view from site - Elm Street School



Streetscape - Elm Street School - East view of Morgan Valley Road



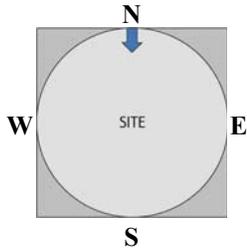
Streetscape - Elm Street School - West view of Morgan Valley Road



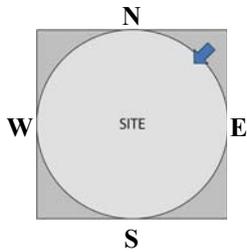
Streetscape - Elm Street School - South view of Rome Street



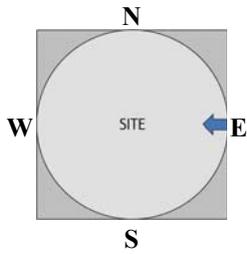
Streetscape - Elm Street School - North view of Rome Street



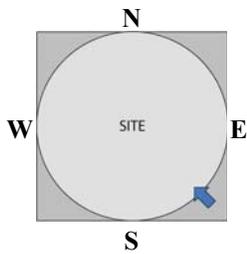
View of site from the north - Euharlee School



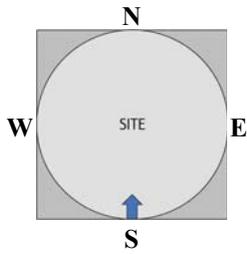
View of site from the northeast - Euharlee School



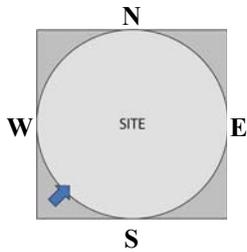
View of site from the east - Euharlee School



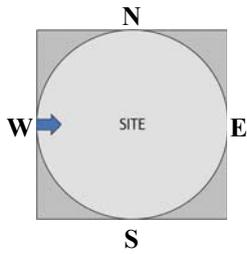
View of site from the southeast - Euharlee School



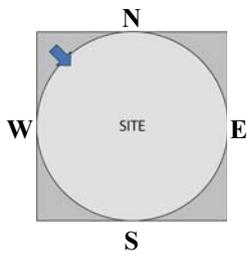
View of site from the south - Euharlee School



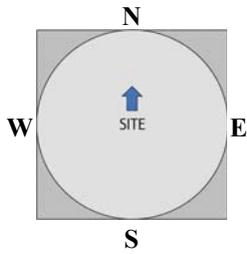
View of site from the southwest - Euharlee School



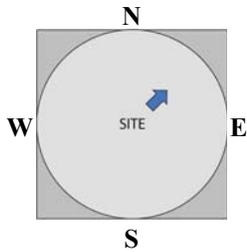
View of site from the west - Euharlee School



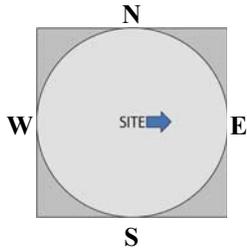
View of site from the northwest - Euharlee School



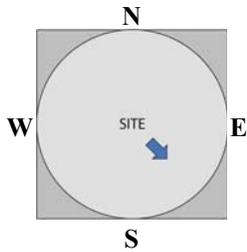
North view from site - Euharlee School



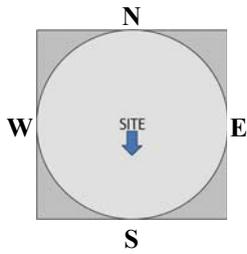
Northeast view from site - Euharlee School



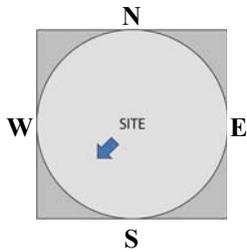
East view from site - Euharlee School



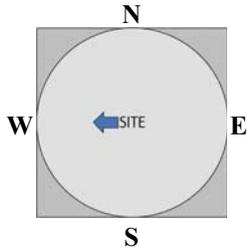
Southeast view from site - Euharlee School



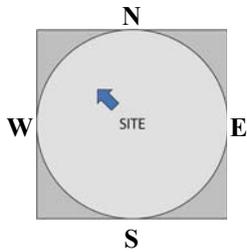
South view from site - Euharlee School



Southwest view from site - Euharlee School



West view from site - Euharlee School



Northwest view from site - Euharlee School



Streetscape - Euharlee School - East view of Elm Street



Streetscape - Euharlee School - West view of Elm Street



Streetscape - Euharlee School - North view of Williamson Street



Streetscape - Euharlee School - South view of Williamson Street



Streetscape - Euharlee School - East view of Golden Street



Streetscape - Euharlee - West view of Golden Street



Streetscape - Euharlee - North view of Gordon Street



Streetscape - Euharlee - South view of Gordon Street

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	U.S. Highway 278 State Route 101 State Route 113	1.2 North 2.0 West 2.0 West
Major Employers/ Employment Centers	Tip Top Poultry Murata Electronics Distribution Meggitt Polymers and Composites Walmart Supercenter	0.8 North 0.9 North 2.0 East 2.9 Northeast
Convenience Store	EZ Mart Sunoco Smart Mart	0.4 Southwest 0.4 Northeast 1.7 East
Grocery	Ingles Market Triangle Foods Walmart Supercenter	1.9 East 2.2 Northeast 2.9 Northeast
Discount Department Store	Second Time Around Thrift Store Family Dollar	1.5 East 1.8 East
Shopping Center/Mall	Walmart Supercenter	2.9 Northeast
Schools: Elementary Middle/Junior High High	Polk School District Van Wert Elementary School Rockmart Middle School Rockmart High School	2.1 Southeast 4.0 Northeast 3.5 Northeast
Medical Center/Hospital	Floyd Primary Care - Rockmart Polk Medical Center	2.4 Northeast 8.6 West
Police	Rockmart Police Department	1.7 East
Fire	Rockmart Fire Department	1.8 East
Post Office	U.S. Post Office	0.9 East
Bank	Southcrest Bank Suntrust Bank Family Savings Credit Union	0.9 East 1.3 East 2.5 Northeast
Recreational Facilities	Body Vision Anytime Fitness	1.0 East 2.9 Northeast
Gas Station	EZ Mart Sunoco Smart Mart	0.4 Southwest 0.4 Northeast 1.7 East
Pharmacy	RiteAid Walmart Pharmacy	1.3 Northeast 2.9 Northeast
Restaurant	Sidekicks Knucklehead Café Dairy Queen	0.7 North 0.8 East 1.6 Southeast
Day Care	Creative Kids Learning Center Tallatoona Rockmart Head Start	1.7 Northeast 1.7 Southeast
Library	Rockmart City Public Library	0.8 East
Church	Zion Hill First Baptist Church Morning Star Baptist Church First United Methodist Church	0.5 South 0.9 West 0.7 Southeast
Park	Nathan Dean Park	0.6 North

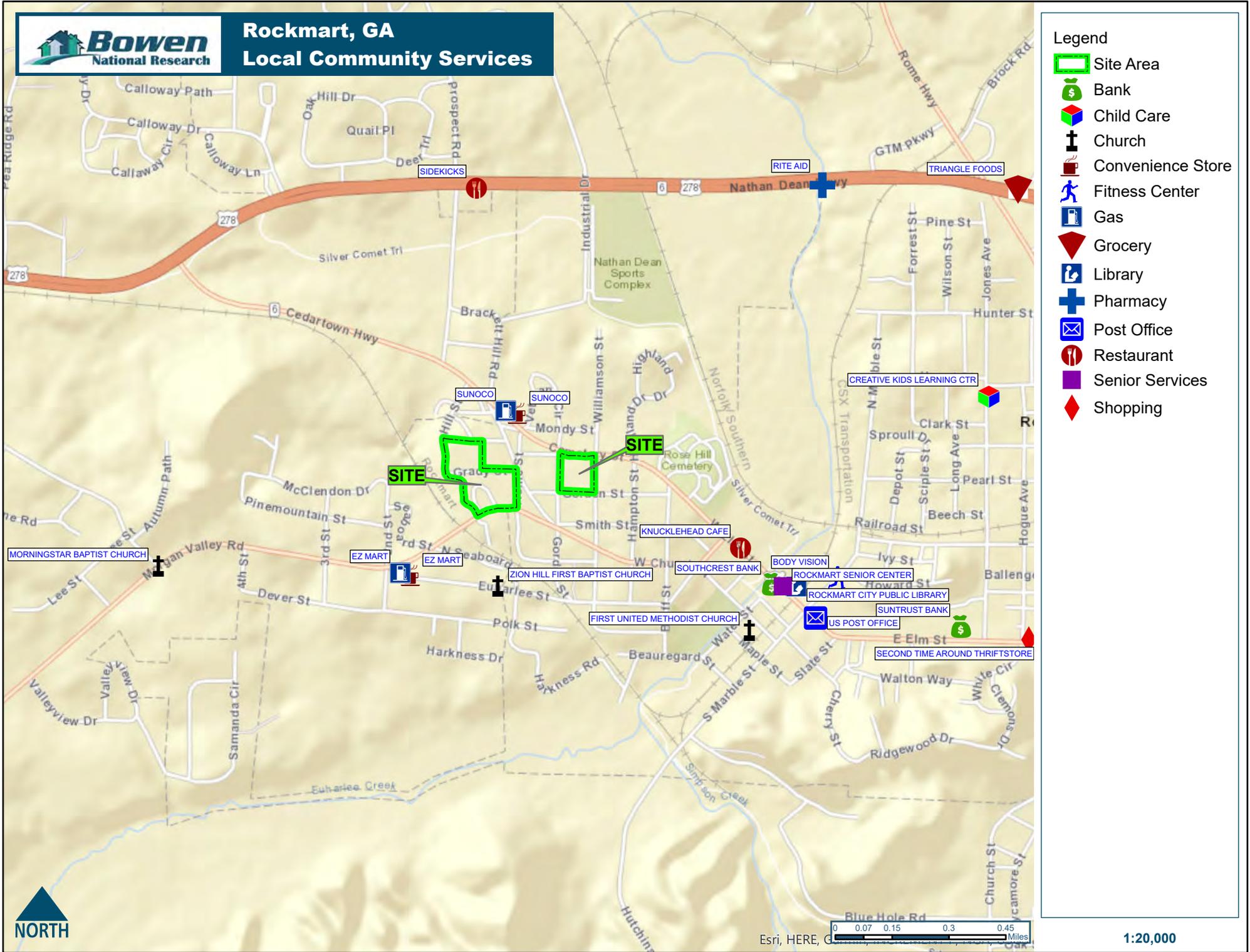
The proposed subject site is located within close proximity of numerous area community services, most of which are located within 2.0 miles of the subject site, as illustrated in the preceding table.

The Polk School District serves the subject sites, with all applicable attendance schools located within 4.0 miles. The Rockmart Police Department and the Rockmart Fire Department serve the subject sites and are located within 1.7 and 1.8 miles, respectively. The Polk Medical Center is the nearest major hospital and is located within 8.6 miles of the subject sites. However, Floyd Primary Care - Rockmart is located within 2.4 miles.

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



Rockmart, GA Local Community Services

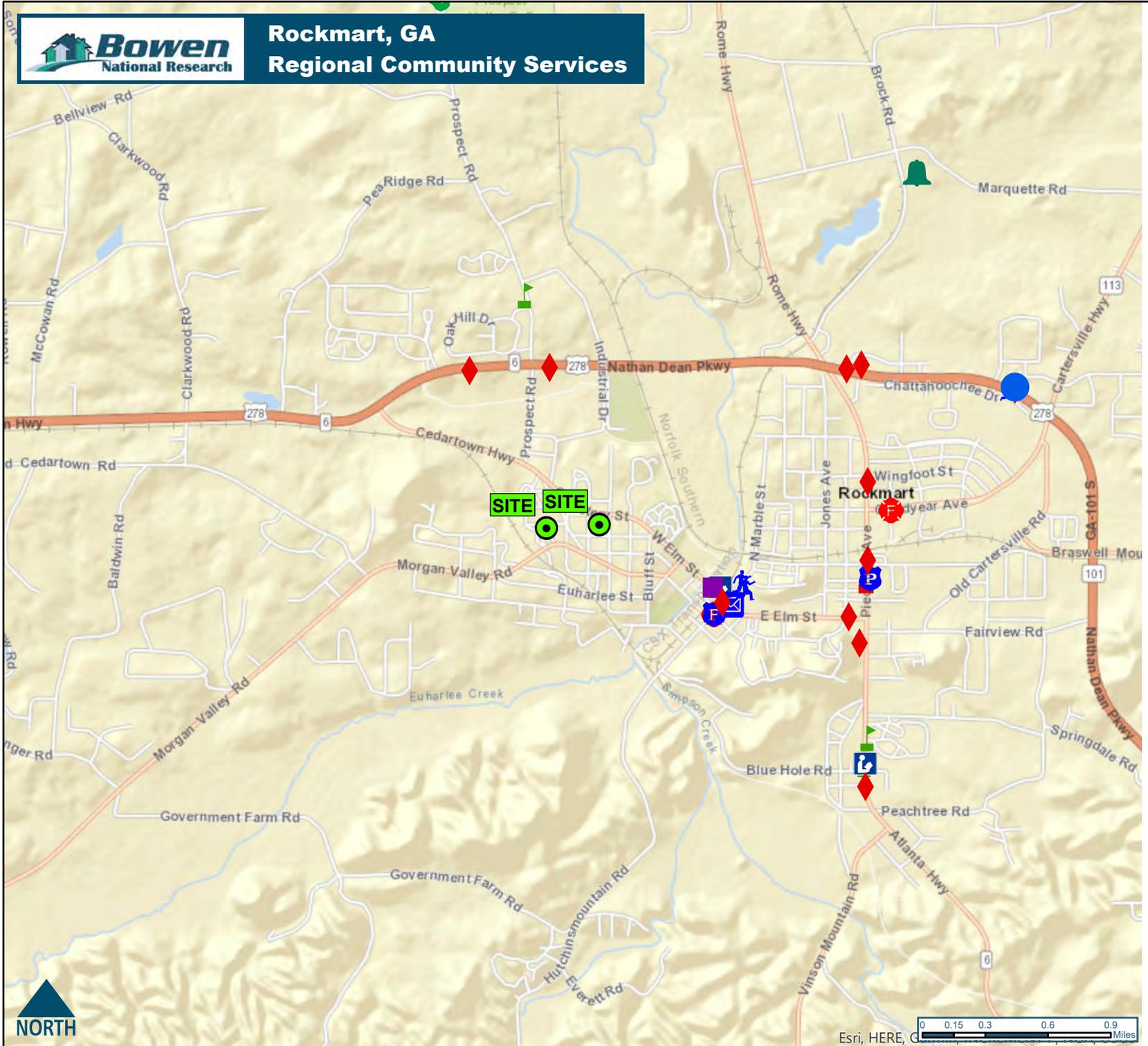


- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Convenience Store
 - Fitness Center
 - Gas
 - Grocery
 - Library
 - Pharmacy
 - Post Office
 - Restaurant
 - Senior Services
 - Shopping

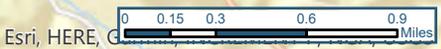




Rockmart, GA Regional Community Services



- Legend
- Site
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Library
 - Police
 - Post Office
 - Senior Services
 - Shopping
 - University
 - Employer 1000-5000



1:40,000

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's ZIP Code is 106, with an overall personal crime index of 78 and a property crime index of 110. Total crime risk for Polk County is 120, with indexes for personal and property crime of 92 and 124, respectively.

	Crime Risk Index	
	Site ZIP Code	Polk County
Total Crime	106	120
Personal Crime	78	92
Murder	94	99
Rape	82	96
Robbery	68	71
Assault	81	101
Property Crime	110	124
Burglary	145	156
Larceny	102	120
Motor Vehicle Theft	84	71

Source: Applied Geographic Solutions

The crime risk index within the site's ZIP Code (106) is similar with the national average (100), both of which are below that of Polk County (120). As such, it is not anticipated that crime will play a significant role in the marketability of the subject site. The fact that nearly all rental properties surveyed in the market are 100.0% occupied, provides further evidence that the perception of crime has not had an impact of the overall marketability of the Rockmart rental housing market. A map illustrating crime risk is on the following page.



