



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Farmington Hills III Apartments

Winder, Barrow County, Georgia

Prepared for:

TBG Residential

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Site Inspection: July 14, 2020



1905 Woodstock Road ■ Building 900, Suite 9100 ■ Roswell, Georgia 30075 ■ 770.517.2666 ■ Fax 866.243.5057

10400 Little Patuxent Parkway ■ Suite 450 ■ Columbia, Maryland 21044 ■ 410.772.1004 ■ Fax 866.243.5057



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1. EXECUTIVE SUMMARY

TBG Residential has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis of Farmington Hills III, the third phase of an affordable multi-family rental community in Winder, Barrow County, Georgia. Farmington Hills III will be newly constructed and financed in part with four percent Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). Farmington Hills III will offer 180 LIHTC rental units targeting households earning up to 40 percent, 60 percent, and 80 percent of the Area Median Income (AMI), adjusted for household size.

1. Project Description

- The subject site is on the north side of Haymon Morris Road, northeast of the second phase of Farmington Hills, roughly six miles southwest of downtown Winder, Barrow County, Georgia. Farmington Hills III will offer 180 newly constructed general occupancy LIHTC rental units targeting households earning up to 40 percent, 60 percent, and 80 percent of the Area Median Income (AMI). The first two phases of Farmington Hills combine for 144 units and were built in 2012-2014. The community is fully occupied with a waiting list of 8+ months.
- Farmington Hills III will target very low to moderate income renter households with a unit mix of 54 one-bedroom units (30 percent), 90 two-bedroom units (50 percent), and 36 three-bedroom units (20 percent). Farmington Hills III's one and two-bedroom units will primarily target singles, couples (both young professionals and empty nesters), and roommates while the three-bedroom units will primarily target larger households including those with children.
- A detailed summary of the newly constructed subject property, including the rent and unit configuration, is shown in the table below. Although Farmington Hills III will accept Housing Choice Vouchers (HCV), it does not have project based rental assistance.

Unit Mix/Rents								
Type	Bed	Bath	Income Target	#	Heated Sq. Feet	Net Rent	Utility Allowance	Gross Rent
LIHTC	1	1	40%	18	800	\$515	\$105	\$620
LIHTC	1	1	60%	18	800	\$820	\$105	\$925
LIHTC	1	1	80%	18	800	\$969	\$105	\$1,074
Subtotal				54	30.0%			
LIHTC	2	2	40%	30	1,000	\$616	\$129	\$745
LIHTC	2	2	60%	30	1,000	\$987	\$129	\$1,116
LIHTC	2	2	80%	30	1,000	\$1,104	\$129	\$1,233
Subtotal				90	50.0%			
LIHTC	3	2	40%	12	1,200	\$697	\$163	\$860
LIHTC	3	2	60%	12	1,200	\$1,122	\$163	\$1,285
LIHTC	3	2	80%	12	1,200	\$1,387	\$163	\$1,550
Subtotal				36	20.0%			
Total			57.8%	180				

Rents include: trash removal

Source: TBG Residential

- Farmington Hills III will offer a dishwasher, range/oven, refrigerator, microwave, ceiling fans, and washer and dryer connections which is comparable to the surveyed LIHTC communities including The Exchange which offers both LIHTC and market rate units. The subject property's



unit features will be superior to most of the market rate communities given only one of five of these communities offer a microwave. The proposed unit features will be competitive in the market among both LIHTC and market rate communities.

- Farmington Hills III will offer a clubhouse/community room, fitness center, swimming pool, playground, business/computer center, and laundry facilities which is comparable to the existing LIHTC communities in the market area including The Exchange which offers the highest-priced market rate units in the market area. The proposed amenities are far superior to those at the older market rate communities, most of which offer no amenities. The subject's amenities will be competitive with the LIHTC communities and will result in a competitive advantage compared to existing market rate communities in the market area.

2. Site Description / Evaluation

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, employers, and transportation arteries.

- The subject site is generally flat and is primarily cleared with wooded land along the perimeter of the site; a single-family home is in the northern portion of the site and will be moved prior to development.
- The subject site is on the north side of Haymon Morris Road, adjacent to the second phase of Farmington Hills. Surrounding land uses are compatible with affordable rental housing including primarily well-maintained single-family detached homes and the first two phases of the subject property. The subject's designated schools are grouped within one mile to the west of the site and a concentration of commercial uses including Barrow Crossing (shopping destination) are within one mile to the east.
- The overall Farmington Hills development has visibility from Haymon Morris Road. The first two phases of the subject property are fully occupied indicating sufficient visibility. The site is within one-half mile of State Highway 316/U.S. Highway 29 which connects the site to the region including Athens to the east and the Atlanta Metro Area to the west. State Highway 81 is just east of the site and provides access to downtown Winder roughly five miles to the north while Interstate 85 is within 15 miles north of the site and Interstate 20 is roughly 28 miles to the south.
- The positive aspects of the site are proximity to traffic arteries, neighborhood services, and convenient access to employment; RPRG did not identify any negative attributes.
- Neighborhood amenities are convenient to the site including shopping, a convenience store, a grocery store, a pharmacy, and schools within one mile while medical facilities and additional shopping opportunities are within 2.5 miles. Barrow Crossing offers retailers including Target, TJ Maxx, PetSmart, and Belk within one mile.
- The subject site's CrimeRisk is above the national average (100). This crime risk is comparable to the crime risk of nearly all surveyed comparable communities in the market area. Furthermore, the first two phases of the subject property are fully occupied with a waiting list. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.
- The subject site is suitable for the proposed development. RPRG did not identify any negative land uses that would affect the proposed development's viability in the marketplace.

3. Market Area Definition

- The Farmington Hills Market Area consists of census tracts in central Barrow County (including all or portions of Winder, Bethlehem, and Auburn) and one tract in eastern Gwinnett County



(including a portion of Dacula). The Farmington Hills Market Area focuses on the portions of Barrow and Gwinnett Counties that are most comparable to the immediate area surrounding the subject site and is focused on the State Highway 316/U.S. Highway 29 corridor. State Highway 316 roughly bisects the market area from east to west while State Highway 11 connects the site to Winder to the north and several other state highways provide additional connectivity. The Farmington Hills Market Area includes the most comparable multi-family rental communities and residents of these areas would likely consider the subject site as an acceptable shelter location. Residents along the State Highway 316 corridor would likely consider the subject site for rental housing given convenient access to employment in the region. The market area is bound to north and south by county lines and does not extend further east due to distance. The tract in Gwinnett County is included due to convenient access via State Highway 316.

- The boundaries of the Farmington Hills Market Area and their approximate distance from the subject site are Jackson County to the north (8.0 mile), Bowman Mill Road SE / Hog Mountain Road to the east (7.0 miles), Walton County to the south (3.6 miles), and Alcovy River to the west (9.1 miles).

4. Community Demographic Data

- The Farmington Hills Market Area grew significantly from 2000 to 2010; growth slowed but remained strong from 2010 to 2020. Growth is expected to remain strong over the next two years.
- The Farmington Hills Market Area added 21,967 net people (52.5 percent) and 6,757 households (45.8 percent) from 2000 to 2010; annual growth was 2,197 people (4.3 percent) and 676 households (3.8 percent) over this period. Annual growth over the past 10 years was 1,718 people (2.4 percent) and 556 households (2.3 percent), reaching 80,988 people and 27,055 households in 2020.
- Annual growth in the Farmington Hills Market Area is expected to remain strong from 2020 to 2022 at 1,736 people (2.1 percent) and 567 households (2.1 percent).
- The median age of the Farmington Hills Market Area's population is 35 years with Adults ages 35 to 61 representing the largest population age cohort in the market area at 35.6 percent while 29.0 percent of the population are Children/Youth under 20 years old. Young Adults ages 20 to 34 comprise 20.3 percent of the Farmington Hills Market Area's population while Seniors ages 62 and older account for 15.1 percent.
- Approximately 82 percent of Farmington Hills Market Area households were multi-person households including 45.0 percent of households with children. Single-person households accounted for 17.9 percent of Farmington Hills Market Area households.
- Roughly 23 percent of households in the Farmington Hills Market Area rent in 2020 compared to 27.4 percent in the Bi-County Market Area. The market area added 2,878 net renter households over the past 20 years accounting for 23.4 percent of net household growth. Esri projects renter households to account for 19.0 percent of net household growth over the next two years with the net addition of 215 renter households.
- The Farmington Hills Market Area includes a range of renter households by size with 46.0 percent having one or two people, 34.9 percent having three or four people, and 19.0 percent having five people.
- The 2020 median household income in the Farmington Hills Market Area is \$66,718 which is similar to the \$67,083 median in the Bi-County Market Area. RPRG estimates that the median income of renter households in the Farmington Hills Market Area is \$47,083. One-third of



renter households in the Farmington Hills Market Area earn less than \$35,000 including 22.7 percent earning less than \$25,000 while 37.2 percent earn moderate incomes of \$35,000 to \$74,999.

- Foreclosures and abandoned homes are not expected to impact the demand for the subject property or its ability to achieve and maintain stabilized occupancy.

5. Economic Data

Barrow County's economy is performing well with job growth in seven of the past eight years and a decreasing unemployment rate that is lower than the state rate.

- The county's unemployment rate dropped in each of the past nine years to a low 2.8 percent in 2019 which is below both state (3.4 percent) and national (3.7 percent) rates. Barrow County's unemployment rate has been below the state rate since 2011.
- Barrow County added jobs in seven of the past eight years with the net addition of 5,486 jobs since 2012, roughly 2.7 times the jobs lost during the recession-era (2008-2011), reaching an all-time high At-Place Employment in 2019. The county added an annual average of 804 jobs over the past three years.
- Trade-Transportation-Utilities is the largest sector in the county by far accounting for 32.9 percent of jobs compared to 18.6 percent of jobs nationally. The Government, Manufacturing, Education-Health, and Leisure-Hospitality sectors each account for roughly 10-15 percent of the county's jobs.
- Commuting data suggests that the residents of the Farmington Hills Market Area work throughout the region with more than half of workers employed outside their county of residence.
- RPRG did not identify any major job expansions or contractions in Barrow County over the past two years.
- Barrow County's economy is performing well with job growth in seven of the past eight years and a decreasing unemployment rate that is below state and national levels. These factors will continue to have a positive impact on housing demand in the county. Available economic data do not reflect the impact of the ongoing and evolving COVID-19 related business closures. The county has had significant job growth since the previous national economic downturn in the late 2000's.

6. Project Specific Affordability and Demand Analysis:

- Farmington Hills III will contain 180 LIHTC units reserved for households earning at or below 40 percent, 60 percent, or 80 percent of the Area Median Income (AMI).
- The proposed units at 40 percent AMI will target renter householders earning from \$21,257 to \$35,760. The 60 proposed units at 40 percent AMI would need to capture 5.6 percent of the 1,070 income-qualified renter households to lease-up.
- The proposed units at 60 percent AMI will target renter householders earning from \$31,714 to \$53,640. The 60 proposed units at 60 percent AMI would need to capture 3.5 percent of the 1,716 income-qualified renter households to lease-up.
- The proposed units at 80 percent AMI will target renter householders earning from \$36,823 to \$71,520. The 60 proposed units at 80 percent AMI would need to capture 2.9 percent of the 2,101 income-qualified renter households to lease-up.



- All affordability capture rates are acceptable indicating sufficient income-qualified households will exist in the market area to support the proposed units at Farmington Hills III.
- DCA demand capture rates for the subject property are 13.3 percent for the 40 percent AMI units, 10.5 percent for the 60 percent AMI units, 6.8 percent for the 80 percent AMI units, and the project's overall capture rate is 14.7 percent. Farmington Hills III's capture rates by floor plan within each income target range from 3.3 percent to 24.8 percent and the capture rates by floor plan are 5.8 for all one-bedroom units, 13.5 percent for all two-bedroom units, and 8.6 percent for all three-bedroom units.
- All demand capture rates are well within acceptable levels indicating sufficient demand in the market area to support the proposed subject property and the comparable pipeline DCA community.

7. Competitive Rental Analysis

RPRG surveyed seven multi-family rental communities in the Farmington Hills Market Area including two LIHTC communities. The rental market is performing well with limited vacancies including at LIHTC communities.

