

**A MARKET CONDITIONS AND
PROJECT EVALUATION SUMMARY
OF:**

**McDONOUGH
FAMILY NEW
CONSTRUCTION**

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EVALUATION SUMMARY OF:**

**McDONOUGH FAMILY NEW
CONSTRUCTION**

150 S Zack Hinton Parkway
McDonough, Henry County, Georgia 30253

Effective Date: February 8, 2020
Report Date: February 12, 2020

Prepared for:
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February 12, 2020

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Plymouth, MN 55441-2644

Re: Application Market Study for McDonough Family New Construction, located in McDonough, Henry County, Georgia.

Dear Mr. Hodge:

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

The purpose of this market study is to assess the viability of the proposed 288-unit LIHTC project. It will be a newly constructed affordable LIHTC project, with 288 revenue generating units, 287 of which are restricted to households earning 60 percent of the Area Median Income (AMI) or less, with one unit operating as a revenue generating employee unit. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

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

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

BRANDON HODGE
DOMINIUM
FEBRUARY 12, 2020

assessment of the low-income housing rental market. This report is completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

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

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

Respectfully submitted,
Novogradac Consulting LLP



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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

McDonough Family New Construction (Subject) will be a newly constructed multifamily LIHTC rental property located at 150 S Zack Hinton Parkway in McDonough, Henry County, Georgia, which will consist of ten, three-story, garden-style residential buildings, in addition to one single-story clubhouse building and one single-story maintenance building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2019 LIHTC Maximum Allowable Gross Rent	2019 HUD Fair Market Rents	
@60%								
1BR / 1BA	738	36	\$796	\$101	\$897	\$897	\$966	
2BR / 2BA	934	131	\$950	\$127	\$1,077	\$1,077	\$1,106	
3BR / 2BA	1,153	120	\$1,083	\$160	\$1,243	\$1,243	\$1,427	
<i>Manager's Unit</i>								
2BR / 2BA	934	1	\$950	-	-	-	\$1,106	
		288						

Notes (1) Source of Utility Allowance provided by DCA - North Region, effective 1/1/2020

The Subject's proposed rents at the 60 percent of AMI level are at the maximum allowable levels. The completed Subject will offer similar in-unit amenities in comparison to the LIHTC comparable properties and superior property amenities. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include an exercise facility, swimming pool, media room, and community WiFi. Overall, we believe the Subject's property amenities will be competitive in the market.

2. Site Description/Evaluation

The Subject site is located east of South Zack Hinton Parkway. The Subject site is currently vacant wooded land. North of the Subject site consists of McDonough High School and McDonough Middle School, both of which exhibit excellent condition. Further north consists of a post office in average condition and Woodlawn Park Apartments, a market rate multifamily development in average overall condition, followed a bank, fire department, police department, and single-family homes, all of which exhibit generally average overall condition. To the east consists of vacant wooded land followed by single-family homes in good to excellent condition and a commercial uses, including a Publix grocery store and Walgreens Pharmacy, which exhibit generally average overall condition. To the south consists of vacant wooded land that is proposed for a 182-unit senior LIHTC multifamily development by the client and will be owned by a different partnership and development entity from the Subject. Further to the south consists of commercial uses along Racetrack Road in average overall condition, in addition to Greystone of McDonough, a multifamily LIHTC development in average condition. To the west consists of vacant land followed by Richard Craig Park, which included tennis courts and baseball fields in average condition. Further to the west, along Macon Street, consist of a cemetery and commercial uses in average overall condition. The Subject site is considered "Car-Dependent" by Walkscore with a rating of 35 out of 100. The uses surrounding the Subject range from average to excellent condition. The Subject site is located in a mixed-use neighborhood, with many single-family homes and commercial uses nearby. The Subject's locational amenities are located within 7.3 miles of the Subject site. The Subject site is considered an excellent building site for rental housing given its close proximity to commercial uses, major arteries, and new construction residential development.

3. Market Area Definition

The Primary Market Area (PMA) is defined as the city of McDonough, in addition to the cities of Locust Grove, Blacksville, Flippen, Ola, Hampton, and Stockbridge. The PMA is bounded to the north by Old Conyers Road, and the Henry/Rockdale County line; to the east by Snapping Shoals Road, New Hope Drive, Leguin Mill Road, and the Henry/Newton County line; to the south by the Henry/Newton County line and the Henry/Spalding County line; to the west by Bear Creek Boulevard and the Henry/Clayton County line. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 10.2 miles
 East: 8.0 miles
 South: 9.7 miles
 West: 10.8 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2019 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 10.8 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

4. Community Demographic Data

Between 2010 and 2019, there was approximately 1.8 percent annual population growth in the PMA and 1.4 percent annual population growth in the MSA. Through 2024, population growth in the PMA is forecast to increase slightly to 2.0 percent while the population growth in the MSA is forecast to increase slightly to 1.5 percent. Household growth in the PMA slowed between 2010 and 2019, and grew at a rate slightly faster than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 2.0 percent through 2024, above that of the MSA and the overall nation. The percentage of renter households in the PMA increased between 2000 and 2019, and is estimated to be 27.5 percent as of 2019. This is lower than the estimated 33 percent of renter households across the overall nation. The Subject will target tenants earning between \$30,754 and \$51,660. As the tables above depict, approximately 63.3 percent of renter households in the PMA earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject. Overall, the combination of rising population and large percentage of renter households earning below \$50,000 bodes well for future demand for multifamily housing.

According to *RealtyTrac* statistics, one in every 2,541 housing units nationwide was in some stage of foreclosure as of August 2019. The town of McDonough is experiencing a foreclosure rate of one in every 1,682 homes, while Henry County is experiencing foreclosure rate of one in every 1,297 homes and Georgia experienced one foreclosure in every 2,417 housing units. Overall, McDonough is experiencing a slightly higher foreclosure rate relative to the nation and state of Georgia. However, the foreclosure rate in McDonough is still low relative to market conditions in the years past, and is indicative of a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

5. Economic Data

Employment in the PMA is concentrated in the transportation/warehousing, healthcare/social assistance, and educational services industries, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in the healthcare industry is notable as this industry is historically stable, and

exhibits greater resilience during economic downturns. Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. As of December 2019, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 1.9 percent, compared to 1.3 percent across the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.7 percent, lower than the current national unemployment rate of 3.4 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$30,754	\$38,280	36	633	0	633	5.7%	\$796
2BR @60%	\$36,926	\$38,280	131	625	0	625	21.0%	\$950
3BR @60%	\$42,617	\$51,660	120	527	0	527	22.8%	\$1,083
Overall	\$30,754	\$51,660	287	1,785	0	1785	16.1%	-

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

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 2,477 units.

The availability of LIHTC data is considered fair; there are eight existing LIHTC properties in the PMA, three of which target families. We utilized four affordable developments located between 0.5 and 11.2 miles from the Subject site, three of which are located within the PMA. All of the comparable properties target the general population and offer generally similar unit types in comparison to the Subject.

The availability of market rate data is considered good. The Subject is located in McDonough and there are many market rate properties in the area. We included seven market rate properties located between 0.5 and 5.0 miles from the Subject site, all of which are located within the PMA. These comparables were built or renovated between the 2002 and 2017. Overall, we believe the market rate properties we used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, and unit mix.

Overall vacancy in the market is low at 4.1 percent. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. Overall, we believe the Subject will operated with an overall vacancy rate of five percent or less upon stabilization.

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

properties between rents at the two AMI levels, we do not include the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

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

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Rent Level	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60%	\$796	\$605	\$1,522	\$1,063	25%
2BR / 2BA	@60%	\$950	\$673	\$1,746	\$1,205	21%
3BR / 2BA	@60%	\$1,083	\$785	\$1,911	\$1,338	19%

As illustrated, the Subject’s proposed 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. These rents offer an advantage of 19 to 25 percent over the surveyed average of the comparable properties. Further Subject’s proposed rents at the 60 percent AMI levels are also below the surveyed range of unrestricted rents in the market.

Preston Creek Apartments is achieving the highest one two, and three-bedroom unrestricted rents in the market. The Subject will be slightly inferior to Preston Creek Apartments. Preston Creek Apartments was built in 2002 and exhibits good condition, which is slightly inferior to the anticipated excellent condition of the Subject. Preston Creek Apartments is located 2.2 miles from the Subject and offers a similar location. Preston Creek Apartments offers similar property amenities when compared to the Subject as it lacks media room and recreational area, which the Subject will offer, though it has a tennis court and volleyball court, which the Subject will not offer. Preston Creek Apartments offers similar in-unit amenities in comparison to the Subject, as it offers ceiling fans, fireplaces and attached garages on select units; however, the Subject will offer granite countertops and superior finishes. This property offers similar to superior unit sizes when compared to the proposed Subject. The lowest one, two, and three-bedroom unrestricted rents at Preston Creek Apartments are approximately 28 to 36 percent higher than the Subject’s one, two and three-bedroom rents at 60 percent of AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

We were able to obtain absorption data from two of the comparables, which is illustrated following.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Madison Heights I	LIHTC	Family	2018	121	30
Springs At Mcdonough	Market	Family	2017	268	17
Average				195	24

As illustrated in the previous table, the comparables reported absorption rates ranging from 17 to 30 units per month, with an overall average of 24 units per month. The LIHTC comparable reported an absorption rate of 30 units per month. Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Based on the low LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units could reasonably expect to lease 24 to 25 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within ten to eleven months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there will continue to be adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicate that the comparables may not be testing the upper end of the market. The contact at Ashley Woods Apartments reported the property utilizes a daily pricing software to determine rents, and indicated that often the rents are just below the maximum allowable levels. Further, the contact at Madison Heights I indicated that rents are kept just below the maximum allowable level for their one, two, and three-bedroom units at the 60 percent AMI level; however, indicated strong demand and reported the maximum allowable rents are likely achievable in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will be new construction and exhibit excellent condition, superior to all of the LIHTC properties in the PMA. The Subject will offer similar in-unit amenities in comparison to the LIHTC comparable properties and superior property amenities. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include an exercise facility, swimming pool, media room, and community WiFi. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the LIHTC comparables current performance, we believe that the Subject is feasible as proposed. We believe that it will offer excellent quality affordable units in the market and will perform well.

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

Summary Table:

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

Development Name:	<u>Mcdonough Family New Construction</u>	Total # Units:	<u>288</u>
Location:	<u>150 S Zack Hinton Pkwy Mcdonough, GA 30253</u>	# LIHTC Units:	<u>287</u>
PMA Boundary:	<u>North: Old Conyers Rd, Henry/Rockdale Cnty line; East: New Hope Dr, Henry/Rockdale Cnty Line; South: Henry/Newton Cnty line</u>		
Cnty line; West:	<u>Bear Creek Blvd and Henry/Clayton Cnty line</u>	Farthest Boundary Distance to Subject:	<u>10.8 miles</u>

Rental Housing Stock (found on page 55)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	38	7,468	429	94.3%
Market-Rate Housing	28	6,550	417	93.6%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	1	46	0	100.0%
LIHTC	9	872	12	98.6%
Stabilized Comps	11	2,477	101	95.9%
Properties in Construction & Lease Up	2p	230	N/A	N/A

*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
38	1BR at 60% AMI	1	738	\$796	\$1,063	\$1.44	34%	\$1,507	\$2.15
132	2BR at 60% AMI	2	934	\$950	\$1,205	\$1.29	27%	\$1,731	\$1.82
120	3BR at 60% AMI	2	1,153	\$1,083	\$1,338	\$1.16	24%	\$1,896	\$1.72

Demographic Data (found on page 30)

	2010		2019		8/2022	
Renter Households	13,884	24.9%	17,643	21.7%	17,961	20.5%
Income-Qualified Renter HHs (LIHTC)	3,675	26.5%	4,670	26.5%	4,755	26.5%

Targeted Income-Qualified Renter Household Demand (found on pages 45 to 53)

Type of Demand	@60%	0%	0%	Market-rate	Other: __	Overall*
Renter Household Growth	-21	0	0	0	-	-21
Existing Households (Overburdened + Substandard)	1,806	0	0	0	-	1,806
Homeowner conversion (Seniors)	0	0	0	0	-	0
Total Primary Market Demand	1,785	0	0	0	0	1,785
Less Comparable/Competitive Supply	0	0	0	0	-	0
Adjusted Income-qualified Renter HHs**	1,785	0	0	0	-	1,785

Capture Rates (found on page 53)

Targeted Population	@60%	0%	0%	Market-rate	Other: __	Overall
Capture Rate:	16.1%	-	-	-	-	16.1%

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. **Project Address and Development Location:** The Subject site is located at 150 S Zack Hinton Parkway, McDonough, Henry County, Georgia 30253. The Subject site is currently vacant.
- 2. **Construction Type:** The Subject will consist of ten, three-story, garden-style residential buildings, in addition to one single-story clubhouse building and one single-story maintenance building. The Subject will be new construction.
- 3. **Occupancy Type:** Families.
- 4. **Special Population Target:** None.
- 5. **Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. **Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. **Rents and Utility Allowances:** See following property profile.
- 8. **Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. **Proposed Development Amenities:** See following property profile.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2019 LIHTC Maximum Allowable Gross Rent	2019 HUD Fair Market Rents
@60%							
1BR / 1BA	738	36	\$796	\$101	\$897	\$897	\$966
2BR / 2BA	934	131	\$950	\$127	\$1,077	\$1,077	\$1,106
3BR / 2BA	1,153	120	\$1,083	\$160	\$1,243	\$1,243	\$1,427
<i>Manager's Unit</i>							
2BR / 2BA	934	1	\$950	-	-	-	\$1,106
		288					

Notes (1) Source of Utility Allowance provided by DCA - North Region, effective 1/1/2020

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

Mcdonough Family New Construction												
Location	150 S Zack Hinton Pkwy Mcdonough, GA 30253 Henry County											
Units	288											
Type	Garden (3 stories)											
Year Built / Renovated	2022 / n/a											
Market												
Program	@60%											
Utilities												
A/C	not included – central					Other Electric			not included			
Cooking	not included – electric					Water			not included			
Water Heat	not included – electric					Sewer			not included			
Heat	not included – electric					Trash Collection			included			
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concessio n (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Garden (3 stories)	36	738	\$796	\$0	@60%	n/a	N/A	N/A	yes	
2	2	Garden (3 stories)	131	934	\$950	\$0	@60%	n/a	N/A	N/A	yes	
2	2	Garden (3 stories)	1	934	\$950	\$0	Non-Rental	n/a	N/A	N/A	N/A	
3	2	Garden (3 stories)	120	1,153	\$1,083	\$0	@60%	n/a	N/A	N/A	yes	
Amenities												
In-Unit	Balcony/Patio Blinds Carpet/Hardwood Central A/C Coat Closet Dishwasher Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup					Security		Limited Access Perimeter Fencing Video Surveillance				
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground Recreation Areas Service Coordination Swimming Pool Theatre Wi-Fi					Premium		none				
Services	none					Other		Granite countertops, dog park				

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in December 2020 and be completed in December 2022. We will utilize 2022 as the market entry year for demographic purposes according to the DCA Market Study Manual.
- Conclusion:** The Subject will be an excellent-quality three-story apartment complex, superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

C. SITE EVALUATION

PROJECT DESCRIPTION

- 1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on February 8, 2020.
- 2. **Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along the east side of South Zack Hinton Parkway.

Visibility/Views: The Subject will have good visibility from the east side of South Zack Hinton Parkway. Views to the north of the site will consist of the McDonough High School and McDonough Middle School in excellent overall condition. Views to east will consists of vacant wooded land. Views to the south will consist of vacant wooded land, which is proposed for a 182-unit senior LIHTC multifamily development. Views to the west will consist of vacant land. Visibility is considered good.

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



Source: Google Earth, February 2020

The Subject site is located east of South Zack Hinton Parkway. The Subject site is currently vacant wooded land. North of the Subject site consists of McDonough High School and McDonough Middle School, both of which exhibit excellent condition. Further north consists of a post office in average condition and Woodlawn Park Apartments, a market rate multifamily development in average overall condition, followed a bank, fire department, police department, and single-family homes, all of which exhibit generally average overall condition. To the east consists of vacant wooded land followed by single-family homes in good to excellent condition and a commercial uses, including a Publix grocery store and Walgreens Pharmacy, which exhibit generally average overall condition. To the south consists of vacant wooded that is land proposed for a 182-unit senior LIHTC multifamily development by the client and will be owned by a different partnership and development entity from the Subject. Further to the south consists of commercial uses along Racetrack Road in average overall condition, in addition to Greystone of McDonough, a multifamily LIHTC development in average condition. To the west consists of vacant land followed by Richard Craig Park, which included tennis courts and baseball fields in average condition. Further to the west, along Macon Street, consist of a cemetery and commercial uses in average overall condition. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 35 out of 100. The uses surrounding the Subject range from average to excellent condition. The Subject site is located in a mixed-use neighborhood, with many single-family homes and commercial uses nearby. The Subject’s locational amenities are located within 7.3 miles of the Subject site. The Subject site is considered an excellent building site for rental housing given its close proximity to commercial uses, major arteries, and new construction residential development.

Positive/Negative Attributes of Site:

The Subject’s close proximity to retail and other necessary uses, as well as its surrounding residential uses, which are in average to excellent condition, are considered positive attributes of the Subject site. The Subject site is located within one mile of a grocery store, pharmacy, post office, bank, park, library, high school, middle school, police department, and fire department. The single-family homes east the Subject site are in excellent condition.

3. Physical Proximity to Locational Amenities:

The Subject is located within 7.3 miles of all locational amenities.

4. Pictures of Site and Adjacent Uses:

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



Subject site



Subject site



Subject site



Subject site



View north along S Zack Hinton Parkway



View south along S Zack Hinton Parkway



View of vacant land to the west



View of vacant land to the west



View of Salvation Army to the south



View of house of worship to the south



View of commercial/office space to the south



View of commercial/retail space to the south



View of townhomes to the south



View of fourplexes to the south



View of commercial/office to the southwest



View of Dollar General to the southwest



View of commercial/retail to the southwest



View of McDonough High School to the north



View of McDonough Middle School to the north



View of nearby post office to the north



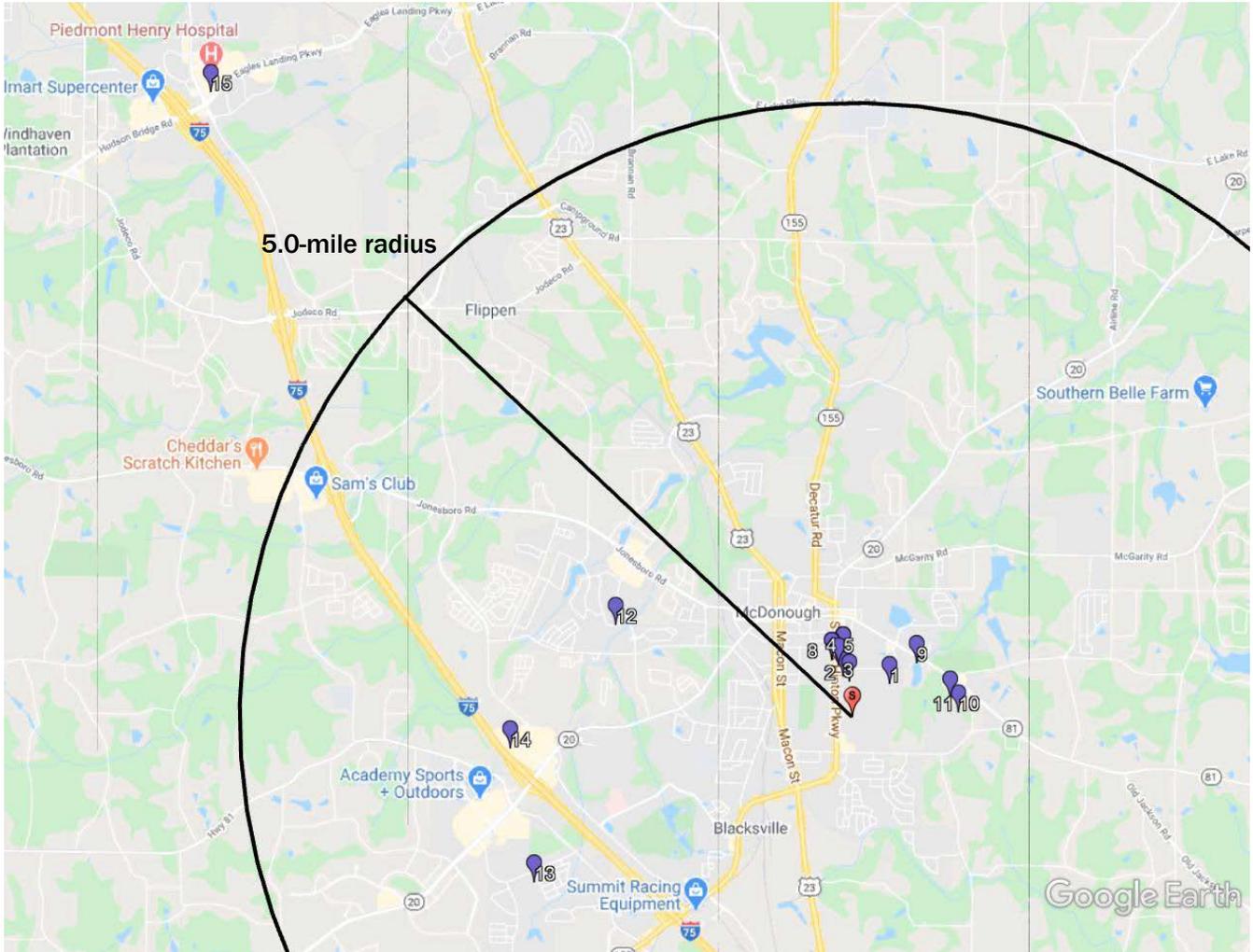
View of nearby pharmacy to the east



View of nearby grocery store to the east

5. Proximity to Locational Amenities:

The following tables detail the Subject’s distance from key locational amenities.