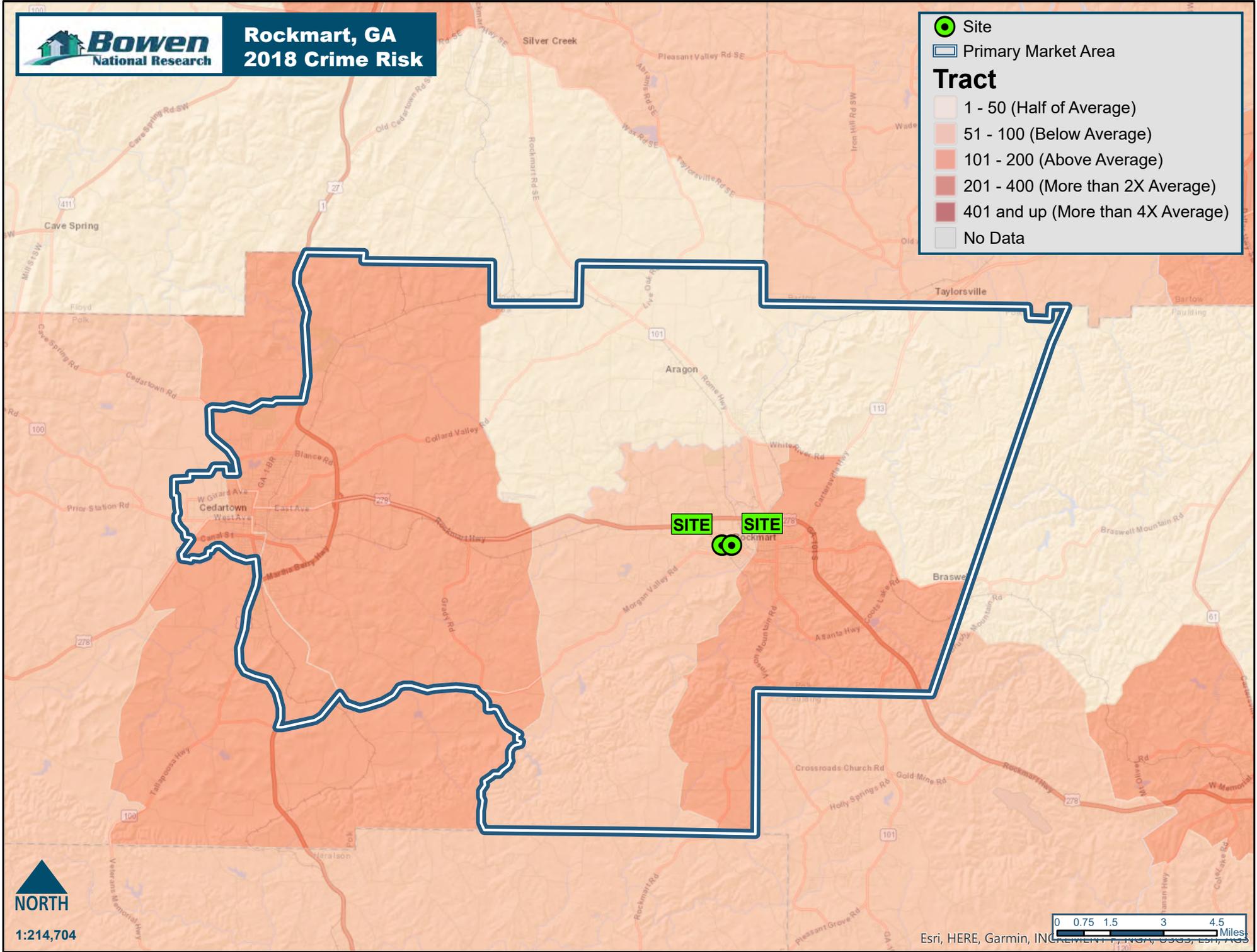
Rockmart, GA 2018 Crime Risk

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



1:214,704



Esri, HERE, Garmin, INCREMENTAL, NAVTEQ, © 2008, Esri, Inc.

7. OVERALL SITE EVALUATION

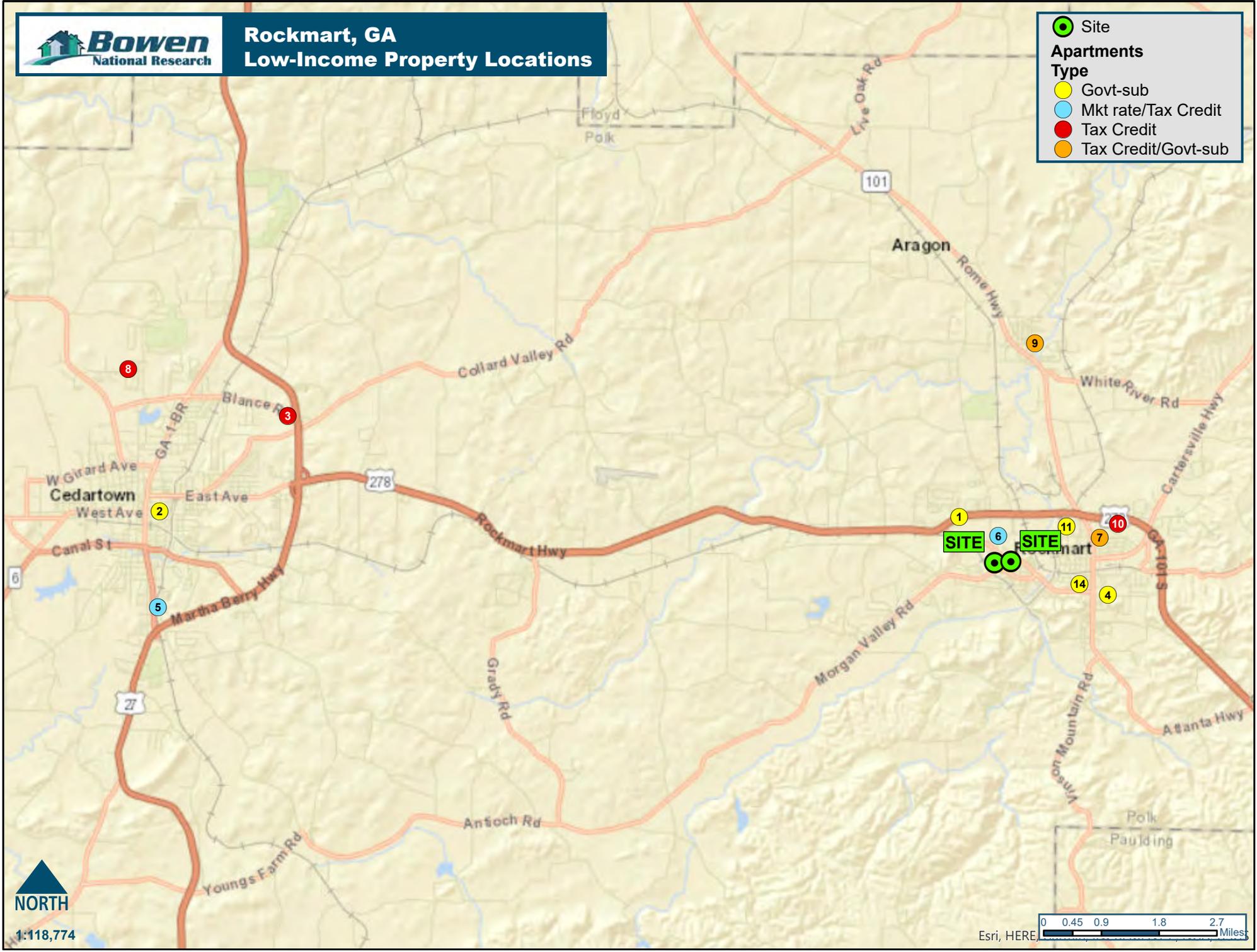
The proposed subject sites are situated within primarily established areas in the western portion of Rockmart. Surrounding land uses primarily include residential and commercial development, which are generally considered to be in fair to good condition. The intended use of the subject sites is consistent with the surrounding land uses and should contribute to their marketability. Access to the sites is considered good, as they are within close proximity of U.S. Highway 278, as well as State Routes 101 and 113. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street, a moderately traveled arterial within the immediate area, and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. The subject sites are located within close proximity of most basic community services, including grocery, discount shopping, pharmacies, gas stations/convenience stores, restaurants, banks and employment opportunities. Overall, the location of the subject sites and their convenient accessibility and proximity to area community services are considered conducive for affordable housing development within the Rockmart market.

8. MAP OF LOW-INCOME RENTAL HOUSING

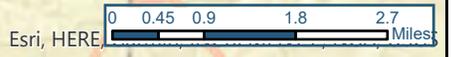
A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

Rockmart, GA Low-Income Property Locations

● Site
Apartments Type
● Govt-sub
● Mkt rate/Tax Credit
● Tax Credit
● Tax Credit/Govt-sub



1:118,774



Section D – Primary Market Area Delineation

The Site 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 Rockmart Site PMA was determined through interviews area leasing and real estate agents, 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 Rockmart Site PMA includes all or portions of Rockmart, Aragon, Cedartown, Taylorsville and Braswell, as well as the surrounding unincorporated areas of Polk County. Specifically, the boundaries of the Site PMA include the Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west.

Layne Ramsey, Property Manager of Evergreen Village (Map ID 8) and Cedartown Commons (Map ID 2), both affordable rental developments in Cedartown, stated that most support for her properties derive from Cedartown and Rockmart and expects a new affordable development within Rockmart to experience similar trends. Thus, confirming the Site PMA.

Nadia Roper, Property Manager for Westview Homes (Map ID 11), a government-subsidized community in Rockmart, stated that the majority of her property's residents are originating from within Polk County, specifically from Rockmart and Cedartown. Ms. Roper was in agreement with the delineated PMA for the proposed development.

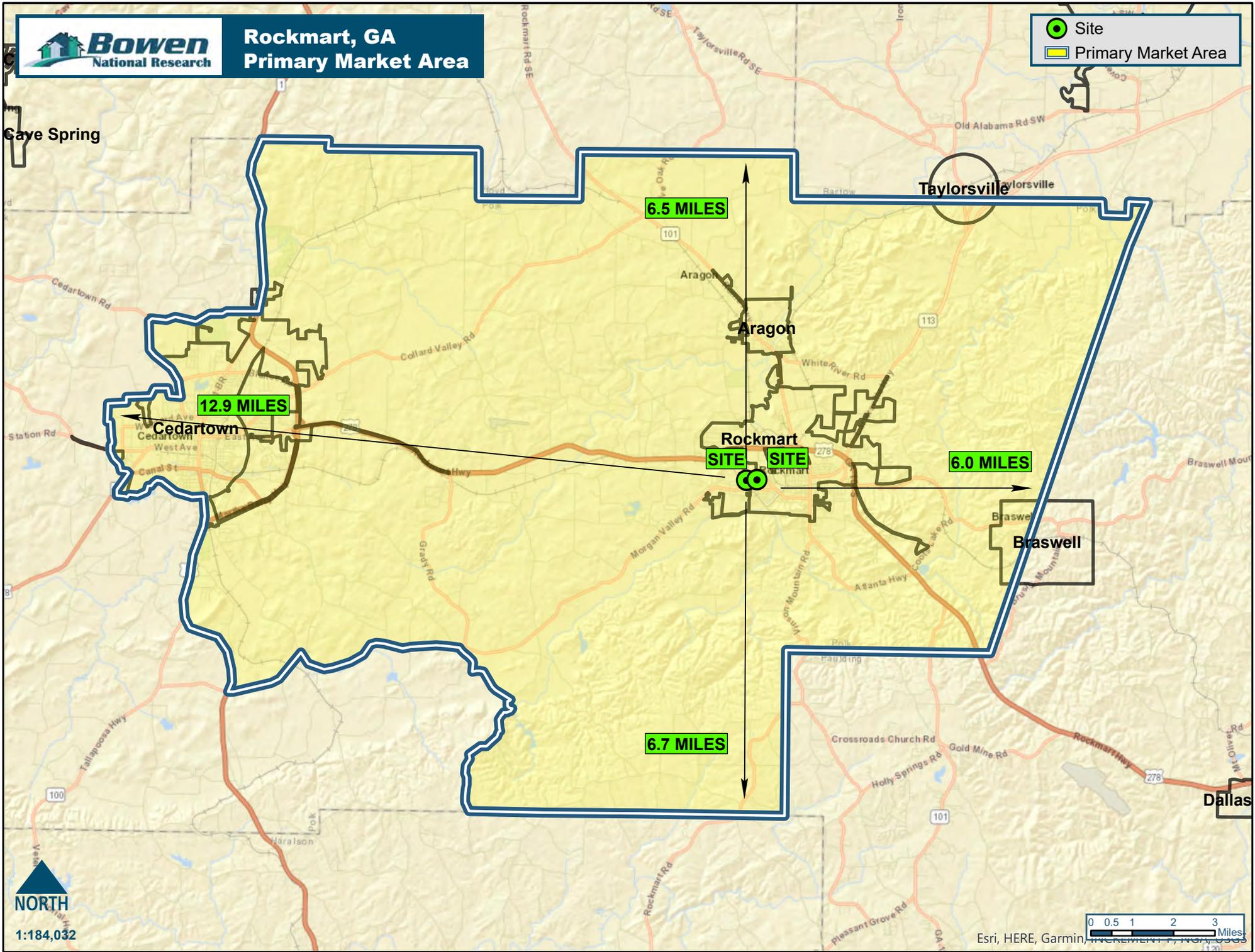
A modest portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered a secondary market area in this report.

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



Rockmart, GA Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:184,032



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	31,563	34,413	35,731	36,024
Population Change	-	2,850	1,318	293
Percent Change	-	9.0%	3.8%	0.8%

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

The Rockmart Site PMA population base increased by 2,850 between 2000 and 2010. This represents a 9.0% increase from the 2000 population, or an annual rate of 0.9%. Since 2010, the market's population base has been generally stable. This trend is expected to remain relatively stable through 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	10,038	29.2%	9,878	27.6%	10,023	27.8%	146	1.5%
20 to 24	2,230	6.5%	2,088	5.8%	2,047	5.7%	-41	-2.0%
25 to 34	4,401	12.8%	4,744	13.3%	4,565	12.7%	-179	-3.8%
35 to 44	4,389	12.8%	4,389	12.3%	4,520	12.5%	132	3.0%
45 to 54	4,754	13.8%	4,348	12.2%	4,303	11.9%	-46	-1.0%
55 to 64	3,915	11.4%	4,444	12.4%	4,449	12.4%	5	0.1%
65 to 74	2,663	7.7%	3,411	9.5%	3,525	9.8%	114	3.3%
75 & Over	2,023	5.9%	2,429	6.8%	2,592	7.2%	162	6.7%
Total	34,413	100.0%	35,731	100.0%	36,024	100.0%	293	0.8%

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

As the preceding table illustrates, over 50% of the population is expected to be between 25 and 64 years old in 2019. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2021 (Projected)
Households	11,600	12,522	12,858	12,956
Household Change	-	922	336	98
Percent Change	-	7.9%	2.7%	0.8%
Household Size	2.72	2.75	2.74	2.74

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

Within the Rockmart Site PMA, households increased by 922 (7.9%) between 2000 and 2010. Similar to the population base, the market's households have been generally stable since 2010. This trend is anticipated to remain relatively stable through 2021.

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	544	4.3%	509	4.0%	512	4.0%	3	0.5%
25 to 34	1,769	14.1%	1,874	14.6%	1,797	13.9%	-77	-4.1%
35 to 44	2,171	17.3%	2,075	16.1%	2,128	16.4%	53	2.5%
45 to 54	2,564	20.5%	2,205	17.2%	2,174	16.8%	-31	-1.4%
55 to 64	2,321	18.5%	2,467	19.2%	2,458	19.0%	-9	-0.4%
65 to 74	1,772	14.2%	2,148	16.7%	2,209	17.1%	61	2.8%
75 to 84	1,042	8.3%	1,290	10.0%	1,371	10.6%	81	6.3%
85 & Over	339	2.7%	288	2.2%	306	2.4%	18	6.3%
Total	12,522	100.0%	12,858	100.0%	12,956	100.0%	98	0.8%

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

Between 2019 and 2021, the greatest growth among household age groups is projected to be among those between the ages of 65 and 84, increasing by 142, or 4.1%. This projected growth among senior households indicates that there will be an increasing need for housing for seniors in the market. However, over 70% of all households are projected to be under the age of 65 in 2021. This demonstrates that a larger number of age-appropriate households will be present within the Site PMA to support the subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,289	66.2%	7,881	61.3%	8,018	61.9%
Renter-Occupied	4,233	33.8%	4,976	38.7%	4,937	38.1%
Total	12,522	100.0%	12,857	100.0%	12,956	100.0%

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

In 2019, homeowners occupied 61.3% of all occupied housing units, while the remaining 38.7% were occupied by renters. The share of renters is considered typical for a rural market, such as the Rockmart Site PMA, and the 4,976 renter households estimated in 2019 represent a good base of potential support for the subject sites.