- The surveyed communities range in size from nine to 144 units and average 77 units. The two LIHTC communities are the largest surveyed communities with 130 units (The Exchange) and 144 units (Farmington Hills) while the market rate communities range from nine to 102 units.
- The surveyed communities have nine vacancies among 539 combined units for an aggregate vacancy rate of 1.7 percent. Five of seven communities are fully occupied including the first two phases of the subject property (Farmington Hills – LIHTC). The remaining LIHTC community (The Exchange) has five vacancies among 130 units for a vacancy rate of 3.8 percent.
- The Exchange (mixed-income LIHTC community) opened in January 2018 and leased all 130 units by August 2018 for an average monthly absorption of 18.6 units.
- Among the surveyed communities, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents average \$751 per month. The average one-bedroom unit size is 801 square feet, resulting in a net rent per square foot of \$0.94.
 - **Two-bedroom** effective rents average \$845 per month. The average two-bedroom unit size is 1,078 square feet, resulting in a net rent per square foot of \$0.78.
 - **Three-bedroom** effective rents average \$1,056 per month. The average three-bedroom unit size is 1,318 square feet, resulting in a net rent per square foot of \$0.80.

Sixty percent AMI LIHTC rents at both LIHTC communities are among the existing market rate rents in the market area and the market rate rents at The Exchange (mixed-income LIHTC community) are the highest rents in the market area by a wide margin.

- The “average market rent” is \$970 for one-bedroom units, \$1,105 for two-bedroom units, and \$1,450 for three-bedroom units. The proposed 40 percent AMI rents have rent advantages of at least 79 percent and the proposed 60 percent AMI rents have rent advantages of at least 12.0 percent. All proposed 80 percent AMI rents are below average market rents. The project's overall weighted average rent advantage is 35.4 percent.



- One comparable general occupancy LIHTC community was identified as proposed (River’s Edge) in the Farmington Hills Market Area. River’s Edge recently applied for four percent tax credits for 156 units targeting households earning up to 60 percent AMI just inside the market area in the Dacula area. This community will be directly comparable to the subject property. One age restricted LIHTC community (Wimberly Manor) received an allocation of nine percent tax credits for 73 units in Winder but this community will not be comparable to the subject property given a difference in age targeting.

8. Absorption/Stabilization Estimate

- Based on the product to be constructed and the factors discussed through the report, we expect Farmington Hills III units to lease-up at a rate of 18 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within roughly nine to 10 months.
- Given the strong rental market in the Farmington Hills Market Area (including a waiting list at the first phases of the subject property) and the projected renter household growth over the next two years, we do not expect Farmington Hills III to have a negative impact on existing or proposed rental communities in the Farmington Hills Market Area including those with tax credits.

9. Overall Conclusion / Recommendation

Based on projected household growth trends, affordability and demand estimates, rental market conditions, and socio-economic and demographic characteristics of the Farmington Hills Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market; the first two phases of the subject property are fully occupied with a waiting list. The subject property will be competitively positioned with existing rental communities in the Farmington Hills Market Area and the units will be well received by the target market.

This market study was completed based on the most recent available data, which does not reflect the potential impact of the COVID-19 pandemic on demographic and economic trends as well as housing demand. At this stage, we do not believe demand for affordable rental housing will be reduced in the long term due to economic losses related to COVID-19. Demand for rental housing, especially affordable housing, is projected to increase over the next several years.

We recommend proceeding with the project as planned.

DCA Summary Table:

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Demand	Supply	Net Demand	Capture Rate	Average Market Rent	Market Rents Band	Proposed Rents
40% AMI	\$21,257 - \$35,760											
One Bedroom Units		18	6.6%	182		182	0	182	9.9%	\$970	\$970	\$515
Two Bedroom Units		30	4.4%	121		121	0	121	24.8%	\$1,105	\$1,105	\$616
Three Bedroom Units		12	6.7%	185	54.0%	100	0	100	12.0%	\$1,450	\$1,450	\$697
60% AMI	\$31,714 - \$53,640											
One Bedroom Units		18	9.8%	271		271	72	199	9.0%	\$970	\$970	\$820
Two Bedroom Units		30	8.8%	243		243	72	171	17.6%	\$1,105	\$1,105	\$987
Three Bedroom Units		12	10.5%	290	54.0%	157	12	145	8.3%	\$1,450	\$1,450	\$1,122
80% AMI	\$36,823 - \$71,520											
One Bedroom Units		18	20.0%	550		550	0	550	3.3%	\$970	\$970	\$969
Two Bedroom Units		30	16.9%	466		466	0	466	6.4%	\$1,105	\$1,105	\$1,104
Three Bedroom Units		12	12.1%	334	54.0%	180	0	180	6.7%	\$1,450	\$1,450	\$1,387
By Bedroom												
One Bedroom Units		54	36.4%	1,003		1,003	72	931	5.8%			
Two Bedroom Units		90	26.8%	738		738	72	666	13.5%			
Three Bedroom Units		36	29.0%	800	54.0%	432	12	420	8.6%			
Project Total	\$21,257 - \$71,520											
40% AMI	\$21,257 - \$35,760	60	16.4%	452			0	452	13.3%			
60% AMI	\$31,714 - \$53,640	60	26.3%	725			156	569	10.5%			
80% AMI	\$36,823 - \$71,520	60	32.2%	887			0	887	6.8%			
Total Units	\$21,257 - \$71,520	180	50.1%	1,380			156	1,224	14.7%			



SUMMARY TABLE:			
Development Name:	Farmington Hills III Apartments	Total # Units:	180
Location:	Haymon Morris Road, Winder, Barrow County, GA	# LIHTC Units:	180
PMA Boundary:	North: Jackson County, East: Bowman Mill Road SE / Hog Mountain Road, South: Walton County, West: Alcovy River		
Farthest Boundary Distance to Subject:			9.1 miles

RENTAL HOUSING STOCK – (found on pages 11, 47, 51-52)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	539	9	98.3%
Market-Rate Housing	5	265	4	98.5%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC	2	274	5	98.2%
Stabilized Comps	7	539	9	98.3%
Properties in construction & lease up				

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
18	1	1	800	\$515	\$970	\$1.19	88.3%	\$970	\$1.19
18	1	1	800	\$820	\$970	\$1.19	18.3%	\$970	\$1.19
18	1	1	800	\$969	\$970	\$1.19	0.1%	\$970	\$1.19
30	2	2	1,000	\$616	\$1,105	\$1.00	79.4%	\$1,105	\$1.06
30	2	2	1,000	\$987	\$1,105	\$1.00	12.0%	\$1,105	\$1.06
30	2	2	1,000	\$1,104	\$1,105	\$1.00	0.1%	\$1,105	\$1.06
12	3	2	1,200	\$697	\$1,450	\$0.97	108.0%	\$1,450	\$1.09
12	3	2	1,200	\$1,122	\$1,450	\$0.97	29.2%	\$1,450	\$1.09
12	3	2	1,200	\$1,387	\$1,450	\$0.97	4.5%	\$1,450	\$1.09

NOTE: 70% or 80% unit designations are not allowed where 70% and 80% rents are at or above market rents.

CAPTURE RATES (found on page 43)						
Targeted Population	40% AMI	60% AMI	80% AMI			Overall
Capture Rate	13.3%	10.5%	6.8%			14.7%

2. INTRODUCTION

A. Overview of Subject

The subject of this report is Farmington Hills III, the third phase of an affordable multi-family rental community in Winder, Barrow County, Georgia. Farmington Hills III will be newly constructed and financed in part with four percent Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). Farmington Hills III will offer 180 LIHTC rental units targeting households earning up to 40 percent, 60 percent, and 80 percent of the Area Median Income (AMI), adjusted for household size.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis.

C. Format of Report

The report format is comprehensive and conforms to DCA's 2020 Market Study Manual. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is TBG Residential (Developer). Along with the Client, the Intended Users are DCA, potential lenders, and investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2020 Market Study Manual and Qualified Allocation Plan (QAP).
- The National Council of Housing Market Analysts' (NCHMA) Recommended Model Content.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 5 for a detailed list of DCA requirements as well as the corresponding pages of requirements within the report.
- Connor Hild (Research Associate) conducted a site visit on July 14, 2020. Tad Scepaniak (Managing Partner) visited the site for a prior market study.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Lydia Skeppstrom with the Winder Planning Department, Dan Shultz with the Barrow County Planning and Community Development Department, Susan Owen with the Gwinnett County Planning Department, Michelle Yawn with the Winder Housing Authority, and staff with the City of Dacula.



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

3. PROJECT DESCRIPTION

A. Project Overview

Farmington Hills III will border the existing Farmington Hills apartment community to the north, just south of U.S. Highway 29 (University Parkway) and roughly six miles southwest of downtown Winder, Barrow County. The overall Farmington Hills apartment development is on the north side of Haymon Morris Road within one-quarter mile west of Carl-Bethlehem Road. Farmington Hills III will offer 180 newly constructed general occupancy LIHTC rental units targeting households earning up to 40 percent, 60 percent, and 80 percent of the Area Median Income (AMI). The first two phases of Farmington Hills combine for 144 units and were built in 2012-2014. The community is fully occupied with a waiting list of 8+ months.

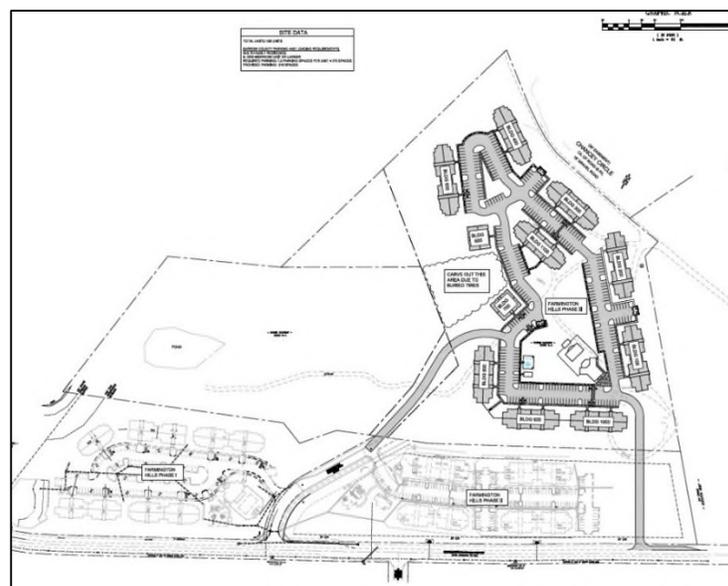
B. Project Type and Target Market

Farmington Hills III will target very low to moderate income renter households with a unit mix of 54 one-bedroom units (30 percent), 90 two-bedroom units (50 percent), and 36 three-bedroom units (20 percent). Farmington Hills III's one and two-bedroom units will primarily target singles, couples (both young professionals and empty nesters), and roommates while the three-bedroom units will primarily target larger households including those with children.

C. Building Types and Placement

Farmington Hills III's 180 rental units will be contained within 11 garden-style buildings with two or three stories and a mixture of brick and HardiPlank siding exteriors (Figure 1). The community will be accessible via the existing Farmington Hill entrance on Haymon Morris Road with an alternate entrance to the east on the same road. The community access road will form a loop with the residential buildings along the road and surface parking adjacent to each building; a smaller loop will be in the northern portion of the site. Community amenities will be in the southern portion of the site near the two entrances.

Figure 1 Site Plan



Source: TBG Residential



D. Detailed Project Description

1. Project Description

Farmington Hills III will offer 54 one-bedroom units, 90 two-bedroom units, and 36 three-bedroom units. Sixty units will target households earning up to 40 percent of the Area Median Income (AMI), 60 units will target 60 percent AMI, and 60 units will target 80 percent AMI (Table 1).

- One-bedroom units will have one bathroom and 800 square feet.
- Two-bedroom units will have two bathrooms and 1,000 square feet.
- Three-bedroom units will have two bathrooms and 1,200 square feet.
- The proposed rents will include the cost of trash removal. Tenants will bear the cost of all other utilities.
- Proposed unit features and community amenities are detailed in Table 2.

