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**A MARKET CONDITIONS AND  
PROJECT EVALUATION SUMMARY  
OF:  
DULLES  
PARK II**

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: DULLES PARK II**

Old Clinton Road  
Gray, Jones County, Georgia 31032

Effective Date: April 22, 2019  
Report Date: May 23, 2019

Prepared for:  
Roya Collins  
President  
Dulles Park II, LP  
1820 The Exchange SE #350  
Atlanta, GA 30339

Prepared by:  
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May 23, 2019

Roya Collins  
President  
Dulles Park II, LP  
1820 The Exchange SE #350  
Atlanta, GA 30339

Re: Application Market Study for Dulles Park II, located in Gray, Jones County, Georgia

Dear Ms. Collins:

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

The purpose of this market study is to assess the viability of the proposed 48-unit senior LIHTC project. It will be a newly constructed affordable LIHTC project, with 48 revenue generating units, restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less. These consist of eight one-bedroom units and 40 two-bedroom units at the 50 and 60 percent AMI levels targeting seniors age 55 and older. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

Novogradac & Company LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA).

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report is completed in accordance with DCA market study

ROYA COLLINS  
DULLES PARK II, LP  
MAY 23, 2019

guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

The Stated Purpose of this assignment is for tax credit application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,  
Novogradac & Company LLP



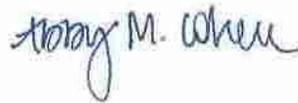
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Addendum

# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Dulles Park II will be a newly constructed senior property located at Old Clinton Road in Gray, Jones County, Georgia, which will consist of seven one-story, residential buildings in addition to one community building. It is the second phase of the Dulles Park development. The first phase, Dulles Park Apartments, is located adjacent to the Subject site and was built in 2005. The Subject’s sister property is restricted to seniors, those aged 55 or older, and consists of 68 one, two, and three-bedroom units restricted at the 30, 50, and 60 percent AMI level. For the purposes of this report, Dulles Park Apartments is included as a comparable property. Management at the property stated that the property typically operates at 98 percent occupancy.

The following table illustrates the proposed unit mix.

| PROPOSED RENTS |                |                 |             |                       |            |                                    |                            |  |
|----------------|----------------|-----------------|-------------|-----------------------|------------|------------------------------------|----------------------------|--|
| Unit Type      | Unit Size (SF) | Number of Units | Asking Rent | Utility Allowance (1) | Gross Rent | 2018 LIHTC Maximum Allowable Gross | 2019 HUD Fair Market Rents |  |
| @50%           |                |                 |             |                       |            |                                    |                            |  |
| 1BR / 1BA      | 740            | 2               | \$392       | \$96                  | \$488      | \$547                              | \$687                      |  |
| 2BR / 2BA      | 950            | 14              | \$466       | \$122                 | \$588      | \$657                              | \$787                      |  |
| @60%           |                |                 |             |                       |            |                                    |                            |  |
| 1BR / 1BA      | 740            | 6               | \$492       | \$96                  | \$588      | \$657                              | \$687                      |  |
| 2BR / 2BA      | 950            | 26              | \$582       | \$122                 | \$704      | \$789                              | \$787                      |  |
|                |                | <b>48</b>       |             |                       |            |                                    |                            |  |

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

The Subject’s proposed rents are set below the maximum allowable levels for each unit type and AMI level. The Subject’s location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Jones County. The Subject will offer generally slightly superior in-unit amenities in comparison to the LIHTC comparable properties, as the Subject will offer in unit washer/dryers which many of the comparables do not. The Subject will offer generally similar to slightly superior property amenities in comparison to the LIHTC comparable properties as it will offer a business center, library, and recreational area, which some of the comparables will lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

### 2. Site Description/Evaluation

The Subject site is located on the north side of Old Clinton Road. The Subject site is currently wooded land. Adjacent north of the Subject site is wooded land. East of the Subject site are single-family homes exhibiting average condition, and the Subject’s sister property, Dulles Park Apartments. Dulles Park Apartments was built in 2005 and is currently in average condition. This 68-unit LIHTC property offers one, two, and three-bedroom units restricted to seniors age 55 and older, and typically operates at 98 percent occupancy, according to management. Dulles Park Apartments has been included as a comparable property for the purposes of this report. South of the Subject site, across Old Clinton Road, are single-family homes in average condition and commercial uses. West of the Subject site are single-family homes in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 41 out of 100. The total crime indices in the PMA are generally below that of the MSA but above that of the nation. Personal crime in the PMA is slightly below national personal crime levels. The Subject will offer security features, including limited access and an intercom system. These security features appear to be market oriented. The Subject site is considered a desirable building site for rental housing. The Subject’s proximity to retail and other locational amenities as

well as its surrounding uses, which are in average condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Clinton Street, which continues into Gray Highway and provides convenient access to other employment centers as well as Macon. We did not observe any negative attributes.

### 3. Market Area Definition

The PMA is defined by the Jones and Baldwin County lines to the north, Sparta Highway, State Route 540, and State Route 29 to the east, Emery Highway, Irwinton Road, and Gordon Highway to the south, and Interstate 75 and U.S. Route 23 to the west. This area includes the cities of Gray and Gordon, as well as a portion of northeast Macon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 14 miles  
East: 22 miles  
South: 14 miles  
West: 13 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from within the MSA. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2019 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 22 miles. The SMA is defined as the Macon-Bibb County, GA Metropolitan Statistical Area (MSA), which consists of five counties in central Georgia and encompasses 1,739 square miles.

### 4. Community Demographic Data

The senior population in the PMA and the MSA increased significantly from 2000 to 2018. The rate of population and household growth is projected to slow through 2021. The current senior population of the PMA is 28,440 and is expected to be 29,451 in 2021. Renter households are concentrated in the lowest income cohorts, with 38.0 percent of renter households in the PMA earning incomes between \$10,000 and \$29,999. The Subject will target households earning between \$14,640 and \$28,020 for its LIHTC units; therefore, the Subject should be well-positioned to service this market. Overall, while senior population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 2,312 housing units nationwide was in some stage of foreclosure as of April 2019. The City of Gray is experiencing a foreclosure rate of one in every 2,800 homes, while Jones County is experiencing foreclosure rate of one in every 3,926 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Gray is experiencing a lower foreclosure rate than the state of Georgia and the nation, but higher than Jones County as a whole, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

### 5. Economic Data

Employment in the PMA is concentrated in five industries which represent approximately 56.2 percent of total local employment. Three of these five, retail trade, accommodation/food services, and manufacturing can be volatile during periods of economic downturn while educational services and healthcare/social assistance, the PMA's two largest employers, are more resilient. Furthermore, Medical Center of Central Georgia is the MSA's largest employer and is a private, nonprofit corporation owned by the Macon-Bibb Hospital Authority and affiliated with Secure Health Plans of Georgia, a network of central Georgia hospitals and physician providers. The local economy appears to have diverse and low paying jobs in the healthcare/social assistance,

educational services, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2012, average employment growth in the MSA trailed the nation in all but two years. As of February 2019, MSA employment is below record levels; and is declining at an annualized rate of 1.8 percent, compared to a 1.1 percent increase across the overall nation. Since 2012, average employment growth in the MSA trailed the nation in all but two years. On average, since 2015 employment in the MSA has increased at higher rates than the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 4.3 percent, which is higher than the current national unemployment rate of 4.1 percent. However, it is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation in recent years. Based on the employment and unemployment trends in the MSA, it appears that the MSA was slower to recover from the most recent national recession than the nation as a whole. However, recent trends in employment growth and unemployment decline indicate that the economy in the MSA is now recovering and entering an expansionary phase despite the most recent pause. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject’s proposed units.

## 6. Project-Specific Affordability and Demand Analysis

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

**CAPTURE RATE ANALYSIS CHART**

| Unit Type           | Minimum Income  | Maximum Income  | Units Proposed | Total Demand | Supply   | Net Demand | Capture Rate | Proposed Rents |
|---------------------|-----------------|-----------------|----------------|--------------|----------|------------|--------------|----------------|
| 1BR @50%            | \$14,640        | \$23,350        | 2              | 122          | 0        | 122        | 1.6%         | \$392          |
| 1BR @60%            | \$17,640        | \$28,020        | 6              | 107          | 0        | 107        | 5.6%         | \$492          |
| <b>1BR Overall</b>  | <b>\$14,640</b> | <b>\$28,020</b> | <b>8</b>       | <b>160</b>   | <b>0</b> | <b>160</b> | <b>5.0%</b>  | <b>-</b>       |
| 2BR @50%            | \$17,640        | \$23,350        | 14             | 92           | 0        | 92         | 15.2%        | \$466          |
| 2BR @60%            | \$21,120        | \$28,020        | 26             | 81           | 0        | 81         | 32.1%        | \$582          |
| <b>2BR Overall</b>  | <b>\$17,640</b> | <b>\$28,020</b> | <b>40</b>      | <b>121</b>   | <b>0</b> | <b>121</b> | <b>33.0%</b> | <b>-</b>       |
| <b>@50% Overall</b> | <b>\$14,640</b> | <b>\$23,350</b> | <b>16</b>      | <b>214</b>   | <b>0</b> | <b>214</b> | <b>7.5%</b>  | <b>-</b>       |
| <b>@60% Overall</b> | <b>\$17,640</b> | <b>\$28,020</b> | <b>32</b>      | <b>188</b>   | <b>0</b> | <b>188</b> | <b>17.0%</b> | <b>-</b>       |
| <b>Overall</b>      | <b>\$14,640</b> | <b>\$28,020</b> | <b>48</b>      | <b>281</b>   | <b>0</b> | <b>281</b> | <b>17.1%</b> | <b>-</b>       |

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

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes eleven “true” comparable properties containing 931 units.

The availability of LIHTC data is considered good; there are nine LIHTC properties in the PMA. However, five were excluded as comparable properties, because they target dissimilar tenancies. We have included six LIHTC properties, including the Subject’s sister property, Dulles Park Apartments, in our analysis. All of the comparable LIHTC properties target senior tenancies and four of the six are located within the PMA, between 0.3 and 18.5 miles from the Subject site. The remaining LIHTC comparables are located 11.4 and 14.7 miles from the Subject site in Macon and are the closest senior properties outside the PMA that participated in our survey. Macon is considered a slightly inferior to inferior location compared to the Subject based on median income and median rents.

The availability of market rate data is considered average. The Subject is located in Gray and there are few market-rate properties in the area. We include five conventional properties in our analysis of the competitive market. Three of the market rate properties are located in the PMA, between 1.1 and 17.8 miles from the Subject site. The remaining market rate comparables are located 12.8 and 12.9 miles from the Subject site in Macon. These comparables were included in our analysis as they are the closest new construction market rate properties to the Subject. Macon is considered a slightly inferior to inferior location compared to the Subject based on median income and median rents. These comparables were built or renovated between 1998 and 2018. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types.

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

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

**SUBJECT COMPARISON TO COMPARABLE RENTS**

| Unit Type | Subject Proposed Rent | Surveyed Min | Surveyed Max | Surveyed Average | Subject Rent Advantage |
|-----------|-----------------------|--------------|--------------|------------------|------------------------|
| 1 BR @50% | \$392                 | \$372        | \$1,340      | \$707            | 80%                    |
| 2 BR @50% | \$466                 | \$434        | \$2,275      | \$1,000          | 115%                   |
| 1 BR @60% | \$492                 | \$468        | \$1,340      | \$824            | 68%                    |
| 2 BR @60% | \$582                 | \$545        | \$2,275      | \$1,159          | 99%                    |

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents.

Lofts at Navicent Health is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be similar to Lofts at Navicent Health as a market-rate property. Lofts at Navicent Health was built in 2017 and exhibits excellent condition, which is similar to the anticipated condition of the Subject upon completion. Lofts at Navicent Health is located 12.9 miles from the Subject site and offers an inferior location. Lofts at Navicent Health offers slightly superior unit sizes in comparison to the Subject. Lofts at Navicent Health offers slightly superior property amenities when compared to the Subject as it offers a swimming pool, which the Subject will not offer, though it lacks a business center, on-site management, and recreational areas, which the Subject will offer. Lofts at Navicent Health offers similar in-unit amenities in comparison to the Subject. The lowest one and two-bedroom rents at Lofts at Navicent Health are 172 and 187 percent higher than the Subject’s one and two-bedroom rents at 60 percent AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

**8. Absorption/Stabilization Estimate**

We were able to obtain absorption information from two of the comparable properties, both market rate, as well as three recently constructed LIHTC properties in the market area. These are illustrated in the following table.

**ABSORPTION**

| Property Name            | Type   | Tenancy | Year Built | Number of Units | Units Absorbed / Month |
|--------------------------|--------|---------|------------|-----------------|------------------------|
| Lofts At Capricorn       | Market | Family  | 2018       | 137             | 9                      |
| Sumter Street Station    | LIHTC  | Family  | 2017       | 62              | 21                     |
| Lofts At Navicent Health | Market | Family  | 2017       | 60              | 6                      |
| AL Miller Village        | LIHTC  | Family  | 2017       | 71              | 14                     |
| Peach Place Apartments   | LIHTC  | Senior  | 2014       | 60              | 12                     |

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a new construction tax credit property. The two comparables reporting absorption are both market rate properties. Lofts at Capricorn was built in 2018 in Macon, Georgia, approximately 13 miles from the Subject site. The property is still in lease-up and is experiencing an absorption rate of nine units per month upon opening. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property’s opening. Lofts at Navicent Health was built in 2017 in Macon, Georgia, approximately 13 miles from the Subject site. The property experienced an absorption rate of six units per month upon opening. Lofts at Navicent Health is currently fully-occupied and maintains a waiting list that consists of 13 households. Sumter Street Station, a family LIHTC property, was built in 2017 in Eatonton, Georgia, approximately 25 miles from the Subject site. The property experienced an absorption rate of 21 units per month upon opening. Sumter Street Station is currently fully-occupied and maintains a waiting list that consists of 62 households, demonstrating strong demand for the property’s affordable units. A.L. Miller Village, a family LIHTC property, was constructed in 2017 in Macon, Georgia, approximately 14 miles from the Subject site. The property experienced an absorption rate of 14 units per month upon opening. Peach Place Apartments was built in 2014 in Byron, Georgia, approximately 29 miles from the Subject site. The property experienced an absorption rate of 12 units per month upon opening. Peach Place Apartments, a senior LIHTC property, is currently fully-occupied and maintains a waiting list that consists of 17 households, demonstrating strong demand for the property’s affordable units. We believe the Subject will experience an absorption rate most similar to Peach Place Apartments as both properties target seniors and are located in similar locations. We anticipate the Subject will experience an absorption pace of 12 units per month, or an absorption period of three to four months.

**9. Overall Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.7 percent, which is considered healthy, and three of the six comparable LIHTC properties report vacancy levels under two percent. Dulles Park Apartments reported a vacancy rate of 5.9 percent. According to the contact at Dulles Park Apartments, there are four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent. Furthermore, all but one of the comparable senior LIHTC properties maintain waiting lists, ranging from six to 40 households. These factors indicate demand for affordable senior housing. The Subject will offer generally slightly superior in-unit amenities in comparison to the LIHTC comparable properties, as the Subject will offer in unit washer/dryers which many of the comparables do not. The Subject will offer generally similar to slightly superior property amenities in comparison to the LIHTC comparable properties as it will offer a business center, library, and recreational area, which some of the comparables will lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the comparable properties. The Subject’s proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable LIHTC properties. Given the Subject’s anticipated similar to superior condition relative to the competition and the demand for affordable housing

evidenced by waiting lists and low vacancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

**Summary Table:**

|   |  |                |                 |
|---|--|----------------|-----------------|
| Development Name:   | <b>Dulles Park II</b>                  | Total # Units: | <b>48</b>       |
| Location:   | Old Clinton Road Gray, GA 31032        | # LIHTC Units: | <b>48</b>       |
| North: Jones and Balwin County lines; East: Sparta Highway, State Route 540, and State Route 29; South: Emery Highway, Irwinton Road, and Gordon Highway; West: Interstate 75 and U.S. Route 23 |  |                |                 |
| PMA Boundary:   | Farthest Boundary Distance to Subject: |                | <b>22 miles</b> |

**Rental Housing Stock (found on page 61)**

| Type   | # Properties* | Total Units | Vacant Units | Average Occupancy |
|--|---------------|-------------|--------------|-------------------|
| All Rental Housing                               | 32            | 2,464       | 94           | 96.2%             |
| Market-Rate Housing                              | 5             | 519         | 47           | 90.9%             |
| Assisted/Subsidized Housing not to include LIHTC | 18            | 1298        | 29           | 97.8%             |
| LIHTC  | 9             | 647         | 18           | 97.2%             |
| Stabilized Comps                                 | 31            | 2,327       | 56           | 97.6%             |
| Properties in Construction & Lease Up            | 1             | 137         | 38           | 72.3%             |

\*Only includes properties in PMA

| Subject Development |                |         |           |                      | Average Market Rent* |        |           | Highest Unadjusted Comp Rent |        |
|---------------------|----------------|---------|-----------|----------------------|----------------------|--------|-----------|------------------------------|--------|
| # Units             | # Bedrooms     | # Baths | Size (SF) | Proposed Tenant Rent | Per Unit             | Per SF | Advantage | Per Unit                     | Per SF |
| 2                   | 1BR at 50% AMI | 1       | 740       | \$392                | \$707                | \$0.95 | 80%       | \$1,340                      | \$1.81 |
| 14                  | 2BR at 50% AMI | 2       | 950       | \$466                | \$1,000              | \$1.05 | 115%      | \$2,275                      | \$2.39 |
| 6                   | 1BR at 60% AMI | 1       | 740       | \$492                | \$824                | \$1.11 | 68%       | \$1,340                      | \$1.81 |
| 26                  | 2BR at 60% AMI | 2       | 950       | \$582                | \$1,159              | \$1.22 | 99%       | \$2,275                      | \$2.39 |

**Capture Rates (found on page 59)**

| Targeted Population | @50% | @60%  | 0% | Market-rate | Other: __ | Overall |
|---------------------|------|-------|----|-------------|-----------|---------|
| Capture Rate:       | 7.5% | 17.0% | -  | -           | -         | 17.1%   |

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- |   |   |
|---|---|
| <b>1. Project Address and Development Location:</b>             | The Subject site is located at Old Clinton Road in Gray, Jones County, Georgia 31032. The Subject site is currently vacant.                     |
| <b>2. Construction Type:</b>                                    | The Subject will consist of seven one-story, residential buildings in addition to one community building. The Subject will be new construction. |
| <b>3. Occupancy Type:</b>                                       | Housing for Older Persons ages 55 and older.  |
| <b>4. Special Population Target:</b>                            | None.   |
| <b>5. Number of Units by Bedroom Type and AMI Level:</b>        | See following property profile.   |
| <b>6. Unit Size, Number of Bedrooms and Structure Type:</b>     | See following property profile.   |
| <b>7. Rents and Utility Allowances:</b>                         | See following property profile.   |
| <b>8. Existing or Proposed Project-Based Rental Assistance:</b> | See following property profile.   |
| <b>9. Proposed Development Amenities:</b>                       | See following property profile.   |

| Dulles Park II  |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
|---|--|-----------|-------|-----------|-----------------------------------|-------------------------|-------------|-----------------|---|-----------------|--------------|--|
| <b>Location</b>   | Old Clinton Road<br>Gray, GA 31032<br>Jones County   |           |       |           |                                   |                         |             |                 |  |                 |              |  |
| <b>Units</b>  | 48   |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| <b>Type</b>   | One-story (age-restricted)   |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| <b>Year Built / Renovated</b>   | Proposed 2021  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| Market  |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| <b>Program</b>  | @50%, @60%   |           |       |           | <b>Leasing Pace</b>               |                         |             |                 | n/a   |                 |              |  |
| <b>Annual Turnover Rate</b>   | n/a  |           |       |           | <b>Change in Rent (Past Year)</b> |                         |             |                 | n/a   |                 |              |  |
| <b>Units/Month Absorbed</b>   | n/a  |           |       |           | <b>Concession</b>                 |                         |             |                 |   |                 |              |  |
| <b>Section 8 Tenants</b>  | n/a  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| Utilities   |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| <b>A/C</b>  | not included – central   |           |       |           | <b>Other Electric</b>             |                         |             |                 | not included  |                 |              |  |
| <b>Cooking</b>  | not included – electric  |           |       |           | <b>Water</b>                      |                         |             |                 | not included  |                 |              |  |
| <b>Water Heat</b>   | not included – electric  |           |       |           | <b>Sewer</b>                      |                         |             |                 | not included  |                 |              |  |
| <b>Heat</b>   | not included – electric  |           |       |           | <b>Trash Collection</b>           |                         |             |                 | included  |                 |              |  |
| Unit Mix (face rent)  |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| Beds  | Baths  | Type      | Units | Size (SF) | Rent                              | Concession<br>(monthly) | Restriction | Waiting<br>List | Vacant  | Vacancy<br>Rate | Max<br>rent? |  |
| 1   | 1  | One-story | 2     | 740       | \$392                             | \$0                     | @50%        | N/A             | N/A   | N/A             | no           |  |
| 1   | 1  | One-story | 6     | 740       | \$492                             | \$0                     | @60%        | N/A             | N/A   | N/A             | no           |  |
| 2   | 2  | One-story | 14    | 950       | \$466                             | \$0                     | @50%        | N/A             | N/A   | N/A             | no           |  |
| 2   | 2  | One-story | 26    | 950       | \$582                             | \$0                     | @60%        | N/A             | N/A   | N/A             | no           |  |
| Amenities   |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| <b>In-Unit</b>  | Balcony/Patio<br>Blinds<br>Carpeting<br>Central A/C<br>Dishwasher<br>Garbage Disposal<br>Hand Rails<br>Microwave<br>Oven<br>Refrigerator<br>Washer/Dryer<br>Washer/Dryer hookup  |           |       |           | <b>Security</b>                   |                         |             |                 | Intercom (Buzzer)<br>Limited Access   |                 |              |  |
| <b>Property</b>   | Business Center/Computer Lab<br>Clubhouse/Meeting<br>Room/Community Room<br>Courtyard<br>Exercise Facility<br>Central Laundry<br>Off-Street Parking<br>On-Site Management<br>Picnic Area<br>Recreation Areas<br>Service Coordination |           |       |           | <b>Premium</b>                    |                         |             |                 | none  |                 |              |  |
| <b>Services</b>   | Adult Education<br>Computer Tutoring   |           |       |           | <b>Other</b>                      |                         |             |                 | Library, garden, health & wellness screening room                                   |                 |              |  |
| Comments  |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |
| Construction is proposed to begin September 2020 and be completed by September 2021. The property will offer adult education on healthy eating, computers and technology, and fitness. The property will also offer a library, community garden, and health & wellness screening room. The utility allowances are \$96 and \$122 for the one and two-bedroom units, respectively. |  |           |       |           |                                   |                         |             |                 |   |                 |              |  |

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in September 2020 and be completed in September 2021. We have utilized 2021 as the market entry year for demographic purposes according to the DCA Market Study Manual.
- Conclusion:** The Subject will be an excellent-quality brick and vinyl siding one-story garden style apartment complex. The Subject will consist of seven, one-story residential buildings in addition to one community building. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

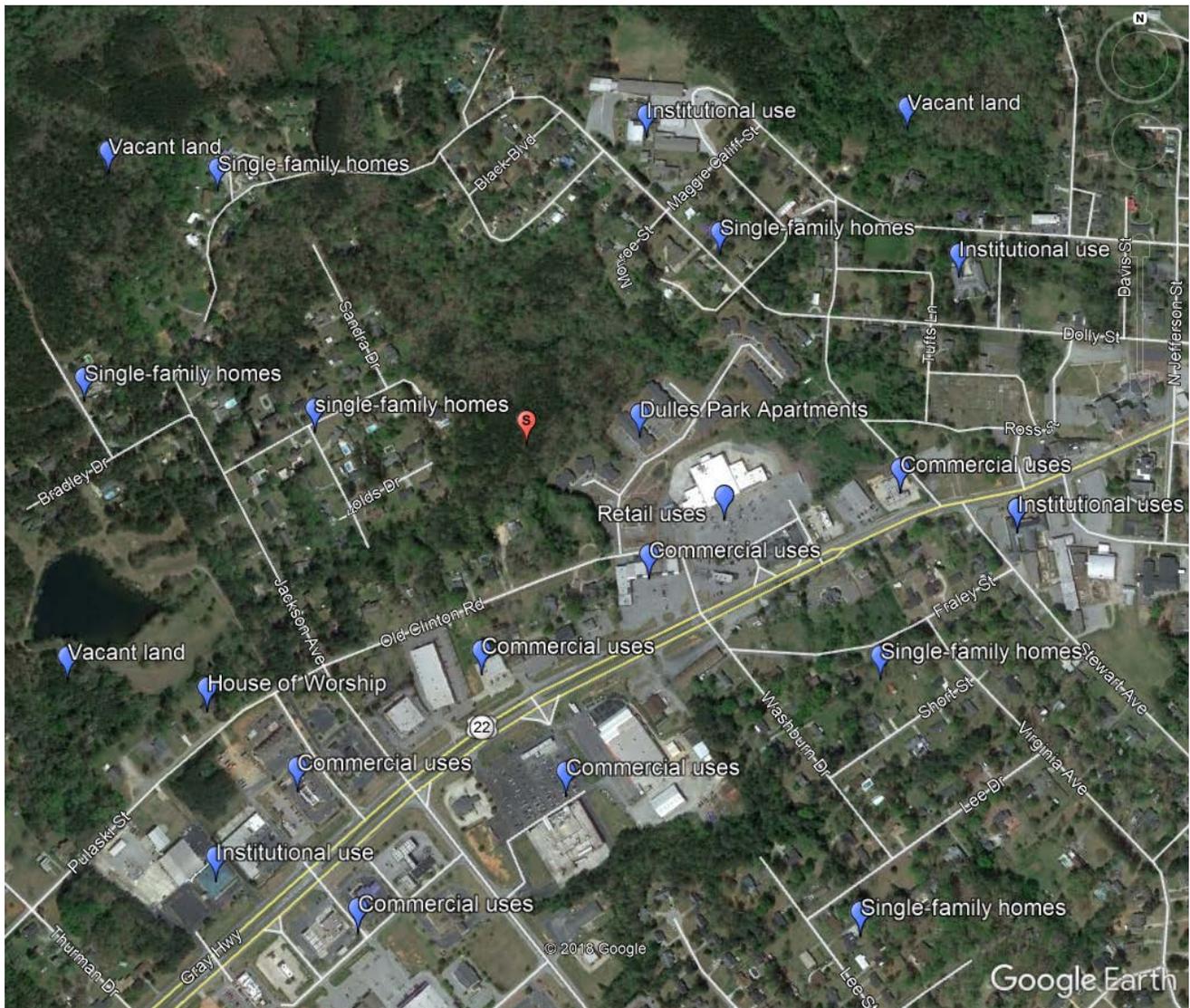
## **C. SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on April 22, 2019.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along Old Clinton Road.

**Visibility/Views:** The Subject will be located on the northern side of Old Clinton Road. Visibility and views from the site will be good and initially will include vacant land, single-family homes exhibiting average condition, commercial/retail uses, and the Subject’s sister property, Dulles Park Apartments, a senior multifamily apartment complex in average condition that was included as a comparable property for the purposes of this report.

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



Source: Google Earth, April 2019.

The Subject site is located on the north side of Old Clinton Road. The Subject site is currently wooded land. Adjacent north of the Subject site is wooded land. East of the Subject site are single-family homes exhibiting average condition, and the Subject's sister property, Dulles Park Apartments. Dulles Park Apartments was built in 2005 and is currently in average condition. This 68-unit LIHTC property offers one, two, and three-bedroom units restricted to seniors age 55 and older, and typically operates at 98 percent occupancy, according to management. Dulles Park Apartments has been included as a comparable property for the purposes of this report. South of the Subject site, across Old Clinton Road, are single-family homes in average condition. West of the Subject site are single-family homes in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 41 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, which are within 1.8 miles of the Subject site.

**Positive/Negative Attributes of Site:**

The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average condition, are considered positive attributes. We did not observe any negative attributes. Additionally, the Subject site is within close proximity to Clinton Street, which continues into Gray Highway and provides convenient access to other employment centers as well as Macon.

**3. Physical Proximity to Locational Amenities:**

The Subject is located within 1.8 miles of all locational amenities. Additionally, it is within 0.4 miles of Ingles Market, which is the area's largest employer.

**4. Pictures of Site and Adjacent Uses:**

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



View of Subject site



View of Subject site



View of Subject site



View of Subject site



View east along Old Clinton Road



View west along Old Clinton Road



Ingles Supermarket in Subject's neighborhood



Ace Hardware in Subject's neighborhood



Walgreens Pharmacy in Subject's neighborhood



Harvey's Supermarket in Subject's neighborhood



Gray Family Health in Subject's neighborhood



Senior Center in Subject's neighborhood



Advance Auto Parts in Subject's neighborhood



Huddle House in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



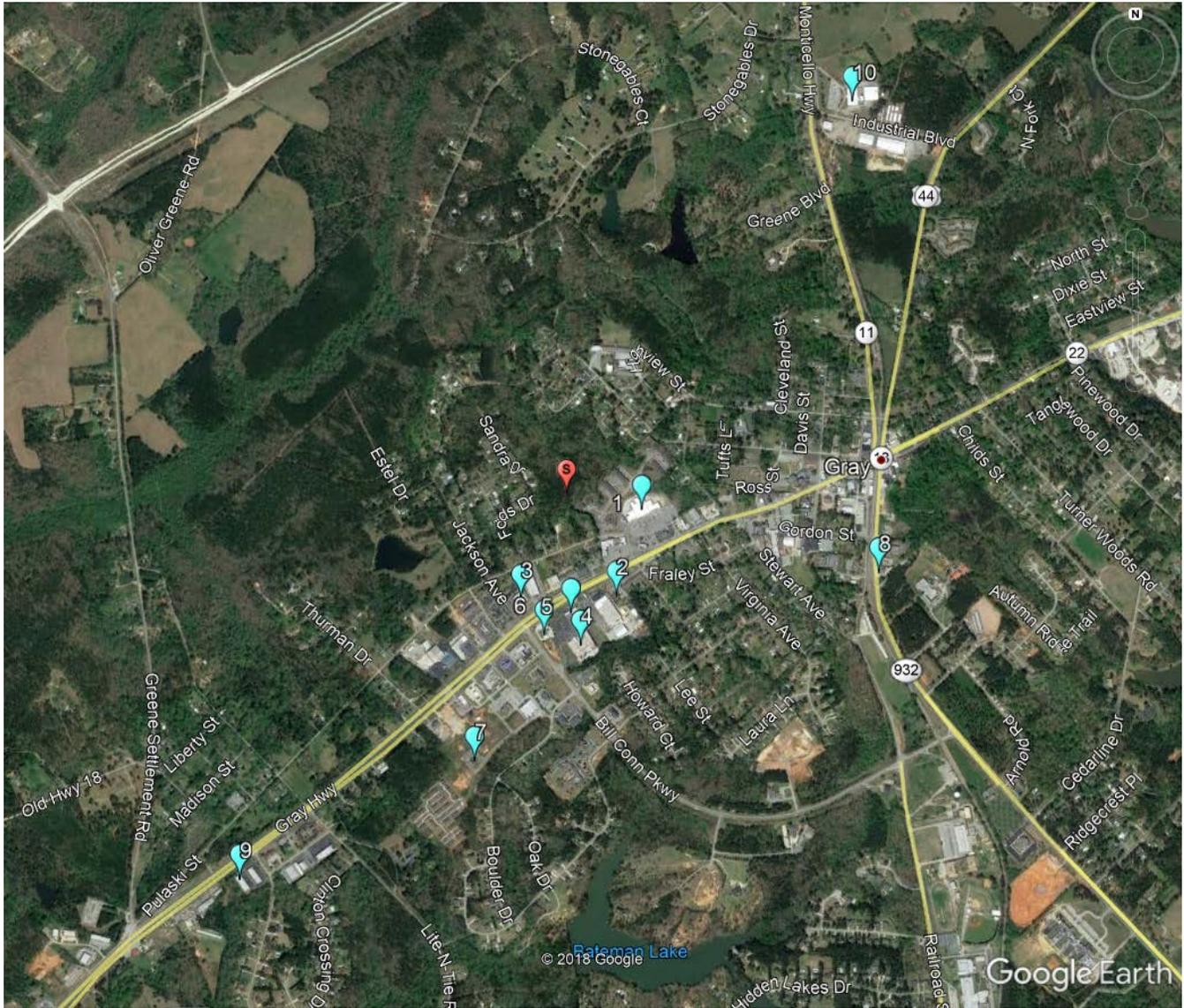
Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

**5. Proximity to Locational Amenities:**

The following table details the Subject’s distance from key locational amenities.



Source: Google Earth, April 2019.

