

Market Feasibility Analysis

**Redwood Trails Apartments
499 Kenworth Street
Vidalia, Toombs County, Georgia 30474**

Prepared For

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Section A – Executive Summary

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

1. Project Description:

The subject project involves the new construction of the 64-unit Redwood Trails Apartments rental community located at 499 Kenworth Street in Vidalia, Georgia. The project will offer 24 one-bedroom and 40 two-bedroom garden-style units in a three-story, elevator-served building with 3,500 square feet of integrated community space. Redwood Trails Apartments will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income senior households ages 55 and older earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$400 to \$578, depending on unit size and AMHI level. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by June 2021. Additional details regarding the proposed project are as follows and included in *Section B* of this report.

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
5	One-Br.	1.0	Garden	689	50%	\$400	\$55	\$455	\$547
19	One-Br.	1.0	Garden	689	60%	\$495	\$55	\$550	\$657
8	Two-Br.	1.0	Garden	893	50%	\$478	\$72	\$550	\$657
32	Two-Br.	1.0	Garden	893	60%	\$578	\$72	\$650	\$789
64	Total								

Source: IDP Housing, LP

AMHI – Area Median Household Income (Toombs County, GA-National Non-Metropolitan; 2018)

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave, ceiling fan, carpet and VCT flooring, window blinds, central air conditioning, exterior storage closet, and washer/dryer hookups. Community amenities will include on-site management, computer center, elevator, laundry facility, common patio, community garden, community kitchen and multipurpose room, gazebo, picnic area, and social supportive services. Overall, the amenity package offered at the property is considered appropriate for and marketable to the targeted tenant population and will be competitive with those offered among the comparable projects in the market.

2. Site Description/Evaluation:

The subject site is situated within an established portion of Vidalia and is expected to fit well with the surrounding residential structures. The wooded land surrounding the site to the west will provide a natural buffer to additional surrounding land uses. The site will be visible and easily accessible from the bordering residential roadways to the east, however, these lightly traveled roadways will result in minimal passerby traffic to the subject site. Thus, promotional signage is recommended near/along area arterials such as West 1st Street and/or Adams Street, particularly during the subject's initial lease-up period. Most area services are located within 1.0 mile of the site which is considered beneficial to the targeted senior population and will contribute to the overall marketability of the property. Overall, the proposed subject site location is considered conducive to affordable age-restricted product such as that proposed.

3. Market Area Definition:

The Vidalia Site PMA includes the municipalities of Vidalia, Lyons, Higgston, and some outlying unincorporated areas of Toombs County. The boundaries of the Site PMA include the Toombs County line to the north and east; State Route 56, U.S. Highway 1, State Route 15, and Lyons Center Road to the south; and the Toombs County line, State Route 130 and 135, County Road 79, Morris Road, Old Bethel Road, and Almond Station Road to the west. The boundaries of the Site PMA are generally within 13.4 miles of the subject site. A map illustrating these boundaries is included on page *D-3* of this report.

4. Community Demographic Data:

Population and household growth is projected for the Vidalia Site PMA between 2019 and 2021, a trend which has been consistent since 2000 though growth has slowed over the past several years. The subject project will be restricted to seniors age 55 and older, an age group which is projected to increase by 101 households, or 2.2%, between 2019 and 2021. Nearly 30.0% of this senior household growth will occur among senior renter households, as 30 such households will be added to the market during this time period. Nearly 1,300 senior renter households are projected for the market in 2021 and approximately 72.0% of these senior renter households are projected to earn less than \$30,000. Based on the preceding factors, a relatively large and expanding base of senior renter households exists within the Vidalia market and demand is expected to remain high for affordable senior-oriented rental product. Additional demographic data is included in *Section E* of this report.

Also note that based on 2013-2017 American Community Survey (ACS) data, 40.9% of the vacant housing units in the Site PMA are classified as "Other Vacant", which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Vidalia Site PMA, rental

properties are operating at strong occupancy levels and some maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that based on information obtained from RealtyTrac.com, Toombs County has a lower foreclosure rate (0.03%) than the state of Georgia (0.05%) as a whole. Based on the preceding analysis, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability. This is especially true when considering the limited availability of general-occupancy LIHTC product in the Vidalia market.

5. Economic Data:

The Toombs County economy has experienced notable improvements in both total employment and unemployment rate trends over the past several years. Specifically, the employment base within the county has increased by nearly 500 jobs since 2015 while the unemployment rate declined by nearly eight full percentage points since 2011. These are good indications of interest and investment within the local economy over the past several years. However, the unemployment rate within the county remains more than one full percentage point higher than both state and national averages through March of 2019. Nonetheless, we expect the local economy is expected to continue to improve for the foreseeable future, contributing to the continued strength of the housing market within the Toombs County area. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component (Age 55+)	Percent of Median Household Income		
	50% (\$13,650 To \$23,350)	60% (\$16,500 To \$28,020)	Tax Credit Overall (\$13,650 To \$28,020)
Net Demand	187	171	239
Proposed Units / Net Demand	13 / 187	51 / 171	64 / 239
Capture Rate	= 7.0%	= 29.8%	= 26.8%

Per GDCA guidelines, capture rates up to 35.0% are acceptable for projects in rural markets. As such, the project’s overall capture rate of 26.8% is considered achievable, especially considering the limited supply of available affordable non-subsidized age-restricted housing within the market. In addition, we also anticipate a good share of support from senior homeowners due to the general lack of available non-subsidized senior-oriented housing within Vidalia Site PMA. However, per GDCA methodology, support from senior homeowners is limited to 2% of total demand. We anticipate a greater percentage of support will generate from senior homeowners looking to downsize from their homes and seeking a maintenance-free rental alternative. As such, the overall capture rate is considered conservative. The capture rates by AMHI level are also considered achievable and conservative within the Site PMA, ranging from 7.0% to 29.8%.

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (50%)	50%	5	93	0	93	5.4%
One-Bedroom (50%)	60%	19	85	0	85	22.4%
One-Bedroom	Total	24	178	0	178	13.5%
Two-Bedroom (50%)	50%	8	94	0	94	8.5%
Two-Bedroom (50%)	60%	32	86	0	86	37.2%
Two-Bedroom	Total	40	180	0	180	22.2%

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

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

The capture rates by bedroom type and targeted income level range from 5.4% to 37.2%. These capture rates are below GDCA’s capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Vidalia Site PMA for each of the unit types proposed for the subject development.

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

7. Competitive Rental Analysis

The proposed subject project will offer one- and two-bedroom units targeting senior (age 55 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of five LIHTC projects. However, only three of these five properties offer non-subsidized units similar to those proposed for the subject project and targeting similar income levels. While two of these three properties are general-occupancy and will not be directly competitive with the subject project, they will provide a good base of comparison for the subject property within the Vidalia market. One property, Faith Crossing Apartments, is age-restricted and will be directly competitive with the subject development.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Redwood Trails Apartments	2021	64	-	-	-	Seniors 55+; 50% & 60% AMHI
3	Chateau	2004	55*	100.0%	1.8 Miles	14 HH	Families; 30%, 50%, & 60% AMHI
5	Faith Crossing Apts.	2012	64	96.9%	2.7 Miles	5 HH **	Seniors 55+; 50% & 60% AMHI
11	Lakeview	2005	72	100.0%	7.4 Miles	15 HH	Families; 30%, 50%, & 60% AMHI

OCC. – Occupancy

HH - Households

*Tax Credit units only

**Select units

The three LIHTC projects have a combined occupancy rate of 99.0%, with no property reporting an individual occupancy rate below 96.9%. In fact, all three properties surveyed maintain waiting lists for at least some, if not all, unit types offered. These are clear indications of strong and pent-up demand for additional non-subsidized LIHTC product in the Vidalia market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Redwood Trails Apartments	\$455/50% (5) \$550/60% (19)	\$550/50% (8) \$650/60% (32)	-	-
3	Chateau	\$445/30% (3/0) \$664/50% (10/0) \$774/60% (3/0)	\$538/30% (2/0) \$801/50% (15/0) \$933/60% (7/0)	\$850/50% (10/0) \$1,084/60% (5/0)	None
5	Faith Crossing Apts.	\$472/50% (3/0) \$502/60% (5/0)	\$549/50% (10/1) \$569/60% (46/1)	-	None
11	Lakeview	\$308/30% (1/0) \$527/50% (5/0) \$637/60% (4/0)	\$395/30% (2/0) \$396/30% (2/0) \$658/50% (7/0) \$659/50% (7/0) \$790/60% (8/0) \$791/60% (8/0)	\$476/30% (2/0) \$476/30% (1/0) \$780/50% (6/0) \$780/50% (6/0) \$932/60% (7/0) \$932/60% (6/0)	None

The subject's proposed gross Tax Credit rents are within range of those reported at the one age-restricted property surveyed, Faith Crossing Apartments, and well below those reported at the two comparable general-occupancy properties. Thus, the subject's proposed rents are considered competitive and marketable within the Site PMA, particularly when considering the high occupancy rates reported among existing comparable LIHTC properties, and the newness and anticipated quality of the subject project.

Comparable/Competitive Tax Credit Summary

The three comparable LIHTC properties surveyed in the Site PMA report an overall occupancy rate of 99.0%, which is reflective of just two (2) vacant units reported at one of the three properties surveyed. The subject’s proposed gross rents will be competitive with those reported among the existing properties. In fact, the subject rents are significantly lower than those reported at two of the three LIHTC properties surveyed. The property will generally be inferior to the comparable properties, however, in terms of unit sizes (square feet) and bathrooms offered (two-bedroom units). While these factors could leave the property at a slight marketing disadvantage, the significant demand for LIHTC product such as that proposed is expected to diminish the subject’s need to offer larger unit sizes and/or an additional bathroom within the two-bedroom units. This is particularly true when considering the newness of the subject project. The subject’s amenity package is competitive as proposed and will contribute to the subject’s marketability. Overall, the property is considered marketable and will represent a value to lower income seniors in the Vidalia area. An in-depth comparable analysis is included in *Section H* of this report.

Average Market Rent

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

Weighted Average Collected Rent of Comparable Market-Rate Units*	
One-Br.	Two-Br.
\$438	\$567

*As identified in *Addendum E*

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

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$438	- \$400 (50%)	\$38	/ \$400 (50%)	9.5%
		- \$495 (60%)	-\$57	/ \$495 (60%)	-11.5%
Two-Br.	\$567	- \$478 (50%)	\$89	/ \$478 (50%)	18.6%
		- \$578 (60%)	-\$11	/ \$578 (60%)	-1.9%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 9.5% to 18.6% at the 50% AMHI level, as compared to the weighted average collected rents of the comparable *market-rate* projects as identified in *Addendum E*. The subject’s proposed rents at the 60% AMHI level represent negative market rent advantages. However, while Tax Credit rents up to 60% of AMHI are typically set near 10% or more below average market rents to ensure that the project will have a sufficient flow of tenants, in some markets minimal or no

rent advantages are considered acceptable. This is believed to be true for the Vidalia market due to the general lack of modern comparable market-rate product within the Site PMA. This results in non-subsidized Tax Credit product at higher AMHI levels such as the subject units at 60% AMHI setting the standard for non-subsidized rental product in terms of rent level. Further, the subject's proposed rents are competitive with existing non-subsidized LIHTC product as detailed in Section H. It is also important to understand, however, that the preceding are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 64 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 64 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings. Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable/competitive LIHTC product in this market. We have no recommendations to the subject project at this time.

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

Development Name:	Redwood Trails Apartments	Total # Units:	64
Location:	499 Kenworth Street, Vidalia, Georgia 30474	# LIHTC Units:	64
PMA Boundary:	Toombs County line to the north and east; State Route 56, U.S. Highway 1, State Route 15, and Lyons Center Road to the south; and the Toombs County line, State Route 130 and 135, County Road 79, Morris Road, Old Bethel Road, and Almond Station Road to the west.		
	Farthest Boundary Distance to Subject:		13.4 miles

RENTAL HOUSING STOCK (found on page H-1 to 6)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	16	749	20	97.3%
Market-Rate Housing	7*	175	3	98.3%
Assisted/Subsidized Housing not to include LIHTC	5	273	15	94.5%
LIHTC	5*	301	2	99.3%
Stabilized Comps	3	191	2	99.0%
Properties in Construction & Lease Up	0	0	-	-

*Includes mixed-income properties

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
5	One-Br.	1.0	689	\$400	\$438	\$0.55	9.5%	\$500	\$0.57
19	One-Br.	1.0	689	\$495	\$438	\$0.55	-11.5%	\$500	\$0.57
8	Two-Br.	1.0	893	\$478	\$567	\$0.63	18.6%	\$645	\$0.72
32	Two-Br.	1.0	893	\$578	\$567	\$0.63	-1.9%	\$645	\$0.72

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-Rate	Other:	Overall
Capture Rate	-	7.0%	29.8%	-	-	26.8%

Section B - Project Description

The subject project involves the new construction of the 64-unit Redwood Trails Apartments rental community located at 499 Kenworth Street in Vidalia, Georgia. The project will offer 24 one-bedroom and 40 two-bedroom garden-style units in a three-story, elevator-served building with 3,500 square feet of integrated community space. Redwood Trails Apartments will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income senior households ages 55 and older earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$400 to \$578, depending on unit size and AMHI level. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by June 2021. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Redwood Trails Apartments
2. **Property Location:** 499 Kenworth Street
Vidalia, Georgia 30474
(Toombs County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
5	One-Br.	1.0	Garden	689	50%	\$400	\$55	\$455	\$547
19	One-Br.	1.0	Garden	689	60%	\$495	\$55	\$550	\$657
8	Two-Br.	1.0	Garden	893	50%	\$478	\$72	\$550	\$657
32	Two-Br.	1.0	Garden	893	60%	\$578	\$72	\$650	\$789
64	Total								

Source: IDP Housing, LP

AMHI – Area Median Household Income (Toombs County, GA-National Non-Metropolitan; 2018)

5. **Target Market:** Housing for Older Persons (Age 55+)
6. **Project Design:** Garden-style units in a three-story, elevator-served building with 3,500 square feet of integrated community space.
7. **Original Year Built:** Not Applicable

8. Projected Opening Date: June 2021

9. Unit Amenities:

- Electric Range
- Refrigerator w/Icemaker
- Garbage Disposal
- Dishwasher
- Microwave
- Washer/Dryer Hookups
- Exterior Storage Closet
- Carpet, Vinyl, Composite Flooring
- Window Treatments
- Ceiling Fan
- Walk-In Closet
- Controlled Access
- Central Air Conditioning

10. Community Amenities:

- Computer Center
- Copy/Print/Fax
- Common Patio
- Community Garden
- Community Kitchen
- Gazebo
- Multipurpose Room
- Elevator
- Laundry Room
- On-Site Management
- Picnic Grills & Tables
- CCTV
- Social/Supportive Services (See Below)

11. Resident Services:

- Classes
- Health Screenings
- Parties
- Wellness Center

12. Utility Responsibility:

The costs of cold water, sewer and trash collection will be included in the rent, while tenants will be responsible for the following:

- General Electricity
- Electric Heat
- Electric Water Heat
- Electric Cooking

13. Rental Assistance: None

14. Parking:

A surface parking lot with 112 spaces will be offered at no additional cost to the residents.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

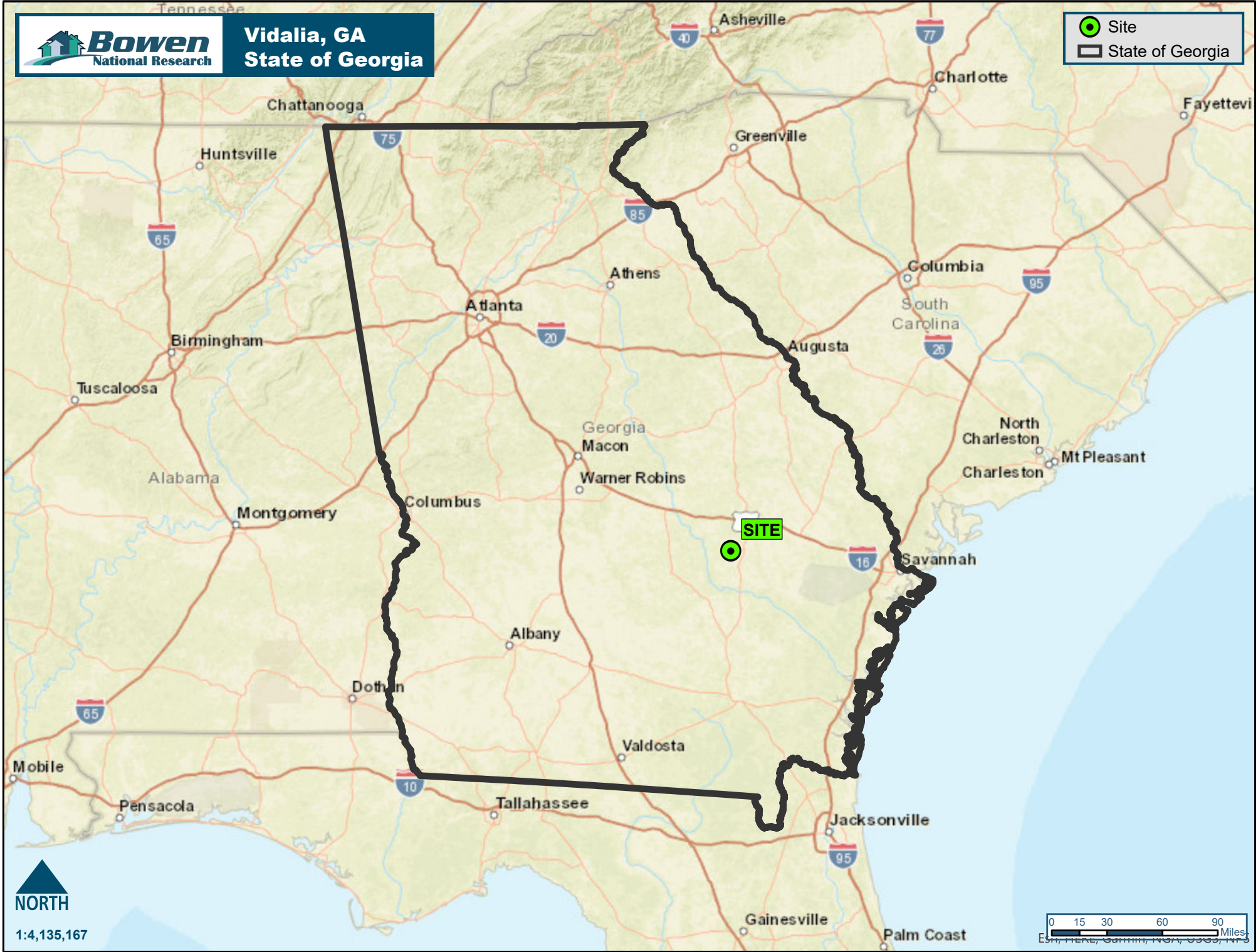
Toombs County, Georgia (2018)