Table 1 Detailed Unit Mix and Rents, Farmington Hills III

Unit Mix/Rents								
Type	Bed	Bath	Income Target	#	Heated Sq. Feet	Net Rent	Utility Allowance	Gross Rent
LIHTC	1	1	40%	18	800	\$515	\$105	\$620
LIHTC	1	1	60%	18	800	\$820	\$105	\$925
LIHTC	1	1	80%	18	800	\$969	\$105	\$1,074
Subtotal				54	30.0%			
LIHTC	2	2	40%	30	1,000	\$616	\$129	\$745
LIHTC	2	2	60%	30	1,000	\$987	\$129	\$1,116
LIHTC	2	2	80%	30	1,000	\$1,104	\$129	\$1,233
Subtotal				90	50.0%			
LIHTC	3	2	40%	12	1,200	\$697	\$163	\$860
LIHTC	3	2	60%	12	1,200	\$1,122	\$163	\$1,285
LIHTC	3	2	80%	12	1,200	\$1,387	\$163	\$1,550
Subtotal				36	20.0%			
Total			57.8%	180				

Rents include: trash removal

Source: TBG Residential

Table 2 Unit Features and Community Amenities

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Kitchens with stove/oven, refrigerator, dishwasher, and microwave. • Washer and dryer connections. • Ceiling fans. • Window blinds. • Central heating and air-conditioning. 	<ul style="list-style-type: none"> • Clubhouse/community room. • Fitness center. • Swimming pool. • Playground. • Picnic Pavilion. • Computer room. • Laundry facilities.



2. Other Proposed Uses

None.

3. Proposed Timing of Development

Farmington Hills III is expected to begin construction in February 2021 with first move-ins and construction completion in June 2022. The subject property's anticipated placed-in-service year is 2022 for the purposes of this report.

4. SITE EVALUATION

A. Site Analysis

1. Site Location

The subject site is on the north side of Haymon Morris Road, northeast of second phase of Farmington Hills, roughly six miles southwest of downtown Winder, Barrow County (Map 1). The site is within one-half mile south of State Highway 316 (University Highway) which is a major traffic artery in the region.

Map 1 Site Location



2. Existing and Proposed Uses

The subject site is generally flat and is primarily cleared with wooded land along the perimeter of the site; a single-family home is in the northern portion of the site and will be moved prior to development (Figure 2). Farmington Hills III will offer 180 general occupancy apartments.

Figure 2 Views of Subject Site



Site facing northeast from the current terminus of Farmington Hills's access road.



Site facing south.



Site facing northeast.



Site facing east.



Northern portion of the site facing west.

3. General Description of Land Uses Surrounding the Subject Site

The subject site is in a residential neighborhood just south of State Highway 316, a major traffic artery in the region. Well-maintained single-family detached homes are to the south and west while the first two phases of Farmington Hills Apartments border the site to the south and southwest (Figure 3). Tracts of undeveloped land are common within one-half mile of the site especially to the north and east. The Home Depot and several other commercial uses are within one-half mile southeast of the site while Apalachee High School, Haymon-Morris Middle School, and Yargo Elementary School are roughly one mile to the west. A small pocket of light industrial uses is north of State Highway 316 along Tucker Road.

Figure 3 Satellite Image of Subject Site



4. Land Uses Surrounding the Subject Site

Nearby land uses surrounding the subject site include (Figure 4):

- **North:** Single-family detached homes and State Highway 316.
- **East:** Undeveloped land and The Home Depot.
- **South:** Farmington Hills Phase II and single-family detached homes.
- **West:** Undeveloped land and single-family detached homes.



The Home Depot to the east.

Figure 4 Views of Surrounding Land Uses



Apalachee High School to the west.



Haymon Estates neighborhood to the west.



Ashbrook neighborhood to the south.



Farmington Hills Apartments to the south.



B. Neighborhood Analysis

1. General Description of Neighborhood

The site's neighborhood is primarily residential with well-maintained single-family detached homes the most common land use within several miles of the site. The two newest multi-family rental communities in the region (Farmington Hills and The Exchange) are within three miles of the site with the first two phases of Farmington Hills adjacent to the site. A concentration of commercial uses is along the State Highway 316 corridor to the east including much of the newest development in the area. Barrow Crossing which includes Publix, Belk, T.J. Maxx, Kirkland's, Five Below, and many other smaller retailers is roughly two miles east of the site on Carl-Bethlehem Road while much of the newest development in the area (including The Exchange Apartments (LIHTC), medical facilities, a hotel, and several restaurants) are on the north side of State Highway 316 along Exchange Boulevard within three miles east of the site.

2. Neighborhood Planning Activities

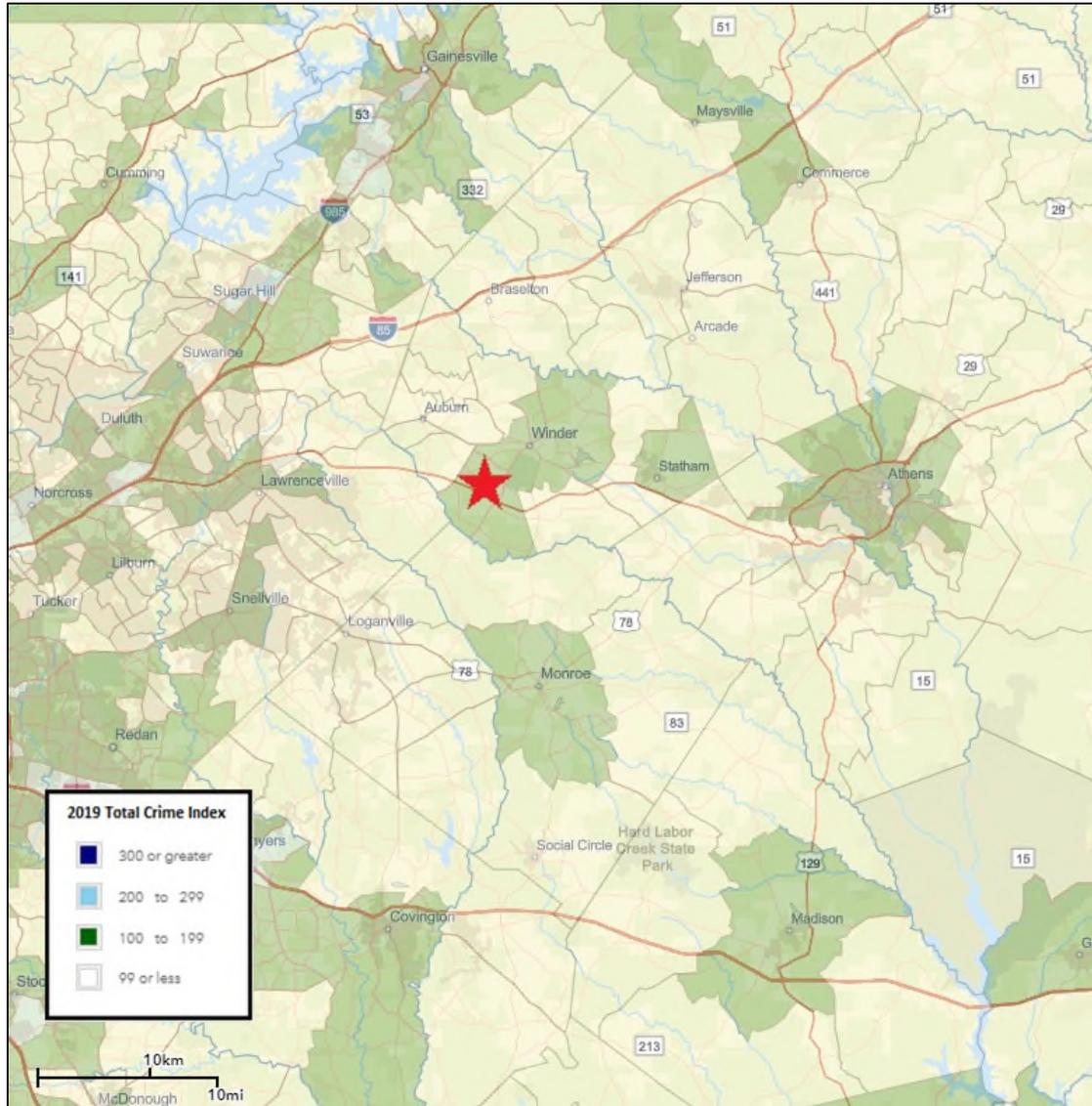
RPRG did not identify significant planning or redevelopment efforts in the subject site's immediate area. Several new for-sale single-family detached home neighborhoods are under construction within three miles of the site with homes generally priced in the \$200,000's.

3. Public Safety

CrimeRisk is a census tract level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. An index of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the census tract level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

The 2019 CrimeRisk Index for the census tracts in the general vicinity of the subject site are color coded with the site's census tract being green, indicating a crime risk (100 to 199) above the national average (100) (Map 2). This crime risk is comparable to the crime risk of nearly all surveyed comparable communities in the market area. Furthermore, the first two phases of the subject property are fully occupied with a waiting list. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Map 2 Crime Index Map



C. Site Visibility and Accessibility

1. Visibility

The overall Farmington Hills development has visibility from Haymon Morris Road which has light to moderate traffic. The first two phases of the subject property are fully occupied with a waiting list illustrating sufficient visibility.

2. Vehicular Access

Farmington Hills III will share an entrance with the first two phases of the subject property to the southwest on Haymon Morris Road with a secondary entrance in the southeast portion of the site. Haymon Morris Road has light to moderate traffic with sufficient breaks in traffic; RPRG does not anticipate problems with accessibility. Haymon Morris Road connects to Carl-Bethlehem Road one-tenth mile to the east which provides access to State Highway 316 within one-half mile north of the proposed entrance.



3. Availability of Public Transit

Barrow County does not offer public transportation.

4. Availability of Inter-Regional Transit

From a regional perspective, the site is within one-half mile of State Highway 316/U.S. Highway 29 which connects to Athens roughly 25 miles to the east and Interstate 85 roughly 20 miles to the west. Access to Interstate 85 is also within 13 miles north of the site via State Highway 211 while Interstate 20 is roughly 26 miles to the south via State Highway 11. Additional state and U.S. highways are within five miles of the site and Interstate 285 is roughly 30 miles to the west. These major thoroughfares connect the site to the region including Athens and the Atlanta Metro Area. Hartsfield-Jackson International Airport is roughly 52 miles southwest of the subject site in Atlanta.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Improvements along State Route 316 are ongoing that will transition the highway into a freeway-style corridor which is expected to improve traffic flow and reduce the number of accidents. State Route 316/U.S. Highway 29 is roughly one-half mile north of the site. The improvements extend from Gwinnett County to Oconee County and are expected to be completed by 2027.

Transit and Other Improvements under Construction and/or Planned

None.

6. Environmental Concerns

RPRG did not identify any visible environmental site concerns.

D. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part to its proximity to those facilities and services required daily. Key facilities and services and their distances from the subject site are listed in Table 3 and their locations are plotted on Map 3.

Table 3 Key Facilities and Services

Establishment	Type	Address	City	Driving Distance
Exxon	Convenience Store	925 Loganville Hwy.	Bethlehem	0.7 mile
Publix	Grocery	916 Loganville Hwy.	Bethlehem	0.8 mile
Target	General Retail / Grocery	916 Loganville Hwy.	Bethlehem	0.8 mile
Barrow Crossing	Shopping	916 Loganville Hwy.	Bethlehem	0.8 mile
CVS	Pharmacy	916 Loganville Hwy.	Bethlehem	0.8 mile
Apalachee High School	Public School	851 Haymon Morris Rd.	Winder	0.8 mile
Yargo Elementary School	Public School	1000 Haymon Morris Rd.	Winder	1 mile
Haymon-Morris Middle School	Public School	1008 Haymon Morris Rd.	Winder	1 mile
BP	Convenience Store	830 Loganville Hwy.	Bethlehem	1.2 miles
Piedmont Physicians	Doctor/Medical	340 Exchange Blvd	Bethlehem	1.7 miles
Barrow County Fire Department	Fire	1036 Carl-Bethlehem Rd.	Winder	1.8 miles
Dollar General	General Retail	1257 Loganville Hwy.	Bethlehem	1.9 miles
Northeast Georgia Physicians Group	Doctor/Medical	726 Exchange Blvd.	Bethlehem	2.5 miles
United States Postal Service	Post Office	820 Christmas Ave.	Bethlehem	3.7 miles
BB&T	Bank	43 S Broad St.	Winder	4.6 miles
Wells Fargo	Bank	25 E May St.	Winder	5 miles
Winder Police Department	Police	25 E Midland Ave.	Winder	5 miles
Winder Public Library	Library	189 Bellview St.	Winder	5.8 miles
NGMC Barrow	Hospital	316 N Broad St.	Winder	6.2 miles

Source: Field and Internet Research, RPRG, Inc.