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	1,622	32.6%	1,604	32.5%	-18	-1.1%
2 Persons	1,353	27.2%	1,356	27.5%	3	0.2%
3 Persons	897	18.0%	896	18.2%	0	0.0%
4 Persons	560	11.2%	540	10.9%	-19	-3.5%
5 Persons+	544	10.9%	541	10.9%	-3	-0.6%
Total	4,976	100.0%	4,937	100.0%	-38	-0.8%

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	1,648	20.9%	1,668	20.8%	20	1.2%
2 Persons	3,012	38.2%	3,069	38.2%	57	1.9%
3 Persons	1,408	17.9%	1,434	17.9%	25	1.8%
4 Persons	1,041	13.2%	1,061	13.2%	21	2.0%
5 Persons+	775	9.8%	792	9.9%	17	2.2%
Total	7,884	100.0%	8,023	100.0%	140	1.8%

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

The subject site will offer one-, two-, three- and four-bedroom units, which will generally target up to six-person households. Therefore, the subject site will be able to accommodate nearly all renter households within the Site PMA, based on size.

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

Household Income	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,384	11.1%	1,023	8.0%	975	7.5%
\$10,000 to \$19,999	1,998	16.0%	1,682	13.1%	1,623	12.5%
\$20,000 to \$29,999	1,730	13.8%	1,446	11.2%	1,382	10.7%
\$30,000 to \$39,999	1,785	14.3%	1,933	15.0%	1,902	14.7%
\$40,000 to \$49,999	1,615	12.9%	1,553	12.1%	1,570	12.1%
\$50,000 to \$59,999	1,119	8.9%	1,045	8.1%	1,068	8.2%
\$60,000 to \$74,999	1,174	9.4%	1,435	11.2%	1,522	11.7%
\$75,000 to \$99,999	848	6.8%	1,245	9.7%	1,300	10.0%
\$100,000 to \$124,999	466	3.7%	803	6.2%	872	6.7%
\$125,000 to \$149,999	216	1.7%	323	2.5%	349	2.7%
\$150,000 to \$199,999	69	0.6%	231	1.8%	248	1.9%
\$200,000 & Over	118	0.9%	140	1.1%	149	1.2%
Total	12,522	100.0%	12,860	100.0%	12,961	100.0%
Median Income	\$36,437		\$42,231		\$43,809	

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

In 2010, the median household income was \$36,437. This increased by 15.9% to \$42,231 in 2019. By 2021, it is projected that the median household income will be \$43,809, an increase of 3.7% from 2019.

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

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	273	182	124	119	88	786
\$10,000 to \$19,999	384	214	146	140	104	989
\$20,000 to \$29,999	241	155	106	101	75	678
\$30,000 to \$39,999	180	143	98	94	69	583
\$40,000 to \$49,999	126	121	82	79	59	467
\$50,000 to \$59,999	67	65	44	42	31	250
\$60,000 to \$74,999	68	69	47	45	33	262
\$75,000 to \$99,999	40	41	28	27	20	157
\$100,000 to \$124,999	9	9	6	6	5	36
\$125,000 to \$149,999	4	4	3	3	2	17
\$150,000 to \$199,999	1	1	1	0	0	3
\$200,000 & Over	1	1	1	1	1	5
Total	1,396	1,005	685	659	488	4,233

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	252	184	122	76	74	707
\$10,000 to \$19,999	391	247	164	102	99	1,004
\$20,000 to \$29,999	253	176	117	73	71	689
\$30,000 to \$39,999	253	232	154	96	93	829
\$40,000 to \$49,999	196	185	123	77	74	655
\$50,000 to \$59,999	78	86	57	36	35	293
\$60,000 to \$74,999	105	120	80	50	48	402
\$75,000 to \$99,999	55	70	46	29	28	229
\$100,000 to \$124,999	20	26	17	11	10	85
\$125,000 to \$149,999	9	10	7	4	4	34
\$150,000 to \$199,999	7	10	6	4	4	31
\$200,000 & Over	4	6	4	2	2	19
Total	1,622	1,353	897	560	544	4,976

Source: ESRI; Urban Decision Group

Renter Households	2021 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	239	179	118	72	71	679
\$10,000 to \$19,999	373	243	161	97	97	971
\$20,000 to \$29,999	239	170	112	68	68	656
\$30,000 to \$39,999	248	232	153	92	93	819
\$40,000 to \$49,999	209	191	126	76	76	679
\$50,000 to \$59,999	82	87	57	35	35	295
\$60,000 to \$74,999	112	125	83	50	50	421
\$75,000 to \$99,999	54	68	45	27	27	222
\$100,000 to \$124,999	22	28	19	11	11	92
\$125,000 to \$149,999	9	11	7	4	4	37
\$150,000 to \$199,999	10	13	9	5	5	41
\$200,000 & Over	6	8	5	3	3	25
Total	1,604	1,356	896	540	541	4,937

Source: ESRI; Urban Decision Group

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

Demographic Summary

The population base and households within the Rockmart Site PMA experienced positive growth between 2000 and 2010. These trends have been generally stable since 2010 and are projected to remain relatively stable through 2021. Regardless, the market will continue to have a good base of age-appropriate support, as over 70% of all households within the market will be under the age of 65 in 2021. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project.

Section F – Economic Trends

1. LABOR FORCE PROFILE

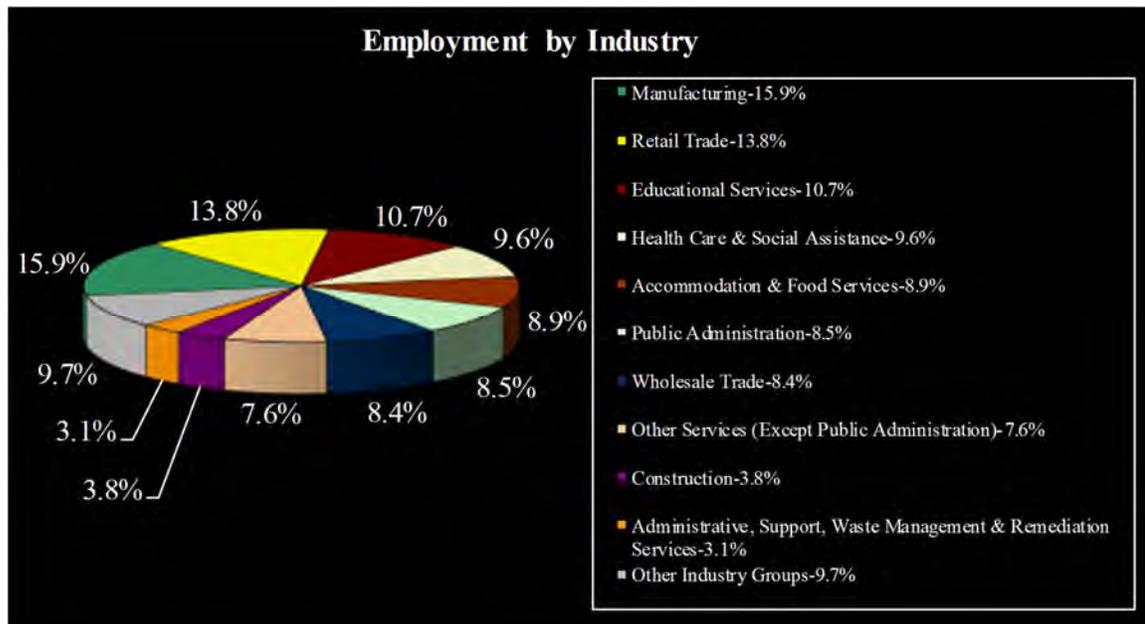
The labor force within the Rockmart Site PMA is based primarily in three sectors. Manufacturing (which comprises 15.9%), Retail Trade and Educational Services comprise nearly 41% of the Site PMA labor force. Employment in the Rockmart Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.6%	44	0.4%	7.3
Mining	0	0.0%	3	0.0%	0.0
Utilities	4	0.4%	37	0.3%	9.3
Construction	55	5.9%	405	3.8%	7.4
Manufacturing	30	3.2%	1,718	15.9%	57.3
Wholesale Trade	24	2.6%	904	8.4%	37.7
Retail Trade	164	17.4%	1,490	13.8%	9.1
Transportation & Warehousing	21	2.2%	244	2.3%	11.6
Information	13	1.4%	62	0.6%	4.8
Finance & Insurance	65	6.9%	224	2.1%	3.4
Real Estate & Rental & Leasing	55	5.9%	186	1.7%	3.4
Professional, Scientific & Technical Services	44	4.7%	141	1.3%	3.2
Management of Companies & Enterprises	2	0.2%	4	0.0%	2.0
Administrative, Support, Waste Management & Remediation Services	29	3.1%	331	3.1%	11.4
Educational Services	23	2.4%	1,157	10.7%	50.3
Health Care & Social Assistance	54	5.7%	1,030	9.6%	19.1
Arts, Entertainment & Recreation	17	1.8%	84	0.8%	4.9
Accommodation & Food Services	76	8.1%	958	8.9%	12.6
Other Services (Except Public Administration)	160	17.0%	820	7.6%	5.1
Public Administration	78	8.3%	919	8.5%	11.8
Nonclassifiable	20	2.1%	11	0.1%	0.6
Total	940	100.0%	10,772	100.0%	11.5

*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 North Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	North Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$87,850	\$117,910
Business and Financial Occupations	\$57,460	\$72,920
Computer and Mathematical Occupations	\$62,160	\$88,590
Architecture and Engineering Occupations	\$66,370	\$80,970
Community and Social Service Occupations	\$43,760	\$46,770
Art, Design, Entertainment and Sports Medicine Occupations	\$38,670	\$54,850
Healthcare Practitioners and Technical Occupations	\$65,230	\$75,690
Healthcare Support Occupations	\$27,390	\$29,910
Protective Service Occupations	\$35,940	\$39,510
Food Preparation and Serving Related Occupations	\$21,020	\$21,520
Building and Grounds Cleaning and Maintenance Occupations	\$25,490	\$26,400
Personal Care and Service Occupations	\$24,760	\$26,040
Sales and Related Occupations	\$30,010	\$37,770
Office and Administrative Support Occupations	\$32,650	\$36,670
Construction and Extraction Occupations	\$37,170	\$43,080
Installation, Maintenance and Repair Occupations	\$41,220	\$46,730
Production Occupations	\$32,540	\$35,000
Transportation and Moving Occupations	\$31,100	\$35,830

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

Most annual blue-collar salaries range from \$21,020 to \$43,760 within the North Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$67,814. It is important to note that most occupational types within the North Georgia Nonmetropolitan Area have lower typical wages than the State of Georgia's typical wages. The area employment base has 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 Polk County are summarized in the following table. Note that the most current employment numbers for the companies listed below was unavailable at the time this report was issued. Total employed is reflective of 2015 figures.

Employer Name	Business Type	Total Employed
Meggitt Polymers & Composites	Aircraft Fuel Tanks	1,169
HON Company	Manufacture Office Furniture	750
Tip Top Poultry	Poultry Processing	650
AT&T Communications	Telecommunications-Mobility Services	413
Angelica Textile Services	Industrial Laundry	234
Jefferson Southern Corporation	Automotive Structural Auto Parts	220
Eby-Brown	Wholesale Grocer	150
Nordic Logistics & Warehousing	Refrigerated Warehouse	128
Advance Storage Products	Manufacture Storage Systems	122
Gildan Yarns, LLC	Manufacture Yarn	104
	Total	3,940

Source: Polk County (2015)

Despite numerous attempts to contact representatives regarding the health of the local economy, a response was not received at the time this report was issued. The following was obtained via extensive online research:

- Meggitt Polymers and Composites are in the midst of a \$30 million expansion and upgrade to their Rockmart manufacturing facility. The company manufactures fuel tanks for the aviation industry. The expectations are that the company will create 200 jobs. Meggitt Polymers and Composites have contracts with military and civilian aerospace companies. The company is continuing to grow globally, and their Rockmart facility will keep expanding as needed to meet their manufacturing demand.

- Norax Supplements expanded and relocated their facility for in-house, formulation, contract manufacturing, private labeling, custom packaging, and distribution support to the worldwide dietary supplement industry. The company moved from its site on South Main in Cedartown to Cedartown's South Industrial Park. The company invested \$1.5 million and doubled the size of its old facility and added 20 new employees to their existing 75.
- The International Union of Operating Engineers Local 926 is relocating and expanding in Cedartown. The company is moving to Cedartown's North Business Park. The company will be investing in heavy equipment for pipeline training, excavation training, and train on the use of cranes. The company will be creating a new state-of-the-art training facility that will include mechanics, classrooms, and a simulator room.
- Cedarstream, a custom printer, completed its expansion in Cedartown in 2019 and invested \$4.5 million in a new 40,000 square-foot building at the Cedartown North Industrial Park. The company prints custom orders on any type of material.
- The HON Company expanded its office furniture manufacturing facility in Cedartown in 2018 and added 60 new jobs. This was an investment of \$14.5 million. The company manufactures office furniture and has multiple office furniture manufacturing facilities throughout the United States.

WARN (layoff notices):

WARN Notices were reviewed in April 2019 and according to the Georgia Department of Labor, there have been no WARN notices reported for Polk County over the past 18 months.

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.

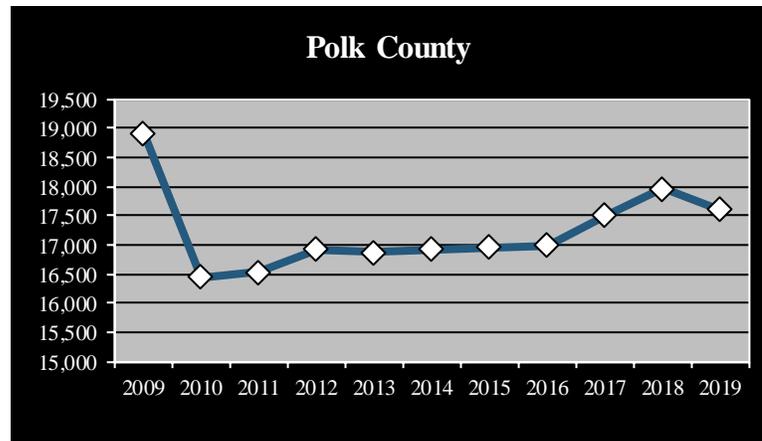
Excluding 2019, the employment base has increased by 6.1% over the past five years in Polk County, less than the Georgia state increase of 11.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Polk County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2009	18,905	-	4,311,854	-	140,696,560	-
2010	16,444	-13.0%	4,202,052	-2.5%	140,469,139	-0.2%
2011	16,532	0.5%	4,263,305	1.5%	141,791,255	0.9%
2012	16,917	2.3%	4,348,083	2.0%	143,621,634	1.3%
2013	16,860	-0.3%	4,366,374	0.4%	145,017,562	1.0%
2014	16,915	0.3%	4,403,433	0.8%	147,313,048	1.6%
2015	16,949	0.2%	4,490,414	2.0%	149,564,649	1.5%
2016	16,982	0.2%	4,658,053	3.7%	151,965,225	1.6%
2017	17,494	3.0%	4,822,263	3.5%	154,271,036	1.5%
2018	17,951	2.6%	4,906,411	1.7%	156,328,502	1.3%
2019*	17,608	-1.9%	4,902,128	-0.1%	156,543,935	0.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through February



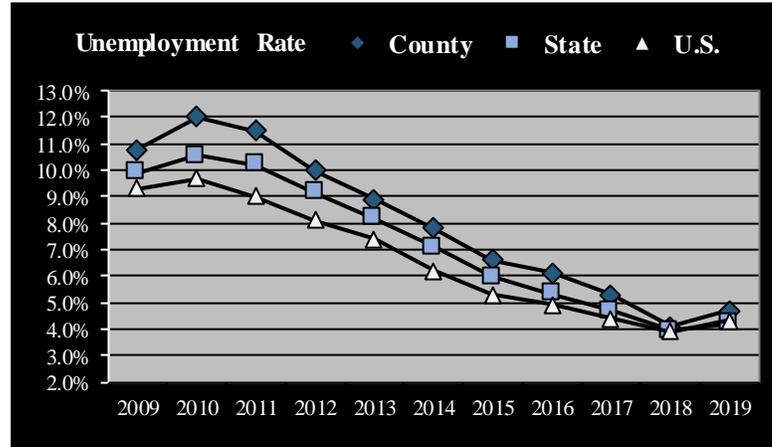
As the preceding illustrates, since the end of the national recession in 2010, the employment base within Polk County has increased by 1,164 jobs, or 7.1%; however, it still remains below prerecession levels.