**LOCATIONAL AMENITIES**

| Map # | Service or Amenity            | Distance from Subject (Driving) |
|-------|-------------------------------|---------------------------------|
| 1     | Harveys Supermarket           | 0.2 miles                       |
| 2     | United States Postal Service  | 0.3 miles                       |
| 3     | Walgreens                     | 0.4 miles                       |
| 4     | Ingles Gas Express            | 0.4 miles                       |
| 5     | Ingles Market                 | 0.4 miles                       |
| 6     | Magnolia State Bank           | 0.5 miles                       |
| 7     | Jones County Senior Center    | 0.9 miles                       |
| 8     | Gray Police Department        | 1.0 mile                        |
| 9     | Community Health Care Systems | 1.4 miles                       |
| 10    | Jones County Fire Department  | 1.8 miles                       |

**6. Description of Land Uses**

The Subject site is located on the north side of Old Clinton Road. The Subject site is currently wooded land. Adjacent north of the Subject site is wooded land. Farther north, land uses are comprised of single-family homes exhibiting average condition and an institutional use. East of the Subject site are single-family homes exhibiting average condition, and the Subject’s sister property, Dulles Park Apartments. Dulles Park Apartments was built in 2005 and is currently in average condition. This 68-unit LIHTC property offers one, two, and three-bedroom units restricted to seniors age 55 and older, and typically operates at 98 percent occupancy, according to management. Dulles Park Apartments has been included as a comparable property for the purposes of this report. Farther east, land uses are comprised of single-family homes exhibiting average condition, commercial uses, institutional uses, and a house of worship. South of the Subject site, across Old Clinton Road, are single-family homes in average condition and commercial uses. Farther south, land uses are comprised of commercial uses in average to good condition. West of the Subject site are single-family homes in average condition. Farther west, land uses are comprised of single-family homes in average condition and vacant land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 41 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, which are within 1.8 miles of the Subject site.

**7. Crime:**

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

**2018 CRIME INDICES**

|                        | PMA        | Macon-Bibb County, GA<br>Metropolitan Statistical Area |
|------------------------|------------|--|
| <b>Total Crime*</b>    | <b>118</b> | <b>142</b>   |
| <b>Personal Crime*</b> | <b>94</b>  | <b>107</b>   |
| Murder                 | 134        | 194  |
| Rape                   | 69         | 80   |
| Robbery                | 92         | 132  |
| Assault                | 97         | 97   |
| <b>Property Crime*</b> | <b>121</b> | <b>147</b>   |
| Burglary               | 148        | 172  |
| Larceny                | 116        | 139  |
| Motor Vehicle Theft    | 95         | 138  |

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

\*Unweighted aggregations

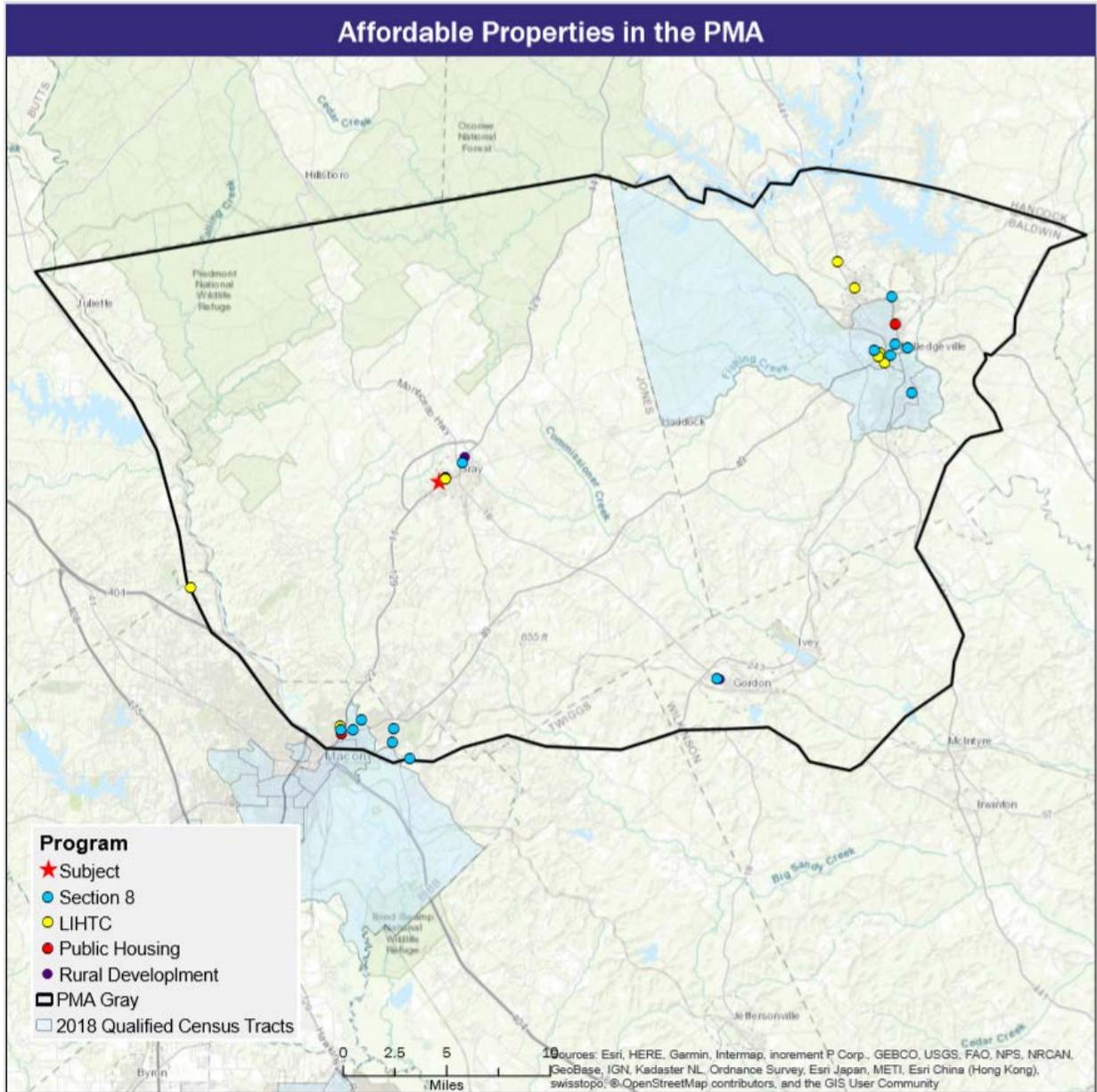
The total crime indices in the PMA are generally below that of the MSA but above that of the nation. Personal crime in the PMA is slightly below national personal crime levels. The Subject will offer some security features, including limited access and an intercom system. Five of the comparable LIHTC properties offer type of security feature. Additionally, three of these properties offer perimeter fencing.

However, Ashton Hill Apartments does not offer any form of security features. Given the fairly low crime index indices in the Subject’s neighborhood and the presence of security features in the market, we believe the Subject’s security features will be adequate. Additionally, the lack of security features does not appear to negatively impact Ashton Hill Apartments, which operates at historically high occupancy rates and maintains a waiting list.

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

**AFFORDABLE PROPERTIES IN THE PMA**

| Property Name                         | Program           | Location      | Tenancy | # of Units | Distance from Subject | Map Color |       |
|---------------------------------------|-------------------|---------------|---------|------------|-----------------------|-----------|-------|
| Dulles Park II                        | LIHTC             | Gray          | Senior  | 48         | -                     | Star      |       |
| Baldwin Park                          | LIHTC             | Milledgeville | Senior  | 56         | 18.6 miles            | Yellow    |       |
| Edgewood Park Apartments              | LIHTC             | Milledgeville | Family  | 61         | 18.4 miles            |           |       |
| Heritage Vista Apartments             | LIHTC             | Milledgeville | Family  | 64         | 18.5 miles            |           |       |
| Pecan Hills Of Milledgeville          | LIHTC             | Milledgeville | Senior  | 54         | 18.5 miles            |           |       |
| River Walk Apartments                 | LIHTC             | Macon         | Family  | 152        | 11.0 miles            |           |       |
| Water Tower Park                      | LIHTC             | Gray          | Senior  | 72         | 0.9 miles             |           |       |
| Grove Park Village, INC               | LIHTC             | Macon         | Family  | 40         | 11.0 miles            |           |       |
| Waterford Place                       | LIHTC, Market     | Milledgeville | Family  | 80         | 18.4 miles            |           |       |
| Dulles Park Apartments                | LIHTC, Non-Rental | Gray          | Senior  | 68         | 0.3 miles             |           |       |
| Robert Graham At Orchard Hill Landing | Public Housing    | Milledgeville | Family  | 170        | 19.5 miles            |           | Red   |
| McAfee Towers                         | Public Housing    | Macon         | Senior  | 199        | 11.2 miles            |           | Green |
| Fairview Park                         | Rural Development | Gordon        | Family  | 22         | 13.9 miles            |           |       |
| Northside Villas of Gray              | Rural Development | Gray          | Family  | 24         | 1.2 miles             |           | Blue  |
| Hunt School                           | Section 8         | Macon         | Senior  | 60         | 11.2 miles            |           |       |
| Milledgeville Manor                   | Section 8         | Milledgeville | Family  | 76         | 19.4 miles            |           |       |
| Prairie Summit Apartments             | Section 8         | Gordon        | Family  | 72         | 14.3 miles            |           |       |
| Autumn Manor                          | Section 8         | Macon         | Senior  | 24         | 10.9 miles            |           |       |
| Dogwood Retirement Housing Inc        | Section 8         | Milledgeville | Senior  | 40         | 18.9 miles            |           |       |
| Gray Gardens Apartments               | Section 8         | Gray          | Family  | 56         | 1.2 miles             |           |       |
| Habersham Homes                       | Section 8         | Milledgeville | Family  | 30         | 19.2 miles            |           |       |
| Jefferson Apartments                  | Section 8         | Macon         | Family  | 88         | 11.4 miles            |           |       |
| Latanya Village Apartments            | Section 8         | Macon         | Family  | 50         | 10.3 miles            |           |       |
| Oconee Voa Housing                    | Section 8         | Milledgeville | Family  | 13         | 19.7 miles            |           |       |
| Riverbend Apartments                  | Section 8         | Milledgeville | Family  | 76         | 19.7 miles            |           |       |
| Rockland Apartments                   | Section 8         | Macon         | Family  | 74         | 10.8 miles            |           |       |
| Walnut Hills Apartments               | Section 8         | Macon         | Family  | 100        | 10.2 miles            |           |       |
| Wray Homes                            | Section 8         | Milledgeville | Family  | 124        | 18.3 miles            |           |       |



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

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

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

The Subject site can be accessed from Old Clinton Road, which is a two-lane neighborhood street. Clinton Street is a four-lane road that can be accessed via Old Clinton Road. Clinton Street continues into Gray highway to the south and provides access to many of the area’s major employers as well as Macon. Clinton Street also continues into State Route 22 to the north, which provides access to Milledgeville. Overall, access and visibility are considered good.

**11. Conclusion:**

The Subject site is located on the north side of Old Clinton Road. The Subject site is currently wooded land. Adjacent north of the Subject

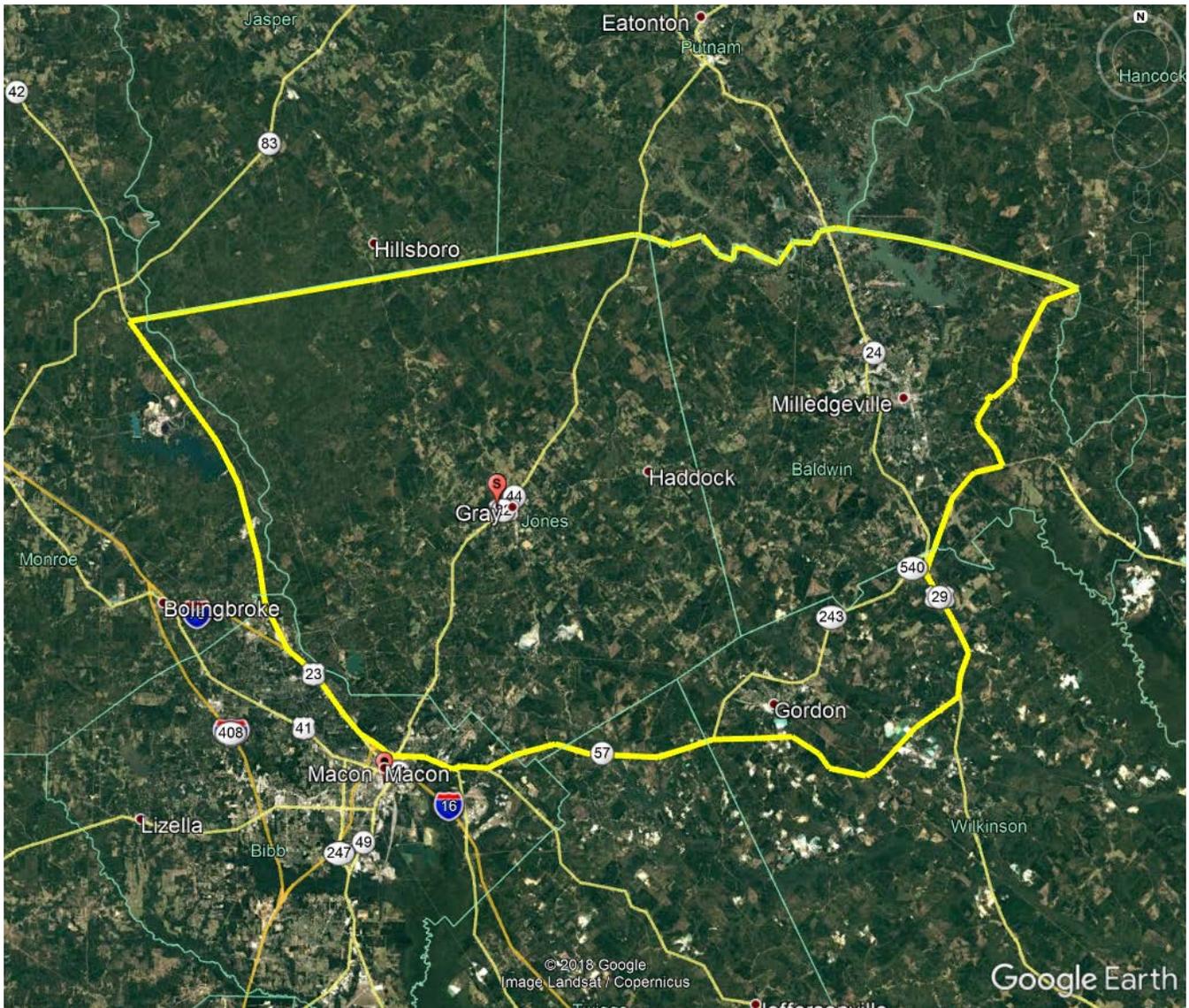
site is wooded land. East of the Subject site are single-family homes exhibiting average condition, and the Subject's sister property, Dulles Park Apartments. Dulles Park Apartments was built in 2005 and is currently in average condition. This 68-unit LIHTC property offers one, two, and three-bedroom units restricted to seniors age 55 and older, and typically operates at 98 percent occupancy, according to management. Dulles Park Apartments has been included as a comparable property for the purposes of this report. South of the Subject site, across Old Clinton Road, are single-family homes in average condition and commercial uses. West of the Subject site are single-family homes in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 41 out of 100. The total crime indices in the PMA are generally below that of the MSA but above that of the nation. Personal crime in the PMA is slightly below national personal crime levels. The Subject will offer security features, including limited access and an intercom system. These security features appear to be market oriented. The Subject site is considered a desirable building site for rental housing. The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Clinton Street, which continues into Gray Highway and provides convenient access to other employment centers as well as Macon. We did not observe any negative attributes.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

### Primary Market Area Map



Source: Google Earth, April 2019.

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

The PMA is defined by the Jones and Baldwin County lines to the north, Sparta Highway, State Route 540, and State Route 29 to the east, Emery Highway, Irwinton Road, and Gordon Highway to the south, and Interstate

75 and U.S. Route 23 to the west. This area includes the cities of Gray and Gordon, as well as a portion of northeast Macon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 14 miles  
East: 22 miles  
South: 14 miles  
West: 13 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from outside the county. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2019 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 22 miles. The SMA is defined as the Macon-Bibb County, GA Metropolitan Statistical Area (MSA), which consists of five counties in central Georgia and encompasses 1,739 square miles.

# **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Macon MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and Macon MSA. The Subject’s anticipated completion is in September 2021. Therefore, we have utilized September 2021 as the estimated market entry time in this section of the report according to DCA guidelines.

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within the population in the MSA, the PMA and nationally from 2000 through 2023.

#### 1a. Total Senior Population

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

| Year                                  | POPULATION |               |  |               |             |               |
|---------------------------------------|------------|---------------|--|---------------|-------------|---------------|
|                                       | PMA        |               | Macon-Bibb County, GA<br>Metropolitan Statistical Area |               | USA         |               |
|                                       | Number     | Annual Change | Number   | Annual Change | Number      | Annual Change |
| 2000                                  | 92,088     | -             | 222,370  | -             | 281,038,168 | -             |
| 2010                                  | 96,570     | 0.5%          | 232,293  | 0.4%          | 308,745,538 | 1.0%          |
| 2018                                  | 97,483     | 0.1%          | 232,124  | 0.0%          | 330,088,686 | 0.8%          |
| Projected Mkt Entry<br>September 2021 | 97,189     | -0.1%         | 231,691  | -0.1%         | 338,870,484 | 0.8%          |
| 2023                                  | 97,019     | -0.1%         | 231,441  | -0.1%         | 343,954,683 | 0.8%          |

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

| Year                                  | SENIOR POPULATION, 55+ |               |  |               |             |               |
|---------------------------------------|------------------------|---------------|--|---------------|-------------|---------------|
|                                       | PMA                    |               | Macon-Bibb County, GA<br>Metropolitan Statistical Area |               | USA         |               |
|                                       | Number                 | Annual Change | Number   | Annual Change | Number      | Annual Change |
| 2000                                  | 18,771                 | -             | 46,227   | -             | 59,204,560  | -             |
| 2010                                  | 24,154                 | 2.9%          | 59,115   | 2.8%          | 76,750,713  | 3.0%          |
| 2018                                  | 28,440                 | 2.2%          | 69,286   | 2.1%          | 95,707,633  | 3.0%          |
| Projected Mkt Entry<br>September 2021 | 29,451                 | 1.1%          | 71,544   | 1.0%          | 101,444,779 | 1.9%          |
| 2023                                  | 30,036                 | 1.1%          | 72,851   | 1.0%          | 104,766,284 | 1.9%          |

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

Between 2010 and 2018 there was approximately 2.2 and 2.1 percent annual growth in the PMA and MSA, respectively, which is positive for a rural area but lags the national population growth. Over the next five years, the population growth in the PMA and MSA is projected to increase at a 1.1 and 1.0 percent annual rate, respectively, which lags the national projections. Overall, we believe that population growth in the PMA and MSA is a positive indication of demand for the Subject’s proposed units.

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

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

**POPULATION BY AGE GROUP**

| Age Cohort   | PMA           |               |               |  | Projected Mkt Entry<br>September 2021 | 2023          |
|--------------|---------------|---------------|---------------|--|---------------------------------------|---------------|
|              | 2000          | 2010          | 2018          |  |                                       |               |
| 0-4          | 5,601         | 6,225         | 5,640         |  | 5,529                                 | 5,465         |
| 5-9          | 6,260         | 6,243         | 5,900         |  | 5,734                                 | 5,638         |
| 10-14        | 6,383         | 6,109         | 5,883         |  | 5,899                                 | 5,908         |
| 15-19        | 7,577         | 7,732         | 7,165         |  | 7,322                                 | 7,413         |
| 20-24        | 7,223         | 8,736         | 8,403         |  | 7,993                                 | 7,756         |
| 25-29        | 6,419         | 6,147         | 6,652         |  | 6,114                                 | 5,803         |
| 30-34        | 6,609         | 5,640         | 6,118         |  | 6,079                                 | 6,057         |
| 35-39        | 7,463         | 5,614         | 5,743         |  | 5,829                                 | 5,878         |
| 40-44        | 7,340         | 6,050         | 5,466         |  | 5,657                                 | 5,768         |
| 45-49        | 6,571         | 6,957         | 5,847         |  | 5,616                                 | 5,482         |
| 50-54        | 5,871         | 6,963         | 6,227         |  | 5,965                                 | 5,814         |
| 55-59        | 4,491         | 6,226         | 6,634         |  | 6,220                                 | 5,980         |
| 60-64        | 3,696         | 5,649         | 6,298         |  | 6,365                                 | 6,404         |
| 65-69        | 3,176         | 4,103         | 5,561         |  | 5,716                                 | 5,806         |
| 70-74        | 2,682         | 3,060         | 4,058         |  | 4,513                                 | 4,777         |
| 75-79        | 2,096         | 2,211         | 2,699         |  | 3,151                                 | 3,412         |
| 80-84        | 1,421         | 1,518         | 1,641         |  | 1,884                                 | 2,025         |
| 85+          | 1,209         | 1,387         | 1,549         |  | 1,602                                 | 1,632         |
| <b>Total</b> | <b>92,088</b> | <b>96,570</b> | <b>97,484</b> |  | <b>97,189</b>                         | <b>97,018</b> |

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

**POPULATION BY AGE GROUP**

| Age Cohort   | Macon-Bibb County, GA Metropolitan Statistical Area |                |                |  | Projected Mkt Entry<br>September 2021 | 2023           |
|--------------|---|----------------|----------------|--|---------------------------------------|----------------|
|              | 2000  | 2010           | 2018           |  |                                       |                |
| 0-4          | 15,912  | 16,066         | 14,623         |  | 14,442                                | 14,337         |
| 5-9          | 16,877  | 15,845         | 14,973         |  | 14,575                                | 14,344         |
| 10-14        | 16,884  | 16,080         | 15,205         |  | 15,091                                | 15,025         |
| 15-19        | 16,421  | 17,189         | 15,204         |  | 15,273                                | 15,313         |
| 20-24        | 14,372  | 15,822         | 15,413         |  | 14,615                                | 14,153         |
| 25-29        | 15,228  | 14,662         | 15,491         |  | 14,509                                | 13,941         |
| 30-34        | 15,193  | 13,847         | 14,805         |  | 14,854                                | 14,883         |
| 35-39        | 17,376  | 14,536         | 14,377         |  | 14,652                                | 14,811         |
| 40-44        | 17,620  | 14,793         | 13,385         |  | 13,913                                | 14,218         |
| 45-49        | 16,049  | 16,954         | 14,453         |  | 13,822                                | 13,456         |
| 50-54        | 14,206  | 17,384         | 14,909         |  | 14,402                                | 14,109         |
| 55-59        | 10,866  | 15,551         | 16,045         |  | 14,959                                | 14,331         |
| 60-64        | 8,704   | 13,499         | 15,311         |  | 15,243                                | 15,203         |
| 65-69        | 7,495   | 9,590          | 13,380         |  | 13,832                                | 14,093         |
| 70-74        | 6,816   | 7,218          | 9,679          |  | 10,902                                | 11,610         |
| 75-79        | 5,551   | 5,490          | 6,459          |  | 7,588                                 | 8,242          |
| 80-84        | 3,748   | 4,129          | 4,201          |  | 4,715                                 | 5,012          |
| 85+          | 3,047   | 3,638          | 4,211          |  | 4,305                                 | 4,360          |
| <b>Total</b> | <b>222,365</b>                                      | <b>232,293</b> | <b>232,124</b> |  | <b>231,691</b>                        | <b>231,441</b> |

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

The largest age cohorts in the PMA are between 15 and 29 and 55 and 64, which indicates the presence of seniors.

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

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

| Year                                  | PMA    |             |               | Macon-Bibb County, GA Metropolitan Statistical Area |             |               |
|---------------------------------------|--------|-------------|---------------|---|-------------|---------------|
|                                       | Total  | Non-Elderly | Elderly (55+) | Total   | Non-Elderly | Elderly (55+) |
| 2000                                  | 92,088 | 73,317      | 18,771        | 222,370   | 176,143     | 46,227        |
| 2010                                  | 96,570 | 72,416      | 24,154        | 232,293   | 173,178     | 59,115        |
| 2018                                  | 97,483 | 69,043      | 28,440        | 232,124   | 162,838     | 69,286        |
| Projected Mkt Entry<br>September 2021 | 97,189 | 67,738      | 29,451        | 231,691   | 160,148     | 71,544        |
| 2023                                  | 97,019 | 66,983      | 30,036        | 231,441   | 158,590     | 72,851        |

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

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

### 2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, (e) Housing for Older Persons Households 55+ within the population in the MSA, the PMA and nationally from 2000 through 2023.

#### 2a. Total Number of Households and Average Household Size

The following tables illustrate the total number of households and average household size within the PMA, MSA and nation from 2000 through 2023.

| Year                                  | PMA    |               | Macon-Bibb County, GA Metropolitan Statistical Area |               | USA        |               |
|---------------------------------------|--------|---------------|---|---------------|------------|---------------|
|                                       | Number | Annual Change | Number  | Annual Change | Number     | Annual Change |
| 2000                                  | 11,404 | -             | 29,321  | -             | 36,433,877 | -             |
| 2010                                  | 14,677 | 2.9%          | 36,200  | 2.3%          | 45,892,723 | 2.6%          |
| 2018                                  | 16,000 | 1.1%          | 40,979  | 1.6%          | 55,492,459 | 2.5%          |
| Projected Mkt Entry<br>September 2021 | 16,339 | 0.7%          | 41,947  | 0.7%          | 59,192,329 | 2.1%          |
| 2023                                  | 16,535 | 0.7%          | 42,508  | 0.7%          | 61,334,359 | 2.1%          |

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

| Year                                  | PMA    |               | Macon-Bibb County, GA Metropolitan Statistical Area |               | USA    |               |
|---------------------------------------|--------|---------------|---|---------------|--------|---------------|
|                                       | Number | Annual Change | Number  | Annual Change | Number | Annual Change |
| 2000                                  | 2.54   | -             | 2.56  | -             | 2.59   | -             |
| 2010                                  | 2.39   | -0.6%         | 2.52  | -0.1%         | 2.58   | -0.1%         |
| 2018                                  | 2.53   | 0.7%          | 2.53  | 0.0%          | 2.59   | 0.1%          |
| Projected Mkt Entry<br>September 2021 | 2.54   | 0.2%          | 2.54  | 0.2%          | 2.60   | 0.1%          |
| 2023                                  | 2.55   | 0.2%          | 2.55  | 0.2%          | 2.61   | 0.1%          |

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

Household growth in the PMA grew at a rate of 1.1 percent per year between 2010 and 2018, which lagged both the growth experienced by the MSA and nation during the same time period. Over the next five years, the household growth in the PMA and MSA is expected to lag the national household growth. The average household size in the PMA is slightly smaller than the national average at 2.53 persons in 2018. Over the next five years, the average household size is projected to remain relatively similar.

## 2b. Households by Tenure

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

| TENURE PATTERNS PMA                   |                      |                           |                       |                            |
|---------------------------------------|----------------------|---------------------------|-----------------------|----------------------------|
| Year                                  | Owner-Occupied Units | Percentage Owner-Occupied | Renter-Occupied Units | Percentage Renter-Occupied |
| 2000                                  | 22,930               | 69.7%                     | 9,966                 | 30.3%                      |
| 2018                                  | 21,469               | 59.5%                     | 14,643                | 40.5%                      |
| Projected Mkt Entry<br>September 2021 | 21,648               | 60.5%                     | 14,146                | 39.5%                      |
| 2023                                  | 21,751               | 61.1%                     | 13,859                | 38.9%                      |

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

| PMA TENURE PATTERNS OF SENIORS 55+    |                      |                           |                       |                            |
|---------------------------------------|----------------------|---------------------------|-----------------------|----------------------------|
| Year                                  | Owner-Occupied Units | Percentage Owner-Occupied | Renter-Occupied Units | Percentage Renter-Occupied |
| 2000                                  | 9,384                | 82.3%                     | 2,020                 | 17.7%                      |
| 2018                                  | 12,240               | 76.5%                     | 3,760                 | 23.5%                      |
| Projected Mkt Entry<br>September 2021 | 12,666               | 77.5%                     | 3,673                 | 22.5%                      |
| 2023                                  | 12,913               | 78.1%                     | 3,622                 | 21.9%                      |

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years.

## 2c. Household Income

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

| Income Cohort     | 2018         |               | Projected Mkt Entry September 2021 |               | 2023         |               |
|-------------------|--------------|---------------|------------------------------------|---------------|--------------|---------------|
|                   | Number       | Percentage    | Number                             | Percentage    | Number       | Percentage    |
| \$0-9,999         | 797          | 21.2%         | 748                                | 20.4%         | 720          | 19.9%         |
| \$10,000-19,999   | 998          | 26.5%         | 934                                | 25.4%         | 897          | 24.8%         |
| \$20,000-29,999   | 431          | 11.5%         | 415                                | 11.3%         | 406          | 11.2%         |
| \$30,000-39,999   | 220          | 5.9%          | 211                                | 5.7%          | 205          | 5.7%          |
| \$40,000-49,999   | 238          | 6.3%          | 237                                | 6.5%          | 237          | 6.5%          |
| \$50,000-59,999   | 170          | 4.5%          | 184                                | 5.0%          | 192          | 5.3%          |
| \$60,000-74,999   | 203          | 5.4%          | 193                                | 5.3%          | 187          | 5.2%          |
| \$75,000-99,999   | 310          | 8.2%          | 306                                | 8.3%          | 304          | 8.4%          |
| \$100,000-124,999 | 115          | 3.1%          | 125                                | 3.4%          | 130          | 3.6%          |
| \$125,000-149,999 | 96           | 2.6%          | 116                                | 3.2%          | 128          | 3.5%          |
| \$150,000-199,999 | 109          | 2.9%          | 117                                | 3.2%          | 122          | 3.4%          |
| \$200,000+        | 73           | 1.9%          | 86                                 | 2.3%          | 94           | 2.6%          |
| <b>Total</b>      | <b>3,760</b> | <b>100.0%</b> | <b>3,673</b>                       | <b>100.0%</b> | <b>3,622</b> | <b>100.0%</b> |

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - Macon-Bibb County, GA Metropolitan Statistical Area, 55+**

| Income Cohort     | 2018          |               | Projected Mkt Entry September 2021 |               | 2023          |               |
|-------------------|---------------|---------------|------------------------------------|---------------|---------------|---------------|
|                   | Number        | Percentage    | Number                             | Percentage    | Number        | Percentage    |
| \$0-9,999         | 2,583         | 22.0%         | 2,411                              | 21.0%         | 2,311         | 20.4%         |
| \$10,000-19,999   | 2,823         | 24.1%         | 2,667                              | 23.3%         | 2,577         | 22.8%         |
| \$20,000-29,999   | 1,591         | 13.6%         | 1,519                              | 13.3%         | 1,477         | 13.1%         |
| \$30,000-39,999   | 845           | 7.2%          | 853                                | 7.4%          | 857           | 7.6%          |
| \$40,000-49,999   | 682           | 5.8%          | 702                                | 6.1%          | 714           | 6.3%          |
| \$50,000-59,999   | 690           | 5.9%          | 681                                | 5.9%          | 675           | 6.0%          |
| \$60,000-74,999   | 582           | 5.0%          | 572                                | 5.0%          | 566           | 5.0%          |
| \$75,000-99,999   | 732           | 6.2%          | 724                                | 6.3%          | 719           | 6.4%          |
| \$100,000-124,999 | 390           | 3.3%          | 417                                | 3.6%          | 432           | 3.8%          |
| \$125,000-149,999 | 291           | 2.5%          | 337                                | 2.9%          | 363           | 3.2%          |
| \$150,000-199,999 | 213           | 1.8%          | 243                                | 2.1%          | 261           | 2.3%          |
| \$200,000+        | 293           | 2.5%          | 334                                | 2.9%          | 357           | 3.2%          |
| <b>Total</b>      | <b>11,715</b> | <b>100.0%</b> | <b>11,458</b>                      | <b>100.0%</b> | <b>11,309</b> | <b>100.0%</b> |

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

The Subject will target tenants earning between \$14,640 and \$28,020. As the table above depicts, approximately 38.0 percent of renter households in the PMA are earning incomes between \$10,000 and \$29,999, which is comparable to the 37.7 percent of renter households in the MSA in 2018. For the projected market entry date of September 2021, these percentages are projected to slightly decrease to 36.7 percent and 36.6 percent for the PMA and MSA, respectively.

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

The following table illustrates household size for all households in 2018, 2021 and 2023. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA**

| Household Size          | Projected Mkt Entry September |                   |               |                   |               |                   |
|-------------------------|-------------------------------|-------------------|---------------|-------------------|---------------|-------------------|
|                         | 2018                          |                   | 2021          |                   | 2023          |                   |
|                         | <i>Number</i>                 | <i>Percentage</i> | <i>Number</i> | <i>Percentage</i> | <i>Number</i> | <i>Percentage</i> |
| 1 Person                | 5,321                         | 36.3%             | 5,130         | 36.3%             | 5,019         | 36.2%             |
| 2 Persons               | 3,999                         | 27.3%             | 3,822         | 27.0%             | 3,720         | 26.8%             |
| 3 Persons               | 2,524                         | 17.2%             | 2,447         | 17.3%             | 2,403         | 17.3%             |
| 4 Persons               | 1,466                         | 10.0%             | 1,443         | 10.2%             | 1,429         | 10.3%             |
| 5+ Persons              | 1,333                         | 9.1%              | 1,305         | 9.2%              | 1,288         | 9.3%              |
| <b>Total Households</b> | <b>14,643</b>                 | <b>100%</b>       | <b>14,146</b> | <b>100%</b>       | <b>13,859</b> | <b>100%</b>       |

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

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+**

| Household Size          | Projected Mkt Entry September |                   |               |                   |               |                   |
|-------------------------|-------------------------------|-------------------|---------------|-------------------|---------------|-------------------|
|                         | 2018                          |                   | 2021          |                   | 2023          |                   |
|                         | <i>Number</i>                 | <i>Percentage</i> | <i>Number</i> | <i>Percentage</i> | <i>Number</i> | <i>Percentage</i> |
| 1 Person                | 2,224                         | 59.1%             | 2,163         | 58.9%             | 2,127         | 58.7%             |
| 2 Persons               | 784                           | 20.9%             | 768           | 20.9%             | 758           | 20.9%             |
| 3 Persons               | 385                           | 10.2%             | 376           | 10.2%             | 371           | 10.2%             |
| 4 Persons               | 190                           | 5.1%              | 189           | 5.2%              | 189           | 5.2%              |
| 5+ Persons              | 177                           | 4.7%              | 177           | 4.8%              | 177           | 4.9%              |
| <b>Total Households</b> | <b>3,760</b>                  | <b>100%</b>       | <b>3,673</b>  | <b>100%</b>       | <b>3,622</b>  | <b>100%</b>       |

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

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

**Conclusion**

The senior population in the PMA and the MSA increased significantly from 2000 to 2018. The rate of population and household growth is projected to slow through 2021. The current senior population of the PMA is 28,440 and is expected to be 29,451 in 2021. Renter households are concentrated in the lowest income cohorts, with 38.0 percent of renter households in the PMA earning incomes between \$10,000 and \$29,999. The Subject will target households earning between \$14,640 and \$28,020 for its LIHTC units; therefore, the Subject should be well-positioned to service this market. Overall, while senior population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **F. EMPLOYMENT TRENDS**

## Employment Trends

The PMA and Jones County are economically reliant on education and health services. These industries are historically stable industries and are relatively stable in economic downturns. Industries related to tourism also represent major employment sectors in the PMA. Employment levels decreased during the national recession but have grown since then and are approaching pre-recession highs.