2. Essential Services

Health Care

Northeast Georgia Medical Center Barrow is the closest major medical center at 6.2 miles northwest of the site near downtown Winder. This 56-bed hospital offers services including emergency medicine, surgery, imaging, stroke care, orthopedics, heart and vascular, and general medicine.

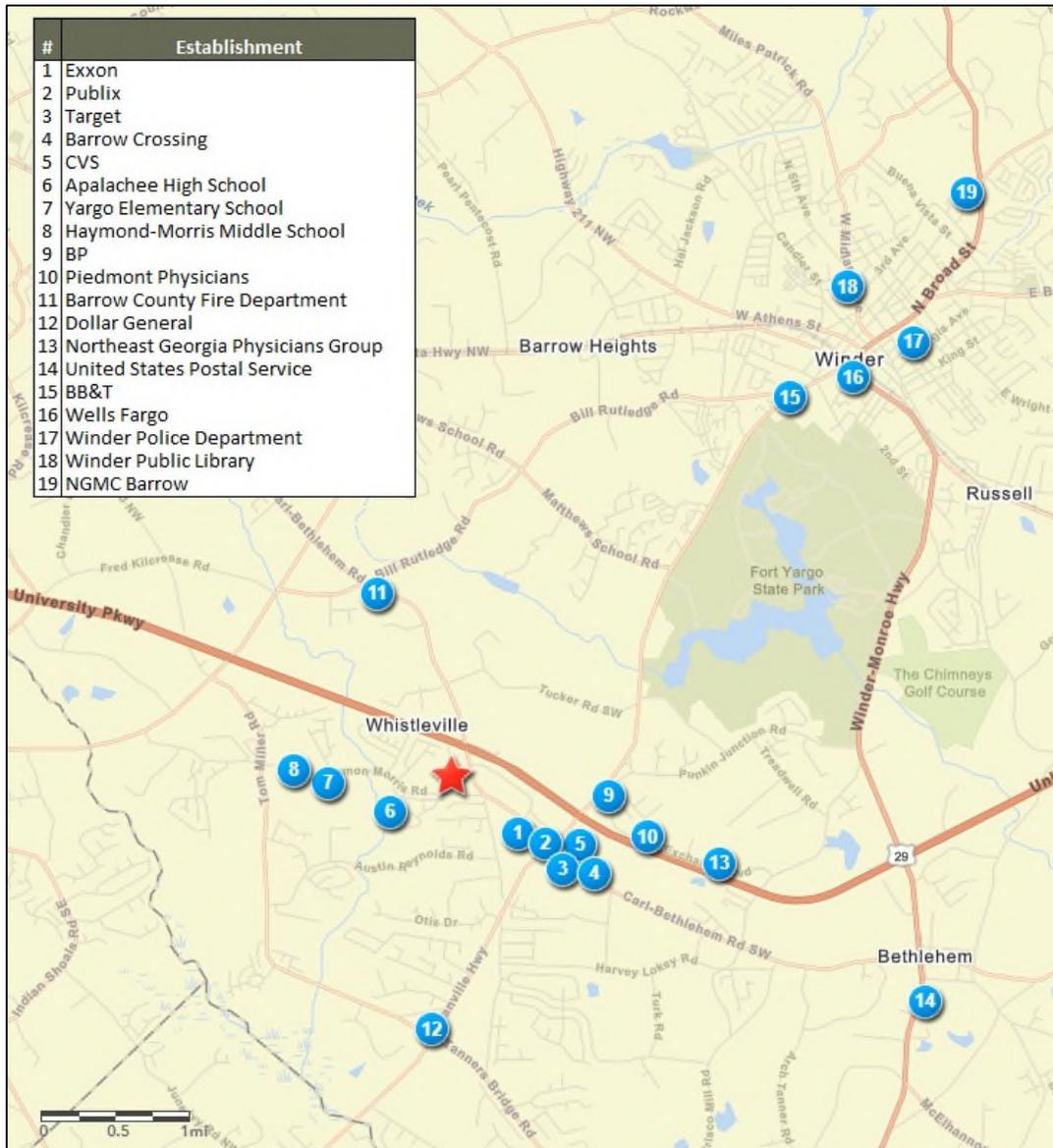
Piedmont Physicians and Northeast Georgia Physicians Group offer family medicine services within 2.5 miles east of the site along Exchange Boulevard.

Education

The Barrow County School System serves the site and has 16 learning sites with an enrollment of roughly 14,400 students. School age children residing at the subject property will attend Yargo Elementary School (1.0 mile), Haymon-Morris Middle School (1.0 mile), and Apalachee High School (0.8 mile).

The University of Georgia with an enrollment of nearly 40,000 students is roughly 26 miles east of the site via U.S. Highway 29 while the Atlanta Metro Area is home to many colleges and universities within 30 miles of west and southwest of the site.

Map 3 Location of Key Facilities and Services



3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

A convenience store (Exxon), a grocery store (Publix), Target (grocery), and a pharmacy are within one mile of the site at or near Barrow Crossing (shopping destination) on Carl-Bethlehem Road. An additional convenience store (BP) is 1.2 miles from the site on Loganville Highway while two banks (BB&T and Wells Fargo) are roughly five miles to the northeast near downtown Winder.



Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop.

Barrow Crossing is an outdoor shopping destination less than one mile east of the site and includes Target, Publix, Hibbett Sports, PetSmart, Belk, TJ Maxx, Kirkland’s, Famous Footwear, Five Below, and many smaller retailers. The Home Depot is roughly one-half mile east of the site on Carl-Bethlehem Road.

4. Location of Low Income Housing

A list and map of existing low-income housing in the Farmington Hills Market Area are provided in the Existing Low Income Rental Housing section of this report, starting on page 53.

E. Site Conclusion

The subject site is in a growing exurban neighborhood with convenient access to State Highway 316/U.S. Highway 29 which is one of the region’s primary thoroughfares connecting the site to employment. The site is within one mile of neighborhood amenities at Barrow Crossing including shopping, a grocery store, a pharmacy, a convenience store, and restaurants. Residential uses are the most common land use within three miles of the site including the two newest multi-family rental communities in Barrow County (The Exchange and Farmington), both LIHTC communities. The site will appeal to households living and working throughout the region.



5. MARKET AREA

A. Introduction

The primary market area for Farmington Hills III is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities and dynamics of the local rental housing marketplace.

B. Delineation of Market Area

The Farmington Hills Market Area consists of census tracts in central Barrow County (including all or portions of Winder, Bethlehem, and Auburn) and one tract in eastern Gwinnett County (including a portion of Dacula) (Map 4). The Farmington Hills Market Area focuses on the portions of Barrow and Gwinnett Counties that are most comparable to the immediate area surrounding the subject site and is focused on the State Highway 316/U.S. Highway 29 corridor. State Highway 316 roughly bisects the market area from east to west while State Highway 11 connects the site to Winder to the north and several other state highways provide additional connectivity. The Farmington Hills Market Area includes the most comparable multi-family rental communities and residents of these areas would likely consider the subject site as an acceptable shelter location. Residents along the State Highway 316 corridor would likely consider the subject site for rental housing given convenient access to employment in the region. The market area is bound to north and south by county lines and does not extend further east due to distance. The tract in Gwinnett County is included due to convenient access via State Highway 316.

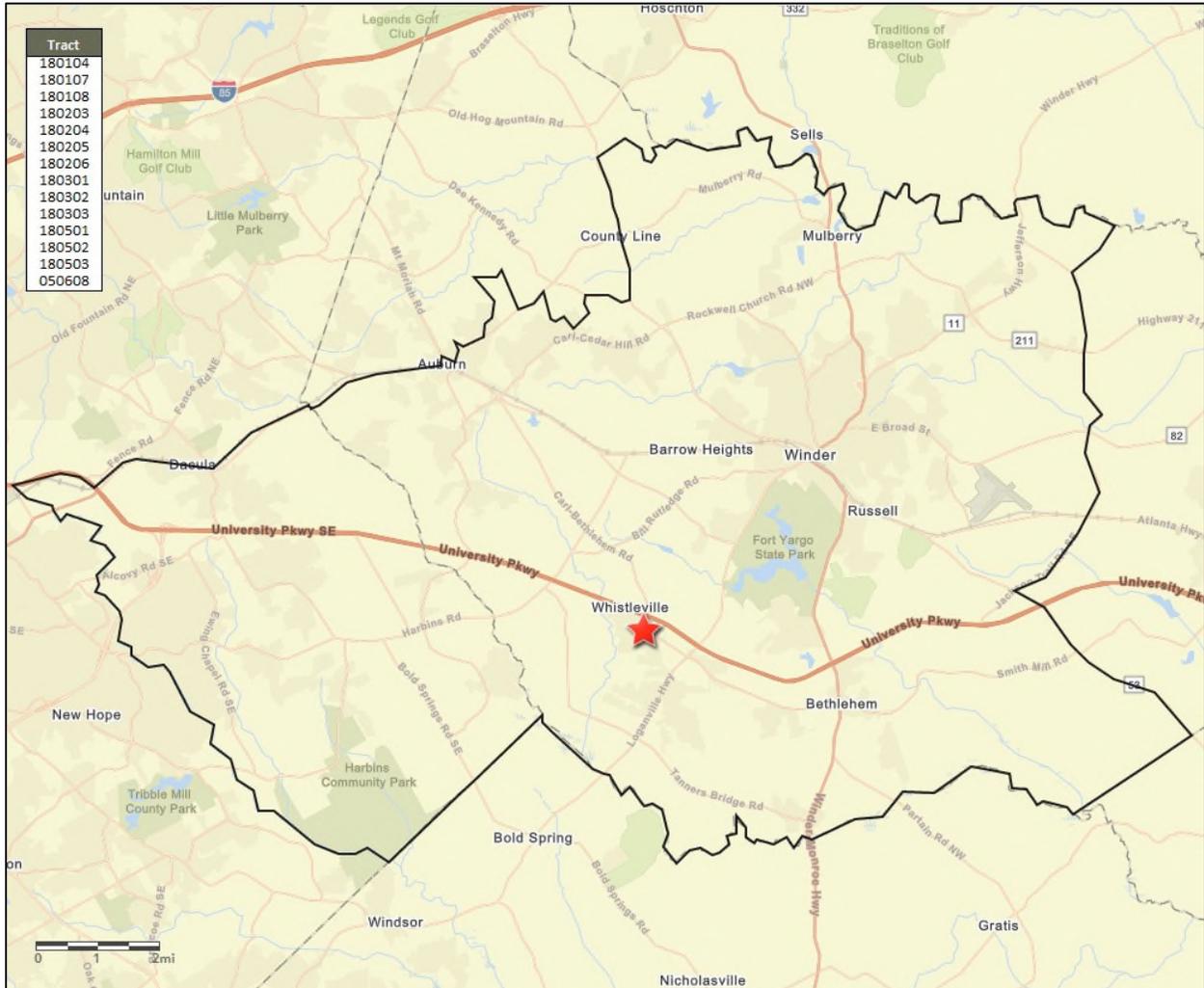
The boundaries of the Farmington Hills Market Area and their approximate distance from the subject site are:

North: Jackson County	(8.0 miles)
East: Bowman Mill Road SE / Hog Mountain Road	(7.0 miles)
South: Walton County	(3.6 miles)
West: Alcovy River	(9.1 miles)

The Farmington Hills Market Area is compared to a Bi-County Market Area comprising Barrow and Walton counties, which is presented as a secondary market area for demographic purposes. Demand estimates are based only on the Farmington Hills Market Area.



Map 4 Farmington Hills Market Area



6. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Farmington Hills Market Area and Bi-County Market Area using several sources. For small area estimates, we examined projections of population and households prepared by Esri, a national data vendor. We compared and evaluated data in the context of decennial U.S. Census data from 2000 and 2010 as well as building permit trend information. Demographic data is presented for 2010, 2020, and 2022 per DCA's 2020 Market Study Guide.

Esri recently released estimates and projections for 2020 and 2025. Although we believe it is too early to quantify the impacts of the pandemic definitively, the most likely changes will be slower household growth in at least the short term, a high propensity to rent, and likely a decrease in income. The demographic projections have not been altered, but RPRG will discuss the impact of these potential changes as they relate to housing demand in the conclusions of this report.