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

Year	Unemployment Rate		
	Polk County	Georgia	United States
2009	10.8%	9.9%	9.3%
2010	12.0%	10.6%	9.7%
2011	11.5%	10.2%	9.0%
2012	10.0%	9.2%	8.1%
2013	8.9%	8.2%	7.4%
2014	7.8%	7.1%	6.2%
2015	6.6%	6.0%	5.3%
2016	6.1%	5.3%	4.9%
2017	5.3%	4.7%	4.4%
2018	4.1%	3.9%	3.9%
2019*	4.7%	4.2%	4.3%

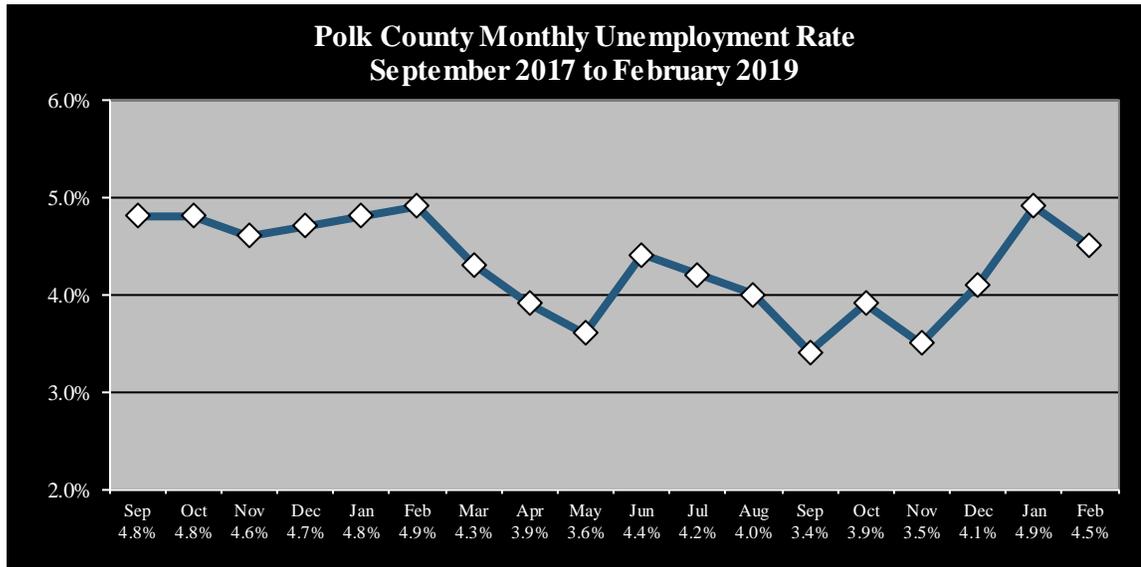
Source: Department of Labor, Bureau of Labor Statistics

*Through February



Since the end of the national recession in 2010, the unemployment rate within the county has decreased from a high of 12.0% to 4.7% in 2019 (through February)

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



The unemployment rate in Polk County within the preceding 18-month period has generally fluctuated between 4.0% and 5.0%.

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 Polk County.

Year	In-Place Employment Polk County		
	Employment	Change	Percent Change
2008	11,880	-	-
2009	11,166	-714	-6.0%
2010	10,811	-355	-3.2%
2011	10,817	6	0.1%
2012	10,937	120	1.1%
2013	11,059	122	1.1%
2014	11,141	82	0.7%
2015	11,203	62	0.6%
2016	10,874	-329	-2.9%
2017	11,047	173	1.6%
2018*	11,217	170	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 Polk County to be 63.1% of the total Polk County employment. This means that Polk County has a high share of employed persons leaving the county for daytime employment. However, residents within rural markets are typically accustomed to extensive commute times to their place of employment. Additionally, the majority of the major employers within the county are located within Rockmart. As such, there are various employment opportunities nearby that potential residents of the subject site can choose.

4. ECONOMIC FORECAST

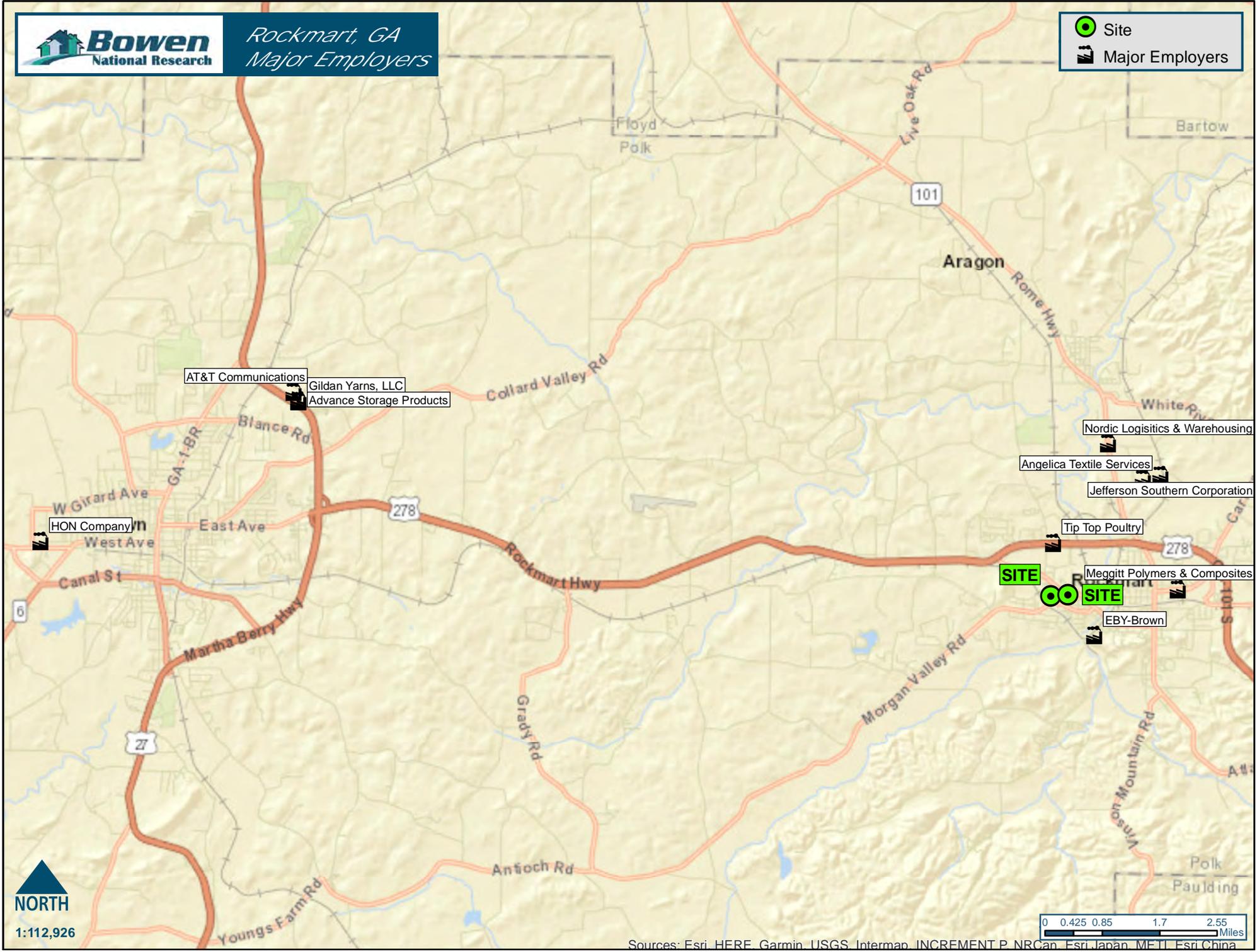
Based on online research and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Polk County economy has generally been experiencing nominal growth since the end of the national recession in 2010. During this time, the county's employment base increased by 1,164 jobs, or 7.1%, and remains below prerecession levels. The county's unemployment rate, on the other hand, has generally trended downward and is averaging 4.7% (through February 2019). However, in light of the recent announcements of business expansions within the county, it is expected that the local employment base will experience growth within the foreseeable future. This, in turn, will continue to create a stable environment for the local housing market.

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



Rockmart, GA Major Employers

- Site
- Major Employers



NORTH
1:112,926



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 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 in Polk County, a nonmetropolitan statistical area, which has a four-person median household income of \$51,300 for 2018. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$58,400 in 2018. The subject property will be restricted to households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$20,450	\$24,540
Two-Person	\$23,350	\$28,020
Three-Person	\$26,300	\$31,560
Four-Person	\$29,200	\$35,040
Five-Person	\$31,550	\$37,860
Six-Person	\$33,850	\$40,620

a. Maximum Income Limits

The largest proposed units (four-bedroom) at the subject site are expected to house up to six-person households. As such, the maximum allowable income at the subject site is **\$40,620**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to- income ratios of 27% to 40%. Pursuant to 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 Low-Income Housing Tax Credit (LIHTC) units will have a lowest gross rent of \$556. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,672. 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 **\$19,063**.

Since the subject project will offer Project-Based Vouchers (PBV) on 66 of the 75 units, it will serve households with little to no income. As such, we have also conducted a capture rate analysis that considers the project to operate with a subsidy.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate with a subsidy on the majority of units and exclusively under the Tax Credit program separately.

Unit Type	Income Range	
	Minimum	Maximum
As Proposed w/PBV		
PBV (Limited up to 50% of AMHI)	\$0	\$33,850
Tax Credit (Limited to 60% of AMHI)	\$19,817	\$28,020
LIHTC-Only		
Tax Credit (Limited to 60% of AMHI)	\$19,063	\$40,620

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 subject 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 23.4% to 48.8% (depending upon 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, 6.3% 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.*

- 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%.

The table on the following page is a summary of our demand calculations. Note that we have provided a capture rate calculation for the project as proposed with the subsidy, as well as in the unlikely scenario the subsidy was not offered.

Demand Component	As Proposed			Overall LIHTC-Only (\$19,063-\$40,620)
	50% AMHI w/PBV (\$0-\$33,850)	60% AMHI (\$19,817-\$28,020)	Overall (\$0-\$33,850)	
Demand from New Households (Age- And Income-Appropriate)	2,622 - 2,719 = -97	544 - 571 = -27	2,622 - 2,719 = -97	1,608 - 1,652 = -44
+				
Demand from Existing Households (Rent Overburdened)	2,719 X 48.8% = 1,327	571 X 23.4% = 133	2,719 X 48.8% = 1,327	1,652 X 24.2% = 399
+				
Demand from Existing Households (Renters in Substandard Housing)	2,719 X 6.3% = 171	571 X 6.3% = 36	2,719 X 6.3% = 171	1,652 X 6.3% = 104
=				
Demand Subtotal	1,401	142	1,401	459
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A	N/A
=				
Total Demand	1,401	142	1,401	459
-				
Supply (Directly Comparable Units Built and/or Funded Since 2017)	0	0	0	0
=				
Net Demand	1,401	142	1,401	459
Proposed Units / Net Demand	66 / 1,401	9 / 142	75 / 1,401	75 / 459
Capture Rate	= 4.7%	= 6.3%	= 5.4%	= 16.3%

N/A – Not Applicable

Per GDCA guidelines, projects in rural markets with an overall capture rate of 35% or below are considered acceptable. As such, the project’s overall capture rates of 5.4% as proposed with the subsidy and 16.3% in the unlikely event the subsidy was not offered are considered achievable, demonstrating that a good base of support will exist for the subject project within the Rockmart Site PMA.

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	30.0%
Two-Bedroom	45.0%
Three-Bedroom	15.0%
Four-Bedroom	10.0%
Total	100.0%

Applying these shares to the income-qualified renter households, yields demand and capture rates for the subject units as proposed with the subsidy 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 (30%)	PBV	8	420	0	420	1.9%	< 1 month	\$922	\$505-\$1,025	\$472-\$491
	60%	9	43	0	43	20.9%	1 month	\$922	\$505-\$1,025	\$477
One-Bedroom	Total	17	663	0	663	2.6%	2 months	\$922	\$505-\$1,025	\$479***
Two-Bedroom (45%)	PBV	29	630	0	630	4.6%	3 months	\$1,082	\$610-\$1,240	\$582
Two-Bedroom	Total	29	630	0	630	4.6%	3 months	\$1,082	\$610-\$1,240	\$582
Three-Bedroom (15%)	PBV	25	210	0	210	11.9%	2 months	\$1,312	\$654-\$1,490	\$776-\$811
Three-Bedroom	Total	25	210	0	210	11.9%	2 months	\$1,312	\$654-\$1,490	\$784***
Four-Bedroom (10%)	PBV	4	141	0	141	2.8%	< 1 month	\$1,109	\$1,109	\$895-\$902
Four-Bedroom	Total	4	141	0	141	2.8%	< 1 month	\$1,109	\$1,109	\$899***

PBV – Project-Based Vouchers

*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.

***Weighted average

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

As proposed with the subsidy, the subject’s capture rates by bedroom type and targeted income level range from 1.9% to 20.9%. These capture rates are considered achievable, demonstrating that a good base of demographic support will exist for each bedroom type offered at the subject site.

While not illustrated within the preceding table, in the unlikely event the subject project did not offer a subsidy on the majority of units, the capture rates for the units by bedroom type will range from 8.9% to 36.2%. These capture rates are also considered achievable, especially considering the pent-up demand that exists for affordable rental housing within the market. This illustrates that a sufficient base of demographic support will exist for the subject project in the unlikely scenario it operated exclusively as a LIHTC development.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Rockmart 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	12,522	89.0%	12,858	89.3%
Owner-Occupied	8,289	66.2%	7,881	61.3%
Renter-Occupied	4,233	33.8%	4,976	38.7%
Vacant	1,541	11.0%	1,535	10.7%
Total	14,063	100.0%	14,393	100.0%

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

Based on a 2019 update of the 2010 Census, of the 14,393 total housing units in the market, 10.7% were vacant. In 2019, it was estimated that homeowners occupied 61.3% of all occupied housing units, while the remaining 38.7% were occupied by renters. The share of renters is considered typical for a rural market, such as the Rockmart Site PMA, and the 4,976 renter households estimated in 2019 represent a good base of potential for the subject site.