### 1. Covered Employment

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

| COVERED EMPLOYMENT    |                  |          |
|-----------------------|------------------|----------|
| Jones County, Georgia |                  |          |
| Year                  | Total Employment | % Change |
| 2008                  | 13,733           | -        |
| 2009                  | 13,095           | -4.9%    |
| 2010                  | 12,366           | -5.9%    |
| 2011                  | 12,544           | 1.4%     |
| 2012                  | 12,700           | 1.2%     |
| 2013                  | 12,619           | -0.6%    |
| 2014                  | 12,830           | 1.6%     |
| 2015                  | 12,734           | -0.8%    |
| 2016                  | 13,147           | 3.1%     |
| 2017                  | 13,430           | 2.1%     |
| 2018                  | 13,629           | 1.5%     |
| 2019 YTD Average      | 13,362           | -0.5%    |
| Feb-18                | 13,633           | -        |
| Feb-19                | 13,357           | -2.1%    |

Source: U.S. Bureau of Labor Statistics

YTD as of Mar 2019

As illustrated in the table above, Jones County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth has rebounded since 2011 and Jones County exhibited employment in all but two years between 2011 and 2018, approaching pre-recessionary employment levels in 2018. While employment has grown overall since the national recession, employment has slightly decreased in the first two months of 2019, and total employment in Jones County has decreased 2.1 percent from February 2018 to February 2019.

## 2. Total Jobs by Industry

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

**TOTAL JOBS BY INDUSTRY**  
Jones County, Georgia - Q2 2018

|                                      | Number       | Percent |
|--------------------------------------|--------------|---------|
| <b>Total, all industries</b>         | <b>3,495</b> | -       |
| Goods-producing                      | 1,218        | 34.8%   |
| Natural resources and mining         | 630          | 18.0%   |
| Construction                         | 57           | 1.6%    |
| Manufacturing                        | 531          | 15.2%   |
| Service-providing                    | 2,277        | 65.2%   |
| Trade, transportation, and utilities | 704          | 20.1%   |
| Information                          | 15           | 0.4%    |
| Financial activities                 | 78           | 2.2%    |
| Professional and business services   | 335          | 9.6%    |
| Education and health services        | 856          | 24.5%   |
| Leisure and hospitality              | 212          | 6.1%    |
| Other services                       | 68           | 1.9%    |
| Unclassified                         | 9            | 0.3%    |

Source: Bureau of Labor Statistics, 2019

Education and health services is the largest industry in Jones County, followed by trade, transportation, and utilities and natural resources and mining. The health, education, and utilities industries are historically stable industries and are relatively stable in economic downturns. The following table illustrates employment by industry for the PMA as of 2018 (most recent year available).

**2018 EMPLOYMENT BY INDUSTRY**

| Industry                       | PMA             |                  | USA                |                  |
|--------------------------------|-----------------|------------------|--------------------|------------------|
|                                | Number Employed | Percent Employed | Number Employed    | Percent Employed |
| Healthcare/Social Assistance   | 6,712           | 17.0%            | 22,154,439         | 14.0%            |
| Educational Services           | 4,546           | 11.5%            | 14,568,337         | 9.2%             |
| Retail Trade                   | 3,910           | 9.9%             | 17,381,607         | 11.0%            |
| Accommodation/Food Services    | 3,739           | 9.5%             | 11,958,374         | 7.6%             |
| Manufacturing                  | 3,275           | 8.3%             | 15,694,985         | 9.9%             |
| Public Administration          | 2,685           | 6.8%             | 7,345,537          | 4.7%             |
| Construction                   | 2,631           | 6.7%             | 10,333,928         | 6.5%             |
| Finance/Insurance              | 2,140           | 5.4%             | 7,284,572          | 4.6%             |
| Other Services                 | 1,838           | 4.7%             | 7,758,801          | 4.9%             |
| Transportation/Warehousing     | 1,609           | 4.1%             | 6,660,099          | 4.2%             |
| Prof/Scientific/Tech Services  | 1,363           | 3.5%             | 11,673,939         | 7.4%             |
| Admin/Support/Waste Mgmt Svcs  | 1,360           | 3.4%             | 6,943,459          | 4.4%             |
| Real Estate/Rental/Leasing     | 763             | 1.9%             | 3,165,171          | 2.0%             |
| Utilities                      | 677             | 1.7%             | 1,433,069          | 0.9%             |
| Wholesale Trade                | 617             | 1.6%             | 4,028,405          | 2.6%             |
| Arts/Entertainment/Recreation  | 482             | 1.2%             | 3,672,444          | 2.3%             |
| Agric/Forestry/Fishing/Hunting | 399             | 1.0%             | 2,273,158          | 1.4%             |
| Mining                         | 371             | 0.9%             | 591,596            | 0.4%             |
| Information                    | 337             | 0.9%             | 2,881,691          | 1.8%             |
| Mgmt of Companies/Enterprises  | 4               | 0.0%             | 87,511             | 0.1%             |
| <b>Total Employment</b>        | <b>39,458</b>   | <b>100.0%</b>    | <b>157,891,122</b> | <b>100.0%</b>    |

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

Employment in the PMA is concentrated in the healthcare/social assistance, educational services, retail trade, accommodation/food services, and manufacturing industries, which collectively comprise 56.2 percent of local employment. The large shares of PMA employment in retail trade, accommodation/food services, and manufacturing are notable as these industries are historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the healthcare/social assistance, educational services, and public administration industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, manufacturing, and arts/entertainment/recreation industries.

### 3. Major Employers

The tables below illustrate the major employers in Macon, GA and Jones County as provided by the Georgia Department of Labor.

**MAJOR EMPLOYERS - MACON-BIBB COUNTY, GA MSA**

| Rank | Employer Name                  | Industry                     | # Of Employees |
|------|--------------------------------|------------------------------|----------------|
| 1    | Medical Center-Radiology Svc   | Healthcare/Social Assistance | 5,000 to 9,999 |
| 2    | Medical Center Navicent Health | Healthcare/Social Assistance | 1,000 to 4,999 |
| 3    | Coliseum Health System         | Healthcare/Social Assistance | 1,000 to 4,999 |
| 4    | Mercer University-Schl Engrng  | Educational Services         | 1,000 to 4,999 |
| 5    | Georgia Farm Bureau Mutual Ins | Finance/Insurance            | 1,000 to 4,999 |
| 6    | Schaffer Electric              | Construction                 | 500 to 999     |
| 7    | Mercer University              | Educational Services         | 500 to 999     |
| 8    | Boeing Co                      | Manufacturing                | 500 to 999     |
| 9    | US Post Office                 | Public Administration        | 500 to 999     |
| 10   | Ricoh USA                      | Technology Services          | 500 to 999     |

Source: Georgia Department of Labor, April 2019

Medical Center-Radiology Services, Medical Center Navicent Health, Coliseum Health System, Mercer University School of Engineering, and Georgia Farm Bureau Mutual Insurance each employ over 1,000 people. Seven of the top 10 employers in the MSA are from the healthcare, education, construction and manufacturing sectors. Lower skilled employees in these industries are likely to have incomes in line with the Subject's income restrictions. Other industries are also heavily represented in the major employers in the MSA including the finance/insurance, public administration, and technology services sectors. Additionally, five of the top 10 major employers are in relatively stable industries such as healthcare and education.

**MAJOR EMPLOYERS - JONES COUNTY**

| Rank | Employer Name                 | Industry                     | # Of Employees |
|------|-------------------------------|------------------------------|----------------|
| 1    | Ingles Market                 | Retail Trade                 | 100 to 249     |
| 2    | Dames Ferry Elementary School | Educational Services         | 50 to 99       |
| 3    | Lynn Haven Nursing Home       | Healthcare/Social Assistance | 50 to 99       |
| 4    | Gray Elementary School        | Educational Services         | 50 to 99       |
| 5    | Aggregates USA                | Manufacturing                | 50 to 99       |
| 6    | Jones County High School      | Educational Services         | 50 to 99       |
| 7    | Reeves Construction Co        | Construction                 | 50 to 99       |
| 8    | Gray Station Middle School    | Educational Services         | 50 to 99       |
| 9    | Appling Brothers              | Construction                 | 50 to 99       |
| 10   | Wells Elementary School       | Educational Services         | 50 to 99       |

Source: Georgia Department of Labor, April 2019

The education, retail trade, and healthcare industries dominate the major employer list of Jones County and are generally stable industries with the exception of retail trade, which is a historically volatile industry. All of the major employers of Jones County are located in either Gray or Macon, GA.

**Expansions/Contractions**

According to the Georgia Department of Labor Worker Adjustment and Retraining Notification (WARN) list, no WARN notices have been issued for Jones County since 2015. We spoke with Ms. Heather Johnson with the Gray-Jones County Chamber of Commerce. Ms. Johnson told us that there had been no new businesses locating to the Gray, GA and Jones County areas in the past year. Ms. Johnson noted that Jones County High School was undergoing a \$12.5 million expansion. She stated that construction began in January 2018 and should continue into August 2019. However, she was unable to identify how many jobs might be added post expansion.

We also conducted additional internet research regarding the current economic status of Jones County and the Macon MSA. The following list details employment in Jones County and the Macon MSA.

- According to an April 3, 2019 article in 13WMAZ, Amazon says the Macon distribution center, located along Skipper Road, will open this summer. Amazon expects to hire approximately 500 people for the Bibb County distribution center.
- According to a November 21, 2018 article in 13WMAZ, Stevens Aerospace and Defense System said they're going to bring 150 new jobs to Macon-Bibb, and two of the big reasons why they decided to come to Macon-Bibb are the great technical college located in Central Georgia as well as a huge 48,000 square-foot hangar space.
- According to a September 4, 2018 article in The Telegraph, a new shopping center on Bass Road should be close to opening. Marshall's/Homegoods, Michaels, Beall's Outlet, Old Navy, Five Below, Famous Footwear and Lifeway Christian Resources are planning to be part of the North Macon Plaza on Bass Road at Starcadia Circle, just off Interstate 75.
- According to an August 11, 2017 article in Huddle, Irving Consumer Products will create more than 200 jobs with the construction of a \$400 million tissue plant to be built in Macon, GA.
- According to a June 20, 2017 article in Food Business News, Tyson Foods, Inc. is investing \$59 million to expand its distribution center in Macon. The project, which began in the summer of 2017, includes a 152,000-square foot addition to the existing facility. The Macon distribution center currently serves retail and food service customers in North Carolina, South Carolina, Georgia, Florida and Alabama. The expansion was expected to be completed in late 2018 and was expected to add more than 100 jobs, bringing total employment at the distribution center to almost 240.
- According to a January 19, 2017 article in The Telegraph, FedEx is building a new distribution center in the I-75 Business Park in south Bibb County. The distribution center will be 248,000 square feet and is expected to be operational in July 2017. The new facility will replace an existing smaller facility. According to Allie Addoms of FedEx, the exact staffing needs have yet to be determined, but the facility will employ a mix of part and full-time employees.
- According to the Macon Economic Development Commission's website, Guard Buildings, LLC announced in September 2016 its plan to open a 23,000-square foot manufacturing facility in Bibb County. The Florida-based company manufactures industrial modular shelters and plans to initially hire 25 employees. Further information was not available at the time of this report.
- According to a May 2, 2016 article in The Telegraph, Kumho Tire recently opened its \$450 million manufacturing plant in Macon. Approximately 400 new jobs were created with the opening of the facility.

As illustrated, there have been several additions in a variety of industries including food/accommodation services, manufacturing, retail trade, and scientific/technology services. Between 2017 and 2019, there were more than 1,375 jobs created.

#### 4. Employment and Unemployment Trends

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

**EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

|                   | <u>Macon-Bibb County, GA Metropolitan</u> |          |                        | <u>USA</u>       |          |                        |
|-------------------|---|----------|------------------------|------------------|----------|------------------------|
|                   | <u>Statistical Area</u>                   |          |                        |                  |          |                        |
|                   | Total Employment                          | % Change | Differential from peak | Total Employment | % Change | Differential from peak |
| 2003              | 102,919                                   | -        | -4.7%                  | 137,736,000      | -        | -11.6%                 |
| 2004              | 103,873                                   | 0.9%     | -3.8%                  | 139,252,000      | 1.1%     | -10.6%                 |
| 2005              | 103,926                                   | 0.1%     | -3.8%                  | 141,730,000      | 1.8%     | -9.0%                  |
| 2006              | 105,097                                   | 1.1%     | -2.7%                  | 144,427,000      | 1.9%     | -7.3%                  |
| 2007              | 106,650                                   | 1.5%     | -1.3%                  | 146,047,000      | 1.1%     | -6.2%                  |
| 2008              | 108,027                                   | 1.3%     | 0.0%                   | 145,363,000      | -0.5%    | -6.7%                  |
| 2009              | 102,627                                   | -5.0%    | -5.0%                  | 139,878,000      | -3.8%    | -10.2%                 |
| 2010              | 93,561                                    | -8.8%    | -13.4%                 | 139,064,000      | -0.6%    | -10.7%                 |
| 2011              | 95,013                                    | 1.6%     | -12.0%                 | 139,869,000      | 0.6%     | -10.2%                 |
| 2012              | 96,548                                    | 1.6%     | -10.6%                 | 142,469,000      | 1.9%     | -8.5%                  |
| 2013              | 95,645                                    | -0.9%    | -11.5%                 | 143,929,000      | 1.0%     | -7.6%                  |
| 2014              | 96,061                                    | 0.4%     | -11.1%                 | 146,305,000      | 1.7%     | -6.1%                  |
| 2015              | 96,001                                    | -0.1%    | -11.1%                 | 148,833,000      | 1.7%     | -4.4%                  |
| 2016              | 98,199                                    | 2.3%     | -9.1%                  | 151,436,000      | 1.7%     | -2.8%                  |
| 2017              | 100,206                                   | 2.0%     | -7.2%                  | 153,337,000      | 1.3%     | -1.6%                  |
| 2018              | 101,697                                   | 1.5%     | -5.9%                  | 155,761,000      | 1.6%     | 0.0%                   |
| 2019 YTD Average* | 100,023                                   | -1.6%    | -                      | 155,857,333      | 0.1%     | -                      |
| Feb-2018          | 101,901                                   | -        | -                      | 154,403,000      | -        | -                      |
| Feb-2019          | 100,074                                   | -1.8%    | -                      | 156,167,000      | 1.1%     | -                      |

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

**UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

|                   | <u>Macon-Bibb County, GA Metropolitan</u> |        |                        | <u>USA</u>        |        |                        |
|-------------------|---|--------|------------------------|-------------------|--------|------------------------|
|                   | <u>Statistical Area</u>                   |        |                        |                   |        |                        |
|                   | Unemployment Rate                         | Change | Differential from peak | Unemployment Rate | Change | Differential from peak |
| 2003              | 4.7%                                      | -      | 0.4%                   | 6.0%              | -      | 2.1%                   |
| 2004              | 4.9%                                      | 0.2%   | 0.7%                   | 5.5%              | -0.5%  | 1.6%                   |
| 2005              | 5.6%                                      | 0.7%   | 1.4%                   | 5.1%              | -0.5%  | 1.2%                   |
| 2006              | 5.5%                                      | -0.2%  | 1.2%                   | 4.6%              | -0.5%  | 0.7%                   |
| 2007              | 4.9%                                      | -0.5%  | 0.7%                   | 4.6%              | 0.0%   | 0.7%                   |
| 2008              | 6.3%                                      | 1.4%   | 2.0%                   | 5.8%              | 1.2%   | 1.9%                   |
| 2009              | 9.6%                                      | 3.3%   | 5.3%                   | 9.3%              | 3.5%   | 5.4%                   |
| 2010              | 11.3%                                     | 1.8%   | 7.1%                   | 9.6%              | 0.3%   | 5.7%                   |
| 2011              | 11.1%                                     | -0.2%  | 6.8%                   | 9.0%              | -0.7%  | 5.1%                   |
| 2012              | 10.1%                                     | -0.9%  | 5.9%                   | 8.1%              | -0.9%  | 4.2%                   |
| 2013              | 9.0%                                      | -1.2%  | 4.7%                   | 7.4%              | -0.7%  | 3.5%                   |
| 2014              | 7.7%                                      | -1.3%  | 3.4%                   | 6.2%              | -1.2%  | 2.3%                   |
| 2015              | 6.4%                                      | -1.2%  | 2.2%                   | 5.3%              | -0.9%  | 1.4%                   |
| 2016              | 5.8%                                      | -0.7%  | 1.5%                   | 4.9%              | -0.4%  | 1.0%                   |
| 2017              | 5.2%                                      | -0.6%  | 0.9%                   | 4.4%              | -0.5%  | 0.4%                   |
| 2018              | 4.2%                                      | -0.9%  | 0.0%                   | 3.9%              | -0.4%  | 0.0%                   |
| 2019 YTD Average* | 4.6%                                      | 0.4%   | -                      | 4.1%              | 0.2%   | -                      |
| Feb-2018          | 4.8%                                      | -      | -                      | 4.4%              | -      | -                      |
| Feb-2019          | 4.3%                                      | -0.5%  | -                      | 4.1%              | -0.3%  | -                      |

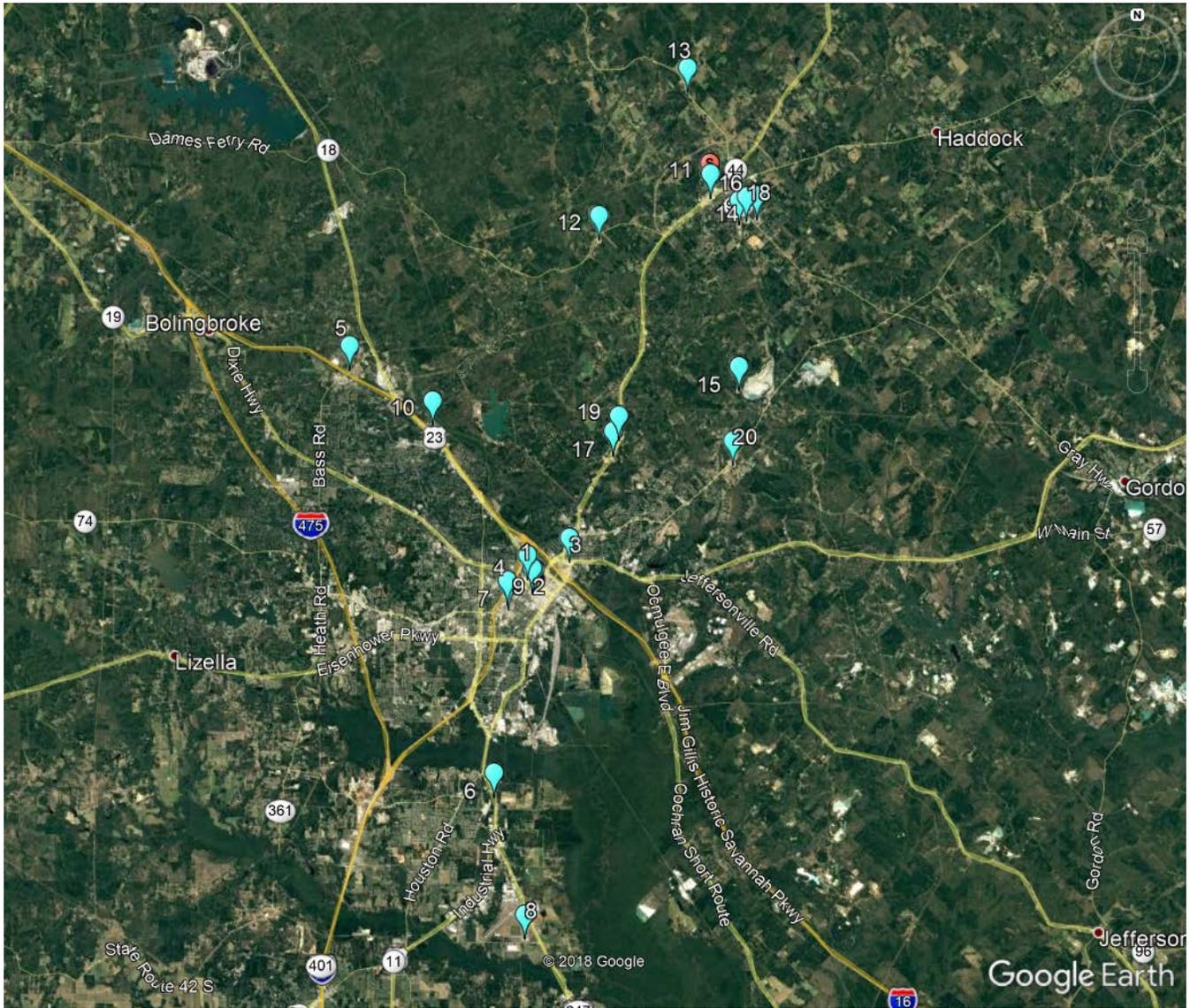
Source: U.S. Bureau of Labor Statistics, April 2019

Prior to the national recession, average employment growth in the MSA generally trailed the nation. Annual job growth in the MSA lagged the nation in all but one year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which suffered a 13.8 percentage point contraction in employment growth (2008-2010), well below the 4.9 percentage point contraction reported by the nation as a whole (2007-2010). Since 2012, average employment growth in the MSA trailed the nation in all but two years. On average, since 2015 employment in the MSA has increased at higher rates than the overall nation. As of February 2019, MSA employment is below record levels; and is declining at an annualized rate of 1.8 percent, compared to a 1.1 percent increase across the overall nation. However, despite this apparent pause in employment, our online research indicates job and employment growth in the PMA and MSA continues to exist.

The MSA experienced a higher average unemployment rate relative to the overall nation during the years preceding the recession. The effects of the recession were more pronounced in the MSA, which experienced a 6.5 percentage point increase in unemployment, compared to only a 5.0 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a higher unemployment rate compared to the overall nation. However, it is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation in recent years. According to the most recent labor statistics, the unemployment rate in the MSA is 4.3 percent, slightly which is higher than the current national unemployment rate of 4.1 percent. Based on the employment and unemployment trends in the MSA, it appears that the MSA was slower to recover from the most recent national recession than the nation as a whole. However, recent trends in employment growth and unemployment decline indicate that the economy in the MSA is now recovering and entering an expansionary phase despite the most recent pause.

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

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



Source: Google Earth, April 2019.

**MAJOR EMPLOYERS - JONES COUNTY AND MACON-BIBB COUNTY, GA MSA**

| Rank | Employer Name                  | Industry                     | # Of Employees |
|------|--------------------------------|------------------------------|----------------|
| 1    | Medical Center-Radiology Svc   | Healthcare/Social Assistance | 5,000 to 9,999 |
| 2    | Medical Center Navicent Health | Healthcare/Social Assistance | 1,000 to 4,999 |
| 3    | Coliseum Health System         | Healthcare/Social Assistance | 1,000 to 4,999 |
| 4    | Mercer University-Schl Engrng  | Educational Services         | 1,000 to 4,999 |
| 5    | Georgia Farm Bureau Mutual Ins | Finance/Insurance            | 1,000 to 4,999 |
| 6    | Schaffer Electric              | Construction                 | 500 to 999     |
| 7    | Mercer University              | Educational Services         | 500 to 999     |
| 8    | Boeing Co                      | Manufacturing                | 500 to 999     |
| 9    | US Post Office                 | Public Administration        | 500 to 999     |
| 10   | Ricoh USA                      | Technology Services          | 500 to 999     |
| 11   | Ingles Market                  | Retail Trade                 | 100 to 249     |
| 12   | Dames Ferry Elementary School  | Educational Services         | 50 to 99       |
| 13   | Lynn Haven Nusing Home         | Healthcare/Social Assistance | 50 to 99       |
| 14   | Gray Elementary School         | Educational Services         | 50 to 99       |
| 15   | Aggregates USA                 | Manufacturing                | 50 to 99       |
| 16   | Jones County High School       | Educational Services         | 50 to 99       |
| 17   | Reeves Construction Co         | Construction                 | 50 to 99       |
| 18   | Gray Station Middle School     | Educational Services         | 50 to 99       |
| 19   | Applying Brothers              | Construction                 | 50 to 99       |
| 20   | Wells Elementary School        | Educational Services         | 50 to 99       |

Source: Georgia Department of Labor, April 2019

## 6. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 56.2 percent of total local employment. Three of these five, retail trade, accommodation/food services, and manufacturing can be volatile during periods of economic downturn while educational services and healthcare/social assistance, the PMA's two largest employers, are more resilient. Furthermore, Medical Center of Central Georgia is the MSA's largest employer and is a private, nonprofit corporation owned by the Macon-Bibb Hospital Authority and affiliated with Secure Health Plans of Georgia, a network of central Georgia hospitals and physician providers. The local economy appears to have diverse and low paying jobs in the healthcare/social assistance, educational services, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2012, average employment growth in the MSA trailed the nation in all but two years. As of February 2019, MSA employment is below record levels; and is declining at an annualized rate of 1.8 percent, compared to a 1.1 percent increase across the overall nation. Since 2012, average employment growth in the MSA trailed the nation in all but two years. On average, since 2015 employment in the MSA has increased at higher rates than the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 4.3 percent, which is higher than the current national unemployment rate of 4.1 percent. However, it is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation in recent years. Based on the employment and unemployment trends in the MSA, it appears that the MSA was slower to recover from the most recent national recession than the nation as a whole. However, recent trends in employment growth and unemployment decline indicate that the economy in the MSA is now recovering and entering an expansionary phase despite the most recent pause. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

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

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

### 1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 35 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). However, very few senior households have more than two persons. Therefore, we assume a maximum household size of two persons in our analysis.

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. The Subject’s location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Jones County.

### 2. Affordability

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

**55+ INCOME LIMITS - AS PROPOSED**

| Unit Type | Minimum Allowable Income | Maximum Allowable Income | Minimum Allowable Income | Maximum Allowable Income | Minimum Allowable Income | Maximum Allowable Income |
|-----------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|           | @50%                     |                          | @60%                     |                          | Overall                  |                          |
| 1BR       | \$14,640                 | \$23,350                 | \$17,640                 | \$28,020                 | \$14,640                 | \$28,020                 |
| 2BR       | \$17,640                 | \$23,350                 | \$21,120                 | \$28,020                 | \$17,640                 | \$28,020                 |

### 3. Demand

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

#### Demand from New Households

The number of new households entering the market is the first level of demand calculated. We utilized 2021, the anticipated date of market entry, as the base year for the analysis. Therefore, 2018 household population estimates are inflated to 2021 by interpolation of the difference between 2018 estimates and 2023

projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2021. This number takes the overall growth from 2018 to 2021 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **Demand from Existing Households**

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

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

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

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

### **3d. Other**

Per the 2019 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we do not account for leakage from outside the PMA boundaries in our demand analysis.

DCA does not consider household turnover to be a source of market demand. Therefore, we do not account for household turnover in our demand analysis.

We calculated all of our capture rates based on household size. DCA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to considered larger household sizes. Our capture rates incorporate household size adjustments for all of the Subject's units.

## **Net Demand**

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2016 to the present.

### **Additions to Supply**

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we deduct the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that were funded, are under construction, or are in properties that have not yet reached stabilized occupancy
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or are in properties that have not yet reached stabilized occupancy. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development. One property, Gray Gardens Apartments, an affordable family property, was allocated in 2017 and is currently undergoing renovations and is scheduled to open in 2019. This development will be located one mile from the Subject site in Gray. Gray Gardens Apartments will offer a total of 56 one, two, and three-bedroom units restricted to 60 percent AMI. This property targets different tenancy than the Subject and post-renovations will operate under the Rural Development 515 (RD515) and HUD Section 8 programs. As such, we have not deducted these units in our demand analysis.

### Rehab Developments and PBRA

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

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

### Capture Rates

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income distribution through the projected market entry date of 2021 are illustrated in the previous section of this report.