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



Vidalia, GA State of Georgia

● Site
▭ State of Georgia

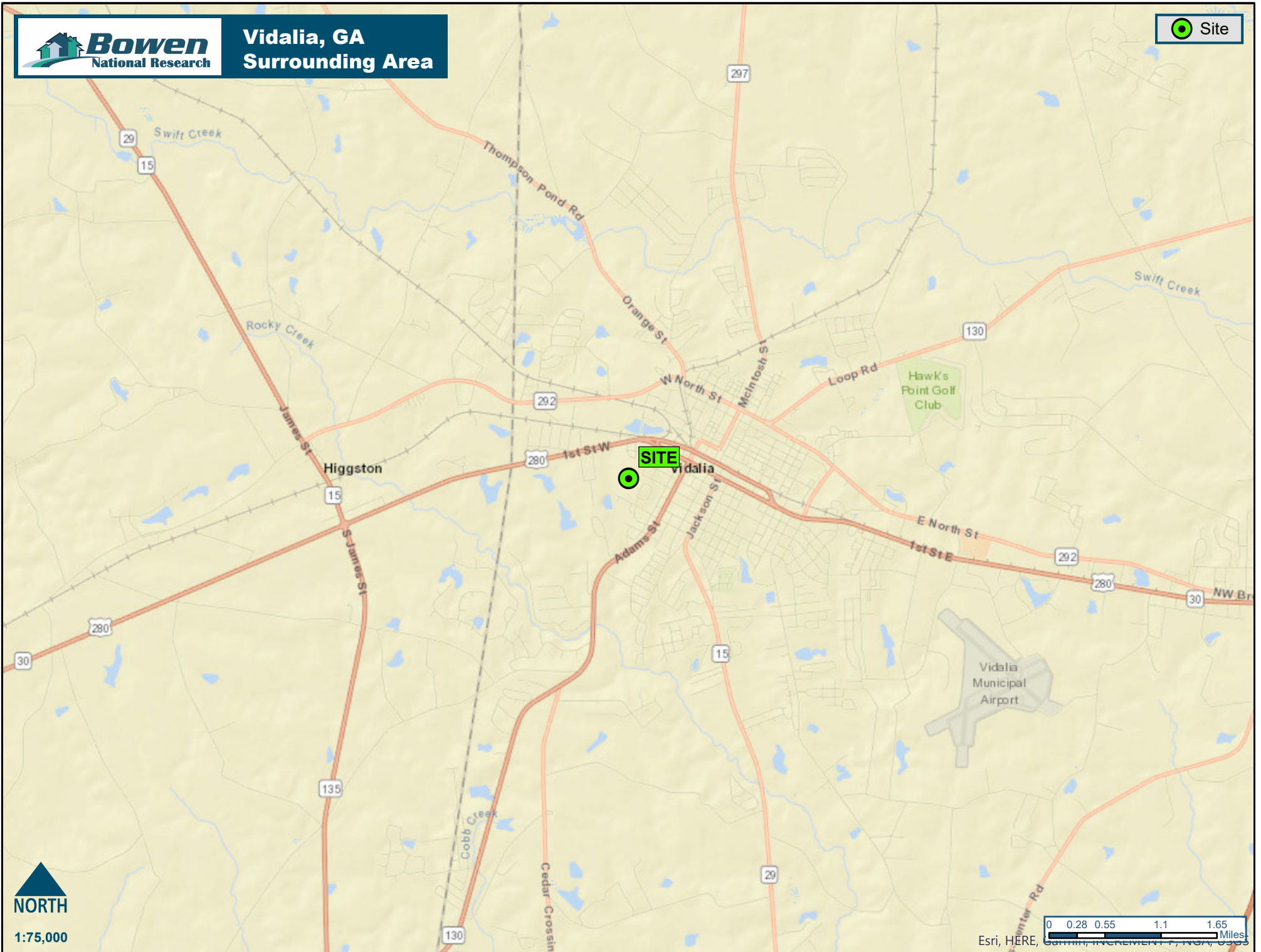


1:4,135,167





Vidalia, GA Surrounding Area



1:75,000

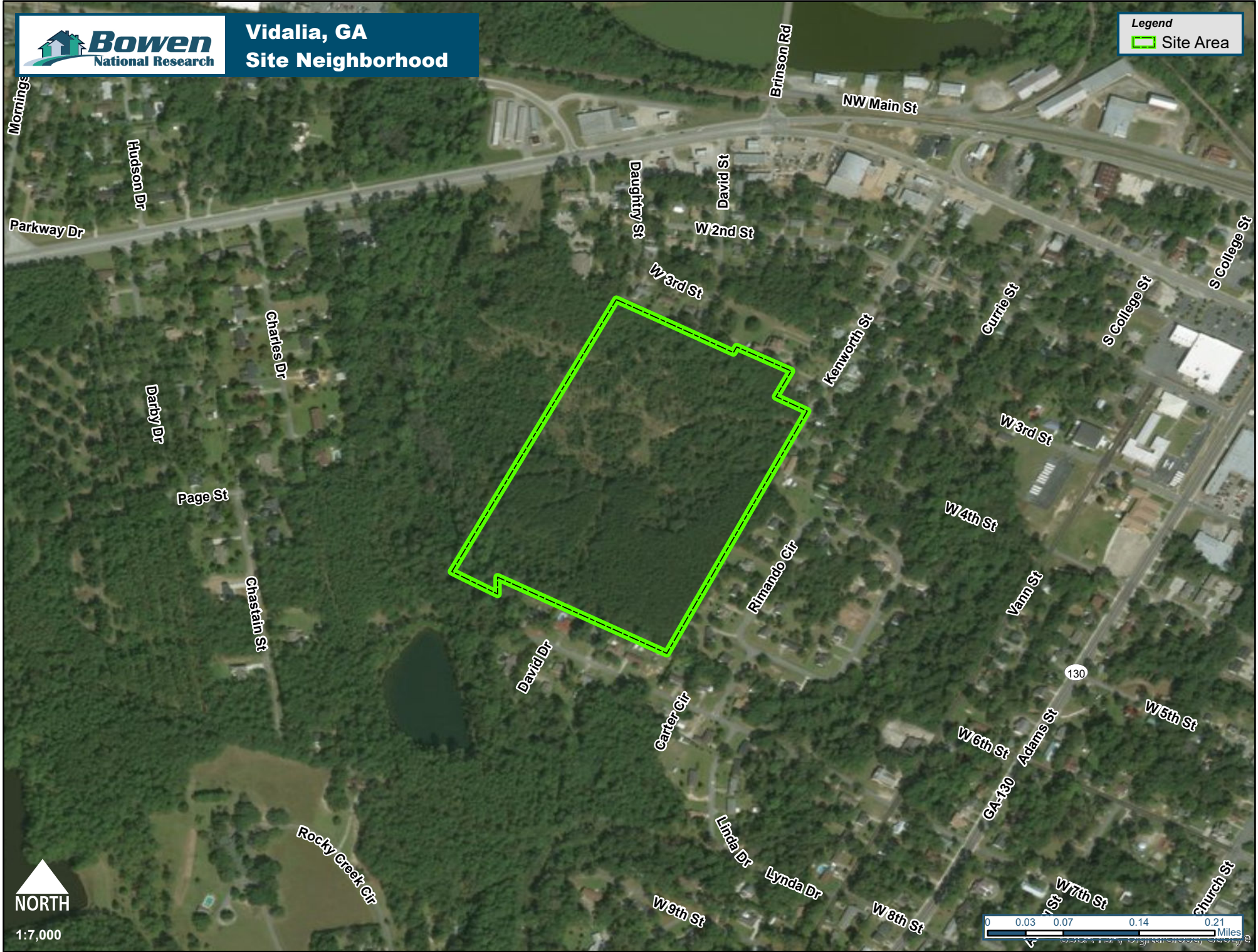
0 0.28 0.55 1.1 1.65 Miles

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

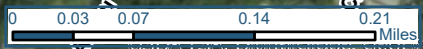


Vidalia, GA Site Neighborhood

Legend
Site Area



NORTH
1:7,000



Section C – Site Description And Evaluation

1. LOCATION

The proposed subject site is currently a parcel of densely wooded land located at 499 Kenworth Street in the western portion of Vidalia, Georgia. Located in Toombs County, Vidalia is approximately 84.0 miles west of Savannah, Georgia. Zachary Seaman, an employee of Bowen National Research, inspected the site and area apartments during the week of April 15, 2019.

2. SURROUNDING LAND USES

The subject site is within an established area of Vidalia, Georgia. Surrounding land uses include established single-family homes in fair to good condition, wooded land, retail establishments and various other small businesses and arterial roadways. Most of these land uses are in fair to good condition. Adjacent land uses are detailed as follows:

North -	To the north of the site are single-family homes in good condition. Following these homes is West 3 rd Street, a two-lane lightly traveled residential roadway. Farther north are additional well-maintained single-family dwellings, small areas of wooded land, various small businesses and lightly traveled residential roadways.
East -	The eastern border is defined by Kenworth Street, a two-lane lightly traveled residential roadway, and single-family dwellings in good condition. Extending beyond are additional established single-family and multifamily dwellings in fair to good condition.
South -	South of the proposed site are single-family homes in good condition along West 7 th Street, a two-lane lightly traveled residential roadway. Additional single-family homes, wooded areas and a small pond continue south.
West -	Heavily wooded land defines the western boundary of the site followed by established single-family homes in fair to good condition. Continuing west is undeveloped and densely wooded land in addition to agricultural land uses.

The subject site is expected to fit well with the surrounding residential land uses, most of which are considered to be in fair to good condition and should have a positive impact on the marketability of the property.

3. VISIBILITY AND ACCESS

Visibility of the site is mostly obstructed due to the surrounding wooded land and single-family homes. However, the subject site does maintain partial frontage at the intersection of Kenworth Street and West 4th Street. The three-story design of the subject building is also expected to enhance visibility of the property from the surrounding roadways. Nonetheless, vehicular traffic within the immediate site neighborhood was observed to be light and will result in minimal passerby traffic to the subject site. Thus, it is recommended that promotional signage is placed at/near the Kenworth Street/West 1st Street and/or West 4th Street/Adams Street intersections to enhance awareness of the subject property, particularly during the subject's initial lease-up period.

Access to the site is convenient for westbound traffic on West 4th Street and southbound traffic on Kenworth Street due to the light vehicular traffic within the immediate site neighborhood. It is also of note that Kenworth Street provides direct access to and from West 1st Street north of the site while West 4th Street provides access to and from Adams Street east of the site. This allows for convenient access to the subject site/site neighborhood as these aforementioned roadways are arterials providing access throughout the Vidalia area. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

4. SITE PHOTOGRAPHS

Photographs of the subject site and surrounding land uses are on located on the following pages.



View of site from the north



View of site from the east



North view from site



East view from site



Streetscape: East View of West 7th Street



Streetscape: West View of West 7th Street



Streetscape: North View of Rimando Circle



Streetscape: South View of Rimando Circle



Streetscape: East View of West 3rd Street



Streetscape: West View of West 3rd Street

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

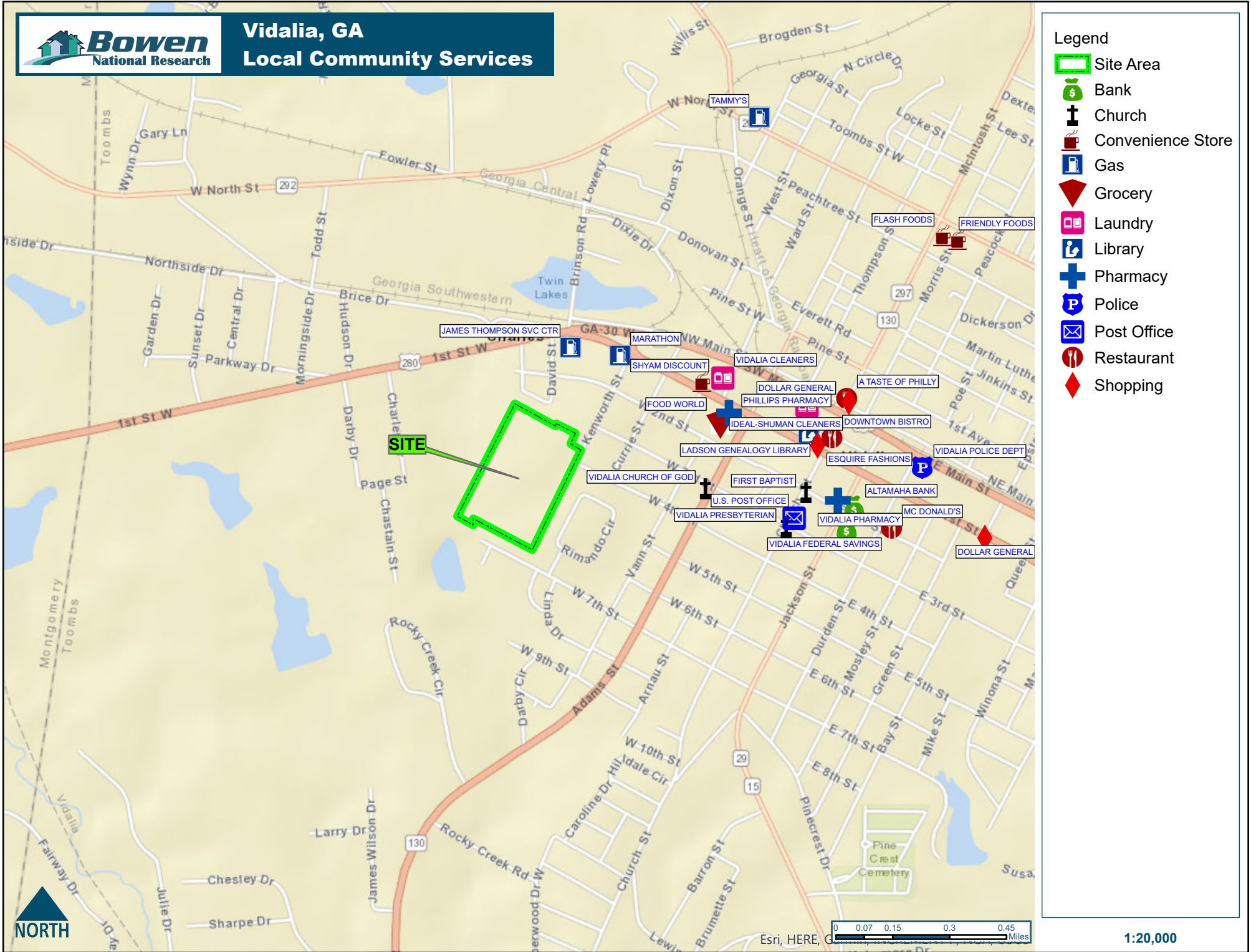
Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 280	0.2 North
	State Route 130	0.3 East
Public Bus Stop	N/A	N/A
Major Employers/ Employment Centers	Walmart	3.9
	Meadows Regional Medical Center	3.6
Convenience Store	Shyam Discount	0.4 Northeast
	Flash Foods	1.3 Northeast
	Friendly Foods	1.3 Northeast
Grocery	Food World	0.4 East
	Bi-Lo	1.5 East
Discount Department Store	Esquire Fashions	0.7 East
	Dollar General	0.9 East
	Dollar General	1.1 East
	Walmart	3.9 East
Shopping Center	Save-A-Lot Shopping Center	1.2 East
Hospital/Medical Center	Family Practice Primary Care	2.4 Southeast
	Meadows Regional Medical Center	3.6 East
Police	Vidalia Police Department	1.2 East
Fire	Vidalia Fire Department	1.9 Southeast
Post Office	U.S. Post Office	0.6 East
Bank	Altamaha Bank & Trust Company	0.8 East
	Vidalia Federal Savings Bank	0.8 East
	BB&T	1.5 East
Gas Station	James Thompson Service Center	0.5 North
	Marathon	0.5 Northeast
	Tammy's	1.2 Northeast
	Emmark Station	1.8 East
Pharmacy	Phillips Pharmacy	0.5 East
	Vidalia Pharmacy	0.8 East
	CVS Pharmacy	1.6 East
	Walmart Pharmacy	3.9 East
Restaurant	Downtown Bistro	0.8 East
	McDonald's	0.9 East
	A Taste of Philly	0.9 East
Library	Ladson Genealogy Library	0.7 East
Church	Vidalia Church of God	0.4 East
	Vidalia Presbyterian Church	0.6 East
	First Baptist Church	0.7 East
Laundry	Vidalia Cleaners	0.5 Northeast
	Ideal-Shuman Cleaners	0.7 East

As the preceding illustrates, most area services are located within 1.0 mile of the subject site. Most area services are easily accessible from the subject site given the subject's proximity to West 1st Street which serves as a commercial corridor directly north of the site. This roadway also provides convenient access to U.S. Highway 280 approximately 0.4 miles north of the site. This further enhances accessibility of services throughout the Vidalia area.

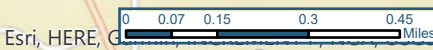
All public safety services are provided by the Vidalia Police and Fire departments, which are located 1.2 and 1.9 miles from the site, respectively. The nearest full-service medical center is the Meadows Regional Medical Center located 3.6 miles east of the site.

Based on the preceding factors, the subject's proximity to area services is expected to have a positive impact on its overall marketability within the Vidalia market.