Conventional Apartments

We identified and personally surveyed 14 conventional housing projects containing a total of 576 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. These rentals have a combined occupancy rate of 99.5% (a result of only three vacant units), a very strong rate for rental housing. The following table summarizes the surveyed rental projects, broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	2	48	0	100.0%
Market-rate/Tax Credit	2	112	3	97.3%
Tax Credit	3	178	0	100.0%
Tax Credit/Government-Subsidized	2	66	0	100.0%
Government-Subsidized	5	172	0	100.0%
Total	14	576	3	99.5%

Each rental housing segment surveyed are operating at strong occupancy levels, as none have an occupancy rate lower than 97.3%. In fact, nearly all rental properties surveyed are 100.0% occupied, illustrating that pent-up demand exists for additional rental housing within the Rockmart Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	10	14.1%	0	0.0%	\$526
Two-Bedroom	1.0	56	78.9%	0	0.0%	\$836
Three-Bedroom	2.0	5	7.0%	0	0.0%	\$762
Total Market-rate		71	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	76	28.5%	0	0.0%	\$477
Two-Bedroom	1.0	53	19.9%	3	5.7%	\$567
Two-Bedroom	2.0	56	21.0%	0	0.0%	\$531
Two-Bedroom	2.5	37	13.9%	0	0.0%	\$630
Three-Bedroom	2.0	39	14.6%	0	0.0%	\$633
Three-Bedroom	2.5	6	2.2%	0	0.0%	\$704
Total Tax Credit		267	100.0%	3	1.1%	-

As the preceding table illustrates, the median gross Tax Credit rents are below the corresponding median gross market-rate rents. As such, Tax Credit product likely represents a good value to low-income households within the area. This is further evidenced by the low combined vacancy rate of 1.1% of all non-subsidized Tax Credit units within the Rockmart Site PMA.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized 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-	1	12	0.0%
B+	1	11	0.0%
B	1	40	0.0%
B-	1	8	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	62	0.0%
A-	2	108	0.0%
B+	1	41	7.3%
B	1	56	0.0%

Regardless of quality, vacancies are generally nonexistent among the non-subsidized rental properties surveyed. This illustrates that there is no correlation between quality and vacancy levels within the Rockmart Site PMA.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of 12 developments that offer government-subsidized and/or Tax Credit units within the Rockmart Site PMA. These projects were surveyed in March 2019 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Calloway Estates	RD 515	1980	24	100.0%	\$469 - \$626 (8)	\$516 - \$667 (16)	-	-
2	Cedartown Commons	RD 515	1982	12	100.0%	\$520 - \$725 (4)	\$596 - \$841 (8)	-	-
3	Vinnings at Oxford	TAX	2016	62	100.0%	\$461 - \$497 (19)	\$559 - \$630 (37)	\$648 - \$704 (6)	-
4	Fairview Apts.	RD 515	1986	32	100.0%	\$455 - \$601 (12)	\$526 - \$701 (20)	-	-
5	Kirkwood Trails	TAX	2003	41*	92.7%	\$496 - \$508 (25)	\$598 - \$615 (16)	-	-
6	Park Place Apts.	TAX	2003	48*	100.0%	\$466 - \$477 (12)	\$552 - \$567 (17)	\$633 - \$689 (19)	-
7	Tower Village	TAX & RD 515	1995	42	100.0%	\$459 - \$587 (12)	\$526 - \$688 (30)	-	-
8	Evergreen Village	TAX	2000	56	100.0%	\$460 - \$465 (16)	\$547 - \$584 (20)	\$625 - \$645 (20)	-
9	Oakview Apts.	TAX & RD 515	1993	24	100.0%	\$459 - \$609 (8)	\$516 - \$666 (16)	-	-
10	Ramsey Run	TAX	2014	60	100.0%	\$449 (4)	\$531 (56)	-	-
11	Westview Homes	P.H.	1955 / 2008	88	100.0%	\$396 (17)	\$466 (36)	\$587 (28)	\$668 (7)
14	Jackson Square I & II	P.H.	2010	16	100.0%	\$552 (10)	\$649 (4)	\$816 (2)	-
Total				505	99.4%				

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

OCCUP. - Occupancy

TAX - Tax Credit

P.H. - Public Housing

RD - Rural Development

*Market-rate units not included

The overall occupancy is 99.4% for these projects, which is the result of only three vacant units. In fact, all but one of the aforementioned developments are 100.0% occupied, illustrating that pent-up demand exists for additional affordable rental housing within the market. This will bode well for the demand of the subject units.

HOUSING CHOICE VOUCHER HOLDERS

The following table illustrates the number of units occupied by Voucher holders at the non-subsidized communities that offer Tax Credit units within the market:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
3	Vinings at Oxford	62	16	25.8%
5	Kirkwood Trails	41*	5	12.2%
6	Park Place Apts.	48*	N/A	-
7	Tower Village	42	4	9.5%
8	Evergreen Village	56	6	10.7%
9	Oakview Apts.	24	1	4.2%
10	Ramsey Run	60	1	1.7%
Total		285	33	11.6%

*Tax Credit units only

N/A – Not Available (units not included in total)

Approximately 33 of the 285 total units at the non-subsidized developments that offer Tax Credit units within the market which provided such information are occupied by Voucher holders. This comprises 11.6% of these units and indicates that over 88% of the units offered at these projects are occupied by tenants which are not currently receiving rental assistance. This illustrates that Tax Credit developments within the Rockmart Site PMA are not heavily relying on Voucher support.

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 Polk 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	\$616	\$556-\$578 (60%)
Two-Bedroom	\$815	\$675-\$746 (60%)
Three-Bedroom	\$1,085	\$886-\$911* (60%)
Four-Bedroom	\$1,169	\$1,015* (60%)

*2018 maximum allowable LIHTC gross rent

As the preceding table illustrates, the proposed gross non-subsidized one-bedroom rent of \$578 is below the corresponding payment standard set by Georgia Department of Community Affairs (GDCA) for Polk County. As such, those who hold Housing Choice Vouchers will likely respond to these units at the subject development. This will likely increase the base of income-appropriate renter households within the Rockmart Site PMA for the subject development and has been considered in our absorption estimates in *Section I* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are no rental housing projects planned within the Site PMA.

Building Permit Data

The following table illustrates single-family and multifamily building permits issued within Polk County for the past ten years:

Housing Unit Building Permits for Polk County:										
Permits	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Multifamily Permits	0	0	64	0	10	60	0	0	0	0
Single-Family Permits	89	46	30	22	20	14	10	32	106	61
Total Units	89	46	94	22	30	74	10	32	106	61

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

As the preceding table illustrates, there have been a minimal number of multifamily building permits issued within Polk County in the past ten years, which is not considered unusual within rural markets. Given that the combined occupancy rate of the rental projects identified and surveyed in the market is 99.5% (as a result of only three vacant units) and based on the limited number of multifamily building permits issued, it is likely that there is greater demand for additional rental housing units within the Site PMA.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified and surveyed three family (general-occupancy) non-subsidized rental properties within the market that offer Low-Income Housing Tax Credit (LIHTC) units. These projects target households with incomes up to 50% and 60% of AMHI and, as such, are considered competitive with the subject project. Additionally, we identified and surveyed one rental community outside of the market, but within the region in Cartersville that offers non-subsidized LIHTC units for this comparability analysis. It should be noted that this project outside of the market is not considered competitive with the subject development, as it derives demographic support from a different geographical area. The four comparable LIHTC projects and the subject project are summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Euharlee & Elm Street Apartments	2021	75	-	-	-	Families; 60% AMHI & PBV
3	Vinings at Oxford	2016	62	100.0%	11.2 Miles	12 H.H.	Families; 50% & 60% AMHI
6	Park Place Apts.	2003	48*	100.0%	0.5 Miles	None	Families; 50% & 60% AMHI
8	Evergreen Village	2000	56	100.0%	13.6 Miles	6 H.H.	Families; 50% & 60% AMHI
903	Somerset Club Apts.	2004	120*	100.0%	25.5 Miles	None	Families; 60% AMHI

OCC. – Occupancy

H.H. – Households

PBV – Project Based Vouchers

*Tax Credit units only

Map ID 903 is located outside of Site PMA

The four competitive/comparable LIHTC projects have a combined occupancy rate of 100.0%, two of which maintain wait lists. This indicates that pent-up demand exists for additional affordable rental housing within the market and region. The subject project will be able to accommodate a portion of this unmet demand.

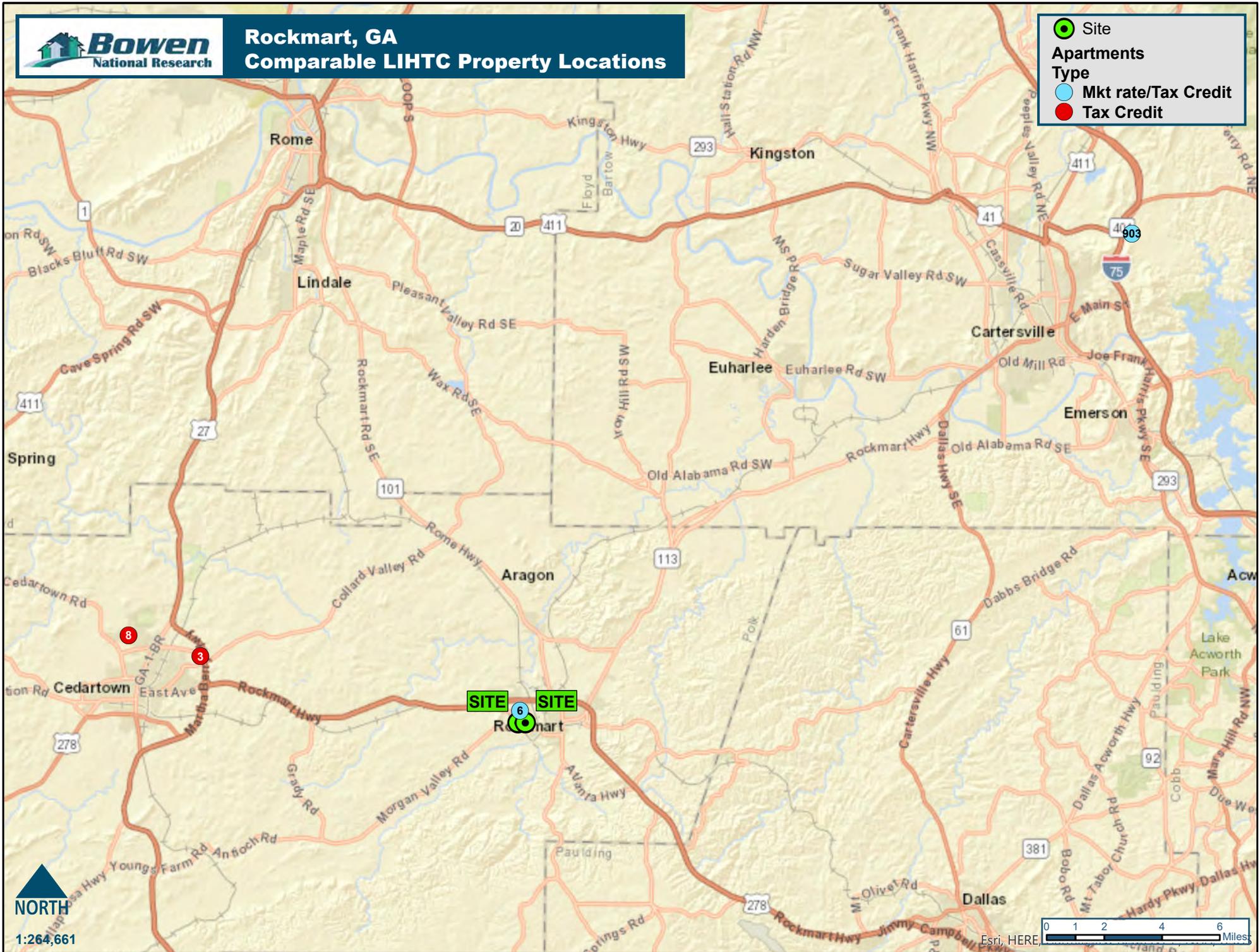
Vinings at Oxford (Map ID 3) is the newest LIHTC rental community within the market. While property management was unable to provide lease-up information for this development, this project is 100.0% occupied with a 12-household waiting list. This illustrates that new affordable rental housing has been very well received within the market. This will bode well for the demand of the subject units.

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



Rockmart, GA Comparable LIHTC Property Locations

- Site
- Apartments
- Type
 - Mkt rate/Tax Credit
 - Tax Credit



NORTH
1:264,661

Esri, HERE, 0 1 2 4 6 Miles

The gross rents for the competing/comparable projects and the proposed LIHTC 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)			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Euharlee & Elm Street Apartments	\$556-\$578/60% (17)	\$675-\$746/60% (29)	\$886-\$911*/60% (25)	\$1,015*/60% (4)
3	Vinings at Oxford	\$461/50% (8/0) \$497/60% (11/0)	\$559/50% (16/0) \$630/60% (21/0)	\$648/50% (2/0) \$704/60% (4/0)	-
6	Park Place Apts.	\$466/50% (9/0) \$477/60% (3/0)	\$552/50% (12/0) \$567/60% (5/0)	\$633/50% (14/0) \$689/60% (5/0)	-
8	Evergreen Village	\$460/50% (8/0) \$465/60% (8/0)	\$547/50% (10/0) \$584/60% (10/0)	\$625/50% (10/0) \$645/60% (10/0)	-
903	Somerset Club Apts.	\$874/60% (30/0)	\$1,048/60% (54/0)	\$1,210/60% (36/0)	-

*2018 maximum allowable LIHTC gross rent
Map ID 903 is located outside of Site PMA

The proposed subject gross LIHTC rents, ranging from \$556 to \$1,015, will be some of the highest LIHTC rents targeting similar income levels within the market and region. Notably, the rents proposed at the site will be at least \$45 higher than those offered in the *market*. However, considering that all comparable LIHTC projects are 100.0% occupied, it is likely that these developments could charge higher rents without having an adverse impact on their marketability. In addition, the subject project will be the newest LIHTC project in the market, offering generally larger unit sizes (square feet) and a superior amenities package (as illustrated later in this section), which will further enable the development to charge significant rent premiums. Lastly, as indicated in our demand analysis earlier in Section G of this report, a good base of demographic support will exist within the market to support the proposed rent structure at the subject project. For the reasons detailed above, it is believed that the proposed rent structure at the site is appropriately positioned to be marketable within the Rockmart Site PMA. Further, a total of 66 subject units will operate with Project-Based Vouchers (PBV), which will require tenants to pay up to 30% of their gross adjusted income towards housing costs. Therefore, the aforementioned subject units will represent a substantial value to low-income renters. Additionally, the remaining nine non-subsidized subject units will be able to accommodate those with a Housing Choice Voucher (HCV).

Also note that the subject project will be the only LIHTC project to offer four-bedroom units. As such, the development will provide an affordable rental housing alternative to larger low-income family households that are currently underserved within the market. This will position the subject at a market advantage.

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.
\$619 (60%)	\$744 (60%)	\$870 (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.	\$619 (60%)	- \$472 (60%)	\$147	/ \$472 (60%)	31.1%
		- \$477 (60%)	\$142	/ \$477 (60%)	29.8%
		- \$491 (60%)	\$128	/ \$491 (60%)	26.1%
Two-Br.	\$744 (60%)	- \$582 (60%)	\$162	/ \$582 (60%)	27.8%
		- \$683 (60%)	\$61	/ \$683 (60%)	8.9%
Three-Br.	\$870 (60%)	- \$776 (60%)	\$94	/ \$776 (60%)	12.1%
		- \$811* (60%)	\$59	/ \$811* (60%)	7.3%
Four-Br.	N/A	- \$895* (60%)	N/A	/ \$895* (50%)	N/A
		- \$902* (60%)		/ \$902* (50%)	

*Maximum allowable gross rent minus tenant-paid utilities

N/A – Not Available; no comparable four-bedroom LIHTC units identified within the market or immediate region

As the preceding table illustrates, the proposed collected LIHTC subject rents represent at least a 7.3% rent advantage. Nonetheless, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. As such, 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 subject project's collected rents are available 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.	Four-Br.
Site	Euharlee & Elm Street Apartments	791	1,000	1,300	1,500
3	Vinings at Oxford	767	1,165	1,465	-
6	Park Place Apts.	677	883	1,100	-
8	Evergreen Village	756	915	1,136	-
903	Somerset Club Apts.	864	1,200	1,300	-

Map ID 903 is located outside of Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Euharlee & Elm Street Apartments	1.0	2.0	2.0	2.0
3	Vinings at Oxford	1.0	2.5	2.5	-
6	Park Place Apts.	1.0	1.0	2.0	-
8	Evergreen Village	1.0	1.0	2.0	-
903	Somerset Club Apts.	1.0	2.0	2.0	-

Map ID 903 is located outside of Site PMA

The subject development will offer generally larger unit sizes (square feet) when compared to the LIHTC projects within the market and region. This will position the subject at a competitive advantage and will enable it to charge higher rents. The two full bathrooms to be provided in the two-, three- and four-bedroom units will be appealing to the targeted demographic.