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

| Income Cohort   | 2018         |               | Projected Mkt Entry<br>September 2021 |               | 2023         |               |
|-----------------|--------------|---------------|---------------------------------------|---------------|--------------|---------------|
|                 | Number       | Percentage    | Number                                | Percentage    | Number       | Percentage    |
| \$0-9,999       | 797          | 21.2%         | 748                                   | 20.4%         | 720          | 19.9%         |
| \$10,000-19,999 | 998          | 26.5%         | 934                                   | 25.4%         | 897          | 24.8%         |
| \$20,000-29,999 | 431          | 11.5%         | 415                                   | 11.3%         | 406          | 11.2%         |
| \$30,000-39,999 | 220          | 5.9%          | 211                                   | 5.7%          | 205          | 5.7%          |
| \$40,000-49,999 | 238          | 6.3%          | 237                                   | 6.5%          | 237          | 6.5%          |
| \$50,000-59,999 | 170          | 4.5%          | 184                                   | 5.0%          | 192          | 5.3%          |
| \$60,000-74,999 | 203          | 5.4%          | 193                                   | 5.3%          | 187          | 5.2%          |
| \$75,000-99,999 | 310          | 8.2%          | 306                                   | 8.3%          | 304          | 8.4%          |
| \$100,000-      | 115          | 3.1%          | 125                                   | 3.4%          | 130          | 3.6%          |
| \$125,000-      | 96           | 2.6%          | 116                                   | 3.2%          | 128          | 3.5%          |
| \$150,000-      | 109          | 2.9%          | 117                                   | 3.2%          | 122          | 3.4%          |
| \$200,000+      | 73           | 1.9%          | 86                                    | 2.3%          | 94           | 2.6%          |
| <b>Total</b>    | <b>3,760</b> | <b>100.0%</b> | <b>3,673</b>                          | <b>100.0%</b> | <b>3,622</b> | <b>100.0%</b> |

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

**50% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

| Minimum Income Limit |                                      | \$14,640             |                 | Maximum Income Limit  |            | \$23,350       |  |
|----------------------|--------------------------------------|----------------------|-----------------|-----------------------|------------|----------------|--|
| Income Category      | New Renter Households - Total Change |                      | Income Brackets | Percent within Cohort | Renter     |                |  |
|                      | in Households PMA 2018 to Prj Mrkt   | Entry September 2021 |                 |                       | Households | within Bracket |  |
| \$0-9,999            | -49                                  | 55.8%                | \$0             | 0.0%                  | 0          |                |  |
| \$10,000-19,999      | -64                                  | 73.2%                | \$5,359         | 53.6%                 | -34        |                |  |
| \$20,000-29,999      | -16                                  | 18.1%                | \$3,350         | 33.5%                 | -5         |                |  |
| \$30,000-39,999      | -10                                  | 10.9%                | \$0             | 0.0%                  | 0          |                |  |
| \$40,000-49,999      | -1                                   | 0.7%                 | \$0             | 0.0%                  | 0          |                |  |
| \$50,000-59,999      | 14                                   | -15.9%               | \$0             | 0.0%                  | 0          |                |  |
| \$60,000-74,999      | -10                                  | 11.6%                | \$0             | 0.0%                  | 0          |                |  |
| \$75,000-99,999      | -4                                   | 4.3%                 | \$0             | 0.0%                  | 0          |                |  |
| \$100,000-124,999    | 10                                   | -10.9%               | \$0             | 0.0%                  | 0          |                |  |
| \$125,000-149,999    | 20                                   | -23.2%               | \$0             | 0.0%                  | 0          |                |  |
| \$150,000-199,999    | 8                                    | -9.4%                | \$0             | 0.0%                  | 0          |                |  |
| \$200,000+           | 13                                   | -15.2%               | \$0             | 0.0%                  | 0          |                |  |
| <b>Total</b>         | <b>-87</b>                           | <b>100.0%</b>        |                 | <b>45.3%</b>          | <b>-40</b> |                |  |

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

| Minimum Income Limit |                                  | \$14,640      |                 | Maximum Income Limit  |                | \$23,350 |  |
|----------------------|----------------------------------|---------------|-----------------|-----------------------|----------------|----------|--|
| Income Category      | Total Renter Households PMA 2018 |               | Income Brackets | Percent within Cohort | Households     |          |  |
|                      |                                  |               |                 |                       | within Bracket |          |  |
| \$0-9,999            | 797                              | 21.2%         | \$0             | 0.0%                  | 0              |          |  |
| \$10,000-19,999      | 998                              | 26.5%         | \$5,359         | 53.6%                 | 535            |          |  |
| \$20,000-29,999      | 431                              | 11.5%         | \$3,350         | 33.5%                 | 144            |          |  |
| \$30,000-39,999      | 220                              | 5.9%          | \$0             | 0.0%                  | 0              |          |  |
| \$40,000-49,999      | 238                              | 6.3%          | \$0             | 0.0%                  | 0              |          |  |
| \$50,000-59,999      | 170                              | 4.5%          | \$0             | 0.0%                  | 0              |          |  |
| \$60,000-74,999      | 203                              | 5.4%          | \$0             | 0.0%                  | 0              |          |  |
| \$75,000-99,999      | 310                              | 8.2%          | \$0             | 0.0%                  | 0              |          |  |
| \$100,000-124,999    | 115                              | 3.1%          | \$0             | 0.0%                  | 0              |          |  |
| \$125,000-149,999    | 96                               | 2.6%          | \$0             | 0.0%                  | 0              |          |  |
| \$150,000-199,999    | 109                              | 2.9%          | \$0             | 0.0%                  | 0              |          |  |
| \$200,000+           | 73                               | 1.9%          | \$0             | 0.0%                  | 0              |          |  |
| <b>Total</b>         | <b>3,760</b>                     | <b>100.0%</b> |                 | <b>18.1%</b>          | <b>679</b>     |          |  |

**ASSUMPTIONS - @50%**

| Tenancy              | 55+   | % of Income towards Housing |     |      |      | 40% |
|----------------------|-------|-----------------------------|-----|------|------|-----|
| Rural/Urban          | Rural | Maximum # of Occupants      |     |      |      | 2   |
| Persons in Household | 0BR   | 1BR                         | 2BR | 3BR  | 4BR+ |     |
| 1                    | 0%    | 70%                         | 30% | 0%   | 0%   |     |
| 2                    | 0%    | 20%                         | 80% | 0%   | 0%   |     |
| 3                    | 0%    | 0%                          | 0%  | 100% | 0%   |     |
| 4                    | 0%    | 0%                          | 0%  | 65%  | 35%  |     |
| 5+                   | 0%    | 0%                          | 0%  | 50%  | 50%  |     |

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

|   |            |
|---|------------|
| Income Target Population                      | @50%       |
| New Renter Households PMA                     | -87        |
| Percent Income Qualified                      | 45.3%      |
| <b>New Renter Income Qualified Households</b> | <b>-40</b> |

**Demand from Existing Households 2018**

**Demand from Rent Overburdened Households**

|   |            |
|---|------------|
| Income Target Population                                | @50%       |
| Total Existing Demand                                   | 3,760      |
| Income Qualified  | 18.1%      |
| Income Qualified Renter Households                      | 679        |
| Percent Rent Overburdened Prj Mrkt Entry September 2021 | 43.8%      |
| <b>Rent Overburdened Households</b>                     | <b>298</b> |

**Demand from Living in Substandard Housing**

|   |          |
|---|----------|
| Income Qualified Renter Households              | 679      |
| Percent Living in Substandard Housing           | 0.8%     |
| <b>Households Living in Substandard Housing</b> | <b>6</b> |

**Senior Households Converting from Homeownership**

|  |          |
|--|----------|
| Income Target Population                           | @50%     |
| Total Senior Homeowners                            | 12,666   |
| Rural Versus Urban                                 | 0.04%    |
| <b>Senior Demand Converting from Homeownership</b> | <b>5</b> |

**Total Demand**

|  |            |
|--|------------|
| Total Demand from Existing Households              | 308        |
| Total New Demand                                   | -40        |
| <b>Total Demand (New Plus Existing Households)</b> | <b>269</b> |

|   |      |
|---|------|
| Demand from Seniors Who Convert from Homeownership    | 5    |
| Percent of Total Demand From Homeownership Conversion | 1.9% |
| Is this Demand Over 2 percent of Total Demand?        | No   |

**By Bedroom Demand**

|               |               |            |
|---------------|---------------|------------|
| One Person    | 58.9%         | 158        |
| Two Persons   | 20.9%         | 56         |
| Three Persons | 10.2%         | 28         |
| Four Persons  | 5.2%          | 14         |
| Five Persons  | 4.8%          | 13         |
| <b>Total</b>  | <b>100.0%</b> | <b>269</b> |

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

|  |      |            |
|--|------|------------|
| Of one-person households in studio units   | 0%   | 0          |
| Of two-person households in studio units   | 0%   | 0          |
| Of three-person households in studio units | 0%   | 0          |
| Of four-person households in studio units  | 0%   | 0          |
| Of five-person households in studio units  | 0%   | 0          |
| Of one-person households in 1BR units      | 70%  | 111        |
| Of two-person households in 1BR units      | 20%  | 11         |
| Of three-person households in 1BR units    | 0%   | 0          |
| Of four-person households in 1BR units     | 0%   | 0          |
| Of five-person households in 1BR units     | 0%   | 0          |
| Of one-person households in 2BR units      | 30%  | 47         |
| Of two-person households in 2BR units      | 80%  | 45         |
| Of three-person households in 2BR units    | 0%   | 0          |
| Of four-person households in 2BR units     | 0%   | 0          |
| Of five-person households in 2BR units     | 0%   | 0          |
| Of one-person households in 3BR units      | 0%   | 0          |
| Of two-person households in 3BR units      | 0%   | 0          |
| Of three-person households in 3BR units    | 100% | 28         |
| Of four-person households in 3BR units     | 65%  | 9          |
| Of five-person households in 3BR units     | 50%  | 6          |
| Of one-person households in 4BR units      | 0%   | 0          |
| Of two-person households in 4BR units      | 0%   | 0          |
| Of three-person households in 4BR units    | 0%   | 0          |
| Of four-person households in 4BR units     | 35%  | 5          |
| Of five-person households in 4BR units     | 50%  | 6          |
| Of one-person households in 5BR units      | 0%   | 0          |
| Of two-person households in 5BR units      | 0%   | 0          |
| Of three-person households in 5BR units    | 0%   | 0          |
| Of four-person households in 5BR units     | 0%   | 0          |
| Of five-person households in 5BR units     | 0%   | 0          |
| <b>Total Demand</b>                        |      | <b>269</b> |

|              | Total Demand (Subject Unit Types) |   | Additions to Supply |   | Net Demand |
|--------------|-----------------------------------|---|---------------------|---|------------|
| 0 BR         | -                                 | - | -                   | = | -          |
| 1 BR         | 122                               | - | 0                   | = | 122        |
| 2 BR         | 92                                | - | 0                   | = | 92         |
| 3 BR         | -                                 | - | -                   | = | -          |
| 4 BR         | -                                 | - | -                   | = | -          |
| 5 BR         | -                                 | - | -                   | = | -          |
| <b>Total</b> | <b>214</b>                        |   | <b>0</b>            |   | <b>214</b> |

|              | Developer's Unit Mix |   | Net Demand | Capture Rate |             |
|--------------|----------------------|---|------------|--------------|-------------|
| 0 BR         | -                    | / | -          | =            | -           |
| 1 BR         | 2                    | / | 122        | =            | 1.6%        |
| 2 BR         | 14                   | / | 92         | =            | 15.2%       |
| 3 BR         | -                    | / | -          | =            | -           |
| 4 BR         | -                    | / | -          | =            | -           |
| 5 BR         | -                    | / | -          | =            | -           |
| <b>Total</b> | <b>16</b>            |   | <b>214</b> |              | <b>7.5%</b> |

**60% AMI**

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

| Minimum Income Limit |  | \$17,640      | Maximum Income Limit |                          | \$28,020                               |
|----------------------|--|---------------|----------------------|--------------------------|--|
| Income Category      | New Renter Households - Total Change<br>in Households PMA 2018 to Prj Mrkt<br>Entry September 2021 |               | Income Brackets      | Percent within<br>Cohort | Renter<br>Households<br>within Bracket |
|                      | \$0-9,999  | -49           |                      |                          |  |
| \$10,000-19,999      | -64  | 73.2%         | \$2,359              | 23.6%                    | -15                                    |
| \$20,000-29,999      | -16  | 18.1%         | \$8,020              | 80.2%                    | -13                                    |
| \$30,000-39,999      | -10  | 10.9%         | \$0                  | 0.0%                     | 0                                      |
| \$40,000-49,999      | -1   | 0.7%          | \$0                  | 0.0%                     | 0                                      |
| \$50,000-59,999      | 14   | -15.9%        | \$0                  | 0.0%                     | 0                                      |
| \$60,000-74,999      | -10  | 11.6%         | \$0                  | 0.0%                     | 0                                      |
| \$75,000-99,999      | -4   | 4.3%          | \$0                  | 0.0%                     | 0                                      |
| \$100,000-124,999    | 10   | -10.9%        | \$0                  | 0.0%                     | 0                                      |
| \$125,000-149,999    | 20   | -23.2%        | \$0                  | 0.0%                     | 0                                      |
| \$150,000-199,999    | 8  | -9.4%         | \$0                  | 0.0%                     | 0                                      |
| \$200,000+           | 13   | -15.2%        | \$0                  | 0.0%                     | 0                                      |
| <b>Total</b>         | <b>-87</b>   | <b>100.0%</b> |                      | <b>31.8%</b>             | <b>-28</b>                             |

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

| Minimum Income Limit |                                  | \$17,640      | Maximum Income Limit |                          | \$28,020                     |
|----------------------|----------------------------------|---------------|----------------------|--------------------------|------------------------------|
| Income Category      | Total Renter Households PMA 2018 |               | Income Brackets      | Percent within<br>Cohort | Households<br>within Bracket |
|                      | \$0-9,999                        | 797           |                      |                          |                              |
| \$10,000-19,999      | 998                              | 26.5%         | \$2,359              | 23.6%                    | 235                          |
| \$20,000-29,999      | 431                              | 11.5%         | \$8,020              | 80.2%                    | 346                          |
| \$30,000-39,999      | 220                              | 5.9%          | \$0                  | 0.0%                     | 0                            |
| \$40,000-49,999      | 238                              | 6.3%          | \$0                  | 0.0%                     | 0                            |
| \$50,000-59,999      | 170                              | 4.5%          | \$0                  | 0.0%                     | 0                            |
| \$60,000-74,999      | 203                              | 5.4%          | \$0                  | 0.0%                     | 0                            |
| \$75,000-99,999      | 310                              | 8.2%          | \$0                  | 0.0%                     | 0                            |
| \$100,000-124,999    | 115                              | 3.1%          | \$0                  | 0.0%                     | 0                            |
| \$125,000-149,999    | 96                               | 2.6%          | \$0                  | 0.0%                     | 0                            |
| \$150,000-199,999    | 109                              | 2.9%          | \$0                  | 0.0%                     | 0                            |
| \$200,000+           | 73                               | 1.9%          | \$0                  | 0.0%                     | 0                            |
| <b>Total</b>         | <b>3,760</b>                     | <b>100.0%</b> |                      | <b>15.5%</b>             | <b>581</b>                   |

**ASSUMPTIONS - @60%**

| Tenancy              | 55+   | % of Income towards Housing |     |      | 40%  |
|----------------------|-------|-----------------------------|-----|------|------|
| Rural/Urban          | Rural | Maximum # of Occupants      |     |      | 2    |
| Persons in Household | OBR   | 1BR                         | 2BR | 3BR  | 4BR+ |
| 1                    | 0%    | 70%                         | 30% | 0%   | 0%   |
| 2                    | 0%    | 20%                         | 80% | 0%   | 0%   |
| 3                    | 0%    | 0%                          | 0%  | 100% | 0%   |
| 4                    | 0%    | 0%                          | 0%  | 65%  | 35%  |
| 5+                   | 0%    | 0%                          | 0%  | 50%  | 50%  |

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

|   |            |
|---|------------|
| Income Target Population                      | @60%       |
| New Renter Households PMA                     | -87        |
| Percent Income Qualified                      | 31.8%      |
| <b>New Renter Income Qualified Households</b> | <b>-28</b> |

**Demand from Existing Households 2018**

**Demand from Rent Overburdened Households**

|   |            |
|---|------------|
| Income Target Population                                | @60%       |
| Total Existing Demand                                   | 3,760      |
| Income Qualified  | 15.5%      |
| Income Qualified Renter Households                      | 581        |
| Percent Rent Overburdened Prj Mrkt Entry September 2021 | 43.8%      |
| <b>Rent Overburdened Households</b>                     | <b>255</b> |

**Demand from Living in Substandard Housing**

|   |          |
|---|----------|
| Income Qualified Renter Households              | 581      |
| Percent Living in Substandard Housing           | 0.8%     |
| <b>Households Living in Substandard Housing</b> | <b>5</b> |

**Senior Households Converting from Homeownership**

|  |          |
|--|----------|
| Income Target Population                           | @60%     |
| Total Senior Homeowners                            | 12,666   |
| Rural Versus Urban                                 | 0.03%    |
| <b>Senior Demand Converting from Homeownership</b> | <b>4</b> |

**Total Demand**

|  |            |
|--|------------|
| Total Demand from Existing Households              | 263        |
| Total New Demand                                   | -28        |
| <b>Total Demand (New Plus Existing Households)</b> | <b>235</b> |

|   |      |
|---|------|
| Demand from Seniors Who Convert from Homeownership    | 4    |
| Percent of Total Demand From Homeownership Conversion | 1.6% |
| Is this Demand Over 2 percent of Total Demand?        | No   |

**By Bedroom Demand**

|               |               |            |
|---------------|---------------|------------|
| One Person    | 58.9%         | 139        |
| Two Persons   | 20.9%         | 49         |
| Three Persons | 10.2%         | 24         |
| Four Persons  | 5.2%          | 12         |
| Five Persons  | 4.8%          | 11         |
| <b>Total</b>  | <b>100.0%</b> | <b>235</b> |

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

|  |      |            |
|--|------|------------|
| Of one-person households in studio units   | 0%   | 0          |
| Of two-person households in studio units   | 0%   | 0          |
| Of three-person households in studio units | 0%   | 0          |
| Of four-person households in studio units  | 0%   | 0          |
| Of five-person households in studio units  | 0%   | 0          |
| Of one-person households in 1BR units      | 70%  | 97         |
| Of two-person households in 1BR units      | 20%  | 10         |
| Of three-person households in 1BR units    | 0%   | 0          |
| Of four-person households in 1BR units     | 0%   | 0          |
| Of five-person households in 1BR units     | 0%   | 0          |
| Of one-person households in 2BR units      | 30%  | 42         |
| Of two-person households in 2BR units      | 80%  | 39         |
| Of three-person households in 2BR units    | 0%   | 0          |
| Of four-person households in 2BR units     | 0%   | 0          |
| Of five-person households in 2BR units     | 0%   | 0          |
| Of one-person households in 3BR units      | 0%   | 0          |
| Of two-person households in 3BR units      | 0%   | 0          |
| Of three-person households in 3BR units    | 100% | 24         |
| Of four-person households in 3BR units     | 65%  | 8          |
| Of five-person households in 3BR units     | 50%  | 6          |
| Of one-person households in 4BR units      | 0%   | 0          |
| Of two-person households in 4BR units      | 0%   | 0          |
| Of three-person households in 4BR units    | 0%   | 0          |
| Of four-person households in 4BR units     | 35%  | 4          |
| Of five-person households in 4BR units     | 50%  | 6          |
| Of one-person households in 5BR units      | 0%   | 0          |
| Of two-person households in 5BR units      | 0%   | 0          |
| Of three-person households in 5BR units    | 0%   | 0          |
| Of four-person households in 5BR units     | 0%   | 0          |
| Of five-person households in 5BR units     | 0%   | 0          |
| <b>Total Demand</b>                        |      | <b>235</b> |

|              | Total Demand (Subject Unit Types) |   | Additions to Supply |   | Net Demand |
|--------------|-----------------------------------|---|---------------------|---|------------|
| 0 BR         | -                                 | - | -                   | = | -          |
| 1 BR         | 107                               | - | 0                   | = | 107        |
| 2 BR         | 81                                | - | 0                   | = | 81         |
| 3 BR         | -                                 | - | -                   | = | -          |
| 4 BR         | -                                 | - | -                   | = | -          |
| 5 BR         | -                                 | - | -                   | = | -          |
| <b>Total</b> | <b>188</b>                        |   | <b>0</b>            |   | <b>188</b> |

|              | Developer's Unit Mix |   | Net Demand |   | Capture Rate |
|--------------|----------------------|---|------------|---|--------------|
| 0 BR         | -                    | / | -          | = | -            |
| 1 BR         | 6                    | / | 107        | = | 5.6%         |
| 2 BR         | 26                   | / | 81         | = | 32.1%        |
| 3 BR         | -                    | / | -          | = | -            |
| 4 BR         | -                    | / | -          | = | -            |
| 5 BR         | -                    | / | -          | = | -            |
| <b>Total</b> | <b>32</b>            |   | <b>188</b> |   | <b>17.0%</b> |

**Overall**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall**

| Minimum Income Limit |  | \$14,640      |                 | Maximum Income Limit     |  | \$28,020 |      |
|----------------------|--|---------------|-----------------|--------------------------|--|----------|------|
| Income Category      | New Renter Households - Total Change<br>in Households PMA 2018 to Prj Mrkt<br>Entry September 2021 |               | Income Brackets | Percent within<br>Cohort | Renter<br>Households<br>within Bracket |          |      |
|                      | \$0-9,999  | -49           |                 |                          | 55.8%                                  | \$0      | 0.0% |
| \$10,000-19,999      | -64  | 73.2%         | \$5,359         | 53.6%                    | -34                                    |          |      |
| \$20,000-29,999      | -16  | 18.1%         | \$8,020         | 80.2%                    | -13                                    |          |      |
| \$30,000-39,999      | -10  | 10.9%         | \$0             | 0.0%                     | 0                                      |          |      |
| \$40,000-49,999      | -1   | 0.7%          | \$0             | 0.0%                     | 0                                      |          |      |
| \$50,000-59,999      | 14   | -15.9%        | \$0             | 0.0%                     | 0                                      |          |      |
| \$60,000-74,999      | -10  | 11.6%         | \$0             | 0.0%                     | 0                                      |          |      |
| \$75,000-99,999      | -4   | 4.3%          | \$0             | 0.0%                     | 0                                      |          |      |
| \$100,000-124,999    | 10   | -10.9%        | \$0             | 0.0%                     | 0                                      |          |      |
| \$125,000-149,999    | 20   | -23.2%        | \$0             | 0.0%                     | 0                                      |          |      |
| \$150,000-199,999    | 8  | -9.4%         | \$0             | 0.0%                     | 0                                      |          |      |
| \$200,000+           | 13   | -15.2%        | \$0             | 0.0%                     | 0                                      |          |      |
| <b>Total</b>         | <b>-87</b>   | <b>100.0%</b> |                 | <b>53.8%</b>             | <b>-47</b>                             |          |      |

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall**

| Minimum Income Limit |                                  | \$14,640      |                 | Maximum Income Limit     |                              | \$28,020 |      |
|----------------------|----------------------------------|---------------|-----------------|--------------------------|------------------------------|----------|------|
| Income Category      | Total Renter Households PMA 2018 |               | Income Brackets | Percent within<br>Cohort | Households<br>within Bracket |          |      |
|                      | \$0-9,999                        | 797           |                 |                          | 21.2%                        | \$0      | 0.0% |
| \$10,000-19,999      | 998                              | 26.5%         | \$5,359         | 53.6%                    | 535                          |          |      |
| \$20,000-29,999      | 431                              | 11.5%         | \$8,020         | 80.2%                    | 346                          |          |      |
| \$30,000-39,999      | 220                              | 5.9%          | \$0             | 0.0%                     | 0                            |          |      |
| \$40,000-49,999      | 238                              | 6.3%          | \$0             | 0.0%                     | 0                            |          |      |
| \$50,000-59,999      | 170                              | 4.5%          | \$0             | 0.0%                     | 0                            |          |      |
| \$60,000-74,999      | 203                              | 5.4%          | \$0             | 0.0%                     | 0                            |          |      |
| \$75,000-99,999      | 310                              | 8.2%          | \$0             | 0.0%                     | 0                            |          |      |
| \$100,000-124,999    | 115                              | 3.1%          | \$0             | 0.0%                     | 0                            |          |      |
| \$125,000-149,999    | 96                               | 2.6%          | \$0             | 0.0%                     | 0                            |          |      |
| \$150,000-199,999    | 109                              | 2.9%          | \$0             | 0.0%                     | 0                            |          |      |
| \$200,000+           | 73                               | 1.9%          | \$0             | 0.0%                     | 0                            |          |      |
| <b>Total</b>         | <b>3,760</b>                     | <b>100.0%</b> |                 | <b>23.4%</b>             | <b>881</b>                   |          |      |

**ASSUMPTIONS - Overall**

| Tenancy              | 55+   | % of Income towards Housing |     |      |      | 40% |
|----------------------|-------|-----------------------------|-----|------|------|-----|
| Rural/Urban          | Rural | Maximum # of Occupants      |     |      |      | 2   |
| Persons in Household | OBR   | 1BR                         | 2BR | 3BR  | 4BR+ |     |
| 1                    | 0%    | 70%                         | 30% | 0%   | 0%   |     |
| 2                    | 0%    | 20%                         | 80% | 0%   | 0%   |     |
| 3                    | 0%    | 0%                          | 0%  | 100% | 0%   |     |
| 4                    | 0%    | 0%                          | 0%  | 65%  | 35%  |     |
| 5+                   | 0%    | 0%                          | 0%  | 50%  | 50%  |     |

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

|   |            |
|---|------------|
| Income Target Population                      | Overall    |
| New Renter Households PMA                     | -87        |
| Percent Income Qualified                      | 53.8%      |
| <b>New Renter Income Qualified Households</b> | <b>-47</b> |

**Demand from Existing Households 2018**

**Demand from Rent Overburdened Households**

|   |            |
|---|------------|
| Income Target Population                                | Overall    |
| Total Existing Demand                                   | 3,760      |
| Income Qualified  | 23.4%      |
| Income Qualified Renter Households                      | 881        |
| Percent Rent Overburdened Prj Mrkt Entry September 2021 | 43.8%      |
| <b>Rent Overburdened Households</b>                     | <b>386</b> |

**Demand from Living in Substandard Housing**

|   |          |
|---|----------|
| Income Qualified Renter Households              | 881      |
| Percent Living in Substandard Housing           | 0.8%     |
| <b>Households Living in Substandard Housing</b> | <b>7</b> |

**Senior Households Converting from Homeownership**

|  |          |
|--|----------|
| Income Target Population                           | Overall  |
| Total Senior Homeowners                            | 12,666   |
| Rural Versus Urban                                 | 0.05%    |
| <b>Senior Demand Converting from Homeownership</b> | <b>6</b> |

**Total Demand**

|  |            |
|--|------------|
| Total Demand from Existing Households              | 399        |
| Total New Demand                                   | -47        |
| <b>Total Demand (New Plus Existing Households)</b> | <b>352</b> |

|   |      |
|---|------|
| Demand from Seniors Who Convert from Homeownership    | 6    |
| Percent of Total Demand From Homeownership Conversion | 1.8% |
| Is this Demand Over 2 percent of Total Demand?        | No   |

**By Bedroom Demand**

|               |               |            |
|---------------|---------------|------------|
| One Person    | 58.9%         | 207        |
| Two Persons   | 20.9%         | 74         |
| Three Persons | 10.2%         | 36         |
| Four Persons  | 5.2%          | 18         |
| Five Persons  | 4.8%          | 17         |
| <b>Total</b>  | <b>100.0%</b> | <b>352</b> |

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

|  |      |     |
|--|------|-----|
| Of one-person households in studio units   | 0%   | 0   |
| Of two-person households in studio units   | 0%   | 0   |
| Of three-person households in studio units | 0%   | 0   |
| Of four-person households in studio units  | 0%   | 0   |
| Of five-person households in studio units  | 0%   | 0   |
| Of one-person households in 1BR units      | 70%  | 145 |
| Of two-person households in 1BR units      | 20%  | 15  |
| Of three-person households in 1BR units    | 0%   | 0   |
| Of four-person households in 1BR units     | 0%   | 0   |
| Of five-person households in 1BR units     | 0%   | 0   |
| Of one-person households in 2BR units      | 30%  | 62  |
| Of two-person households in 2BR units      | 80%  | 59  |
| Of three-person households in 2BR units    | 0%   | 0   |
| Of four-person households in 2BR units     | 0%   | 0   |
| Of five-person households in 2BR units     | 0%   | 0   |
| Of one-person households in 3BR units      | 0%   | 0   |
| Of two-person households in 3BR units      | 0%   | 0   |
| Of three-person households in 3BR units    | 100% | 36  |
| Of four-person households in 3BR units     | 65%  | 12  |
| Of five-person households in 3BR units     | 50%  | 8   |
| Of one-person households in 4BR units      | 0%   | 0   |
| Of two-person households in 4BR units      | 0%   | 0   |
| Of three-person households in 4BR units    | 0%   | 0   |
| Of four-person households in 4BR units     | 35%  | 6   |
| Of five-person households in 4BR units     | 50%  | 8   |
| Of one-person households in 5BR units      | 0%   | 0   |
| Of two-person households in 5BR units      | 0%   | 0   |
| Of three-person households in 5BR units    | 0%   | 0   |
| Of four-person households in 5BR units     | 0%   | 0   |
| Of five-person households in 5BR units     | 0%   | 0   |

**Total Demand** **352**

| Total Demand (Subject Unit Types) |            |   | Additions to Supply |   | Net Demand |
|-----------------------------------|------------|---|---------------------|---|------------|
| 0 BR                              | -          | - | 0                   | = | -          |
| 1 BR                              | 160        | - | 0                   | = | 160        |
| 2 BR                              | 121        | - | 0                   | = | 121        |
| 3 BR                              | -          | - | 0                   | = | -          |
| 4 BR                              | -          | - | 0                   | = | -          |
| 5 BR                              | -          | - | 0                   | = | -          |
| <b>Total</b>                      | <b>281</b> |   | <b>0</b>            |   | <b>281</b> |

| Developer's Unit Mix |           |   | Net Demand | Capture Rate |              |
|----------------------|-----------|---|------------|--------------|--------------|
| 0 BR                 | -         | / | -          | =            | -            |
| 1 BR                 | 8         | / | 160        | =            | 5.0%         |
| 2 BR                 | 40        | / | 121        | =            | 33.0%        |
| 3 BR                 | -         | / | -          | =            | -            |
| 4 BR                 | -         | / | -          | =            | -            |
| 5 BR                 | -         | / | -          | =            | -            |
| <b>Total</b>         | <b>48</b> |   | <b>281</b> |              | <b>17.1%</b> |

#### 4. Capture Rate Analysis Chart

Our demand analysis is used to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of senior households in the PMA is expected to increase 0.7 percent per year between 2018 and 2021.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject's units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

**DEMAND AND NET DEMAND**

|  | HH at @50% AMI<br>(\$14,640 to<br>\$23,350) | HH at @60% AMI<br>(\$17,640 to<br>\$28,020) | Overall Demand |
|--|---|---|----------------|
| Demand from New Households<br>(age and income appropriate)   | -40   | -28   | -47            |
| <b>PLUS</b>  | <b>+</b>                                    | <b>+</b>                                    | <b>+</b>       |
| Demand from Existing Renter<br>Households - Rent Overburdened<br>Households                            | 298   | 255   | 386            |
| <b>PLUS</b>  | <b>+</b>                                    | <b>+</b>                                    | <b>+</b>       |
| Demand from Existing Renter<br>Households - Substandard<br>Housing                                     | 6   | 5   | 7              |
| <b>=</b>   | <b>=</b>                                    | <b>=</b>                                    | <b>=</b>       |
| <b>Sub Total</b>   | <b>263</b>                                  | <b>231</b>                                  | <b>346</b>     |
| Demand from Existing<br>Households - Elderly<br>Homeowner Turnover (Limited<br>to 2% where applicable) | 5   | 4   | 6              |
| <b>Equals Total Demand</b>   | <b>269</b>                                  | <b>235</b>                                  | <b>352</b>     |
| <b>Less</b>  | <b>-</b>                                    | <b>-</b>                                    | <b>-</b>       |
| New Supply   | 0   | 0   | 0              |
| <b>Equals Net Demand</b>   | <b>269</b>                                  | <b>235</b>                                  | <b>352</b>     |

CAPTURE RATE ANALYSIS CHART

| Unit Type    | Minimum Income | Maximum Income | Units Proposed | Total Demand | Supply | Net Demand | Capture Rate | Absorption           | Average Market Rents | Minimum Market Rent | Maximum Market Rent | Proposed Rents |
|--------------|----------------|----------------|----------------|--------------|--------|------------|--------------|----------------------|----------------------|---------------------|---------------------|----------------|
| 1BR @50%     | \$14,640       | \$23,350       | 2              | 122          | 0      | 122        | 1.6%         | Three to four months | \$707                | \$372               | \$1,340             | \$392          |
| 1BR @60%     | \$17,640       | \$28,020       | 6              | 107          | 0      | 107        | 5.6%         | Three to four months | \$824                | \$468               | \$1,340             | \$492          |
| 1BR Overall  | \$14,640       | \$28,020       | 8              | 160          | 0      | 160        | 5.0%         | Three to four months | -                    | -                   | -                   | -              |
| 2BR @50%     | \$17,640       | \$23,350       | 14             | 92           | 0      | 92         | 15.2%        | Three to four months | \$1,000              | \$434               | \$2,275             | \$466          |
| 2BR @60%     | \$21,120       | \$28,020       | 26             | 81           | 0      | 81         | 32.1%        | Three to four months | \$1,159              | \$545               | \$2,275             | \$582          |
| 2BR Overall  | \$17,640       | \$28,020       | 40             | 121          | 0      | 121        | 33.0%        | Three to four months | -                    | -                   | -                   | -              |
| @50% Overall | \$14,640       | \$23,350       | 16             | 214          | 0      | 214        | 7.5%         | Three to four months | -                    | -                   | -                   | -              |
| @60% Overall | \$17,640       | \$28,020       | 32             | 188          | 0      | 188        | 17.0%        | Three to four months | -                    | -                   | -                   | -              |
| Overall      | \$14,640       | \$28,020       | 48             | 281          | 0      | 281        | 17.1%        | Three to four months | -                    | -                   | -                   | -              |

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 1.6 to 15.2 percent, with an overall capture rate of 7.5 percent. The Subject’s 60 percent AMI capture rates range from 5.6 to 32.1 percent, with an overall capture rate of 17.0 percent. The overall capture rate for the project’s 50 and 60 percent units is 17.1 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

# **H. COMPETITIVE RENTAL ANALYSIS**

## Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes eleven “true” comparable properties containing 931 units.

The availability of LIHTC data is considered good; there are nine LIHTC properties in the PMA. However, five were excluded as comparable properties, because they target dissimilar tenancies. We have included six LIHTC properties, including the Subject’s sister property, Dulles Park Apartments, in our analysis. All of the comparable LIHTC properties target senior tenancies and four of the six are located within the PMA, between 0.3 and 18.5 miles from the Subject site. The remaining LIHTC comparables are located 11.4 and 14.7 miles from the Subject site in Macon and are the closest senior properties outside the PMA that participated in our survey. Macon is considered a slightly inferior to inferior location compared to the Subject based on median income and median rents.

The availability of market rate data is considered average. The Subject is located in Gray and there are few market-rate properties in the area. We include five conventional properties in our analysis of the competitive market. Three of the market rate properties are located in the PMA, between 1.1 and 17.8 miles from the Subject site. The remaining market rate comparables are located 12.8 and 12.9 miles from the Subject site in Macon. These comparables were included in our analysis as they are the closest new construction market rate properties to the Subject. Macon is considered a slightly inferior to inferior location compared to the Subject based on median income and median rents. These comparables were built or renovated between 1998 and 2018. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types.