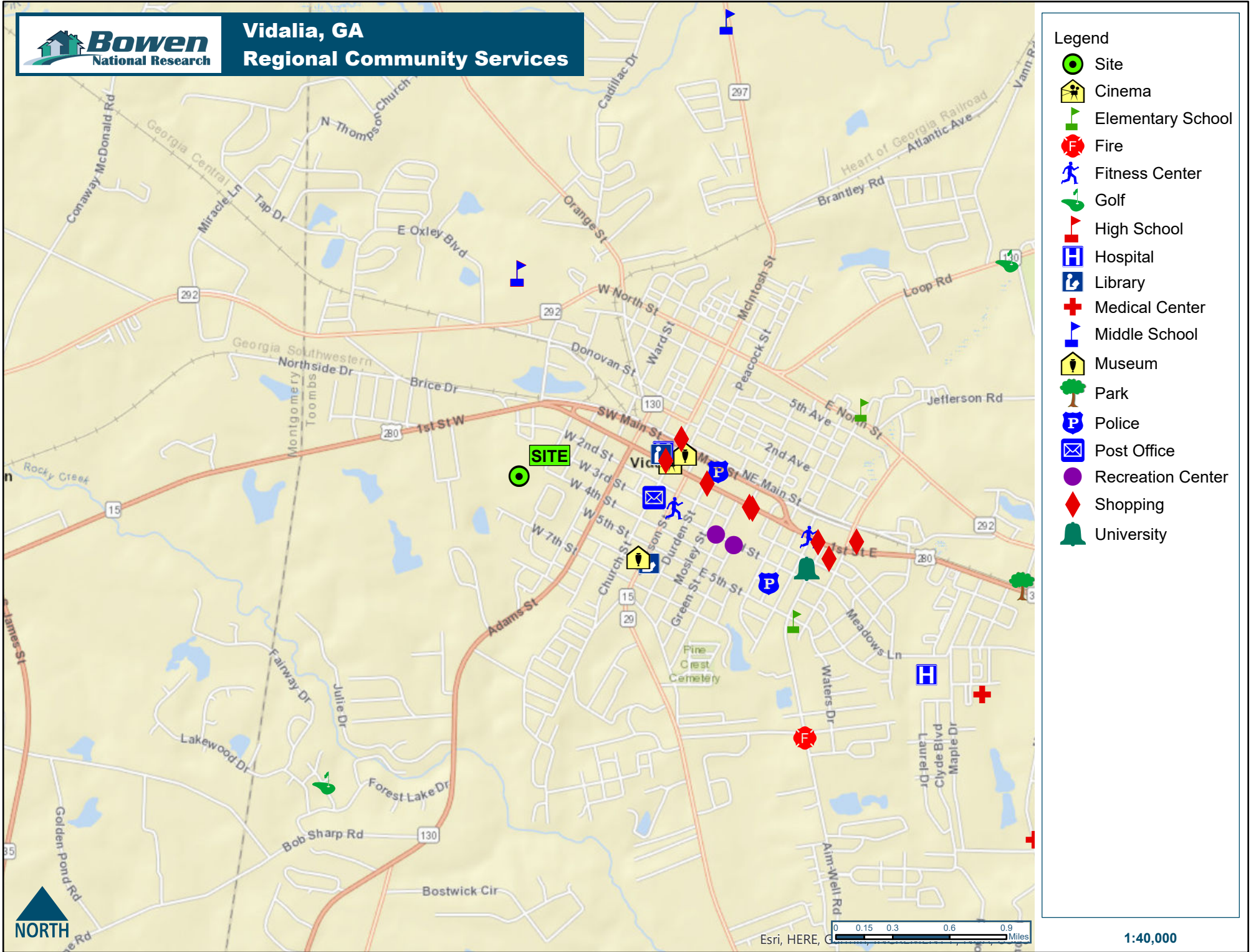
Maps illustrating the location of community services are on the following pages.





















- Legend**
- Site Area
 - Bank
 - Church
 - Convenience Store
 - Gas
 - Grocery
 - Laundry
 - Library
 - Pharmacy
 - Police
 - Post Office
 - Restaurant
 - Shopping



1:20,000



- Legend**
-  Site
 -  Cinema
 -  Elementary School
 -  Fire
 -  Fitness Center
 -  Golf
 -  High School
 -  Hospital
 -  Library
 -  Medical Center
 -  Middle School
 -  Museum
 -  Park
 -  Police
 -  Post Office
 -  Recreation Center
 -  Shopping
 -  University



Esri, HERE, 0 0.15 0.3 0.6 0.9 Miles

1:40,000

6. CRIME ISSUES

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

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

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

Total crime risk for the Site ZIP Code is 152, with an overall personal crime index of 110 and a property crime index of 158. Total crime risk for Toombs County is 127, with indexes for personal and property crime of 108 and 130, respectively.

	Crime Risk Index	
	Site Zip Code	Toombs County
Total Crime	152	127
Personal Crime	110	108
Murder	153	132
Rape	55	76
Robbery	101	93
Assault	121	120
Property Crime	158	130
Burglary	171	159
Larceny	164	129
Motor Vehicle Theft	74	65

Source: Applied Geographic Solutions

The crime risk index for the Site Zip Code (152) is higher than that reported for Toombs County (127) as a whole and both are above the national average of 100. Although higher than county and national averages, the subject's crime index is not expected to have any adverse impact on the overall marketability of the proposed project. This is evident by the high occupancy rates reported among most properties surveyed in the Vidalia Site PMA, particularly existing LIHTC product.

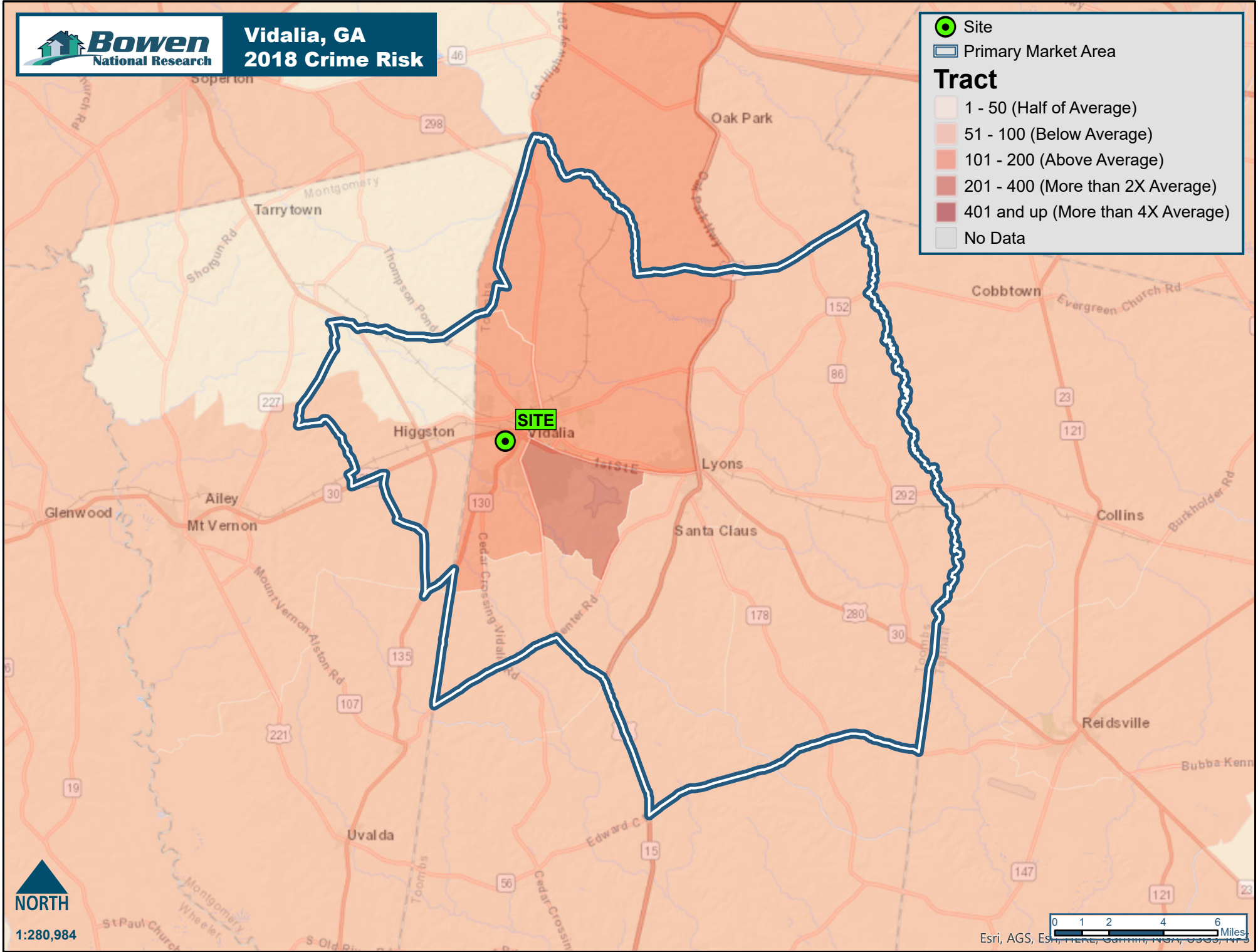
A map illustrating crime risk is on the following page.

 Site

 Primary Market Area

Tract

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



7. OVERALL SITE EVALUATION

The subject site is situated within an established portion of Vidalia and is expected to fit well with the surrounding residential structures. The wooded land surrounding the site to the west will provide a natural buffer to additional surrounding land uses. The site will be visible and easily accessible from the bordering residential roadways to the east, however, these lightly traveled roadways will result in minimal passerby traffic to the subject site. Thus, promotional signage is recommended near/along area arterials such as West 1st Street and/or Adams Street, particularly during the subject's initial lease-up period. Most area services are located within 1.0 mile of the site which is considered beneficial to the targeted senior population and will contribute to the overall marketability of the property. Overall, the proposed subject site location is considered conducive to affordable age-restricted product such as that proposed.

8. MAP OF LOW-INCOME RENTAL HOUSING

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

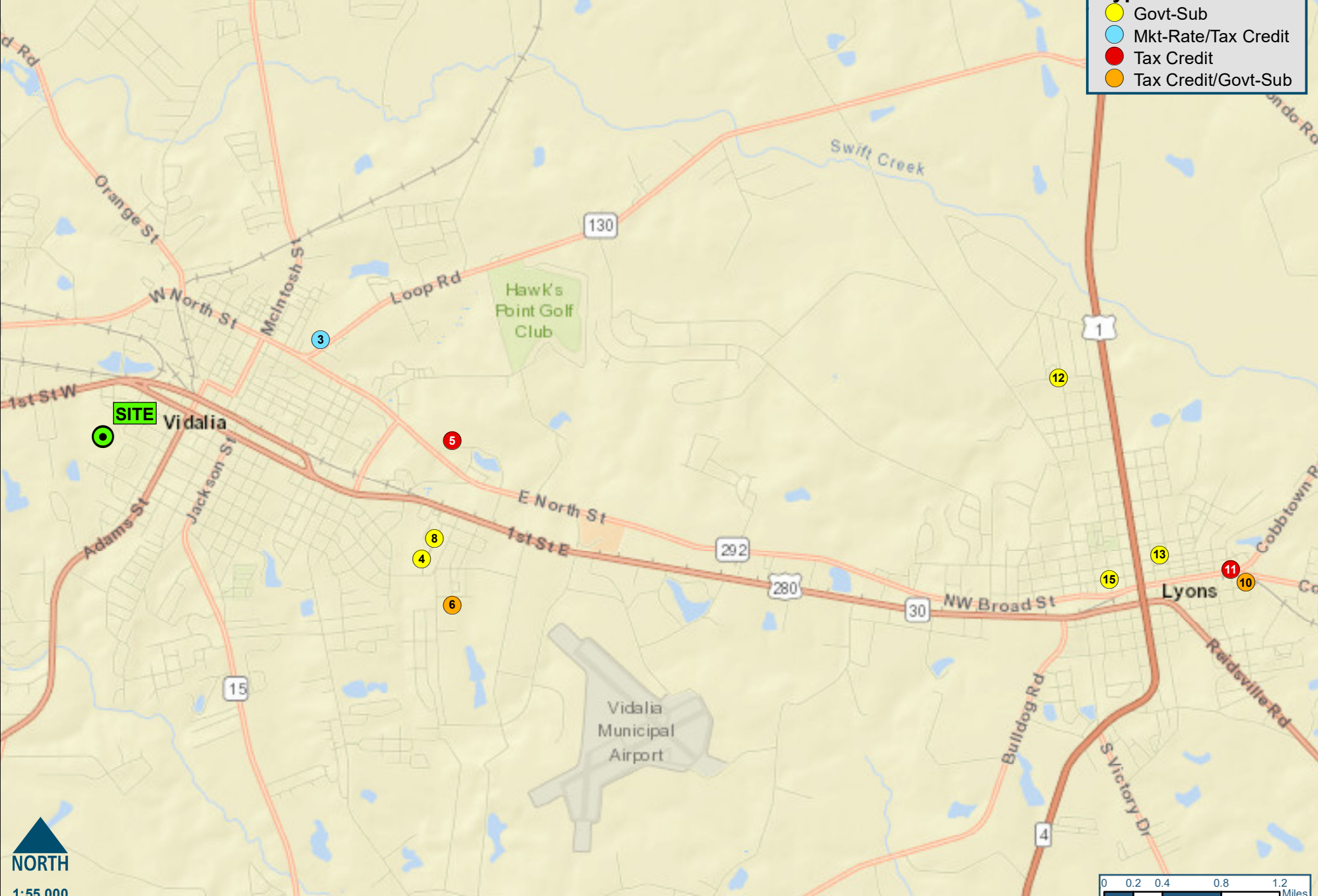


Vidalia, GA Low-Income Property Locations

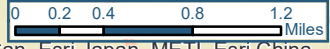
Site
● Site

Apartments Type

- Govt-Sub
- Mkt-Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-Sub



NORTH
1:55,000



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

Section D – Primary Market Area Delineation

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

The Vidalia Site PMA includes the municipalities of Vidalia, Lyons, Higgston, and some outlying unincorporated areas of Toombs County. The boundaries of the Site PMA include the Toombs County line to the north and east; State Route 56, U.S. Highway 1, State Route 15, and Lyons Center Road to the south; and the Toombs County line, State Route 130 and 135, County Road 79, Morris Road, Old Bethel Road, and Almond Station Road to the west.

The following is a summary of an interview conducted at the time of our analysis, which helped establish the Vidalia Site PMA:

- Sandy Barton is the Property Manager at the Lake View Apartments, a general-occupancy Tax Credit property located in the Site PMA. Ms. Barton confirmed the Site PMA, stating that most of the support in the area comes from people who are local to the area and have grown up here. According to Ms. Barton, rental properties in the Vidalia area generally do not receive support from far distances unless people are moving back to be closer to family. Ms. Barton did not recommend any changes to the Vidalia Site PMA.

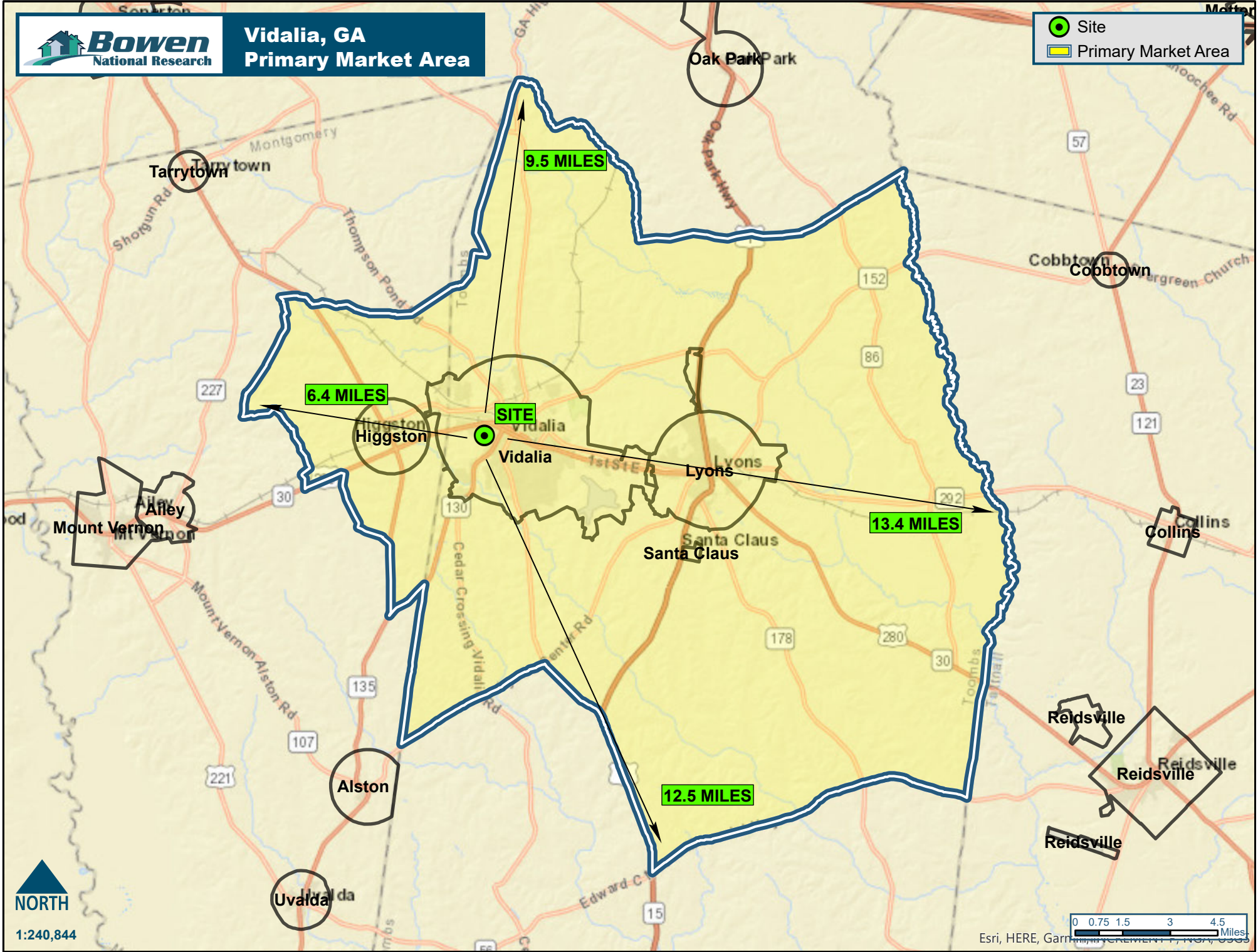
A small portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered a secondary market area in this report.

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



Vidalia, GA Primary Market Area

● Site
■ Primary Market Area



NORTH
1:240,844

0 0.75 1.5 3 4.5 Miles
Esri, HERE, Garmin, Microsoft, DeLorme, NAVTEQ, © 2011

Section E – Community Demographic Data

1. POPULATION TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2021 (Projected)
Population	24,064	25,382	25,917	26,020
Population Change	-	1,318	535	103
Percent Change	-	5.5%	2.1%	0.4%

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

The Vidalia Site PMA population base increased by 1,318 between 2000 and 2010. This represents a 5.5% increase over the 2000 population, or an annual rate of 0.5%. Between 2010 and 2019, the population increased by 535, or 2.1%. It is projected that the population will increase by 103, or 0.4%, between 2019 and 2021.