B. Trends in Population and Households

1. Recent Past Trends

The Farmington Hills Market Area grew significantly from 2000 to 2010 with the net addition of 21,967 people (52.5 percent) and 6,757 households (45.8 percent) between 2000 and 2010 Census counts (Table 4). On an annual basis, the Farmington Hills Market Area added 2,197 people (4.3 percent) and 676 households (3.8 percent) over this period. During the same period, the Bi-County Market Area's population and household base grew slower on a percentage basis with net growth of 43.3 percent among population and 42.2 percent among households.

Esri estimates that growth slowed but remained strong from 2010 to 2020 in the Farmington Hills Market Area with the net addition of 17,176 people (26.9 percent) and 5,557 households (25.8 percent) over the past 10 years; annual growth was 1,718 people (2.4 percent) and 556 households (2.3 percent) over this period. Growth in the Bi-County Market Area remained slower on a percentage basis from 2010 to 2020 with net growth of 18.4 percent among both population and households.

2. Projected Trends

Esri projects growth in the Farmington Hills Market Area to remain strong with the annual addition of 1,736 people (2.1 percent) and 567 households (2.1 percent) from 2020 to 2022. The Farmington Hills Market Area is expected to reach 84,459 people and 28,189 households by 2022.

The Bi-County Market Area's annual growth rate among population and households from 2020 to 2022 are projected to be slower on a percentage basis when compared to the Farmington Hills Market Area at 1.7 percent.

The average household size in the Farmington Hills Market Area of 2.98 persons per household in 2020 is expected to increase slightly to 2.99 persons in 2022 (Table 5).

3. Building Permit Trends

Permitted units in the Bi-County Market Area increased each year from a recession-era low of 107 in 2010 to 1,520 permitted units in 2019. An annual average of 1,427 units were permitted over the past three years compared to an average of 815 permitted units per year from 2014-2016, a 75 percent increase (Table 6).



Single-family detached homes accounted for the vast majority (93 percent) of permitted units in the Bi-County Market Area over the past 11 years while multi-family structures with five or more units accounted for six percent. One percent of permitted units were in structures with three to four units over this period.

Table 4 Population and Household Projections

		Bi-County Market Area				Farmington Hills Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	106,831					41,845				
2010	153,135	46,304	43.3%	4,630	3.7%	63,812	21,967	52.5%	2,197	4.3%
2020	181,362	28,227	18.4%	2,823	1.7%	80,988	17,176	26.9%	1,718	2.4%
2022	187,496	6,134	3.4%	3,067	1.7%	84,459	3,471	4.3%	1,736	2.1%

		Bi-County Market Area				Farmington Hills Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	37,661					14,741				
2010	53,554	15,893	42.2%	1,589	3.6%	21,498	6,757	45.8%	676	3.8%
2020	63,390	9,836	18.4%	984	1.7%	27,055	5,557	25.8%	556	2.3%
2022	65,537	2,147	3.4%	1,073	1.7%	28,189	1,134	4.2%	567	2.1%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

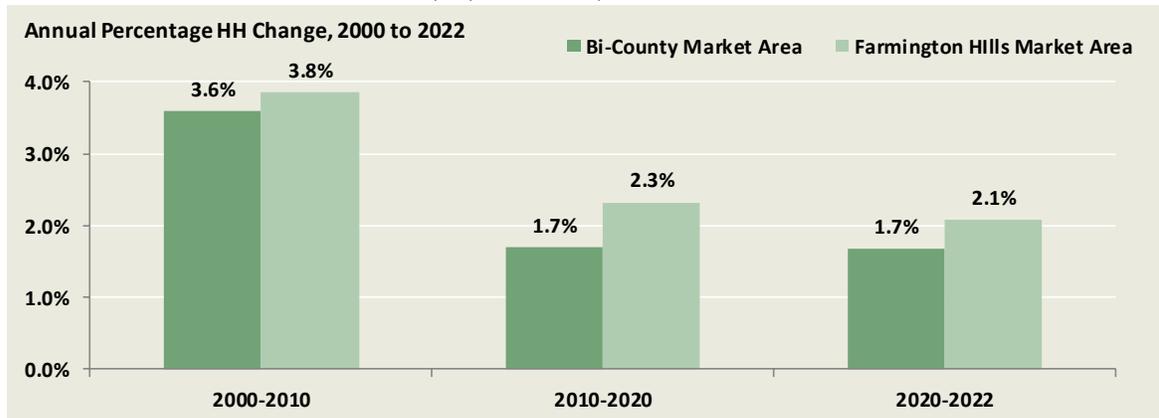


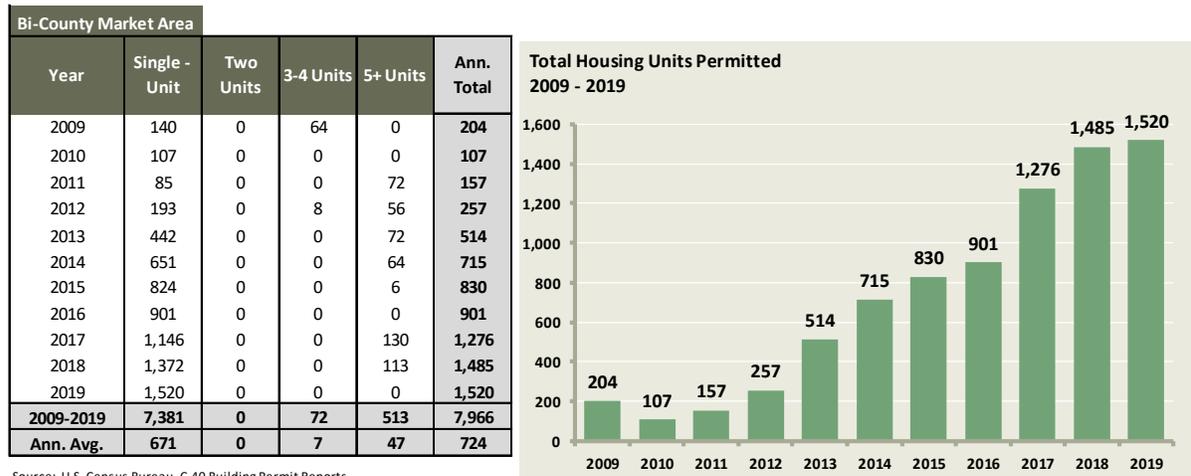
Table 5 Persons per Household, Farmington Hills Market Area

Average Household Size			
Year	2010	2020	2022
Population	63,812	80,988	84,459
Group Quarters	243	364	298
Households	21,498	27,055	28,189
Avg. HH Size	2.96	2.98	2.99

Source: 2010 Census; Esri; and RPRG, Inc.



Table 6 Building Permits by Structure Type, Bi-County Market Area



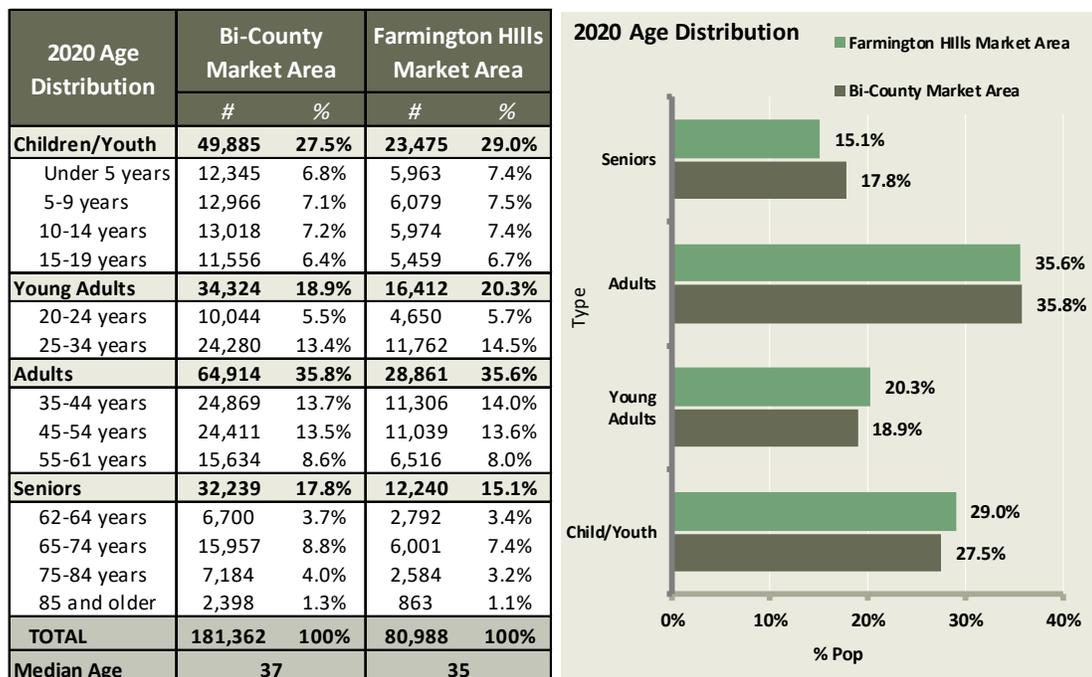
Source: U.S. Census Bureau, C-40 Building Permit Reports.

C. Demographic Characteristics

1. Age Distribution and Household Type

The population of the Farmington Hills Market Area is younger than the Bi-County Market Area’s with median ages of 35 and 37, respectively (Table 7). The Farmington Hills Market Area has large proportions of Adults ages 35 to 61 (35.6 percent) and Children/Youth under 20 years old (29.0 percent) while Young Adults ages 20 to 34 account for 20.3 percent of the population. Seniors ages 62+ account for 15.1 percent of the population. The Bi-County Market Area has a larger proportion of people ages 35 and older when compared to the Farmington Hills Market Area (53.6 percent versus 50.7 percent).

Table 7 Age Distribution



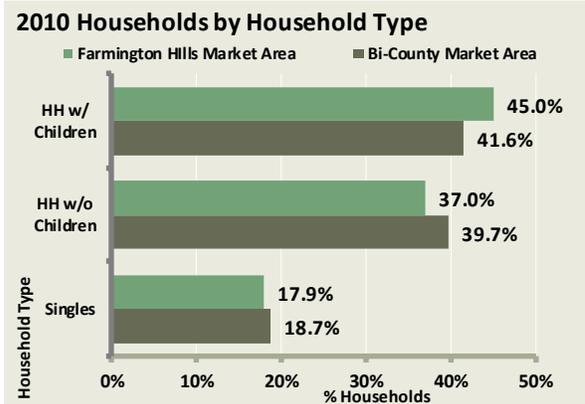
Source: Esri; RPRG, Inc.



Multi-person households accounted for 82.1 percent of Farmington Hills Market Area households. Households with children were the most common household type accounting for 45.0 percent of Farmington Hills Market Area households while multi-person households without children accounted for 37.0 percent (Table 8). Single-person households were the least common household type in the Farmington Hills Market Area at 17.9 percent. The Bi-County Market Area had a smaller proportion of households with children when compared to the Farmington Hills Market Area (41.6 percent versus 45.0 percent) while it had a larger proportion of single-person households and multi-person households without children.

Table 8 Households by Household Type

2010 Households by Household Type	Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%
Married w/Children	15,406	28.8%	6,883	32.0%
Other w/ Children	6,850	12.8%	2,801	13.0%
Households w/ Children	22,256	41.6%	9,684	45.0%
Married w/o Children	15,546	29.0%	5,578	25.9%
Other Family w/o Children	3,528	6.6%	1,414	6.6%
Non-Family w/o Children	2,198	4.1%	964	4.5%
Households w/o Children	21,272	39.7%	7,956	37.0%
Singles	10,026	18.7%	3,858	17.9%
Total	53,554	100%	21,498	100%



Source: 2010 Census; RPRG, Inc.