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

COMPARABLE PROPERTIES AMENITIES - ROCKMART, 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		H		X						B		S	
6	X	X	X	X	X		X		C		X	X					B		S	Exterior Storage
903	X	X	X	X	X		X		C	O	X		X				B		S	
3	X	X		X		X	X		W		X	X					B		S	
8	X	X		X	X		X		C		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	X		B					X	X	X				Fenced Community Garden
6		X	X		X		X		B							X				
903	X	X	X		X	X	X						X	X		X				
3		X	X				X													
8		X					X		B							X				Gazebo

◆ 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 subject project will offer an amenities package considered generally superior to those offered at the comparable LIHTC projects within the market and region. In terms of unit amenities, while the subject project will be one of two LIHTC development to lack a patio/balcony, it will be one of two to offer a microwave. Regarding project amenities, the subject project will be the only LIHTC project in the *market* to offer a swimming pool, fitness center, computer center, community garden and library, and one of two in the market to offer a community center. The inclusion of the aforementioned amenities will position the subject project at a competitive advantage and will further enable it to charge rent premiums.

Competitive/Comparable Tax Credit Summary

Based on our analysis of unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the proposed development will be marketable. While the proposed subject LIHTC rents will be the highest LIHTC rents within the market, its newness, generally larger unit sizes and superior amenities package will enable it to charge higher rents. Additionally, given the fact that all comparable LIHTC projects are 100.0% occupied, two of which maintain waiting lists, higher rents are likely attainable within the Rockmart Site PMA. Further, as the majority of the subject units will offer a subsidy, the subject development will represent a substantial value to low-income renters. This has been considered in our absorption projections.

Competitive Housing Impact

The anticipated occupancy rates of the existing competitive general-occupancy Tax Credit developments in the market during the first year of occupancy at the subject project are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021
3	Vinings at Oxford	100.0%	95.0%+
6	Park Place Apts.	100.0%	95.0%+
8	Evergreen Village	100.0%	95.0%+

The subject project is not expected to have a negative impact on the three existing general-occupancy Tax Credit projects within the Site PMA, which are currently 100.0% occupied, two of which maintain wait lists. Given the lack of availability for affordable units in the market, we expect the three Tax Credit projects to operate at or above 95.0% once the proposed subject units are built. Overall, we believe there is sufficient demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on the Tax Credit projects within the market if the proposed subject project is developed.

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 \$117,379. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$117,379 home is \$706, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$117,379
Mortgaged Value = 95% of Median Home Price	\$111,510
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$565
Estimated Taxes and Insurance*	\$141
Estimated Monthly Mortgage Payment	\$706

*Estimated at 25% of principal and interest

In comparison, the proposed collected LIHTC non-subsidized one-bedroom rent for the subject property is \$477 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is \$229 greater than renting at the subject site. As such, it is very unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. Therefore, we believe that there will be little competitive impact on or from 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 reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Rockmart Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 75 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in less than six months of opening. This absorption period is based on an average monthly absorption rate of approximately 11 units per month. These absorption assumptions assume that the project will offer Project-Based Vouchers (PBV) on 66 of the subject units. In the unlikely event the subject project did not offer a subsidy, it will likely experience an extended absorption period of approximately 12 months, based on an absorption rate of approximately six units per month.

These absorption projections assume a 2021 opening date. An earlier or later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built 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 Rockmart Site PMA:

- Mike Cheeks, Building Inspector for the city of Rockmart, believes there is a need for more affordable housing in Rockmart and that about 70 new units would probably be able to be filled in a decent amount of time.
- Nadia Roper, Property Manager of Westview Homes (Map ID 11), a government-subsidized community in Rockmart, stated that her community is 100.0% occupied with a 150-household waiting list for the next available unit and feels there is a tremendous need for affordable housing in the Rockmart area.
- Layne Sanders, Property Manager of Cedartown Commons (Map ID 2) and Evergreen Village (Map ID 8), both affordable rental communities in Cedartown, stated that both her properties are fully occupied and have waiting lists. Therefore, Ms. Sanders feels there is a need for affordable rental housing within both Cedartown and Rockmart and believes that any new affordable rental housing community developed in Rockmart will lease up quickly.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 75 Low-Income Housing Tax Credit (LIHTC) units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Rockmart rental housing market is performing at a very strong occupancy rate of 99.5%, as a result of only three vacant units. In fact, the three general-occupancy, non-subsidized developments identified and surveyed within the market are 100.0% occupied, two of which maintain a waiting list for the next available unit. This illustrates that pent-up demand exists for additional non-subsidized affordable rental housing within the market. The subject development will be able to accommodate a portion of this unmet demand. It should also be noted that the subject development will be the only LIHTC project within the market to offer four-bedroom units. This will position the subject development at a market advantage, as it will provide an affordable rental housing alternative to low-income larger family households that are currently underserved within the Rockmart Site PMA.

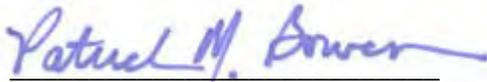
While the proposed subject rents will be the highest LIHTC rents targeting similar income levels within the market, its newness, larger unit sizes and amenities offered will enable it to charge higher rents within the Rockmart Site PMA. This is further supported by the fact that all general-occupancy LIHTC developments within the market are 100.0% occupied, demonstrating that these projects could likely charge higher rents without having an adverse impact on their occupancy levels. Nonetheless, it should be reiterated that 88%, or 66, of the subject units will offer a subsidy, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject project will represent a substantial value to low-income renters within the market. Only nine of the subject units will require tenants to pay the quoted rents, which are not expected to be difficult lease. This is especially true, considering the depth of demographic support that exists in the market for such units, which represent a capture rate of 20.9%.

Assuming the subject project operates without a subsidy, the overall required capture rate for the subject development is 16.3%. This is below GDCA's capture rate threshold of 35% for developments located within rural markets and is considered achievable. This demonstrates that a good base of potential income-appropriate renter household support exists for the subject project within the Rockmart Site PMA.

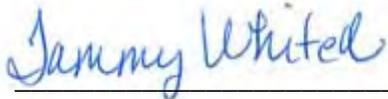
Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Rockmart Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

Section L - Signed Statement

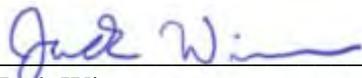
I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any 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 30, 2019



Tammy Whited
Market Analyst
tammyw@bowennational.com
Date: April 30, 2019



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: April 30, 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

ROCKMART, 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.

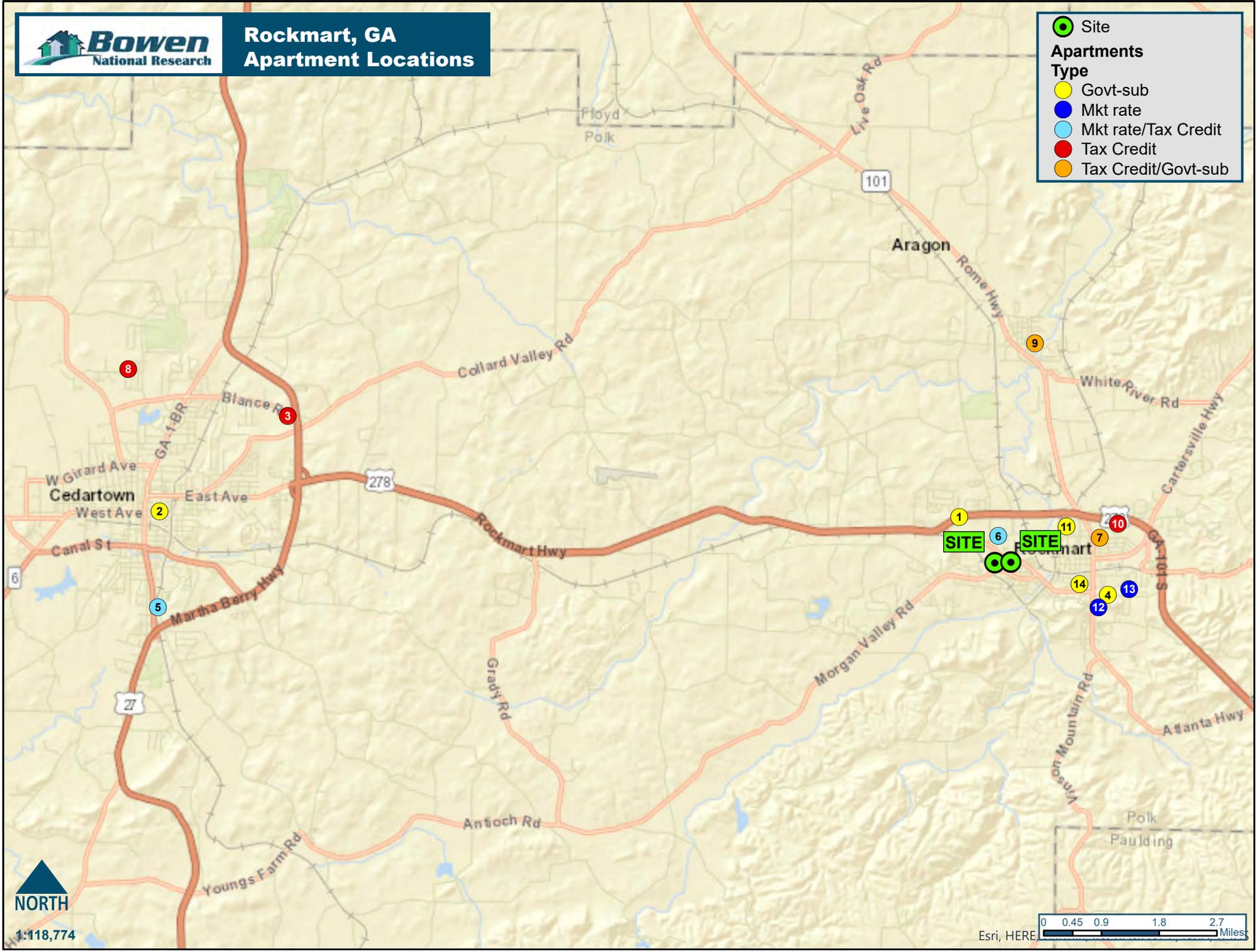


Rockmart, GA Apartment Locations

● Site

Apartments Type

- Govt-sub
- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub



1:118,774



MAP IDENTIFICATION LIST - ROCKMART, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Calloway Estates	GSS	B-	1980	24	0	100.0%	1.4
2	Cedartown Commons	GSS	C	1982	12	0	100.0%	11.9
3	Vinings at Oxford	TAX	A	2016	62	0	100.0%	11.2
4	Fairview Apts.	GSS	C	1986	32	0	100.0%	1.7
5	Kirkwood Trails	MRT	B+	2003	52	3	94.2%	13.1
6	Park Place Apts.	MRT	A-	2003	60	0	100.0%	0.5
7	Tower Village	TGS	B-	1995	42	0	100.0%	2.0
8	Evergreen Village	TAX	B	2000	56	0	100.0%	13.6
9	Oakview Apts.	TGS	C+	1993	24	0	100.0%	4.1
10	Ramsey Run	TAX	A-	2014	60	0	100.0%	2.4
11	Westview Homes	GSS	C-	1955	88	0	100.0%	1.7
12	Overlook Apts.	MRR	B	2004	40	0	100.0%	1.7
13	Morgan Street Townhomes	MRR	B-	1987	8	0	100.0%	2.0
14	Jackson Square I & II	GSS	A-	2010	16	0	100.0%	1.3

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	2	48	0	100.0%	0
MRT	2	112	3	97.3%	0
TAX	3	178	0	100.0%	0
TGS	2	66	0	100.0%	0
GSS	5	172	0	100.0%	0

◆	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

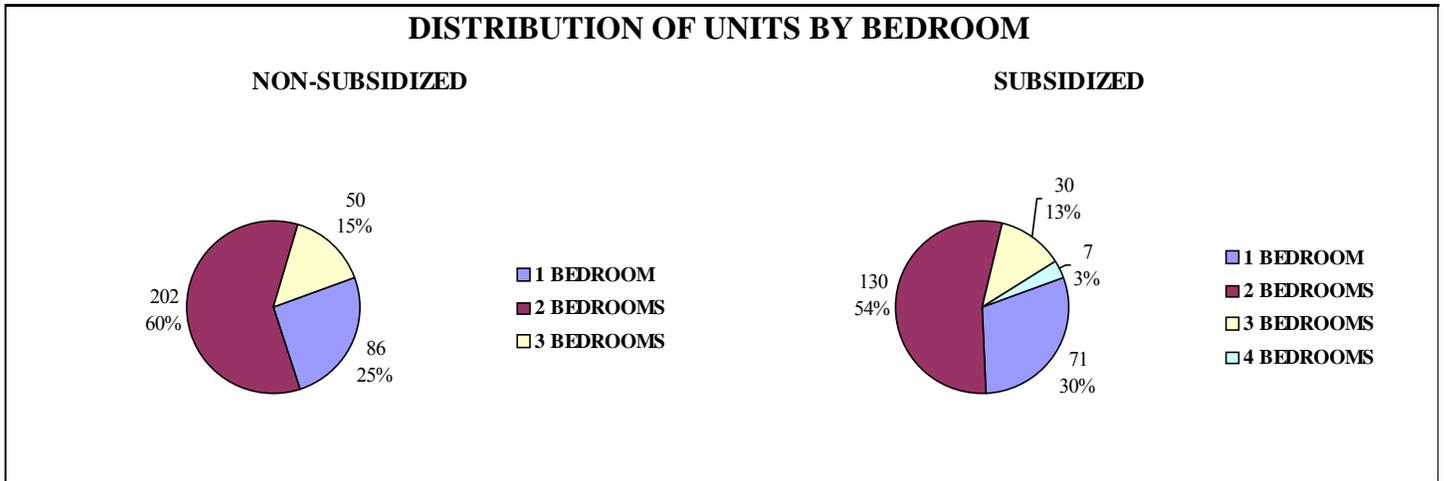
* - Drive Distance (Miles)

Survey Date: March 2019

DISTRIBUTION OF UNITS - ROCKMART, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	10	14.1%	0	0.0%	\$526
2	1	56	78.9%	0	0.0%	\$836
3	2	5	7.0%	0	0.0%	\$762
TOTAL		71	100.0%	0	0.0%	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	76	28.5%	0	0.0%	\$477
2	1	53	19.9%	3	5.7%	\$567
2	2	56	21.0%	0	0.0%	\$531
2	2.5	37	13.9%	0	0.0%	\$630
3	2	39	14.6%	0	0.0%	\$633
3	2.5	6	2.2%	0	0.0%	\$704
TOTAL		267	100.0%	3	1.1%	
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	20	30.3%	0	0.0%	N.A.
2	1	16	24.2%	0	0.0%	N.A.
2	1.5	30	45.5%	0	0.0%	N.A.
TOTAL		66	100.0%	0	0.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	51	29.7%	0	0.0%	N.A.
2	1	80	46.5%	0	0.0%	N.A.
2	2	4	2.3%	0	0.0%	N.A.
3	1	28	16.3%	0	0.0%	N.A.
3	2	2	1.2%	0	0.0%	N.A.
4	1	7	4.1%	0	0.0%	N.A.
TOTAL		172	100.0%	0	0.0%	
GRAND TOTAL		576	-	3	0.5%	

DISTRIBUTION OF UNITS - ROCKMART, GEORGIA



SURVEY OF PROPERTIES - ROCKMART, GEORGIA

1 Calloway Estates			
	Address 325 Calloway Ct. Rockmart, GA 30153	Phone (678) 685-6077 (Contact in person)	Total Units 24
	Year Built 1980 Comments RD 515, has RA (10 units); Accepts HCV (0 currently); Year built estimated	Contact Paula	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Waiting List 10 households
2 Cedartown Commons			
	Address 336 Herbert St. Cedartown, GA 30125	Phone (770) 748-8919 (Contact in person)	Total Units 12
	Year Built 1982 Comments RD 515, has RA (10 units); HCV (2 units)	Contact Bill	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C Waiting List 2 households
3 Vinings at Oxford			
	Address 800 Blance Rd. Cedartown, GA 30125	Phone (678) 901-4976 (Contact in person)	Total Units 62
	Year Built 2016 Comments 50% & 60% AMHI; HCV (16 units)	Contact Debbie	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating A Waiting List 12 households
4 Fairview Apts.			
	Address 840 Fairview Rd. Rockmart, GA 30153	Phone (678) 685-6077 (Contact in person)	Total Units 32
	Year Built 1986 Comments RD 515, no RA; Accepts HCV; Square footage estimated	Contact Paula	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C Waiting List 8 households
5 Kirkwood Trails			
	Address 133 Cason Rd. Cedartown, GA 30125	Phone (770) 749-9403 (Contact in person)	Total Units 52
	Year Built 2003 Comments Market-rate (11 units); 50% & 60% AMHI (41 units); HCV (5 units); Unit mix by AMHI estimated	Contact Laurie Ann	Vacancies 3 Occupied 94.2% Floors 1 Quality Rating B+ Senior Restricted (55+) Waiting List MRR: 3 years