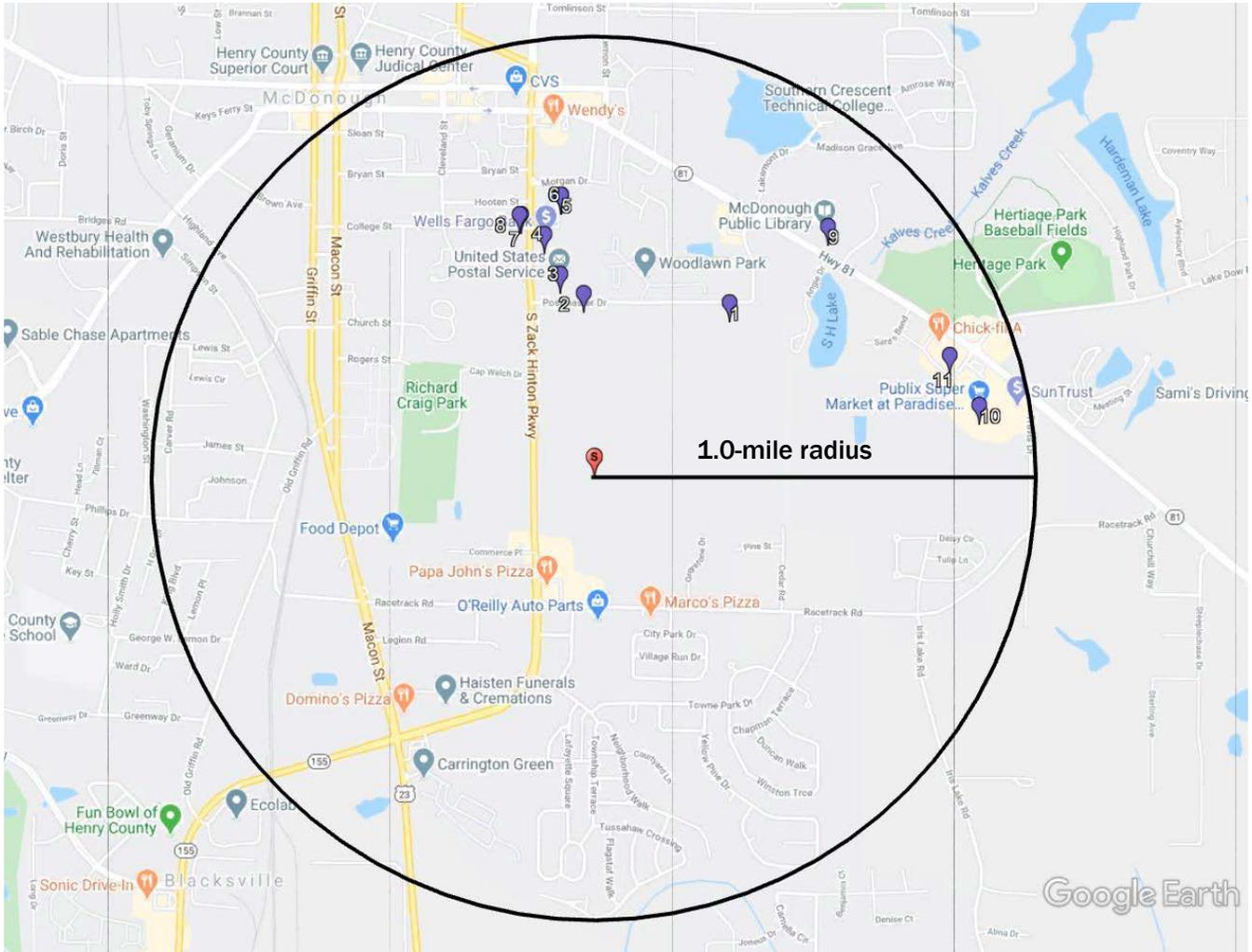


Source: Google Earth, February 2020

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Driving)
1	McDonough Middle School	0.5 miles
2	McDonough High School	0.5 miles
3	Wells Fargo Bank	0.5 miles
4	Post Office	0.5 miles
5	Police Department	0.6 miles
6	Fire Department	0.6 miles
7	Richard Craig Park	0.6 miles
8	Venture Medical Associates	0.6 miles
9	Public Library	0.9 miles
10	Publix Grocery	1.0 miles
11	Walgreens Pharmacy	1.0 miles
12	Wesley Lakes Elementary	2.0 miles
13	Park And Ride	2.7 miles
14	Walmart Supercenter	2.7 miles
15	Piedmont Henry Hospital	7.3 miles

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY



Source: Google Earth, February 2020

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Driving)
1	McDonough Middle School	0.5 miles
2	McDonough High School	0.5 miles
3	Wells Fargo Bank	0.5 miles
4	Post Office	0.5 miles
5	Police Department	0.6 miles
6	Fire Department	0.6 miles
7	Richard Craig Park	0.6 miles
8	Venture Medical Associates	0.6 miles
9	Public Library	0.9 miles
10	Publix Grocery	1.0 miles
11	Walgreens Pharmacy	1.0 miles
12	Wesley Lakes Elementary	2.0 miles
13	Park And Ride	2.7 miles
14	Walmart Supercenter	2.7 miles
15	Piedmont Henry Hospital	7.3 miles

6. Description of Land Uses

The Subject site is located east of South Zack Hinton Parkway. The Subject site is currently vacant wooded land. North of the Subject site consists of McDonough High School and McDonough Middle School, both of which exhibit excellent condition. Further north consists of a post office in average condition and Woodlawn Park Apartments, a market rate multifamily development in average overall condition, followed a bank, fire department, police department, and single-family homes, all of which exhibit generally average overall condition. To the east consists of vacant wooded land followed by single-family homes in good to excellent condition and a commercial uses, including a Publix grocery store and Walgreens Pharmacy, which exhibit generally average overall condition. To the south consists of vacant wooded land that is proposed for a 182-unit senior LIHTC multifamily development by the client and will be owned by a different partnership and development entity from the Subject. Further to the south consists of commercial uses along Racetrack Road in average overall condition, in addition to Greystone of McDonough, a multifamily LIHTC development in average condition. To the west consists of vacant land followed by Richard Craig Park, which included tennis courts and baseball fields in average condition. Further to the west, along Macon Street, consist of a cemetery and commercial uses in average overall condition. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 35 out of 100. The uses surrounding the Subject range from average to excellent condition. The Subject site is located in a mixed-use neighborhood, with many single-family homes and commercial uses nearby. The Subject’s locational amenities are located within 7.3 miles of the Subject site. The Subject site is considered an excellent building site for rental housing given its close proximity to commercial uses, major arteries, and new construction residential development.

7. Crime:

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

2019 CRIME INDICES

	PMA	MSA
Total Crime*	104	139
Personal Crime*	71	130
Murder	73	155
Rape	72	88
Robbery	65	163
Assault	74	118
Property Crime*	108	140
Burglary	125	147
Larceny	104	134
Motor Vehicle Theft	97	178

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

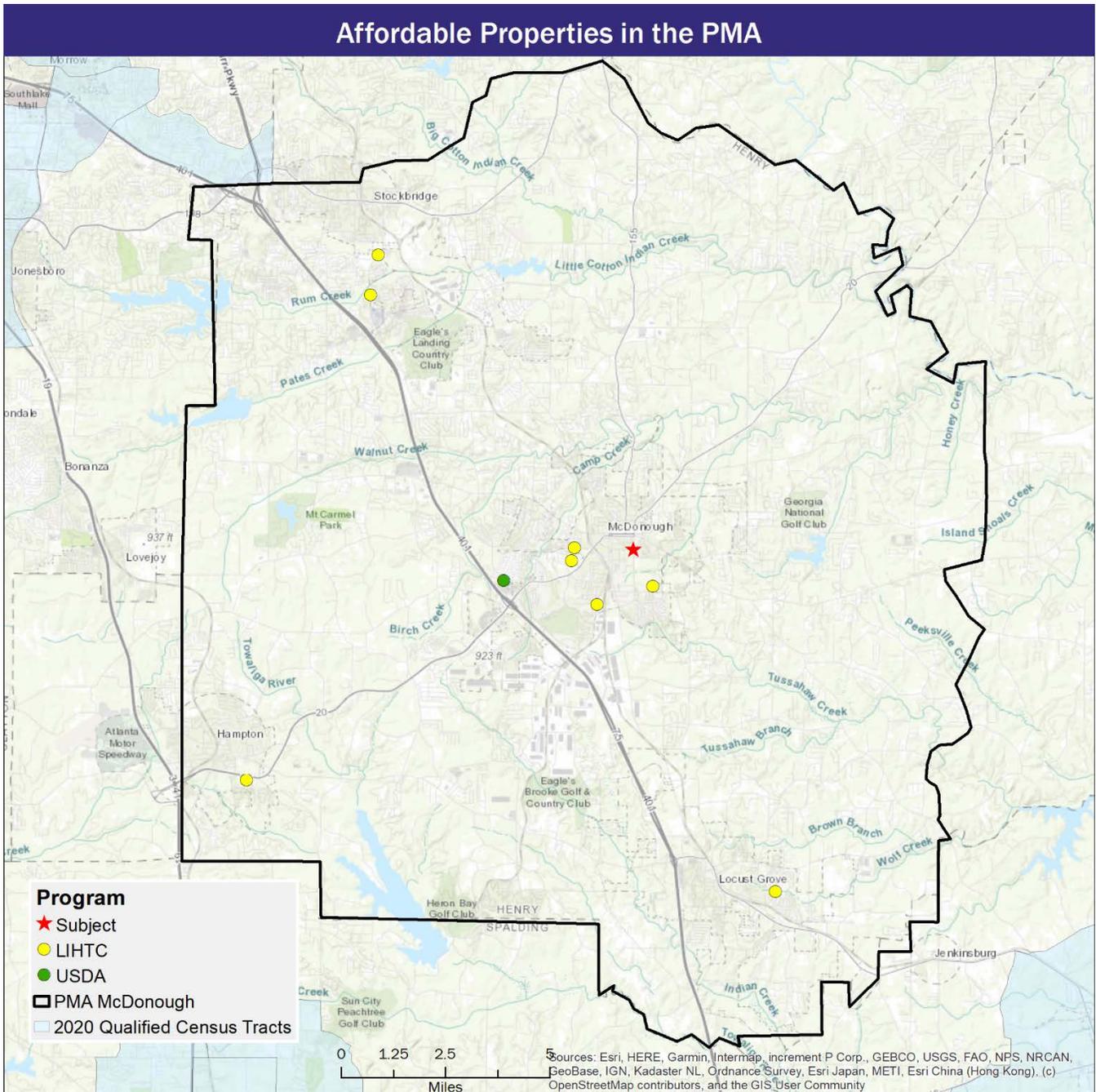
*Unweighted aggregations

Total crime risk indices in the PMA are slightly above the national average and below the MSA. In terms of security features, the Subject will offer limited access and video surveillance. One of the comparable properties does not offer any security features. The majority of the surveyed developments offer some form of security. The Subject’s security features will be similar to slightly superior to the existing features in the market.

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

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color	
McDonough Family New Construction	LIHTC	McDonough	Senior	288	-	Star	
Sable Chase Apartments	LIHTC	McDonough	Family	225	1.2 miles	Yellow	
Grier Senior Manor	LIHTC/Market	McDonough	Senior	51	1.0 miles		
Greystone Of Mcdonough	LIHTC	McDonough	Family	56	0.5 miles		
Heritage At Mcdonough	LIHTC	McDonough	Senior	105	1.4 miles		
Shoal Creek Manor	LIHTC	Locust Grove	Senior	66	7.1 miles		
Ashley Woods Apartments	LIHTC/HOME	Stockbridge	Family	128	7.9 miles		
Red Oak Village	LIHTC	Stockbridge	Senior	60	8.3 miles		
Hampton Court	LIHTC	Hampton	Senior	60	8.6 miles		
Brookshire Apartments	USDA	McDonough	Family	46	2.7 miles		Green



9. Road, Infrastructure or Proposed Improvements:

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

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

The Subject site can be accessed from South Zack Hinton Parkway. South Zack Hinton Parkway is a two-lane moderately trafficked arterial that will provide good access to the Subject. Overall, visibility will be average.

11. Conclusion:

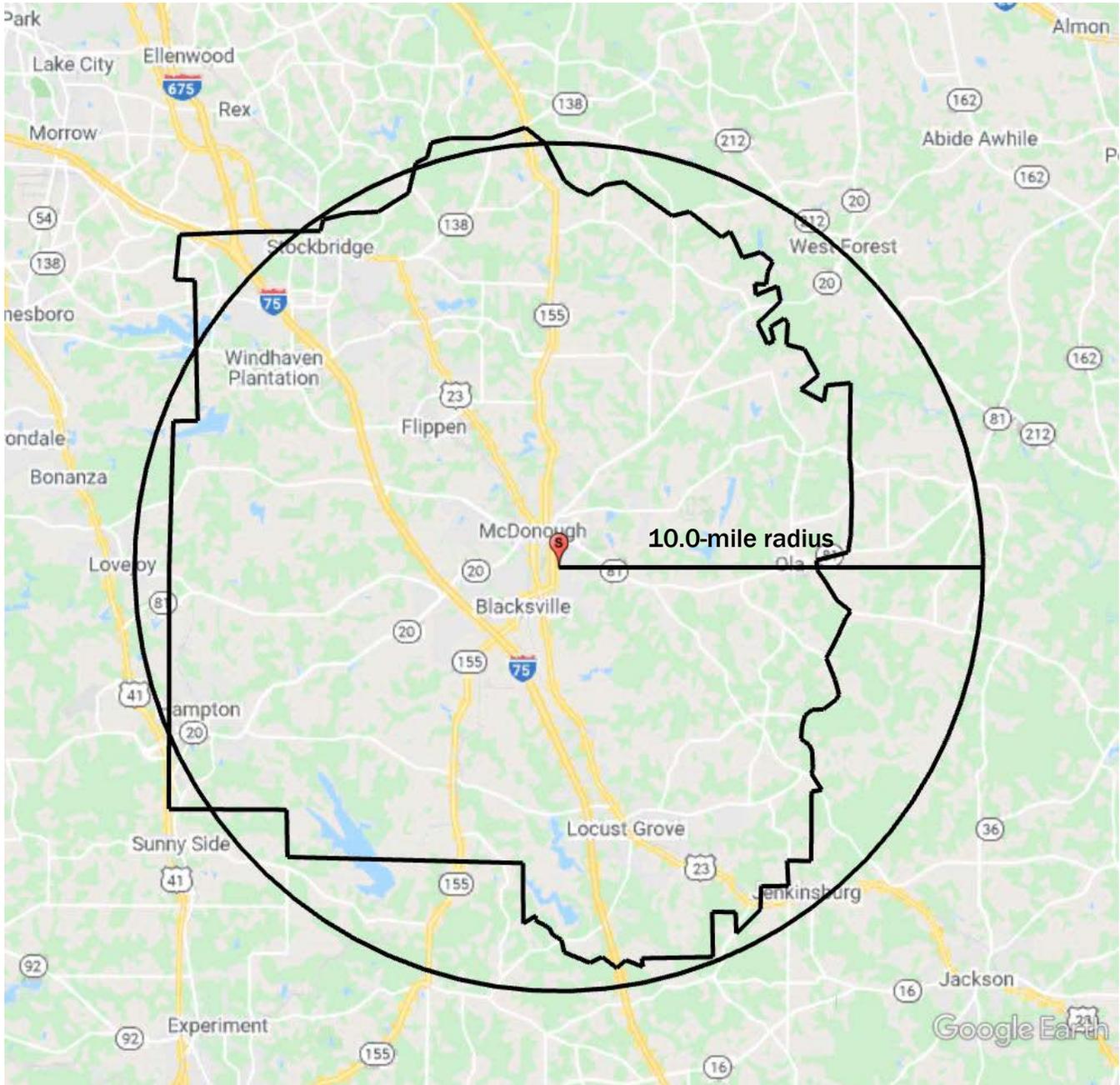
The Subject site is located east of South Zack Hinton Parkway. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 35 out of 100. Total, personal, and property crime risk indices in the MSA and PMA are below the MSA and national levels. The uses surrounding the Subject range from average to excellent condition. The Subject site is located in a mixed-use neighborhood, with many single-family home and commercial uses nearby. The Subject’s locational amenities are located within 7.3 miles of the Subject site. The Subject site is considered an excellent building site for rental housing given its close proximity to commercial uses, major arteries and new construction residential development.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



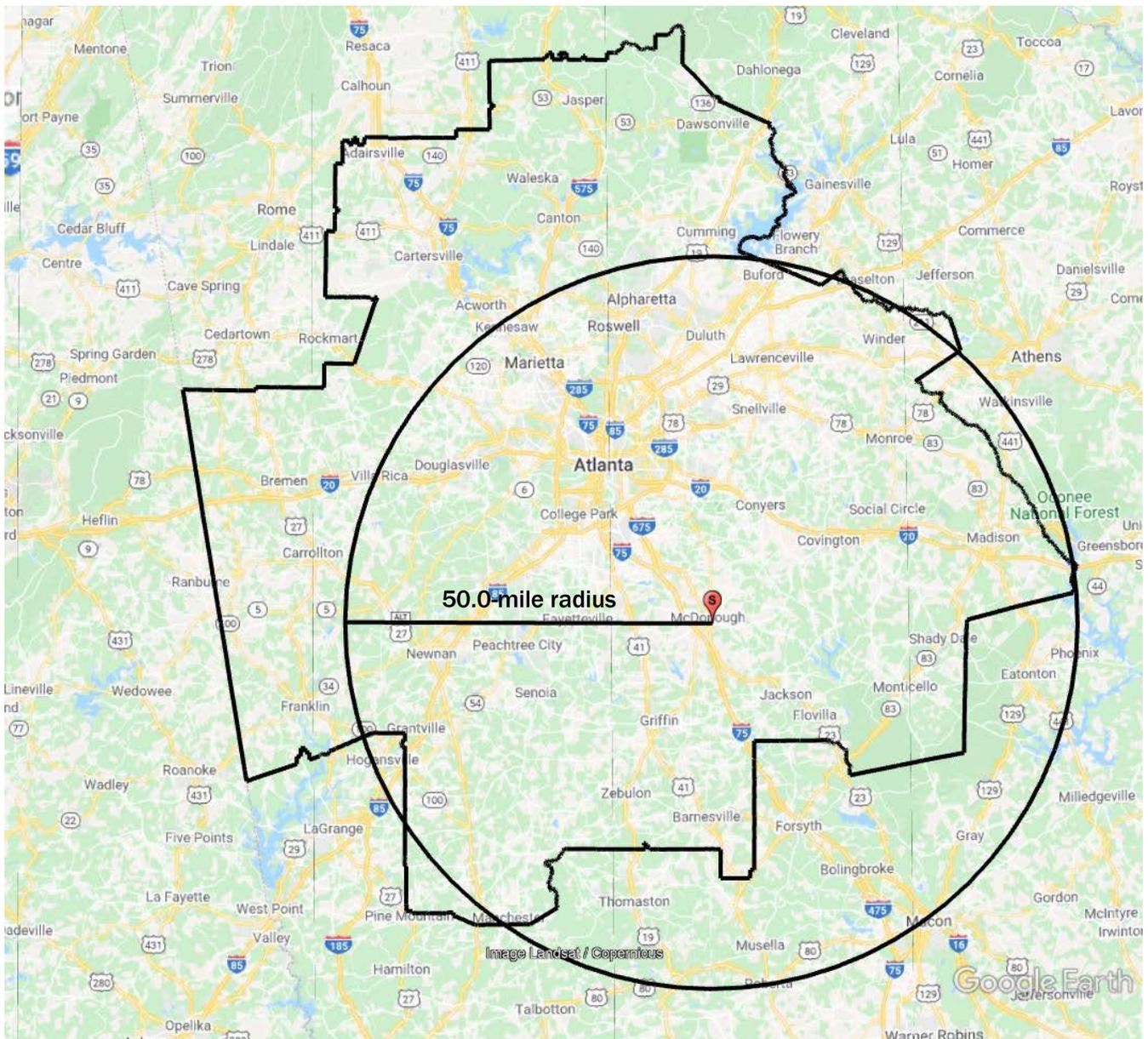
Source: Google Earth, February 2020

The Primary Market Area (PMA) is defined as the city of McDonough, in addition to the cities of Locust Grove, Blacksville, Flippen, Ola, Hampton, and Stockbridge. The PMA is bounded to the north by Old Conyers Road, and the Henry/Rockdale County line; to the east by Snapping Shoals Road, New Hope Drive, Leguin Mill Road, and the Henry/Newton County line; to the south by the Henry/Newton County line and the Henry/Spalding County line; to the west by Bear Creek Boulevard and the Henry/Clayton County line. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 10.2 miles
East: 8.0 miles
South: 9.7 miles
West: 10.8 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2019 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 10.8 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles

Secondary Market Area Map



E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the Atlanta-Santys Springs, Roswell, GA MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and the Atlanta-Santys Springs, Roswell, GA MSA. We utilized December 2022 as the estimated market entry time in this section of the report according to DCA guidelines.

1. Population Trends

The following tables illustrate (a) Total Population, and (b) Population by Age Group within the population in the MSA, the PMA and nationally from 2000 through 2024.

1a. Total Population

The following table illustrates the total population within the PMA, MSA, and nation from 2000 through 2024.

Year	POPULATION					
	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	86,541	-	4,240,804	-	281,250,431	-
2010	161,054	8.6%	5,286,728	2.5%	308,745,538	1.0%
2019	187,512	1.8%	5,986,262	1.4%	332,417,793	0.8%
Projected Mkt Entry	198,820	2.0%	6,263,659	1.5%	340,477,509	0.8%
2024	205,849	2.0%	6,436,095	1.5%	345,487,602	0.8%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

Between 2010 and 2019, there was approximately 1.8 percent annual population growth in the PMA and 1.4 percent annual population growth in the MSA. Through 2024, population growth in the PMA is forecast to increase slightly to 2.0 percent while the population growth in the MSA is forecast to increase slightly to 1.5 percent. Population growth in both the PMA and MSA were higher than the national growth from 2010 to 2019. Population growth in the PMA is expected to outpace the MSA and country through 2024. Overall, we believe the population growth in the PMA and MSA is a positive indicator of demand for the Subject's proposed units.

1b. Total Population by Age Group

The following table illustrates the total population within the PMA and MSA and nation from 2000 to 2024.

POPULATION BY AGE GROUP – PMA

Age Cohort	2000	2010	2019	Projected Mkt Entry	2024
0-4	7,077	11,036	11,772	12,625	13,156
5-9	7,311	13,178	12,634	13,224	13,591
10-14	6,980	14,471	13,183	13,839	14,247
15-19	5,735	13,326	12,824	12,808	12,798
20-24	4,680	8,620	12,182	11,575	11,198
25-29	6,469	8,982	15,371	15,463	15,520
30-34	7,857	10,872	12,763	17,157	19,889
35-39	8,522	13,488	12,094	14,014	15,207
40-44	7,203	13,914	12,625	12,707	12,758
45-49	6,086	13,459	14,188	13,132	12,476
50-54	5,224	10,622	13,665	13,600	13,560
55-59	3,950	8,527	12,840	12,989	13,081
60-64	2,866	7,173	10,025	11,353	12,178
65-69	2,315	5,076	7,943	8,776	9,293
70-74	1,701	3,407	5,997	6,659	7,070
75-79	1,254	2,361	3,702	4,510	5,012
80-84	729	1,492	2,073	2,537	2,825
85+	579	1,050	1,631	1,852	1,990
Total	86,538	161,054	187,512	198,820	205,849

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

POPULATION BY AGE GROUP - MSA

Age Cohort	2000	2010	2019	Projected Mkt Entry	2024
0-4	316,900	380,735	385,594	404,593	416,403
5-9	324,231	394,306	399,707	410,103	416,566
10-14	312,353	390,992	411,242	421,373	427,671
15-19	289,356	378,372	395,799	408,114	415,770
20-24	289,793	341,650	393,640	399,426	403,023
25-29	362,507	377,057	459,751	457,881	456,719
30-34	379,658	386,120	430,822	481,838	513,551
35-39	394,076	417,987	424,488	452,273	469,545
40-44	357,821	415,233	402,125	423,119	436,169
45-49	305,207	411,635	419,005	406,694	399,042
50-54	265,159	364,330	398,245	405,032	409,251
55-59	185,162	301,331	389,800	386,453	384,373
60-64	130,306	252,453	334,576	359,032	374,234
65-69	101,281	170,690	272,622	299,179	315,688
70-74	82,781	114,130	203,614	229,274	245,224
75-79	65,290	81,144	124,334	156,034	175,739
80-84	42,487	57,082	72,799	88,654	98,510
85+	36,415	51,481	68,099	74,585	78,617
Total	4,240,783	5,286,728	5,986,262	6,263,659	6,436,095

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

The largest age cohorts in the PMA are between 25 to 29 and 45 to 49, which indicates the presence of families.

2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size in the MSA, the PMA and nationally from 2000 through 2024.

2a. Total Number of Households and Average Household Size

The following tables illustrate the total number of households and average household size within the PMA, MSA and nation from 2000 through 2024.

HOUSEHOLDS

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	30,358	-	1,551,771	-	105,409,439	-
2010	55,683	8.3%	1,943,884	2.5%	116,716,296	1.1%
2019	64,091	1.6%	2,195,127	1.4%	125,168,557	0.8%
Projected Mkt Entry	67,793	1.9%	2,295,197	1.5%	127,894,844	0.7%
2024	70,095	1.9%	2,357,402	1.5%	129,589,563	0.7%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.83	-	2.68	-	2.59	-
2010	2.87	0.2%	2.67	0.0%	2.58	-0.1%
2019	2.91	0.2%	2.69	0.1%	2.59	0.1%
Projected Mkt Entry	2.92	0.1%	2.69	0.0%	2.60	0.1%
2024	2.92	0.1%	2.69	0.0%	2.60	0.1%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

Historical household growth in the PMA exceeded the MSA between 2000 and 2010. However, both areas experienced household growth greater than the overall nation during the same time period. Household growth in the PMA slowed between 2010 and 2019, and grew at a slightly faster rate than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 1.9 percent through 2024, above that of the MSA and the overall nation.

2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2024.

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	25,481	83.9%	4,877	16.1%
2019	46,448	72.5%	17,643	27.5%
Projected Mkt Entry	49,832	73.5%	17,961	26.5%
2024	51,936	74.1%	18,159	25.9%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

The share of renter-occupied housing in the PMA increased between 2000 and 2019. Through the projected market entry date and 2024, the percentage of renter-occupied households is projected to decrease. However, the number of renter households in the Subject's PMA is projected to increase through projected market entry and 2024. As of 2019, the share of owner-occupied households nationally was approximately two-thirds according to the US Census Bureau, indicating that the share of renter-occupied households in the PMA is below the nation.