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

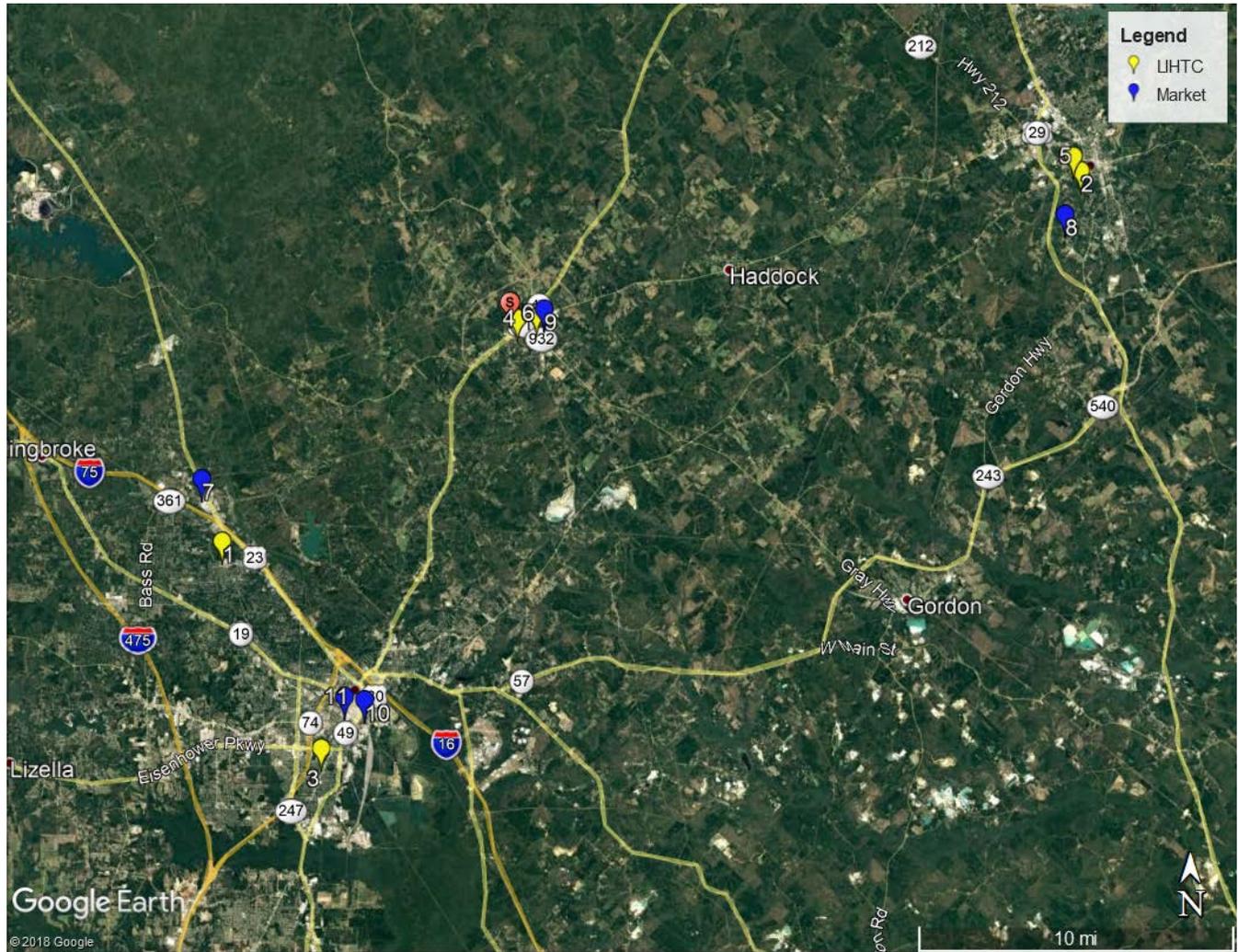
## Excluded Properties

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

### EXCLUDED PROPERTIES

| Property Name                         | Program           | Location      | Tenancy | # of Units | Reason for Exclusion |
|---------------------------------------|-------------------|---------------|---------|------------|----------------------|
| Dulles Park II                        | LIHTC             | Gray          | Senior  | 48         | -                    |
| Edgewood Park Apartments              | LIHTC             | Milledgeville | Family  | 61         | Dissimilar tenancy   |
| Heritage Vista Apartments             | LIHTC             | Milledgeville | Family  | 64         | Dissimilar tenancy   |
| River Walk Apartments                 | LIHTC             | Macon         | Family  | 152        | Dissimilar tenancy   |
| Grove Park Village, INC               | LIHTC             | Macon         | Family  | 40         | Dissimilar tenancy   |
| Waterford Place                       | LIHTC, Market     | Milledgeville | Family  | 80         | Dissimilar tenancy   |
| Robert Graham At Orchard Hill Landing | Public Housing    | Milledgeville | Family  | 170        | Subsidized           |
| McAfee Towers                         | Public Housing    | Macon         | Senior  | 199        | Subsidized           |
| Fairview Park                         | Rural Development | Gordon        | Family  | 22         | Subsidized           |
| Northside Villas of Gray              | Rural Development | Gray          | Family  | 24         | Subsidized           |
| Hunt School                           | Section 8         | Macon         | Senior  | 60         | Subsidized           |
| Milledgeville Manor                   | Section 8         | Milledgeville | Family  | 76         | Subsidized           |
| Prairie Summit Apartments             | Section 8         | Gordon        | Family  | 72         | Subsidized           |
| Autumn Manor                          | Section 8         | Macon         | Senior  | 24         | Subsidized           |
| Dogwood Retirement Housing Inc        | Section 8         | Milledgeville | Senior  | 40         | Subsidized           |
| Gray Gardens Apartments               | Section 8         | Gray          | Family  | 56         | Subsidized           |
| Habersham Homes                       | Section 8         | Milledgeville | Family  | 30         | Subsidized           |
| Jefferson Apartments                  | Section 8         | Macon         | Family  | 88         | Subsidized           |
| Latanya Village Apartments            | Section 8         | Macon         | Family  | 50         | Subsidized           |
| Oconee Voa Housing                    | Section 8         | Milledgeville | Family  | 13         | Subsidized           |
| Riverbend Apartments                  | Section 8         | Milledgeville | Family  | 76         | Subsidized           |
| Rockland Apartments                   | Section 8         | Macon         | Family  | 74         | Subsidized           |
| Walnut Hills Apartments               | Section 8         | Macon         | Family  | 100        | Subsidized           |
| Wray Homes                            | Section 8         | Milledgeville | Family  | 124        | Subsidized           |

Comparable Rental Property Map



Source: Google Earth, April 2019.

COMPARABLE PROPERTIES

| #        | Comparable Property          | City          | Type         | Tenancy       | Distance to Subject |
|----------|------------------------------|---------------|--------------|---------------|---------------------|
| <b>S</b> | <b>Dulles Park II</b>        | <b>Gray</b>   | <b>LIHTC</b> | <b>Senior</b> | <b>-</b>            |
| 1        | Ashton Hill Apartments*      | Macon         | LIHTC        | Senior        | 11.4 miles          |
| 2        | Baldwin Park                 | Milledgeville | LIHTC        | Senior        | 18.6 miles          |
| 3        | Baltic Park Apartments*      | Macon         | LIHTC/PBRA   | Senior        | 14.7 miles          |
| 4        | Dulles Park Apartments       | Gray          | LIHTC        | Senior        | 0.3 miles           |
| 5        | Pecan Hills Of Milledgeville | Milledgeville | LIHTC        | Senior        | 18.5 miles          |
| 6        | Water Tower Park             | Gray          | LIHTC        | Senior        | 0.9 miles           |
| 7        | Adrian On Riverside          | Macon         | Market       | Family        | 10.9 miles          |
| 8        | Ivy League Estates           | Milledgeville | Market       | Family        | 17.8 miles          |
| 9        | Legacy Park                  | Gray          | Market       | Family        | 1.1 miles           |
| 10       | Lofts At Capricorn*          | Macon         | Market       | Family        | 12.8 miles          |
| 11       | Lofts At Navicent Health*    | Macon         | Market       | Family        | 12.9 miles          |

\*Located outside PMA

DULLES PARK II – GRAY, GEORGIA – MARKET STUDY

The following tables illustrate detailed information in a comparable framework for the Subject and the comparable properties.

SUMMARY MATRIX

| Comp #         | Property Name   | Distance to Subject | Type / Built / Renovated                       | Rent Structure   | Unit Description | #         | %     | Size (SF) | Restriction | Rent (Adj) | Max Rent? | Waiting List? | Vacant Units | Vacancy Rate |       |      |
|----------------|---|---------------------|--|--|------------------|-----------|-------|-----------|-------------|------------|-----------|---------------|--------------|--------------|-------|------|
| <b>Subject</b> | Dulles Park II<br>Old Clinton Road<br>Gray, GA 31032<br>Jones County  | -                   | One-story<br>1-stories<br>2021 / n/a<br>Senior | @50%, @60%   | 1BR / 1BA        | 2         | 4.2%  | 740       | @50%        | \$392      | No        | N/A           | N/A          | N/A          |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 6         | 12.5% | 740       | @60%        | \$492      | No        | N/A           | N/A          | N/A          |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 14        | 29.2% | 950       | @50%        | \$466      | No        | N/A           | N/A          | N/A          |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 26        | 54.2% | 950       | @60%        | \$582      | No        | N/A           | N/A          | N/A          |       |      |
|                |   |                     |  |  |                  | <u>48</u> |       |           |             |            |           |               |              |              |       |      |
| 1              | Ashton Hill Apartments<br>925 Tolliver Place<br>Macon, GA 31204<br>Bibb County  | 11.4 miles          | Garden<br>3-stories<br>2001 / n/a<br>Senior    | @50%, @60%   | 1BR / 1BA        | 46        | 57.5% | 697       | @50%        | \$372      | Yes       | Yes           | 2            | 4.4%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 10        | 12.5% | 697       | @60%        | \$513      | Yes       | Yes           | 1            | 10.0%        |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 20        | 25.0% | 951       | @50%        | \$450      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 4         | 5.0%  | 951       | @60%        | \$612      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>80</u>        |           |       |           |             |            |           |               | 3            | 3.8%         |       |      |
| 2              | Baldwin Park<br>South Irwin Street And Harrington Drive<br>Milledgeville, GA 31061<br>Baldwin County                            | 18.6 miles          | One-story<br>1-stories<br>2009 / n/a<br>Senior | @30%, @50%, @60%   | 2BR / 1BA        | 3         | 5.4%  | 896       | @30%        | \$216      | No        | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 12        | 21.4% | 896       | @50%        | \$466      | No        | No            | 1            | 8.3%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 41        | 73.2% | 896       | @60%        | \$574      | No        | No            | 1            | 2.4%         |       |      |
|                |   |                     |  |  |                  | <u>56</u> |       |           |             |            |           |               |              |              |       |      |
| 3              | Baltic Park Apartments<br>822 Hightower Road<br>Macon, GA 31206<br>Bibb County  | 14.7 miles          | Garden<br>2-stories<br>2003 / n/a<br>Senior    | @50%, @60%, @60%<br>(Project Based Rental Assistance - PBRA) | 1BR / 1BA        | 4         | 4.9%  | 891       | @50%        | \$480      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 41        | 50.0% | 891       | @60%        | \$480      | No        | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 13        | 15.9% | 891       | @60% (PBRA) | -          | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 2         | 2.4%  | 1,139     | @50%        | \$545      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 11        | 13.4% | 1,139     | @60%        | \$545      | No        | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | <u>11</u> | 13.4% | 1,139     | @60% (PBRA) | -          | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>82</u>        |           |       |           |             |            |           |               |              | 0            | 0.0%  |      |
| 4              | Dulles Park Apartments<br>220 Old Clinton Road<br>Gray, GA 31032<br>Jones County  | 0.3 miles           | One-story<br>1-stories<br>2005 / n/a<br>Senior | @30%, @50%, @60%   | 1BR / 1BA        | 2         | 2.9%  | 891       | @30%        | \$214      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 1         | 1.5%  | 891       | @50%        | \$426      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 13        | 19.1% | 891       | @60%        | \$498      | No        | Yes           | 1            | 7.7%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 4         | 5.9%  | 1,139     | @30%        | \$221      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 2         | 2.9%  | 1,139     | @50%        | \$486      | No        | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 40        | 58.8% | 1,139     | @60%        | \$582      | No        | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 3BR / 2BA        | 1         | 1.5%  | 1,337     | @30%        | \$227      | Yes       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 3BR / 2BA        | 1         | 1.5%  | 1,337     | @50%        | \$568      | No        | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 3BR / 2BA        | 3         | 4.4%  | 1,337     | @60%        | \$640      | No        | No            | 3            | 100.0%       |       |      |
|                |   |                     |  |  | 3BR / 2BA        | <u>1</u>  | 1.5%  | 1,337     | Non-Rental  | -          | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>68</u>        |           |       |           |             |            |           |               |              | 4            | 5.9%  |      |
| 5              | Pecan Hills Of Milledgeville<br>900 W Montgomery<br>Milledgeville, GA 31061<br>Baldwin County                                   | 18.5 miles          | Midrise<br>3-stories<br>2006 / n/a<br>Senior   | @30%, @50%   | 2BR / 1BA        | 6         | 11.1% | 975       | @30%        | \$196      | No        | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 48        | 88.9% | 975       | @50%        | \$445      | No        | Yes           | 1            | 2.1%         |       |      |
|                |   |                     |  |  | <u>54</u>        |           |       |           |             |            |           |               |              |              | 1     | 1.9% |
| 6              | Water Tower Park<br>South Of Gray Highway, East Of St. Paul<br>Circle, North Of Boulder Drive<br>Gray, GA 31032<br>Jones County | 0.9 miles           | One-story<br>1-stories<br>2016 / n/a<br>Senior | @50%, @60%   | 1BR / 1BA        | 3         | 4.2%  | 800       | @50%        | \$373      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 9         | 12.5% | 800       | @60%        | \$468      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 12        | 16.7% | 950       | @50%        | \$434      | Yes       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | <u>48</u> | 66.7% | 950       | @60%        | \$548      | Yes       | Yes           | 1            | 2.1%         |       |      |
|                |   |                     |  |  | <u>72</u>        |           |       |           |             |            |           |               |              | 1            | 1.4%  |      |
| 7              | Adrian On Riverside<br>5243 Riverside Drive<br>Macon, GA 31210<br>Bibb County   | 10.9 miles          | Garden<br>2-stories<br>2003 / 2009<br>Family   | Market   | 1BR / 1BA        | 24        | 10.7% | 850       | Market      | \$953      | N/A       | No            | 2            | 8.3%         |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 24        | 10.7% | 970       | Market      | \$953      | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 33        | 14.7% | 1,178     | Market      | \$962      | N/A       | No            | 2            | 6.1%         |       |      |
|                |   |                     |  |  | 2BR / 1BA        | 33        | 14.7% | 1,296     | Market      | \$1,005    | N/A       | No            | 1            | 3.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 33        | 14.7% | 1,238     | Market      | \$1,199    | N/A       | No            | 3            | 9.1%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 33        | 14.7% | 1,336     | Market      | \$1,199    | N/A       | No            | 1            | 3.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 28        | 12.5% | 1,386     | Market      | \$1,210    | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 3BR / 2BA        | <u>16</u> | 7.1%  | 1,438     | Market      | \$1,335    | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>224</u>       |           |       |           |             |            |           |               |              | 9            | 4.0%  |      |
| 8              | Ivy League Estates<br>2051 Ivey Drive<br>Milledgeville, GA 31061<br>Baldwin County  | 17.8 miles          | Garden<br>2-stories<br>2006 / 2017<br>Family   | Market   | 2BR / 2BA        | 22        | 78.6% | 950       | Market      | \$775      | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 3BR / 2BA        | 6         | 21.4% | 1,350     | Market      | \$850      | N/A       | No            | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>28</u>        |           |       |           |             |            |           |               |              |              | 0     | 0.0% |
| 9              | Legacy Park<br>153 E Clinton St<br>Gray, GA 31032<br>Jones County   | 1.1 miles           | Various<br>2-stories<br>1998 / n/a<br>Family   | Market   | 1BR / 1BA        | N/A       | N/A   | 550       | Market      | \$511      | N/A       | None          | 0            | N/A          |       |      |
|                |   |                     |  |  | 2BR / 1BA        | N/A       | N/A   | 900       | Market      | \$602      | N/A       | None          | 0            | N/A          |       |      |
|                |   |                     |  |  | 2BR / 1.5BA      | N/A       | N/A   | 900       | Market      | \$627      | N/A       | None          | 0            | N/A          |       |      |
|                |   |                     |  |  | 3BR / 2BA        | N/A       | N/A   | 1,100     | Market      | \$691      | N/A       | None          | 0            | N/A          |       |      |
|                |   |                     |  |  | <u>70</u>        |           |       |           |             |            |           |               |              | 0            | 0.0%  |      |
| 10             | Lofts At Capricorn<br>520 Martin Luther King Jr Blvd<br>Macon, GA 31201<br>Bibb County  | 12.8 miles          | Midrise<br>4-stories<br>2018 / n/a<br>Family   | Market   | 1BR / 1BA        | 82        | 59.9% | 808       | Market      | \$1,205    | N/A       | No            | N/A          | N/A          |       |      |
|                |   |                     |  |  | 1BR / 1BA        | 3         | 2.2%  | 955       | Market      | \$1,320    | N/A       | No            | N/A          | N/A          |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 45        | 32.9% | 968       | Market      | \$1,575    | N/A       | No            | N/A          | N/A          |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 1         | 0.7%  | 1,131     | Market      | \$1,650    | N/A       | No            | N/A          | N/A          |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 3         | 2.2%  | 1,168     | Market      | \$1,820    | N/A       | No            | N/A          | N/A          |       |      |
|                |   |                     |  |  | <u>137</u>       |           |       |           |             |            |           |               |              | 38           | 27.7% |      |
| 11             | Lofts At Navicent Health<br>781 Spring Street<br>Macon, GA 31201<br>Bibb County   | 12.9 miles          | Midrise<br>5-stories<br>2017 / n/a<br>Family   | Market   | 1BR / 1BA        | 41        | 68.3% | 796       | Market      | \$1,340    | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 9         | 15.0% | 1,092     | Market      | \$1,685    | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | 5         | 8.3%  | 1,127     | Market      | \$1,900    | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | 2BR / 2BA        | <u>5</u>  | 8.3%  | 1,395     | Market      | \$2,275    | N/A       | Yes           | 0            | 0.0%         |       |      |
|                |   |                     |  |  | <u>60</u>        |           |       |           |             |            |           |               |              | 0            | 0.0%  |      |

DULLES PARK II – GRAY, GEORGIA – MARKET STUDY

| RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market. |                                   |               |  |               |
|---|-----------------------------------|---------------|--|---------------|
|   | Units Surveyed:                   | 931           | Weighted Occupancy:                      | 93.8%         |
|   | Market Rate                       | 519           | Market Rate:                             | 90.9%         |
|   | Tax Credit                        | 412           | Tax Credit                               | 97.3%         |
| One-Bedroom One Bath  |                                   | Average       | Two-Bedroom Two Bath                     |               |
| RENT  | Property                          | Average       | Property                                 | Average       |
|   | Lofts At Navicent Health (Market) | \$1,340       | Lofts At Navicent Health (Market)        | \$2,275       |
|   | Lofts At Capricorn (Market)       | \$1,320       | Lofts At Navicent Health (Market)        | \$1,900       |
|   | Lofts At Capricorn (Market)       | \$1,205       | Lofts At Capricorn (Market)              | \$1,825       |
|   | Adrian On Riverside (Market)      | \$953         | Lofts At Capricorn (Market)              | \$1,820       |
|   | Adrian On Riverside (Market)      | \$953         | Lofts At Navicent Health (Market)        | \$1,685       |
|   | Ashton Hill Apartments (@60%)     | \$513         | Lofts At Capricorn (Market)              | \$1,650       |
|   | Legacy Park (Market)              | \$511         | Lofts At Capricorn (Market)              | \$1,575       |
|   | Dulles Park Apartments (@60%)     | \$498         | Adrian On Riverside (Market)             | \$1,210       |
|   | <b>Dulles Park II (@60%)</b>      | <b>\$492</b>  | Adrian On Riverside (Market)             | \$1,199       |
|   | Baltic Park Apartments (@60%)     | \$480         | Adrian On Riverside (Market)             | \$1,199       |
|   | Baltic Park Apartments (@50%)     | \$480         | Adrian On Riverside (Market)(1BA)        | \$1,005       |
|   | Water Tower Park (@60%)           | \$468         | Adrian On Riverside (Market)(1BA)        | \$962         |
|   | Dulles Park Apartments (@50%)     | \$426         | Ivy League Estates (Market)              | \$775         |
|   | <b>Dulles Park II (@50%)</b>      | <b>\$392</b>  | Legacy Park (Market)(1.5BA)              | \$627         |
|   | Water Tower Park (@50%)           | \$373         | Ashton Hill Apartments (@60%)            | \$612         |
|   | Ashton Hill Apartments (@50%)     | \$372         | Legacy Park (Market)(1BA)                | \$602         |
|   | Dulles Park Apartments (@30%)     | \$214         | Dulles Park Apartments (@60%)(1BA)       | \$582         |
|   |                                   |               | <b>Dulles Park II (@60%)</b>             | <b>\$582</b>  |
|   |                                   |               | Baldwin Park (@60%)(1BA)                 | \$574         |
|   |                                   |               | Water Tower Park (@60%)                  | \$548         |
|   |                                   |               | Baltic Park Apartments (@50%)(1BA)       | \$545         |
|   |                                   |               | Baltic Park Apartments (@60%)(1BA)       | \$545         |
|   |                                   |               | Dulles Park Apartments (@50%)(1BA)       | \$486         |
|   |                                   |               | <b>Dulles Park II (@50%)</b>             | <b>\$466</b>  |
|   |                                   |               | Baldwin Park (@50%)(1BA)                 | \$466         |
|   |                                   |               | Ashton Hill Apartments (@50%)            | \$450         |
|   |                                   |               | Pecan Hills Of Milledgeville (@50%)(1BA) | \$445         |
|   |                                   |               | Water Tower Park (@50%)                  | \$434         |
|   |                                   |               | Dulles Park Apartments (@30%)(1BA)       | \$221         |
|   |                                   |               | Baldwin Park (@30%)(1BA)                 | \$216         |
|   |                                   |               | Pecan Hills Of Milledgeville (@30%)(1BA) | \$196         |
| SQUARE FOOTAGE  | Adrian On Riverside (Market)      | 970           | Lofts At Capricorn (Market)              | 1,482         |
|   | Lofts At Capricorn (Market)       | 955           | Lofts At Navicent Health (Market)        | 1,395         |
|   | Baltic Park Apartments (@60%)     | 891           | Adrian On Riverside (Market)             | 1,386         |
|   | Dulles Park Apartments (@50%)     | 891           | Adrian On Riverside (Market)             | 1,336         |
|   | Baltic Park Apartments (@60%)     | 891           | Adrian On Riverside (Market)(1BA)        | 1,296         |
|   | Baltic Park Apartments (@50%)     | 891           | Adrian On Riverside (Market)             | 1,238         |
|   | Dulles Park Apartments (@30%)     | 891           | Adrian On Riverside (Market)(1BA)        | 1,178         |
|   | Dulles Park Apartments (@60%)     | 891           | Lofts At Capricorn (Market)              | 1,168         |
|   | Adrian On Riverside (Market)      | 850           | Baltic Park Apartments (@60%)(1BA)       | 1,139         |
|   | Lofts At Capricorn (Market)       | 808           | Dulles Park Apartments (@60%)(1BA)       | 1,139         |
|   | Water Tower Park (@60%)           | 800           | Dulles Park Apartments (@50%)(1BA)       | 1,139         |
|   | Water Tower Park (@50%)           | 800           | Dulles Park Apartments (@30%)(1BA)       | 1,139         |
|   | Lofts At Navicent Health (Market) | 796           | Baltic Park Apartments (@50%)(1BA)       | 1,139         |
|   | <b>Dulles Park II (@50%)</b>      | <b>740</b>    | Baltic Park Apartments (@60%)(1BA)       | 1,139         |
|   | <b>Dulles Park II (@60%)</b>      | <b>740</b>    | Lofts At Capricorn (Market)              | 1,131         |
|   | Ashton Hill Apartments (@50%)     | 697           | Lofts At Navicent Health (Market)        | 1,127         |
|   | Ashton Hill Apartments (@60%)     | 697           | Lofts At Navicent Health (Market)        | 1,092         |
|   | Legacy Park (Market)              | 550           | Pecan Hills Of Milledgeville (@50%)(1BA) | 975           |
|   |                                   |               | Pecan Hills Of Milledgeville (@30%)(1BA) | 975           |
|   |                                   |               | Lofts At Capricorn (Market)              | 968           |
|   |                                   |               | Ashton Hill Apartments (@50%)            | 951           |
|   |                                   |               | Ashton Hill Apartments (@60%)            | 951           |
|   |                                   |               | Ivy League Estates (Market)              | 950           |
|   |                                   |               | <b>Dulles Park II (@50%)</b>             | <b>950</b>    |
|   |                                   |               | <b>Dulles Park II (@60%)</b>             | <b>950</b>    |
|   |                                   |               | Water Tower Park (@60%)                  | 950           |
|   |                                   |               | Water Tower Park (@50%)                  | 950           |
|   |                                   |               | Legacy Park (Market)(1BA)                | 900           |
|   |                                   |               | Legacy Park (Market)(1.5BA)              | 900           |
|   |                                   |               | Baldwin Park (@50%)(1BA)                 | 896           |
|   |                                   |               | Baldwin Park (@30%)(1BA)                 | 896           |
|   |                                   |               | Baldwin Park (@60%)(1BA)                 | 896           |
| RENT PER SQUARE FOOT  | Lofts At Navicent Health (Market) | \$1.68        | Lofts At Navicent Health (Market)        | \$1.69        |
|   | Lofts At Capricorn (Market)       | \$1.49        | Lofts At Navicent Health (Market)        | \$1.63        |
|   | Lofts At Capricorn (Market)       | \$1.38        | Lofts At Capricorn (Market)              | \$1.63        |
|   | Adrian On Riverside (Market)      | \$1.12        | Lofts At Capricorn (Market)              | \$1.56        |
|   | Adrian On Riverside (Market)      | \$0.98        | Lofts At Navicent Health (Market)        | \$1.54        |
|   | Legacy Park (Market)              | \$0.93        | Lofts At Capricorn (Market)              | \$1.46        |
|   | Ashton Hill Apartments (@60%)     | \$0.74        | Lofts At Capricorn (Market)              | \$1.23        |
|   | <b>Dulles Park II (@60%)</b>      | <b>\$0.66</b> | Adrian On Riverside (Market)             | \$0.97        |
|   | Water Tower Park (@60%)           | \$0.59        | Adrian On Riverside (Market)             | \$0.90        |
|   | Dulles Park Apartments (@60%)     | \$0.56        | Adrian On Riverside (Market)             | \$0.87        |
|   | Baltic Park Apartments (@50%)     | \$0.54        | Adrian On Riverside (Market)(1BA)        | \$0.82        |
|   | Baltic Park Apartments (@60%)     | \$0.54        | Ivy League Estates (Market)              | \$0.82        |
|   | Ashton Hill Apartments (@50%)     | \$0.53        | Adrian On Riverside (Market)(1BA)        | \$0.78        |
|   | <b>Dulles Park II (@50%)</b>      | <b>\$0.53</b> | Legacy Park (Market)(1.5BA)              | \$0.70        |
|   | Dulles Park Apartments (@50%)     | \$0.48        | Legacy Park (Market)(1BA)                | \$0.67        |
|   | Water Tower Park (@50%)           | \$0.47        | Ashton Hill Apartments (@60%)            | \$0.64        |
|   | Dulles Park Apartments (@30%)     | \$0.24        | Baldwin Park (@60%)(1BA)                 | \$0.64        |
|   |                                   |               | <b>Dulles Park II (@60%)</b>             | <b>\$0.61</b> |
|   |                                   |               | Water Tower Park (@60%)                  | \$0.58        |
|   |                                   |               | Baldwin Park (@50%)(1BA)                 | \$0.52        |
|   |                                   |               | Dulles Park Apartments (@60%)(1BA)       | \$0.51        |
|   |                                   |               | <b>Dulles Park II (@50%)</b>             | <b>\$0.49</b> |
|   |                                   |               | Baltic Park Apartments (@50%)(1BA)       | \$0.48        |
|   |                                   |               | Baltic Park Apartments (@60%)(1BA)       | \$0.48        |
|   |                                   |               | Ashton Hill Apartments (@50%)            | \$0.47        |
|   |                                   |               | Water Tower Park (@50%)                  | \$0.46        |
|   |                                   |               | Pecan Hills Of Milledgeville (@50%)(1BA) | \$0.46        |
|   |                                   |               | Dulles Park Apartments (@50%)(1BA)       | \$0.43        |
|   |                                   |               | Baldwin Park (@30%)(1BA)                 | \$0.24        |
|   |                                   |               | Pecan Hills Of Milledgeville (@30%)(1BA) | \$0.20        |
|   |                                   |               | Dulles Park Apartments (@30%)(1BA)       | \$0.19        |

# PROPERTY PROFILE REPORT

## Ashton Hill Apartments

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/04/2019  |
| Location               | 925 Tolliver Place<br>Macon, GA 31204<br>Bibb County                     |
| Distance               | 11.4 miles   |
| Units                  | 80   |
| Vacant Units           | 3  |
| Vacancy Rate           | 3.8%   |
| Type                   | Garden (age-restricted) (3 stories)                                      |
| Year Built/Renovated   | 2001 / N/A   |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | Windsor Court, Heathrow Senior Village                                   |
| Tenant Characteristics | Seniors age 55 and older, average age is 75, most tenants are from Macon |
| Contact Name           | Maggie   |
| Phone                  | 478.474.8890   |



### Market Information

|                      |                     |
|----------------------|---------------------|
| Program              | @50%, @60%          |
| Annual Turnover Rate | 15%                 |
| Units/Month Absorbed | N/A                 |
| HCV Tenants          | 38%                 |
| Leasing Pace         | Pre-leased          |
| Annual Chg. in Rent  | Changed to max      |
| Concession           | None                |
| Waiting List         | Yes; unknown length |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type               | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|--------------------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Garden (3 stories) | 46    | 697       | \$411 | \$0                  | @50%        | Yes          | 2      | 4.3%         | yes       | None  |
| 1    | 1     | Garden (3 stories) | 10    | 697       | \$552 | \$0                  | @60%        | Yes          | 1      | 10.0%        | yes       | None  |
| 2    | 2     | Garden (3 stories) | 20    | 951       | \$498 | \$0                  | @50%        | Yes          | 0      | 0.0%         | yes       | None  |
| 2    | 2     | Garden (3 stories) | 4     | 951       | \$660 | \$0                  | @60%        | Yes          | 0      | 0.0%         | yes       | None  |

### Unit Mix

| @50%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent | @60%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-----------|-----------|-------|-------------|------------|-----------|-----------|-----------|-------|-------------|------------|-----------|
| 1BR / 1BA | \$411     | \$0   | \$411       | -\$39      | \$372     | 1BR / 1BA | \$552     | \$0   | \$552       | -\$39      | \$513     |
| 2BR / 2BA | \$498     | \$0   | \$498       | -\$48      | \$450     | 2BR / 2BA | \$660     | \$0   | \$660       | -\$48      | \$612     |

Amenities

|                                  |                            |                 |                 |
|----------------------------------|----------------------------|-----------------|-----------------|
| <b>In-Unit</b>                   |                            | <b>Security</b> | <b>Services</b> |
| Balcony/Patio                    | Blinds                     | None            | None            |
| Carpeting                        | Central A/C                |                 |                 |
| Coat Closet                      | Dishwasher                 |                 |                 |
| Exterior Storage                 | Ceiling Fan                |                 |                 |
| Garbage Disposal                 | Hand Rails                 |                 |                 |
| Oven                             | Pull Cords                 |                 |                 |
| Refrigerator                     | Washer/Dryer hookup        |                 |                 |
| <br>                             |                            |                 |                 |
| <b>Property</b>                  |                            | <b>Premium</b>  | <b>Other</b>    |
| Clubhouse/Meeting Room/Community | Courtyard                  | None            | None            |
| Elevators                        | Exercise Facility          |                 |                 |
| Central Laundry                  | Off-Street Parking(\$0.00) |                 |                 |
| On-Site Management               | Picnic Area                |                 |                 |
| Service Coordination             | Sport Court                |                 |                 |

Comments

The property accepts Housing Choice Vouchers. Currently there are 30 tenants utilizing these vouchers. The contact stated that there were three vacancies. All three vacant units are pre-leased. She also stated that management maintains a waiting list, but she was unable to identify the number of households on the waiting list. The waiting list most recently consisted of 40 households as of a survey from May 2016. The contact claimed that she believes demand for rental housing in the area is high.

Photos



# PROPERTY PROFILE REPORT

## Baldwin Park

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/16/2019  |
| Location               | South Irwin Street And Harrington Drive<br>Milledgeville, GA 31061<br>Baldwin County |
| Distance               | 18.6 miles   |
| Units                  | 56   |
| Vacant Units           | 2  |
| Vacancy Rate           | 3.6%   |
| Type                   | One-story (age-restricted)   |
| Year Built/Renovated   | 2009 / N/A   |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | None identified  |
| Tenant Characteristics | Senior singles and couples 62+   |
| Contact Name           | Bonnie   |
| Phone                  | 478-452-1177   |



### Market Information

|                      |                               |
|----------------------|-------------------------------|
| Program              | @30%, @50%, @60%              |
| Annual Turnover Rate | 11%                           |
| Units/Month Absorbed | N/A                           |
| HCV Tenants          | 2%                            |
| Leasing Pace         | Pre-lease to within one month |
| Annual Chg. in Rent  | Increased 5%                  |
| Concession           | None                          |
| Waiting List         | None                          |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type      | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|-----------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 2    | 1     | One-story | 3     | 896       | \$216 | \$0                  | @30%        | No           | 0      | 0.0%         | no        | None  |
| 2    | 1     | One-story | 12    | 896       | \$466 | \$0                  | @50%        | No           | 1      | 8.3%         | no        | None  |
| 2    | 1     | One-story | 41    | 896       | \$574 | \$0                  | @60%        | No           | 1      | 2.4%         | no        | None  |

### Unit Mix

| @30%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent | @50%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-----------|-----------|-------|-------------|------------|-----------|-----------|-----------|-------|-------------|------------|-----------|
| 2BR / 1BA | \$216     | \$0   | \$216       | \$0        | \$216     | 2BR / 1BA | \$466     | \$0   | \$466       | \$0        | \$466     |
| @60%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |           |           |       |             |            |           |
| 2BR / 1BA | \$574     | \$0   | \$574       | \$0        | \$574     |           |           |       |             |            |           |

## Baldwin Park, continued

### Amenities

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

### Comments

The property accepts Housing Choice Vouchers. Currently, there is one tenant utilizing these vouchers. The contact stated that there are two vacant units, but both of these units are currently pre-leased. She also stated that she believes that demand for affordable housing in the area is high, mentioning that she believes seniors need more affordable housing options.