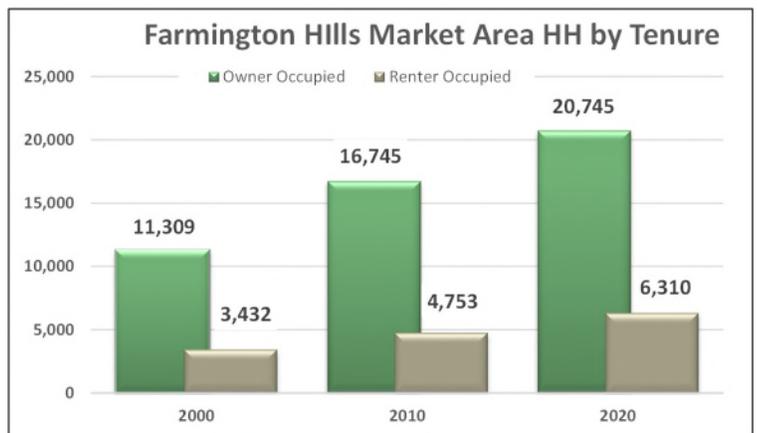
2. Household Trends by Tenure

a. Recent Past Trends

The number of renter households in the Farmington Hills Market Area nearly doubled over the past 20 years from 3,432 in 2000 to 6,310 in 2020 for a net increase of 2,878 renter households or 83.9 percent¹ (Figure 5); the Farmington Hills Market Area added 144 renter households per year over the past 20 years. By comparison, the Farmington Hills Market Area added 9,436 net owner households from 2000 to 2020 (annual growth of 472 owner households).

Figure 5 Farmington Hills Market Area Households by Tenure 2000 to 2020

The Farmington Hills Market Area’s renter percentage of 23.3 percent in 2020 is lower than the Bi-County Market Area’s 27.4 percent (Table 9). The Farmington Hills Market Area’s annual average household growth by tenure over the past 20 years was 144 renter households (3.1 percent) and 472 owner households (3.1 percent). The blue shaded columns in Table 9 quantifies the market area’s net growth over the past 20 years;



renter households accounted for 23.4 percent of net households growth in the Farmington Hills

¹ Based on change from 2000 to 2010 Census counts and Esri’s 2019 Estimate

Market Area from 2000 to 2020 which is similar to the 2020 renter percentage (23.3 percent). Renter households contributed 32.5 percent of the Bi-County Market Area's net household growth since 2000.

Table 9 Households by Tenure, 2000-2020

Bi-County Market Area	2000		2010		2020		Change 2000-2020				% of Change 2000 - 2020
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	28,652	76.1%	40,825	76.2%	46,010	72.6%	17,358	60.6%	868	2.4%	67.5%
Renter Occupied	9,009	23.9%	12,729	23.8%	17,380	27.4%	8,371	92.9%	419	3.3%	32.5%
Total Occupied	37,661	100%	53,554	100%	63,390	100%	25,729	68.3%	1,286	2.6%	100%
Total Vacant	2,143		5,281		4,718						
TOTAL UNITS	39,804		58,835		68,108						

Farmington Hills Market Area	2000		2010		2020		Change 2000-2020				% of Change 2000 - 2020
							Total Change		Annual Change		
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	11,309	76.7%	16,745	77.9%	20,745	76.7%	9,436	83.4%	472	3.1%	76.6%
Renter Occupied	3,432	23.3%	4,753	22.1%	6,310	23.3%	2,878	83.9%	144	3.1%	23.4%
Total Occupied	14,741	100%	21,498	100%	27,055	100%	12,314	83.5%	616	3.1%	100%
Total Vacant	746		2,094		1,978						
TOTAL UNITS	15,487		23,592		29,033						

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

b. Projected Household Tenure Trends

Esri projects renter households will account for 19.0 percent of net household growth in the Farmington Hills Market Area over the next two years resulting in the addition of 215 net renter households from 2020 to 2022; annual growth is projected at 108 renter households over the next two years.

Table 10 Households by Tenure, 2020-2022

Farmington Hills Market Area	2020		2022 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
Housing Units	#	%	#	%	#	%	#	%
Owner Occupied	20,745	76.7%	21,663	76.9%	918	81.0%	459	2.2%
Renter Occupied	6,310	23.3%	6,525	23.1%	215	19.0%	108	1.7%
Total Occupied	27,055	100%	28,189	100%	1,134	100%	567	2.1%
Total Vacant	1,978		2,009					
TOTAL UNITS	29,033		30,197					

Source: Esri, RPRG, Inc.

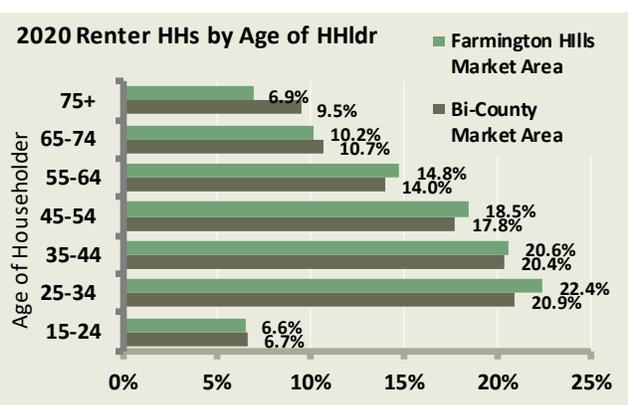
3. Renter Household Characteristics

Working age households (ages 25 to 54) form the core of renter households in the Farmington Hills Market Area at 61.5 percent of households including 42.8 percent ages 25 to 44. Roughly 32 percent of renter households are older adults and seniors ages 55 and older while young renter households ages 15 to 24 account for 6.6 percent of Farmington Hills Market Area renter households (Table 11). The Bi-County Market Area has a larger proportion of renter households ages 65 and older when compared to the Farmington Hills Market Area (20.2 percent versus 17.1 percent).



Table 11 Renter Households by Age of Householder

Renter Households	Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	1,166	6.7%	415	6.6%
25-34 years	3,636	20.9%	1,414	22.4%
35-44 years	3,543	20.4%	1,299	20.6%
45-54 years	3,086	17.8%	1,166	18.5%
55-64 years	2,435	14.0%	933	14.8%
65-74 years	1,857	10.7%	643	10.2%
75+ years	1,657	9.5%	438	6.9%
Total	17,380	100%	6,310	100%

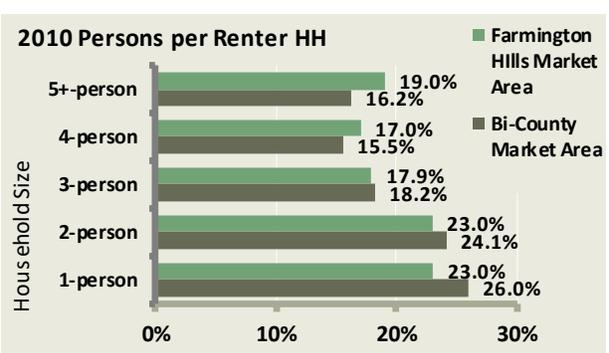


Source: Esri, Real Property Research Group, Inc.

Forty-six percent of Farmington Hills Market Area renter households had one or two people including 23.0 percent each of one and two person renter households (Table 12) as of the 2010 Census. More than one-third (35.0 percent) of Farmington Hills Market Area renter households had three or four people and a significant percentage (19.0 percent) were large households with five or more people. Bi-County Market Area renter households were smaller when compared to the Farmington Hills Market Area with a larger proportion of renter households with three or less people (68.3 percent versus 64.0 percent).

Table 12 Renter Households by Household Size

Renter Occupied	Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%
1-person hhld	3,304	26.0%	1,095	23.0%
2-person hhld	3,068	24.1%	1,092	23.0%
3-person hhld	2,317	18.2%	853	17.9%
4-person hhld	1,974	15.5%	809	17.0%
5+-person hhld	2,066	16.2%	904	19.0%
TOTAL	12,729	100%	4,753	100%



Source: 2010 Census

4. Income Characteristics

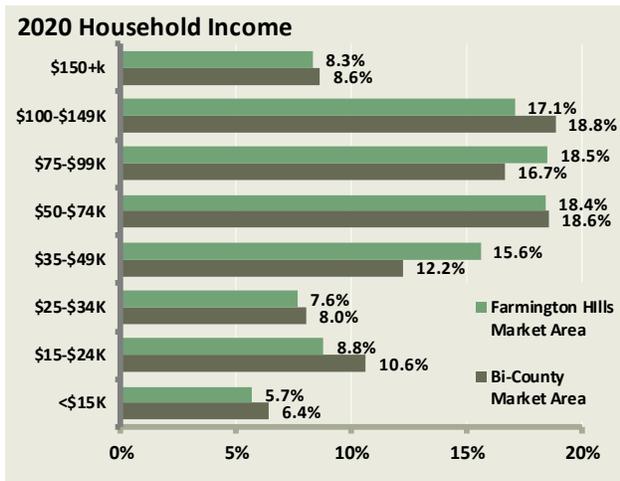
According to income distributions provided by Esri, households in the Farmington Hills Market Area have a 2020 median household income of \$66,718 per year, similar to the \$67,083 median in the Bi-County Market Area (Table 13). Roughly 22 percent of Farmington Hills Market Area households earn less than \$35,000, 34.0 percent earn moderate incomes of \$35,000 to \$74,999, and 43.9 percent earn upper incomes of \$75,000 or more including 25.4 percent earning at least \$100,000.



Table 13 Household Income

Estimated 2020 Household Income		Bi-County Market Area		Farmington Hills Market Area	
		#	%	#	%
less than \$15,000	\$15,000	4,060	6.4%	1,534	5.7%
\$15,000	\$24,999	6,741	10.6%	2,379	8.8%
\$25,000	\$34,999	5,089	8.0%	2,065	7.6%
\$35,000	\$49,999	7,763	12.2%	4,217	15.6%
\$50,000	\$74,999	11,768	18.6%	4,983	18.4%
\$75,000	\$99,999	10,558	16.7%	5,007	18.5%
\$100,000	\$149,999	11,935	18.8%	4,621	17.1%
\$150,000	Over	5,476	8.6%	2,249	8.3%
Total		63,390	100%	27,055	100%
Median Income		\$67,083		\$66,718	

Source: Esri; Real Property Research Group, Inc.

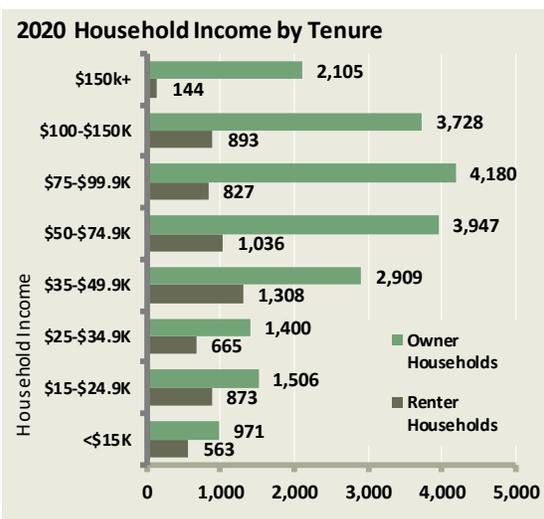


Farmington Hills Market Area renter household incomes are distributed relatively evenly including large proportions of low and moderate-income renter households. Based on the U.S. Census Bureau’s American Community Survey data, the breakdown of tenure, and household estimates, RPRG estimates that the median income of Farmington Hills Market Area households by tenure is \$47,083 for renters and \$72,718 for owners (Table 15). One-third of Farmington Hills Market Area renter households earn modest income of less than \$35,000 including 22.7 percent earning less than \$25,000. Approximately 37 percent of renter households in the Farmington Hills Market Area earn moderate incomes of \$35,000 to \$74,999 while 29.6 percent earn at least \$75,000.

Table 14 Household Income by Tenure, Farmington Hills Market Area

Estimated 2020 HH Income	Renter Households		Owner Households	
	#	%	#	%
less than \$15,000	563	8.9%	971	4.7%
\$15,000 \$24,999	873	13.8%	1,506	7.3%
\$25,000 \$34,999	665	10.5%	1,400	6.7%
\$35,000 \$49,999	1,308	20.7%	2,909	14.0%
\$50,000 \$74,999	1,036	16.4%	3,947	19.0%
\$75,000 \$99,999	827	13.1%	4,180	20.1%
\$100,000 \$149,999	893	14.2%	3,728	18.0%
\$150,000 over	144	2.3%	2,105	10.1%
Total	6,310	100%	20,745	100%
Median Income	\$47,083		\$72,718	

Source: American Community Survey 2014-2018 Estimates, RPRG, Inc.



Roughly 36 percent of renter households in the Farmington Hills Market Area pay at least 35 percent of income for rent (Table 15). Approximately four percent of renter households are living in substandard conditions; this includes only overcrowding and incomplete plumbing.