2c. Household Income

The following table depicts renter household income in the PMA in 2019, market entry, and 2024.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,098	11.9%	2,083	11.6%	2,074	11.4%
\$10,000-19,999	2,285	13.0%	2,281	12.7%	2,279	12.6%
\$20,000-29,999	2,232	12.7%	2,219	12.4%	2,211	12.2%
\$30,000-39,999	2,641	15.0%	2,552	14.2%	2,496	13.7%
\$40,000-49,999	1,907	10.8%	1,964	10.9%	2,000	11.0%
\$50,000-59,999	1,937	11.0%	1,964	10.9%	1,980	10.9%
\$60,000-74,999	1,853	10.5%	1,921	10.7%	1,963	10.8%
\$75,000-99,999	1,313	7.4%	1,433	8.0%	1,507	8.3%
\$100,000-124,999	615	3.5%	686	3.8%	730	4.0%
\$125,000-149,999	366	2.1%	419	2.3%	452	2.5%
\$150,000-199,999	272	1.5%	302	1.7%	320	1.8%
\$200,000+	124	0.7%	138	0.8%	147	0.8%
Total	17,643	100.0%	17,961	100.0%	18,159	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, February 2020

RENTER HOUSEHOLD INCOME DISTRIBUTION - MSA

Income Cohort	2019		Projected Mkt Entry		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	94,956	12.1%	93,824	11.6%	93,121	11.4%
\$10,000-19,999	112,094	14.3%	109,259	13.5%	107,496	13.1%
\$20,000-29,999	109,706	14.0%	108,293	13.4%	107,414	13.1%
\$30,000-39,999	99,854	12.7%	99,501	12.3%	99,281	12.1%
\$40,000-49,999	82,057	10.4%	82,911	10.3%	83,442	10.2%
\$50,000-59,999	63,585	8.1%	65,879	8.2%	67,305	8.2%
\$60,000-74,999	70,002	8.9%	73,509	9.1%	75,689	9.2%
\$75,000-99,999	64,648	8.2%	70,120	8.7%	73,521	9.0%
\$100,000-124,999	35,249	4.5%	39,489	4.9%	42,124	5.1%
\$125,000-149,999	18,802	2.4%	22,049	2.7%	24,068	2.9%
\$150,000-199,999	17,905	2.3%	21,108	2.6%	23,099	2.8%
\$200,000+	16,753	2.1%	21,149	2.6%	23,882	2.9%
Total	785,611	100.0%	807,090	100.0%	820,442	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, February 2020

The Subject will target tenants earning between \$30,754 and \$51,660. As the tables above depict, approximately 63.3 percent of renter households in the PMA earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject.

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

The following table illustrates household size for all households in 2019, market entry and 2024. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2019		Projected Mkt Entry		2024	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	6,041	34.2%	6,183	34.4%	6,272	34.5%
2 Persons	4,036	22.9%	4,000	22.3%	3,978	21.9%
3 Persons	2,924	16.6%	2,967	16.5%	2,993	16.5%
4 Persons	2,230	12.6%	2,311	12.9%	2,362	13.0%
5+ Persons	2,412	13.7%	2,500	13.9%	2,554	14.1%
Total Households	17,643	100%	17,961	100%	18,159	100%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, February 2020

The cohorts with the highest number of renter households in the PMA are one-person households, followed by two and three person households.

Conclusion

Between 2010 and 2019, there was approximately 1.8 percent annual population growth in the PMA and 1.4 percent annual population growth in the MSA. Through 2024, population growth in the PMA is forecast to increase slightly to 2.0 percent while the population growth in the MSA is forecast to increase slightly to 1.5 percent. Household growth in the PMA slowed between 2010 and 2019, and grew at a rate slightly faster than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 2.0 percent through 2024, above that of the MSA and the overall nation. The percentage of renter households in the PMA increased between 2000 and 2019, and is estimated to be 27.5 percent as of 2019. This is lower than the estimated 33 percent of renter households across the overall nation. The Subject will target tenants earning between \$30,754 and \$51,660. As the tables above depict, approximately 63.3 percent of renter households in the PMA earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject. Overall, the combination of rising population and large percentage of renter households earning below \$50,000 bodes well for future demand for multifamily housing.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

The PMA and Henry County appear to be diverse with low-paying jobs in the education, retail trade, manufacturing, and government sectors, which are expected to generate demand for affordable housing in the PMA. Employment levels decreased during the national recession but have surpassed pre-recession highs and appear to be in an expansionary phase.

1. Covered Employment

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

COVERED EMPLOYMENT Henry County, Georgia		
Year	Total Employment	% Change
2009	46,242	-
2010	47,702	3.2%
2011	48,401	1.5%
2012	49,305	1.9%
2013	50,627	2.7%
2014	51,920	2.6%
2015	54,084	4.2%
2016	56,802	5.0%
2017	58,470	2.9%
2018	61,088	4.5%
2019 YTD Average	64,890	6.2%
18-Jun	60,997	-
19-Jun	66,031	8.3%

Source: U.S. Bureau of Labor Statistics

YTD as of June 2019

As illustrated in the table above, Henry County has exhibited employment growth each year since 2009.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Henry County as of the second quarter of 2019.

TOTAL JOBS BY INDUSTRY		
Henry County, Georgia - Q2 2019		
	Number	Percent
Total, all industries	59,394	-
Goods-producing	5,450	-
Natural resources and mining	148	0.2%
Construction	2,057	3.5%
Manufacturing	3,245	5.5%
Service-providing	50,944	-
Trade, transportation, and utilities	18,848	31.7%
Information	2,103	3.5%
Financial activities	1,978	3.3%
Professional and business services	8,479	14.3%
Education and health services	8,477	14.3%
Leisure and hospitality	9,573	16.1%
Other services	1,291	2.2%
Unclassified	198	0.3%

Source: Bureau of Labor Statistics, February 2020

Trade, transportation, and utilities is the largest industry in Henry County, followed by leisure and hospitality, professional and business services, and education and health services. The following table illustrates employment by industry for the PMA as of 2019.

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Transportation/Warehousing	12,056	13.6%	7,876,848	4.9%
Healthcare/Social Assistance	10,234	11.6%	22,612,482	14.1%
Retail Trade	9,152	10.4%	14,565,802	9.1%
Educational Services	8,910	10.1%	17,127,172	10.7%
Public Administration	6,707	7.6%	7,828,907	4.9%
Manufacturing	5,858	6.6%	16,057,876	10.0%
Prof/Scientific/Tech Services	5,672	6.4%	11,738,765	7.3%
Accommodation/Food Services	4,769	5.4%	11,744,228	7.3%
Construction	4,515	5.1%	6,106,184	3.8%
Other Services	4,395	5.0%	11,245,975	7.0%
Admin/Support/Waste Mgmt Svcs	4,315	4.9%	8,141,078	5.1%
Finance/Insurance	3,008	3.4%	7,377,311	4.6%
Wholesale Trade	2,832	3.2%	4,183,931	2.6%
Information	2,085	2.4%	3,157,650	2.0%
Real Estate/Rental/Leasing	2,011	2.3%	3,204,043	2.0%
Arts/Entertainment/Recreation	841	1.0%	3,332,132	2.1%
Utilities	814	0.9%	1,276,400	0.8%
Agric/Forestry/Fishing/Hunting	86	0.1%	237,307	0.1%
Mgmt of Companies/Enterprises	82	0.1%	1,915,709	1.2%
Mining	14	0.0%	819,151	0.5%
Total Employment	88,356	100.0%	160,548,951	100.0%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

Employment in the PMA is concentrated in the transportation/warehousing, healthcare/social assistance, and educational services industries, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in the healthcare industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Relative to the overall nation, the PMA features comparatively greater employment in the transportation/warehousing, public administration, and admin/support/waste management services industries. Conversely, the PMA is underrepresented in the manufacturing, healthcare/social assistance, and construction industries.

3. Major Employers

The following table shows the largest employers in Henry County, Georgia.

MAJOR EMPLOYERS - HENRY COUNTY, GA

Rank	Employer Name	Industry	# Of Employees
1	Henry County Schools	Education	4,950
2	Luxottica Retail Group	Distribution Center	2,000
3	Piedmont Henry Hospital	Healthcare	1,800
4	Henry County Government	Government	1,656
5	Federal Aviation Administration	Government	1,000
6	PVH Corp	Manufacturing	1,000
7	Carter's Inc.	Manufacturing	635
8	Home Depot Direct Fulfillment Center	Distribution Center	606
9	Georgia Power Customer Care Center	Customer Service	550
10	Ken's Foods, Inc.	Manufacturing	500

Source: Henry County Development Authority, February 2020

Henry County Schools is the largest employer, employing approximately 4,950 employees. Other major employers are concentrated in the government, healthcare, and distribution sectors. Many of these employers provide employment for a broad range of workers, including skilled, unskilled, and service occupations.

Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 2018 in Henry County according to the Georgia Department of Economic Development, Workforce Division's Worker Adjustment and Retraining Notifications (WARN) filings.

WARN LISTINGS - HENRY COUNTY, GA 2018-2020 YTD

Company	Industry	Employees Affected	Layoff Date
Southern Crescent Behavioral Health	Healthcare	167	1/25/2020
Maurice Sporting Goods	Retail Trade	105	6/22/2018
Toys R Us	Retail Trade	244	5/14/2018
IFCO	Manufacturing	130	5/4/2018
Total		646	

Source: Georgia Department of Economic Development, February 2020

As the preceding table demonstrates there have been a total of four major layoffs reported in Henry County since January 1, 2018, resulting in the loss of 646 jobs. However, the number of jobs affected is modest given the size of the regional economy.

We attempted to contact the Henry County Development Authority to inquire about recent business expansions or contractions in the area, but to date our attempts have been unsuccessful. As such, we utilized an internet search to find the following business expansions in Henry County announced in 2017 through 2019, most of which are located in the McDonough area.

- In 2019, Sangsin Technology America, a brake manufacturer, announced the company will be developing a new manufacturing facility in McDonough as part of a \$20 million investment. The new facility is expected to create an additional 200 jobs. No construction timeline was available.

- In 2019, TSYS, a global payments company, expanded operations into an existing 62,000-square foot facility in McDonough, which houses their new contact center. The expansion created an estimated 450 new jobs.
- In 2018, General Mills, a food manufacture, invested \$8.5 million in a new distribution facility located in McDonough. The new 408,000-square foot facility created 50 new jobs.
- In 2018, Voorhees, a cold storage provider, built a 6.7-million-cubic-foot public refrigerated warehouse a mile away from its existing 8.6-million-cubic-foot facility in McDonough. The new facility equated to a \$40 million capital investment and created an estimated 80 new jobs.
- In 2018, De Wafelbakkers, a frozen pancake producer, invests \$15 million to expand its existing production facility in Henry County. The expansion created an estimated 83 new jobs and is the first phase of a planned two-phase expansion.
- In 2018, Hydro Systems, a bathtub manufacturer, opened a new manufacturing facility. The new facility created an estimate 60 manufacturing jobs.
- In 2018, S&S Activeware, an apparel wholesaler, opened a 505,000-square foot warehouse facility in McDonough. The new facility is expected to create approximately 300 new jobs over a three-year period.
- In 2017, Luxottica Retail Group, an eyewear distributor, expanded their existing facility in McDonough. The expansion created an estimated 1,000 new jobs.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for MSA from 2003 to December 2020.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2003	2,347,173	-	4.9%	-	137,736,000	-	6.0%	-
2004	2,382,163	1.5%	4.8%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,445,674	2.7%	5.4%	0.6%	141,730,000	1.8%	5.1%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	146,047,000	1.1%	4.6%	0.0%
2008	2,606,822	-0.5%	6.2%	1.7%	145,363,000	-0.5%	5.8%	1.2%
2009	2,452,057	-5.9%	9.9%	3.8%	139,878,000	-3.8%	9.3%	3.5%
2010	2,440,037	-0.5%	10.3%	0.4%	139,064,000	-0.6%	9.6%	0.3%
2011	2,486,895	1.9%	9.9%	-0.4%	139,869,000	0.6%	9.0%	-0.7%
2012	2,545,474	2.4%	8.8%	-1.1%	142,469,000	1.9%	8.1%	-0.9%
2013	2,572,589	1.1%	7.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2014	2,611,988	1.5%	6.7%	-1.1%	146,305,000	1.7%	6.2%	-1.2%
2015	2,677,148	2.5%	5.7%	-1.0%	148,833,000	1.7%	5.3%	-0.9%
2016	2,791,452	4.3%	5.1%	-0.6%	151,436,000	1.7%	4.9%	-0.4%
2017	2,898,961	3.9%	4.5%	-0.6%	153,337,000	1.3%	4.4%	-0.5%
2018	2,955,581	2.0%	3.8%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019 YTD Average*	2,981,425	0.9%	3.3%	-0.5%	157,538,083	1.1%	3.7%	-0.2%
Dec-2018	2,977,059	-	3.5%	-	156,481,000	-	3.7%	-
Dec-2019	3,033,436	1.9%	2.7%	-0.8%	158,504,000	1.3%	3.4%	-0.3%

Source: U.S. Bureau of Labor Statistics, February 2020

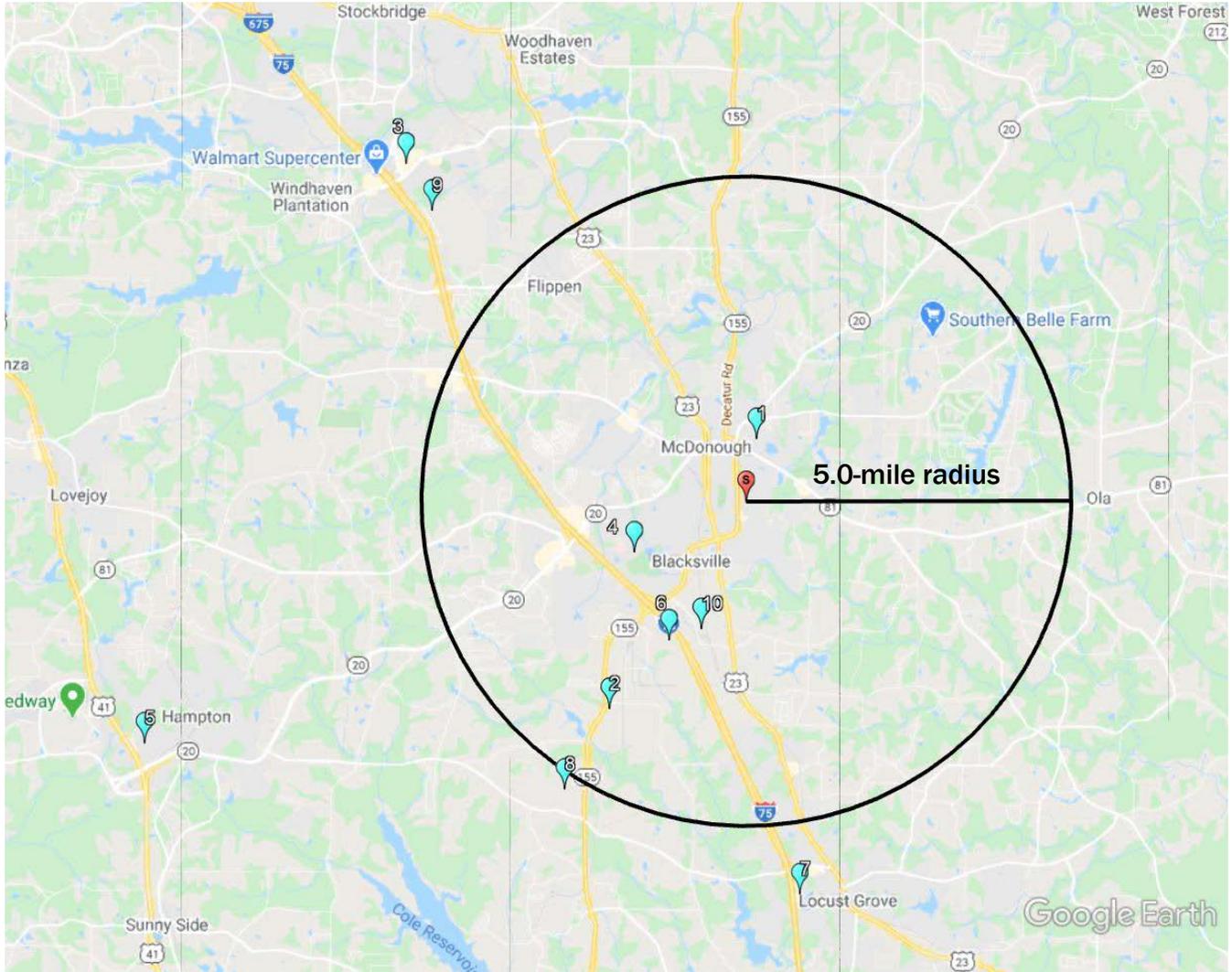
*2019 data is through October

Prior to the national recession, average employment growth in the MSA generally exceeded the nation. Annual job growth in the MSA outpaced the nation in every year between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which experienced a 6.8 percent contraction in employment growth (2007-2010), well above the 4.8 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. As of December 2019, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 1.9 percent, compared to 1.3 percent across the overall nation.

The MSA experienced a lower average unemployment rate relative to the overall nation during the years preceding the recession. The effects of the recession were more pronounced in the MSA, which experienced a 4.1 percentage point increase in unemployment, compared to only a 3.8 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a higher unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.7 percent, lower than the current national unemployment rate of 3.4 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.

Map of Site and Major Employment Concentrations

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



Source: Google Earth, February 2020

MAJOR EMPLOYERS - HENRY COUNTY, GA

Rank	Employer Name	Industry	# Of Employees
1	Henry County Schools	Education	4,950
2	Luxtottica Retail Group	Distribution Center	2,000
3	Piedmont Henry Hospital	Healthcare	1,800
4	Henry County Government	Government	1,656
5	Federal Aviation Administration	Government	1,000
6	PVH Corp	Manufacturing	1,000
7	Carter's Inc.	Manufacturing	635
8	Home Depot Direct Fulfillment Center	Distribution Center	606
9	Georgia Power Customer Care Center	Customer Service	550
10	Ken's Foods, Inc.	Manufacturing	500

Source: Henry County Development Authority, February 2020

5. Conclusion

Employment in the PMA is concentrated in the transportation/warehousing, healthcare/social assistance, and educational services industries, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in the healthcare industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. As of December 2019, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 1.9 percent, compared to 1.3 percent across the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.7 percent, lower than the current national unemployment rate of 3.4 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

DEMAND ANALYSIS

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

1. Income Restrictions

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

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up).

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

2. Affordability

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

FAMILY INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$30,754	\$38,280
2BR	\$36,926	\$43,080
3BR	\$42,617	\$51,660

3. Demand

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

Demand from New Households

The number of new households entering the market is the first level of demand calculated. We utilized 2022, the anticipated date of market entry, as the base year for the analysis. Therefore, 2019 household population estimates are inflated to 2022 by interpolation of the difference between 2019 estimates and 2024 projections. This change in households is considered the gross potential demand for the Subject

property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2022. This number takes the overall growth from 2019 to 2024 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

Demand from Existing Households

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

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

Demand from Elderly Homeowners likely to Convert to Rentership

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. As such, we have not accounted for any senior conversion to rentership.

3d. Other

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

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

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

Net Demand

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

Additions to Supply

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

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

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

According to the Georgia Department of Community Affairs allocations lists from 2016 to 2019, there has been one property awarded LIHTC funding in the PMA.

- Havenwood Grove Senior was allocated tax credits in 2018. The development will consist of a 56 one and two-bedroom units targeted to seniors earning 50 and 60 percent of the AMI, or less. The development will be located in the city of Locust Grove, approximately 7.0 miles south of the Subject site. Construction began in June 2019 with an estimated completion date of June 2020. As the development will target seniors, it will not directly compete with the Subject upon completion.

PMA Occupancy

Per DCA’s guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the average occupancy rates reported as illustrated in the following table.

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Sable Chase Apartments	LIHTC	McDonough	Family	225	100.0%
Grier Senior Manor	LIHTC/Market	McDonough	Senior	51	100.0%
Greystone Of Mcdonough	LIHTC	McDonough	Family	56	98.2%
Heritage At Mcdonough	LIHTC	McDonough	Senior	105	100.0%
Shoal Creek Manor	LIHTC	Locust Grove	Senior	66	100.0%
Brookshire Apartments	USDA	McDonough	Family	46	100.0%
Ashley Woods Apartments	LIHTC/HOME	Stockbridge	Family	128	96.1%
Red Oak Village	LIHTC	Stockbridge	Senior	60	100.0%
Hampton Court	LIHTC	Hampton	Senior	60	98.3%
Total/Average				737	99.2%

As shown in the table above, the average occupancy rate of competitive developments in the PMA is 99.2 percent.

Rehab Developments and PBRA

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

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

Capture Rates

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income distribution through the projected market entry date of 2022 are illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry		2023	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	2,098	11.9%	2,083	11.6%	2,074	11.4%
\$10,000-19,999	2,285	13.0%	2,281	12.7%	2,279	12.6%
\$20,000-29,999	2,232	12.7%	2,219	12.4%	2,211	12.2%
\$30,000-39,999	2,641	15.0%	2,552	14.2%	2,496	13.7%
\$40,000-49,999	1,907	10.8%	1,964	10.9%	2,000	11.0%
\$50,000-59,999	1,937	11.0%	1,964	10.9%	1,980	10.9%
\$60,000-74,999	1,853	10.5%	1,921	10.7%	1,963	10.8%
\$75,000-99,999	1,313	7.4%	1,433	8.0%	1,507	8.3%
\$100,000-124,999	615	3.5%	686	3.8%	730	4.0%
\$125,000-149,999	366	2.1%	419	2.3%	452	2.5%
\$150,000-199,999	272	1.5%	302	1.7%	320	1.8%
\$200,000+	124	0.7%	138	0.8%	147	0.8%
Total	17,643	100.0%	17,961	100.0%	18,159	100.0%

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, February 2020

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$30,754		Maximum Income Limit		\$51,660	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry August 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-15	-4.7%	\$0	0.0%	0		
\$10,000-19,999	-4	-1.2%	\$0	0.0%	0		
\$20,000-29,999	-13	-4.1%	\$0	0.0%	0		
\$30,000-39,999	-89	-28.1%	\$9,244	92.4%	-83		
\$40,000-49,999	57	18.0%	\$9,999	100.0%	57		
\$50,000-59,999	27	8.3%	\$1,661	16.6%	4		
\$60,000-74,999	68	21.3%	\$0	0.0%	0		
\$75,000-99,999	120	37.6%	\$0	0.0%	0		
\$100,000-124,999	71	22.3%	\$0	0.0%	0		
\$125,000-149,999	53	16.7%	\$0	0.0%	0		
\$150,000-199,999	30	9.3%	\$0	0.0%	0		
\$200,000+	14	4.5%	\$0	0.0%	0		
Total	318	100.0%		-6.6%	-21		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$30,754		Maximum Income Limit		\$51,660	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,098	11.9%	\$0	0.0%	0		
\$10,000-19,999	2,285	13.0%	\$0	0.0%	0		
\$20,000-29,999	2,232	12.7%	\$0	0.0%	0		
\$30,000-39,999	2,641	15.0%	\$9,244	92.4%	2,442		
\$40,000-49,999	1,907	10.8%	\$9,999	100.0%	1,907		
\$50,000-59,999	1,937	11.0%	\$1,661	16.6%	322		
\$60,000-74,999	1,853	10.5%	\$0	0.0%	0		
\$75,000-99,999	1,313	7.4%	\$0	0.0%	0		
\$100,000-124,999	615	3.5%	\$0	0.0%	0		
\$125,000-149,999	366	2.1%	\$0	0.0%	0		
\$150,000-199,999	272	1.5%	\$0	0.0%	0		
\$200,000+	124	0.7%	\$0	0.0%	0		
Total	17,643	100.0%		26.5%	4,670		

ASSUMPTIONS - @60%

Tenancy	Family	% of Income towards Housing				35%
Rural/Urban	Urban	Maximum # of Occupants				5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	70%	0%	
5+	0%	0%	0%	100%	0%	

Demand from New Renter Households 2019 to 8/2022

Income Target Population	@60%
New Renter Households PMA	318
Percent Income Qualified	-6.6%
New Renter Income Qualified Households	-21

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	17,643
Income Qualified	26.5%
Income Qualified Renter Households	4,670
Percent Rent Overburdened Prj Mrkt Entry August 2022	38.3%
Rent Overburdened Households	1,789

Demand from Living in Substandard Housing

Income Qualified Renter Households	4,670
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	17

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,806
Total New Demand	-21
Total Demand (New Plus Existing Households)	1,785

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	34.4%	614
Two Persons	22.3%	398
Three Persons	16.5%	295
Four Persons	12.9%	230
Five Persons	13.9%	248
Total	100.0%	1,785

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	553
Of two-person households in 1BR units	20%	80
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	61
Of two-person households in 2BR units	80%	318
Of three-person households in 2BR units	60%	177
Of four-person households in 2BR units	30%	69
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	118
Of four-person households in 3BR units	70%	161
Of five-person households in 3BR units	100%	248
Total Demand		1,785

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
1 BR	633	-	0	=	633
2 BR	625	-	0	=	625
3 BR	527	-	0	=	527
Total	1,785		0		1,785

	Developer's Unit Mix		Net Demand		Capture Rate
1 BR	36	/	633	=	5.7%
2 BR	131	/	625	=	21.0%
3 BR	120	/	527	=	22.8%
Total	287		1,785		16.1%

Capture Rate Analysis Chart

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

- The number of households in the PMA is expected to increase 2.0 percent between 2019 and the date of market entry.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

DEMAND AND NET DEMAND

HH at @60% AMI (\$30,754 to \$51,660)	
Demand from New Households (age and income appropriate)	-21
PLUS	+
Demand from Existing Renter Households - Rent Overburdened Households	1,789
PLUS	+
Demand from Existing Renter Households - Substandard Housing	17
=	=
Sub Total	1,785
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0
Equals Total Demand	1,785
Less	-
New Supply	0
Equals Net Demand	1,785

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @60%	\$30,754	\$38,280	36	633	0	633	5.7%	8-9 months	\$1,063	\$607	\$1,522	\$796
2BR @60%	\$36,926	\$38,280	131	625	0	625	21.0%	8-9 months	\$1,205	\$675	\$1,746	\$950
3BR @60%	\$42,617	\$51,660	120	527	0	527	22.8%	8-9 months	\$1,339	\$788	\$1,911	\$1,083
@60% Overall	\$30,754	\$51,660	287	1,785	0	1785	16.1%	8-9 months	-	-	-	-

As the analysis illustrates, as proposed, the Subject’s capture rates at the 60 percent AMI level will range from 5.7 to 22.8 percent, with an overall capture rate of 16.1 percent. The Subject’s capture rates are within the DCA thresholds. Further, the capture rates are low and indicate that sufficient demand exists for the Subject. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 2,477 units.