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

Population by Age	2010 (Census)		2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,758	30.6%	7,409	28.6%	7,464	28.7%	55	0.7%
20 to 24	1,508	5.9%	1,511	5.8%	1,464	5.6%	-47	-3.1%
25 to 34	3,122	12.3%	3,248	12.5%	3,161	12.1%	-87	-2.7%
35 to 44	3,170	12.5%	3,116	12.0%	3,129	12.0%	13	0.4%
45 to 54	3,415	13.5%	3,100	12.0%	3,081	11.8%	-19	-0.6%
55 to 64	2,925	11.5%	3,165	12.2%	3,158	12.1%	-7	-0.2%
65 to 74	1,989	7.8%	2,582	10.0%	2,657	10.2%	75	2.9%
75 & Over	1,495	5.9%	1,788	6.9%	1,907	7.3%	119	6.6%
Total	25,382	100.0%	25,917	100.0%	26,020	100.0%	103	0.4%

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

The subject project will be restricted to seniors age 55 and older, an age group which is estimated to comprise more than 29.0% of the total population within the Site PMA in 2019.

The following compares the PMA's elderly (age 55+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2019 (Estimated)	2021 (Projected)
Elderly (Age 55+)	6,409	7,535	7,722
Non-Elderly	18,973	18,383	18,298
Total	25,382	25,917	26,020

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

The elderly population is projected to increase by 187, or 2.5%, between 2019 and 2021. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. **HOUSEHOLD TRENDS**

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

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2021 (Projected)
Households	9,148	9,695	9,879	9,916
Household Change	-	547	184	37
Percent Change	-	6.0%	1.9%	0.4%
Household Size	2.63	2.62	2.58	2.59

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

Within the Vidalia Site PMA, households increased by 547 (6.0%) between 2000 and 2010. Between 2010 and 2019, households increased by 184 or 1.9%. By 2021, there will be 9,916 households, an increase of 37 households, or 0.4% over 2019 levels. This is an increase of approximately 19 households annually over the next two years.

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

Households by Age	2010 (Census)		2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	468	4.8%	423	4.3%	418	4.2%	-5	-1.2%
25 to 34	1,515	15.6%	1,540	15.6%	1,497	15.1%	-44	-2.8%
35 to 44	1,706	17.6%	1,623	16.4%	1,626	16.4%	2	0.1%
45 to 54	1,922	19.8%	1,690	17.1%	1,672	16.9%	-18	-1.1%
55 to 64	1,763	18.2%	1,810	18.3%	1,797	18.1%	-13	-0.7%
65 to 74	1,319	13.6%	1,636	16.6%	1,677	16.9%	40	2.5%
75 to 84	752	7.8%	746	7.6%	794	8.0%	48	6.4%
85 & Over	250	2.6%	410	4.2%	436	4.4%	26	6.3%
Total	9,695	100.0%	9,879	100.0%	9,916	100.0%	37	0.4%

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

Similar to population projections, household growth is projected to be primarily concentrated among seniors age 65 and older between 2019 and 2021. This is a good indication of ongoing demand for senior-oriented housing alternatives within the Site PMA.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	5,942	61.3%	5,886	59.6%	5,939	59.9%
Renter-Occupied	3,753	38.7%	3,992	40.4%	3,977	40.1%
Total	9,695	100.0%	9,879	100.0%	9,916	100.0%

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

In 2019, homeowners occupied 59.6% of all occupied housing units, while the remaining 40.4% were occupied by renters.

Households by tenure for those age 55 and older in 2010, 2019 (estimated) and 2021 (projected) are distributed as follows:

Tenure Age 55+	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	3,063	75.0%	3,341	72.6%	3,413	72.6%
Renter-Occupied	1,021	25.0%	1,260	27.4%	1,290	27.4%
Total	4,084	100.0%	4,602	100.0%	4,703	100.0%

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

A total of 1,260 (27.4%) of all households age 55 and older within the Site PMA were renters in 2019. The share of senior renter households will remain unchanged through 2021, though the number of senior renter households is projected to increase by 30, or 2.4%, between 2019 and 2021.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 55)	2,879	29.7%	2,546	25.8%	2,525	25.5%
Owner-Occupied (Age 55+)	3,063	31.6%	3,341	33.8%	3,415	34.4%
Renter-Occupied (<Age 55)	2,732	28.2%	2,732	27.7%	2,686	27.1%
Renter-Occupied (Age 55+)	1,021	10.5%	1,260	12.8%	1,290	13.0%
Total	9,695	100.0%	9,879	100.0%	9,916	100.0%

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

Currently, 12.8% of all occupied housing units within the Site PMA are occupied by renters age 55 and older.

The household sizes by tenure for age 55 and older within the Site PMA, based on the 2019 estimates and 2021 projections, were distributed as follows:

Persons Per Renter Household Age 55+	2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Households	Percent	Households	Percent	Households	Percent
1 Person	749	59.4%	769	59.6%	20	2.7%
2 Persons	202	16.0%	207	16.1%	5	2.5%
3 Persons	137	10.8%	139	10.8%	3	1.9%
4 Persons	92	7.3%	92	7.1%	0	0.3%
5 Persons+	81	6.4%	83	6.4%	2	2.5%
Total	1,260	100.0%	1,290	100.0%	30	2.4%

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

Persons Per Owner Household Age 55+	2019 (Estimated)		2021 (Projected)		Change 2019-2021	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,079	32.3%	1,097	32.1%	18	1.7%
2 Persons	1,108	33.2%	1,135	33.3%	28	2.5%
3 Persons	483	14.5%	494	14.5%	11	2.2%
4 Persons	413	12.4%	422	12.4%	9	2.1%
5 Persons+	258	7.7%	267	7.8%	9	3.4%
Total	3,341	100.0%	3,415	100.0%	74	2.2%

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

The one- and two-bedroom units proposed for the subject project will accommodate up to two-person senior households. Notably, more than three-quarters (75.5%) of all senior renter households are estimated to be one- and two-person households in 2019. Such households will also increase by 25, or 2.6%, between 2019 and 2021.

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

Household Income	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,470	15.2%	1,213	12.3%	1,179	11.9%
\$10,000 to \$19,999	1,936	20.0%	1,481	15.0%	1,439	14.5%
\$20,000 to \$29,999	1,259	13.0%	1,496	15.1%	1,486	15.0%
\$30,000 to \$39,999	1,120	11.6%	1,166	11.8%	1,170	11.8%
\$40,000 to \$49,999	1,063	11.0%	803	8.1%	823	8.3%
\$50,000 to \$59,999	522	5.4%	580	5.9%	575	5.8%
\$60,000 to \$74,999	612	6.3%	923	9.3%	960	9.7%
\$75,000 to \$99,999	569	5.9%	906	9.2%	919	9.3%
\$100,000 to \$124,999	471	4.9%	539	5.5%	554	5.6%
\$125,000 to \$149,999	200	2.1%	310	3.1%	334	3.4%
\$150,000 to \$199,999	136	1.4%	238	2.4%	246	2.5%
\$200,000 & Over	337	3.5%	225	2.3%	231	2.3%
Total	9,695	100.0%	9,879	100.0%	9,916	100.0%
Median Income	\$31,629		\$36,427		\$37,301	

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

In 2010, the median household income was \$31,629. This increased by 15.2% to \$36,427 in 2019. By 2021, it is projected that the median household income will be \$37,301, an increase of 2.4% over 2019.

The distribution of households by income age 55 and older within the Vidalia Site PMA is summarized as follows:

Household Income 55+	2010 (Census)		2019 (Estimated)		2021 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	542	13.3%	538	11.7%	535	11.4%
\$10,000 to \$19,999	963	23.6%	919	20.0%	911	19.4%
\$20,000 to \$29,999	634	15.5%	812	17.6%	826	17.6%
\$30,000 to \$39,999	472	11.6%	527	11.4%	542	11.5%
\$40,000 to \$49,999	424	10.4%	364	7.9%	383	8.1%
\$50,000 to \$59,999	193	4.7%	244	5.3%	249	5.3%
\$60,000 to \$74,999	236	5.8%	364	7.9%	383	8.1%
\$75,000 to \$99,999	195	4.8%	353	7.7%	366	7.8%
\$100,000 to \$124,999	177	4.3%	199	4.3%	207	4.4%
\$125,000 to \$149,999	82	2.0%	120	2.6%	132	2.8%
\$150,000 to \$199,999	53	1.3%	85	1.9%	90	1.9%
\$200,000 & Over	113	2.8%	77	1.7%	80	1.7%
Total	4,084	100.0%	4,601	100.0%	4,705	100.0%
Median Income	\$28,470		\$30,602		\$31,477	

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

In 2010, the median household income for households age 55 and older was \$28,470. This increased by 7.5% to \$30,602 in 2019. By 2021, it is projected that the median household income will be \$31,477, an increase of 2.9% over 2019.

The following tables illustrate renter household income by household size for age 55 and older for 2010, 2019 and 2021 for the Vidalia Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	138	29	21	17	12	217
\$10,000 to \$19,999	243	45	33	27	19	367
\$20,000 to \$29,999	113	23	16	14	9	175
\$30,000 to \$39,999	61	14	10	9	6	100
\$40,000 to \$49,999	50	11	8	7	5	81
\$50,000 to \$59,999	14	3	2	2	1	23
\$60,000 to \$74,999	19	5	3	3	2	31
\$75,000 to \$99,999	8	2	1	1	1	13
\$100,000 to \$124,999	4	1	1	1	0	7
\$125,000 to \$149,999	2	1	0	0	0	3
\$150,000 to \$199,999	1	0	0	0	0	1
\$200,000 & Over	1	0	0	0	0	2
Total	653	134	97	81	56	1,021

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	149	41	28	19	16	253
\$10,000 to \$19,999	250	62	42	28	25	408
\$20,000 to \$29,999	155	41	28	19	16	259
\$30,000 to \$39,999	82	24	16	11	9	142
\$40,000 to \$49,999	41	12	8	5	5	72
\$50,000 to \$59,999	16	5	3	2	2	29
\$60,000 to \$74,999	23	7	5	3	3	41
\$75,000 to \$99,999	16	5	3	2	2	29
\$100,000 to \$124,999	7	2	2	1	1	13
\$125,000 to \$149,999	4	1	1	1	0	7
\$150,000 to \$199,999	2	1	0	0	0	4
\$200,000 & Over	2	1	0	0	0	4
Total	749	202	137	92	81	1,260

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2021 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	152	42	28	18	17	256
\$10,000 to \$19,999	248	62	42	27	25	404
\$20,000 to \$29,999	161	43	29	19	17	269
\$30,000 to \$39,999	89	25	17	11	10	153
\$40,000 to \$49,999	43	12	8	5	5	74
\$50,000 to \$59,999	17	5	3	2	2	29
\$60,000 to \$74,999	23	7	5	3	3	41
\$75,000 to \$99,999	18	5	4	2	2	31
\$100,000 to \$124,999	8	3	2	1	1	15
\$125,000 to \$149,999	5	1	1	1	1	8
\$150,000 to \$199,999	3	1	1	0	0	5
\$200,000 & Over	3	1	1	0	0	5
Total	769	207	139	92	83	1,290

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 55 and older for 2010, 2019 and 2021 for the Vidalia Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	117	101	46	40	22	325
\$10,000 to \$19,999	238	174	78	68	38	596
\$20,000 to \$29,999	177	137	62	54	30	459
\$30,000 to \$39,999	128	119	53	46	26	372
\$40,000 to \$49,999	116	110	50	43	24	343
\$50,000 to \$59,999	56	55	25	22	12	170
\$60,000 to \$74,999	63	69	31	27	15	205
\$75,000 to \$99,999	61	59	27	23	13	182
\$100,000 to \$124,999	50	58	26	23	13	170
\$125,000 to \$149,999	23	27	12	11	6	79
\$150,000 to \$199,999	14	18	8	7	4	52
\$200,000 & Over	34	37	17	15	8	111
Total	1,076	964	435	378	211	3,063

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2019 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	95	93	41	35	22	285
\$10,000 to \$19,999	188	158	69	59	37	511
\$20,000 to \$29,999	197	175	76	65	41	553
\$30,000 to \$39,999	126	127	55	47	30	385
\$40,000 to \$49,999	94	97	42	36	23	292
\$50,000 to \$59,999	64	74	32	27	17	214
\$60,000 to \$74,999	96	111	48	41	26	323
\$75,000 to \$99,999	97	111	49	42	26	324
\$100,000 to \$124,999	50	67	29	25	16	186
\$125,000 to \$149,999	32	40	17	15	9	113
\$150,000 to \$199,999	22	29	13	11	7	81
\$200,000 & Over	19	26	11	10	6	73
Total	1,079	1,108	483	413	258	3,341

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2021 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	92	92	40	34	22	279
\$10,000 to \$19,999	185	158	69	59	37	507
\$20,000 to \$29,999	196	177	77	66	42	557
\$30,000 to \$39,999	128	128	56	48	30	390
\$40,000 to \$49,999	100	102	45	38	24	310
\$50,000 to \$59,999	65	76	33	28	18	220
\$60,000 to \$74,999	102	118	51	44	28	342
\$75,000 to \$99,999	100	115	50	43	27	335
\$100,000 to \$124,999	51	69	30	26	16	192
\$125,000 to \$149,999	35	43	19	16	10	124
\$150,000 to \$199,999	23	30	13	11	7	84
\$200,000 & Over	19	27	12	10	6	74
Total	1,097	1,135	494	422	267	3,415

Source: ESRI; Urban Decision Group

Demographic Summary

Population and household growth is projected for the Vidalia Site PMA between 2019 and 2021, a trend which has been consistent since 2000 though growth has slowed over the past several years. The subject project will be restricted to seniors age 55 and older, an age group which is projected to increase by 101 households, or 2.2%, between 2019 and 2021. Nearly 30.0% of this senior household growth will occur among senior renter households, as 30 such households will be added to the market during this time period. Nearly 1,300 senior renter households are projected for the market in 2021 and approximately 72.0% of these senior renter households are projected to earn less than \$30,000. Based on the preceding factors, a relatively large and expanding base of senior renter households exists within the Vidalia market and demand is expected to remain high for affordable senior-oriented rental product.

Section F – Economic Trends

1. LABOR FORCE PROFILE

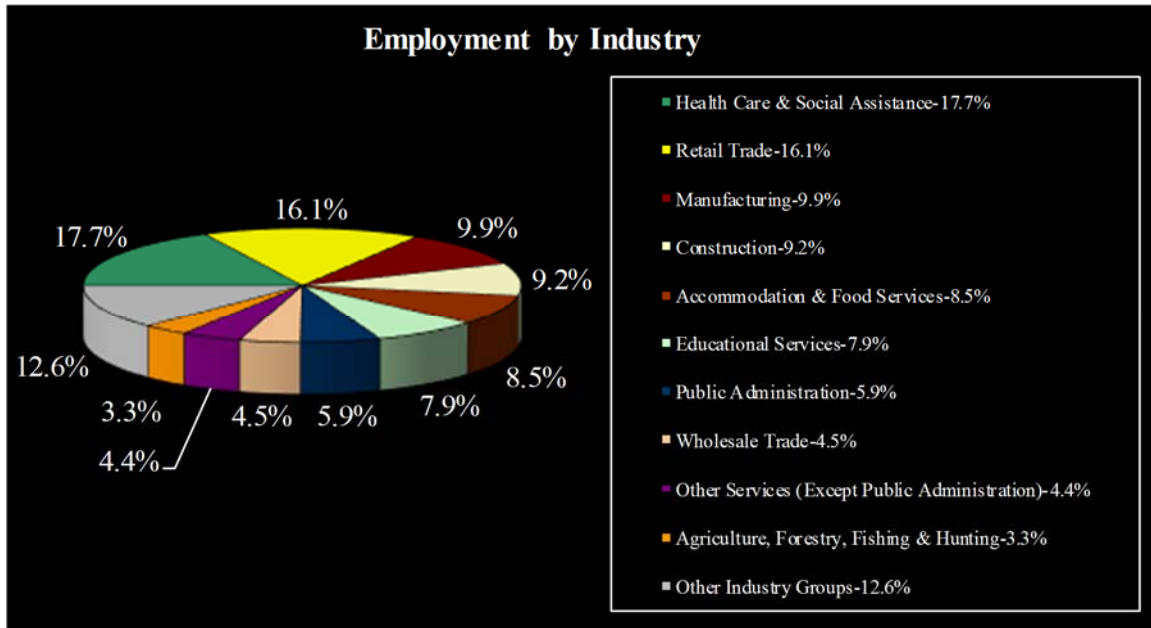
The labor force within the Vidalia Site PMA is based primarily in two sectors. Health Care & Social Assistance (which comprises 17.7%) and Retail Trade comprise nearly 34% of the Site PMA labor force. Employment in the Vidalia Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	20	1.7%	429	3.3%	21.5
Mining	1	0.1%	1	0.0%	1.0
Utilities	2	0.2%	7	0.1%	3.5
Construction	44	3.7%	1,181	9.2%	26.8
Manufacturing	41	3.5%	1,278	9.9%	31.2
Wholesale Trade	42	3.5%	579	4.5%	13.8
Retail Trade	213	17.9%	2,068	16.1%	9.7
Transportation & Warehousing	22	1.9%	145	1.1%	6.6
Information	24	2.0%	230	1.8%	9.6
Finance & Insurance	73	6.1%	350	2.7%	4.8
Real Estate & Rental & Leasing	53	4.5%	202	1.6%	3.8
Professional, Scientific & Technical Services	82	6.9%	415	3.2%	5.1
Management of Companies & Enterprises	1	0.1%	15	0.1%	15.0
Administrative, Support, Waste Management & Remediation Services	35	2.9%	145	1.1%	4.1
Educational Services	30	2.5%	1,011	7.9%	33.7
Health Care & Social Assistance	136	11.5%	2,275	17.7%	16.7
Arts, Entertainment & Recreation	14	1.2%	81	0.6%	5.8
Accommodation & Food Services	76	6.4%	1,100	8.5%	14.5
Other Services (Except Public Administration)	178	15.0%	567	4.4%	3.2
Public Administration	69	5.8%	755	5.9%	10.9
Nonclassifiable	31	2.6%	35	0.3%	1.1
Total	1,187	100.0%	12,869	100.0%	10.8

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the East Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	East Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$84,990	\$117,910
Business and Financial Occupations	\$58,910	\$72,920
Computer and Mathematical Occupations	\$60,950	\$88,590
Architecture and Engineering Occupations	\$61,590	\$80,970
Community and Social Service Occupations	\$40,500	\$46,770
Art, Design, Entertainment and Sports Medicine Occupations	\$41,740	\$54,850
Healthcare Practitioners and Technical Occupations	\$63,870	\$75,690
Healthcare Support Occupations	\$24,290	\$29,910
Protective Service Occupations	\$34,440	\$39,510
Food Preparation and Serving Related Occupations	\$19,900	\$21,520
Building and Grounds Cleaning and Maintenance Occupations	\$23,220	\$26,400
Personal Care and Service Occupations	\$22,060	\$26,040
Sales and Related Occupations	\$26,870	\$37,770
Office and Administrative Support Occupations	\$30,880	\$36,670
Construction and Extraction Occupations	\$35,850	\$43,080
Installation, Maintenance and Repair Occupations	\$40,380	\$46,730
Production Occupations	\$28,350	\$35,000
Transportation and Moving Occupations	\$34,370	\$35,830

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

Most annual blue-collar salaries range from \$19,900 to \$41,740 within the East Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$66,062. It is important to note that most occupational types within the East Georgia Nonmetropolitan Area have lower typical wages than the state of Georgia's typical wages. The proposed project will generally target households earning less than \$30,000. As such, the area employment base offers a good share of jobs with typical wages conducive to affordable rental product such as that proposed for the subject project. Regardless, the subject project is age-restricted to seniors age 55 and older, many of which will likely be retired and living on fixed incomes.