Table 15 Rent Burdened and Substandard Housing, Farmington Hills Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	178	2.8%
10.0 to 14.9 percent	608	9.7%
15.0 to 19.9 percent	965	15.3%
20.0 to 24.9 percent	852	13.6%
25.0 to 29.9 percent	761	12.1%
30.0 to 34.9 percent	452	7.2%
35.0 to 39.9 percent	295	4.7%
40.0 to 49.9 percent	598	9.5%
50.0 percent or more	1,231	19.6%
Not computed	347	5.5%
Total	6,287	100.0%
> 35% income on rent	2,124	35.8%

Source: American Community Survey 2014-2018

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	16,695
1.00 or less occupants per room	16,357
1.01 or more occupants per room	338
Lacking complete plumbing facilities:	47
Overcrowded or lacking plumbing	385
Renter occupied:	
Complete plumbing facilities:	6,194
1.00 or less occupants per room	6,052
1.01 or more occupants per room	142
Lacking complete plumbing facilities:	93
Overcrowded or lacking plumbing	235
Substandard Housing	620
% Total Stock Substandard	2.7%
% Rental Stock Substandard	3.7%

7. EMPLOYMENT TRENDS

A. Introduction

This section of the report discusses economic trends and conditions in Barrow County, the jurisdiction in which Farmington Hills III is located. We have also presented economic trends in Georgia and the nation for comparison purposes.

It is important to note that the latest economic data available at the local level is reflected in this section. This data does not reflect the likely downturn associated with COVID-19 business closures and job losses. It is too early to determine the exact economic impact on any specific market area or county; RPRG provides the most recent data available and will provide an analysis and conclusion on the potential impact of COVID-19 in the conclusion section of this market study.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Barrow County's labor force increased by 5,053 workers (14.3 percent) from 2008 to 2019 with growth in each of the past seven years (Table 16); the county added 5,303 net workers (15.2 percent) from 2014 to 2019. The number of employed workers increased each of the past nine years for net growth of 8,308 employed workers (26.9 percent) since 2010 while the number of unemployed workers in 2019 (1,138) is roughly 30 percent of the peak of 3,736 unemployed workers in 2009 during the recession.

2. Trends in County Unemployment Rate

The annual average unemployment rate in Barrow County has steadily decreased from a recession-era high of 10.8 percent in 2010 to a low 2.8 percent in 2019 (Table 16). The county's 2019 unemployment rate of 2.8 percent is significantly below both state (3.4 percent) and national (3.7 percent) rates. Barrow County's unemployment rate has been below the state rate each year since 2011.

C. Commutation Patterns

Reflecting the exurban location of the Farmington Hills Market Area, workers in the market area have a wide range of commute times. Roughly 37 of workers residing in the Farmington Hills Market Area commuted less than 25 minutes, 21.6 percent commuted 25 to 34 minutes, and 38.0 percent commuted 35 minutes or more including 27.9 percent commuting at least 45 minutes (Table 17).

Nearly 56 percent of market area workers are employed in a Georgia county outside their county of residence while 43.4 percent are employed in their county of residence. Less than one percent of workers in the market area work outside the state. The wide range of commute times and large proportion of workers employed outside their county of residence reflects the market area's relative proximity/accessibility to employment concentrations throughout the region including Metro Atlanta to the southwest and Athens to the east.



Table 16 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Labor Force	35,332	35,215	34,670	34,618	34,566	34,681	35,082	35,970	37,638	39,123	39,906	40,385
Employment	33,103	31,479	30,939	31,174	31,581	32,118	32,888	34,070	35,863	37,548	38,596	39,247
Unemployment	2,229	3,736	3,731	3,444	2,985	2,563	2,194	1,900	1,775	1,575	1,310	1,138
Unemployment Rate												
Barrow County	6.3%	10.6%	10.8%	9.9%	8.6%	7.4%	6.3%	5.3%	4.7%	4.0%	3.3%	2.8%
Georgia	6.2%	9.9%	10.5%	10.2%	9.2%	8.2%	7.1%	6.0%	5.4%	4.7%	3.9%	3.4%
United States	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%

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

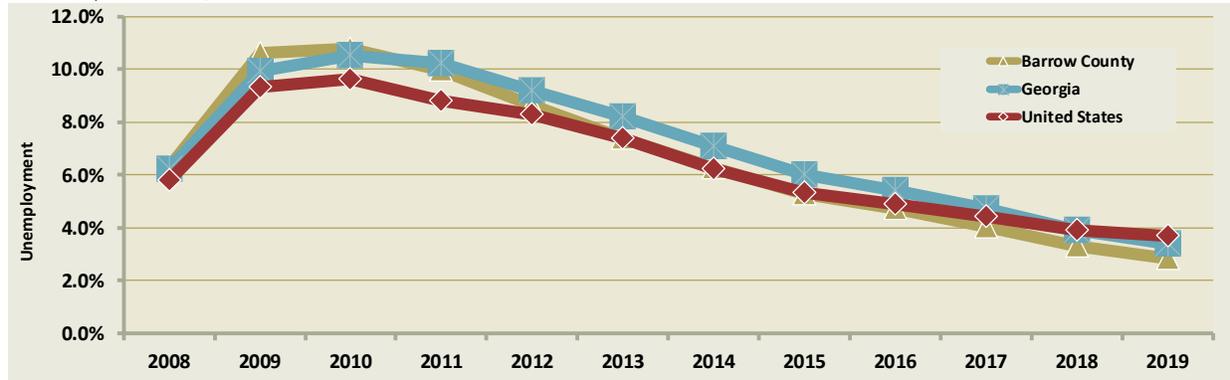
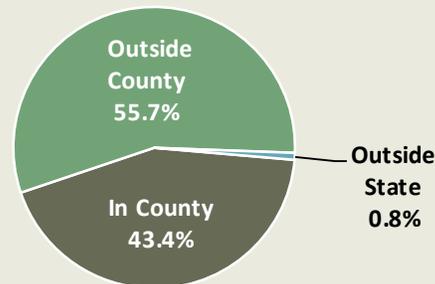


Table 17 Commutation Data, Farmington Hills Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	32,476	96.4%	Worked in state of residence:	33,412	99.2%
Less than 5 minutes	574	1.7%	Worked in county of residence	14,634	43.4%
5 to 9 minutes	1,669	5.0%	Worked outside county of residence	18,778	55.7%
10 to 14 minutes	3,122	9.3%	Worked outside state of residence	272	0.8%
15 to 19 minutes	3,412	10.1%	Total	33,684	100%
20 to 24 minutes	3,602	10.7%			
25 to 29 minutes	1,836	5.5%			
30 to 34 minutes	5,445	16.2%			
35 to 39 minutes	1,323	3.9%			
40 to 44 minutes	2,109	6.3%			
45 to 59 minutes	4,236	12.6%			
60 to 89 minutes	3,524	10.5%			
90 or more minutes	1,624	4.8%			
Worked at home	1,208	3.6%			
Total	33,684				

Source: American Community Survey 2014-2018

**2014-2018 Commuting Patterns
Farmington Hills Market Area**



Source: American Community Survey 2014-2018



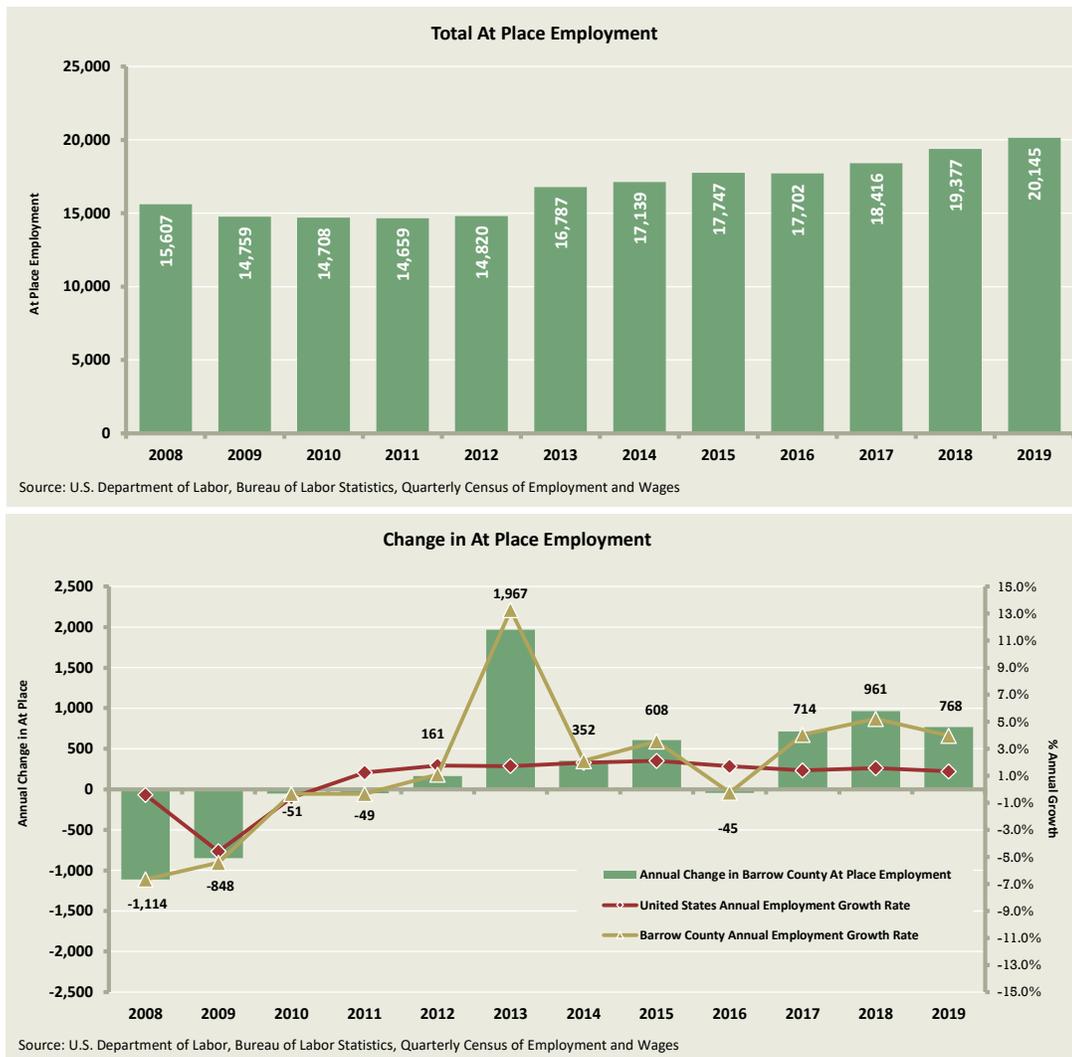
D. At-Place Employment

1. Trends in Total At-Place Employment

Barrow County added jobs in seven of the past eight years following losses from 2008 to 2011 during and immediately following the national recession. The county lost 2,062 net jobs from 2008 to 2011 with most jobs lost in 2008 and 2009 (1,962 jobs). Barrow County rebounded strongly with the net addition of 5,486 jobs from 2012 to 2019 which is more than double the jobs lost during the recession-era, reaching an all-time high At-Place Employment of 20,145 jobs in 2019 (Figure 6). The county has added an average of 804 jobs per year over the past three years.

As Illustrated by the line graphs in Figure 6, Barrow County’s job growth has outpaced the nation on a percentage basis in five of the past seven years including in each of the past three years; the county’s job growth was significantly higher on a percentage basis in 2013 while it lost a modest 45 jobs in 2016 compared to job growth in the nation.