The availability of LIHTC data is considered fair; there are eight existing LIHTC properties in the PMA, three of which target families. We utilized four affordable developments located between 0.5 and 11.2 miles from the Subject site, three of which are located within the PMA. All of the comparable properties target the general population and offer generally similar unit types in comparison to the Subject.

The availability of market rate data is considered good. The Subject is located in McDonough and there are many market rate properties in the area. We included seven market rate properties located between 0.5 and 5.0 miles from the Subject site, all of which are located within the PMA. These comparables were built or renovated between the 2002 and 2017. Overall, we believe the market rate properties we used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, and unit mix.

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

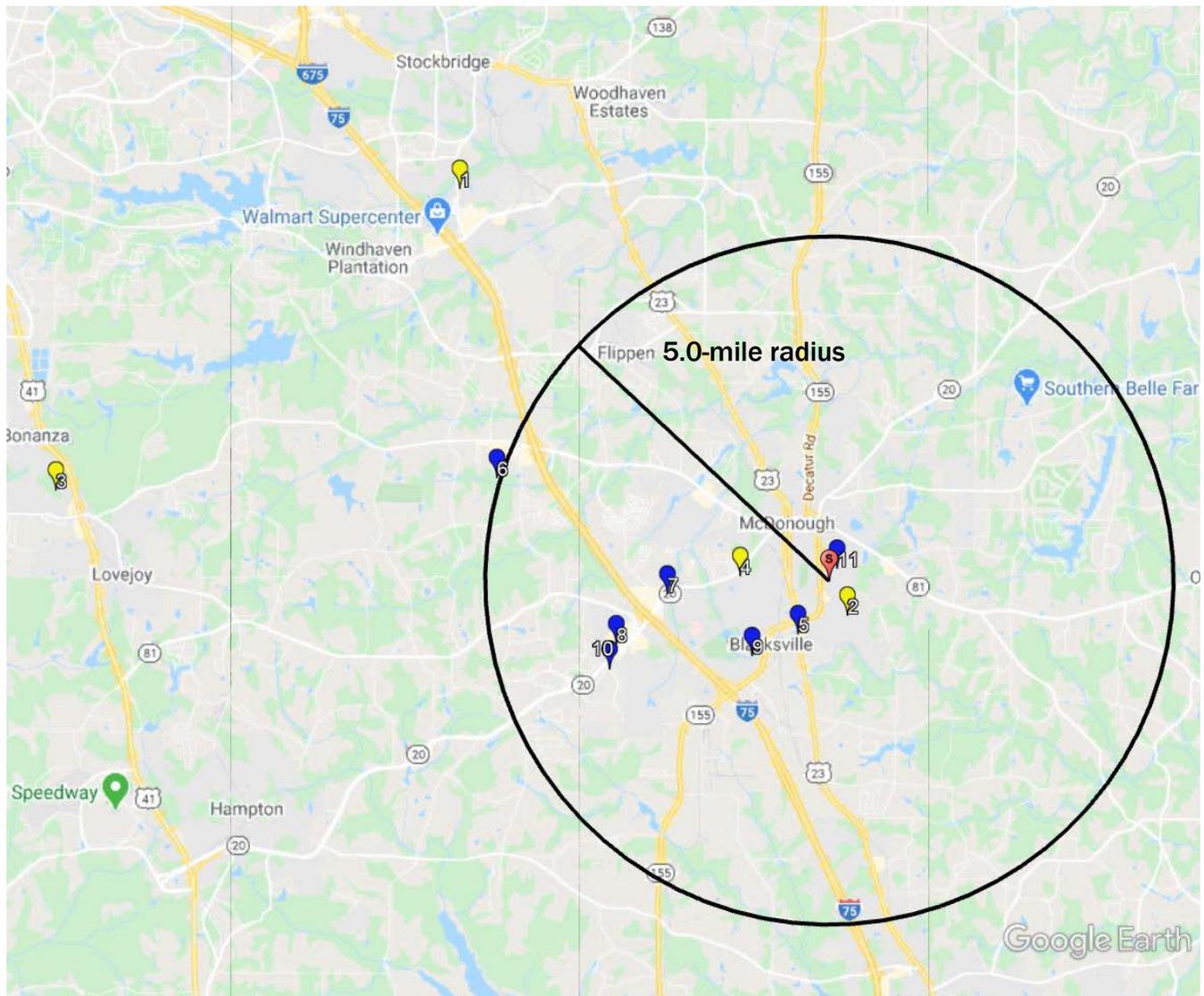
Excluded Properties

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

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Grier Senior Manor	LIHTC/Market	McDonough	Senior	51	Differing tenancy
Heritage At McDonough	LIHTC	McDonough	Senior	105	Differing tenancy
Shoal Creek Manor	LIHTC	Locust Grove	Senior	66	Differing tenancy
Red Oak Village	LIHTC	Stockbridge	Senior	60	Differing tenancy
Hampton Court	LIHTC	Hampton	Senior	60	Differing tenancy
Brookshire Apartments	USDA	McDonough	Family	46	Subsidized rents
Colton Creek Apartments	Market	McDonough	Family	500	Unable to contact
Commodore Apartments	Market	McDonough	Family	30	Inferior condition
Patriots Point	Market	Locust Grove	Family	18	Closer comparables
Hampton Point	Market	McDonough	Family	276	Inferior condition
Haddon Place	Market	McDonough	Family	250	Unable to contact
Eagle's Brooke	Market	Locust Grove	Family	248	Closer comparables
Amber Chase	Market	McDonough	Family	352	Inferior condition
Sundance Creek	Market	McDonough	Family	232	Unable to contact
Echelon Park	Market	McDonough	Family	240	Inferior condition
Meadowlark Apartments	Market	McDonough	Family	56	Inferior condition
Estates at McDonough	Market	McDonough	Family	240	Dissimilar unit type
Willow Chase Cove	Market	McDonough	Family	76	Inferior condition
North Park at Eagles Landing	Market	Stockbridge	Family	224	Inferior condition
Glenwood Vista	Market	Stockbridge	Family	264	Inferior condition
The Reserve at Stockbridge	Market	Stockbridge	Family	88	Inferior condition
Crossings at Eagle's Landing	Market	Stockbridge	Family	167	Closer comparables
860 South	Market	Stockbridge	Family	290	Inferior condition
900 Dwell	Market	Stockbridge	Family	200	Inferior condition
The Abbey at Eagles Landing	Market	Stockbridge	Family	244	Closer comparables
St. Ives Crossing	Market	Stockbridge	Family	348	Inferior condition
Waterford Landing	Market	McDonough	Family	260	Inferior condition

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Distance to Subject
S	Mcdonough Family New Construction	Mcdonough	LIHTC	-
1	Ashley Woods Apartments	Stockbridge	LIHTC/HOME	7.9 miles
2	Greystone Of Mcdonough	Mcdonough	LIHTC	0.5 miles
3	Madison Heights I*	Hampton	LIHTC/ Market	11.2 miles
4	Sable Chase Apartments	Mcdonough	LIHTC	1.2 miles
5	Carrington Green	Mcdonough	Market	0.6 miles
6	Mandalay Villas	Mcdonough	Market	5.0 miles
7	Preston Creek Apartments	Mcdonough	Market	2.2 miles
8	Springs At Mcdonough	Mcdonough	Market	3.0 miles
9	The Crossing At Mcdonough	Mcdonough	Market	1.3 miles
10	Villas At South Point	Mcdonough	Market	3.2 miles
11	Woodlawn Park Apartments	Mcdonough	Market	0.5 miles

*Located outside PMA

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

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

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Mcdonough Family New Construction 150 S Zack Hinton Pkwy Mcdonough, GA 30253 Henry County	-	Garden 3-stories 2022 / n/a Family	@60%	1BR / 1BA	36	12.5%	738	@60%	\$796	Yes	N/A	N/A	N/A
					2BR / 2BA	131	45.5%	934	@60%	\$950	Yes	N/A	N/A	N/A
					2BR / 2BA	1	0.3%	934	Non-Rental	\$950	N/A	N/A	N/A	N/A
					3BR / 2BA	120	41.7%	1,153	@60%	\$1,083	Yes	N/A	N/A	N/A
						288						N/A	N/A	
1	Ashley Woods Apartments 1050 Rock Quarry Road Stockbridge, GA 30281 Henry County	7.9 miles	Garden 3-stories 1991 / 2008 Family	@50% (HOME), @60%, @60% (HOME)	1BR / 1BA	1	0.8%	748	@50% (HOME)	\$608	No	Yes	0	0.0%
					1BR / 1BA	13	10.2%	748	@60%	\$829	No	Yes	0	0.0%
					1BR / 1BA	2	1.6%	748	@60% (HOME)	\$805	No	Yes	0	0.0%
					2BR / 2BA	1	0.8%	1,010	@50% (HOME)	\$728	No	Yes	0	0.0%
					2BR / 2BA	60	46.9%	1,010	@60%	\$993	No	Yes	3	5.0%
					2BR / 2BA	3	2.3%	1,010	@60% (HOME)	\$917	No	Yes	0	0.0%
					3BR / 2BA	45	35.2%	1,134	@60%	\$1,122	No	Yes	2	4.4%
						3	2.3%	1,039	@60% (HOME)	\$949	No	Yes	0	0.0%
						128						5	3.9%	
2	Greystone Of Mcdonough 411 Racetrack Road Mcdonough, GA 30252 Henry County	0.5 miles	Garden 2-stories 2000 / n/a Family	@50%, @60%	2BR / 2BA	17	30.4%	968	@50%	\$754	Yes	Yes	0	0.0%
					2BR / 2BA	14	25.0%	968	@60%	\$860	No	Yes	1	7.1%
					3BR / 2BA	16	28.6%	1,180	@50%	\$865	Yes	Yes	0	0.0%
					3BR / 2BA	9	16.1%	1,180	@60%	\$948	No	Yes	0	0.0%
						56						1	1.8%	
3	Madison Heights I 10911 Tara Boulevard Hampton, GA 30228 Clayton County	11.2 miles	Garden 2-stories 2018 / n/a Family	@50%, @60%, Market	1BR / 1BA	N/A	N/A	795	@50%	\$610	Yes	Yes	N/A	N/A
					1BR / 1BA	35	28.9%	795	@60%	\$755	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	795	Market	\$955	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,143	@50%	\$720	Yes	Yes	N/A	N/A
					2BR / 2BA	67	55.4%	1,143	@60%	\$895	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,143	Market	\$1,055	N/A	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	1,434	@50%	\$815	Yes	Yes	N/A	N/A
					3BR / 2BA	19	15.7%	1,434	@60%	\$985	No	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	1,434	Market	\$1,155	N/A	Yes	N/A	N/A
											121			
4	Sable Chase Apartments 102 Sable Chase Blvd. Mcdonough, GA 30253 Henry County	1.2 miles	Garden 2-stories 1994 / 2016 Family	@60%	1BR / 1BA	48	21.3%	781	@60%	\$607	No	Yes	0	0.0%
					2BR / 1BA	32	14.2%	857	@60%	\$675	No	Yes	0	0.0%
					2BR / 2BA	72	32.0%	968	@60%	\$725	No	Yes	0	0.0%
					2BR / 2BA	1	0.4%	857	Non-Rental	-	N/A	N/A	0	0.0%
					3BR / 2BA	72	32.0%	1,180	@60%	\$788	No	Yes	0	0.0%
						225						0	0.0%	
5	Carrington Green 745 Highway 42 South Mcdonough, GA 30253 Henry County	0.6 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	24	9.1%	691	Market	-	N/A	No	1	4.2%
					1BR / 1BA	54	20.4%	880	Market	\$966	N/A	No	2	3.7%
					1BR / 1BA	16	6.0%	1,159	Market	\$1,088	N/A	No	1	6.3%
					2BR / 2BA	19	7.2%	1,177	Market	-	N/A	No	1	5.3%
					2BR / 2BA	92	34.7%	1,320	Market	\$1,260	N/A	No	2	2.2%
					2BR / 2BA	6	2.3%	1,472	Market	\$1,257	N/A	No	0	0.0%
					2BR / 2BA	6	2.3%	1,645	Market	\$1,344	N/A	No	1	16.7%
					3BR / 2BA	42	15.9%	1,560	Market	\$1,385	N/A	No	1	2.4%
					3BR / 2BA	6	2.3%	1,806	Market	-	N/A	No	0	0.0%
											265			
6	Mandalay Villas 1395 Town Center Village Mcdonough, GA 30253 Henry County	5.0 miles	Garden 2-stories 2008 / 2017 Family	Market	1BR / 1BA	N/A	N/A	675	Market	\$1,053	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	822	Market	\$1,052	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	963	Market	\$1,148	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	976	Market	\$980	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	997	Market	\$1,335	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,097	Market	\$1,335	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,140	Market	\$1,338	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,447	Market	\$1,565	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,523	Market	\$1,733	N/A	No	N/A	N/A
						300						17	5.7%	
7	Preston Creek Apartments 100 Preston Creek Drive Mcdonough, GA 30253 Henry County	2.2 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	18	5.4%	767	Market	\$1,238	N/A	No	N/A	N/A
					1BR / 1BA	18	5.4%	1,217	Market	\$1,412	N/A	No	N/A	N/A
					1BR / 1BA	18	5.4%	1,794	Market	\$1,522	N/A	No	N/A	N/A
					1.5BR / 1.5BA	32	9.6%	1,046	Market	\$1,539	N/A	No	N/A	N/A
					2BR / 2BA	92	27.5%	1,062	Market	\$1,324	N/A	No	N/A	N/A
					2BR / 2BA	92	27.5%	1,233	Market	\$1,746	N/A	No	N/A	N/A
					3BR / 2BA	32	9.6%	1,296	Market	\$1,526	N/A	No	N/A	N/A
					3BR / 2BA	32	9.6%	1,467	Market	\$1,911	N/A	No	N/A	N/A
						334						20	6.0%	
8	Springs At Mcdonough 325 South Point Boulevard Mcdonough, GA 30253 Henry County	3.0 miles	Garden 2-stories 2017 / n/a Family	Market	0BR / 1BA	N/A	N/A	551	Market	\$1,043	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	660	Market	\$1,069	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	797	Market	\$1,218	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	828	Market	\$1,205	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	907	Market	\$1,225	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,088	Market	\$1,407	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,202	Market	\$1,398	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,430	Market	\$1,627	N/A	No	N/A	N/A
						268						16	6.0%	
9	The Crossing At Mcdonough 100 Crossing Boulevard Mcdonough, GA 30253 Henry County	1.3 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	N/A	N/A	908	Market	\$1,015	N/A	No	3	N/A
					2BR / 2BA	N/A	N/A	1,152	Market	\$1,125	N/A	No	6	N/A
					3BR / 2BA	35	13.9%	1,390	Market	\$1,285	N/A	No	4	11.4%
											252			
10	Villas At South Point 1690 Highway 20 West Mcdonough, GA 30253 Henry County	3.2 miles	Garden 2-stories 2005 / n/a Family	Market	1BR / 1BA	N/A	N/A	675	Market	\$1,067	N/A	No	3	N/A
					1BR / 1BA	N/A	N/A	821	Market	\$1,083	N/A	No	2	N/A
					1BR / 1BA	N/A	N/A	1,004	Market	\$1,174	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	997	Market	\$1,378	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,165	Market	\$1,362	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,325	Market	\$1,455	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,450	Market	\$1,412	N/A	No	3	N/A
					3BR / 2BA	N/A	N/A	1,446	Market	\$1,546	N/A	No	1	N/A
3BR / 2BA	N/A	N/A	1,519	Market	\$1,596	N/A	No	0	N/A					
						284						14	4.9%	
11	Woodlawn Park Apartments 150 Postmaster Drive Mcdonough, GA 30253 Henry County	0.5 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	80	32.8%	787	Market	\$985	N/A	No	N/A	N/A
					2BR / 1BA	27	11.1%	951	Market	\$1,130	N/A	No	N/A	N/A
					2BR / 1BA	57	23.4%	1,059	Market	\$1,200	N/A	No	N/A	N/A
					3BR / 2BA	80	32.8%	1,271	Market	\$1,300	N/A	No	N/A	N/A
						244						6	2.5%	

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	2,477	Weighted Occupancy:	95.9%		
	Market Rate	1,947	Market Rate	95.1%		
	Tax Credit	530	Tax Credit	98.9%		
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath		
Property	Average	Property	Average	Property	Average	
RENT	Preston Creek Apartments (Market)	\$1,522	Preston Creek Apartments (Market)	\$1,746	Preston Creek Apartments (Market)	\$1,911
	Preston Creek Apartments (Market)	\$1,412	Villas At South Point (Market)	\$1,455	Mandalay Villas (Market)	\$1,733
	Preston Creek Apartments (Market)	\$1,238	Villas At South Point (Market)	\$1,412	Springs At Mcdonough (Market)	\$1,627
	Springs At Mcdonough (Market)	\$1,225	Springs At Mcdonough (Market)	\$1,407	Villas At South Point (Market)	\$1,596
	Springs At Mcdonough (Market)	\$1,218	Springs At Mcdonough (Market)	\$1,398	Mandalay Villas (Market)	\$1,565
	Springs At Mcdonough (Market)	\$1,205	Villas At South Point (Market)	\$1,378	Villas At South Point (Market)	\$1,546
	Villas At South Point (Market)	\$1,174	Villas At South Point (Market)	\$1,362	Preston Creek Apartments (Market)	\$1,526
	Mandalay Villas (Market)	\$1,148	Carrington Green (Market)	\$1,344	Carrington Green (Market)	\$1,385
	Carrington Green (Market)	\$1,088	Mandalay Villas (Market)	\$1,338	Woodlawn Park Apartments (Market)	\$1,300
	Villas At South Point (Market)	\$1,083	Mandalay Villas (Market)	\$1,335	The Crossing At Mcdonough (Market)	\$1,285
	Villas At South Point (Market)	\$1,067	Mandalay Villas (Market)	\$1,335	Madison Heights I (Market)	\$1,155
	Mandalay Villas (Market)	\$1,053	Preston Creek Apartments (Market)	\$1,324	Ashley Woods Apartments (@60%)	\$1,122
	Mandalay Villas (Market)	\$1,052	Carrington Green (Market)	\$1,260	Mcdonough Family New Construction (@60%)	\$1,083
	The Crossing At Mcdonough (Market)	\$1,015	Carrington Green (Market)	\$1,257	Madison Heights I (@60%)	\$985
	Woodlawn Park Apartments (Market)	\$985	Woodlawn Park Apartments (Market)	\$1,200	Ashley Woods Apartments (@60%)	\$949
	Mandalay Villas (Market)	\$980	Woodlawn Park Apartments (Market)(1BA)	\$1,130	Greystone Of Mcdonough (@60%)	\$948
	Carrington Green (Market)	\$966	The Crossing At Mcdonough (Market)	\$1,125	Greystone Of Mcdonough (@50%)	\$865
	Madison Heights I (Market)	\$955	Madison Heights I (Market)	\$1,055	Madison Heights I (@50%)	\$815
	Ashley Woods Apartments (@60%)	\$829	Ashley Woods Apartments (@60%)	\$993	Sable Chase Apartments (@60%)	\$788
	Ashley Woods Apartments (@60%)	\$805	Mcdonough Family New Construction (@60%)	\$950		
	Mcdonough Family New Construction (@60%)	\$796	Ashley Woods Apartments (@60%)	\$917		
	Madison Heights I (@60%)	\$755	Madison Heights I (@60%)	\$895		
	Madison Heights I (@50%)	\$610	Greystone Of Mcdonough (@60%)	\$860		
	Ashley Woods Apartments (@50%)	\$608	Greystone Of Mcdonough (@50%)	\$754		
	Sable Chase Apartments (@60%)	\$607	Ashley Woods Apartments (@50%)	\$728		
			Sable Chase Apartments (@60%)	\$725		
			Madison Heights I (@50%)	\$720		
			Sable Chase Apartments (@60%)(1BA)	\$675		

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	2,477	Weighted Occupancy:	95.9%		
	Market Rate	1,947	Market Rate	95.1%		
	Tax Credit	530	Tax Credit	98.9%		
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath		
SQUARE FOOTAGE	Property	Average	Property	Average	Property	
	Preston Creek Apartments (Market)	1,794	Carrington Green (Market)	1,645	Carrington Green (Market)	1,806
	Preston Creek Apartments (Market)	1,217	Carrington Green (Market)	1,472	Carrington Green (Market)	1,560
	Carrington Green (Market)	1,159	Villas At South Point (Market)	1,450	Mandalay Villas (Market)	1,523
	Villas At South Point (Market)	1,004	Villas At South Point (Market)	1,325	Villas At South Point (Market)	1,519
	Mandalay Villas (Market)	976	Carrington Green (Market)	1,320	Preston Creek Apartments (Market)	1,467
	Mandalay Villas (Market)	963	Preston Creek Apartments (Market)	1,233	Mandalay Villas (Market)	1,447
	The Crossing At Mcdonough (Market)	908	Springs At Mcdonough (Market)	1,202	Villas At South Point (Market)	1,446
	Springs At Mcdonough (Market)	907	Carrington Green (Market)	1,177	Madison Heights I (@60%)	1,434
	Carrington Green (Market)	880	Villas At South Point (Market)	1,165	Madison Heights I (@50%)	1,434
	Springs At Mcdonough (Market)	828	The Crossing At Mcdonough (Market)	1,152	Madison Heights I (Market)	1,434
	Mandalay Villas (Market)	822	Madison Heights I (@60%)	1,143	Springs At Mcdonough (Market)	1,430
	Villas At South Point (Market)	821	Madison Heights I (Market)	1,143	The Crossing At Mcdonough (Market)	1,390
	Springs At Mcdonough (Market)	797	Madison Heights I (@50%)	1,143	Preston Creek Apartments (Market)	1,296
	Madison Heights I (@60%)	795	Mandalay Villas (Market)	1,140	Woodlawn Park Apartments (Market)	1,271
	Madison Heights I (@50%)	795	Mandalay Villas (Market)	1,097	Sable Chase Apartments (@60%)	1,180
	Madison Heights I (Market)	795	Springs At Mcdonough (Market)	1,088	Greystone Of Mcdonough (@60%)	1,180
	Woodlawn Park Apartments (Market)	787	Preston Creek Apartments (Market)	1,062	Greystone Of Mcdonough (@50%)	1,180
	Sable Chase Apartments (@60%)	781	Woodlawn Park Apartments (Market)	1,059	Mcdonough Family New Construction (@60%)	1,153
	Preston Creek Apartments (Market)	767	Ashley Woods Apartments (@60%)	1,010	Ashley Woods Apartments (@60%)	1,134
	Ashley Woods Apartments (@60%)	748	Ashley Woods Apartments (@60%)	1,010	Ashley Woods Apartments (@60%)	1,039
	Ashley Woods Apartments (@60%)	748	Ashley Woods Apartments (@50%)	1,010		
	Ashley Woods Apartments (@50%)	748	Mandalay Villas (Market)	997		
	Mcdonough Family New Construction (@60%)	738	Villas At South Point (Market)	997		
	Carrington Green (Market)	691	Sable Chase Apartments (@60%)	968		
	Villas At South Point (Market)	675	Greystone Of Mcdonough (@60%)	968		
	Mandalay Villas (Market)	675	Greystone Of Mcdonough (@50%)	968		
			Woodlawn Park Apartments (Market)(1BA)	951		
			Mcdonough Family New Construction (@60%)	934		
			Sable Chase Apartments (@60%)(1BA)	857		
			Sable Chase Apartments (Non-Rental)	857		