2. MAJOR EMPLOYERS

The ten largest employers within the Toombs County area are summarized in the following table:

Employer Name	Business Type	Total Employed
Trane U.S. Inc.	Air Conditioning Contractors & Systems	500 – 999
Meadows Regional Medical Center	Healthcare	500 – 999
Savannah Luggage Works	Manufacturing	250 – 499
Walmart Supercenter	Retail	100 – 249
Dot Foods	Food Redistribution	100 – 249
Bethany Home Nurse Center	Skilled Nursing	100 – 249
Stanley Farms	Farming	100 – 249
Southeastern Technical College	Higher Learning	100 – 249
Tumi, Inc.	Travel Accessories Manufacturer	100 – 249
Vidalia City School District	Education	100 – 249

Source: Georgia Department of Labor (March 2018)

According to a representative with the Toombs County Development Authority, the Toombs County economy is improving. There is an established industrial base and the retail and healthcare industries continue to recruit prospects. Unemployment in the county is going down and employers within Toombs County draw from a 13-county labor force. The development authority is in the beginning phase of some expansion projects and the healthcare industry is growing which leads to growth in the local retail and restaurant industries.

Infrastructure Projects

In early 2019 the city of Lyons approved a bid to upgrade the wastewater treatment plants. Once complete, the new wastewater capacity will positively impact the Toombs County Industrial Park and should help bring new businesses to the area. This project is expected to begin in early summer 2019.

The Green Tippet Road bridge in Toombs County was closed in 2017 due to structural damage. Construction on the bridge is expected to begin in May 2019.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on April 16, 2019 and according to the Georgia Department of Labor there have been no WARN notices reported for Toombs County over the past 18 months.

3. EMPLOYMENT TRENDS

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

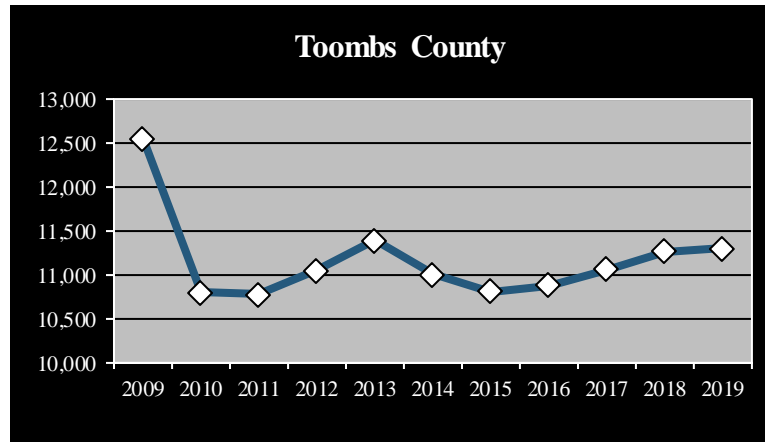
Excluding 2019, the employment base has increased by 2.3% over the past five years in Toombs County, less than the Georgia state increase of 11.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Toombs County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2009	12,535	-	4,311,854	-	140,696,560	-
2010	10,792	-13.9%	4,202,052	-2.5%	140,469,139	-0.2%
2011	10,766	-0.2%	4,263,305	1.5%	141,791,255	0.9%
2012	11,045	2.6%	4,348,083	2.0%	143,621,634	1.3%
2013	11,383	3.1%	4,366,374	0.4%	145,017,562	1.0%
2014	11,000	-3.4%	4,403,433	0.8%	147,313,048	1.6%
2015	10,799	-1.8%	4,490,414	2.0%	149,564,649	1.5%
2016	10,868	0.6%	4,658,053	3.7%	151,965,225	1.6%
2017	11,050	1.7%	4,822,263	3.5%	154,271,036	1.5%
2018	11,251	1.8%	4,906,411	1.7%	156,328,502	1.3%
2019*	11,287	0.3%	4,908,633	0.0%	156,543,935	0.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through March



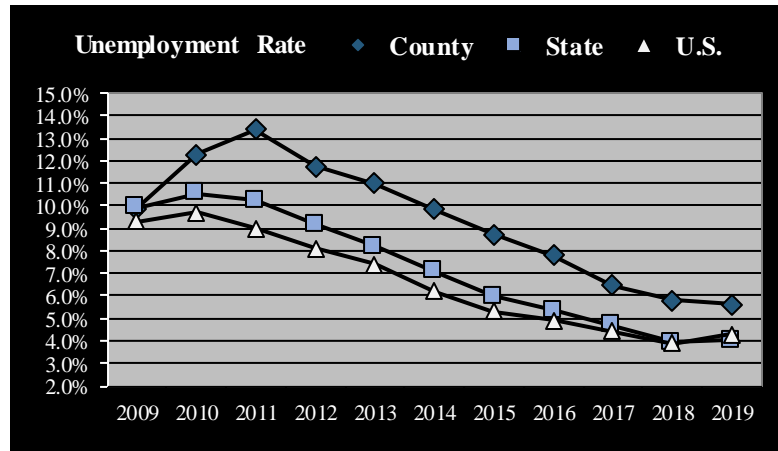
As the preceding illustrates, the Toombs County employment base has steadily increased each year since 2015, including thus far in 2019. In total, the employment base has increased by 488 jobs, or 4.5%, since 2015.

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

Year	Unemployment Rate		
	Toombs County	Georgia	United States
2009	9.9%	9.9%	9.3%
2010	12.3%	10.6%	9.7%
2011	13.4%	10.2%	9.0%
2012	11.8%	9.2%	8.1%
2013	11.0%	8.2%	7.4%
2014	9.8%	7.1%	6.2%
2015	8.7%	6.0%	5.3%
2016	7.8%	5.3%	4.9%
2017	6.5%	4.7%	4.4%
2018	5.8%	3.9%	3.9%
2019*	5.6%	4.0%	4.3%

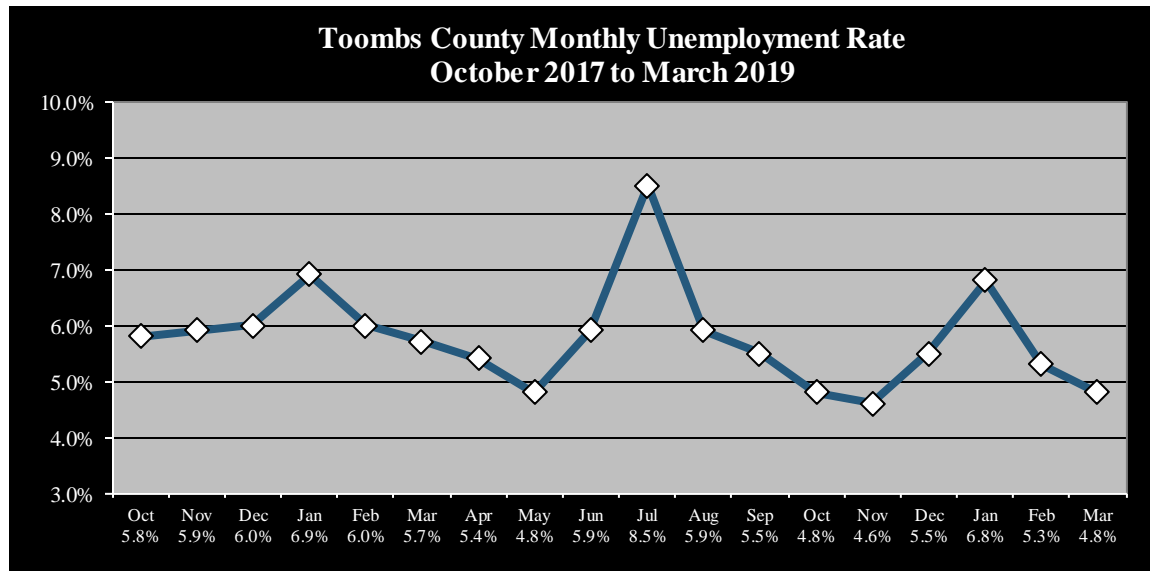
Source: Department of Labor, Bureau of Labor Statistics

*Through March



The unemployment rate within Toombs County has declined each year since 2011, to a rate of 5.6% through March of 2019. This is reflective of a decline of nearly eight full percentage points during this time period. However, the unemployment rate of 5.6% reported through March of 2019 remains higher than both state and national averages.

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



Over the past 18-month period the monthly unemployment rate has experienced several notable increases but overall has trended downward from 5.8% in October of 2017 to 4.8% in March of 2019.

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

In-Place Employment Toombs County			
Year	Employment	Change	Percent Change
2008	11,724	-	-
2009	11,241	-483	-4.1%
2010	11,106	-135	-1.2%
2011	11,139	33	0.3%
2012	11,363	224	2.0%
2013	12,011	648	5.7%
2014	11,683	-328	-2.7%
2015	11,994	311	2.7%
2016	11,601	-393	-3.3%
2017	11,577	-24	-0.2%
2018*	11,834	257	2.2%

Source: Department of Labor, Bureau of Labor Statistics

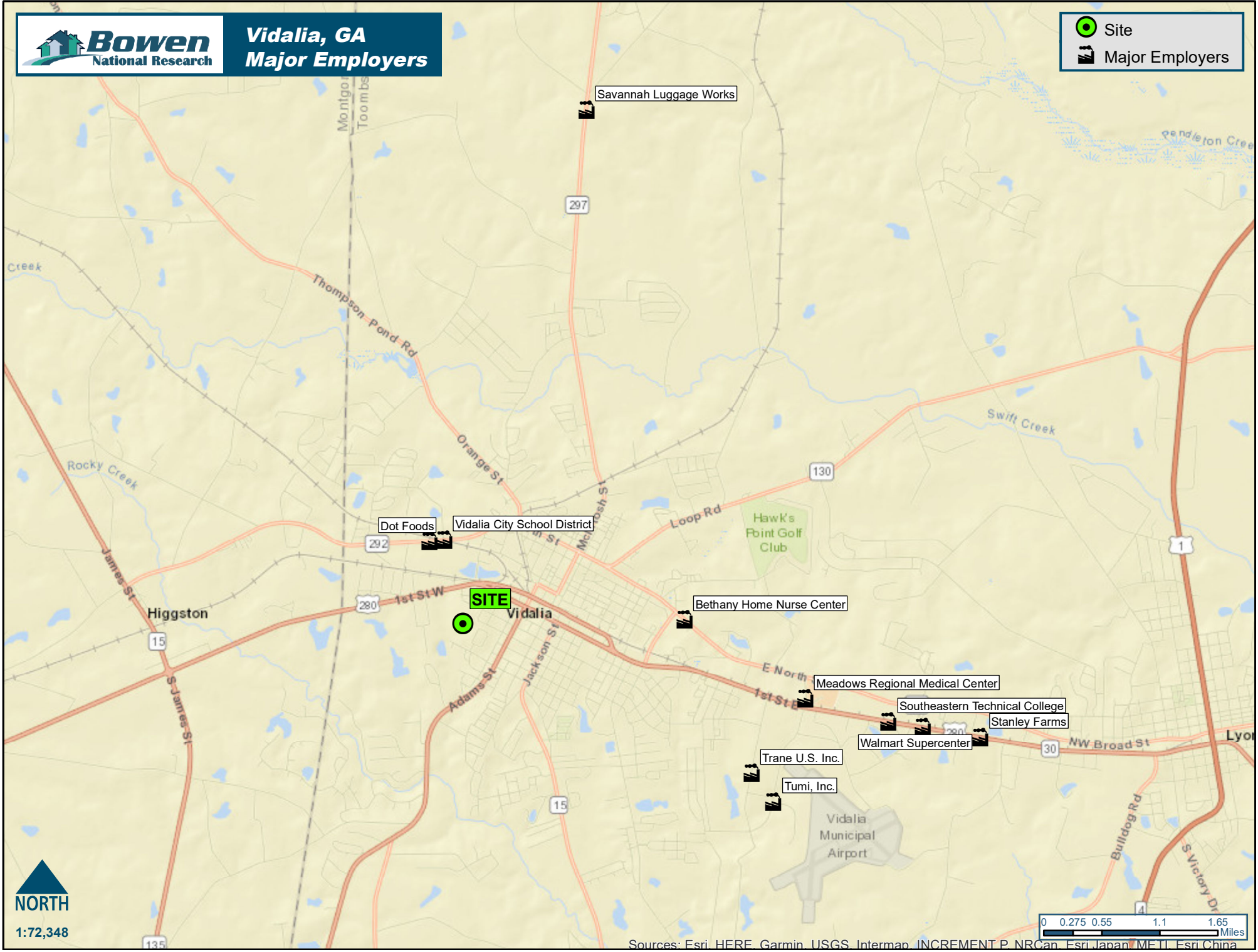
*Through September

Data for 2017, the most recent year that year-end figures are available, indicates in-place employment in Toombs County to be 104.8% of the total Toombs County employment. This means that Toombs County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there.

4. **ECONOMIC FORECAST**

The Toombs County economy has experienced notable improvements in both total employment and unemployment rate trends over the past several years. Specifically, the employment base within the county has increased by nearly 500 jobs since 2015 while the unemployment rate declined by nearly eight full percentage points since 2011. These are good indications of interest and investment within the local economy over the past several years. However, the unemployment rate within the county remains more than one full percentage point higher than both state and national averages through March of 2019. Nonetheless, we expect the local economy is expected to continue to improve for the foreseeable future, contributing to the continued strength of the housing market within the Toombs County area.

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



Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within Toombs County, Georgia, which has a median four-person household income of \$48,700 for 2018. However, the project location, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$58,400 in 2018. The subject property will be restricted to senior (age 55 and older) households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$20,450	\$24,540
Two-Person	\$23,350	\$28,020

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior households. As such, the maximum allowable income at the subject site is **\$28,020**.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$455 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,460. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$13,650**.

c. **Income-Appropriate Range**

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$13,650	\$23,350
Tax Credit (Limited To 60% Of AMHI)	\$16,500	\$28,020
Overall	\$13,650	\$28,020

2. **METHODOLOGY**

Demand

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

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

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

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

Based on Table B25074 of the American Community Survey (ACS) 2013-2017 5-year estimates, approximately 35.3% to 41.6% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on Table B25016 of the American Community Survey (ACS) 2013-2017 5-year estimates, 11.7% of the households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) conditions.

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

Due to the very limited supply of available non-subsidized age-restricted affordable product for those ages 55 and older within the market, we believe that the proposed development will attract a significant share of income-qualified senior homeowners who are looking to downsize from their home and seek a maintenance free housing alternative. However, conservatively, we limited demand from senior homeowners to account for only 2% of total demand per GDCA guidelines.

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

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2017/2018) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2017 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **GDCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from GDCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

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

Within the Site PMA, we did not identify any rental units within the development pipeline that will directly compete with the subject project. In addition, we did not identify any competitive projects placed in service prior to 2017 that have not reached a stabilized occupancy of 90%. Thus, no directly competitive supply units have been deducted from our demand estimates.

The following is a summary of our demand calculations:

Demand Component (Age 55+)	Percent of Median Household Income		
	50% (\$13,650 To \$23,350)	60% (\$16,500 To \$28,020)	Tax Credit Overall (\$13,650 To \$28,020)
Demand from New Households (Age- and Income-Appropriate)	346 - 346 = 0	353 - 350 = 3	468 - 466 = 2
+			
Demand from Existing Households (Rent Overburdened)	346 X 41.6% = 144	350 X 35.3% = 124	466 X 38.0% = 177
+			
Demand from Existing Households (Renters in Substandard Housing)	346 X 11.7% = 40	350 X 11.7% = 41	466 X 11.7% = 55
=			
Demand Subtotal			
+			
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	3*	3*	5*
=			
Total Demand	187	171	239
-			
Supply (Directly Comparable Units Built and/ or Funded Since 2017)	0	0	0
=			
Net Demand	187	171	239
Proposed Units / Net Demand	13 / 187	51 / 171	64 / 239
Capture Rate	= 7.0%	= 29.8%	= 26.8%

*Given that demand from existing homeowners cannot exceed 2% of total demand, these numbers were utilized to calculate total demand

Per GDCA guidelines, capture rates up to 35.0% are acceptable for projects in rural markets. As such, the project's overall capture rate of 26.8% is considered achievable, especially considering the limited supply of available affordable non-subsidized age-restricted housing within the market. In addition, we also anticipate a good share of support from senior homeowners due to the general lack of available non-subsidized senior-oriented housing within Vidalia Site PMA. However, per GDCA methodology, support from senior homeowners is limited to 2% of total demand. We anticipate a greater percentage of support will generate from senior homeowners looking to downsize from their homes and seeking a maintenance-free rental alternative. As such, the overall capture rate is considered conservative. The capture rates by AMHI level are also considered achievable and conservative within the Site PMA, ranging from 7.0% to 29.8%.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	50.0%
Two-Bedroom	50.0%
Total	100.0%

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (50%)	50%	5	93	0	93	5.4%	2 Months	\$438	\$400-\$500	\$400
One-Bedroom (50%)	60%	19	85	0	85	22.4%	6 Months	\$438	\$400-\$500	\$495
One-Bedroom	Total	24	178	0	178	13.5%	6 Months	\$438	\$400-\$500	-
Two-Bedroom (50%)	50%	8	94	0	94	8.5%	2 Months	\$567	\$450-\$645	\$478
Two-Bedroom (50%)	60%	32	86	0	86	37.2%	8 Months	\$567	\$450-\$645	\$578
Two-Bedroom	Total	40	180	0	180	22.2%	8 Months	\$567	\$450-\$645	-

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

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

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

The capture rates by bedroom type and targeted income level range from 5.4% to 37.2%. These capture rates are below GDCA's capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Vidalia Site PMA for each of the unit types proposed for the subject development.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2019 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	9,695	87.0%	9,879	86.4%
Owner-Occupied	5,942	61.3%	5,886	59.6%
Renter-Occupied	3,753	38.7%	3,992	40.4%
Vacant	1,454	13.0%	1,548	13.6%
Total	11,149	100.0%	11,427	100.0%

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

Based on a 2019 update of the 2010 Census, of the 11,427 total housing units in the market, 13.6% were vacant. It is important to understand that the number of vacant housing units included in the preceding table includes abandoned, dilapidated, and/or for-sale housing units, as well as housing units utilized solely for seasonal/recreational purposes. As such, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental market within the Vidalia Site PMA.