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: March 2019

SURVEY OF PROPERTIES - ROCKMART, GEORGIA

6 Park Place Apts.			
	Address 800 Park Place Cir. Rockmart, GA 30153	Phone (678) 757-0070 (Contact in person)	Total Units 60
	Year Built 2003 Comments Market-rate (12 units); 50% & 60% AMHI (48 units); Accepts HCV; HOME Funds	Contact Ashley	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A- Waiting List None
7 Tower Village			
	Address 43 Tower Cir. Rockmart, GA 30153	Phone (770) 684-6226 (Contact in person)	Total Units 42
	Year Built 1995 Comments 60% AMHI; RD 515, no RA; HCV (4 units)	Contact Holly	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List None
8 Evergreen Village			
	Address 110 Evergreen Ln. Cedartown, GA 30125	Phone (770) 749-9333 (Contact in person)	Total Units 56
	Year Built 2000 Comments 50% & 60% AMHI; HCV (6 units); Unit mix by AMHI estimated	Contact Layne	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 6 households
9 Oakview Apts.			
	Address 100 Creek Bank Rd. Aragon, GA 30104	Phone (770) 684-6226 (Contact in person)	Total Units 24
	Year Built 1993 Comments 60% AMHI; RD 515, has RA (10 units); HCV (1 unit)	Contact Holly	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C+ Waiting List None
10 Ramsey Run			
	Address 100 Ramsey Ln. Rockmart, GA 30153	Phone (770) 684-7772 (Contact in person)	Total Units 60
	Year Built 2014 Comments 50% & 60% AMHI; HCV (1 unit); Handicap accessible units have e-call system	Contact Layne	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A- Senior Restricted (55+) Waiting List 35 households

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: March 2019

SURVEY OF PROPERTIES - ROCKMART, GEORGIA

11 Westview Homes			
	Address 811 Forest Ave. Rockmart, GA 30153	Phone (706) 295-5412 (Contact in person)	Total Units 88
	Year Built 1955 Renovated 2008	Contact Nadia	Vacancies 0
	Comments Public Housing; Part of Booker T. Washington & Easview Homes		Occupied 100.0%
			Floors 1
			Quality Rating C-
			Waiting List 150 households
12 Overlook Apts.			
	Address 252 Newcomb St. Rockmart, GA 30153	Phone (770) 715-3425 (Contact in person)	Total Units 40
	Year Built 2004	Contact Glenn	Vacancies 0
	Comments Does not accept HCV; Higher rent includes water, sewer & trash		Occupied 100.0%
			Floors 1
			Quality Rating B
			Waiting List None
13 Morgan Street Townhomes			
	Address 102 Morgan St. Rockmart, GA 30153	Phone (770) 715-3425 (Contact in person)	Total Units 8
	Year Built 1987 Renovated 2012	Contact Glenn	Vacancies 0
	Comments HCV (1 unit); Square footage estimated		Occupied 100.0%
			Floors 2
			Quality Rating B-
			Waiting List None
14 Jackson Square I & II			
	Address 430-460 Jackson St. Rockmart, GA 30153	Phone (706) 295-5412 (Contact in person)	Total Units 16
	Year Built 2010	Contact Cheryl	Vacancies 0
	Comments Public Housing		Occupied 100.0%
			Floors 2
			Quality Rating A-
			Waiting List 1 year

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: March 2019

COLLECTED RENTS - ROCKMART, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
3		\$352 to \$388					\$419 to \$490	\$475 to \$531	
5		\$430 to \$460	\$512 to \$560						
6		\$400 to \$505	\$466 to \$610	\$525 to \$654					
8		\$394 to \$399	\$461 to \$498	\$517 to \$537					
10		\$340	\$395						
12			\$750 to \$850						
13		\$500					\$675		

◆	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: March 2019

PRICE PER SQUARE FOOT - ROCKMART, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
13	Morgan Street Townhomes	1	800	\$609	\$0.76
5	Kirkwood Trails	1	816	\$496 to \$526	\$0.61 to \$0.64
6	Park Place Apts.	1	677	\$466 to \$571	\$0.69 to \$0.84
3	Vinings at Oxford	1	767	\$461 to \$497	\$0.60 to \$0.65
8	Evergreen Village	1	756	\$460 to \$465	\$0.61 to \$0.62
10	Ramsey Run	1	762	\$449	\$0.59
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
12	Overlook Apts.	1	1000	\$836 to \$936	\$0.84 to \$0.94
13	Morgan Street Townhomes	1	1020	\$815	\$0.80
5	Kirkwood Trails	1	1028	\$598 to \$646	\$0.58 to \$0.63
6	Park Place Apts.	1	883	\$552 to \$696	\$0.63 to \$0.79
3	Vinings at Oxford	2.5	1165	\$559 to \$630	\$0.48 to \$0.54
8	Evergreen Village	1	915	\$547 to \$584	\$0.60 to \$0.64
10	Ramsey Run	2	1078	\$531	\$0.49
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	Park Place Apts.	2	1100	\$633 to \$762	\$0.58 to \$0.69
3	Vinings at Oxford	2.5	1465	\$648 to \$704	\$0.44 to \$0.48
8	Evergreen Village	2	1136	\$625 to \$645	\$0.55 to \$0.57

◆	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: March 2019

AVERAGE GROSS RENT PER SQUARE FOOT - ROCKMART, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.70	\$0.86	\$0.69
TOWNHOUSE	\$0.00	\$0.80	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.63	\$0.55	\$0.57
TOWNHOUSE	\$0.00	\$0.51	\$0.47

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.64	\$0.65	\$0.59
TOWNHOUSE	\$0.00	\$0.56	\$0.47

TAX CREDIT UNITS - ROCKMART, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 10	Ramsey Run	3	762	1	60%	\$340
◆ 10	Ramsey Run	1	762	1	50%	\$340
9	Oakview Apts.	8	950	1	60%	\$350 - \$500
7	Tower Village	12	950	1	60%	\$350 - \$478
3	Vinings at Oxford	8	767	1	50%	\$352
3	Vinings at Oxford	11	767	1	60%	\$388
8	Evergreen Village	8	756	1	50%	\$394
8	Evergreen Village	8	756	1	60%	\$399
6	Park Place Apts.	9	677	1	50%	\$400
6	Park Place Apts.	3	677	1	60%	\$411
◆ 5	Kirkwood Trails	15	816	1	50%	\$430
◆ 5	Kirkwood Trails	10	816	1	60%	\$442
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
9	Oakview Apts.	16	1250	1	60%	\$380 - \$530
7	Tower Village	30	1250	1.5	60%	\$386 - \$548
◆ 10	Ramsey Run	10	1078	2	50%	\$395
◆ 10	Ramsey Run	46	1078	2	60%	\$395
3	Vinings at Oxford	16	1165	2.5	50%	\$419
8	Evergreen Village	10	915	1	50%	\$461
6	Park Place Apts.	12	883	1	50%	\$466
6	Park Place Apts.	5	883	1	60%	\$481
3	Vinings at Oxford	21	1165	2.5	60%	\$490
8	Evergreen Village	10	915	1	60%	\$498
◆ 5	Kirkwood Trails	10	1028	1	50%	\$512
◆ 5	Kirkwood Trails	6	1028	1	60%	\$529
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Vinings at Oxford	2	1465	2.5	50%	\$475
8	Evergreen Village	10	1136	2	50%	\$517
6	Park Place Apts.	14	1100	2	50%	\$525
3	Vinings at Oxford	4	1465	2.5	60%	\$531
8	Evergreen Village	10	1136	2	60%	\$537
6	Park Place Apts.	5	1100	2	60%	\$581

◆ - Senior Restricted

QUALITY RATING - ROCKMART, GEORGIA

MARKET-RATE PROJECTS AND UNITS

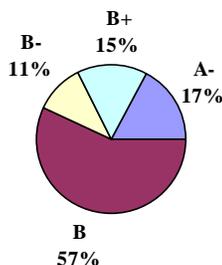
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	12	0.0%		\$571	\$696	\$762	
B+	1	11	0.0%		\$526	\$646		
B	1	40	0.0%			\$836		
B-	1	8	0.0%		\$609	\$815		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

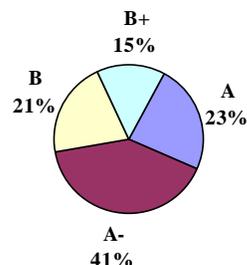
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	62	0.0%		\$497	\$630	\$704	
A-	2	108	0.0%		\$466	\$531	\$633	
B+	1	41	7.3%		\$496	\$598		
B	1	56	0.0%		\$460	\$547	\$625	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - ROCKMART, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	1	8	0	0.0%	8	2.4%
1990 to 1999	0	0	0	0.0%	8	0.0%
2000 to 2005	4	208	3	1.4%	216	61.5%
2006 to 2010	0	0	0	0.0%	216	0.0%
2011	0	0	0	0.0%	216	0.0%
2012	0	0	0	0.0%	216	0.0%
2013	0	0	0	0.0%	216	0.0%
2014	1	60	0	0.0%	276	17.8%
2015	0	0	0	0.0%	276	0.0%
2016	1	62	0	0.0%	338	18.3%
2017	0	0	0	0.0%	338	0.0%
2018**	0	0	0	0.0%	338	0.0%
TOTAL	7	338	3	0.9%	338	100.0 %

YEAR RENOVATED - ROCKMART, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006 to 2010	0	0	0	0.0%	0	0.0%
2011	0	0	0	0.0%	0	0.0%
2012	1	8	0	0.0%	8	100.0%
2013	0	0	0	0.0%	8	0.0%
2014	0	0	0	0.0%	8	0.0%
2015	0	0	0	0.0%	8	0.0%
2016	0	0	0	0.0%	8	0.0%
2017	0	0	0	0.0%	8	0.0%
2018**	0	0	0	0.0%	8	0.0%
TOTAL	1	8	0	0.0%	8	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

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

** As of March 2019

APPLIANCES AND UNIT AMENITIES - ROCKMART, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	7	100.0%	338
REFRIGERATOR	7	100.0%	338
ICEMAKER	1	14.3%	60
DISHWASHER	7	100.0%	338
DISPOSAL	4	57.1%	228
MICROWAVE	2	28.6%	122
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	7	100.0%	338
AC - WINDOW	0	0.0%	
FLOOR COVERING	7	100.0%	338
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	7	100.0%	338
PATIO/DECK/BALCONY	6	85.7%	330
CEILING FAN	5	71.4%	216
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	7	100.0%	338
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	2	28.6%	112

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

PROJECT AMENITIES - ROCKMART, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	5	71.4%	290
LAUNDRY	4	57.1%	234
CLUB HOUSE	2	28.6%	112
MEETING ROOM	2	28.6%	120
FITNESS CENTER	2	28.6%	112
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	3	42.9%	178
COMPUTER LAB	1	14.3%	60
SPORTS COURT	2	28.6%	116
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	1	14.3%	60
SECURITY GATE	1	14.3%	60
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	4	57.1%	208
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	14.3%	60

DISTRIBUTION OF UTILITIES - ROCKMART, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	2	104	18.1%
TENANT			
ELECTRIC	11	460	79.9%
GAS	1	12	2.1%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	2	104	18.1%
TENANT			
ELECTRIC	12	472	81.9%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	2	104	18.1%
TENANT			
ELECTRIC	11	460	79.9%
GAS	1	12	2.1%
			100.0%
ELECTRIC			
LANDLORD			
ELECTRIC	2	104	18.1%
TENANT			
ELECTRIC	12	472	81.9%
			100.0%
WATER			
LANDLORD			
ELECTRIC	6	312	54.2%
TENANT			
ELECTRIC	8	264	45.8%
			100.0%
SEWER			
LANDLORD			
ELECTRIC	6	312	54.2%
TENANT			
ELECTRIC	8	264	45.8%
TRASH PICK-UP			
LANDLORD			
ELECTRIC	11	460	79.9%
TENANT			
ELECTRIC	3	116	20.1%
			100.0%

UTILITY ALLOWANCE - ROCKMART, 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

12 Overlook Apts.

1.7 miles to site



Address	252 Newcomb St. Rockmart, GA 30153		
Phone	(770) 715-3425	Contact	Glenn
Total Units	40	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2004	Floors	1
Concessions	No Rent Specials		
Parking	Attached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	C
Remarks	Does not accept HCV; Higher rent includes water, sewer & trash		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	1	G	40	0	1000	\$0.75 - \$0.85	\$750 to \$850

13 Morgan Street Townhomes

2.0 miles to site



Address	102 Morgan St. Rockmart, GA 30153		
Phone	(770) 715-3425	Contact	Glenn
Total Units	8	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1987	Renovated	2012
		Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	C
Remarks	HCV (1 unit); Square footage estimated		

Features and Utilities

Utilities Landlord pays Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	1	0	800	\$0.63	\$500
2	1	T	7	0	1020	\$0.66	\$675

901 Avonlea Highlands

22.4 miles to site



Address 950 E. Main St.
Cartersville, GA 30121

Phone (770) 387-0900 **Contact** Angie

Total Units 228 **Vacancies** 12 **Percent Occupied** 94.7%

Project Type Market-Rate

Year Open 2002 **Floors** 3,4

Concessions No Rent Specials

Parking Detached Garages, Surface Parking

Waiting List NONE

Quality Rating A **Neighborhood Rating** B+

Remarks Offers Tennis; Does not accept HCV; Rents change daily; Larger 2-br have sunroom



Features and Utilities

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, 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, Sports Court, Security Gate, Computer Lab, Car Wash Area, Picnic Area, CCTV

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	54	3	660 to 912	\$1.21 - \$1.55	\$1025 to \$1100
2	2	G	138	7	1048 to 1337	\$1.04 - \$1.18	\$1240 to \$1395
3	2	G	36	2	1366 to 1439	\$1.06 - \$1.09	\$1490 to \$1520

902 Stone Mill Apts.

26.3 miles to site



Address 50 Stone Mill Dr. SE
Cartersville, GA 30121

Phone (770) 382-0087 **Contact** Laura

Total Units 176 **Vacancies** 4 **Percent Occupied** 97.7%

Project Type Market-Rate

Year Open 2001 **Floors** 2,3

Concessions No Rent Specials

Parking Detached Garages, Surface Parking

Waiting List 1 & 3-br: 6 HH

Quality Rating A- **Neighborhood Rating** B

Remarks Does not accept HCV; Rents change daily



Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	68	0	774 to 828	\$1.17 - \$1.25	\$909 to \$1034
2	2	G	92	4	1084	\$1.02 - \$1.12	\$1104 to \$1209
3	2	G	16	0	1277	\$1.04 - \$1.09	\$1324 to \$1389

6 Park Place Apts.

0.5 miles to site



Address	800 Park Place Cir. Rockmart, GA 30153		
Phone	(678) 757-0070	Contact	Ashley
Total Units	60	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2003	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A-	Neighborhood Rating	B
Remarks	Market-rate (12 units); 50% & 60% AMHI (48 units); Accepts HCV; HOME Funds		

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, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Playground, Sports Court, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	677	\$0.75	\$505	
1	1	G	3	0	677	\$0.61	\$411	60%
1	1	G	9	0	677	\$0.59	\$400	50%
2	1	G	5	0	883	\$0.69	\$610	
2	1	G	5	0	883	\$0.54	\$481	60%
2	1	G	12	0	883	\$0.53	\$466	50%
3	2	G	5	0	1100	\$0.59	\$654	
3	2	G	5	0	1100	\$0.53	\$581	60%
3	2	G	14	0	1100	\$0.48	\$525	50%