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	2,477	Weighted Occupancy:	95.9%		
	Market Rate	1,947	Market Rate	95.1%		
	Tax Credit	530	Tax Credit	98.9%		
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath		
RENT PER SQUARE FOOT	Property	Average	Property	Average	Property	
	Preston Creek Apartments (Market)	\$1.61	Preston Creek Apartments (Market)	\$1.42	Preston Creek Apartments (Market)	\$1.30
	Villas At South Point (Market)	\$1.58	Villas At South Point (Market)	\$1.38	Preston Creek Apartments (Market)	\$1.18
	Mandalay Villas (Market)	\$1.56	Mandalay Villas (Market)	\$1.34	Mandalay Villas (Market)	\$1.14
	Springs At Mcdonough (Market)	\$1.53	Springs At Mcdonough (Market)	\$1.29	Springs At Mcdonough (Market)	\$1.14
	Springs At Mcdonough (Market)	\$1.46	Preston Creek Apartments (Market)	\$1.25	Mandalay Villas (Market)	\$1.08
	Springs At Mcdonough (Market)	\$1.35	Mandalay Villas (Market)	\$1.22	Villas At South Point (Market)	\$1.07
	Villas At South Point (Market)	\$1.32	Woodlawn Park Apartments (Market)(1BA)	\$1.19	Villas At South Point (Market)	\$1.05
	Mandalay Villas (Market)	\$1.28	Mandalay Villas (Market)	\$1.17	Woodlawn Park Apartments (Market)	\$1.02
	Woodlawn Park Apartments (Market)	\$1.25	Villas At South Point (Market)	\$1.17	Ashley Woods Apartments (@60%)	\$0.99
	Madison Heights I (Market)	\$1.20	Springs At Mcdonough (Market)	\$1.16	Mcdonough Family New Construction (@60%)	\$0.94
	Mandalay Villas (Market)	\$1.19	Woodlawn Park Apartments (Market)	\$1.13	The Crossing At Mcdonough (Market)	\$0.92
	Villas At South Point (Market)	\$1.17	Villas At South Point (Market)	\$1.10	Ashley Woods Apartments (@60%)	\$0.91
	Preston Creek Apartments (Market)	\$1.16	Mcdonough Family New Construction (@60%)	\$1.02	Carrington Green (Market)	\$0.89
	The Crossing At Mcdonough (Market)	\$1.12	Ashley Woods Apartments (@60%)	\$0.98	Madison Heights I (Market)	\$0.81
	Ashley Woods Apartments (@60%)	\$1.11	The Crossing At Mcdonough (Market)	\$0.98	Greystone Of Mcdonough (@60%)	\$0.80
	Carrington Green (Market)	\$1.10	Villas At South Point (Market)	\$0.97	Greystone Of Mcdonough (@50%)	\$0.73
	Mcdonough Family New Construction (@60%)	\$1.08	Carrington Green (Market)	\$0.95	Madison Heights I (@60%)	\$0.69
	Ashley Woods Apartments (@60%)	\$1.08	Madison Heights I (Market)	\$0.92	Sable Chase Apartments (@60%)	\$0.67
	Mandalay Villas (Market)	\$1.00	Ashley Woods Apartments (@60%)	\$0.91	Madison Heights I (@50%)	\$0.57
	Madison Heights I (@60%)	\$0.95	Greystone Of Mcdonough (@60%)	\$0.89		
	Carrington Green (Market)	\$0.94	Carrington Green (Market)	\$0.85		
	Preston Creek Apartments (Market)	\$0.85	Carrington Green (Market)	\$0.82		
	Ashley Woods Apartments (@50%)	\$0.81	Sable Chase Apartments (@60%)(1BA)	\$0.79		
	Sable Chase Apartments (@60%)	\$0.78	Madison Heights I (@60%)	\$0.78		
	Madison Heights I (@50%)	\$0.77	Greystone Of Mcdonough (@50%)	\$0.78		
			Sable Chase Apartments (@60%)	\$0.75		
			Ashley Woods Apartments (@50%)	\$0.72		
			Madison Heights I (@50%)	\$0.63		

PROPERTY PROFILE REPORT

Ashley Woods Apartments

Effective Rent Date	2/10/2020
Location	1050 Rock Quarry Road Stockbridge, GA 30281 Henry County
Distance	7.9 miles
Units	128
Vacant Units	5
Vacancy Rate	3.9%
Type	Garden (3 stories)
Year Built/Renovated	1991 / 2008
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	North Park, Hyde Park, Mable Chase
Tenant Characteristics	Mostly families from area
Contact Name	Tina
Phone	770-474-8444



Market Information

Program	@50% (HOME), @60%, @60% (HOME)
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	5%
Leasing Pace	Pre-leased to two weeks
Annual Chg. in Rent	Increased 0-9% since 2019
Concession	None
Waiting List	Yes; 50 households in length.

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	1	748	\$651	\$0	@50% (HOME)	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	13	748	\$872	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	2	748	\$848	\$0	@60% (HOME)	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	1	1,010	\$778	\$0	@50% (HOME)	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	60	1,010	\$1,043	\$0	@60%	Yes	3	5.0%	no	None
2	2	Garden (3 stories)	3	1,010	\$967	\$0	@60% (HOME)	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	45	1,134	\$1,184	\$0	@60%	Yes	2	4.4%	no	None
3	2	Garden (3 stories)	3	1,039	\$1,011	\$0	@60% (HOME)	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$651	\$0	\$651	-\$25	\$626	1BR / 1BA	\$848 - \$872	\$0	\$848 - \$872	-\$25	\$823 - \$847
2BR / 2BA	\$778	\$0	\$778	-\$52	\$726	2BR / 2BA	\$967 - \$1,043	\$0	\$967 - \$1,043	-\$52	\$915 - \$991
						3BR / 2BA	\$1,011 - \$1,184	\$0	\$1,011 - \$1,184	-\$65	\$946 - \$1,119

Ashley Woods Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

Comments

The contact reported the property has LIHTC and HOME units and pricing is set with LRO daily pricing software. As such, rents change daily. The contact noted rents fluctuate often as they typically stay just under the max rents. An in-unit washer/dryer is included with rent.

Ashley Woods Apartments, continued

Trend Report

Vacancy Rates

4Q18	1Q19	2Q19	1Q20
0.8%	6.2%	6.2%	3.9%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	0.0%	\$607	\$0	\$607	\$582
2019	1	0.0%	\$607	\$0	\$607	\$582
2019	2	0.0%	\$607	\$0	\$607	\$582
2020	1	0.0%	\$651	\$0	\$651	\$626

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	0.0%	\$727	\$0	\$727	\$675
2019	1	0.0%	\$727	\$0	\$727	\$675
2019	2	0.0%	\$727	\$0	\$727	\$675
2020	1	0.0%	\$778	\$0	\$778	\$726

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	0.0%	\$773 - \$820	\$0	\$773 - \$820	\$748 - \$795
2019	1	0.0%	\$812 - \$820	\$0	\$812 - \$820	\$787 - \$795
2019	2	0.0%	\$812 - \$877	\$0	\$812 - \$877	\$787 - \$852
2020	1	0.0%	\$848 - \$872	\$0	\$848 - \$872	\$823 - \$847

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	1.6%	\$777 - \$981	\$0	\$777 - \$981	\$725 - \$929
2019	1	4.8%	\$932 - \$981	\$0	\$932 - \$981	\$880 - \$929
2019	2	4.8%	\$932 - \$945	\$0	\$932 - \$945	\$880 - \$893
2020	1	4.8%	\$967 - \$1,043	\$0	\$967 - \$1,043	\$915 - \$991

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	4	0.0%	\$908 - \$1,129	\$0	\$908 - \$1,129	\$843 - \$1,064
2019	1	10.4%	\$989 - \$1,080	\$0	\$989 - \$1,080	\$924 - \$1,015
2019	2	10.4%	\$989 - \$1,184	\$0	\$989 - \$1,184	\$924 - \$1,119
2020	1	4.2%	\$1,011 - \$1,184	\$0	\$1,011 - \$1,184	\$946 - \$1,119

Trend: Comments

4Q18	The one vacant unit is pre-leased. According to the contact, there is strong demand for affordable housing in the area.
1Q19	Of the eight vacant units, six are pre-leased. The contact reported strong demand for affordable housing.
2Q19	The contact reported the property has LIHTC and HOME units and pricing is set with LRO daily pricing software. As such, rents change daily. The contact noted rents fluctuate often as they typically stay just under the max rents. An in-unit washer/dryer is included with rent.
1Q20	N/A

Photos



PROPERTY PROFILE REPORT

Greystone Of Mcdonough

Effective Rent Date	2/10/2020
Location	411 Racetrack Road Mcdonough, GA 30252 Henry County
Distance	0.5 miles
Units	56
Vacant Units	1
Vacancy Rate	1.8%
Type	Garden (2 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Woodlawn Park, Sable Chase
Tenant Characteristics	Families, singles, some seniors from the area
Contact Name	Sam
Phone	678.583.1812



Market Information

Program	@50%, @60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within one week
Annual Chg. in Rent	Annual inc. of 4-5% since 4Q16
Concession	None
Waiting List	Yes; Undisclosed length.

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	14	968	\$910	\$0	@60%	Yes	1	7.1%	no	None
2	2	Garden (2 stories)	17	968	\$804	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	9	1,180	\$1,010	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	16	1,180	\$927	\$0	@50%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$804	\$0	\$804	-\$52	\$752	2BR / 2BA	\$910	\$0	\$910	-\$52	\$858
3BR / 2BA	\$927	\$0	\$927	-\$65	\$862	3BR / 2BA	\$1,010	\$0	\$1,010	-\$65	\$945

Greystone Of Mcdonough, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Playground		
Tennis Court	Volleyball Court		

Comments

No additional comments.

Trend Report

Vacancy Rates

4Q13	2Q16	4Q16	1Q20
10.7%	5.4%	5.4%	1.8%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	11.8%	\$660	\$0	\$660	\$608
2016	2	0.0%	\$695	\$0	\$695	\$643
2016	4	0.0%	\$695	\$0	\$695	\$643
2020	1	0.0%	\$804	\$0	\$804	\$752

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	6.2%	\$710	\$0	\$710	\$645
2016	2	6.2%	\$775	\$0	\$775	\$710
2016	4	6.2%	\$775	\$0	\$775	\$710
2020	1	0.0%	\$927	\$0	\$927	\$862

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	14.3%	\$720	\$0	\$720	\$668
2016	2	14.3%	\$785	\$0	\$785	\$733
2016	4	7.1%	\$785	\$0	\$785	\$733
2020	1	7.1%	\$910	\$0	\$910	\$858

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	11.1%	\$810	\$0	\$810	\$745
2016	2	0.0%	\$880	\$0	\$880	\$815
2016	4	11.1%	\$880	\$0	\$880	\$815
2020	1	0.0%	\$1,010	\$0	\$1,010	\$945

Trend: Comments

4Q13	The contact stated that the above average turnover rate can be attributed to layoffs, tenants moving closer to their jobs, or tenants seeking a better rental rate at another property. The contact noted that there has been no major renovations in the last year, and the exterior of the property was recently painted.
2Q16	The contact reported occupancy rates have remained above 96 percent for most of the past year. She noted the economy is still slow in the area and stated maximum allowable rents are not achievable at the property.
4Q16	The contact reported occupancy rates have remained above 96 percent for most of the past year. She noted the economy is still slow in the area and stated maximum allowable rents are not achievable at the property. Two of the vacant units are preleased at this time.
1Q20	No additional comments.

Photos



PROPERTY PROFILE REPORT

Madison Heights I

Effective Rent Date	2/11/2020
Location	10911 Tara Boulevard Hampton, GA 30228 Clayton County
Distance	11.2 miles
Units	121
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2018 / N/A
Marketing Began	11/01/2018
Leasing Began	12/01/2018
Last Unit Leased	4/10/2019
Major Competitors	None identified
Tenant Characteristics	20 percent seniors
Contact Name	Kimberly
Phone	678-737-2560



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	30
HCV Tenants	20%
Leasing Pace	Pre-leased to within one week
Annual Chg. in Rent	Increased 4-7% since 2019
Concession	None
Waiting List	Yes; undisclosed length

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	795	\$610	\$0	@50%	Yes	N/A	N/A	yes	None
1	1	Garden (2 stories)	35	795	\$755	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Garden (2 stories)	N/A	795	\$955	\$0	Market	Yes	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,143	\$720	\$0	@50%	Yes	N/A	N/A	yes	None
2	2	Garden (2 stories)	67	1,143	\$895	\$0	@60%	Yes	N/A	N/A	no	None
2	2	Garden (2 stories)	N/A	1,143	\$1,055	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,434	\$815	\$0	@50%	Yes	N/A	N/A	yes	None
3	2	Garden (2 stories)	19	1,434	\$985	\$0	@60%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	N/A	1,434	\$1,155	\$0	Market	Yes	N/A	N/A	N/A	None

Madison Heights I, continued

Trend Report

Vacancy Rates

2Q19	1Q20
0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$570	\$0	\$570	\$570
2020	1	N/A	\$610	\$0	\$610	\$610

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$675	\$0	\$675	\$675
2020	1	N/A	\$720	\$0	\$720	\$720

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$765	\$0	\$765	\$765
2020	1	N/A	\$815	\$0	\$815	\$815

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$895	\$0	\$895	\$895
2020	1	N/A	\$955	\$0	\$955	\$955

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$995	\$0	\$995	\$995
2020	1	N/A	\$1,055	\$0	\$1,055	\$1,055

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2019	2	N/A	\$1,095	\$0	\$1,095	\$1,095
2020	1	N/A	\$1,155	\$0	\$1,155	\$1,155

Trend: Comments

- 2Q19 The property receives 50 inquiries per week. The 60 percent rents are not set at the maximum allowable levels, however the contact reported they would be achievable in the market. The contact reported a strong demand for affordable housing. Madison Heights Phase II is currently under construction and expected to be completed in April 2020.
- 1Q20 The property receives 50 inquiries per week. The 60 percent rents are not set at the maximum allowable levels; however, the contact reported they would be achievable in the market. The contact reported a strong demand for affordable housing. Madison Heights Phase II is currently under construction and expected to be completed in April 2020. The property maintains a waiting list, which is currently being utilized to prelease phase II of the development; however, was unable to estimate wait length.

Photos



PROPERTY PROFILE REPORT

Sable Chase Apartments

Effective Rent Date	2/10/2020
Location	102 Sable Chase Blvd. Mcdonough, GA 30253 Henry County
Distance	1.2 miles
Units	225
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1994 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Woodlawn Park, Greystone, and Bridge Mill
Tenant Characteristics	Mostly families; Majority from local area or metro Atlanta
Contact Name	Diane
Phone	770.954.1254



Market Information

Program	@60%, Non-Rental
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	13%
Leasing Pace	N/A
Annual Chg. in Rent	None reported
Concession	None
Waiting List	Yes; 20 households.

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	48	781	\$650	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	32	857	\$725	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	1	857	N/A	N/A	Non-Rental	N/A	0	0.0%	N/A	None
2	2	Garden (2 stories)	72	968	\$775	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	72	1,180	\$850	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$650	\$0	\$650	-\$25	\$625	2BR / 2BA	N/A	\$0	N/A	-\$52	N/A
2BR / 1BA	\$725	\$0	\$725	-\$52	\$673						
2BR / 2BA	\$775	\$0	\$775	-\$52	\$723						
3BR / 2BA	\$850	\$0	\$850	-\$65	\$785						

Sable Chase Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		
Volleyball Court			

Comments

According to the contact, there is strong demand for affordable housing in the area. The contact stated this property is typically fully occupied.

Sable Chase Apartments, continued

Trend Report

Vacancy Rates

3Q12	2Q16	3Q18	1Q20
7.1%	20.0%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$560	\$0	\$560	\$535
2016	2	N/A	\$600	\$0	\$600	\$575
2018	3	0.0%	\$650	\$0	\$650	\$625
2020	1	0.0%	\$650	\$0	\$650	\$625

Trend: Non-Rental

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	N/A	\$0	N/A	N/A
2016	2	0.0%	N/A	\$0	N/A	-\$52
2018	3	0.0%	N/A	\$0	N/A	-\$52
2020	1	0.0%	N/A	\$0	N/A	N/A

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$675	\$0	\$675	\$623
2018	3	0.0%	\$720	\$0	\$720	\$668
2020	1	0.0%	\$725	\$0	\$725	\$673

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	20.8%	\$675	\$0	\$675	\$623
2016	2	N/A	\$725	\$0	\$725	\$673
2018	3	0.0%	\$770	\$0	\$770	\$718
2020	1	0.0%	\$775	\$0	\$775	\$723

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$750	\$0	\$750	\$685
2016	2	N/A	\$800	\$0	\$800	\$735
2018	3	0.0%	\$840	\$0	\$840	\$775
2020	1	0.0%	\$850	\$0	\$850	\$785

Trend: Comments

3Q12	Sable Chase is a LIHTC/HOME development located in McDonough, Georgia. According to a rent roll dated September 5, 2012, seven of the 16 vacant units are preleased. The HOME units have a short waiting list.
2Q16	The contact reported the property started major renovations in March of 2016 and is currently 80 percent occupied. Renovations include new appliances, counters, cabinets, fixtures, paint, and flooring. The property used to offer HOME units at 50 percent AMI but will offer only LIHTC units at 60 percent AMI. Unit upgrades are taking place with tenants in place as they will be moved around the complex as units are completed which is why occupancy is so low at this time.
3Q18	According to the contact, there is strong demand for affordable housing in the area. The contact stated this property is typically fully occupied.
1Q20	N/A

Photos



PROPERTY PROFILE REPORT

Carrington Green

Effective Rent Date	2/10/2020
Location	745 Highway 42 South Mcdonough, GA 30253 Henry County
Distance	0.6 miles
Units	265
Vacant Units	9
Vacancy Rate	3.4%
Type	Garden (3 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	9/01/2004
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	mix of singles and families, average age 30, average household size three
Contact Name	Shari
Phone	770.288.2873



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	17
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Fluctuates Daily
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	691	\$911	\$0	Market	No	1	4.2%	N/A	None
1	1	Garden (3 stories)	54	880	\$966	\$0	Market	No	2	3.7%	N/A	None
1	1	Garden (3 stories)	16	1,159	\$1,088	\$0	Market	No	1	6.2%	N/A	None
2	2	Garden (3 stories)	19	1,177	\$1,045	\$0	Market	No	1	5.3%	N/A	None
2	2	Garden (3 stories)	92	1,320	\$1,260	\$0	Market	No	2	2.2%	N/A	None
2	2	Garden (3 stories)	6	1,472	\$1,257	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	6	1,645	\$1,344	\$0	Market	No	1	16.7%	N/A	None
3	2	Garden (3 stories)	42	1,560	\$1,385	\$0	Market	No	1	2.4%	N/A	None
3	2	Garden (3 stories)	6	1,806	\$1,525	\$0	Market	No	0	0.0%	N/A	None

Carrington Green, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$911 - \$1,088	\$0	\$911 - \$1,088	\$0	\$911 - \$1,088
2BR / 2BA	\$1,045 - \$1,344	\$0	\$1,045 - \$1,344	\$0	\$1,045 - \$1,344
3BR / 2BA	\$1,385 - \$1,525	\$0	\$1,385 - \$1,525	\$0	\$1,385 - \$1,525

Amenities

In-Unit		Security	Services
Balcony/Patio		In-Unit Alarm	None
Carpet/Hardwood	Blinds	Limited Access	
Coat Closet	Central A/C	Patrol	
Ceiling Fan	Dishwasher	Perimeter Fencing	
Oven	Garbage Disposal		
Walk-In Closet	Refrigerator		
	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	Theater room
Carport	Clubhouse/Meeting Room/Community		
Concierge	Exercise Facility		
Garage	Jacuzzi		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		
Tennis Court			

Comments

Garages are included with the 1,159-square foot one-bedroom units, 1,472 and 1,645 square foot two-bedroom units, and the 1,806-square foot three-bedroom units.

Trend Report

Vacancy Rates

2Q05	1Q20
54.0%	3.4%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$645 - \$815	\$0 - \$83	\$632 - \$815	\$632 - \$815
2020	1	4.3%	\$911 - \$1,088	\$0	\$911 - \$1,088	\$911 - \$1,088

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$825 - \$999	\$0 - \$95	\$730 - \$999	\$730 - \$999
2020	1	3.3%	\$1,045 - \$1,344	\$0	\$1,045 - \$1,344	\$1,045 - \$1,344

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$999 - \$1,099	\$0 - \$137	\$962 - \$999	\$962 - \$999
2020	1	2.1%	\$1,385 - \$1,525	\$0	\$1,385 - \$1,525	\$1,385 - \$1,525

Trend: Comments

- 2Q05 Carrington Green offers a total of 265 one-, two-, and three-bedroom units. The property began pre-leasing in September 2004. The absorption rate is 17 units per month. We previously interviewed the property in November 2004. At that time, the property manager reported that the property was in the initial leasing state and was 70 percent occupied. The property currently offers a concession of one and a half month's rent free for the one-bedroom 880 sq. ft., two-bedroom 1,177 sq. ft., and three-bedroom 1,561 sq. ft. units. The property manager was unable to provide a breakdown of vacancies by bedroom type but indicated that mostly two-bedroom units are vacant. The manager also reported that the 1,177 sq. ft two-bedroom unit is the most popular.
- Garages are available with the one-bedroom 880 sq.ft. units, two-bedroom 1,177 sq. ft units, the two-bedroom 1,378 sq. ft. units, and the three-bedroom 1,561 sq. ft. units.
- 1Q20 Garages are included with the 1,159-square foot one-bedroom units, 1,472 and 1,645 square foot two-bedroom units, and the 1,806-square foot three-bedroom units.

Photos



PROPERTY PROFILE REPORT

Mandalay Villas

Effective Rent Date	2/07/2020
Location	1395 Town Center Village Mcdonough, GA 30253 Henry County
Distance	5 miles
Units	300
Vacant Units	17
Vacancy Rate	5.7%
Type	Garden (2 stories)
Year Built/Renovated	2008 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mix of professionals, many commute into Atlanta for work
Contact Name	Chloe
Phone	770-901-2171



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Preleased to two weeks
Annual Chg. in Rent	Fluctuates daily
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	675	\$1,038	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	822	\$1,037	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	963	\$1,133	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	976	\$965	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	997	\$1,320	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,097	\$1,320	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,140	\$1,323	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,447	\$1,550	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,523	\$1,718	\$0	Market	No	N/A	N/A	N/A	None

Mandalay Villas, continued

Trend Report

Vacancy Rates

2Q16	4Q16	1Q20
7.0%	5.3%	5.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$980 - \$1,076	\$0	\$980 - \$1,076	\$995 - \$1,091
2016	4	N/A	\$910 - \$950	\$0	\$910 - \$950	\$925 - \$965
2020	1	N/A	\$965 - \$1,133	\$0	\$965 - \$1,133	\$980 - \$1,148

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,145 - \$1,160	\$0	\$1,145 - \$1,160	\$1,160 - \$1,175
2016	4	N/A	\$1,135 - \$1,294	\$0	\$1,135 - \$1,294	\$1,150 - \$1,309
2020	1	N/A	\$1,320 - \$1,323	\$0	\$1,320 - \$1,323	\$1,335 - \$1,338

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,599 - \$1,622	\$0	\$1,599 - \$1,622	\$1,614 - \$1,637
2016	4	N/A	\$1,399 - \$1,499	\$0	\$1,399 - \$1,499	\$1,414 - \$1,514
2020	1	N/A	\$1,550 - \$1,718	\$0	\$1,550 - \$1,718	\$1,565 - \$1,733

Trend: Comments

2Q16	The contact reported current occupancy is lower than the typical 94 to 98 percent rate during the past year. She attributed the higher vacancy rate as seasonal. The contact reported the property is 95 percent preleased but noted turnover is typically higher during the summer months.
4Q16	The contact was only able to provide a limited vacancy by unit type. Most of the vacancies are in the two-bedroom unit types. She was unable to provide or estimate turnover. The contact stated rents fluctuate often and are typically lower at this time of year as the holiday season tends to be slower with less renter traffic.
1Q20	The property utilizes a daily pricing software; as such, rents fluctuate daily. According to the contact, the property typically maintains 95 percent occupancy. Further, the contact indicated that demand for one and three-bedroom units tends to exceed demand for two-bedroom units. The property also offers furnished corporate units for a premium.