Conventional Rentals

We identified and personally surveyed 16 conventional rental housing projects containing a total of 749 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.3%, a good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	6	174	3	98.3%
Market-Rate/Tax Credit	1	56	0	100.0%
Tax Credit	2	136	2	98.5%
Tax Credit/Government-Subsidized	2	110	0	100.0%
Government-Subsidized	5	273	15	94.5%
Total	16	749	20	97.3%

A variety of rental product is offered within the Site PMA as detailed in the preceding table. Each segment surveyed is operating at a high level as none report an overall occupancy rate below 94.5%. Notably, all segments offering Tax Credit units report occupancy rates of 98.5% or higher, demonstrating strong demand for product similar to that proposed for the subject site.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	8	4.6%	0	0.0%	\$923
One-Bedroom	1.5	6	3.4%	0	0.0%	\$620
Two-Bedroom	1.5	127	72.6%	1	0.8%	\$730
Two-Bedroom	2.0	18	10.3%	0	0.0%	\$619
Three-Bedroom	2.0	16	9.1%	2	12.5%	\$954
Total Market-Rate		175	100.0%	3	1.7%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	34	17.8%	0	0.0%	\$582
Two-Bedroom	2.0	114	59.7%	2	1.8%	\$569
Three-Bedroom	2.0	43	22.5%	0	0.0%	\$850
Total Tax Credit		191	100.0%	2	1.0%	-

The market-rate units are 98.3% occupied and the non-subsidized Tax Credit units are 99.0% occupied, demonstrating strong demand for each type of non-subsidized rental product in this market. It is also of note that the median gross rent reported for the Tax Credit units surveyed are generally well below the median gross rents reported for similar market-rate product. These lower rents along with the 99.0% occupancy rate are good indications that non-subsidized Tax Credit product represents a significant value within the Vidalia market.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	54	5.6%
B+	1	1	0.0%
B	2	36	0.0%
B-	2	52	0.0%
C+	1	32	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	3	191	1.0%

The three non-subsidized Tax Credit properties surveyed in the Site PMA are all considered to be of good overall quality, as evident by the quality rating of “B+” assigned to all such properties surveyed by our analyst. The quality of these properties has likely contributed to their marketability. The subject project is expected to have an excellent overall quality and aesthetic appeal upon completion which will enhance its marketability within the Vidalia Site PMA.

2. SUMMARY OF ASSISTED PROJECTS

We surveyed a total of ten federally subsidized and/or Tax Credit apartment developments in the Vidalia Site PMA. These projects were surveyed in April 2019 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occupancy	Gross Rent (Unit Mix)			
						One- Br.	Two- Br.	Three- Br.	Four- Br.
3	Chateau	TAX	2004	55*	100.0%	\$445 - \$774 (16)	\$538 - \$933 (24)	\$850 - \$1,084 (15)	-
4	Doe Run Apts.	RD 515	1983	48	100.0%	\$449 - \$602 (12)	\$492 - \$664 (12)	\$522 - \$718 (24)	-
5	Faith Crossing Apts.	TAX	2012	64	96.9%	\$472 - \$502 (8)	\$549 - \$569 (56)	-	-
6	Forest Glen Village	TAX & RD 515	1994 / 2014	46	100.0%	\$568 - \$645 (42)	\$636 - \$725 (4)	-	-
8	Grove Apts.	RD 515	1988	54	100.0%	\$470 - \$612 (45)	\$547 - \$695 (9)	-	-
10	JT Lyons Apts.	TAX & SEC 8	1980 / 2008	64	100.0%	\$737 (6)	\$865 (8)	\$959 (50)	-
11	Lakeview	TAX	2005	72	100.0%	\$308 - \$637 (10)	\$395 - \$791 (34)	\$476 - \$932 (28)	-
12	Lyons Apts.	RD 515	1984	32	100.0%	\$448 - \$565 (12)	\$486 - \$609 (16)	\$540 - \$672 (4)	-
13	Lyons Housing Authority	P.H.	1972	129	88.4%	\$477 (30)	\$558 (59)	\$763 (20)	\$966 (20)
15	West Columbia Street Apts.	SEC 8	1983	10	100.0%	\$759 (10)	-	-	-
Total				574	97.0%				

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

TAX - Tax Credit

SEC - Section

P.H. - Public Housing

RD - Rural Development

*Market-rate units not included

The overall occupancy is 97.0% for these projects, indicating strong market demand for affordable rental product. Note that management of the Lyons Housing Authority (Map ID 13) property was unable to provide a specific reason for their currently less than stable occupancy rate (88.4%). However, at the time of our last survey of this property in November of 2017 the property was 100.0% occupied with a waiting list. Considering historic occupancy rates for this property and the strong occupancy rates of other affordable properties surveyed, it is likely that the current occupancy rate for this property is due to typical tenant turnover and is not market-related.

Housing Choice Voucher Holders

Despite multiple attempts, we have been unable to receive a response from local officials regarding the current status of the Housing Choice Voucher program within the Vidalia/Toombs County area. However, it is of note that only eight (8), or 1.1%, of the 749 total units surveyed in the Vidalia Site PMA are known to be occupied by a tenant which currently holds a Housing Choice Voucher. Thus, voucher support appears to be very modest within the Vidalia Site PMA.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$615	\$455 (50%)
		\$550 (60%)
Two-Bedroom	\$726	\$550 (50%)
		\$650 (60%)

As the preceding table illustrates, the proposed gross rents are below the payment standards for Toombs County. As such, those who hold Housing Choice Vouchers will likely respond to the subject development, though this potential base of support is expected to be minimal based on the trends of existing conventional rental properties surveyed in the Site PMA.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are no new construction rental housing projects planned within the Site PMA. There is, however, one rental housing property that has planned construction for renovations. This property is summarized as follows:

- The Grove Apartments located at 303 Jerriel Street in Vidalia is included in a bond issue to receive funds for renovation of this existing 54-unit age-restricted Rural Development 515 property. This property is currently 100.0% occupied with a 10-household waiting list and is not expected to be directly competitive with the non-subsidized subject development.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within Toombs County for the most recent ten-year period available (2008-2017):

Housing Unit Building Permits for Toombs County:										
Permits	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Multifamily Permits	14	10	10	68	12	14	18	12	12	4
Single-Family Permits	19	9	11	7	8	8	5	3	8	23
Total Units	33	19	21	75	20	22	23	15	20	27

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

There has been minimal multifamily building permit activity within the county since 2011, as no more than 18 permits have been issued in any given year during this time period. It is also of note that single-family building permit activity has also been minimal in recent years. These trends coincide with demographic growth trends within the Site PMA, which although positive, have been relatively modest since 2010.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject project will offer one- and two-bedroom units targeting senior (age 55 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of five LIHTC projects. However, only three of these five properties offer non-subsidized units similar to those proposed for the subject project and targeting similar income levels. While two of these three properties are general-occupancy and will not be directly competitive with the subject project, they will provide a good base of comparison for the subject property within the Vidalia market. One property, Faith Crossing Apartments, is age-restricted and will be directly competitive with the subject development.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Redwood Trails Apartments	2021	64	-	-	-	Seniors 55+; 50% & 60% AMHI
3	Chateau	2004	55*	100.0%	1.8 Miles	14 HH	Families; 30%, 50%, & 60% AMHI
5	Faith Crossing Apts.	2012	64	96.9%	2.7 Miles	5 HH **	Seniors 55+; 50% & 60% AMHI
11	Lakeview	2005	72	100.0%	7.4 Miles	15 HH	Families; 30%, 50%, & 60% AMHI

OCC. – Occupancy

HH - Households

*Tax Credit units only

**Select units

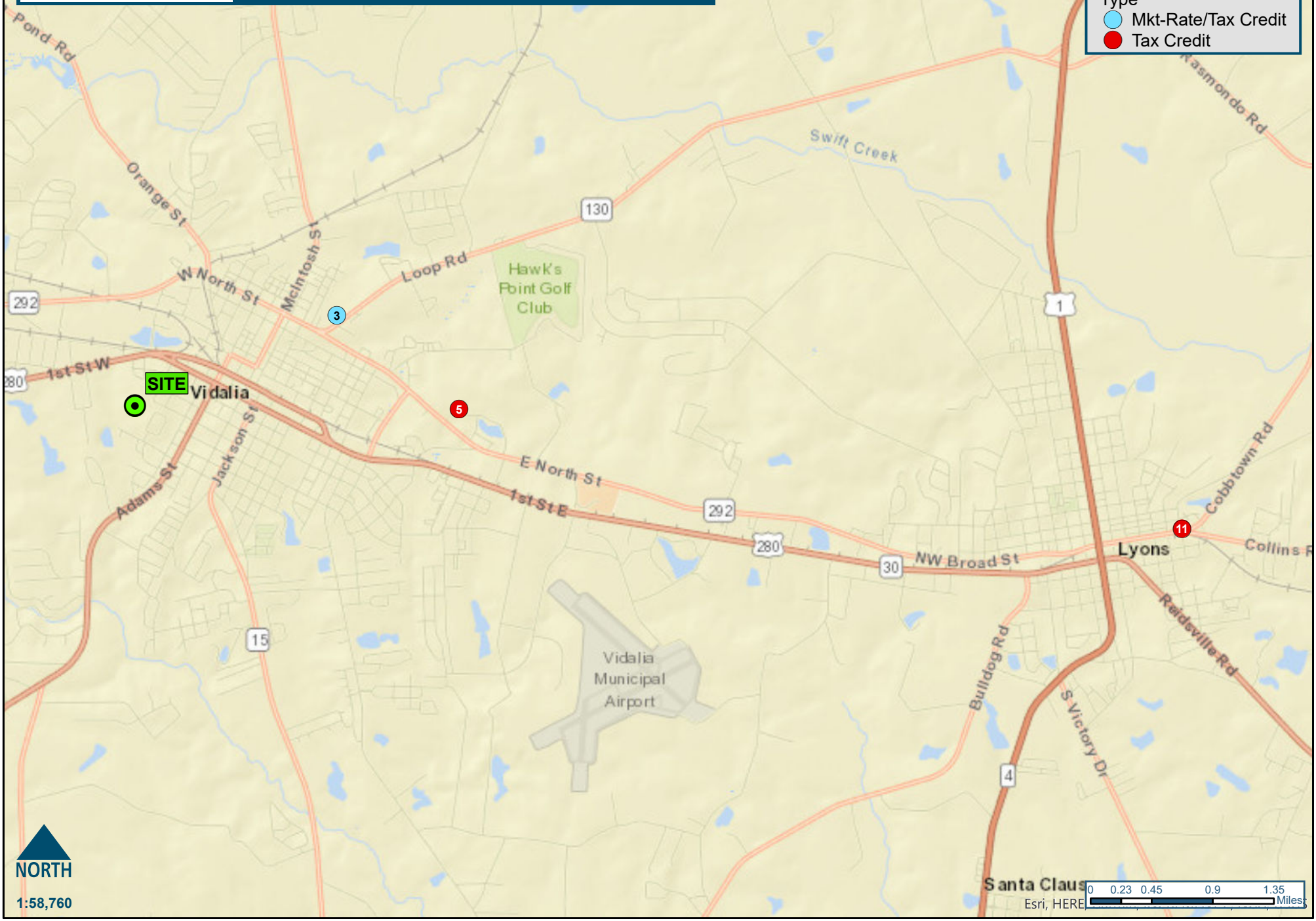
The three LIHTC projects have a combined occupancy rate of 99.0%, with no property reporting an individual occupancy rate below 96.9%. In fact, all three properties surveyed maintain waiting lists for at least some, if not all, unit types offered. These are clear indications of strong and pent-up demand for additional non-subsidized LIHTC product in the Vidalia market.

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



Vidalia, GA Comparable LIHTC Property Locations

● Site
Apartments
Type
● Mkt-Rate/Tax Credit
● Tax Credit



NORTH
1:58,760

Santa Claus
Esri, HERE
0 0.23 0.45 0.9 1.35 Miles

The following table identifies the existing non-subsidized Tax Credit properties within the Site PMA that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
3	Chateau	55*	N/A	-
5	Faith Crossing Apts.	64	6	9.4%
11	Lakeview	72	0	0.0%
Total		136	6	4.4%

*Tax Credit units only

N/A – Number not available (units not included in total)

As the preceding table illustrates, there are a total of just six (6) Voucher holders residing at the existing non-subsidized LIHTC properties for which this information was available within the Site PMA. This comprises only 4.4% of the 136 total non-subsidized LIHTC units offered among these properties. This is a good indication that Voucher support is limited and that the gross rents reported among these properties are achievable within the Vidalia Site PMA.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Redwood Trails Apartments	\$455/50% (5)	\$550/50% (8)		
		\$550/60% (19)	\$650/60% (32)	-	-
3	Chateau	\$445/30% (3/0)	\$538/30% (2/0)		
		\$664/50% (10/0)	\$801/50% (15/0)	\$850/50% (10/0)	
		\$774/60% (3/0)	\$933/60% (7/0)	\$1,084/60% (5/0)	None
5	Faith Crossing Apts.	\$472/50% (3/0)	\$549/50% (10/1)		
		\$502/60% (5/0)	\$569/60% (46/1)	-	None
11	Lakeview		\$395/30% (2/0)	\$476/30% (2/0)	
			\$396/30% (2/0)	\$476/30% (1/0)	
			\$658/50% (7/0)	\$780/50% (6/0)	
		\$308/30% (1/0)	\$659/50% (7/0)	\$780/50% (6/0)	
		\$527/50% (5/0)	\$790/60% (8/0)	\$932/60% (7/0)	
		\$637/60% (4/0)	\$791/60% (8/0)	\$932/60% (6/0)	None

The subject's proposed gross Tax Credit rents are within range of those reported at the one age-restricted property surveyed, Faith Crossing Apartments, and well below those reported at the two comparable general-occupancy properties. Thus, the subject's proposed rents are considered competitive and marketable within the Site PMA, particularly when considering the high occupancy rates reported among existing comparable LIHTC properties, and the newness and anticipated quality of the subject project.

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

Weighted Average Collected Rent Of Comparable LIHTC Units	
One-Br.	Two-Br.
\$484 (50%)	\$555 (50%)
\$509 (60%)	\$509 (60%)

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

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$484 (50%)	- \$400 (50%)	\$84	/ \$400 (50%)	21.0%
	\$509 (60%)	- \$495 (60%)	\$14	/ \$495 (60%)	2.8%
Two-Br.	\$555 (50%)	- \$478 (50%)	\$77	/ \$478 (50%)	16.1%
	\$509 (60%)	- \$578 (60%)	-\$69	/ \$578 (60%)	-11.9%

Aside from the two-bedroom units at 60% of AMHI, the subject’s proposed *collected* rents represent rent advantages ranging from 2.8% to 21.0%. However, it should be noted that this analysis is reflective of the collected rent and does not account for utility responsibilities and/or other features of the subject project, including the subject’s newness, which will enable it to charge higher rents. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development’s collected rents are included in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Redwood Trails Apartments	689	893	-
3	Chateau	783	1,025	1,180
5	Faith Crossing Apts.	762	1,078	-
11	Lakeview	686	950 - 987	1,102 - 1,160

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Redwood Trails Apartments	1.0	1.0	-
3	Chateau	1.0	2.0	2.0
5	Faith Crossing Apts.	1.0	2.0	-
11	Lakeview	1.0	2.0	2.0

The subject project will offer some of the smallest one- and two-bedroom units among the comparable properties in terms of square footage, though they are very similar to those offered at Lakeview. The subject's two-bedroom units will include only 1.0 bathroom as compared to each of the comparable properties which offer 2.0 full bathrooms within their two-bedroom units. While the smaller unit sizes and lack of an additional bathroom within the two-bedroom units could create a marketing disadvantage for the property, the subject development is still considered marketable within the Vidalia Site PMA. This is particularly true when considering the general lack of availability among existing LIHTC properties and the subject's generally low proposed rents as compared to most existing LIHTC product in the market.