Photos



# PROPERTY PROFILE REPORT

## Baltic Park Apartments

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/04/2019  |
| Location               | 822 Hightower Road<br>Macon, GA 31206<br>Bibb County         |
| Distance               | 14.7 miles   |
| Units                  | 82   |
| Vacant Units           | 0  |
| Vacancy Rate           | 0.0%   |
| Type                   | Garden (age-restricted) (2 stories)                          |
| Year Built/Renovated   | 2003 / N/A   |
| Marketing Began        | 9/30/2003  |
| Leasing Began          | 9/30/2003  |
| Last Unit Leased       | 12/31/2003   |
| Major Competitors      | None identified  |
| Tenant Characteristics | Seniors 55+, average age is 71; Majority from the Macon area |
| Contact Name           | Zenobia  |
| Phone                  | 478-788-3514   |



### Market Information

|                      |  |
|----------------------|--|
| Program              | @50%, @60%, @60% (Project Based Rental |
| Annual Turnover Rate | 5%                                     |
| Units/Month Absorbed | 27                                     |
| HCV Tenants          | 32%                                    |
| Leasing Pace         | Within two weeks                       |
| Annual Chg. in Rent  | Increased 3%                           |
| Concession           | None                                   |
| Waiting List         | Yes; 40 households                     |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type               | Units | Size (SF) | Rent  | Concession (monthly) | Restriction                                   | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|--------------------|-------|-----------|-------|----------------------|---|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Garden (2 stories) | 4     | 891       | \$480 | \$0                  | @50%  | Yes          | 0      | 0.0%         | yes       | None  |
| 1    | 1     | Garden (2 stories) | 41    | 891       | \$480 | \$0                  | @60%  | Yes          | 0      | 0.0%         | no        | None  |
| 1    | 1     | Garden (2 stories) | 13    | 891       | N/A   | \$0                  | @60% (Project Based Rental Assistance - PBRA) | Yes          | 0      | 0.0%         | N/A       | None  |
| 2    | 1     | Garden (2 stories) | 2     | 1,139     | \$545 | \$0                  | @50%  | Yes          | 0      | 0.0%         | yes       | None  |
| 2    | 1     | Garden (2 stories) | 11    | 1,139     | \$545 | \$0                  | @60%  | Yes          | 0      | 0.0%         | no        | None  |
| 2    | 1     | Garden (2 stories) | 11    | 1,139     | N/A   | \$0                  | @60% (Project Based Rental Assistance - PBRA) | Yes          | 0      | 0.0%         | N/A       | None  |

### Unit Mix

| @50%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent | @60%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-----------|-----------|-------|-------------|------------|-----------|-----------|-----------|-------|-------------|------------|-----------|
| 1BR / 1BA | \$480     | \$0   | \$480       | \$0        | \$480     | 1BR / 1BA | \$480     | \$0   | \$480       | \$0        | \$480     |
| 2BR / 1BA | \$545     | \$0   | \$545       | \$0        | \$545     | 2BR / 1BA | \$545     | \$0   | \$545       | \$0        | \$545     |

## Baltic Park Apartments, continued

### Amenities

|                              |                                  |                   |                           |
|------------------------------|----------------------------------|-------------------|---------------------------|
| <b>In-Unit</b>               |                                  | <b>Security</b>   | <b>Services</b>           |
| Balcony/Patio                | Blinds                           | Limited Access    | None                      |
| Carpeting                    | Central A/C                      | Perimeter Fencing |                           |
| Dishwasher                   | Ceiling Fan                      |                   |                           |
| Garbage Disposal             | Hand Rails                       |                   |                           |
| Oven                         | Pull Cords                       |                   |                           |
| Refrigerator                 | Walk-In Closet                   |                   |                           |
| Washer/Dryer hookup          |                                  |                   |                           |
| <b>Property</b>              |                                  | <b>Premium</b>    | <b>Other</b>              |
| Business Center/Computer Lab | Clubhouse/Meeting Room/Community | None              | Gazebo, Community Garden, |
| Exercise Facility            | Central Laundry                  |                   |                           |
| Off-Street Parking(\$0.00)   | On-Site Management               |                   |                           |
| Picnic Area                  | Recreation Areas                 |                   |                           |
| Sport Court                  |                                  |                   |                           |

### Comments

The property accepts Housing Choice Vouchers. There are currently 26 tenants utilizing these vouchers. The property maintains a waiting list of 40 households. The contact stated that she believes demand for affordable housing in the area is high, citing that management sees a steady stream of prospective tenants.

Photos



# PROPERTY PROFILE REPORT

## Dulles Park Apartments

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/09/2019  |
| Location               | 220 Old Clinton Road<br>Gray, GA 31032<br>Jones County         |
| Distance               | 0.3 miles  |
| Units                  | 68   |
| Vacant Units           | 4  |
| Vacancy Rate           | 5.9%   |
| Type                   | One-story (age-restricted)                                     |
| Year Built/Renovated   | 2005 / N/A   |
| Marketing Began        | 8/01/2005  |
| Leasing Began          | 12/01/2005   |
| Last Unit Leased       | 9/30/2006  |
| Major Competitors      | Water Tower Park   |
| Tenant Characteristics | Average age 68; Most come from Gray, Macon, and Milledgeville. |
| Contact Name           | Crystal  |
| Phone                  | 478-986-1020   |



### Market Information

|                      |   |
|----------------------|---|
| Program              | @30%, @50%, @60%, Non-Rental  |
| Annual Turnover Rate | 26%   |
| Units/Month Absorbed | N/A   |
| HCV Tenants          | 30%   |
| Leasing Pace         | Pre-lease to within two weeks   |
| Annual Chg. in Rent  | Increased 2-5%  |
| Concession           | None  |
| Waiting List         | Yes; three HHs for one-bedroom units, three HHs for two-bedroom units |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type      | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|-----------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | One-story | 2     | 891       | \$214 | \$0                  | @30%        | Yes          | 0      | 0.0%         | yes       | None  |
| 1    | 1     | One-story | 1     | 891       | \$426 | \$0                  | @50%        | Yes          | 0      | 0.0%         | yes       | None  |
| 1    | 1     | One-story | 13    | 891       | \$498 | \$0                  | @60%        | Yes          | 1      | 7.7%         | no        | None  |
| 2    | 1     | One-story | 4     | 1,139     | \$221 | \$0                  | @30%        | Yes          | 0      | 0.0%         | yes       | None  |
| 2    | 1     | One-story | 2     | 1,139     | \$486 | \$0                  | @50%        | Yes          | 0      | 0.0%         | no        | None  |
| 2    | 1     | One-story | 40    | 1,139     | \$582 | \$0                  | @60%        | Yes          | 0      | 0.0%         | no        | None  |
| 3    | 2     | One-story | 1     | 1,337     | \$227 | \$0                  | @30%        | No           | 0      | 0.0%         | yes       | None  |
| 3    | 2     | One-story | 1     | 1,337     | \$568 | \$0                  | @50%        | No           | 0      | 0.0%         | no        | None  |
| 3    | 2     | One-story | 3     | 1,337     | \$640 | \$0                  | @60%        | No           | 3      | 100.0%       | no        | None  |
| 3    | 2     | One-story | 1     | 1,337     | N/A   | \$0                  | Non-Rental  | No           | 0      | 0.0%         | N/A       | None  |



Photos



# PROPERTY PROFILE REPORT

## Pecan Hills Of Milledgeville

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/16/2019  |
| Location               | 900 W Montgomery<br>Milledgeville, GA 31061<br>Baldwin County        |
| Distance               | 18.5 miles   |
| Units                  | 54   |
| Vacant Units           | 1  |
| Vacancy Rate           | 1.9%   |
| Type                   | Midrise (age-restricted) (3 stories)                                 |
| Year Built/Renovated   | 2006 / N/A   |
| Marketing Began        | 12/01/2006   |
| Leasing Began          | 12/05/2006   |
| Last Unit Leased       | N/A  |
| Major Competitors      | No other senior LIHTC in area; Dulles Park in Gray                   |
| Tenant Characteristics | Avg age: 70, most are from Baldwin County and the surrounding areas. |
| Contact Name           | Sheryl   |
| Phone                  | 478.451.0026   |



### Market Information

|                      |                       |
|----------------------|-----------------------|
| Program              | @30%, @50%            |
| Annual Turnover Rate | 15%                   |
| Units/Month Absorbed | 54                    |
| HCV Tenants          | 6%                    |
| Leasing Pace         | One week to one month |
| Annual Chg. in Rent  | Stable                |
| Concession           | None                  |
| Waiting List         | Yes; 10 households    |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type                | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|---------------------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 2    | 1     | Midrise (3 stories) | 6     | 975       | \$244 | \$0                  | @30%        | Yes          | 0      | 0.0%         | no        | None  |
| 2    | 1     | Midrise (3 stories) | 48    | 975       | \$493 | \$0                  | @50%        | Yes          | 1      | 2.1%         | no        | None  |

### Unit Mix

| @30%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent | @50%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-----------|-----------|-------|-------------|------------|-----------|-----------|-----------|-------|-------------|------------|-----------|
| 2BR / 1BA | \$244     | \$0   | \$244       | -\$48      | \$196     | 2BR / 1BA | \$493     | \$0   | \$493       | -\$48      | \$445     |

## Pecan Hills Of Milledgeville, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Furnishing  
Hand Rails  
Oven  
Refrigerator  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Garbage Disposal  
Microwave  
Pull Cords  
Walk-In Closet

#### Security

Intercom (Buzzer)  
Limited Access

#### Services

Shuttle Service

#### Property

Business Center/Computer Lab  
Elevators  
Central Laundry  
On-Site Management

Clubhouse/Meeting Room/Community  
Exercise Facility  
Off-Street Parking(\$0.00)  
Picnic Area

#### Premium

Hairdresser / Barber

#### Other

Walking Trail, Library

### Comments

The property accepts Housing Choice Vouchers. The contact stated that management maintains a waiting list of 10 households. The one vacant unit is being process from the waiting list. The property contact reported strong demand for affordable senior housing in the area.

# PROPERTY PROFILE REPORT

## Water Tower Park

**Effective Rent Date** 4/09/2019  
**Location** South Of Gray Highway, East Of St. Paul Circle,  
 North Of Boulder Drive  
 Gray, GA 31032  
 Jones County  
**Distance** 0.9 miles  
**Units** 72  
**Vacant Units** 1  
**Vacancy Rate** 1.4%  
**Type** One-story (age-restricted)  
**Year Built/Renovated** 2016 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Dulles Park  
**Tenant Characteristics** Seniors late 50s early 60s  
**Contact Name** Bobbie  
**Phone** 478-221-3055



### Market Information

**Program** @50%, @60%  
**Annual Turnover Rate** 28%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 4%  
**Leasing Pace** Pre-lease to within one week  
**Annual Chg. in Rent** Increased to max  
**Concession** None  
**Waiting List** Yes; six HHs for one-bedroom units and two households for two-bedroom units

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type      | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|-----------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | One-story | 3     | 800       | \$373 | \$0                  | @50%        | Yes          | 0      | 0.0%         | yes       | None  |
| 1    | 1     | One-story | 9     | 800       | \$468 | \$0                  | @60%        | Yes          | 0      | 0.0%         | yes       | None  |
| 2    | 2     | One-story | 12    | 950       | \$434 | \$0                  | @50%        | Yes          | 0      | 0.0%         | yes       | None  |
| 2    | 2     | One-story | 48    | 950       | \$548 | \$0                  | @60%        | Yes          | 1      | 2.1%         | yes       | None  |

### Unit Mix

| @50%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent | @60%      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-----------|-----------|-------|-------------|------------|-----------|-----------|-----------|-------|-------------|------------|-----------|
| 1BR / 1BA | \$373     | \$0   | \$373       | \$0        | \$373     | 1BR / 1BA | \$468     | \$0   | \$468       | \$0        | \$468     |
| 2BR / 2BA | \$434     | \$0   | \$434       | \$0        | \$434     | 2BR / 2BA | \$548     | \$0   | \$548       | \$0        | \$548     |

## Water Tower Park, continued

### Amenities

| In-Unit                      |                                  | Security       | Services |
|------------------------------|----------------------------------|----------------|----------|
| Balcony/Patio                | Blinds                           | Limited Access | None     |
| Cable/Satellite/Internet     | Carpeting                        |                |          |
| Central A/C                  | Dishwasher                       |                |          |
| Ceiling Fan                  | Garbage Disposal                 |                |          |
| Oven                         | Pull Cords                       |                |          |
| Refrigerator                 | Walk-In Closet                   |                |          |
| Washer/Dryer                 | Washer/Dryer hookup              |                |          |
| Property                     |                                  | Premium        | Other    |
| Business Center/Computer Lab | Clubhouse/Meeting Room/Community | None           | None     |
| Exercise Facility            | Central Laundry                  |                |          |
| Off-Street Parking(\$0.00)   | On-Site Management               |                |          |

### Comments

The property accepts Housing Choice Vouchers. There are currently three tenants utilizing these vouchers. The contact stated that the property has one vacant unit, which is pre-leased. She also stated that management maintains a waiting list of eight households. There are six households on the waiting list for one-bedroom units and two households on the waiting list for two-bedroom units. She also stated that she believes demand for affordable housing in the area is high.

Photos



# PROPERTY PROFILE REPORT

## Adrian On Riverside

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/10/2019  |
| Location               | 5243 Riverside Drive<br>Macon, GA 31210<br>Bibb County           |
| Distance               | 10.9 miles   |
| Units                  | 224  |
| Vacant Units           | 9  |
| Vacancy Rate           | 4.0%   |
| Type                   | Garden (2 stories)   |
| Year Built/Renovated   | 2003 / 2009  |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | Lullwater Apartments   |
| Tenant Characteristics | Diverse mix of families, professionals,<br>students, and seniors |
| Contact Name           | Christin   |
| Phone                  | 478-796-8020   |



### Market Information

|                      |                   |
|----------------------|-------------------|
| Program              | Market            |
| Annual Turnover Rate | 21%               |
| Units/Month Absorbed | 15                |
| HCV Tenants          | 0%                |
| Leasing Pace         | One to four weeks |
| Annual Chg. in Rent  | Changes daily     |
| Concession           | None              |
| Waiting List         | None              |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type               | Units | Size (SF) | Rent    | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|--------------------|-------|-----------|---------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Garden (2 stories) | 24    | 850       | \$938   | \$0                  | Market      | No           | 2      | 8.3%         | N/A       | None  |
| 1    | 1     | Garden (2 stories) | 24    | 970       | \$938   | \$0                  | Market      | No           | 0      | 0.0%         | N/A       | None  |
| 2    | 1     | Garden (2 stories) | 33    | 1,178     | \$947   | \$0                  | Market      | No           | 2      | 6.1%         | N/A       | None  |
| 2    | 1     | Garden (2 stories) | 33    | 1,296     | \$990   | \$0                  | Market      | No           | 1      | 3.0%         | N/A       | None  |
| 2    | 2     | Garden (2 stories) | 33    | 1,238     | \$1,184 | \$0                  | Market      | No           | 3      | 9.1%         | N/A       | None  |
| 2    | 2     | Garden (2 stories) | 33    | 1,336     | \$1,184 | \$0                  | Market      | No           | 1      | 3.0%         | N/A       | None  |
| 2    | 2     | Garden (2 stories) | 28    | 1,386     | \$1,195 | \$0                  | Market      | No           | 0      | 0.0%         | N/A       | None  |
| 3    | 2     | Garden (2 stories) | 16    | 1,438     | \$1,320 | \$0                  | Market      | No           | 0      | 0.0%         | N/A       | None  |

### Unit Mix

| Market    | Face Rent         | Conc. | Concd. Rent       | Util. Adj. | Adj. Rent         |
|-----------|-------------------|-------|-------------------|------------|-------------------|
| 1BR / 1BA | \$938             | \$0   | \$938             | \$15       | \$953             |
| 2BR / 1BA | \$947 - \$990     | \$0   | \$947 - \$990     | \$15       | \$962 - \$1,005   |
| 2BR / 2BA | \$1,184 - \$1,195 | \$0   | \$1,184 - \$1,195 | \$15       | \$1,199 - \$1,210 |
| 3BR / 2BA | \$1,320           | \$0   | \$1,320           | \$15       | \$1,335           |

## Adrian On Riverside, continued

### Amenities

| In-Unit                          |                            | Security          | Services                     |
|----------------------------------|----------------------------|-------------------|------------------------------|
| Balcony/Patio                    | Blinds                     | In-Unit Alarm     | None                         |
| Carpeting                        | Central A/C                | Limited Access    |                              |
| Coat Closet                      | Dishwasher                 | Perimeter Fencing |                              |
| Exterior Storage                 | Ceiling Fan                |                   |                              |
| Garbage Disposal                 | Oven                       |                   |                              |
| Refrigerator                     | Walk-In Closet             |                   |                              |
| Washer/Dryer hookup              |                            |                   |                              |
|                                  |                            |                   |                              |
| Property                         |                            | Premium           | Other                        |
| Business Center/Computer Lab     | Car Wash                   | None              | Putting green, billiard room |
| Clubhouse/Meeting Room/Community | Exercise Facility          |                   |                              |
| Central Laundry                  | Off-Street Parking(\$0.00) |                   |                              |
| On-Site Management               | Picnic Area                |                   |                              |
| Playground                       | Recreation Areas           |                   |                              |
| Sauna                            | Swimming Pool              |                   |                              |
| Theatre                          |                            |                   |                              |

### Comments

The property does not accept Housing Choice Vouchers. Tenants pay a monthly fee for water, sewer, and trash collection of \$25 for one-bedroom units, \$35 for two-bedroom units, and \$45 for three-bedroom units. The property uses Yieldstar, so rents change daily. Garages are available to tenants for \$150 per month. The contact stated that she believes there is strong demand for rental housing in the area.

Photos





## Comments

The property does not accept Housing Choice Vouchers. The contact reported the property is typically fully-occupied. She also stated that she believes demand for rental housing in the area is high.

Photos



# PROPERTY PROFILE REPORT

## Legacy Park

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/15/2019  |
| Location               | 153 E Clinton St<br>Gray, GA 31032<br>Jones County |
| Distance               | 1.1 miles  |
| Units                  | 70   |
| Vacant Units           | 0  |
| Vacancy Rate           | 0.0%   |
| Type                   | Various (2 stories)                                |
| Year Built/Renovated   | 1998 / N/A   |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | None identified                                    |
| Tenant Characteristics | Mixed tenancy                                      |
| Contact Name           | Andy   |
| Phone                  | (478) 986-3270                                     |



### Market Information

|                      |        |
|----------------------|--------|
| Program              | Market |
| Annual Turnover Rate | N/A    |
| Units/Month Absorbed | N/A    |
| HCV Tenants          | 0%     |
| Leasing Pace         | Varies |
| Annual Chg. in Rent  | Stable |
| Concession           | None   |
| Waiting List         | None   |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type      | Units | Size (SF) | Rent  | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|-----------|-------|-----------|-------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Garden    | N/A   | 550       | \$550 | \$0                  | Market      | None         | 0      | N/A          | N/A       | None  |
| 2    | 1     | Garden    | N/A   | 900       | \$650 | \$0                  | Market      | None         | 0      | N/A          | N/A       | None  |
| 2    | 1.5   | Townhouse | N/A   | 900       | \$675 | \$0                  | Market      | None         | 0      | N/A          | N/A       | None  |
| 3    | 2     | Garden    | N/A   | 1,100     | \$750 | \$0                  | Market      | None         | 0      | N/A          | N/A       | None  |

### Unit Mix

| Market      | Face Rent | Conc. | Concd. Rent | Util. Adj. | Adj. Rent |
|-------------|-----------|-------|-------------|------------|-----------|
| 1BR / 1BA   | \$550     | \$0   | \$550       | -\$39      | \$511     |
| 2BR / 1BA   | \$650     | \$0   | \$650       | -\$48      | \$602     |
| 2BR / 1.5BA | \$675     | \$0   | \$675       | -\$48      | \$627     |
| 3BR / 2BA   | \$750     | \$0   | \$750       | -\$59      | \$691     |

### Amenities

|                  |                            |          |          |
|------------------|----------------------------|----------|----------|
| In-Unit          |                            | Security | Services |
| Blinds           | Carpeting                  | None     | None     |
| Central A/C      | Dishwasher                 |          |          |
| Garbage Disposal | Oven                       |          |          |
| Refrigerator     | Washer/Dryer hookup        |          |          |
| Property         |                            | Premium  | Other    |
| Basketball Court | Off-Street Parking(\$0.00) | None     | None     |
| Playground       |                            |          |          |

Comments

The property does not accept Housing Choice Vouchers. The contact stated that the property is fully-occupied.

Photos



# PROPERTY PROFILE REPORT

## Lofts At Capricorn

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/15/2019  |
| Location               | 520 Martin Luther King Jr Blvd<br>Macon, GA 31201<br>Bibb County |
| Distance               | 12.8 miles   |
| Units                  | 137  |
| Vacant Units           | 38   |
| Vacancy Rate           | 27.7%  |
| Type                   | Midrise (4 stories)  |
| Year Built/Renovated   | 2018 / N/A   |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | The Lofts at Navicent  |
| Tenant Characteristics | Singles and couples from out of state                            |
| Contact Name           | Kaylee   |
| Phone                  | 478-200-4567   |



### Market Information

|                      |                     |
|----------------------|---------------------|
| Program              | Market              |
| Annual Turnover Rate | 26%                 |
| Units/Month Absorbed | 9                   |
| HCV Tenants          | N/A                 |
| Leasing Pace         | one to three months |
| Annual Chg. in Rent  | Decreased 5%        |
| Concession           | None                |
| Waiting List         | None                |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type                | Units | Size (SF) | Rent    | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|---------------------|-------|-----------|---------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Midrise (4 stories) | 82    | 808       | \$1,205 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |
| 1    | 1     | Midrise (4 stories) | 3     | 955       | \$1,320 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |
| 2    | 2     | Midrise (4 stories) | 45    | 968       | \$1,575 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |
| 2    | 2     | Midrise (4 stories) | 1     | 1,131     | \$1,650 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |
| 2    | 2     | Midrise (4 stories) | 3     | 1,168     | \$1,820 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |
| 2    | 2     | Midrise (4 stories) | 3     | 1,482     | \$1,825 | \$0                  | Market      | No           | N/A    | N/A          | N/A       | None  |

### Unit Mix

| Market    | Face Rent         | Conc. | Concd. Rent       | Util. Adj. | Adj. Rent         |
|-----------|-------------------|-------|-------------------|------------|-------------------|
| 1BR / 1BA | \$1,205 - \$1,320 | \$0   | \$1,205 - \$1,320 | \$0        | \$1,205 - \$1,320 |
| 2BR / 2BA | \$1,575 - \$1,825 | \$0   | \$1,575 - \$1,825 | \$0        | \$1,575 - \$1,825 |

## Lofts At Capricorn, continued

### Amenities

| In-Unit                      |                                  | Security           | Services        |
|------------------------------|----------------------------------|--------------------|-----------------|
| Balcony/Patio                | Blinds                           | Intercom (Buzzer)  | None            |
| Cable/Satellite/Internet     | Carpet/Hardwood                  | Limited Access     |                 |
| Central A/C                  | Coat Closet                      | Perimeter Fencing  |                 |
| Dishwasher                   | Ceiling Fan                      | Video Surveillance |                 |
| Garbage Disposal             | Microwave                        |                    |                 |
| Oven                         | Refrigerator                     |                    |                 |
| Walk-In Closet               | Washer/Dryer                     |                    |                 |
| Washer/Dryer hookup          |                                  |                    |                 |
| Property                     |                                  | Premium            | Other           |
| Business Center/Computer Lab | Clubhouse/Meeting Room/Community | None               | Package service |
| Courtyard                    | Elevators                        |                    |                 |
| Exercise Facility            | Off-Street Parking(\$0.00)       |                    |                 |
| On-Site Management           | Picnic Area                      |                    |                 |
| Swimming Pool                |                                  |                    |                 |

### Comments

The property began leasing in December 2017 and is still in lease-up. The contact attributed this to management changes occurring early on in the lease-up phase. The property does not accept Housing Choice Vouchers. Cable/satellite/internet is included in the rents. Garages and storage units are available to tenants for \$150 and \$50 per month, respectively. The contact stated that she believes demand for rental housing in the area is high.

# PROPERTY PROFILE REPORT

## Lofts At Navicent Health

|                        |  |
|------------------------|--|
| Effective Rent Date    | 4/15/2019  |
| Location               | 781 Spring Street<br>Macon, GA 31201<br>Bibb County    |
| Distance               | 12.9 miles   |
| Units                  | 60   |
| Vacant Units           | 0  |
| Vacancy Rate           | 0.0%   |
| Type                   | Midrise (5 stories)                                    |
| Year Built/Renovated   | 2017 / N/A   |
| Marketing Began        | N/A  |
| Leasing Began          | N/A  |
| Last Unit Leased       | N/A  |
| Major Competitors      | Lofts at Capricorn                                     |
| Tenant Characteristics | Singles, couples, and seniors from in and out of state |
| Contact Name           | Michelle   |
| Phone                  | 478-336-5229   |



### Market Information

|                      |                        |
|----------------------|------------------------|
| Program              | Market                 |
| Annual Turnover Rate | 60%                    |
| Units/Month Absorbed | 6                      |
| HCV Tenants          | N/A                    |
| Leasing Pace         | Pre-lease to one week  |
| Annual Chg. in Rent  | Increased less than 1% |
| Concession           | None                   |
| Waiting List         | Yes; 13 households     |

### Utilities

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

### Unit Mix (face rent)

| Beds | Baths | Type                | Units | Size (SF) | Rent    | Concession (monthly) | Restriction | Waiting List | Vacant | Vacancy Rate | Max Rent? | Range |
|------|-------|---------------------|-------|-----------|---------|----------------------|-------------|--------------|--------|--------------|-----------|-------|
| 1    | 1     | Midrise (5 stories) | 41    | 796       | \$1,340 | \$0                  | Market      | Yes          | 0      | 0.0%         | N/A       | None  |
| 2    | 2     | Midrise (5 stories) | 9     | 1,092     | \$1,685 | \$0                  | Market      | Yes          | 0      | 0.0%         | N/A       | None  |
| 2    | 2     | Midrise (5 stories) | 5     | 1,127     | \$1,900 | \$0                  | Market      | Yes          | 0      | 0.0%         | N/A       | None  |
| 2    | 2     | Midrise (5 stories) | 5     | 1,395     | \$2,275 | \$0                  | Market      | Yes          | 0      | 0.0%         | N/A       | None  |

### Unit Mix

| Market    | Face Rent         | Conc. | Concd. Rent       | Util. Adj. | Adj. Rent         |
|-----------|-------------------|-------|-------------------|------------|-------------------|
| 1BR / 1BA | \$1,340           | \$0   | \$1,340           | \$0        | \$1,340           |
| 2BR / 2BA | \$1,685 - \$2,275 | \$0   | \$1,685 - \$2,275 | \$0        | \$1,685 - \$2,275 |

Amenities

|                                  |                            |                    |                 |
|----------------------------------|----------------------------|--------------------|-----------------|
| <b>In-Unit</b>                   |                            | <b>Security</b>    | <b>Services</b> |
| Blinds                           | Cable/Satellite/Internet   | Intercom (Buzzer)  | None            |
| Carpeting                        | Central A/C                | Limited Access     |                 |
| Coat Closet                      | Dishwasher                 | Patrol             |                 |
| Ceiling Fan                      | Garbage Disposal           | Perimeter Fencing  |                 |
| Microwave                        | Oven                       | Video Surveillance |                 |
| Refrigerator                     | Walk-In Closet             |                    |                 |
| Washer/Dryer                     | Washer/Dryer hookup        |                    |                 |
| <br>                             |                            |                    |                 |
| <b>Property</b>                  |                            | <b>Premium</b>     | <b>Other</b>    |
| Clubhouse/Meeting Room/Community | Elevators                  | None               | Package Service |
| Exercise Facility                | Off-Street Parking(\$0.00) |                    |                 |
| Picnic Area                      | Service Coordination       |                    |                 |
| Swimming Pool                    |                            |                    |                 |

Comments

The property does not accept Housing Choice Vouchers. The contact stated that internet is included in the rents. She also mentioned that management maintains a waiting list of 13 households currently. She also mentioned that she believes demand for rental housing in the area is high, because she believes Macon's economy is doing well and the property is in close proximity to Mercer and a hospital.

## 1. Housing Choice Vouchers

We were able to speak with Mr. David Samloff, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Jones County. According to Mr. Samloff, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Mr. Samloff also mentioned that there are approximately 35 families utilizing these Housing Choice Vouchers in Jones County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list. The following table illustrates voucher usage at the comparables.

### TENANTS WITH VOUCHERS

| Property Name                | Rent Structure | Tenancy | Housing Choice Voucher Tenants |
|------------------------------|----------------|---------|--------------------------------|
| Ashton Hill Apartments       | LIHTC          | Senior  | 38%                            |
| Baldwin Park                 | LIHTC          | Senior  | 2%                             |
| Baltic Park Apartments       | LIHTC/PBRA     | Senior  | 32%                            |
| Dulles Park Apartments       | LIHTC          | Senior  | 30%                            |
| Pecan Hills Of Milledgeville | LIHTC          | Senior  | 6%                             |
| Water Tower Park             | LIHTC          | Senior  | 4%                             |
| Adrian On Riverside          | Market         | Family  | 0%                             |
| Ivy League Estates           | Market         | Family  | 0%                             |
| Legacy Park                  | Market         | Family  | 0%                             |
| Lofts At Capricorn           | Market         | Family  | 0%                             |
| Lofts At Navicent Health     | Market         | Family  | 0%                             |

Housing Choice Voucher usage in this market ranges from zero to 38 percent. The majority of LIHTC properties report a low to moderate reliance on tenants with vouchers. Ashton Hill Apartments reported the highest reliance on tenants with vouchers, reporting that 38 percent of their tenants utilize vouchers. The remaining LIHTC properties reported lower voucher usage rates. Thus, it appears that the Subject will not need to rely solely on voucher residents in order to maintain a high occupancy level. As a LIHTC property, we anticipate that the Subject will operate with a voucher usage of less than 30 percent.

## 2. Phased Developments

The Subject is part of a phased development. It is the second phase of the Dulles Park development. The first phase, Dulles Park Apartments, is located adjacent to the Subject site and was built in 2005. The Subject's sister property is restricted to seniors, those aged 55 or older, and consists of 68 one, two, and three-bedroom units restricted at the 30, 50, and 60 percent AMI level. For the purposes of this report, Dulles Park Apartments is included as a comparable property. Management at the property stated that the property typically operates at 98 percent occupancy.

### Lease Up History

We were able to obtain absorption information from two of the comparable properties, both market rate, as well as three recently constructed LIHTC properties in the market area. These are illustrated in the following table.

### ABSORPTION

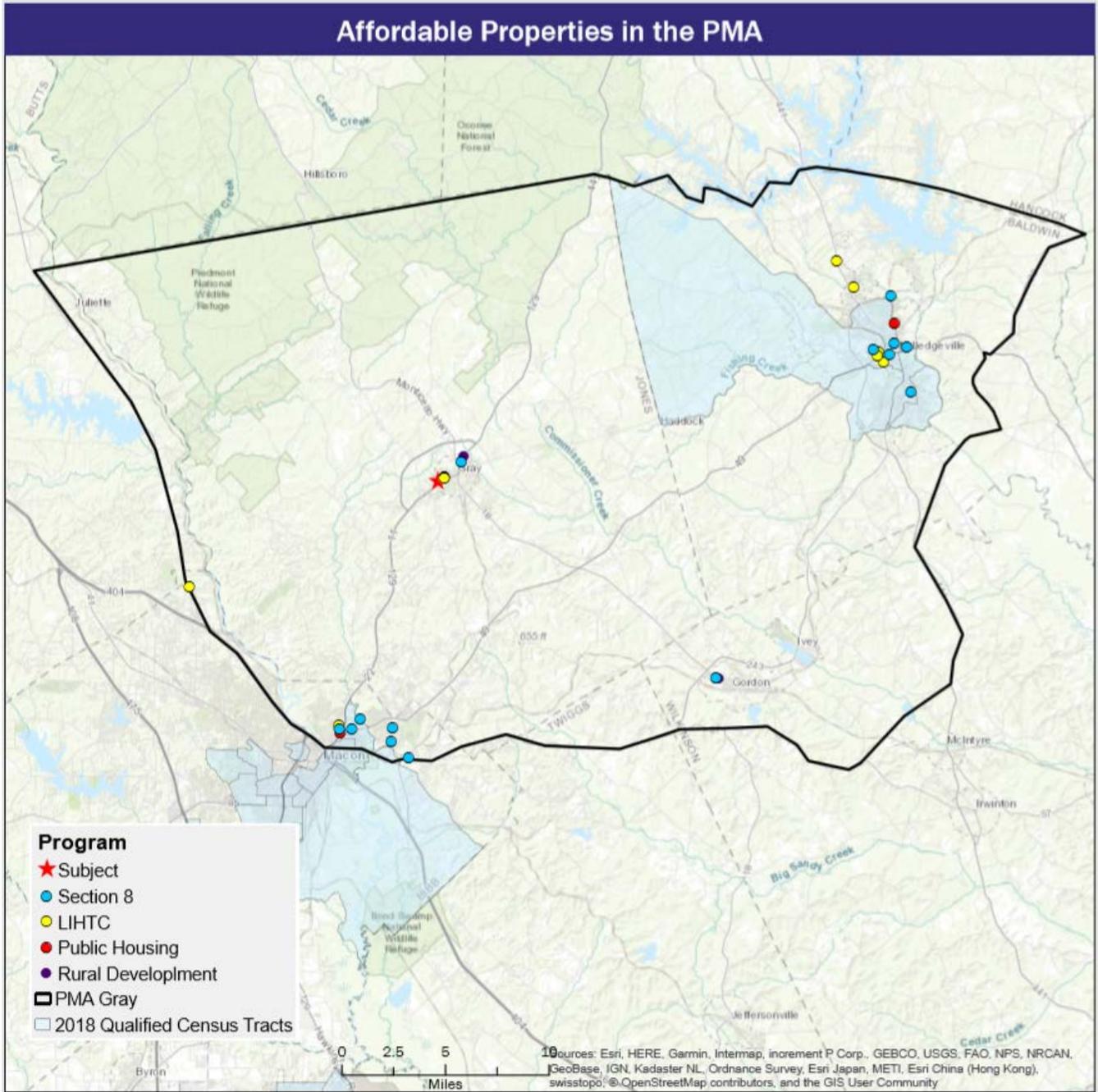
| Property Name            | Type   | Tenancy | Year Built | Number of Units | Units Absorbed / Month |
|--------------------------|--------|---------|------------|-----------------|------------------------|
| Lofts At Capricorn       | Market | Family  | 2018       | 137             | 9                      |
| Sumter Street Station    | LIHTC  | Family  | 2017       | 62              | 21                     |
| Lofts At Navicent Health | Market | Family  | 2017       | 60              | 6                      |
| AL Miller Village        | LIHTC  | Family  | 2017       | 71              | 14                     |
| Peach Place Apartments   | LIHTC  | Senior  | 2014       | 60              | 12                     |

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a new construction tax credit property. The two comparables reporting absorption are both market rate properties. Lofts at Capricorn was built in 2018 in Macon, Georgia, approximately 13 miles from the Subject site. The property is still in lease-up and is experiencing an absorption rate of nine units per month upon opening. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property's opening. Lofts at Navicent Health was built in 2017 in Macon, Georgia, approximately 13 miles from the Subject site. The property experienced an absorption rate of six units per month upon opening. Lofts at Navicent Health is currently fully-occupied and maintains a waiting list that consists of 13 households. Sumter Street Station, a family LIHTC property, was built in 2017 in Eatonton, Georgia, approximately 25 miles from the Subject site. The property experienced an absorption rate of 21 units per month upon opening. Sumter Street Station is currently fully-occupied and maintains a waiting list that consists of 62 households, demonstrating strong demand for the property's affordable units. A.L. Miller Village, a family LIHTC property, was constructed in 2017 in Macon, Georgia, approximately 14 miles from the Subject site. The property experienced an absorption rate of 14 units per month upon opening. Peach Place Apartments was built in 2014 in Byron, Georgia, approximately 29 miles from the Subject site. The property experienced an absorption rate of 12 units per month upon opening. Peach Place Apartments, a senior LIHTC property, is currently fully-occupied and maintains a waiting list that consists of 17 households, demonstrating strong demand for the property's affordable units. We believe the Subject will experience an absorption rate most similar to Peach Place Apartments as both properties target seniors and are located in similar locations. We anticipate the Subject will experience an absorption pace of 12 units per month, or an absorption period of three to four months.