Photos



PROPERTY PROFILE REPORT

Preston Creek Apartments

Effective Rent Date	2/10/2020
Location	100 Preston Creek Drive Mcdonough, GA 30253 Henry County
Distance	2.2 miles
Units	334
Vacant Units	20
Vacancy Rate	6.0%
Type	Garden (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Did not disclose
Contact Name	Chase
Phone	770-957-9955



Market Information

Program	Market
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Fluctuates Daily
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	18	767	\$1,223	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	18	1,217	\$1,397	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	18	1,794	\$1,507	\$0	Market	No	N/A	N/A	N/A	None
1.5	1.5	Garden (3 stories)	32	1,046	\$1,524	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	92	1,062	\$1,309	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	92	1,233	\$1,731	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	32	1,296	\$1,511	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	32	1,467	\$1,896	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,223 - \$1,507	\$0	\$1,223 - \$1,507	\$15	\$1,238 - \$1,522
1.5BR / 1.5BA	\$1,524	\$0	\$1,524	\$15	\$1,539
2BR / 2BA	\$1,309 - \$1,731	\$0	\$1,309 - \$1,731	\$15	\$1,324 - \$1,746
3BR / 2BA	\$1,511 - \$1,896	\$0	\$1,511 - \$1,896	\$15	\$1,526 - \$1,911

Preston Creek Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpet/Hardwood	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Fireplace		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	Floor	None
Clubhouse/Meeting Room/Community	Exercise Facility	View	
Garage(\$90.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		
Volleyball Court	Wi-Fi		

Comments

The largest one-bedroom units offer two-story carriage house design with an attached lower level garage included in the rental rate. The largest two-bedroom units feature a sunroom. Additionally, select units feature ceiling fans, oversized garden bathtubs, and fireplaces, which rent for a premium. Other location premiums include floor level, courtyard views, and pool views. The contact reported that detached garages are available for an additional monthly fee of \$90.

Preston Creek Apartments, continued

Trend Report

Vacancy Rates

2Q16	1Q20
7.8%	6.0%

Trend: Market

1.5BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2020	1	N/A	\$1,524	\$0	\$1,524	\$1,539

1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,075	\$0	\$1,075	\$1,090

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$802 - \$1,122	\$0	\$802 - \$1,122	\$817 - \$1,137
2020	1	N/A	\$1,223 - \$1,507	\$0	\$1,223 - \$1,507	\$1,238 - \$1,522

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$950 - \$975	\$0	\$950 - \$975	\$965 - \$990
2020	1	N/A	\$1,309 - \$1,731	\$0	\$1,309 - \$1,731	\$1,324 - \$1,746

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,240 - \$1,300	\$0	\$1,240 - \$1,300	\$1,255 - \$1,315
2020	1	N/A	\$1,511 - \$1,896	\$0	\$1,511 - \$1,896	\$1,526 - \$1,911

Trend: Comments

2Q16	The contact attributes lower occupancy rates as seasonal noting that occupancy rates tend to increase late August through September.
1Q20	The largest one-bedroom units offer two-story carriage house design with an attached lower level garage included in the rental rate. The largest two-bedroom units feature a sunroom. Additionally, select units feature ceiling fans, oversized garden bathtubs, and fireplaces, which rent for a premium. Other location premiums include floor level, courtyard views, and pool views. The contact reported that detached garages are available for an additional monthly fee of \$90.

Photos



PROPERTY PROFILE REPORT

Springs At Mcdonough

Effective Rent Date	2/07/2020
Location	325 South Point Boulevard Mcdonough, GA 30253 Henry County
Distance	3 miles
Units	268
Vacant Units	16
Vacancy Rate	6.0%
Type	Garden (2 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	5/01/2017
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None reported
Tenant Characteristics	Mixed tenancy, some corporate units
Contact Name	Tiffany
Phone	770-884-6888



Market Information

Program	Market
Annual Turnover Rate	29%
Units/Month Absorbed	17
HCV Tenants	0%
Leasing Pace	Preleased to two weeks
Annual Chg. in Rent	Fluctuates daily
Concession	None reported
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	N/A	551	\$1,028	\$0	Market	No	N/A	N/A	N/A	None
0	1	Garden (2 stories)	N/A	660	\$1,054	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	797	\$1,203	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	828	\$1,190	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	907	\$1,210	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,088	\$1,392	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,202	\$1,383	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,430	\$1,612	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,028 - \$1,054	\$0	\$1,028 - \$1,054	\$15	\$1,043 - \$1,069
1BR / 1BA	\$1,190 - \$1,210	\$0	\$1,190 - \$1,210	\$15	\$1,205 - \$1,225
2BR / 2BA	\$1,383 - \$1,392	\$0	\$1,383 - \$1,392	\$15	\$1,398 - \$1,407
3BR / 2BA	\$1,612	\$0	\$1,612	\$15	\$1,627

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Video Surveillance	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Car Wash	Clubhouse/Meeting Room/Community	Floor	None
Concierge	Exercise Facility	View	
Garage(\$120.00)	Off-Street Parking		
On-Site Management	Picnic Area		
Swimming Pool	Wi-Fi		

Comments

The contact stated this property utilizes a daily pricing model and rents fluctuate often. The contact indicated the property charges a premium at the property for floor and views. The profile reflects the base rents of units that do not feature the courtyard views or garage premium. The contact indicated the elevated vacancy rate is due to the property keeping furnished corporate units available, which rent for a significant premium. The contact was unable to provide to provide the number of non-corporate vacant units. Detached garage parking is available for an additional \$120 monthly fee.

Springs At Mcdonough, continued

Trend Report

Vacancy Rates

2Q18	1Q20
32.1%	6.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	\$1,165	\$0	\$1,165	\$1,180
2020	1	N/A	\$1,190 - \$1,210	\$0	\$1,190 - \$1,210	\$1,205 - \$1,225

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	\$1,379	\$0	\$1,379	\$1,394
2020	1	N/A	\$1,383 - \$1,392	\$0	\$1,383 - \$1,392	\$1,398 - \$1,407

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	\$1,500	\$0	\$1,500	\$1,515
2020	1	N/A	\$1,612	\$0	\$1,612	\$1,627

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2018	2	N/A	\$957	\$0	\$957	\$972
2020	1	N/A	\$1,028 - \$1,054	\$0	\$1,028 - \$1,054	\$1,043 - \$1,069

Trend: Comments

2Q18	This property does not accept Housing Choice Vouchers. The contact stated this property utilizes a daily pricing model and rents fluctuate often. Leasing began in May 2017 and the property is currently 68 percent occupied, which reflects an absorption rate of 17 units per month. Individual garages are available for rent for \$120 per month, although the contact could not provide a utilization rate.
1Q20	The contact stated this property utilizes a daily pricing model and rents fluctuate often. The contact indicated the property charges a premium at the property for floor and views. The profile reflects the base rents of units that do not feature the courtyard views or garage premium. The contact indicated the elevated vacancy rate is due to the property keeping furnished corporate units available, which rent for a significant premium. The contact was unable to provide the number of non-corporate vacant units. Detached garage parking is available for an additional \$120 monthly fee.

Photos



PROPERTY PROFILE REPORT

The Crossing At Mcdonough

Effective Rent Date	2/07/2020
Location	100 Crossing Boulevard Mcdonough, GA 30253 Henry County
Distance	1.3 miles
Units	252
Vacant Units	13
Vacancy Rate	5.2%
Type	Garden (3 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Carrington Green, Crescent Creek, Oxford Creek
Tenant Characteristics	None identified
Contact Name	Tiffany
Phone	770-692-1630



Market Information

Program	Market
Annual Turnover Rate	39%
Units/Month Absorbed	22
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	Fluctuates daily
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	908	\$1,000	\$0	Market	No	3	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,152	\$1,110	\$0	Market	No	6	N/A	N/A	None
3	2	Garden (3 stories)	35	1,390	\$1,270	\$0	Market	No	4	11.4%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,000	\$0	\$1,000	\$15	\$1,015
2BR / 2BA	\$1,110	\$0	\$1,110	\$15	\$1,125
3BR / 2BA	\$1,270	\$0	\$1,270	\$15	\$1,285

The Crossing At Mcdonough, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpet/Hardwood	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher	Video Surveillance	
Exterior Storage	Ceiling Fan		
Fireplace	Garbage Disposal		
Microwave	Oven		
Refrigerator	Vaulted Ceilings		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$85.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Recreation Areas	Swimming Pool		
Tennis Court			

Comments

Garage parking is available for an additional monthly fee of \$85.

The Crossing At McDonough, continued

Trend Report

Vacancy Rates

4Q16	2Q17	2Q18	1Q20
2.0%	3.6%	4.4%	5.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$835	\$0	\$835	\$850
2017	2	N/A	\$1,010	\$0	\$1,010	\$1,025
2018	2	N/A	\$995	\$0	\$995	\$1,010
2020	1	N/A	\$1,000	\$0	\$1,000	\$1,015

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$935	\$0	\$935	\$950
2017	2	N/A	\$1,080	\$0	\$1,080	\$1,095
2018	2	N/A	\$1,015	\$0	\$1,015	\$1,030
2020	1	N/A	\$1,110	\$0	\$1,110	\$1,125

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$1,240	\$0	\$1,240	\$1,255
2017	2	0.0%	\$1,240	\$0	\$1,240	\$1,255
2018	2	17.1%	\$1,240	\$0	\$1,240	\$1,255
2020	1	11.4%	\$1,270	\$0	\$1,270	\$1,285

Trend: Comments

4Q16	The contact reported typical occupancy between 96 and 99 percent during the past year.
2Q17	N/A
2Q18	This property does not accept Housing Choice Vouchers. The contact reported typical occupancy of around 96 percent throughout the past year.
1Q20	Garage parking is available for an additional monthly fee of \$85.

Photos



PROPERTY PROFILE REPORT

Villas At South Point

Effective Rent Date	2/07/2020
Location	1690 Highway 20 West Mcdonough, GA 30253 Henry County
Distance	3.2 miles
Units	284
Vacant Units	14
Vacancy Rate	4.9%
Type	Garden (2 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Carrington Green
Tenant Characteristics	Mix of professionals and young families
Contact Name	Lanette
Phone	678-432-0292



Market Information

Program	Market
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Preleased to 10 days
Annual Chg. in Rent	Fluctuates daily
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	675	\$1,052	\$0	Market	No	3	N/A	N/A	None
1	1	Garden (2 stories)	N/A	821	\$1,068	\$0	Market	No	2	N/A	N/A	None
1	1	Garden (2 stories)	N/A	1,004	\$1,159	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	997	\$1,363	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,165	\$1,347	\$0	Market	No	2	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,325	\$1,440	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,450	\$1,397	\$0	Market	No	3	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,446	\$1,531	\$0	Market	No	1	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,519	\$1,581	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,052 - \$1,159	\$0	\$1,052 - \$1,159	\$15	\$1,067 - \$1,174
2BR / 2BA	\$1,347 - \$1,440	\$0	\$1,347 - \$1,440	\$15	\$1,362 - \$1,455
3BR / 2BA	\$1,531 - \$1,581	\$0	\$1,531 - \$1,581	\$15	\$1,546 - \$1,596

Villas At South Point, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpet/Hardwood	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	Floor	None
Clubhouse/Meeting Room/Community	Exercise Facility	View	
Garage	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

Comments

The contact reported current occupancy has been typical for most of the past year. Select units have attached garages included in the rent. The property utilized LRO daily pricing software; as such, rents fluctuate daily.

Trend Report

Vacancy Rates

4Q16	1Q20
3.5%	4.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$877 - \$914	\$0	\$877 - \$914	\$892 - \$929
2020	1	N/A	\$1,052 - \$1,159	\$0	\$1,052 - \$1,159	\$1,067 - \$1,174

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,064 - \$1,332	\$0	\$1,064 - \$1,332	\$1,079 - \$1,347
2020	1	N/A	\$1,347 - \$1,440	\$0	\$1,347 - \$1,440	\$1,362 - \$1,455

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,423 - \$1,584	\$0	\$1,423 - \$1,584	\$1,438 - \$1,599
2020	1	N/A	\$1,531 - \$1,581	\$0	\$1,531 - \$1,581	\$1,546 - \$1,596

Trend: Comments

4Q16	The contact reported current occupancy has been typical for most of the past year. Select units have attached garages included in the rent. The contact was unable to provide annual turnover or a unit mix for the property.
1Q20	The contact reported current occupancy has been typical for most of the past year. Select units have attached garages included in the rent. The property utilized LRO daily pricing software; as such, rents fluctuate daily.

Photos



PROPERTY PROFILE REPORT

Woodlawn Park Apartments

Effective Rent Date	2/10/2020
Location	150 Postmaster Drive Mcdonough, GA 30253 Henry County
Distance	0.5 miles
Units	244
Vacant Units	6
Vacancy Rate	2.5%
Type	Garden (3 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	6/01/2004
Leasing Began	7/01/2004
Last Unit Leased	N/A
Major Competitors	Amber Chase, Walden Run
Tenant Characteristics	Families and singles. Most work in the manufacturing industry.
Contact Name	Ashley
Phone	770.957.2578



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	12
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased to market
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	80	787	\$985	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (3 stories)	27	951	\$1,130	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	57	1,059	\$1,200	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	80	1,271	\$1,300	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$985	\$0	\$985	\$0	\$985
2BR / 1BA	\$1,130	\$0	\$1,130	\$0	\$1,130
2BR / 2BA	\$1,200	\$0	\$1,200	\$0	\$1,200
3BR / 2BA	\$1,300	\$0	\$1,300	\$0	\$1,300

Woodlawn Park Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Video)	None
Cable/Satellite/Internet	Carpeting	Limited Access	
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$85.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		

Comments

The contact reported that the property converted from LIHTC to market rate in January 2020. Garage parking is available for an additional monthly fee of \$85. The property no longer accepts Housing Choice Vouchers.

Woodlawn Park Apartments, continued

Trend Report

Vacancy Rates

3Q12	4Q13	4Q16	1Q20
2.9%	3.3%	2.0%	2.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	2.5%	\$709	\$0	\$709	\$709
2013	4	0.0%	\$709	\$0	\$709	\$709
2016	4	0.0%	\$709	\$0	\$709	\$709
2020	1	N/A	\$985	\$0	\$985	\$985

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	7.7%	\$770	\$0	\$770	\$770
2013	4	7.7%	\$770	\$0	\$770	\$770
2016	4	0.0%	\$770	\$0	\$770	\$770
2020	1	N/A	\$1,130	\$0	\$1,130	\$1,130

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	3.6%	\$785	\$0	\$785	\$785
2013	4	7.1%	\$785	\$0	\$785	\$785
2016	4	0.0%	\$834	\$0	\$834	\$834
2020	1	N/A	\$1,200	\$0	\$1,200	\$1,200

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	5.0%	\$959	\$0	\$959	\$959
2013	4	5.0%	\$959	\$0	\$959	\$959
2016	4	2.5%	\$959	\$0	\$959	\$959
2020	1	N/A	\$1,300	\$0	\$1,300	\$1,300

Trend: Comments

3Q12	The contact reported occupancy has increased during the past six weeks after a slow summer when the occupancy rate was in the low 90 percent range.
4Q13	The property is currently offering one concession: if a tenant moves in by December 15th, then the tenant pays 199 dollars for December's rent. The contact stated that the above average turnover rate is due to job transfers, job layoffs, and tenants purchasing homes. The property allows a maximum of 15 percent of its tenants to use Housing Choice Vouchers. When asked about the current market, the contact noted that demand is above average for being in the winter months.
4Q16	The contact reported current occupancy has been typical for most of 2016. Summer months tend to be slower and winter months tend to slow down as well although the contact stated there aren't many move outs scheduled during December.
1Q20	The contact reported that the property converted from LIHTC to market rate in January 2020. Garage parking is available for an additional monthly fee of \$85. The property no longer accepts Housing Choice Vouchers.

Photos



1. Housing Choice Vouchers

We spoke with Mr. David Samloff, Director of Operations with the Georgia Department of Community Affairs, regarding the Section 8 program in Henry County and in the State of Georgia. The representative informed us that the Georgia Department of Community Affairs has jurisdiction over 149 of Georgia’s 159 counties, including Henry County, and that there was a waiting list for Section 8 applicants in all regions and that the waiting list was closed. The contact was unable to provide the number of households on the waiting list. The waiting list was last opened on February 1, 2016 and closed on February 7, 2016. Georgia Department of Community Affairs is allocated over 16,000 vouchers for the 149 counties it serves in Georgia. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS			
Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Ashley Woods Apartments	LIHTC/HOME	Family	5%
Greystone Of Mcdonough	LIHTC	Family	10%
Madison Heights I*	LIHTC/ Market	Family	20%
Sable Chase Apartments	LIHTC	Family	13%
Carrington Green	Market	Family	0%
Mandalay Villas	Market	Family	0%
Preston Creek Apartments	Market	Family	0%
Springs At Mcdonough	Market	Family	0%
The Crossing At Mcdonough	Market	Family	0%
Villas At South Point	Market	Family	0%
Woodlawn Park Apartments	Market	Family	0%

*Located outside of the PMA

The comparable properties reported voucher usage ranging from zero to 20 percent. None of the market rate properties reported voucher usage. All of the LIHTC properties reported voucher usage, with an average utilization of 12 percent. Based on the performance of the LIHTC comparables, we expect the Subject will operate with voucher usage of approximately 15 percent.

2. Phased Developments

The Subject is not part of a multi-phase development.

Lease Up History

We were able to obtain absorption data from two of the comparables, which is illustrated following.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Madison Heights I	LIHTC	Family	2018	121	30
Springs At Mcdonough	Market	Family	2017	268	17
Average				195	24

As illustrated in the previous table, the comparables reported absorption rates ranging from 17 to 30 units per month, with an overall average of 24 units per month. The LIHTC comparable reported an absorption rate of 30 units per month. Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Based on the low LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units could reasonably expect to lease 24 to 25 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within ten to eleven months.

Phased Developments

The Subject is not part of a multi-phase development.

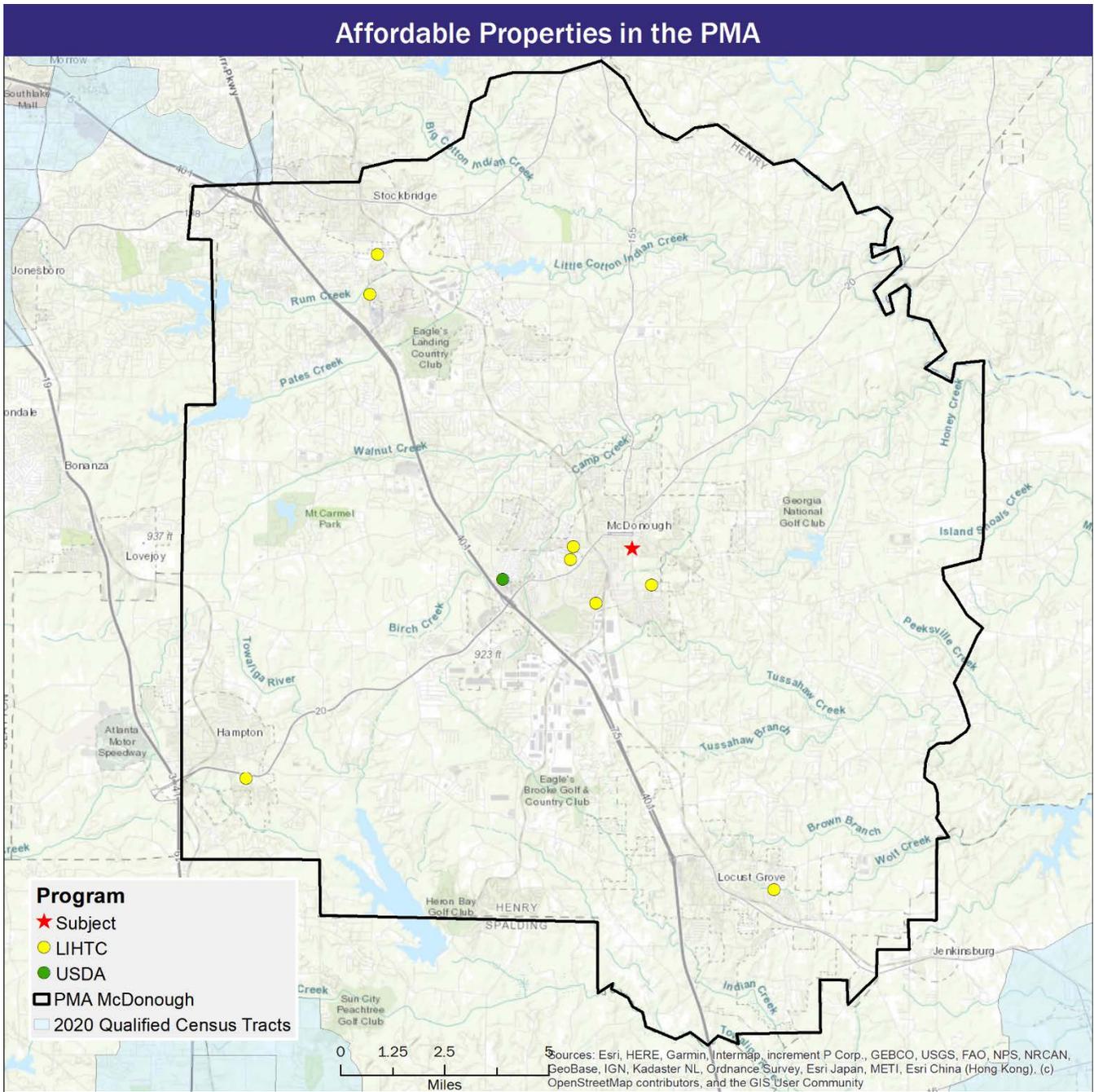
Rural Areas

The Subject is not located in a rural area.