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

Tax Credit Unit Amenities by Map ID						
	Site**	3	5	11		
Appliances	Dishwasher	X	X	X	X	
	Disposal	X	X	X	X	
	Icemaker	X	X	X	X	
	Microwave	X		X		
	Range	X	X	X	X	
	Refrigerator	X	X	X	X	
	No Appliances					
Unit Amenities	AC-Central	X	X	X	X	
	AC-Other					
	Balcony					
	Deck / Patio		X	X	X	
	Basement					
	Ceiling Fan	X	S	X	X	
	Controlled Access	X				
	E-Call System			X		
	Fireplace					
	Furnished					
	Security System					
	W/D Hookup Only	X	X	X	X	
	W/D Included					
	Walk-In Closet	X				
	Window Treatments	X	X	X	X	
Flooring	Carpet	X	X	X	X	
	Ceramic Tile					
	Composite (VCT)	X				
	Hardwood					
	Finished Concrete					
	Vinyl	X				
	Wood Laminate					
Upgraded	Premium Appliances					
	Premium Countertops					
	Premium Cabinetry					
	Premium Fixtures					
	High Ceilings					
	Vaulted Ceilings					
	Crown Molding					
	Oversized Windows					
Parking	Attached Garage					
	Detached Garage					
	Surface Lot	X	X	X	X	
	Carport					
	Property Parking Garage					
	Podium Parking					
	No Provided Parking					

* Details in Comparable Property Profile Report

** Proposed Site(s): Redwood Trails Apartments

X = All Units, S = Some Units, O = Optional with Fee

Tax Credit Property Amenities by Map ID

	Site**	3	5	11
Bike Racks				
Business Center *	X		X	X
Car Care *				
Common Patio	X			
Community Garden	X			
Community Space				
Activity / Craft Room			X	
Chapel				
Clubhouse		X		X
Conference Room				
Community Kitchen	X			
Dining Room - Private				
Dining Room - Public				
Rooftop Lounge				
Study Lounge				
TV Lounge				
Concierge Service *				
Convenience Amenities *				
Courtyard				
Covered Outdoor Area *	X		X	
Elevator	X		X	
Laundry Room	X	X	X	X
Meals				
On-Site Management	X	X	X	X
Pet Care *				
Recreation				
Basketball		X		
Bocce Ball				
Firepit				
Fitness Center		X	X	X
Grill	X		X	X
Game Room - Billiards				
Hiking - Walking Trail				X
Hot Tub				
Media Library		X	X	
Media Room				
Picnic Table	X	X	X	X
Playground		X		X
Putting Green			X	
Racquetball				
Soccer				
Swimming Pool - Indoor				
Swimming Pool - Outdoor				
Tennis				
Track				
Volleyball				
Security				
CCTV	X			
Courtesy Officer				
Gated Community				
Gated Parking				
Police Substation				
Social Services *	X			
Storage - Extra	X	X	X	
Water Feature				

* Details in Comparable Property Profile Report

** Proposed Site(s): Redwood Trails Apartments

X = All Units, S = Some Units, O = Optional with Fee

The amenity packages included at the proposed development will be competitive with the existing comparable LIHTC projects in the market. The subject development does not appear to lack any amenities that would adversely impact its marketability.

Comparable/Competitive Tax Credit Summary

The three comparable LIHTC properties surveyed in the Site PMA report an overall occupancy rate of 99.0%, which is reflective of just two (2) vacant units reported at one of the three properties surveyed. The subject’s proposed gross rents will be competitive with those reported among the existing properties. In fact, the subject rents are significantly lower than those reported at two of the three LIHTC properties surveyed. The property will generally be inferior to the comparable properties, however, in terms of unit sizes (square feet) and bathrooms offered (two-bedroom units). While these factors could leave the property at a slight marketing disadvantage, the significant demand for LIHTC product such as that proposed is expected to diminish the subject’s need to offer larger unit sizes and/or an additional bathroom within the two-bedroom units. This is particularly true when considering the newness of the subject project. The subject’s amenity package is competitive as proposed and will contribute to the subject’s marketability. Overall, the property is considered marketable and will represent a value to lower income seniors in the Vidalia area.

Comparable/Competitive Housing Impact

The anticipated occupancy rates of the existing comparable Tax Credit developments upon completion of the subject project are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2021
3	Chateau	100.0%	95.0% +
5	Faith Crossing Apts.	96.9%	95.0% +
11	Lakeview	100.0%	95.0% +

As detailed throughout this report, the three comparable LIHTC projects report occupancy rates of 96.9% or higher, reflective of just two vacant units among the three properties surveyed. Each property also maintains a waiting list for at least some, if not all, of their unit types. Considering this pent-up demand, along with the projected demographic growth among area seniors, we do not expect the development of the subject project will have any adverse impact on future occupancy rates among the existing LIHTC projects in this market. In fact, we expect the subject project to help alleviate a portion of the pent-up demand for additional age-restricted LIHTC product in the Site PMA.

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

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$104,535. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$104,535 home is \$629, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$104,535
Mortgaged Value = 95% of Median Home Price	\$99,308
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$503
Estimated Taxes and Insurance*	\$126
Estimated Monthly Mortgage Payment	\$629

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$400 to \$578 per month, depending upon unit type. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$51 greater than the cost of renting at the subject project. While some of potential tenants of the subject project will likely be able to afford the cost of a typical home in this market, it is likely that most would not be able to also afford the down payment, routine maintenance costs, and/or utility costs associated with such a home. Thus, we do not anticipate any competitive overlap between the subject project and the homebuyer market. In fact, we expect the subject project will attract some senior homeowners looking to downsize to a smaller maintenance-free rental alternative.

Section I – Absorption & Stabilization Rates

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

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists maintained among the existing comparable LIHTC properties in the Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the depth of support (capture rate) for the subject project and assume that the developer and/or management will successfully market the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 64 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month.

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

Section J – Interviews

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

- Michele Johnson, Executive Director of the Toombs County Development Authority, stated that there are several good quality properties for seniors in the county and she has heard that they are fully-occupied which indicates a need for additional senior-oriented product. However, Ms. Johnson also indicated that local businesses have also expressed interest in additional workforce housing in the area. Thus, Ms. Johnson believes there is demand for additional housing for both seniors and families.
- Ms. Barton, Property Manager for the Lakeview Apartments, states that there is a definite need for additional affordable housing in the area. Ms. Barton cited the 100.0% occupancy rate and waiting list maintained at her property as evidence of the pent-up demand for affordable product in the Vidalia market.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 64 age-restricted LIHTC units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings.

The subject site location is considered conducive to affordable age-restricted product as it is within a good-quality neighborhood and within proximity of most basic area services. The subject site has limited visibility, however, and is provided nominal passerby traffic which may reduce awareness of the property upon its initial opening/lease-up. Thus, it is recommended that promotional signage is placed at/near the Kenworth Street/West 1st Street and/or West 4th Street/Adams Street intersections to enhance awareness of the subject property, particularly during the subject's initial lease-up period.

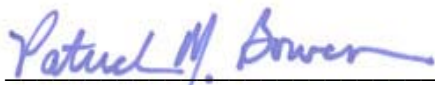
Area LIHTC projects are performing at high levels as all three comparable LIHTC properties report individual occupancy rates of 96.9% or higher, with two reporting at 100.0% occupancy. All three properties maintain waiting lists for at least some of their next available units. The subject project will help to alleviate a portion of this pent-up demand. The subject's proposed rents will be competitive within the market and significantly lower than the rents reported at the two comparable general-occupancy properties surveyed. Although the subject project will offer some of the smallest unit sizes (square feet) and a lesser number of bathrooms within its two-bedroom units as compared to existing comparable product in the Vidalia Site PMA, this is not expected to have any significant impact on the overall marketability of the property given the pent-up demand for LIHTC product in this market. These factors could, however, leave the property vulnerable to higher than typical tenant turnover in the event that additional, superior, competitive product is added to the market at a similar price point.

Demographic trends are projected to be positive within the Vidalia Site PMA, particularly among seniors, between 2019 and 2021. Approximately 30.0% of the projected senior (age 55 and older) household growth for the market during this time period is expected to occur among senior renter households and nearly 1,300 senior renter households are projected for the market in 2021. The subject's overall capture rate of 26.8% further demonstrates a good base of potential support for the subject project within the Vidalia Site PMA.

Based on the preceding factors, the subject project is considered marketable as proposed. We have no recommendations to the subject project at this time, with the exception of additional signage within the site neighborhood to help promote the project during initial lease-up. The development of the subject project is not expected to have any adverse impact on future occupancy rates among the existing comparable LIHTC projects. In fact, we expect the subject project will help alleviate a portion of the pent-up demand for additional LIHTC product in this market.

Section L - Signed Statement

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



Patrick M. Bowen
President/Market Analyst
Bowen National Research
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patrickb@bowennational.com
Date: May 14, 2019



Zachary Seaman
Market Analyst
zacharys@bowennational.com
Date: May 14, 2019



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: May 14, 2019

Section M – Market Study Representation

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

Section N - Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

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

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

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

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

Research Staff

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

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

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

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

ADDENDUM A:

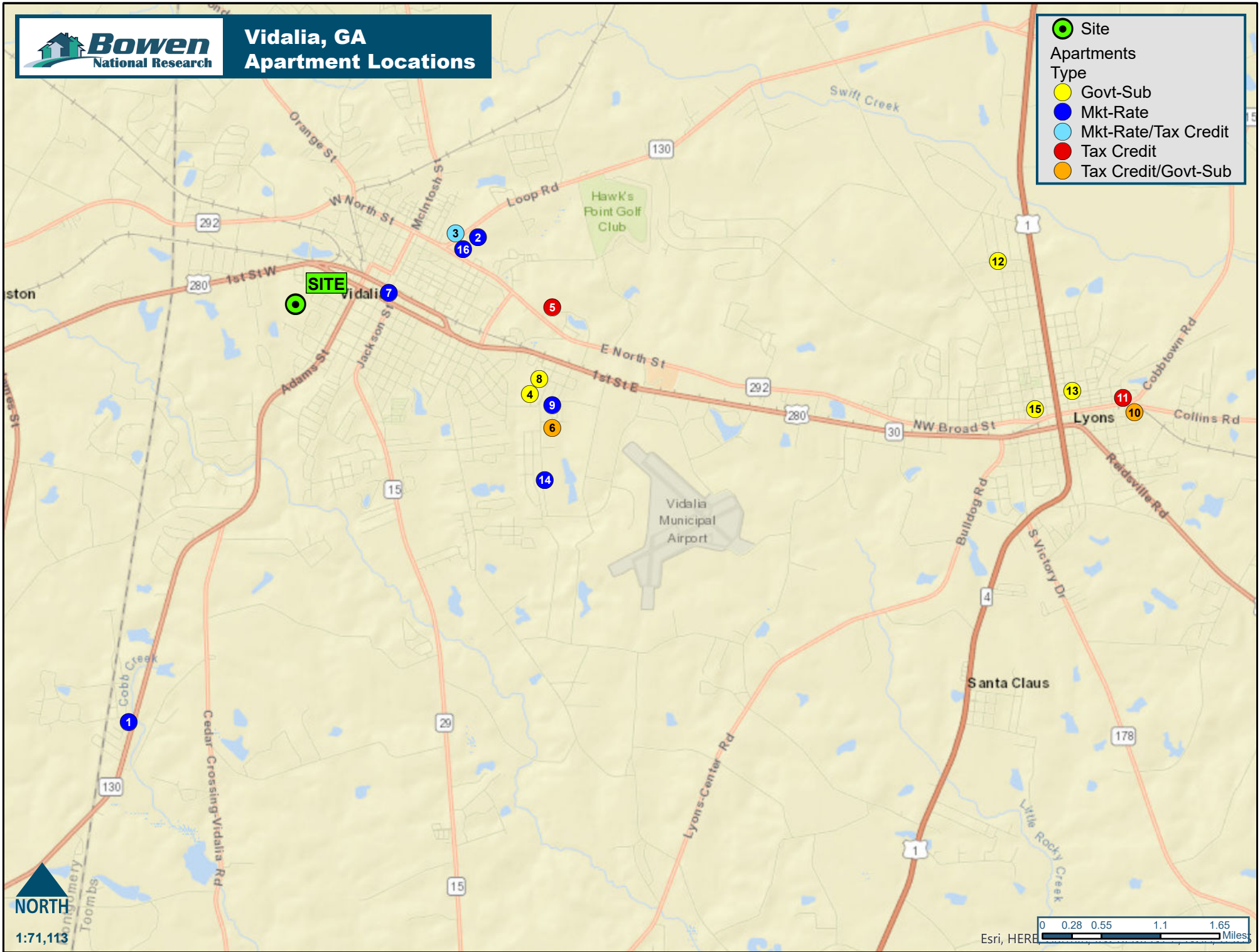
FIELD SURVEY OF
CONVENTIONAL RENTALS



Vidalia, GA Apartment Locations

Site
Apartment
Type

- Govt-Sub
- Mkt-Rate
- Mkt-Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-Sub



NORTH
1:71,113


Esri, HERE 0 0.28 0.55 1.1 1.65 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	155 Hardwood Way	MRR	B-	2011	2	0	100.0%	4.2
✓ 2	Brookington	MRR	B	1975	28	0	100.0%	2.0
✓ 3	Chateau	MRT	B+	2004	56	0	100.0%	1.8
4	Doe Run Apts.	GSS	C+	1983	48	0	100.0%	2.6
◆ ✓ 5	Faith Crossing Apts.	TAX	B+	2012	64	2	96.9%	2.7
◆ 6	Forest Glen Village	TGS	B+	1994	46	0	100.0%	2.9
7	Grand Lady Suites	MRR	B	1950	8	0	100.0%	0.9
◆ 8	Grove Apts.	GSS	B-	1988	54	0	100.0%	2.4
9	Hollis Apts.	MRR	C+	1978	32	0	100.0%	2.8
10	JT Lyons Apts.	TGS	C+	1980	64	0	100.0%	7.4
✓ 11	Lakeview	TAX	B+	2005	72	0	100.0%	7.4
12	Lyons Apts.	GSS	C	1984	32	0	100.0%	7.3
13	Lyons Housing Authority	GSS	C	1972	129	15	88.4%	7.1
14	Maplewood	MRR	A-	2011	54	3	94.4%	3.3
◆ 15	West Columbia Street Apts.	GSS	B-	1983	10	0	100.0%	6.7
✓ 16	Wilkes Townhouse Apts.	MRR	B-	1985	50	0	100.0%	1.8
✓ 901	Quail Ridge	MRR	B	1990	33	2	93.9%	28.9
✓ 902	San Reid	MRR	B	1980	28	4	85.7%	21.3


*Drive distance in miles

✓ Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
■ (MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
■ (MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	■ (GSS) Govt Subsidized
■ (MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	■ (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
■ (MIN) Market-Rate & Income Restricted (not LIHTC)		




1	155 Hardwood Way 155 Hardwood Way, Vidalia, GA 30474	Contact: Shirley Phone: (912) 403-9592	(In Person)
		Total Units: 2 UC: 0 Occupancy: 100.0% Stories: 1 BR: 2 Vacant Units: 0 Waitlist: Target Population: Family Rent Special: Notes: Does not accept HCV	Year Built: 2011 AR Year: Yr Renovated:




2	Brookington 807 Loop Rd., Vidalia, GA 30474	Contact: Kayla Phone: (912) 326-7227	(In Person)
		Total Units: 28 UC: 0 Occupancy: 100.0% Stories: 2 BR: 2 Vacant Units: 0 Waitlist: Target Population: Family Rent Special: Notes: Does not accept HCV	Year Built: 1975 AR Year: Yr Renovated:




3	Chateau 706 Loop Rd., Vidalia, GA 30474	Contact: Wakanda Phone: (912) 537-1973	(In Person)
		Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 2 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 14 HH; Target Population: Family Rent Special: Notes: Market-Rate (1 unit); Tax Credits (55 units); Accepts HCV	Year Built: 2004 AR Year: Yr Renovated:








4	Doe Run Apts. 321 Jerriel St., Vidalia, GA 30474	Contact: Crystal Phone: (912) 537-0391	(In Person)
		Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 6 HH; Target Population: Family Rent Special: Notes: RD 515, has RA (38 units); Accepts HCV (0 currently)	Year Built: 1983 AR Year: Yr Renovated:




5	Faith Crossing Apts. 123 Agan Dr., Vidalia, GA 30475	Contact: Angela Phone: (912) 537-2055	(In Person)
		Total Units: 64 UC: 0 Occupancy: 96.9% Stories: 2 BR: 1, 2 Vacant Units: 2 Waitlist: 5 HH; Target Population: Senior 55+ Rent Special: Notes: Tax Credit; HCV (6 units)	w/Elevator Year Built: 2012 AR Year: Yr Renovated:


Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		


6	Forest Glen Village 1805 Edwina Dr., Vidalia, GA 30474	Contact: Ms. Brown (In Person) Phone: (912) 538-0373
	Total Units: 46 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1994 BR: 1, 2 Vacant Units: 0 Waitlist: 18 HH; AR Year: Target Population: Senior 62+ Yr Renovated: 2014 Rent Special: Notes: Tax Credit; RD 515, has RA (45 units); HCV (1 unit)	
7	Grand Lady Suites 103 E Meadows St., Vidalia, GA 30474	Contact: John (In Person) Phone: (912) 538-8988
	Total Units: 8 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1950 BR: 1 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: 1996 Rent Special: Notes: Does not accept HCV; 1st floor retail	
8	Grove Apts. 303 Jerriel St., Vidalia, GA 30474	Contact: Keisha (In Person) Phone: (912) 537-3501
	Total Units: 54 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1988 BR: 1, 2 Vacant Units: 0 Waitlist: 10 HH; AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: RD 515, has RA (50 units); HCV (1 unit)	
9	Hollis Apts. 319 Randolph Dr., Vidalia, GA 30474	Contact: Brad (In Person) Phone: (912) 537-8868
	Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1978 BR: 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Accepts HCV	
10	JT Lyons Apts. 385 E. Liberty St., Lyons, GA 30436	Contact: Lisa (In Person) Phone: (912) 526-0444
	Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 22 HH; AR Year: Target Population: Family Yr Renovated: 2008 Rent Special: Notes: Tax Credit; HUD Section 8	


✔	Comparable Property		
◆	Senior Restricted	■ (MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	■ (TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
■	(MRR) Market-Rate	■ (TAX) Tax Credit	■ (INR) Income Restricted (not LIHTC)
■	(MRT) Market-Rate & Tax Credit	■ (TGS) Tax Credit & Govt Subsidized	■ (ING) Income Restricted (not LIHTC) & Govt Subsidized
■	(MRG) Market-Rate & Govt Subsidized	■ (TIN) Tax Credit & Income Restricted (not LIHTC)	■ (GSS) Govt Subsidized
■	(MIN) Market-Rate & Income Restricted (not LIHTC)	■ (TMG) Tax Credit, Market-Rate & Govt Subsidized	■ (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted




11	Lakeview 136 N 10th St., Lyons, GA 30436	Contact: Sandy Phone: (912) 526-5988	(In Person)
		Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2005 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 15 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; HCV (0 currently)	

12	Lyons Apts. 262 Skyline Blvd., Lyons, GA 30436	Contact: Wilma Phone: (912) 526-4010	(In Person)
		Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1984 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 16 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, has RA (21 units); Accepts HCV (0 currently)	