903 Somerset Club Apts.

25.5 miles to site



Address	91 Somerset Club Dr. Cartersville, GA 30121		
Phone	(678) 721-3090	Contact	Natalie
Total Units	192	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2004	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	MRR: 7 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Market-rate (72 units); 60% AMHI (120 units); Accepts HCV; Rents change daily; Unit mix by AMHI estimated		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Security Gate, Computer Lab, Car Wash Area, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	20	0	864	\$1.00	\$867	
1	1	G	30	0	864	\$0.89	\$765	60%
2	2	G	40	0	1200	\$0.76	\$912	
2	2	G	54	0	1200	\$0.76	\$912	60%
3	2	G	36	0	1300	\$0.80	\$1040	60%
4	3	G	12	0	1460	\$0.76	\$1109	

3**Vinings at Oxford**

11.2 miles to site



Address	800 Blance Rd. Cedartown, GA 30125		
Phone	(678) 901-4976	Contact	Debbie
Total Units	62	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2016	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	12 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (16 units)		

**Features and Utilities**

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	On-site Management, Laundry Facility, Playground

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	11	0	767	\$0.51	\$388	60%
1	1	G	8	0	767	\$0.46	\$352	50%
2	2.5	T	21	0	1165	\$0.42	\$490	60%
2	2.5	T	16	0	1165	\$0.36	\$419	50%
3	2.5	T	4	0	1465	\$0.36	\$531	60%
3	2.5	T	2	0	1465	\$0.32	\$475	50%

8 Evergreen Village

13.6 miles to site



Address	110 Evergreen Ln. Cedartown, GA 30125		
Phone	(770) 749-9333	Contact	Layne
Total Units	56	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2000	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6 households		
Quality Rating	B	Neighborhood Rating	B-
Remarks	50% & 60% AMHI; HCV (6 units); Unit mix by AMHI estimated		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Playground, Sports Court, Picnic Area, Gazebo

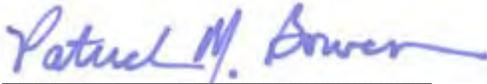
Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	8	0	756	\$0.53	\$399	60%
1	1	G	8	0	756	\$0.52	\$394	50%
2	1	G	10	0	915	\$0.54	\$498	60%
2	1	G	10	0	915	\$0.50	\$461	50%
3	2	G	10	0	1136	\$0.47	\$537	60%
3	2	G	10	0	1136	\$0.46	\$517	50%

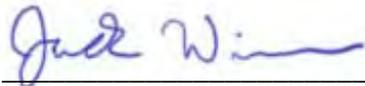
Addendum C – NCHMA Member Certification & Checklist

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 30, 2019



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: April 30, 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 Rockmart, Georgia by Euharlee & Elm Street Apartment Limited Partnership (owner).

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 subject property renovations are complete 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 continued 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 six properties that offer market-rate units within and near the Rockmart Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject developments. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject developments 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 projects do not have a washer or dryer and a selected property does, then we lower the collected rent of the selected properties by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed projects.

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 developments and the six selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Euharlee & Elm Street Apartments	2021	75	-	17 (-)	29 (-)	25 (-)	4 (-)
6	Park Place Apts.	2003	12*	100.0%	2 (100.0%)	5 (100.0%)	5 (100.0%)	-
12	Overlook Apts.	2004	40	100.0%	-	40 (100.0%)	-	-
13	Morgan Street Townhomes	1987 / 2012	8	100.0%	1 (100.0%)	7 (100.0%)	-	-
901	Avonlea Highlands	2002	228	94.7%	54 (94.4%)	138 (94.9%)	36 (94.4%)	-
902	Stone Mill Apts.	2001	176	97.7%	68 (100.0%)	92 (95.7%)	16 (100.0%)	-
903	Somerset Club Apts.	2004	72*	100.0%	20 (100.0%)	40 (100.0%)	-	12 (100.0%)

Occ. – Occupancy

*Market-rate units only

900 series Map IDs are located outside of Site PMA

The six selected market-rate projects have a combined total of 536 units with an overall occupancy rate of 97.0%, a strong rate for rental housing. This illustrates that these projects have been well received within the market and region and will serve as accurate benchmarks with which to compare the subject project

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 developments.

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Euharlee & Elm Street Apartments		Park Place Apts.		Morgan Street Townhomes		Avonlea Highlands		Stone Mill Apts.		Somerset Club Apts.	
120 Gordon Street & 100 Morgan Valley Road		800 Park Place Cir.		102 Morgan St.		950 E. Main St.		50 Stone Mill Dr. SE		91 Somerset Club Dr.	
Rockmart, GA		Rockmart, GA		Rockmart, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$505		\$500		\$1,025		\$909		\$867	
2	Date Surveyed	Mar-19		Mar-19		Mar-19		Mar-19		Mar-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		94%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$505	0.75	\$500	0.63	\$1,025	1.55	\$909	1.17	\$867	1.00
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		WU/2		WU/3,4		WU/2,3		WU/2,3	
7	Yr. Built/Yr. Renovated	2021		2003 \$18		1987/2012 \$21		2002 \$19		2001 \$20	
8	Condition/Street Appeal	E		E		G \$15		E		G \$15	
9	Neighborhood	G		G		F \$10		G		G	
10	Same Market?			Yes		Yes		No (\$256)		No (\$227)	
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.	791	\$29	677	(\$2)	800	(\$2)	660	\$33	774	(\$18)
14	Balcony/Patio	N	(\$5)	Y		N		Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L		HU/L		HU	\$5	HU/L		HU/L	
19	Floor Coverings	T		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		N	\$5	Y		Y	
23	Ceiling Fans/Storage	N/N	(\$5)	N/Y	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
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		N	\$5	Y		Y	
28	Pool/Recreation Areas	P/F/S/L/G		S	\$21	N	\$24	P/F/S	\$6	P/F	\$9
29	Computer/Business Center	Y		N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y		Y		N	\$3	Y		Y	
31	Playground	Y		Y		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	(\$43)	Y/Y		N/N		N/N		Y/Y	(\$43)
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$15	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	2	12	2	3	4	5	4	4	4
41	Sum Adjustments B to D	\$76	(\$10)	\$104	(\$7)	\$58	(\$276)	\$41	(\$242)	\$46	(\$245)
42	Sum Utility Adjustments		(\$43)			\$15			(\$43)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$23	\$129	\$97	\$111	(\$203)	\$349	(\$244)	\$326	(\$199)	\$291
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$528		\$597		\$822		\$665		\$668	
45	Adj Rent/Last rent		105%		119%		80%		73%		77%
46	Estimated Market Rent	\$645	\$0.82	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Euharlee & Elm Street Apartments		Park Place Apts.		Overlook Apts.		Morgan Street Townhomes		Avonlea Highlands		Stone Mill Apts.	
120 Gordon Street & 100 Morgan Valley Road		800 Park Place Cir.		252 Newcomb St.		102 Morgan St.		950 E. Main St.		50 Stone Mill Dr. SE	
Rockmart, GA		Rockmart, GA		Rockmart, GA		Rockmart, GA		Cartersville, GA		Cartersville, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$610		\$750		\$675		\$1,240		\$1,104	
2	Date Surveyed	Mar-19		Mar-19		Mar-19		Mar-19		Mar-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		95%		96%	
5	Effective Rent & Rent/ sq. ft	\$610	0.69	\$750	0.75	\$675	0.66	\$1,240	1.18	\$1,104	1.02
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		R/1		TH/2		WU/3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2021		2004	\$17	1987/2012	\$21	2002	\$19	2001	\$20
8	Condition/Street Appeal	E		G	\$15	G	\$15	E		E	
9	Neighborhood	G		F	\$10	F	\$10	G		G	
10	Same Market?	Yes		Yes		Yes		No	(\$310)	No	(\$276)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2	\$30	1	\$30	1	\$30	2		2	
13	Unit Interior Sq. Ft.	1000	\$25	1000		1020	(\$4)	1048	(\$10)	1084	(\$18)
14	Balcony/Patio	N	(\$5)	Y	(\$5)	N		Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5
18	Washer/Dryer	HU/L		HU/L	\$5	HU	\$5	HU/L		HU/L	
19	Floor Coverings	T		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		N	\$5	N	\$5	Y		Y	
23	Ceiling Fans/Storage	N/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		A-GAR	(\$50)	LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		N	\$5	N	\$5	Y		Y	
26	Security Features	N		N		N		Y	(\$5)	Y	(\$5)
27	Community Space	Y		N	\$5	N	\$5	Y		Y	
28	Pool/Recreation Areas	P/F/S/L/G	\$21	N	\$24	N	\$24	P/F/S	\$6	P/F	\$9
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y		Y		N	\$3	Y		Y	
31	Playground	Y		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	(\$50)	N/N		N/N		N/N		Y/Y	(\$50)
39	Trash/Recycling	Y/N		N/N	\$15	Y/N		N/N	\$15	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	12	3	13	2	2	5	4	5
41	Sum Adjustments B to D	\$102	(\$10)	\$127	(\$60)	\$134	(\$9)	\$25	(\$340)	\$37	(\$309)
42	Sum Utility Adjustments		(\$50)	\$15				\$15			(\$50)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$42	\$162	\$82	\$202	\$125	\$143	(\$300)	\$380	(\$322)	\$396
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$652		\$832		\$800		\$940		\$782	
45	Adj Rent/Last rent		107%		111%		118%		76%		71%
46	Estimated Market Rent	\$795	\$0.80	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Euharlee & Elm Street Apartments		Park Place Apts.		Overlook Apts.		Avonlea Highlands		Stone Mill Apts.		Somerset Club Apts.	
120 Gordon Street & 100 Morgan Valley Road		800 Park Place Cir.		252 Newcomb St.		950 E. Main St.		50 Stone Mill Dr. SE		91 Somerset Club Dr.	
Rockmart, GA		Rockmart, GA		Rockmart, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$654		\$750		\$1,490		\$1,324		\$912	
2	Date Surveyed	Mar-19		Mar-19		Mar-19		Mar-19		Mar-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		94%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$654	0.59	\$750	0.75	\$1,490	1.09	\$1,324	1.04	\$912	0.76
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/2		R/1		WU/3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2021		2003	\$18	2004	\$17	2002	\$19	2001	\$20
8	Condition/Street Appeal	E		E		G	\$15	E		G	\$15
9	Neighborhood	G		G		F	\$10	G		G	
10	Same Market?			Yes		Yes		No	(\$373)	No	(\$331)
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		2	\$50	3		2	\$50
12	# Baths	2		2		1	\$30	2		2	
13	Unit Interior Sq. Ft.	1300		1100	\$43	1000	\$65	1366	(\$14)	1277	\$5
14	Balcony/Patio	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5
18	Washer/Dryer	HU/L		HU/L		HU	\$5	HU/L		HU/L	
19	Floor Coverings	T		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		N	\$5	Y		Y	
23	Ceiling Fans/Storage	N/N		N/Y	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		A-GAR	(\$50)	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		N	\$5	Y		Y	
28	Pool/Recreation Areas	P/F/S/L/G		S	\$21	N	\$24	P/F/S	\$6	P/F	\$9
29	Computer/Business Center	Y		N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	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		Y/Y	(\$62)	N/N		N/N		Y/Y	(\$62)
39	Trash/Recycling	Y/N		Y/N		N/N	\$15	N/N	\$15	Y/N	
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	2	14	3	2	5	5	4	6	3
41	Sum Adjustments B to D	\$90	(\$10)	\$242	(\$60)	\$25	(\$407)	\$42	(\$346)	\$118	(\$238)
42	Sum Utility Adjustments		(\$62)	\$15		\$15			(\$62)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$18	\$162	\$197	\$317	(\$367)	\$447	(\$366)	\$450	(\$120)	\$356
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$672		\$947		\$1,123		\$958		\$792	
45	Adj Rent/Last rent		103%		126%		75%		72%		87%
46	Estimated Market Rent	\$905		\$0.70		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

FOUR-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Euharlee & Elm Street Apartments		Park Place Apts.		Overlook Apts.		Avonlea Highlands		Stone Mill Apts.		Somerset Club Apts.	
120 Gordon Street & 100 Morgan Valley Road		800 Park Place Cir.		252 Newcomb St.		950 E. Main St.		50 Stone Mill Dr. SE		91 Somerset Club Dr.	
Rockmart, GA		Rockmart, GA		Rockmart, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$654		\$750		\$1,520		\$1,324		\$1,109	
2	Date Surveyed	Mar-19		Mar-19		Mar-19		Mar-19		Mar-19	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		94%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$654	0.59	\$750	0.75	\$1,520	1.06	\$1,324	1.04	\$1,109	0.76
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/2		R/1		WU/3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2021		2003	\$18	2004	\$17	2002	\$19	2001	\$20
8	Condition/Street Appeal	E		E		G	\$15	E		G	\$15
9	Neighborhood	G		G		F	\$10	G		G	
10	Same Market?			Yes		Yes		No	(\$380)	No	(\$331)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	4		3	\$50	2	\$100	3	\$50	4	
12	# Baths	2		2		1	\$30	2		3	(\$30)
13	Unit Interior Sq. Ft.	1500		1100	\$85	1000	\$107	1439	\$13	1277	\$48
14	Balcony/Patio	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5
18	Washer/Dryer	HU/L		HU/L		HU	\$5	HU/L		HU/L	
19	Floor Coverings	T		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		N	\$5	Y		Y	
23	Ceiling Fans/Storage	N/N		N/Y	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		A-GAR	(\$50)	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		N	\$5	Y		Y	
28	Pool/Recreation Areas	P/F/S/L/G		S	\$21	N	\$24	P/F/S	\$6	P/F	\$9
29	Computer/Business Center	Y		N	\$3	N	\$3	Y		N	\$3
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		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		Y/Y	(\$74)	N/N		N/N		Y/Y	(\$74)
39	Trash/Recycling	Y/N		Y/N		N/N	\$15	N/N	\$15	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	14	3	4	4	6	4	5	4
41	Sum Adjustments B to D	\$182	(\$10)	\$334	(\$60)	\$88	(\$400)	\$135	(\$346)	\$55	(\$317)
42	Sum Utility Adjustments		(\$74)	\$15		\$15			(\$74)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$98	\$266	\$289	\$409	(\$297)	\$503	(\$285)	\$555	(\$262)	\$372
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$752		\$1,039		\$1,223		\$1,039		\$847	
45	Adj Rent/Last rent		115%		138%		80%		78%		76%
46	Estimated Market Rent	\$990	\$0.66	← 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 \$645 for a one-bedroom unit, \$795 for a two-bedroom unit, \$905 for a three-bedroom unit and \$990 for a four-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$472-\$491 (60%)	\$645	23.9%-26.8%
Two-Bedroom	\$582-\$683 (60%)	\$795	14.1%-26.8%
Three-Bedroom	\$776-\$811* (60%)	\$905	10.4%-14.3%
Four-Bedroom	\$895*-\$902* (60%)	\$990	8.9%-9.6%

*Maximum allowable gross LIHTC rent minus the cost of tenant-paid utilities

The proposed collected rents represent market rent advantages ranging from 8.9% to 26.8%, depending on bedroom type. Typically, Tax Credit rents are set at or near 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. As such, the proposed rents should represent good 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.

7. The proposed subject project is anticipated to be completed in 2021. As such, 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 a quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality to the subject development.

9. Two of the selected properties are located in less desirable neighborhoods than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
10. Three of the selected properties are located outside of the Rockmart Site PMA in Cartersville. The Cartersville market is significantly larger than Rockmart in terms of population, community services and apartment selections. Given the differences in markets, the rents that are achievable in Cartersville will not directly translate to the Rockmart market. Therefore, we have adjusted each collected rent at the three comparable projects located in Cartersville by approximately 25.0% to account for this market difference.
11. We have made adjustments for the differences in the number of bedrooms offered at the selected market-rate projects due to the fact that not all of the selected properties offer three- or four-bedroom units. A conservative adjustment of \$50 per bedroom was used to reflect this difference.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$30 per full bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
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 generally similar to those offered at 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 comprehensive project amenities package. 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. The utility adjustments were based on the local housing authority's utility cost estimates.