3. Competitive Project Map

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color
McDonough Family New Construction	LIHTC	McDonough	Senior	288	-	Star
Sable Chase Apartments	LIHTC	McDonough	Family	225	1.2 miles	Yellow
Grier Senior Manor	LIHTC/Market	McDonough	Senior	51	1.0 miles	
Greystone Of McDonough	LIHTC	McDonough	Family	56	0.5 miles	
Heritage At McDonough	LIHTC	McDonough	Senior	105	1.4 miles	
Shoal Creek Manor	LIHTC	Locust Grove	Senior	66	7.1 miles	
Ashley Woods Apartments	LIHTC/HOME	Stockbridge	Family	128	7.9 miles	
Red Oak Village	LIHTC	Stockbridge	Senior	60	8.3 miles	
Hampton Court	LIHTC	Hampton	Senior	60	8.6 miles	
Brookshire Apartments	USDA	McDonough	Family	46	2.7 miles	



4. Amenities

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

AMENITY MATRIX												
Subject	Ashley Woods Apartments	Greystone Of Mcdonough	Madison Heights I	Sable Chase Apartments	Carrington Green	Mandalay Villas	Preston Creek Apartments	Springs At Mcdonough	The Crossing At Mcdonough	Villas At South Point	Woodlawn Park Apartments	
Rent Structure	LIHTC	LIHTC/HOME	LIHTC	LIHTC/Market	LIHTC	Market	Market	Market	Market	Market	Market	
Building												
Property Type	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	Garden	
# of Stories	3-stories	3-stories	2-stories	2-stories	2-stories	3-stories	2-stories	3-stories	2-stories	3-stories	2-stories	
Year Built	2022	1991	2000	2018	1994	2004	2008	2002	2017	2004	2005	
Year Renovated	n/a	2008	n/a	n/a	2016	n/a	2017	n/a	n/a	n/a	n/a	
Courtyard	yes	no	no	no	no	no	no	no	no	no	no	
Utility Structure												
Cooking	no	no	no	no	no	no	no	no	no	no	no	
Water Heat	no	no	no	no	no	no	no	no	no	no	no	
Heat	no	no	no	no	no	no	no	no	no	no	no	
Other Electric	no	no	no	no	no	no	no	no	no	no	no	
Water	no	yes	yes	no	yes	no	no	no	no	no	no	
Sewer	no	yes	yes	no	yes	no	no	no	no	no	no	
Trash	yes	yes	yes	yes	yes	yes	no	no	no	no	yes	
Unit Amenities												
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Cable/Satellite	no	no	no	no	no	no	no	no	no	no	yes	
Carpeting	no	yes	yes	yes	yes	no	no	no	yes	no	yes	
Hardwood	yes	no	no	yes	no	yes	yes	yes	no	yes	no	
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Ceiling Fan	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Exterior Storage	no	no	no	no	no	no	no	no	yes	yes	no	
Fireplace	no	no	no	no	no	no	no	yes	no	yes	no	
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes	no	no	
Walk-In Closet	yes	yes	yes	no	yes	yes	yes	yes	yes	no	yes	
Washer/Dryer	no	yes	no	no	no	no	no	no	yes	no	no	
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	
Kitchen												
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Disposal	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Microwave	yes	no	yes	no	yes	no	yes	yes	no	yes	yes	
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Community												
Business Center	yes	no	no	yes	no	yes	yes	yes	no	yes	yes	
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Central Laundry	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Concierge	no	no	no	no	no	yes	no	no	yes	no	no	
Recreation												
Basketball Court	no	no	no	no	yes	no	no	no	no	no	no	
Exercise Facility	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	
Playground	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	
Swimming Pool	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	
Picnic Area	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	
Tennis Court	no	no	yes	no	yes	yes	no	yes	no	yes	yes	
Jacuzzi	no	no	no	no	no	yes	no	no	no	no	no	
Hot Tub	no	no	no	no	no	yes	no	no	no	no	no	
Theatre	yes	no	no	no	no	no	no	no	no	no	no	
Recreational Area	yes	no	no	no	no	no	yes	no	no	yes	no	
Volleyball Court	no	no	yes	no	yes	no	no	yes	no	no	no	
WiFi	yes	no	no	no	no	no	yes	yes	no	no	no	
Service Coordination	yes	no	no	no	no	no	no	no	no	no	no	
Security												
In-Unit Alarm	no	no	no	no	no	yes	yes	no	no	no	yes	
Limited Access	yes	no	no	no	no	yes	yes	yes	yes	yes	no	
Patrol	no	yes	no	no	yes	yes	no	no	no	no	no	
Perimeter Fencing	yes	yes	yes	no	yes	yes	no	yes	no	yes	no	
Video Surveillance	yes	no	no	no	no	no	no	yes	no	yes	no	
Parking												
Carport	no	no	no	no	no	yes	no	no	no	no	no	
Carport Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Garage	no	no	no	no	no	yes	yes	yes	yes	yes	yes	
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90	\$0	\$85	\$85	
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

The completed Subject will offer similar in-unit amenities in comparison to the LIHTC comparable properties and superior property amenities. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include an exercise facility, swimming pool, media room, and community WiFi. Overall, we believe the Subject's property amenities will be competitive in the market.

5. Comparable Tenancy

The Subject will target the general population, similar to all of the comparables. Therefore, we believe the comparable properties accurately depict the available market for tenants in the area.

Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashley Woods Apartments	LIHTC/HOME	Family	128	5	3.9%
Greystone Of Mcdonough	LIHTC	Family	56	1	1.8%
Madison Heights I*	LIHTC/ Market	Family	121	0	0.0%
Sable Chase Apartments	LIHTC	Family	225	0	0.0%
Carrington Green	Market	Family	265	9	3.4%
Mandalay Villas	Market	Family	300	17	5.7%
Preston Creek Apartments	Market	Family	334	20	6.0%
Springs At Mcdonough	Market	Family	268	16	6.0%
The Crossing At Mcdonough	Market	Family	252	13	5.2%
Villas At South Point	Market	Family	284	14	4.9%
Woodlawn Park Apartments	Market	Family	244	6	2.5%
Total LIHTC			530	6	1.1%
Total Market Rate			1,947	95	4.9%
Overall Total			2,477	101	4.1%

*Located outside of the PMA

Overall vacancy in the market is low at 4.1 percent. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from 2.5 to 6.0 percent, averaging 4.9 percent, which is considered low. The low vacancy rates among the market rate comparables indicates strong demand for conventional housing in the area. As a new construction property, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Per DCA guidelines, properties are considered stabilized upon reaching 93 percent occupancy; however, the Subject is anticipated to maintain a stabilized occupancy rate of 95 percent or less. Based on the low vacancy rates among the LIHTC and market rate comparables, as well as the presence of waiting lists among the LIHTC comparables, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated. Overall, we believe the Subject will operated with an overall vacancy rate of five percent or less upon stabilization.

6. Properties Under Construction and Proposed

We spoke with Mr. Rodney Heard, Community Development Director at the City of McDonough Planning and Zoning Department, who informed us there is one planned multifamily development and one under construction multifamily development in the city limits.

- Carmel Vista, located along Mount Carmel Road in McDonough, broke ground in October 2019 on a 230-unit market rate multifamily development. The development will consist of 230 one, two, and three-bedroom units. The development will reportedly be the first market rate development constructed in Henry County since 2017. As a market rate development, the property will not directly compete with the Subject upon completion.
- Columns at South Point, located at 323 South Point in McDonough, is a planned 260-unit market rate multifamily development. The development will consist of 260 one, two, and three-bedroom units. Construction is anticipated to begin in April 2020 with a completion date in 2021. As a market rate development, the property will not directly compete with the Subject upon completion.

Further, according to the Georgia Department of Community Affairs allocations lists from 2016 to 2019, there has been one property awarded LIHTC funding in the PMA.

- Havenwood Grove Senior was allocated tax credits in 2018. The development will consist of a 56 one and two-bedroom units targeted to seniors earning 50 and 60 percent of the AMI, or less. The development will be located in the city of Locust Grove, approximately 7.0 miles south of the Subject site. Construction began in June 2019 with an estimated completion date of June 2020. As the development will target seniors, it will not directly compete with the Subject upon completion.

Additionally, we conducted online research utilizing CoStar's proposed and new construction report. According to our research, there are no additional multifamily developments currently planned, proposed, or under construction in the Subject's PMA.

7. Rental Advantage

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

MCDONOUGH FAMILY NEW CONSTRUCTION – MCDONOUGH, GEORGIA – MARKET STUDY

SIMILARITY MATRIX

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Ashley Woods Apartments	LIHTC/HOME	Family	Inferior	Similar	Slightly inferior	Inferior	Similar	-15
2	Greystone Of Mcdonough	LIHTC	Family	Inferior	Similar	Slightly superior	Inferior	Similar	-5
3	Madison Heights I	LIHTC/ Market	Family	Inferior	Similar	Slightly inferior	Similar	Slightly superior	0
4	Sable Chase Apartments	LIHTC	Family	Inferior	Similar	Similar	Inferior	Similar	-10
5	Carrington Green	Market	Family	Similar	Slightly superior	Similar	Slightly inferior	Superior	10
6	Mandalay Villas	Market	Family	Similar	Similar	Similar	Similar	Superior	10
7	Preston Creek Apartments	Market	Family	Similar	Similar	Similar	Slightly inferior	Superior	5
8	Springs At Mcdonough	Market	Family	Inferior	Similar	Similar	Similar	Superior	0
9	The Crossing At Mcdonough	Market	Family	Inferior	Superior	Similar	Slightly inferior	Superior	5
10	Villas At South Point	Market	Family	Slightly superior	Slightly superior	Similar	Slightly inferior	Superior	15
11	Woodlawn Park Apartments	Market	Family	Similar	Slightly superior	Similar	Slightly inferior	Similar	0

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

The rental rates at the LIHTC properties are compared to the Subject's proposed 60 percent AMI rents in the following table.

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	2BR	3BR	Rents at Max?
Mcdonough Family New Construction	Henry	Family	\$796	\$950	\$1,083	Yes
LIHTC Maximum Rent (Net)	Henry		\$796	\$950	\$1,083	
LIHTC Maximum Rent (Net)	Clayton		\$796	\$950	\$1,083	
Ashley Woods Apartments	Henry	Family	\$805	\$917	\$949	No
Greystone Of Mcdonough	Henry	Family	-	\$860	\$948	No
Madison Heights I	Clayton	Family	\$755	\$895	\$985	No
Sable Chase Apartments	Henry	Family	\$607	\$725	\$788	No
Average			\$722	\$849	\$918	
Achievable LIHTC Rent			\$796	\$950	\$1,083	

None of the surveyed LIHTC and mixed-income properties report achieving rents at the 2019 maximum allowable levels for their one, two, and three-bedroom units at 60 percent of AMI. However, the rents at some these properties appear to be slightly above the maximum allowable levels. This is most likely due to differences in these properties utility structures and allowances from the Subject's proposed utility structure. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicate that the comparables may not be testing the upper end of the market. The contact at Ashley Woods Apartments reported the property utilizes a daily pricing software to determine rents, and indicated that often the rents are just below the maximum allowable levels. Further, the contact at Madison Heights I indicated that rents are kept just below the maximum allowable level for their one, two, and three-bedroom units at the 60 percent AMI level; however, indicated strong demand and reported the maximum allowable rents are likely achievable in the market.

Greystone Of McDonough is located 0.5 miles from the Subject in McDonough and offers a slightly superior location to the Subject. Greystone Of McDonough was constructed in 2000 and exhibits average condition, which is considered inferior to the anticipated condition of the Subject upon completion. Greystone Of McDonough offers inferior property amenities compared to the Subject as it does not offer a business center, swimming pool, picnic area, media room, recreational areas, or WiFi, which the Subject will offer. This property offers similar in-unit amenities compared to the Subject. Greystone Of McDonough offers similar unit sizes compared to the Subject. Overall, T Greystone Of McDonough is considered inferior to the Subject. The Greystone Of McDonough is currently 98.2 percent occupied. Further, this property maintains a waiting list. Greystone Of McDonough is achieving rents below the maximum allowable level in Henry County.

Madison Heights I is located 11.2 miles from the Subject in Hampton and offers a slightly inferior location to the Subject. Madison Heights I was constructed in 2017 and exhibits excellent condition, which is considered similar to the anticipated condition of the Subject upon completion. Madison Heights I offers inferior property amenities compared to the Subject as it does not offer an exercise facility, swimming pool, media room, recreation areas, or WiFi, which the Subject will offer. This property offers similar in-unit amenities compared to the Subject, as it offers ceiling fans, which the Subject will not offer; however the Subject will offer walk-in closets, which are not offered at Madison Heights I. Madison Heights I offers slightly superior unit sizes compared to the Subject. Overall, Madison Heights I is considered slightly inferior to the Subject. Madison Heights I is currently fully occupied. Further, this property maintains a waiting list. The Madison Heights I is achieving just below the maximum allowable rents in Clayton County for units at the 60 percent AMI level; however, indicated the maximum allowable rents were likely achievable.

The Subject's proposed rents are set at the 2019 maximum allowable levels. None of the comparable LIHTC and mixed-income properties reported achieving rents at the maximum allowable rent levels; however, the contact at the most recently completed comparable, Madison Heights I, indicated that the maximum allowable rents at the 60 percent AMI level are likely achievable in the market. As such, based on the low vacancy rates and presence of waiting lists among the LIHTC comparables, we believe the comparables are not testing the upper end of the market. Given the Subject's anticipated condition upon completion, which will be superior to all of the affordable properties in the PMA, we believe the Subject's 60 percent AMI rents, which are set at maximum allowable levels, are achievable.

Analysis of "Market Rents"

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

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

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

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Rent Level	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60%	\$796	\$607	\$1,522	\$1,063	25%
2BR / 2BA	@60%	\$950	\$675	\$1,746	\$1,205	21%
3BR / 2BA	@60%	\$1,083	\$788	\$1,911	\$1,339	19%

As illustrated, the Subject’s proposed 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. These rents offer an advantage of 19 to 25 percent over the surveyed average of the comparable properties. Further Subject’s proposed rents at the 60 percent AMI levels are also below the surveyed range of unrestricted rents in the market.

Preston Creek Apartments is achieving the highest one two, and three-bedroom unrestricted rents in the market. The Subject will be slightly inferior to Preston Creek Apartments. Preston Creek Apartments was built in 2002 and exhibits good condition, which is slightly inferior to the anticipated excellent condition of the Subject. Preston Creek Apartments is located 2.2 miles from the Subject and offers a similar location. Preston Creek Apartments offers similar property amenities when compared to the Subject as it lacks media room and recreational area, which the Subject will offer, though it has a tennis court and volleyball court, which the Subject will not offer. Preston Creek Apartments offers similar in-unit amenities in comparison to the Subject, as it offers ceiling fans, fireplaces and attached garages on select units; however, the Subject will offer granite countertops and superior finishes. This property offers similar to superior unit sizes when compared to the proposed Subject. The lowest one, two, and three-bedroom unrestricted rents at Preston Creek Apartments are approximately 28 to 36 percent higher than the Subject’s one, two and three-bedroom rents at 60 percent of AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered moderate for all bedroom types and AMI levels. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The LIHTC comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

According to Georgia Department of Community Affairs LIHTC allocation lists, there has been one development allocated within the Subject’s PMA since 2017. Given the low vacancy rates and presence of waiting lists among the LIHTC properties in the market, it appears that there is strong demand for additional LIHTC housing in the market. We do not believe that the addition of the Subject to the market will impact the existing LIHTC properties in the PMA that are in overall average condition and currently performing well.

10. Rental Trends in the PMA

The table below depicts household growth by tenure from 2000 through 2024.

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,548	84.2%	2,349	15.8%
2019	25,079	73.0%	9,268	27.0%
Projected Mkt Entry	27,134	74.1%	9,488	25.9%
2024	28,412	74.7%	9,624	25.3%

Source: Esri Demographics 2019, Novogradac Consulting LLP, February 2020

The share of renter-occupied housing in the PMA increased between 2000 and 2019. Through the projected market entry date and 2024, the percentage of renter-occupied households is projected to decrease slightly. However, the number of renter households in the Subject's PMA is projected to increase through projected market entry and 2024. As of 2019, the share of owner-occupied households nationally was approximately two-thirds according to the US Census Bureau, indicating that the share of renter-occupied households in the PMA is below that of the nation.

Historical Vacancy

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

HISTORICAL VACANCY

#	Property Name	Program	Total Units	2016 Q2	2016 Q4	2018 Q2	2018 Q3	2019 Q2	2020 Q1
1	Ashley Woods Apartments	LIHTC/HOME	128	0.0%	0.0%	0.0%	0.0%	6.2%	3.9%
2	Greystone Of Mcdonough	LIHTC	56	5.4%	5.4%	N/A	N/A	N/A	1.8%
3	Madison Heights I*	LIHTC/ Market	121	N/A	N/A	N/A	N/A	0.0%	0.0%
4	Sable Chase Apartments	LIHTC	225	20.0%	N/A	N/A	0.0%	N/A	0.0%
5	Carrington Green	Market	265	N/A	N/A	N/A	N/A	N/A	3.4%
6	Mandalay Villas	Market	300	7.0%	5.3%	N/A	N/A	N/A	5.7%
7	Preston Creek Apartments	Market	334	7.8%	N/A	N/A	N/A	N/A	6.0%
8	Springs At Mcdonough	Market	268	N/A	N/A	32.1%	N/A	N/A	6.0%
9	The Crossing At Mcdonough	Market	252	0.8%	2.0%	4.4%	N/A	N/A	5.2%
10	Villas At South Point	Market	284	N/A	3.5%	N/A	N/A	N/A	4.9%
11	Woodlawn Park Apartments	Market	244	N/A	2.0%	N/A	N/A	N/A	2.5%
Average				6.8%	3.0%	12.2%	0.0%	3.1%	4.1%

*Located outside of the PMA

As illustrated in the table, we were able to obtain historical vacancy rates at several of the comparable properties for several quarters in the past four years. In general, vacancy rates at the comparable properties have remained low since 2016. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject's market.

Change in Rental Rates

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

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Ashley Woods Apartments	LIHTC/HOME	Family	Increased 0-9% since 2Q19
Greystone Of Mcdonough	LIHTC	Family	Annual increase of 4-5% since 4Q16
Madison Heights I*	LIHTC/ Market	Family	Increased 4-7% since 2Q19
Sable Chase Apartments	LIHTC	Family	None reported
Carrington Green	Market	Family	Fluctuates daily
Mandalay Villas	Market	Family	Fluctuates daily
Preston Creek Apartments	Market	Family	Fluctuates daily
Springs At Mcdonough	Market	Family	Fluctuates daily
The Crossing At Mcdonough	Market	Family	Fluctuates daily
Villas At South Point	Market	Family	Fluctuates daily
Woodlawn Park Apartments	Market	Family	Increased to market

*Located outside of the PMA

Three of the surveyed affordable properties report increasing LIHTC rents. The market rate properties reported fluctuating daily rents. We anticipate that the Subject would be able to achieve moderate rent growth in the future as a LIHTC property, limited by the increase in AMI growth.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 2,541 housing units nationwide was in some stage of foreclosure as of August 2019. The town of McDonough is experiencing a foreclosure rate of one in every 1,682 homes, while Henry County is experiencing foreclosure rate of one in every 1,297 homes and Georgia experienced one foreclosure in every 2,417 housing units. Overall, McDonough is experiencing a slightly higher foreclosure rate relative to the nation and state of Georgia. However, the foreclosure rate in McDonough is still low relative to market conditions in the years past, and is indicative of a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

12. Effect of Subject on Other Affordable Units in Market

The Subject is a proposed affordable development. There are only two existing family LIHTC developments in the PMA. Therefore, affordable households are currently likely underserved by the market. The comparable properties reported low vacancy rates and extensive waiting lists. Therefore, there appears to be excess demand for additional affordable housing in the market. Based on the performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there will continue to be adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicate that the comparables may not be testing the upper end of the market. The contact at Ashley Woods Apartments reported the property utilizes a daily pricing software to determine rents, and indicated that often the rents are just below the maximum allowable levels. Further, the contact at Madison Heights I indicated that rents are kept just below the maximum allowable level for their one, two, and three-bedroom units at the 60 percent AMI level; however, indicated strong demand and reported the maximum allowable rents are

likely achievable in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will be new construction and exhibit excellent condition, superior to all of the LIHTC properties in the PMA. The Subject will offer similar in-unit amenities in comparison to the LIHTC comparable properties and superior property amenities. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include an exercise facility, swimming pool, media room, and community WiFi. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the LIHTC comparables current performance, we believe that the Subject is feasible as proposed. We believe that it will offer excellent quality affordable units in the market and will perform well.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption data from two of the comparables, which is illustrated following.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Madison Heights I	LIHTC	Family	2018	121	30
Springs At Mcdonough	Market	Family	2017	268	17
Average				195	24

As illustrated in the previous table, the comparables reported absorption rates ranging from 17 to 30 units per month, with an overall average of 24 units per month. The LIHTC comparable reported an absorption rate of 30 units per month. Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Based on the low LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject’s units could reasonably expect to lease 24 to 25 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within ten to eleven months.

J. INTERVIEWS

INTERVIEWS

Georgia Department of Community Affairs

We spoke with Mr. David Samloff, Director of Operations with the Georgia Department of Community Affairs, regarding the Section 8 program in Henry County and in the State of Georgia. The representative informed us that the Georgia Department of Community Affairs has jurisdiction over 149 of Georgia’s 159 counties, including Henry County, and that there was a waiting list for Section 8 applicants in all regions and that the waiting list was closed. The contact was unable to provide the number of households on the waiting list. The waiting list was last opened on February 1, 2016 and closed on February 7, 2016. Georgia Department of Community Affairs is allocated over 16,000 vouchers for the 149 counties it serves in Georgia. The 2020 payment standards for Henry County are detailed in the table below.

PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$1,127
Two-Bedroom	\$1,283
Three-Bedroom	\$1,637

Source: Georgia Department of Community Affairs, February 2020

The Subject’s proposed rents at the 60 AMI levels are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent.

Planning

We spoke with Mr. Rodney Heard, Community Development Director at the City of McDonough Planning and Zoning Department, who informed us there is one planned multifamily development and one under construction multifamily development in the city limits.

- Carmel Vista, located along Mount Carmel Road in McDonough, broke ground in October 2019 on a 230-unit market rate multifamily development. The development will consist of 230 one, two, and three-bedroom units. The development will reportedly be the first market rate development constructed in Henry County since 2017. As a market rate development, the property will not directly compete with the Subject upon completion.
- Columns at South Point, located at 323 South Point in McDonough, is a planned 260-unit market rate multifamily development. The development will consist of 260 one, two, and three-bedroom units. Construction is anticipated to begin in April 2020 with a completion date in 2021. As a market rate development, the property will not directly compete with the Subject upon completion.

Further, according to the Georgia Department of Community Affairs allocations lists from 2016 to 2019, there has been one property awarded LIHTC funding in the PMA.

- Havenwood Grove Senior was allocated tax credits in 2018. The development will consist of a 56 one and two-bedroom units targeted to seniors earning 50 and 60 percent of the AMI, or less. The development will be located in the city of Locust Grove, approximately 7.0 miles south of the Subject site. Construction began in June 2019 with an estimated completion date of June 2020. As the development will target seniors, it will not directly compete with the Subject upon completion.

Additionally, we conducted online research utilizing CoStar’s proposed and new construction report. According to our research, there are no additional multifamily developments currently planned, proposed, or under construction in the Subject’s PMA.

City of McDonough and Henry County Development Authority

We attempted to contact the Henry County Development Authority to inquire about recent business expansions or contractions in the area, but to date our attempts have been unsuccessful. As such, we utilized an internet search to find the following business expansions in Henry County announced in 2017 through 2019, most of which are located in the McDonough area.

- In 2019, Sangsin Technology America, a brake manufacturer, announced the company will be developing a new manufacturing facility in McDonough as part of a \$20 million investment. The new facility is expected to create an additional 200 jobs. No construction timeline was available.
- In 2019, TSYS, a global payments company, expanded operations into an existing 62,000-square foot facility in McDonough, which houses their new contact center. The expansion created an estimated 450 new jobs.
- In 2018, General Mills, a food manufacture, invested \$8.5 million in a new distribution facility located in McDonough. The new 408,000-square foot facility created 50 new jobs.
- In 2018, Voorhees, a cold storage provider, built a 6.7-million-cubic-foot public refrigerated warehouse a mile away from its existing 8.6-million-cubic-foot facility in McDonough. The new facility equated to a \$40 million capital investment and created an estimated 80 new jobs.
- In 2018, De Wafelbakkers, a frozen pancake producer, invests \$15 million to expand its existing production facility in Henry County. The expansion created an estimated 83 new jobs and is the first phase of a planned two-phase expansion.
- In 2018, Hydro Systems, a bathtub manufacturer, opened a new manufacturing facility. The new facility created an estimate 60 manufacturing jobs.
- In 2018, S&S Activeware, an apparel wholesaler, opened a 505,000-square foot warehouse facility in McDonough. The new facility is expected to create approximately 300 new jobs over a three-year period.
- In 2017, Luxottica Retail Group, an eyewear distributor, expanded their existing facility in McDonough. The expansion created an estimated 1,000 new jobs.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

Between 2010 and 2019, there was approximately 1.8 percent annual population growth in the PMA and 1.4 percent annual population growth in the MSA. Through 2024, population growth in the PMA is forecast to increase slightly to 2.0 percent while the population growth in the MSA is forecast to increase slightly to 1.5 percent. Household growth in the PMA slowed between 2010 and 2019, and grew at a rate slightly faster than the MSA. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 2.0 percent through 2024, above that of the MSA and the overall nation. The percentage of renter households in the PMA increased between 2000 and 2019, and is estimated to be 27.5 percent as of 2019. This is lower than the estimated 33 percent of renter households across the overall nation. The Subject will target tenants earning between \$30,754 and \$51,660. As the tables above depict, approximately 63.3 percent of renter households in the PMA earn less than \$50,000 annually. This indicates that a large share of renter households will be income-eligible to reside at the Subject. Overall, the combination of rising population and large percentage of renter households earning below \$50,000 bodes well for future demand for multifamily housing.