13	Lyons Housing Authority 208 N. Lanier St., Lyons, GA 30436	Contact: Miss Gunn Phone: (912) 526-8504	(In Person)
		Total Units: 129 UC: 0 Occupancy: 88.4% Stories: 1 Year Built: 1972 BR: 1, 2, 3, 4, 5 Vacant Units: 15 Waitlist: 3 months AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Public Housing	


14	Maplewood 900 Maple Dr., Vidalia, GA 30474	Contact: Maggie Phone: (912) 245-8288	(In Person)
		Total Units: 54 UC: 0 Occupancy: 94.4% Stories: 2 Year Built: 2011 BR: 2, 3 Vacant Units: 3 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	




15	West Columbia Street Apts. 206 W. Columbia Ave., Lyons, GA 30436	Contact: Lisa Phone: (912) 526-0444	(In Person)
		Total Units: 10 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1983 BR: 1 Vacant Units: 0 Waitlist: 8 HH; AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: HUD Section 8; Does not accept HCV	

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		




16	Wilkes Townhouse Apts. 707 Loop Rd., Vidalia, GA 30474	Contact: Kayla Phone: (912) 537-3141	(In Person)
	 <p>Total Units: 50 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985 BR: 1, 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV</p>		



901	Quail Ridge 1064 W. Moring St., Swainsboro, GA 30401	Contact: Harry Phone: (478) 494-9601	(In Person)
	 <p>Total Units: 33 UC: 0 Occupancy: 93.9% Stories: 1,2 Year Built: 1990 BR: 2, 3 Vacant Units: 2 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Rent range based on renovations</p>		



902	San Reid 196 Industrial Dr., Reidsville, GA 30453	Contact: Luke Phone: (844) 274-7321	(In Person)
	 <p>Total Units: 28 UC: 0 Occupancy: 85.7% Stories: 2 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 4 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV</p>		

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		

Source: Georgia Department of Community Affairs
Effective: 01/2019

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	7	10	12	15	19			11	13	16	21	
	+Base Charge												
	Bottled Gas												
	Electric	8	12	14	18	24		13	16	20	25		
	Heat Pump												
	Oil												
Cooking	Natural Gas	3	4	4	6	7		4	4	6	7		
	Bottled Gas												
	Electric	5	7	9	11	14		7	9	11	14		
	Oil												
Other Electric	23	31	40	49	60		33	42	51	65			
+Base Charge													
Air Conditioning													
Water Heating	Natural Gas	4	6	8	10	11		6	8	10	11		
	Bottled Gas												
	Electric	9	13	18	23	28		13	18	23	28		
	Oil												
Water	18	19	23	28	34		19	23	29	34			
Sewer	19	20	25	30	35		20	25	30	35			
Trash Collection	15	15	15	15	15		15	15	15	15			
Internet*		20	20	20	20	20		20	20	20	20		
Cable*		20	20	20	20	20		20	20	20	20		
Alarm Monitoring*													

* Estimated- not from source

ADDENDUM B

COMPARABLE PROPERTY PROFILES

1 155 Hardwood Way 4.2 miles to site



Address: 155 Hardwood Way, Vidalia, GA 30474
 Phone: (912) 403-9592 Contact: Shirley (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 2 Year Built: 2011
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist:
 Rent Special:

Ratings
 Quality: B-
 Neighborhood: B
 Access/Visibility: C/B

Notes: Does not accept HCV



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; Window Treatments; Flooring (Carpet, Ceramic Tile, Hardwood)

Property Amenities:

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	2	0	1,000	\$0.63	\$625	0%

* Adaptive Reuse

2 Brookington 2.0 miles to site



Address: 807 Loop Rd., Vidalia, GA 30474
 Phone: (912) 326-7227 Contact: Kayla (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 28 Year Built: 1975
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist:
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B-/B

Notes: Does not accept HCV



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; Window Treatments; Flooring (Carpet, Hardwood)

Property Amenities:

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$/ Sq Ft	Collected Rent	AMHI
2	1.5	T	28	0	950	\$0.68	\$645	0%

* Adaptive Reuse

3 Chateau **1.8 miles to site**



Address: 706 Loop Rd., Vidalia, GA 30474
 Phone: (912) 537-1973 Contact: Wakanda (In Person)
 Property Type: Market Rate, Tax Credit
 Target Population: Family
 Total Units: 56 Year Built: 2004 Ratings
 Vacant Units: 0 *AR Year: Quality: B+
 Occupancy: 100.0% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2 Access/Visibility: B/B
 Waitlist: 14 HH;
 Rent Special:

Notes: Market-Rate (1 unit); Tax Credits (55 units); Accepts HCV

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; Window Treatments; Flooring (Carpet)

Property Amenities: Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Basketball, Fitness Center, Media Library, Picnic Table, Playground); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	783	\$0.42	\$328	30%
1	1	G	10	0	783	\$0.70	\$547	50%
1	1	G	3	0	783	\$0.84	\$657	60%
2	2	G	2	0	1,025	\$0.38	\$394	30%
2	2	G	15	0	1,025	\$0.64	\$657	50%
2	2	G	7	0	1,025	\$0.77	\$789	60%
3	2	G	1	0	1,180	\$0.47	\$555	0%
3	2	G	10	0	1,180	\$0.57	\$676	50%
3	2	G	5	0	1,180	\$0.77	\$910	60%

* Adaptive Reuse

5 Faith Crossing Apts. 2.7 miles to site



Address: 123 Agan Dr., Vidalia, GA 30475
 Phone: (912) 537-2055 Contact: Angela (In Person)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 64 Year Built: 2012
 Vacant Units: 2 *AR Year:
 Occupancy: 96.9% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 5 HH;
 Rent Special:
 Notes: Tax Credit; HCV (6 units)

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: C/D

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; E-Call System; W/D Hookup Only; Window Treatments; Flooring (Carpet)

Property Amenities: Business Center (Computer); Activity-Craft Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Media Library, Picnic Table, Putting Green); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	762	\$0.49	\$370	50%
1	1	G	5	0	762	\$0.52	\$400	60%
2	2	G	10	1	1,078	\$0.39	\$420	50%
2	2	G	46	1	1,078	\$0.41	\$440	60%

* Adaptive Reuse

11 Lakeview **7.4 miles to site**



Address: 136 N 10th St., Lyons, GA 30436
 Phone: (912) 526-5988 Contact: Sandy (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 2005
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 15 HH;
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: C
 Access/Visibility: B/B+

Notes: Tax Credit; HCV (0 currently)



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; Window Treatments; Flooring (Carpet)

Property Amenities: Business Center (Computer, Copy); Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Hiking-Walking Trail, Picnic Table, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	686	\$0.30	\$206	30%
1	1	G	5	0	686	\$0.62	\$425	50%
1	1	G	4	0	686	\$0.78	\$535	60%
2	2	G	2	0	950	\$0.28	\$266	30%
2	2	G	7	0	950	\$0.56	\$529	50%
2	2	G	8	0	950	\$0.70	\$661	60%
2	2	T	2	0	987	\$0.27	\$263	30%
2	2	T	7	0	987	\$0.53	\$526	50%
2	2	T	8	0	987	\$0.67	\$658	60%
3	2	G	2	0	1,102	\$0.29	\$317	30%
3	2	G	6	0	1,102	\$0.56	\$621	50%

* Adaptive Reuse

11 Unit Configuration- cont.								
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
3	2	G	7	0	1,102	\$0.70	\$773	60%
3	2	T	1	0	1,160	\$0.27	\$312	30%
3	2	T	6	0	1,160	\$0.53	\$616	50%
3	2	T	6	0	1,160	\$0.66	\$768	60%

16 Wilkes Townhouse Apts. 1.8 miles to site



Address: 707 Loop Rd., Vidalia, GA 30474
 Phone: (912) 537-3141 Contact: Kayla (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 50 Year Built: 1985
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist:
 Rent Special:

Ratings
 Quality: B-
 Neighborhood: B
 Access/Visibility: B/B+

Notes: Does not accept HCV

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; W/D Included; Window Treatments; Flooring (Carpet, Vinyl, Wood Laminate)

Property Amenities: On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$/ Sq Ft	Collected Rent	AMHI
1	1.5	T	6	0	960	\$0.52	\$500	0%
2	1.5	T	44	0	1,100	\$0.50	\$550	0%

* Adaptive Reuse

901 Quail Ridge **28.9 miles to site**



Address: 1064 W. Moring St., Swainsboro, GA 30401
 Phone: (478) 494-9601 Contact: Harry (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 33 Year Built: 1990
 Vacant Units: 2 *AR Year:
 Occupancy: 93.9% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist:
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B/B

Notes: Does not accept HCV; Rent range based on renovations



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash
 Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Patio/Deck; Ceiling Fan; W/D Hookup Only; Window Treatments; Flooring (Carpet, Vinyl)
 Property Amenities: On-Site Management
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	12	1	800	\$7.19 - \$0.72	\$5,750 - \$575	0%
2	1.5	T	16	1	910	\$0.69 - \$0.77	\$625 - \$700	0%
3	1.5	G	5	0	1,025	\$0.68	\$700	0%

* Adaptive Reuse

902 San Reid **21.3 miles to site**



Address: 196 Industrial Dr., Reidsville, GA 30453
 Phone: (844) 274-7321 Contact: Luke (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 28 Year Built: 1980
 Vacant Units: 4 *AR Year:
 Occupancy: 85.7% Yr Renovated:
 Turnover: Stories: 2
 Waitlist:
 Rent Special:

Ratings
 Quality: B
 Neighborhood: C
 Access/Visibility: B-/B

Notes: Does not accept HCV



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Range; Refrigerator; Central AC; W/D Hookup Only; Window Treatments; Flooring (Carpet)

Property Amenities:

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	10	2	700	\$0.57	\$400	0%
2	1	G	14	2	900	\$0.50	\$450	0%
3	1	G	2	0	1,300	\$0.46	\$600	0%
3	2	T	2	0	1,300	\$0.46	\$600	0%

* Adaptive Reuse

Addendum C – NCHMA Member Certification & Checklist

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

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



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Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

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

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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

4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Redwood Trails Apartments	2021	64	-	24 (-)	40 (-)	-
1	155 Hardwood Way	2011	2	100.0%	-	2 (100.0%)	-
2	Brookington	1975	28	100.0%	-	28 (100.0%)	-
16	Wilkes Townhouse Apts.	1985	50	100.0%	6 (100.0%)	44 (100.0%)	-
901	Quail Ridge	1990	33	93.9%	-	28 (92.9%)	5 (100.0%)
902	San Reid	1980	28	85.7%	10 (80.0%)	14 (85.7%)	4 (100.0%)

900 Series Map IDs are located outside the Site PMA

Occ. – Occupancy

The five selected market-rate projects have a combined total of 141 units with an overall occupancy rate of 95.7%. None of the comparable properties has an occupancy rate below 85.7%. It is also of note that the 85.7% occupancy rate reported at the San Reid property is reflective of just four (4) vacant units at this property. The occupancy rates and minimal number of vacant units reported indicate that the selected properties are well-received within their respective markets and will serve as accurate benchmarks with which to compare the subject property.

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

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Redwood Trails Apartments		Wilkes Townhouse Apts.		Quail Ridge		San Reid					
499 Kenworth Street		707 Loop Rd.		1064 W. Moring St.		196 Industrial Dr.					
Vidalia, GA		Vidalia, GA		Swainsboro, GA		Reidsville, GA					
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$500		\$575		\$400					
2	Date Surveyed	04/12/2019		04/11/2019		04/12/2019					
3	Rent Concessions	None		None		None					
4	Occupancy for Unit Type	100%		92%		80%					
5	Effective Rent & Rent/ sq. ft	\$500	0.52	\$575	0.72	\$400	0.57				
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		TH/2		WU/2					
7	Yr. Built/Yr. Renovated	2021		1985	\$36	1990	\$31	1980	\$41		
8	Condition/Street Appeal	E		G	\$15	G	\$15	G	\$15		
9	Neighborhood	G		G		G		F	\$10		
10	Same Market?			Yes		No		No			
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		2	(\$50)	1			
12	# Baths	1		1.5	(\$15)	1		1			
13	Unit Interior Sq. Ft.	689		960	(\$41)	800	(\$17)	700	(\$2)		
14	Balcony/Patio	N		Y	(\$5)	N		N			
15	AC: Central/Wall	C		C		C		C			
16	Range/Refrigerator	R/F		R/F		R/F		R/F			
17	Microwave/Dishwasher	Y/Y		Y/Y		N/Y	\$5	N/N	\$15		
18	Washer/Dryer	HU/L		HU	\$5	HU	\$5	HU	\$5		
19	Floor Coverings	C/V		C/V/L		C/V		C			
20	Window Coverings	Y		B		B		B			
21	Secured Entry	Y		N	\$3	N	\$3	N	\$3		
22	Garbage Disposal	Y		Y		N	\$5	N	\$5		
23	Ceiling Fans/E-Call System	Y/N		Y/N		Y/N		N/N	\$5		
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0			
25	On-Site Management	Y		Y		Y		N	\$5		
26	Security Features	Y		N	\$5	N	\$5	N	\$5		
27	Community Space	Y		N	\$5	N	\$5	N	\$5		
28	Pool/Recreation Areas	G		N	\$3	N	\$3	N	\$3		
29	Computer/Business Center	Y		N	\$3	N	\$3	N	\$3		
30	Picnic Area/Storage	Y/Y		N/N	\$8	N/N	\$8	N/N	\$8		
31	Library	N		N		N		N			
32	Social Services	Y		N	\$10	N	\$10	N	\$10		
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E			
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E			
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E			
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E			
37	Other Electric	N		N		N		N			
38	Cold Water/Sewer	Y/Y		N/N	\$39	Y/Y		N/N	\$39		
39	Trash/Recycling	Y/N		N/N	\$15	Y/N		N/N	\$15		
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D			10	3	12	2	15	1		
41	Sum Adjustments B to D			\$93	(\$61)	\$98	(\$67)	\$138	(\$2)		
42	Sum Utility Adjustments			\$54				\$54			
				Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E			\$86	\$208	\$31	\$165	\$190	\$194		
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$586		\$606		\$590					
45	Adj Rent/Last rent				117%		105%		148%		
46	Estimated Market Rent	\$590		\$0.86		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Redwood Trails Apartments		155 Hardwood Way		Brookington		Quail Ridge		San Reid			
499 Kenworth Street		155 Hardwood Way		807 Loop Rd.		1064 W. Moring St.		196 Industrial Dr.			
Vidalia, GA		Vidalia, GA		Vidalia, GA		Swainsboro, GA		Reidsville, GA			
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$625		\$645		\$575		\$450			
2	Date Surveyed	04/10/2019		04/12/2019		04/11/2019		04/12/2019			
3	Rent Concessions	None		None		None		None			
4	Occupancy for Unit Type	100%		100%		92%		86%			
5	Effective Rent & Rent/ sq. ft	\$625	0.63	\$645	0.68	\$575	0.72	\$450	0.50		
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		R/1		TH/2		WU/1,2		WU/2	
7	Yr. Built/Yr. Renovated	2021		2011	\$10	1975	\$46	1990	\$31	1980	\$41
8	Condition/Street Appeal	E		G	\$15	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		F	\$10
10	Same Market?			Yes		Yes		No		No	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1		2	(\$30)	1.5	(\$15)	1		1	
13	Unit Interior Sq. Ft.	893		1000	(\$17)	950	(\$9)	800	\$15	900	(\$1)
14	Balcony/Patio	N		Y	(\$5)	Y	(\$5)	N		N	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/N	\$15	Y/Y		N/Y	\$5	N/N	\$15
18	Washer/Dryer	HU/L		HU	\$5	HU	\$5	HU	\$5	HU	\$5
19	Floor Coverings	C/V		C/T/W		C/W		C/V		C	
20	Window Coverings	Y		B		B		B		B	
21	Secured Entry	Y		N	\$3	N	\$3	N	\$3	N	\$3
22	Garbage Disposal	Y		N	\$5	Y		N	\$5	N	\$5
23	Ceiling Fans/E-Call System	Y/N		Y/N		Y/N		Y/N		N/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		N	\$5	N	\$5	Y		N	\$5
26	Security Features	Y		N	\$5	N	\$5	N	\$5	N	\$5
27	Community Space	Y		N	\$5	N	\$5	N	\$5	N	\$5
28	Pool/Recreation Areas	G		N	\$3	N	\$3	N	\$3	N	\$3
29	Computer/Business Center	Y		N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area/Storage	Y/Y		N/N	\$8	N/N	\$8	N/N	\$8	N/N	\$8
31	Library	N		N		N		N		N	
32	Social Services	Y		N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		Y/Y		Y/Y		Y/Y		N/N	\$48
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		N/N	\$15
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	13	3	11	3	13		15	1		
41	Sum Adjustments B to D	\$92	(\$52)	\$108	(\$29)	\$113		\$138	(\$1)		
42	Sum Utility Adjustments							\$63			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$40	\$144	\$79	\$137	\$113	\$113	\$200	\$202		
G. Adjusted & Market Rents	Adj. Rent			Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$665		\$724		\$688		\$650			
45	Adj Rent/Last rent		106%		112%		120%		144%		
46	Estimated Market Rent	\$685		\$0.77		← Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$590 for a one-bedroom unit and \$685 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$400	\$590	32.2%
One-Br.	60%	\$495	\$590	16.1%
Two-Br.	50%	\$478	\$685	30.2%
Two-Br.	60%	\$578	\$685	15.6%

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants. As such, the subject project is expected to be perceived a significant value within the Vidalia market, as the Tax Credit rents represent market rent advantages ranging from 15.6% to 32.2%, depending upon unit type.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1975 and 2011. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent quality/condition upon completion. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.

10. Due to the limited supply of comparable market-rate product within the Vidalia Site PMA, two of the selected properties are located outside the Site PMA in the surrounding areas of Reidsville and Swainsboro, Georgia. Based on American Community Survey (ACS) data, these areas are considered socioeconomically similar to the subject market and therefore out-of-market adjustments were not warranted for these properties.
11. Some of the selected properties do not offer one-bedroom units. In these instances, we have selected the next most comparable floor plan (two-bedroom) and applied a negative adjustment of \$50 to account for the inclusion of an additional defined bedroom at the selected property.
12. There is a variety of the number of bathrooms offered among the two-bedroom units at the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The proposed subject project will offer a unit amenity package which is generally superior to those offered among most of the selected market-rate properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject project does not offer.
- 24.-32. The proposed project offers a project amenities package which is also superior to those offered among the selected market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property, as needed. The utility adjustments were based on the local housing authority's utility cost estimates.