### 3. Competitive Project Map

#### COMPETITIVE PROJECTS

| Property Name                         | Program           | Location      | Tenancy | # of Units | Occupancy | Map Color |
|---------------------------------------|-------------------|---------------|---------|------------|-----------|-----------|
| Dulles Park II                        | LIHTC             | Gray          | Senior  | 48         | N/A       | Star      |
| Baldwin Park                          | LIHTC             | Milledgeville | Senior  | 56         | 96.4%     | Yellow    |
| Edgewood Park Apartments              | LIHTC             | Milledgeville | Family  | 61         | 90.2%     |           |
| Heritage Vista Apartments             | LIHTC             | Milledgeville | Family  | 64         | 98.4%     |           |
| Pecan Hills Of Milledgeville          | LIHTC             | Milledgeville | Senior  | 54         | 98.1%     |           |
| River Walk Apartments                 | LIHTC             | Macon         | Family  | 152        | 98.0%     |           |
| Water Tower Park                      | LIHTC             | Gray          | Senior  | 72         | 98.6%     |           |
| Grove Park Village, INC               | LIHTC             | Macon         | Family  | 40         | 100.0%    |           |
| Waterford Place                       | LIHTC, Market     | Milledgeville | Family  | 80         | 100.0%    |           |
| Dulles Park Apartments                | LIHTC, Non-Rental | Gray          | Senior  | 68         | 94.1%     |           |
| Robert Graham At Orchard Hill Landing | Public Housing    | Milledgeville | Family  | 170        | 100.0%    |           |
| McAfee Towers                         | Public Housing    | Macon         | Senior  | 199        | 100.0%    | Green     |
| Fairview Park                         | Rural Development | Gordon        | Family  | 22         | 100.0%    |           |
| Northside Villas of Gray              | Rural Development | Gray          | Family  | 24         | 100.0%    | Blue      |
| Hunt School                           | Section 8         | Macon         | Senior  | 60         | 100.0%    |           |
| Milledgeville Manor                   | Section 8         | Milledgeville | Family  | 76         | 100.0%    |           |
| Prairie Summit Apartments             | Section 8         | Gordon        | Family  | 72         | 66.7%     |           |
| Autumn Manor                          | Section 8         | Macon         | Senior  | 24         | 100.0%    |           |
| Dogwood Retirement Housing Inc        | Section 8         | Milledgeville | Senior  | 40         | 100.0%    |           |
| Gray Gardens Apartments               | Section 8         | Gray          | Family  | 56         | 100.0%    |           |
| Habersham Homes                       | Section 8         | Milledgeville | Family  | 30         | 100.0%    |           |
| Jefferson Apartments                  | Section 8         | Macon         | Family  | 88         | 100.0%    |           |
| Latanya Village Apartments            | Section 8         | Macon         | Family  | 50         | 100.0%    |           |
| Oconee Voa Housing                    | Section 8         | Milledgeville | Family  | 13         | 100.0%    |           |
| Riverbend Apartments                  | Section 8         | Milledgeville | Family  | 76         | 100.0%    |           |
| Rockland Apartments                   | Section 8         | Macon         | Family  | 74         | 100.0%    |           |
| Walnut Hills Apartments               | Section 8         | Macon         | Family  | 100        | 100.0%    |           |
| Wray Homes                            | Section 8         | Milledgeville | Family  | 124        | 96.0%     |           |



#### 4. Amenities

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

DULLES PARK II – GRAY, GEORGIA – MARKET STUDY

AMENITY MATRIX

|                          | Subject      | Ashton Hill Apartments | Baldwin Park | Baltic Park Apartments | Dulles Park Apartments | Pecan Hills Of Milledgeville | Water Tower Park | Adrian On Riverside | Ivy League Estates | Legacy Park   | Lofts At Capricorn | Lofts At Navicent Health |
|--------------------------|--------------|------------------------|--------------|------------------------|------------------------|------------------------------|------------------|---------------------|--------------------|---------------|--------------------|--------------------------|
| Rent Structure           | LIHTC Senior | LIHTC Senior           | LIHTC Senior | LIHTC/PBRA Senior      | LIHTC Senior           | LIHTC Senior                 | LIHTC Senior     | Market Family       | Market Family      | Market Family | Market Family      | Market Family            |
| <b>Building</b>          |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Property Type            | One-story    | Garden                 | One-story    | Garden                 | One-story              | Midrise                      | One-story        | Garden              | Garden             | Various       | Midrise            | Midrise                  |
| # of Stories             | 1-1 stories  | 3-3 stories            | 1-1 stories  | 2-2 stories            | 1-1 stories            | 3-3 stories                  | 1-1 stories      | 2-2 stories         | 2-2 stories        | 2-2 stories   | 4-4 stories        | 5-5 stories              |
| Year Built               | 2021         | 2001                   | 2009         | 2003                   | 2005                   | 2006                         | 2016             | 2003                | 2006               | 1998          | 2018               | 2017                     |
| Year Renovated           | n/a          | n/a                    | n/a          | n/a                    | n/a                    | n/a                          | n/a              | 2009                | 2017               | n/a           | n/a                | n/a                      |
| Elevators                | no           | yes                    | no           | no                     | no                     | yes                          | no               | no                  | no                 | no            | yes                | yes                      |
| Courtyard                | yes          | yes                    | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | yes                | no                       |
| <b>Utility Structure</b> |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Cooking                  | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Water Heat               | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Heat                     | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Other Electric           | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Water                    | no           | yes                    | no           | no                     | no                     | yes                          | no               | no                  | no                 | yes           | no                 | no                       |
| Sewer                    | no           | yes                    | no           | no                     | no                     | yes                          | no               | no                  | no                 | yes           | no                 | no                       |
| Trash                    | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | no                  | yes                | yes           | yes                | yes                      |
| <b>Accessibility</b>     |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Grab Bars                | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Hand Rails               | yes          | yes                    | yes          | yes                    | yes                    | yes                          | no               | no                  | no                 | no            | no                 | no                       |
| Pull Cords               | no           | yes                    | yes          | yes                    | no                     | yes                          | yes              | no                  | no                 | no            | no                 | no                       |
| <b>Unit Amenities</b>    |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Balcony/Patio            | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | no            | yes                | no                       |
| Blinds                   | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| Cable/Satellite          | no           | no                     | no           | no                     | no                     | no                           | yes              | no                  | no                 | no            | yes                | yes                      |
| Carpeting                | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | no                 | yes           | no                 | yes                      |
| Hardwood                 | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | yes                | no            | yes                | no                       |
| Central A/C              | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| Ceiling Fan              | no           | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | no            | yes                | yes                      |
| Coat Closet              | no           | yes                    | yes          | no                     | no                     | yes                          | no               | yes                 | no                 | no            | yes                | yes                      |
| Exterior Storage         | no           | yes                    | no           | no                     | no                     | yes                          | no               | yes                 | no                 | no            | no                 | no                       |
| Fireplace                | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Furnishing               | no           | no                     | no           | no                     | no                     | yes                          | no               | no                  | no                 | no            | no                 | no                       |
| Walk-In Closet           | no           | no                     | no           | yes                    | no                     | yes                          | yes              | yes                 | yes                | no            | yes                | yes                      |
| Washer/Dryer             | yes          | no                     | no           | no                     | no                     | no                           | yes              | no                  | no                 | no            | yes                | yes                      |
| W/D Hookup               | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| <b>Kitchen</b>           |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Dishwasher               | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| Disposal                 | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| Microwave                | yes          | no                     | yes          | no                     | yes                    | yes                          | no               | no                  | yes                | no            | yes                | yes                      |
| Oven                     | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| Refrigerator             | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |
| <b>Community</b>         |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Business Center          | yes          | no                     | yes          | yes                    | yes                    | yes                          | yes              | yes                 | no                 | no            | yes                | no                       |
| Community Room           | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | no                 | no            | yes                | yes                      |
| Central Laundry          | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | no                 | no            | no                 | no                       |
| On-Site Mgmt             | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | no            | yes                | no                       |
| <b>Recreation</b>        |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Basketball Court         | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | yes           | no                 | no                       |
| Exercise Facility        | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | no                 | no            | yes                | yes                      |
| Playground               | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | yes           | no                 | no                       |
| Swimming Pool            | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | no            | yes                | yes                      |
| Picnic Area              | yes          | yes                    | yes          | yes                    | no                     | yes                          | no               | yes                 | no                 | no            | yes                | yes                      |
| Sport Court              | no           | yes                    | no           | yes                    | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Tennis Court             | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Sauna                    | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | no            | no                 | no                       |
| Theatre                  | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | no            | no                 | no                       |
| Recreational Area        | yes          | no                     | yes          | yes                    | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Volleyball Court         | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| WiFi                     | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| <b>Services</b>          |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Daycare                  | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Adult Education          | yes          | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Neighborhood             | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Non-Shelter              | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Service                  | yes          | yes                    | yes          | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | yes                      |
| Shuttle Service          | no           | no                     | no           | no                     | no                     | yes                          | no               | no                  | no                 | no            | no                 | no                       |
| <b>Senior Services</b>   |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Delivered Hot            | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Dietician                | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Hairdresser/Barber       | no           | no                     | no           | no                     | no                     | yes                          | no               | no                  | no                 | no            | no                 | no                       |
| Home Health Aid          | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Housekeeping             | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Medical                  | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Personal Assistance      | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| <b>Security</b>          |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| In-Unit Alarm            | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | no            | no                 | no                       |
| Intercom (Buzzer)        | yes          | no                     | yes          | no                     | no                     | yes                          | no               | no                  | no                 | no            | yes                | no                       |
| Intercom (Phone)         | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | no                       |
| Limited Access           | yes          | no                     | yes          | yes                    | no                     | yes                          | yes              | yes                 | no                 | no            | yes                | yes                      |
| Patrol                   | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | no                 | yes                      |
| Perimeter Fencing        | no           | no                     | yes          | yes                    | yes                    | no                           | no               | yes                 | no                 | no            | yes                | yes                      |
| Video Surveillance       | no           | no                     | no           | no                     | no                     | no                           | no               | no                  | no                 | no            | yes                | yes                      |
| <b>Parking</b>           |              |                        |              |                        |                        |                              |                  |                     |                    |               |                    |                          |
| Garage                   | no           | no                     | no           | no                     | no                     | no                           | no               | yes                 | no                 | no            | yes                | no                       |
| Garage Fee               | \$0          | \$0                    | \$0          | \$0                    | \$0                    | \$0                          | \$0              | \$150               | \$0                | \$0           | \$150              | \$0                      |
| Off-Street Parking       | yes          | yes                    | yes          | yes                    | yes                    | yes                          | yes              | yes                 | yes                | yes           | yes                | yes                      |

The Subject will offer generally slightly superior in-unit amenities in comparison to the LIHTC comparable properties, as the Subject will offer in unit washer/dryers which many of the comparables do not. The Subject will offer generally similar to slightly superior property amenities in comparison to the LIHTC comparable properties as it will offer a business center, library, and recreational area, which some of the comparables will lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

## 5. Comparable Tenancy

The Subject will target seniors. All of the comparable LIHTC properties also target seniors. However, all of the comparable market rate properties target families.

### Vacancy

The following table illustrates the vacancy rates in the market.

| OVERALL VACANCY                       |                |         |             |              |              |
|---------------------------------------|----------------|---------|-------------|--------------|--------------|
| Property Name                         | Rent Structure | Tenancy | Total Units | Vacant Units | Vacancy Rate |
| Ashton Hill Apartments*               | LIHTC          | Senior  | 80          | 3            | 3.8%         |
| Baldwin Park                          | LIHTC          | Senior  | 56          | 2            | 3.6%         |
| Baltic Park Apartments*               | LIHTC/PBRA     | Senior  | 82          | 0            | 0.0%         |
| Dulles Park Apartments                | LIHTC          | Senior  | 68          | 4            | 5.9%         |
| Pecan Hills Of Milledgeville          | LIHTC          | Senior  | 54          | 1            | 1.9%         |
| Water Tower Park                      | LIHTC          | Senior  | 72          | 1            | 1.4%         |
| Adrian On Riverside                   | Market         | Family  | 224         | 9            | 4.0%         |
| Ivy League Estates                    | Market         | Family  | 28          | 0            | 0.0%         |
| Legacy Park                           | Market         | Family  | 70          | 0            | 0.0%         |
| Lofts At Capricorn**                  | Market         | Family  | 137         | 38           | 27.7%        |
| Lofts At Navicent Health*             | Market         | Family  | 60          | 0            | 0.0%         |
| <b>Total LIHTC</b>                    |                |         | <b>412</b>  | <b>11</b>    | <b>2.7%</b>  |
| <b>Total Market Rate</b>              |                |         | <b>519</b>  | <b>47</b>    | <b>9.1%</b>  |
| <b>Total Market Rate (Stabilized)</b> |                |         | <b>382</b>  | <b>9</b>     | <b>2.4%</b>  |
| <b>Overall Total</b>                  |                |         | <b>931</b>  | <b>58</b>    | <b>6.2%</b>  |
| <b>Overall Total (Stabilized)</b>     |                |         | <b>794</b>  | <b>20</b>    | <b>2.5%</b>  |

\*Located outside of the PMA

\*\*This property is in its initial lease-up phase

Overall vacancy in the market is 6.2 percent and total LIHTC vacancy is lower, at 2.7 percent, though all of the LIHTC vacancies are pre-leased. Dulles Park Apartments reported a vacancy rate of 5.9 percent. According to the contact at Dulles Park Apartments, there are four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent, but two tenants of the property recently passed away. Ashton Hill Apartments reported a vacancy rate of 3.8 percent. According to the contact at Ashton Hill Apartments, all three vacant units are pre-leased. The contact at this property also stated that the property maintains a waiting list and stated that she believes demand for senior affordable housing in the area is high. Baldwin Park reported a vacancy rate of 3.6 percent. According to the contact at Baldwin Park, both the property's vacant units are pre-leased. The contact at this property also mentioned that she believes demand for senior affordable housing in the area is high. The remaining three LIHTC comparables, Baltic Park Apartments, Pecan

Hills of Milledgeville, and Water Tower Park, report vacancy rates less than 2.0 percent, and all three maintain waiting lists. These factors indicate demand for affordable housing in the area is strong.

Lofts at Capricorn began leasing in December 2017 and is currently in its lease-up phase. Lofts at Capricorn demonstrates an absorption rate of nine units per month to date. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property's opening, and she reported strong demand for rental housing in the area. Excluding Lofts at Capricorn, the vacancy rates among the stabilized market-rate comparable properties range from zero to four percent, averaging 2.4 percent, which is considered low. The contact at Adrian on Riverside stated that the property currently has nine vacancies. The contact at this property also stated that she believed demand for rental housing in the area is high. The remaining three stabilized market-rate properties reported full-occupancy, and Lofts at Navicent maintains a waiting list of 13 households. Based on the low vacancy rates among the LIHTC and market-rate comparables, as well as the presence of waiting lists in the market, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

## 6. Properties Under Construction and Proposed

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

### Gray Gardens

- a. Location: 200 Eatonton Highway, Gray, Jones County, Georgia
- b. Owner: Greystone Servicing Corporation, Inc.
- c. Total number of units: 56 units
- d. Unit configuration: One, two and three-bedroom units
- e. Rent structure: 60 percent AMI (all units will operate under the Rural Development 515 (RD515) and HUD Section 8 programs)
- f. Estimated market entry: 2019
- g. Relevant information: Prior to the renovations the property was fully-occupied and maintained a waiting list of 25 households. Will not compete with the Subject due to subsidized rents.

## 7. Rental Advantage

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

**SIMILARITY MATRIX**

| #  | Property Name          | Program    | Tenancy | Property Amenities | Unit Features     | Location          | Age / Condition | Unit Sizes        | Overall Comparison |
|----|------------------------|------------|---------|--------------------|-------------------|-------------------|-----------------|-------------------|--------------------|
| 1  | Ashton Hill Apartments | LIHTC      | Senior  | Slightly Inferior  | Slightly Inferior | Slightly Inferior | Inferior        | Similar           | -25                |
| 2  | Baldwin Park           | LIHTC      | Senior  | Similar            | Slightly Inferior | Slightly Inferior | Inferior        | Similar           | -20                |
| 3  | Baltic Park Apartments | LIHTC/PBRA | Senior  | Similar            | Slightly Inferior | Slightly Inferior | Inferior        | Slightly Superior | -15                |
| 4  | Dulles Park Apartments | LIHTC      | Senior  | Slightly Inferior  | Inferior          | Similar           | Inferior        | Slightly Superior | -20                |
| 5  | Pecan Hills Of         | LIHTC      | Senior  | Similar            | Similar           | Slightly Inferior | Inferior        | Slightly Superior | -10                |
| 6  | Water Tower Park       | LIHTC      | Senior  | Slightly Inferior  | Similar           | Similar           | Similar         | Similar           | -5                 |
| 7  | Adrian On Riverside    | Market     | Family  | Superior           | Slightly Inferior | Similar           | Inferior        | Superior          | 5                  |
| 8  | Ivy League Estates     | Market     | Family  | Inferior           | Inferior          | Slightly Inferior | Inferior        | Similar           | -35                |
| 9  | Legacy Park            | Market     | Family  | Inferior           | Inferior          | Similar           | Inferior        | Slightly Inferior | -35                |
| 10 | Lofts At Capricorn     | Market     | Family  | Superior           | Similar           | Inferior          | Similar         | Superior          | 10                 |
| 11 | Lofts At Navicent      | Market     | Family  | Slightly Superior  | Similar           | Inferior          | Similar         | Slightly Superior | 0                  |

\*Inferior=-10, slightly inferior=-5, similar=0, slightly superior=5, superior=10.

The Subject’s location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Jones County. The rental rates at the LIHTC properties are compared to the Subject’s proposed 50 and 60 percent AMI rents in the following table.

**LIHTC RENT COMPARISON @50%**

| Property Name  | County  | Tenancy | 1BR          | 2BR          | Rents at Max? |
|--|---------|---------|--------------|--------------|---------------|
| Dulles Park II   | Jones   | Senior  | \$392        | \$466        | No            |
| 2018 LIHTC National Non-Metro Maximum Rent (Net)               | Jones   |         | \$451        | \$535        |               |
| 2009 LIHTC Maximum Rent (Net) (Baldwin County - Held Harmless) | Baldwin |         | \$402        | \$475        |               |
| 2005 LIHTC Maximum Rent (Net) (Bibb County - Held Harmless)    | Bibb    |         | \$449        | \$531        |               |
| Baldwin Park   | Baldwin | Senior  | -            | \$466        | No            |
| Pecan Hills Of Milledgeville                                   | Baldwin | Senior  | -            | \$445        | No            |
| Ashton Hill Apartments   | Bibb    | Senior  | \$372        | \$450        | Yes           |
| Baltic Park Apartments   | Bibb    | Senior  | \$480        | \$545        | Yes           |
| Dulles Park Apartments   | Jones   | Senior  | \$426        | \$486        | Yes/No        |
| Water Tower Park   | Jones   | Senior  | \$373        | \$434        | Yes           |
| <b>Average</b>   |         |         | <b>\$413</b> | <b>\$471</b> |               |

**LIHTC RENT COMPARISON @60%**

| Property Name  | County  | Tenancy | 1BR          | 2BR          | Rents at Max? |
|--|---------|---------|--------------|--------------|---------------|
| Dulles Park II   | Jones   | Senior  | \$492        | \$582        | No            |
| 2018 LIHTC National Non-Metro Maximum Rent (Net)               | Jones   |         | \$561        | \$667        |               |
| 2009 LIHTC Maximum Rent (Net) (Baldwin County - Held Harmless) | Baldwin |         | \$501        | \$595        |               |
| 2005 LIHTC Maximum Rent (Net) (Bibb County - Held Harmless)    | Bibb    |         | \$558        | \$662        |               |
| Baldwin Park   | Baldwin | Senior  | -            | \$574        | No            |
| Ashton Hill Apartments   | Bibb    | Senior  | \$513        | \$612        | Yes           |
| Baltic Park Apartments   | Bibb    | Senior  | \$480        | \$545        | No            |
| Dulles Park Apartments   | Jones   | Senior  | \$498        | \$582        | No            |
| Water Tower Park   | Jones   | Senior  | \$468        | \$548        | Yes           |
| <b>Average</b>   |         |         | <b>\$490</b> | <b>\$572</b> |               |

All of the comparable LIHTC properties were built between 2001 and 2016. The Subject site and the two comparable properties in Jones County are all located in rural areas, and Jones County AMI levels are below the national average. Therefore, these comparable properties are held to the 2018 National Non-Metro maximum allowable levels. The AMI in Baldwin County reached its peak in 2009 and has not surpassed those AMI levels since 2009. Pecan Hills of Milledgeville was built in 2006 and Baldwin Park was built in 2009. Therefore, these comparable properties are “held harmless” to the 2009 maximum allowable rents in Baldwin County. The AMI in Bibb County reached its peak in 2005 and has not surpassed those AMI levels since 2005. Ashton Hill Apartments was built in 2001 and Baltic Park Apartments was built in 2003. Therefore, these comparable properties are “held harmless” to the 2005 maximum allowable rents in Bibb County.

Four of the comparable properties, Ashton Hill Apartments, Baltic Park Apartments, Dulles Park Apartments, and Water Tower Park, reported achieving rents at the maximum allowable rent level for their 50 percent AMI units. However, Dulles Park Apartments only reported achieving the maximum allowable rent levels for its one-bedroom units at 50 percent. Also, the rents at Ashton Hill Apartments, Dulles Park Apartments, Water Tower Park, and Baltic Park Apartments appear to be above or below the maximum allowable levels. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. All four of these comparables report waiting lists, one up to 40 households, indicating their rents are sustainable in the market. Two of the comparable properties, Ashton Hill Apartments and Water Tower Park, reported achieving rents at the maximum allowable rent level for their 60 percent AMI units. However, the rents at Ashton Hill Apartments and Water Tower Park appear to be below the maximum allowable levels. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. The contact at Ashton Hills reported three vacant units that are all pre-leased, and the maintenance of a waiting list, indicating that its rents are sustainable in the market. The contact at Water Tower Park reported its one vacant unit is currently pre-leased.

Dulles Park Apartments is located 0.3 miles from the Subject in Gray in a similar location. Dulles Park Apartments was built in 2005 and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. Dulles Park Apartments offers slightly inferior property amenities compared to the Subject as it lacks a crafts room, picnic area, and recreational areas, which the Subject will offer, though it offers a transit bus, which the Subject will not offer. This property offers inferior in-unit amenities to the proposed Subject as it lacks washers and driers, which the Subject will offer. In terms of unit sizes, Dulles Park Apartments is considered slightly superior to the Subject. Overall, Dulles Park Apartments is considered inferior to the Subject. Dulles Park Apartments is currently achieving the maximum allowable rent for its one-bedroom 50 percent AMI units and is maintaining high occupancy with four vacant units, all of which are pre-leased. However, three of the vacant units at this property are for three-bedroom units, which the Subject does not offer. As a senior property it appears to be more difficult to find tenants to occupy three-bedroom units compared to one and two-bedroom units. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent. This indicates the rents at Dulles Park Apartments are achievable in the area. Therefore, we believe the Subject’s proposed rents, which are slightly below the rents currently achieved at Dulles Park Apartments, are reasonable and achievable.

Water Tower Park is located 0.9 miles from the Subject in Gray in a similar location. Water Tower Park was built in 2016 and exhibits excellent condition, which is considered similar to the anticipated excellent condition of the Subject upon completion. Water Tower Park offers slightly inferior property amenities compared to the Subject as it lacks a crafts room, picnic area, and recreational areas, which the Subject will offer. This property offers similar in-unit amenities to the proposed Subject. In terms of unit sizes, Water Tower Park is considered similar to the Subject. Overall, Water Tower Park is considered similar to the Subject. Water Tower Park is currently achieving maximum allowable levels and is maintaining high occupancy with one vacant unit, which is pre-leased. The contact at this property also stated that the property maintains a waiting list, and she believes there is a high demand for affordable senior housing in the area. This indicates the rents at Water

Tower Park are achievable in the area. Therefore, we believe the Subject’s proposed rents, which are slightly above the rents currently achieved at Water Tower Park, are reasonable and achievable.

The two most similar comparable properties to the Subject are Dulles Park Apartments and Water Tower Park. Dulles Park Apartments is currently achieving the maximum allowable rent for its one-bedroom 50 percent AMI units and is maintaining high occupancy with four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent. Water Tower Park is currently achieving maximum allowable levels and is maintaining high occupancy with one vacant unit, which is pre-leased. The contact at this property also stated that the property maintains a waiting list, and she believes there is a high demand for affordable senior housing in the area. This indicates the rents at Dulles Park Apartments and Water Tower Park are achievable in the area. The Subject’s proposed rents are slightly below the rents currently achieved at Dulles Park Apartments, and slightly above the rents currently achieved at Water Tower Park. Given the Subject’s new condition and competitive amenity package, the low vacancy rates among the LIHTC comparables, and the presence of waiting lists in the market, we believe that the Subject’s proposed rents are reasonable and achievable.

**Analysis of “Market Rents”**

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not ‘Achievable unrestricted market rent.’” In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market-rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market-rate comps. In a small rural market there may be neither tax credit comps nor market-rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.

When comparing the Subject’s rents to the average comparable rent, we do not include surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we do not include the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

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

**SUBJECT COMPARISON TO COMPARABLE RENTS**

| Unit Type | Subject Proposed Rent | Surveyed Min | Surveyed Max | Surveyed Average | Subject Rent Advantage |
|-----------|-----------------------|--------------|--------------|------------------|------------------------|
| 1 BR @50% | \$392                 | \$372        | \$1,340      | \$707            | 80%                    |
| 2 BR @50% | \$466                 | \$434        | \$2,275      | \$1,000          | 115%                   |
| 1 BR @60% | \$492                 | \$468        | \$1,340      | \$824            | 68%                    |
| 2 BR @60% | \$582                 | \$545        | \$2,275      | \$1,159          | 99%                    |

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents.

Lofts at Navicent Health is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be similar to Lofts at Navicent Health as a market-rate property. Lofts at Navicent Health was built in 2017 and exhibits excellent condition, which is similar to the anticipated condition of the Subject upon completion. Lofts at Navicent Health is located 12.9 miles from the Subject site and offers an inferior location. Lofts at Navicent Health offers slightly superior unit sizes in comparison to the Subject. Lofts at Navicent Health offers slightly superior property amenities when compared to the Subject as it offers a swimming pool, which the Subject will not offer, though it lacks a business center, on-site management, and recreational areas, which the Subject will offer. Lofts at Navicent Health offers similar in-unit amenities in comparison to the Subject. The lowest one and two-bedroom rents at Lofts at Navicent Health are 172 and 187 percent higher than the Subject’s one and two-bedroom rents at 60 percent AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

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

Capture rates for the Subject are considered low to moderate for all bedroom types and AMI levels. If allocated, the Subject will be generally slightly superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is healthy at 2.7 percent. Of the six LIHTC properties, only three report vacancy rates above 3.6 percent, with each of those vacancies reported as pre-leased. The slightly higher than normal vacancy at Dulles Park Apartments is due to the recent passing of two tenants at this property. Of the four vacant units at Dulles Park Apartments, all are pre-leased and management indicated that the property typically maintains a vacancy rate of two percent. The contact at this property also stated that the property maintains a waiting list of six households.

One property, Gray Gardens Apartments, an affordable family property, was allocated in 2017 and is currently undergoing renovations and is scheduled to open in 2019. This development will be located one mile from the Subject site in Gray. Gray Gardens Apartments will offer a total of 56 one, two, and three-bedroom units restricted to 60 percent AMI. This property targets different tenancy than the Subject and post-renovations will operate under the Rural Development 515 (RD515) and HUD Section 8 programs. As such, we have not deducted these units in our demand analysis.

**9. Rental Trends in the PMA**

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

| TENURE PATTERNS PMA                |                      |                           |                       |                            |
|------------------------------------|----------------------|---------------------------|-----------------------|----------------------------|
| Year                               | Owner-Occupied Units | Percentage Owner-Occupied | Renter-Occupied Units | Percentage Renter-Occupied |
| 2000                               | 22,930               | 69.7%                     | 9,966                 | 30.3%                      |
| 2018                               | 21,469               | 59.5%                     | 14,643                | 40.5%                      |
| Projected Mkt Entry September 2021 | 21,648               | 60.5%                     | 14,146                | 39.5%                      |
| 2023                               | 21,751               | 61.1%                     | 13,859                | 38.9%                      |

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

**PMA TENURE PATTERNS OF SENIORS 55+**

| Year                                  | Owner-Occupied Units | Percentage Owner-Occupied | Renter-Occupied Units | Percentage Renter-Occupied |
|---------------------------------------|----------------------|---------------------------|-----------------------|----------------------------|
| 2000                                  | 9,384                | 82.3%                     | 2,020                 | 17.7%                      |
| 2018                                  | 12,240               | 76.5%                     | 3,760                 | 23.5%                      |
| Projected Mkt Entry<br>September 2021 | 12,666               | 77.5%                     | 3,673                 | 22.5%                      |
| 2023                                  | 12,913               | 78.1%                     | 3,622                 | 21.9%                      |

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years.

**Historical Vacancy**

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

**HISTORICAL VACANCY**

| Comparable Property          | Type       | Total Units | 2QTR 2014 | 1QTR 2015 | 2QTR 2016 | 4QTR 2016 | 3QTR 2018 | 2QTR 2019 |
|------------------------------|------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Ashton Hill Apartments       | LIHTC      | 80          | 0.0%      | 7.5%      | 0.0%      | N/A       | N/A       | 3.8%      |
| Baldwin Park                 | LIHTC      | 56          | N/A       | N/A       | N/A       | N/A       | N/A       | 3.6%      |
| Baltic Park Apartments       | LIHTC/PBRA | 82          | N/A       | 0.0%      | 0.0%      | N/A       | N/A       | 0.0%      |
| Dulles Park Apartments       | LIHTC      | 68          | N/A       | N/A       | N/A       | N/A       | N/A       | 5.9%      |
| Pecan Hills Of Milledgeville | LIHTC      | 54          | N/A       | N/A       | N/A       | N/A       | N/A       | 1.9%      |
| Water Tower Park             | LIHTC      | 72          | N/A       | N/A       | N/A       | N/A       | N/A       | 1.4%      |
| Adrian On Riverside          | Market     | 224         | 0.9%      | N/A       | N/A       | 9.8%      | N/A       | 4.0%      |
| Ivy League Estates           | Market     | 28          | N/A       | N/A       | N/A       | N/A       | 10.7%     | 0.0%      |
| Legacy Park                  | Market     | 70          | N/A       | N/A       | N/A       | N/A       | N/A       | 0.0%      |
| Lofts At Capricorn           | Market     | 137         | N/A       | N/A       | N/A       | N/A       | N/A       | 27.7%     |
| Lofts At Navicent Health     | Market     | 60          | N/A       | N/A       | N/A       | N/A       | N/A       | 0.0%      |

The historical vacancy rates at all of the comparable properties for several quarters in the past five years are illustrated in the previous table. In general, the comparable properties have experienced low to moderate vacancy levels from 2014 through the second quarter of 2019. However, vacancy rates did spike for Ashton Hill Apartments, Adrian on Riverside, and Ivy League Estates in the first quarter of 2015, fourth quarter of 2016, and third quarter of 2018, respectively, before generally stabilizing to lower vacancy levels in the past year. Lofts at Capricorn is a market-rate property that began leasing in December 2017 and is currently in its lease-up phase. Lofts at Capricorn demonstrates an absorption rate of nine units per month to date. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property’s opening, and she reported strong demand for rental housing in the area. Dulles Park Apartments experienced the greatest increase in vacancy among LIHTC comparables. The contact at Dulles Park Apartments stated that the property has four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent.