Employment Trends

Employment in the PMA is concentrated in the transportation/warehousing, healthcare/social assistance, and educational services industries, which collectively comprise 35.6 percent of local employment. The large share of PMA employment in the healthcare industry is notable as this industry is historically stable, and exhibits greater resilience during economic downturns. Employment in the MSA recovered and surpassed pre-recessionary levels in 2015, a year after the overall nation. Since 2012, job growth in the MSA generally exceeded the nation. As of December 2019, total employment in the MSA is at a post-recessionary record and increasing at an annualized rate of 1.9 percent, compared to 1.3 percent across the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 2.7 percent, lower than the current national unemployment rate of 3.4 percent. Overall, the local economy appears to have fully recovered from the national recession and entered into an expansionary phase.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$30,754	\$38,280	36	633	0	633	5.7%	\$796
2BR @60%	\$36,926	\$38,280	131	625	0	625	21.0%	\$950
3BR @60%	\$42,617	\$51,660	120	527	0	527	22.8%	\$1,083
Overall	\$30,754	\$51,660	287	1,785	0	1,785	16.1%	-

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

Absorption

We were able to obtain absorption data from two of the comparables, which is illustrated following.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Madison Heights I	LIHTC	Family	2018	121	30
Springs At Mcdonough	Market	Family	2017	268	17
Average				195	24

As illustrated in the previous table, the comparables reported absorption rates ranging from 17 to 30 units per month, with an overall average of 24 units per month. The LIHTC comparable reported an absorption rate of 30 units per month. Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Based on the low LIHTC vacancy rate and waiting lists at the LIHTC comparable properties, we believe that the Subject's units could reasonably expect to lease 24 to 25 units per month. At this rate, the Subject would reach a stabilized occupancy of 93 percent within ten to eleven months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashley Woods Apartments	LIHTC/HOME	Family	128	5	3.9%
Greystone Of Mcdonough	LIHTC	Family	56	1	1.8%
Madison Heights I*	LIHTC/ Market	Family	121	0	0.0%
Sable Chase Apartments	LIHTC	Family	225	0	0.0%
Carrington Green	Market	Family	265	9	3.4%
Mandalay Villas	Market	Family	300	17	5.7%
Preston Creek Apartments	Market	Family	334	20	6.0%
Springs At Mcdonough	Market	Family	268	16	6.0%
The Crossing At Mcdonough	Market	Family	252	13	5.2%
Villas At South Point	Market	Family	284	14	4.9%
Woodlawn Park Apartments	Market	Family	244	6	2.5%
Total LIHTC			530	6	1.1%
Total Market Rate			1,947	95	4.9%
Overall Total			2,477	101	4.1%

*Located outside of the PMA

Overall vacancy in the market is low at 4.1 percent. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from 2.5 to 6.0 percent, averaging 4.9 percent, which is considered low. The low vacancy rates among the market rate comparables indicates strong demand for conventional housing in the area. As a new construction property, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Per DCA guidelines, properties are considered stabilized upon reaching 93 percent occupancy; however, the Subject is anticipated to maintain a stabilized occupancy rate of 95 percent or less. Based on the low vacancy rates among the LIHTC and

market rate comparables, as well as the presence of waiting lists among the LIHTC comparables, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated. Overall, we believe the Subject will operate with an overall vacancy rate of five percent or less upon stabilization.

Strengths of the Subject

The Subject will offer excellent quality housing for low-income households in the PMA. The low vacancy and presences of waiting lists at the LIHTC properties further supports the need for affordable housing in the market. The Subject will be new construction and exhibit excellent condition upon completion, similar to superior to all of the existing housing stock in the market. Additionally, the Subject will offer a competitive amenity package including a business center, exercise facility, swimming pool, and media room, which are not offered by the majority of the existing LIHTC properties. Therefore, the Subject will be a similar to superior development to the existing housing in the market and cater to an underserved population.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there will continue to be adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables demonstrate an average vacancy of 1.1 percent, which is considered very low. Additionally, all of the LIHTC and mixed-income comparables maintain waiting lists, with up to approximately 50 households. The low vacancy rates and presence of waiting lists among the LIHTC and mixed-income comparables indicate that the comparables may not be testing the upper end of the market. The contact at Ashley Woods Apartments reported the property utilizes a daily pricing software to determine rents, and indicated that often the rents are just below the maximum allowable levels. Further, the contact at Madison Heights I indicated that rents are kept just below the maximum allowable level for their one, two, and three-bedroom units at the 60 percent AMI level; however, indicated strong demand and reported the maximum allowable rents are likely achievable in the market. The majority of the comparable properties are generally older and exhibit average condition. The Subject will be new construction and exhibit excellent condition, superior to all of the LIHTC properties in the PMA. The Subject will offer similar in-unit amenities in comparison to the LIHTC comparable properties and superior property amenities. Overall, we believe the Subject's unit amenities will be competitive in the market. Notable property amenities offered by Subject include an exercise facility, swimming pool, media room, and community WiFi. Overall, we believe the Subject's property amenities will be competitive in the market. Based on the LIHTC comparables current performance, we believe that the Subject is feasible as proposed. We believe that it will offer excellent quality affordable units in the market and will perform well.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

SIGNED STATEMENT REQUIREMENTS

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

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

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



Brian Neukam
Manager
Novogradac Consulting LLP

February 12, 2020

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

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

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



Subject site



Subject site



Subject site



Subject site



View north along S Zack Hinton Parkway



View south along S Zack Hinton Parkway



View of vacant land to the west



View of vacant land to the west



View of Salvation Army to the south



View of house of worship to the south



View of commercial/office space to the south



View of commercial/retail space to the south



View of townhomes to the south



View of fourplexes to the south



View of commercial/office to the southwest



View of Dollar General to the southwest



View of commercial/retail to the southwest



View of McDonough High School to the north



View of McDonough Middle School to the north



View of nearby post office to the north



View of nearby pharmacy to the east



View of nearby grocery store to the east

ADDENDUM C
Qualifications

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI**

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Member of Kansas Housing Association
 Vice President - Board of Directors; 2017 - Present
Designated Member of the Appraisal Institute (MAI)
 Kansas City Chapter of the Appraisal Institute Board of Directors: 2013 & 2014
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network

State of Arkansas Certified General Real Estate Appraisal No. CG2682
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of Louisiana Certified General Real Estate Appraiser No. 4018
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

Various Continuing Education Classes as required by licensing, ongoing
USPAP Update, January 2018
Forecasting Revenue, May 2019
Discounted Cash Flow Model, May 2019
Business Practices and Ethics, May 2019
HUD MAP Training – Ongoing
The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
How to Analyze and Value Income Properties, May 2011
Appraising Apartments – The Basics, May 2011
HUD MAP Third Party Tune-Up Workshop, September 2010

HUD MAP Third Party Valuation Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
HUD MAP – Valuation Advance MAP Training, April 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

A representative sample of Valuation or Consulting Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Public Housing for RAD conversion, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with

HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.

- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): LIHTC and Year 15 Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Western FHA Mortgage Lenders Conference: Annual Meetings
- Midwest FHA Mortgage Lenders Conference: Annual Meetings
- Southwest FHA Mortgage Association Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- National Council of State Housing Agencies: Housing Credit Connect Conferences
- National Leased Housing Association: Annual Meeting
- Nebraska's County Assessors: Annual Meeting
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Missouri Workforce Housing (MOWHA) Annual Conference
- Ohio Housing Council Symposium
- Kansas Housing Conference
- California Council for Affordable Housing (CCAH) Meetings

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

State of South Carolina Certified General Real Property Appraiser No. 7493

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, September 2015- Present

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

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

REAL ESTATE ASSIGNMENTS

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

William C. Hoedl

I. EDUCATION

University of Denver – Denver, Colorado

Master of Science in Real Estate, 2009

University of Kansas – Lawrence, Kansas

Bachelor of Science in Finance, 2006

II. PROFESSIONAL EXPERIENCE

Manager - Novogradac & Company LLP

Asset Acquisitions Analyst - Madison Liquidity Investors, LLC

Investment Analyst – Resolute Investments, Inc.

Real Estate Analyst – Prior & Associates, LLC

III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, farmworker housing, and acquisition with rehabilitation.
- Prepared Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low- Income Housing Tax Credit and market rate properties. Analysis includes property screenings, valuation analysis, capitalization rate analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis. Assisted in land appraisals for lenders and investment banks.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Conducted over 100 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation multifamily projects.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

KELLY S. POWELL

I. EDUCATION

University of Central Missouri – Warrensburg, MO
Bachelor of Science – Marketing

II. PROFESSIONAL EXPERIENCE

Analyst, Novogradac & Company LLP
Sale Comparable Researcher, Xceligent, Inc.

III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States

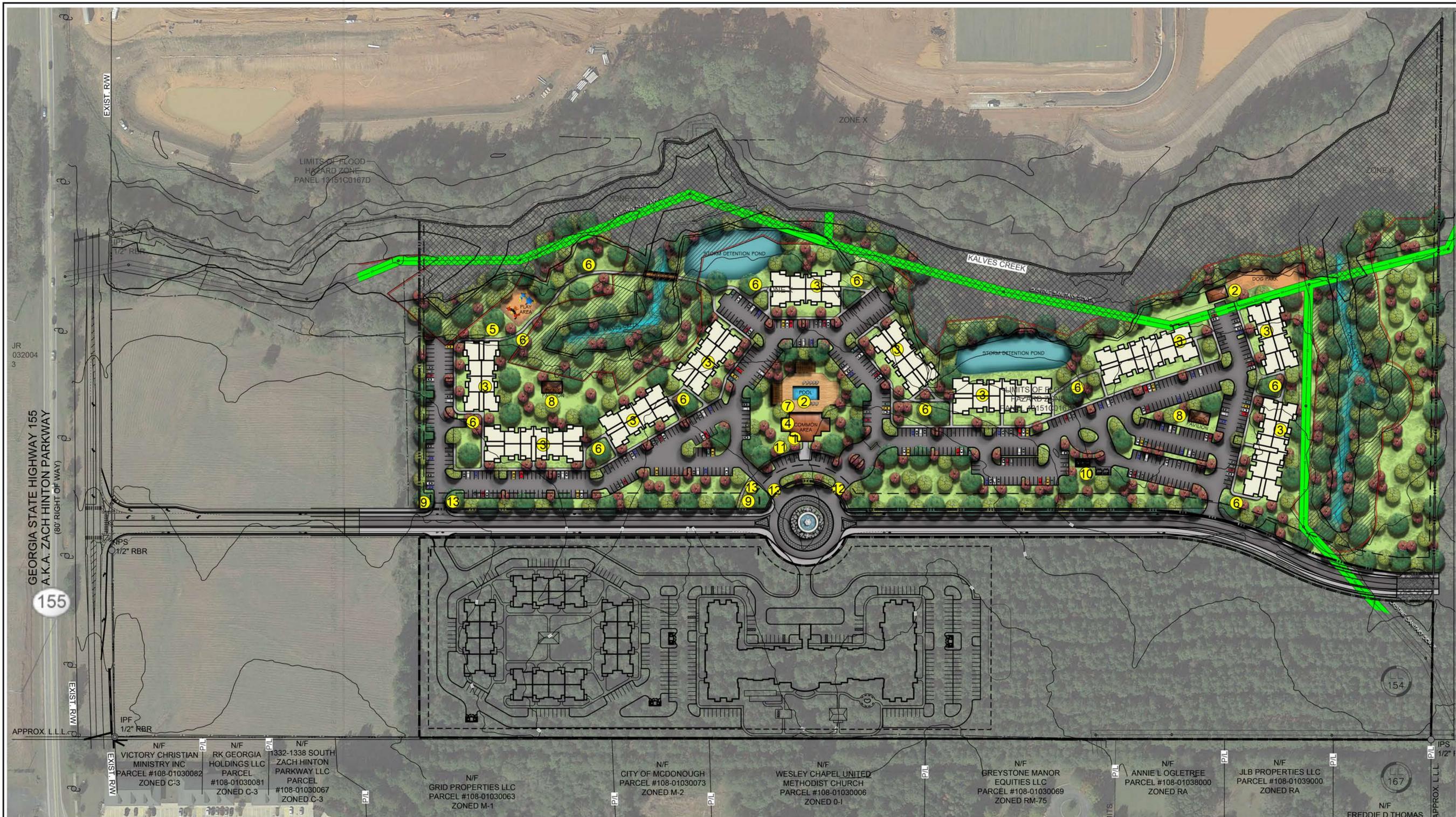
ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Mcdonough Family New Construction 150 S Zack Hinton Pkwy Mcdonough, GA 30253 Henry County	-	Garden 3-stories 2022 / n/a Family	@60%	1BR / 1BA	36	12.5%	738	@60%	\$796	Yes	N/A	N/A	N/A
					2BR / 2BA	131	45.5%	934	@60%	\$950	Yes	N/A	N/A	N/A
					2BR / 2BA	1	0.3%	934	Non-Rental	\$950	N/A	N/A	N/A	N/A
					3BR / 2BA	120	41.7%	1,153	@60%	\$1,083	Yes	N/A	N/A	N/A
					<u>288</u>									
1	Ashley Woods Apartments 1050 Rock Quarry Road Stockbridge, GA 30281 Henry County	7.9 miles	Garden 3-stories 1991 / 2008 Family	@50% (HOME), @60%, @60% (HOME)	1BR / 1BA	1	0.8%	748	@50% (HOME)	\$608	No	Yes	0	0.0%
					1BR / 1BA	13	10.2%	748	@60%	\$829	No	Yes	0	0.0%
					1BR / 1BA	2	1.6%	748	@60% (HOME)	\$805	No	Yes	0	0.0%
					2BR / 2BA	1	0.8%	1,010	@50% (HOME)	\$728	No	Yes	0	0.0%
					2BR / 2BA	60	46.9%	1,010	@60%	\$993	No	Yes	3	5.0%
					2BR / 2BA	3	2.3%	1,010	@60% (HOME)	\$917	No	Yes	0	0.0%
					3BR / 2BA	45	35.2%	1,134	@60%	\$1,122	No	Yes	2	4.4%
					3BR / 2BA	3	2.3%	1,039	@60% (HOME)	\$949	No	Yes	0	0.0%
<u>128</u>												5	3.9%	
2	Greystone Of Mcdonough 411 Racetrack Road Mcdonough, GA 30252 Henry County	0.5 miles	Garden 2-stories 2000 / n/a Family	@50%, @60%	2BR / 2BA	17	30.4%	968	@50%	\$754	Yes	Yes	0	0.0%
					2BR / 2BA	14	25.0%	968	@60%	\$860	No	Yes	1	7.1%
					3BR / 2BA	16	28.6%	1,180	@50%	\$865	Yes	Yes	0	0.0%
					3BR / 2BA	9	16.1%	1,180	@60%	\$948	No	Yes	0	0.0%
					<u>56</u>									
3	Madison Heights I 10911 Tara Boulevard Hampton, GA 30228 Clayton County	11.2 miles	Garden 2-stories 2018 / n/a Family	@50%, @60%, Market	1BR / 1BA	N/A	N/A	795	@50%	\$610	Yes	Yes	N/A	N/A
					1BR / 1BA	35	28.9%	795	@60%	\$755	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	795	Market	\$955	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,143	@50%	\$720	Yes	Yes	N/A	N/A
					2BR / 2BA	67	55.4%	1,143	@60%	\$895	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	1,143	Market	\$1,055	N/A	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	1,434	@50%	\$815	Yes	Yes	N/A	N/A
					3BR / 2BA	19	15.7%	1,434	@60%	\$985	No	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	1,434	Market	\$1,155	N/A	Yes	N/A	N/A
<u>121</u>												0	0.0%	
4	Sable Chase Apartments 102 Sable Chase Blvd. Mcdonough, GA 30253 Henry County	1.2 miles	Garden 2-stories 1994 / 2016 Family	@60%	1BR / 1BA	48	21.3%	781	@60%	\$607	No	Yes	0	0.0%
					2BR / 1BA	32	14.2%	857	@60%	\$675	No	Yes	0	0.0%
					2BR / 2BA	72	32.0%	968	@60%	\$725	No	Yes	0	0.0%
					2BR / 2BA	1	0.4%	857	Non-Rental	-	N/A	N/A	0	0.0%
					3BR / 2BA	72	32.0%	1,180	@60%	\$788	No	Yes	0	0.0%
<u>225</u>												0	0.0%	
5	Carrington Green 745 Highway 42 South Mcdonough, GA 30253 Henry County	0.6 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	24	9.1%	691	Market	-	N/A	No	1	4.2%
					1BR / 1BA	54	20.4%	880	Market	\$966	N/A	No	2	3.7%
					1BR / 1BA	16	6.0%	1,159	Market	\$1,088	N/A	No	1	6.3%
					2BR / 2BA	19	7.2%	1,177	Market	-	N/A	No	1	5.3%
					2BR / 2BA	92	34.7%	1,320	Market	\$1,260	N/A	No	2	2.2%
					2BR / 2BA	6	2.3%	1,472	Market	\$1,257	N/A	No	0	0.0%
					2BR / 2BA	6	2.3%	1,645	Market	\$1,344	N/A	No	1	16.7%
					3BR / 2BA	42	15.9%	1,560	Market	\$1,385	N/A	No	1	2.4%
					3BR / 2BA	6	2.3%	1,806	Market	-	N/A	No	0	0.0%
<u>265</u>												9	3.4%	
6	Mandalay Villas 1395 Town Center Village Mcdonough, GA 30253 Henry County	5.0 miles	Garden 2-stories 2008 / 2017 Family	Market	1BR / 1BA	N/A	N/A	675	Market	\$1,053	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	822	Market	\$1,052	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	963	Market	\$1,148	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	976	Market	\$980	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	997	Market	\$1,335	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,097	Market	\$1,335	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,140	Market	\$1,338	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,447	Market	\$1,565	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,523	Market	\$1,733	N/A	No	N/A	N/A
<u>300</u>												17	5.7%	
7	Preston Creek Apartments 100 Preston Creek Drive Mcdonough, GA 30253 Henry County	2.2 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	18	5.4%	767	Market	\$1,238	N/A	No	N/A	N/A
					1BR / 1BA	18	5.4%	1,217	Market	\$1,412	N/A	No	N/A	N/A
					1BR / 1BA	18	5.4%	1,794	Market	\$1,522	N/A	No	N/A	N/A
					1.5BR / 1.5BA	32	9.6%	1,046	Market	\$1,539	N/A	No	N/A	N/A
					2BR / 2BA	92	27.5%	1,062	Market	\$1,324	N/A	No	N/A	N/A
					2BR / 2BA	92	27.5%	1,233	Market	\$1,746	N/A	No	N/A	N/A
					3BR / 2BA	32	9.6%	1,296	Market	\$1,526	N/A	No	N/A	N/A
					3BR / 2BA	32	9.6%	1,467	Market	\$1,911	N/A	No	N/A	N/A
<u>334</u>												20	6.0%	
8	Springs At Mcdonough 325 South Point Boulevard Mcdonough, GA 30253 Henry County	3.0 miles	Garden 2-stories 2017 / n/a Family	Market	0BR / 1BA	N/A	N/A	551	Market	\$1,043	N/A	No	N/A	N/A
					0BR / 1BA	N/A	N/A	660	Market	\$1,069	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	797	Market	\$1,218	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	828	Market	\$1,205	N/A	No	N/A	N/A
					1BR / 1BA	N/A	N/A	907	Market	\$1,225	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,088	Market	\$1,407	N/A	No	N/A	N/A
					2BR / 2BA	N/A	N/A	1,202	Market	\$1,398	N/A	No	N/A	N/A
					3BR / 2BA	N/A	N/A	1,430	Market	\$1,627	N/A	No	N/A	N/A
<u>268</u>												16	6.0%	
9	The Crossing At Mcdonough 100 Crossing Boulevard Mcdonough, GA 30253 Henry County	1.3 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	N/A	N/A	908	Market	\$1,015	N/A	No	3	N/A
					2BR / 2BA	N/A	N/A	1,152	Market	\$1,125	N/A	No	6	N/A
					3BR / 2BA	35	13.9%	1,390	Market	\$1,285	N/A	No	4	11.4%
					<u>252</u>									
10	Villas At South Point 1690 Highway 20 West Mcdonough, GA 30253 Henry County	3.2 miles	Garden 2-stories 2005 / n/a Family	Market	1BR / 1BA	N/A	N/A	675	Market	\$1,067	N/A	No	3	N/A
					1BR / 1BA	N/A	N/A	821	Market	\$1,083	N/A	No	2	N/A
					1BR / 1BA	N/A	N/A	1,004	Market	\$1,174	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	997	Market	\$1,378	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,165	Market	\$1,362	N/A	No	2	N/A
					2BR / 2BA	N/A	N/A	1,325	Market	\$1,455	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,450	Market	\$1,412	N/A	No	3	N/A
					3BR / 2BA	N/A	N/A	1,446	Market	\$1,546	N/A	No	1	N/A
3BR / 2BA	N/A	N/A	1,519	Market	\$1,596	N/A	No	0	N/A					
<u>284</u>												14	4.9%	
11	Woodlawn Park Apartments 150 Postmaster Drive Mcdonough, GA 30253 Henry County	0.5 miles	Garden 3-stories 2004 / n/a Family	Market	1BR / 1BA	80	32.8%	787	Market	\$985	N/A	No	N/A	N/A
					2BR / 1BA	27	11.1%	951	Market	\$1,130	N/A	No	N/A	N/A
					2BR / 2BA	57	23.4%	1,059	Market	\$1,200	N/A	No	N/A	N/A
					3BR / 2BA	80	32.8%	1,271	Market	\$1,300	N/A	No	N/A	N/A
<u>244</u>												6	2.5%	

ADDENDUM E
Subject Floor Plans

PLOTTED: 6/1/2020 3:11:23 PM - DRAWING: P:\ADMIN\2018-076 MCDONOUGH, GA\PRELIM\2019 - PHASE 2\X-REF_PRELIM\05-28-20.DWG - PLOTTED BY: STEVE SMITH - COPYRIGHT 2020



SITE INFO

SITE IS CURRENTLY 27.95 +/- ACRES
 CURRENTLY ZONED RM-75
 288 APARTMENTS UNITS

576 PARKING SPACES REQUIRED
 @ 2 PER UNIT
 576 PARKING SPACES PROVIDED

UNIT MIX

1 BEDROOMS	36
2 BEDROOMS	132
3 BEDROOMS	120
288 TOTAL UNITS	

AMENITIES

1. COMMUNITY BUILDING
 2. EXTERIOR GATHERING AREA
 3. UNIT WASHER/DRYER HOOKUPS
 4. ON SITE LAUNDRY
 5. EQUIPPED PLAYGROUND
 6. EQUIPPED WALKING PATH W/ SITTING AREAS
 7. FURNISHED EXERCISE CENTER / FITNESS CENTER
 8. COVERED PAVILLION W/ PICNIC /BBQ FACILITIES
 9. LIGHTED PROJECT SIGN
- ADDITIONAL SITE AMENITIES:

10. DUMPSTER ENCLOSURE
11. CENTRALIZED MAIL CENTER
12. VEHICULAR ACCESS TO/FROM PUBLIC ROW
13. PAVED PEDESTRIAN WALK TO PUBLIC ROW

NOTES

- A. EXISTING EASEMENTS AND PROPOSED EASEMENTS
- B. TOPOGRAPHIC CONTOURS SHOWN ON SITE PLAN.
- C. LOCATION OF WETLANDS AND PERENNIAL STREAM WITH REQUIRED BUFFERS SHOWN ON SITE PLAN.
- D. USE OF ALL ADJACENT PROPERTIES CLEARLY DEFINED GRAPHICALLY AND IN WRITTEN FORM ON THE SITE PLAN. SEE CSP2 & CSP3
- E. ZONING SETBACK AND RESTRICTIONS GRAPHICALLY INDICATED ON THE SITE PLAN.
- F. INDICATION OF ALL EXISTING STRUCTURES, TANKS, SLABS, AND ANY OTHER IMPROVEMENTS EXISTING ON THE PROPERTY IS SHOWN ON THE SITE PLAN. ALL THAT ARE NOT IDENTIFIED AT THIS TIME SHALL BE REMOVED PRIOR TO CONSTRUCTION.
- G. INDICATION OF THE ENTRANCE ACCESS TO THE PROPERTY AND A LAYOUT OF ALL BUILDINGS, ROADS, PAVED PEDESTRIAN WALKWAYS AND PARKING AREAS IS SHOWN ON THE SITE PLAN
- H. LOCATION OF ALL SITE AMENITIES INDICATED IN THE APPLICATION FORM IS SHOWN ON THE SITE PLAN.
- I. PRELIMINARY DEFINED AREAS OF TREE AND VEGETATION PRESERVATION ARE SHOWN.
- J. ALL FRONT, REAR AND SIDEYARD SETBACKS AND BUFFERS SHOWN.

REVISIONS	5-29-20
PROJECT	2019-076
DATE	5-12-20
DRAWN BY / CHECKED BY	LEB

MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.
 215 CHURCH STREET SUITE 200 DECATUR GEORGIA 30030-3329 404-373-2800

MCDONOUGH FAMILY APARTMENTS
 MCDONOUGH, GA

MARA

CSPD3

NOT RELEASED FOR CONSTRUCTION