Water Tower Park, Lofts at Navicent, and Lofts at Capricorn were all constructed between 2016 and 2018 and therefore have limited historical vacancy data. Lofts at Navicent and Lofts at Capricorn demonstrated

absorption rates of 12 and nine units per month upon completion, respectively, which are considered average absorption rates for market properties. Overall, we believe that the current performance of the senior LIHTC comparable properties indicate demand for affordable rental housing in the Subject’s market.

**Change in Rental Rates**

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

| RENT GROWTH                  |                |         |                                      |
|------------------------------|----------------|---------|--------------------------------------|
| Property Name                | Rent Structure | Tenancy | Rent Growth                          |
| Ashton Hill Apartments       | LIHTC          | Senior  | Changed to max                       |
| Baldwin Park                 | LIHTC          | Senior  | Increased 5%                         |
| Baltic Park Apartments       | LIHTC/PBRA     | Senior  | Increased 3%                         |
| Dulles Park Apartments       | LIHTC          | Senior  | Increased 2-5%                       |
| Pecan Hills Of Milledgeville | LIHTC          | Senior  | Stable                               |
| Water Tower Park             | LIHTC          | Senior  | Increased to max                     |
| Adrian On Riverside          | Market         | Family  | Changes daily                        |
| Ivy League Estates           | Market         | Family  | Decreased 3% for 1BR and 12% for 2BR |
| Legacy Park                  | Market         | Family  | Stable                               |
| Lofts At Capricorn           | Market         | Family  | Decreased 5%                         |
| Lofts At Navicent Health     | Market         | Family  | Increased less than 1%               |

Ashton Hill Apartments and Water Tower Park reported achieving maximum allowable rents for all units at all AMI levels. Baltic Park reported achieving maximum allowable rents for all its units at 50 percent AMI. All other comparable LIHTC properties report growth of up to five percent in the past year. The market rate properties reported varying rent growth, generally remaining stable. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

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

According to *RealtyTrac* statistics, one in every 2,312 housing units nationwide was in some stage of foreclosure as of April 2019. The City of Gray is experiencing a foreclosure rate of one in every 2,800 homes, while Jones County is experiencing foreclosure rate of one in every 3,926 homes and Georgia experienced one foreclosure in every 2,091 housing units. Overall, Gray is experiencing a lower foreclosure rate than the state of Georgia and the nation, but higher than Jones County as a whole, indicating a healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

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

One property, Gray Gardens Apartments, an affordable family property, was allocated in 2017 and is currently undergoing renovations and is scheduled to open in 2019. This development will be located one mile from the Subject site in Gray. Gray Gardens Apartments will offer a total of 56 one, two, and three-bedroom units restricted to 60 percent AMI. This property targets different tenancy than the Subject and post-renovations will operate under the Rural Development 515 (RD515) and HUD Section 8 programs. As such, we have not deducted these units in our demand analysis.

Total LIHTC vacancy is considered healthy at 2.7 percent, though all of the LIHTC vacancies are pre-leased. Furthermore, all but one of the comparable senior LIHTC properties maintain waiting lists, ranging from six to 40 households. Thirty-eight percent of senior renters in the PMA earn between \$10,000 and \$29,999 annually, indicating a need for affordable housing in the area. Many of these households will be income eligible for the Subject’s LIHTC units. In summary, the low vacancy rates, presence of waiting lists, and percentage of income-qualified senior renters in the PMA indicate there is demand for affordable housing in the market that is currently unmet.

## Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.7 percent, which is considered healthy, and three of the six comparable LIHTC properties report vacancy levels under two percent. Dulles Park Apartments reported a vacancy rate of 5.9 percent. According to the contact at Dulles Park Apartments, there are four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent. Furthermore, all but one of the comparable senior LIHTC properties maintain waiting lists, ranging from six to 40 households. These factors indicate demand for affordable senior housing. The Subject will offer generally slightly superior in-unit amenities in comparison to the LIHTC comparable properties, as the Subject will offer in unit washer/dryers which many of the comparables do not. The Subject will offer generally similar to slightly superior property amenities in comparison to the LIHTC comparable properties as it will offer a business center, library, and recreational area, which some of the comparables will lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable LIHTC properties. Given the Subject's anticipated similar to superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

# **I. ABSORPTION AND STABILIZATION RATES**

## ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption information from two of the comparable properties, both market rate, as well as three recently constructed LIHTC properties in the market area. These are illustrated in the following table.

| ABSORPTION               |        |         |            |                 |                        |  |
|--------------------------|--------|---------|------------|-----------------|------------------------|--|
| Property Name            | Type   | Tenancy | Year Built | Number of Units | Units Absorbed / Month |  |
| Lofts At Capricorn       | Market | Family  | 2018       | 137             | 9                      |  |
| Sumter Street Station    | LIHTC  | Family  | 2017       | 62              | 21                     |  |
| Lofts At Navicent Health | Market | Family  | 2017       | 60              | 6                      |  |
| AL Miller Village        | LIHTC  | Family  | 2017       | 71              | 14                     |  |
| Peach Place Apartments   | LIHTC  | Senior  | 2014       | 60              | 12                     |  |

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a new construction tax credit property. The two comparables reporting absorption are both market rate properties. Lofts at Capricorn was built in 2018 in Macon, Georgia, approximately 13 miles from the Subject site. The property is still in lease-up and is experiencing an absorption rate of nine units per month upon opening. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property’s opening. Lofts at Navicent Health was built in 2017 in Macon, Georgia, approximately 13 miles from the Subject site. The property experienced an absorption rate of six units per month upon opening. Lofts at Navicent Health is currently fully-occupied and maintains a waiting list that consists of 13 households. Sumter Street Station, a family LIHTC property, was built in 2017 in Eatonton, Georgia, approximately 25 miles from the Subject site. The property experienced an absorption rate of 21 units per month upon opening. Sumter Street Station is currently fully-occupied and maintains a waiting list that consists of 62 households, demonstrating strong demand for the property’s affordable units. A.L. Miller Village, a family LIHTC property, was constructed in 2017 in Macon, Georgia, approximately 14 miles from the Subject site. The property experienced an absorption rate of 14 units per month upon opening. Peach Place Apartments was built in 2014 in Byron, Georgia, approximately 29 miles from the Subject site. The property experienced an absorption rate of 12 units per month upon opening. Peach Place Apartments, a senior LIHTC property, is currently fully-occupied and maintains a waiting list that consists of 17 households, demonstrating strong demand for the property’s affordable units. We believe the Subject will experience an absorption rate most similar to Peach Place Apartments as both properties target seniors and are located in similar locations. We anticipate the Subject will experience an absorption pace of 12 units per month, or an absorption period of three to four months.

# **J. INTERVIEWS**

### Georgia Department of Community Affairs

We were able to speak with Mr. David Samloff, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Jones County. According to Mr. Samloff, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Mr. Samloff also mentioned that there are approximately 35 families utilizing these Housing Choice Vouchers in Jones County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list. The payment standards for Jones County are listed below.

#### PAYMENT STANDARDS

| Unit Type   | Standard |
|-------------|----------|
| One-Bedroom | \$756    |
| Two-Bedroom | \$866    |

Source: Georgia Department of Community Affairs, April 2019

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

### Planning

We made numerous attempts to contact the city of Gray and Jones County planning departments. However, as of the date of this report, our calls have not been returned. We conducted additional online research utilizing LIHTC allocation lists provided by the Georgia Department of Community Affairs and a CoStar new construction report. According to our research, there are no multifamily developments currently planned, proposed, or under construction in the Subject’s PMA.

### Gray-Jones County Chamber of Commerce

According to the Georgia Department of Labor Worker Adjustment and Retraining Notification (WARN) list, no WARN notices have been issued for Jones County since 2015. We spoke with Ms. Heather Johnson with the Gray-Jones County Chamber of Commerce. Ms. Johnson told us that there had been no new businesses locating to the Gray, GA and Jones County areas in the past year. Ms. Johnson noted that Jones County High School was undergoing a \$12.5 million expansion. She stated that construction began in January 2018 and should continue into August 2019. However, she was unable to identify how many jobs might be added post expansion.

We also conducted additional internet research regarding the current economic status of Jones County and the Macon MSA. The following list details employment in Jones County and the Macon MSA.

- According to an April 3, 2019 article in 13WMAZ, Amazon says the Macon distribution center, located along Skipper Road, will open this summer. Amazon expects to hire approximately 500 people for the Bibb County distribution center.
- According to a November 21, 2018 article in 13WMAZ, Stevens Aerospace and Defense System said they’re going to bring 150 new jobs to Macon-Bibb, and two of the big reasons why they decided to come to Macon-Bibb are the great technical college located in Central Georgia as well as a huge 48,000 square-foot hangar space.
- According to a September 4, 2018 article in The Telegraph, a new shopping center on Bass Road should be close to opening. Marshall’s/Homegoods, Michaels, Beall’s Outlet, Old Navy, Five Below, Famous Footwear and Lifeway Christian Resources are planning to be part of the North Macon Plaza on Bass Road at Starcadia Circle, just off Interstate 75.
- According to an August 11, 2017 article in Huddle, Irving Consumer Products will create more than 200 jobs with the construction of a \$400 million tissue plant to be built in Macon, GA.

- According to a June 20, 2017 article in Food Business News, Tyson Foods, Inc. is investing \$59 million to expand its distribution center in Macon. The project, which began in the summer of 2017, includes a 152,000-square foot addition to the existing facility. The Macon distribution center currently serves retail and food service customers in North Carolina, South Carolina, Georgia, Florida and Alabama. The expansion was expected to be completed in late 2018 and was expected to add more than 100 jobs, bringing total employment at the distribution center to almost 240.
- According to a January 19, 2017 article in The Telegraph, FedEx is building a new distribution center in the I-75 Business Park in south Bibb County. The distribution center will be 248,000 square feet and is expected to be operational in July 2017. The new facility will replace an existing smaller facility. According to Allie Addoms of FedEx, the exact staffing needs have yet to be determined, but the facility will employ a mix of part and full-time employees.
- According to the Macon Economic Development Commission's website, Guard Buildings, LLC announced in September 2016 its plan to open a 23,000-square foot manufacturing facility in Bibb County. The Florida-based company manufactures industrial modular shelters and plans to initially hire 25 employees. Further information was not available at the time of this report.
- According to a May 2, 2016 article in The Telegraph, Kumho Tire recently opened its \$450 million manufacturing plant in Macon. Approximately 400 new jobs were created with the opening of the facility.

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

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

The senior population in the PMA and the MSA increased significantly from 2000 to 2018. The rate of population and household growth is projected to slow through 2021. The current senior population of the PMA is 28,440 and is expected to be 29,451 in 2021. Renter households are concentrated in the lowest income cohorts, with 38.0 percent of renter households in the PMA earning incomes between \$10,000 and \$29,999. The Subject will target households earning between \$14,640 and \$28,020 for its LIHTC units; therefore, the Subject should be well-positioned to service this market. Overall, while senior population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in five industries which represent approximately 56.2 percent of total local employment. Three of these five, retail trade, accommodation/food services, and manufacturing can be volatile during periods of economic downturn while educational services and healthcare/social assistance, the PMA's two largest employers, are more resilient. Furthermore, Medical Center of Central Georgia is the MSA's largest employer and is a private, nonprofit corporation owned by the Macon-Bibb Hospital Authority and affiliated with Secure Health Plans of Georgia, a network of central Georgia hospitals and physician providers. The local economy appears to have diverse and low paying jobs in the healthcare/social assistance, educational services, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2012, average employment growth in the MSA trailed the nation in all but two years. As of February 2019, MSA employment is below record levels; and is declining at an annualized rate of 1.8 percent, compared to a 1.1 percent increase across the overall nation. Since 2012, average employment growth in the MSA trailed the nation in all but two years. On average, since 2015 employment in the MSA has increased at higher rates than the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 4.3 percent, which is higher than the current national unemployment rate of 4.1 percent. However, it is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation in recent years. Based on the employment and unemployment trends in the MSA, it appears that the MSA was slower to recover from the most recent national recession than the nation as a whole. However, recent trends in employment growth and unemployment decline indicate that the economy in the MSA is now recovering and entering an expansionary phase despite the most recent pause. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

### Capture Rates

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

**CAPTURE RATE ANALYSIS CHART**

| Unit Type    | Minimum Income | Maximum Income | Units Proposed | Total Demand | Supply | Net Demand | Capture Rate | Proposed Rents |
|--------------|----------------|----------------|----------------|--------------|--------|------------|--------------|----------------|
| 1BR @50%     | \$14,640       | \$23,350       | 2              | 122          | 0      | 122        | 1.6%         | \$392          |
| 1BR @60%     | \$17,640       | \$28,020       | 6              | 107          | 0      | 107        | 5.6%         | \$492          |
| 1BR Overall  | \$14,640       | \$28,020       | 8              | 160          | 0      | 160        | 5.0%         | -              |
| 2BR @50%     | \$17,640       | \$23,350       | 14             | 92           | 0      | 92         | 15.2%        | \$466          |
| 2BR @60%     | \$21,120       | \$28,020       | 26             | 81           | 0      | 81         | 32.1%        | \$582          |
| 2BR Overall  | \$17,640       | \$28,020       | 40             | 121          | 0      | 121        | 33.0%        | -              |
| @50% Overall | \$14,640       | \$23,350       | 16             | 214          | 0      | 214        | 7.5%         | -              |
| @60% Overall | \$17,640       | \$28,020       | 32             | 188          | 0      | 188        | 17.0%        | -              |
| Overall      | \$14,640       | \$28,020       | 48             | 281          | 0      | 281        | 17.1%        | -              |

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

### Absorption

We were able to obtain absorption information from two of the comparable properties, both market rate, as well as three recently constructed LIHTC properties in the market area. These are illustrated in the following table.

| <b>ABSORPTION</b>        |        |         |            |                    |                           |
|--------------------------|--------|---------|------------|--------------------|---------------------------|
| Property Name            | Type   | Tenancy | Year Built | Number of<br>Units | Units Absorbed /<br>Month |
| Lofts At Capricorn       | Market | Family  | 2018       | 137                | 9                         |
| Sumter Street Station    | LIHTC  | Family  | 2017       | 62                 | 21                        |
| Lofts At Navicent Health | Market | Family  | 2017       | 60                 | 6                         |
| AL Miller Village        | LIHTC  | Family  | 2017       | 71                 | 14                        |
| Peach Place Apartments   | LIHTC  | Senior  | 2014       | 60                 | 12                        |

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a new construction tax credit property. The two comparables reporting absorption are both market rate properties. Lofts at Capricorn was built in 2018 in Macon, Georgia, approximately 13 miles from the Subject site. The property is still in lease-up and is experiencing an absorption rate of nine units per month upon opening. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property’s opening. Lofts at Navicent Health was built in 2017 in Macon, Georgia, approximately 13 miles from the Subject site. The property experienced an absorption rate of six units per month upon opening. Lofts at Navicent Health is currently fully-occupied and maintains a waiting list that consists of 13 households. Sumter Street Station, a family LIHTC property, was built in 2017 in Eatonton, Georgia, approximately 25 miles from the Subject site. The property experienced an absorption rate of 21 units per month upon opening. Sumter Street Station is currently fully-occupied and maintains a waiting list that consists of 62 households, demonstrating strong demand for the property’s affordable units. A.L. Miller Village, a family LIHTC property, was constructed in 2017 in Macon, Georgia, approximately 14 miles from the Subject site. The property experienced an absorption rate of 14 units per month upon opening. Peach Place Apartments was built in 2014 in Byron, Georgia, approximately 29 miles from the Subject site. The property experienced an absorption rate of 12 units per month upon opening. Peach Place Apartments, a senior LIHTC property, is currently fully-occupied and maintains a waiting list that consists of 17 households, demonstrating strong demand for the property’s affordable units. We believe the Subject will experience an absorption rate most similar to Peach Place Apartments as both properties target seniors and are located in similar locations. We anticipate the Subject will experience an absorption pace of 12 units per month, or an absorption period of three to four months.

### Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

| Property Name                         | Rent Structure | Tenancy | Total Units | Vacant Units | Vacancy Rate |
|---------------------------------------|----------------|---------|-------------|--------------|--------------|
| Ashton Hill Apartments*               | LIHTC          | Senior  | 80          | 3            | 3.8%         |
| Baldwin Park                          | LIHTC          | Senior  | 56          | 2            | 3.6%         |
| Baltic Park Apartments*               | LIHTC/PBRA     | Senior  | 82          | 0            | 0.0%         |
| Dulles Park Apartments                | LIHTC          | Senior  | 68          | 4            | 5.9%         |
| Pecan Hills Of Milledgeville          | LIHTC          | Senior  | 54          | 1            | 1.9%         |
| Water Tower Park                      | LIHTC          | Senior  | 72          | 1            | 1.4%         |
| Adrian On Riverside                   | Market         | Family  | 224         | 9            | 4.0%         |
| Ivy League Estates                    | Market         | Family  | 28          | 0            | 0.0%         |
| Legacy Park                           | Market         | Family  | 70          | 0            | 0.0%         |
| Lofts At Capricorn**                  | Market         | Family  | 137         | 38           | 27.7%        |
| Lofts At Navicent Health*             | Market         | Family  | 60          | 0            | 0.0%         |
| <b>Total LIHTC</b>                    |                |         | <b>412</b>  | <b>11</b>    | <b>2.7%</b>  |
| <b>Total Market Rate</b>              |                |         | <b>519</b>  | <b>47</b>    | <b>9.1%</b>  |
| <b>Total Market Rate (Stabilized)</b> |                |         | <b>382</b>  | <b>9</b>     | <b>2.4%</b>  |
| <b>Overall Total</b>                  |                |         | <b>931</b>  | <b>58</b>    | <b>6.2%</b>  |
| <b>Overall Total (Stabilized)</b>     |                |         | <b>794</b>  | <b>20</b>    | <b>2.5%</b>  |

\*Located outside of the PMA

\*\*This property is in its initial lease-up phase

Overall vacancy in the market is 6.2 percent and total LIHTC vacancy is lower, at 2.7 percent, though all of the LIHTC vacancies are pre-leased. Dulles Park Apartments reported a vacancy rate of 5.9 percent. According to the contact at Dulles Park Apartments, there are four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent, but two tenants of the property recently passed away. Ashton Hill Apartments reported a vacancy rate of 3.8 percent. According to the contact at Ashton Hill Apartments, all three vacant units are pre-leased. The contact at this property also stated that the property maintains a waiting list and stated that she believes demand for senior affordable housing in the area is high. Baldwin Park reported a vacancy rate of 3.6 percent. According to the contact at Baldwin Park, both the property's vacant units are pre-leased. The contact at this property also mentioned that she believes demand for senior affordable housing in the area is high. The remaining three LIHTC comparables, Baltic Park Apartments, Pecan Hills of Milledgeville, and Water Tower Park, report vacancy rates less than 2.0 percent, and all three maintain waiting lists. These factors indicate demand for affordable housing in the area is strong.

Lofts at Capricorn began leasing in December 2017 and is currently in its lease-up phase. Lofts at Capricorn demonstrates an absorption rate of nine units per month to date. The contact at this comparable noted that she would attribute the slow lease-up process to changes in management shortly after the property's opening, and she reported strong demand for rental housing in the area. Excluding Lofts at Capricorn, the vacancy rates among the stabilized market-rate comparable properties range from zero to four percent, averaging 2.4 percent, which is considered low. The contact at Adrian on Riverside stated that the property currently has nine vacancies. The contact at this property also stated that she believed demand for rental housing in the area is high. The remaining three stabilized market-rate properties reported full-occupancy, and Lofts at Navicent maintains a waiting list of 13 households. Based on the low vacancy rates among the LIHTC and market-rate comparables, as well as the presence of waiting lists in the market, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

### **Strengths of the Subject**

The Subject will be the newest LIHTC development in the PMA upon completion. The Subject will exhibit excellent condition upon completion, which is similar to superior to the existing LIHTC housing stock in the PMA. The Subject will offer competitive amenity packages, which will include a business center, community room, central laundry, exercise facility, picnic area, recreational areas, library, and crafts room. The Subject will offer a considerable rent advantage over the comparables; the Subject's proposed rents are among the lowest in the market. Therefore, we believe the Subject will be well received in the market given its competitive advantage over the existing housing stock, competitive amenity packages, rent advantage over the LIHTC and market-rate comparables, and strong demand at the comparable properties.

### **Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.7 percent, which is considered healthy, and three of the six comparable LIHTC properties report vacancy levels under two percent. Dulles Park Apartments reported a vacancy rate of 5.9 percent. According to the contact at Dulles Park Apartments, there are four vacant units, all of which are pre-leased. The contact at this property also stated that the property maintains a waiting list of six households and that their vacancy rate is typically around two percent. Furthermore, all but one of the comparable senior LIHTC properties maintain waiting lists, ranging from six to 40 households. These factors indicate demand for affordable senior housing. The Subject will offer generally slightly superior in-unit amenities in comparison to the LIHTC comparable properties, as the Subject will offer in unit washer/dryers which many of the comparables do not. The Subject will offer generally similar to slightly superior property amenities in comparison to the LIHTC comparable properties as it will offer a business center, library, and recreational area, which some of the comparables will lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable LIHTC properties. Given the Subject's anticipated similar to superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

### **Recommendations**

We recommend the Subject as proposed.

# **L. SIGNED STATEMENT REQUIREMENTS**

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

To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

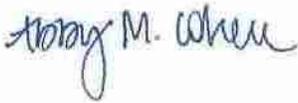
DCA may rely on the representation made in the market study. The document is assignable to other lenders.



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP

May 23, 2019



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Abby Cohen  
Principal  
Novogradac & Company LLP

May 23, 2019



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Brian Neukam  
Manager  
Novogradac & Company LLP

May 23, 2019



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Travis Jorgenson  
Analyst  
Novogradac & Company LLP

May 23, 2019

**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

**ADDENDUM B**  
**Subject and Neighborhood Photographs**



View of Subject site



View of Subject site



View of Subject site



View of Subject site



View east along Old Clinton Road



View west along Old Clinton Road



Ingles Supermarket in Subject's neighborhood



Ace Hardware in Subject's neighborhood



Walgreens Pharmacy in Subject's neighborhood



Harvey's Supermarket in Subject's neighborhood



Gray Family Health in Subject's neighborhood



Senior Center in Subject's neighborhood



Advance Auto Parts in Subject's neighborhood



Huddle House in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

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

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

### II. Licensing and Professional Affiliation

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

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

### III. Professional Experience

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

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

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

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

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

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

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

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

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

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

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

### II. Licensing and Professional Affiliation

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

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

### III. Professional Experience

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

### IV. Professional Training

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

### V. Publications

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

## VI. Real Estate Assignments

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

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

**State of Georgia Certified General Real Property Appraiser No.329471**

**State of North Carolina Certified General Appraiser No. 8284**

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

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

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Manager, December 2016-present**

Novogradac & Company LLP, Senior Real Estate Analyst, September 2015- December 2016

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

**REAL ESTATE ASSIGNMENTS**

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## Travis Jorgenson

### I. Education

Georgia Institute of Technology- Atlanta, GA  
Bachelors of Business Administration and Management, General Management

### II. Professional Experience

Analyst, Novogradac & Company LLP, December 2018 – Present  
Junior Analyst, Novogradac & Company LLP, July 2017 – December 2018  
Claims Analyst, Zelis Healthcare, May 2017 - July 2017  
Automotive Research Intern, Hearst Autos, October 2016-May 2017

### III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

**ADDENDUM D**  
**Summary Matrix**

**SUMMARY MATRIX**

| Comp #         | Property Name   | Distance to Subject | Type / Built / Renovated                       | Rent Structure   | Unit Description | #   | %     | Size (SF) | Restriction | Rent (Adj) | Max Rent? | Waiting List? | Vacant Units | Vacancy Rate |  |  |  |
|----------------|---|---------------------|--|--|------------------|-----|-------|-----------|-------------|------------|-----------|---------------|--------------|--------------|--|--|--|
| <b>Subject</b> | Dulles Park II<br>Old Clinton Road<br>Gray, GA 31032<br>Jones County  | -                   | One-story<br>1-stories<br>2021 / n/a<br>Senior | @50%, @60%   | 1BR / 1BA        | 2   | 4.2%  | 740       | @50%        | \$392      | No        | N/A           | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 6   | 12.5% | 740       | @60%        | \$492      | No        | N/A           | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 14  | 29.2% | 950       | @50%        | \$466      | No        | N/A           | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 26  | 54.2% | 950       | @60%        | \$582      | No        | N/A           | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | <b>48</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 1              | Ashton Hill Apartments<br>925 Tolliver Place<br>Macon, GA 31204<br>Bibb County  | 11.4 miles          | Garden<br>3-stories<br>2001 / n/a<br>Senior    | @50%, @60%   | 1BR / 1BA        | 46  | 57.5% | 697       | @50%        | \$372      | Yes       | Yes           | 2            | 4.4%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 10  | 12.5% | 697       | @60%        | \$513      | Yes       | Yes           | 1            | 10.0%        |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 20  | 25.0% | 951       | @50%        | \$450      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 4   | 5.0%  | 951       | @60%        | \$612      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | <b>80</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 2              | Baldwin Park<br>South Irwin Street And Harrington Drive<br>Milledgeville, GA 31061<br>Baldwin County                            | 18.6 miles          | One-story<br>1-stories<br>2009 / n/a<br>Senior | @30%, @50%, @60%   | 2BR / 1BA        | 3   | 5.4%  | 896       | @30%        | \$216      | No        | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 12  | 21.4% | 896       | @50%        | \$466      | No        | No            | 1            | 8.3%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 41  | 73.2% | 896       | @60%        | \$574      | No        | No            | 1            | 2.4%         |  |  |  |
|                |   |                     |  |  | <b>56</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
|                |   |                     |  |  | <b>2</b>         |     |       |           |             |            |           |               |              |              |  |  |  |
| 3              | Baltic Park Apartments<br>822 Hightower Road<br>Macon, GA 31206<br>Bibb County  | 14.7 miles          | Garden<br>2-stories<br>2003 / n/a<br>Senior    | @50%, @60%, @60%<br>(Project Based Rental Assistance - PBRA) | 1BR / 1BA        | 4   | 4.9%  | 891       | @50%        | \$480      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 41  | 50.0% | 891       | @60%        | \$480      | No        | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 13  | 15.9% | 891       | @60% (PBRA) | -          | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 2   | 2.4%  | 1,139     | @50%        | \$545      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 11  | 13.4% | 1,139     | @60%        | \$545      | No        | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 11  | 13.4% | 1,139     | @60% (PBRA) | -          | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | <b>82</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 4              | Dulles Park Apartments<br>220 Old Clinton Road<br>Gray, GA 31032<br>Jones County  | 0.3 miles           | One-story<br>1-stories<br>2005 / n/a<br>Senior | @30%, @50%, @60%   | 1BR / 1BA        | 2   | 2.9%  | 891       | @30%        | \$214      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 1   | 1.5%  | 891       | @50%        | \$426      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 13  | 19.1% | 891       | @60%        | \$498      | No        | Yes           | 1            | 7.7%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 4   | 5.9%  | 1,139     | @30%        | \$221      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 2   | 2.9%  | 1,139     | @50%        | \$486      | No        | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 40  | 58.8% | 1,139     | @60%        | \$582      | No        | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 1   | 1.5%  | 1,337     | @30%        | \$227      | Yes       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 1   | 1.5%  | 1,337     | @50%        | \$568      | No        | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 3   | 4.4%  | 1,337     | @60%        | \$640      | No        | No            | 3            | 100.0%       |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 1   | 1.5%  | 1,337     | Non-Rental  | -          | N/A       | No            | 0            | 0.0%         |  |  |  |
| <b>68</b>      |   |                     |  |  |                  |     |       |           |             |            |           |               |              |              |  |  |  |
| 5              | Pecan Hills Of Milledgeville<br>900 W Montgomery<br>Milledgeville, GA 31061<br>Baldwin County                                   | 18.5 miles          | Midrise<br>3-stories<br>2006 / n/a<br>Senior   | @30%, @50%   | 2BR / 1BA        | 6   | 11.1% | 975       | @30%        | \$196      | No        | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 48  | 88.9% | 975       | @50%        | \$445      | No        | Yes           | 1            | 2.1%         |  |  |  |
|                |   |                     |  |  | <b>54</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 6              | Water Tower Park<br>South Of Gray Highway, East Of St. Paul<br>Circle, North Of Boulder Drive<br>Gray, GA 31032<br>Jones County | 0.9 miles           | One-story<br>1-stories<br>2016 / n/a<br>Senior | @50%, @60%   | 1BR / 1BA        | 3   | 4.2%  | 800       | @50%        | \$373      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 9   | 12.5% | 800       | @60%        | \$468      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 12  | 16.7% | 950       | @50%        | \$434      | Yes       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 48  | 66.7% | 950       | @60%        | \$548      | Yes       | Yes           | 1            | 2.1%         |  |  |  |
|                |   |                     |  |  | <b>72</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 7              | Adrian On Riverside<br>5243 Riverside Drive<br>Macon, GA 31210<br>Bibb County   | 10.9 miles          | Garden<br>2-stories<br>2003 / 2009<br>Family   | Market   | 1BR / 1BA        | 24  | 10.7% | 850       | Market      | \$953      | N/A       | No            | 2            | 8.3%         |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 24  | 10.7% | 970       | Market      | \$953      | N/A       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 33  | 14.7% | 1,178     | Market      | \$962      | N/A       | No            | 2            | 6.1%         |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | 33  | 14.7% | 1,296     | Market      | \$1,005    | N/A       | No            | 1            | 3.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 33  | 14.7% | 1,238     | Market      | \$1,199    | N/A       | No            | 3            | 9.1%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 33  | 14.7% | 1,336     | Market      | \$1,199    | N/A       | No            | 1            | 3.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 28  | 12.5% | 1,386     | Market      | \$1,210    | N/A       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 16  | 7.1%  | 1,438     | Market      | \$1,335    | N/A       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | <b>224</b>       |     |       |           |             |            |           |               |              |              |  |  |  |
|                |   |                     |  |  | <b>9</b>         |     |       |           |             |            |           |               |              |              |  |  |  |
| 8              | Ivy League Estates<br>2051 Ivey Drive<br>Milledgeville, GA 31061<br>Baldwin County  | 17.8 miles          | Garden<br>2-stories<br>2006 / 2017<br>Family   | Market   | 2BR / 2BA        | 22  | 78.6% | 950       | Market      | \$775      | N/A       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | 6   | 21.4% | 1,350     | Market      | \$850      | N/A       | No            | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | <b>28</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
|                |   |                     |  |  | <b>0</b>         |     |       |           |             |            |           |               |              |              |  |  |  |
|                |   |                     |  |  | <b>0</b>         |     |       |           |             |            |           |               |              |              |  |  |  |
| 9              | Legacy Park<br>153 E Clinton St<br>Gray, GA 31032<br>Jones County   | 1.1 miles           | Various<br>2-stories<br>1998 / n/a<br>Family   | Market   | 1BR / 1BA        | N/A | N/A   | 550       | Market      | \$511      | N/A       | None          | 0            | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 1BA        | N/A | N/A   | 900       | Market      | \$602      | N/A       | None          | 0            | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 1.5BA      | N/A | N/A   | 900       | Market      | \$627      | N/A       | None          | 0            | N/A          |  |  |  |
|                |   |                     |  |  | 3BR / 2BA        | N/A | N/A   | 1,100     | Market      | \$691      | N/A       | None          | 0            | N/A          |  |  |  |
|                |   |                     |  |  | <b>70</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| 10             | Lofts At Capricorn<br>520 Martin Luther King Jr Blvd<br>Macon, GA 31201<br>Bibb County  | 12.8 miles          | Midrise<br>4-stories<br>2018 / n/a<br>Family   | Market   | 1BR / 1BA        | 82  | 59.9% | 808       | Market      | \$1,205    | N/A       | No            | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 1BR / 1BA        | 3   | 2.2%  | 955       | Market      | \$1,320    | N/A       | No            | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 45  | 32.9% | 968       | Market      | \$1,575    | N/A       | No            | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 1   | 0.7%  | 1,131     | Market      | \$1,650    | N/A       | No            | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 3   | 2.2%  | 1,168     | Market      | \$1,820    | N/A       | No            | N/A          | N/A          |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 3   | 2.2%  | 1,482     | Market      | \$1,825    | N/A       | No            | N/A          | N/A          |  |  |  |
| <b>137</b>     |   |                     |  |  |                  |     |       |           |             |            |           |               |              |              |  |  |  |
| <b>38</b>      |   |                     |  |  |                  |     |       |           |             |            |           |               |              |              |  |  |  |
| 11             | Lofts At Navicent Health<br>781 Spring Street<br>Macon, GA 31201<br>Bibb County   | 12.9 miles          | Midrise<br>5-stories<br>2017 / n/a<br>Family   | Market   | 1BR / 1BA        | 41  | 68.3% | 796       | Market      | \$1,340    | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 9   | 15.0% | 1,092     | Market      | \$1,685    | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 5   | 8.3%  | 1,127     | Market      | \$1,900    | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | 2BR / 2BA        | 5   | 8.3%  | 1,395     | Market      | \$2,275    | N/A       | Yes           | 0            | 0.0%         |  |  |  |
|                |   |                     |  |  | <b>60</b>        |     |       |           |             |            |           |               |              |              |  |  |  |
| <b>0</b>       |   |                     |  |  |                  |     |       |           |             |            |           |               |              |              |  |  |  |