Figure 6 At-Place Employment, Barrow County

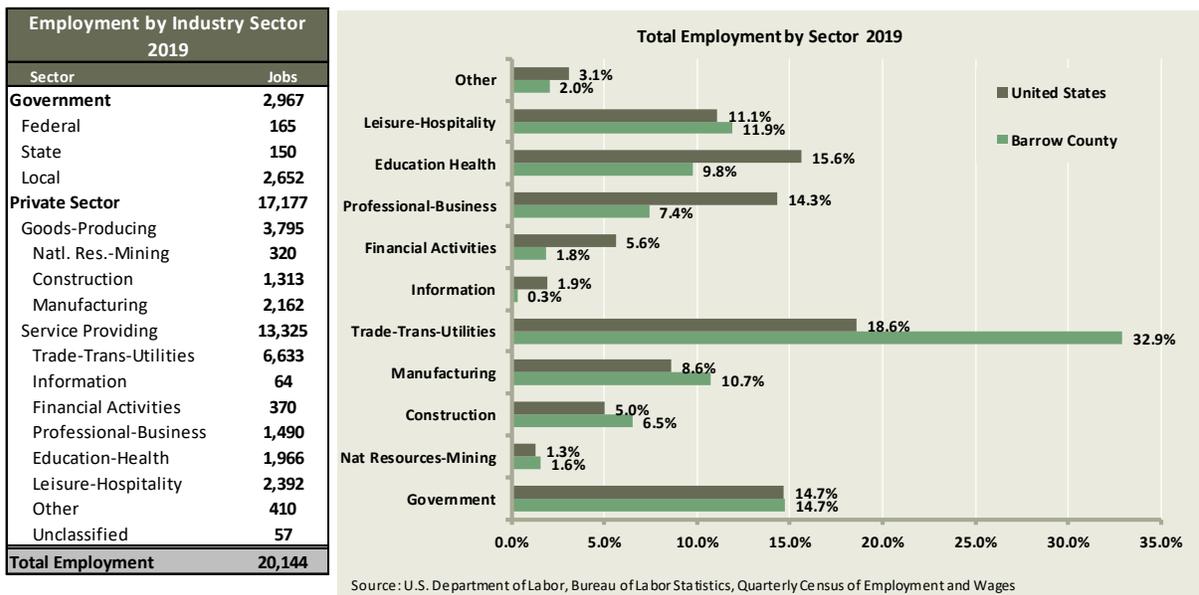




2. At-Place Employment by Industry Sector

Trade-Transportation-Utilities is Barrow County’s single largest economic sector by far, accounting for roughly one-third (32.9 percent) of the county’s jobs in 2019 compared to 18.6 percent of jobs nationally (Figure 7). Four sectors (Government, Education-Health, Leisure-Hospitality, and Manufacturing) each account for roughly 10 to 15 percent of Barrow County’s jobs while the remaining six sectors account for 7.4 percent or less of the county’s jobs. Outside of the Trade-Transportation-Utilities sector, the Construction and Manufacturing sectors account for significantly larger proportions of the county’s jobs compared to the nation while the Financial Activities, Professional-Business, and Education-Health sectors account for much smaller proportions of Barrow County’s jobs compared to the nation.

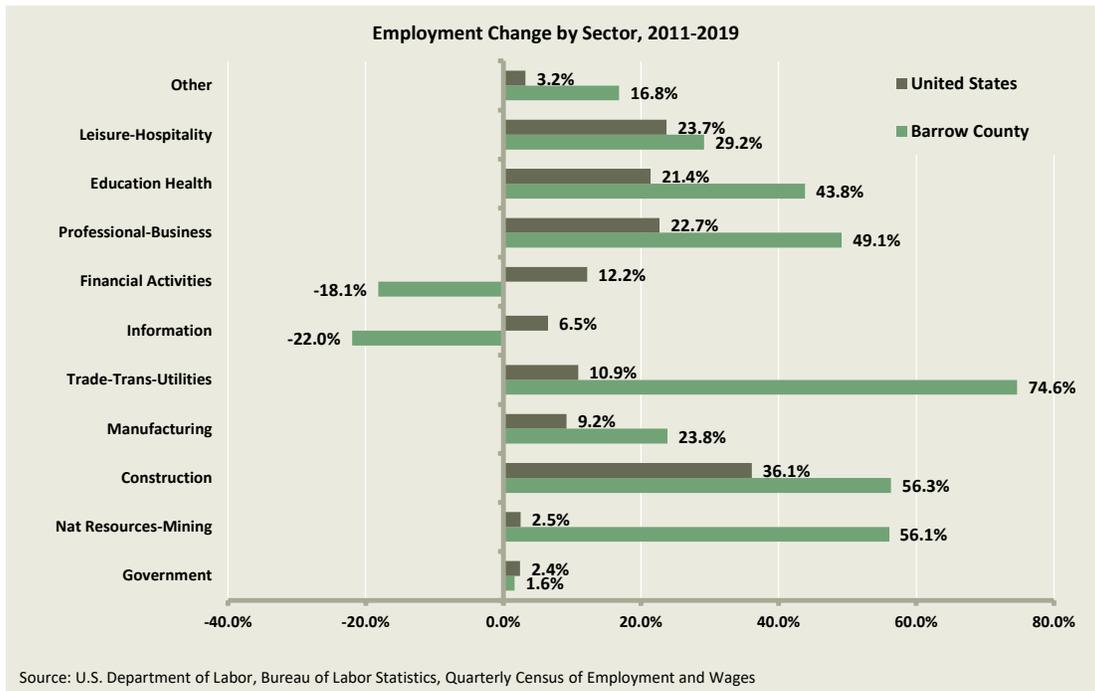
Figure 7 Total Employment by Sector



Nine of 11 sectors added jobs in Barrow County from 2011 to 2019 with the largest sector (Trade-Transportation-Utilities) growing at the fastest rate of 74.6 percent (Figure 8). Four additional sectors (Education-Health, Professional-Business, Construction, and Natural Resources-Mining) grew by at least 43 percent while four sectors grew by 1.6 to 29.2 percent. The two sectors that lost jobs (Financial Activities and Information) account for roughly two percent of the county’s jobs combined.



Figure 8 Employment Change by Sector, 2011-2019



3. Major Employers

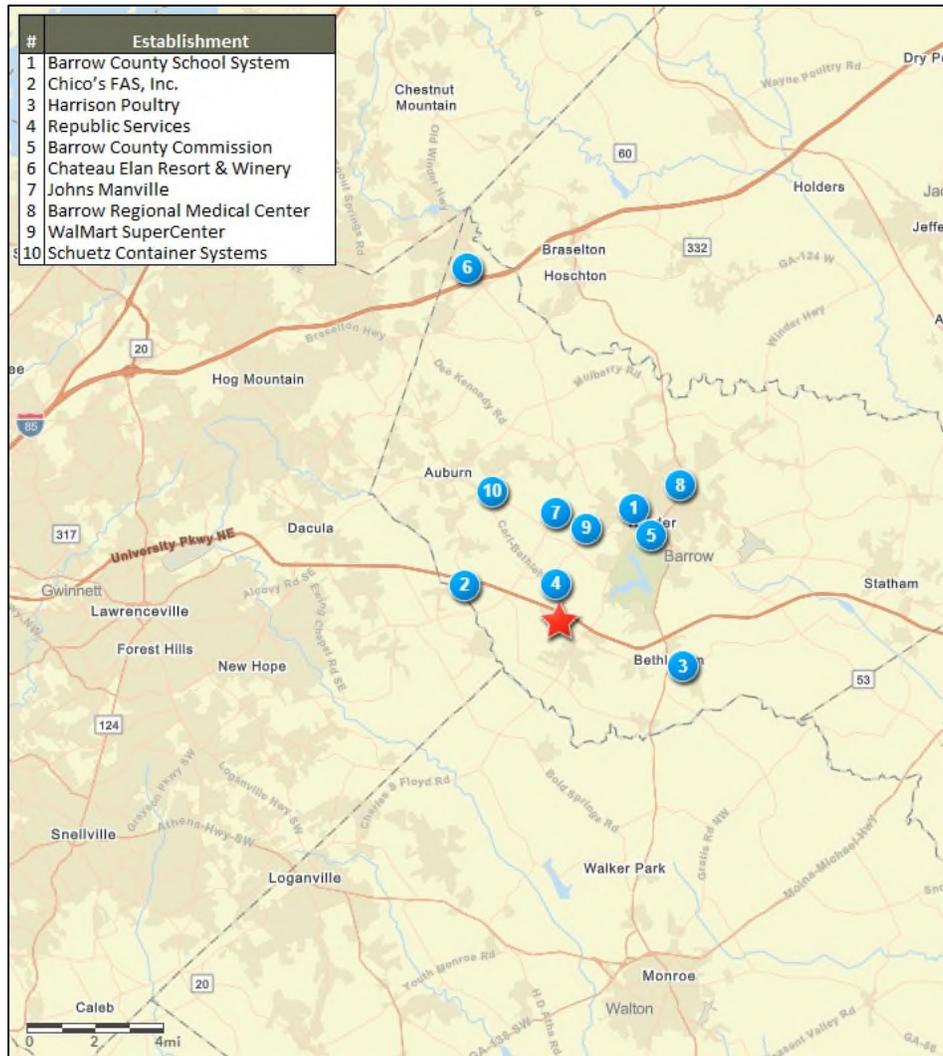
The Barrow County School System is Barrow County’s largest employer with 2,100 employees followed by Chico’s FAS, Inc. (Distribution) and Harrison Poultry with 1,100-1,200 employees each (Table 18). The remaining seven major employers with 180 to 550 employees cover a range of industries including government, waste removal, leisure-hospitality, manufacturing, healthcare, and retail with the 180 to 550 employees each. Nearly all major employers are in the Winder area within five miles of State Highway 316 while Chateau Elan Resort & Winery is roughly 15 miles north of the site near Interstate 85 (Map 5).

Table 18 Major Employers, Barrow County

Rank	Name	Sector	Employment
1	Barrow County School System	Education	2,100
2	Chico’s FAS, Inc.	Distribution	1,200
3	Harrison Poultry	Food Processing	1,100
4	Republic Services	Waste Disposal	550
5	Barrow County Commission	Government	545
6	Chateau Elan Resort & Winery	Leisure-Hospitality	350
7	Johns Manville	Manufacturing	266
8	Barrow Regional Medical Center	Healthcare	250
9	WalMart SuperCenter	Retail	217
10	Schuetz Container Systems	Manufacturing	180

Source: Barrow County Economic Development

Map 5 Major Employers, Barrow County



4. Recent Economic Expansions and Contractions

RRRG did not identify any major job expansions or contractions in Barrow County since 2019.

E. Conclusions on Local Economics

Barrow County’s economy is performing well with job growth in seven of the past eight years and a decreasing unemployment rate that is below state and national levels. Barrow County has added 5,486 net jobs since 2012, roughly 2.7 times the jobs lost during the recession-era (2008-2011) reaching an all-time high At-Place Employment in 2019. The county’s 2019 unemployment rate is a low 2.8 percent which is below the state rate of 3.4 percent. These factors will continue to have a positive impact on housing demand in the county. Available economic data do not reflect the impact of the ongoing and evolving COVID-19 related business closures. The county has had significant job growth since the previous national economic downturn in the late 2000’s.

8. PROJECT-SPECIFIC AFFORDABILITY & DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of income-qualified households in the market area that the subject community must capture to achieve full occupancy.

The first component of the Affordability Analysis involves looking at the total household income distribution and renter household income distribution among Farmington Hills Market Area households for the target year of 2022. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2014-2018 American Community Survey along with estimates and projected income growth by Esri (Table 19).

A housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability Analysis, RPRG employs a 35 percent gross rent burden.

HUD has computed a 2020 median household income of \$82,700 for the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirements are computed for each floor plan (Table 20). The proposed units at Farmington Hills III will target renter households earning up to 40 percent, 60 percent, and 80 percent of the Area Median Income (AMI), adjusted for household size. The minimum income limits are calculated assuming up to 35 percent of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes are based on an average household size of 1.5 persons per bedroom rounded up to the nearest whole number per DCA requirements. Maximum gross rents, however, are based on the federal regulation of 1.5 persons per bedroom.

Table 19 Total and Renter Income Distribution, Farmington Hills Market Area

Farmington Hills Market Area		2022 Total Households		2022 Renter Households	
2022 Income		#	%	#	%
less than	\$15,000	1,517	5.4%	559	8.6%
	\$15,000 - \$24,999	2,396	8.5%	882	13.5%
	\$25,000 - \$34,999	2,080	7.4%	672	10.3%
	\$35,000 - \$49,999	4,299	15.3%	1,338	20.5%
	\$50,000 - \$74,999	5,151	18.3%	1,075	16.5%
	\$75,000 - \$99,999	5,249	18.6%	870	13.3%
	\$100,000 - \$149,999	4,982	17.7%	967	14.8%
	\$150,000 - Over	2,515	8.9%	162	2.5%
Total		28,189	100%	6,525	100%
Median Income		\$68,455		\$47,879	

Source: American Community Survey 2014-2018 Projections, RPRG, Inc.



Table 20 LIHTC Income and Rent Limits, Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area

HUD 2020 Median Household Income											
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area										\$82,700	
Very Low Income for 4 Person Household										\$41,350	
2020 Computed Area Median Gross Income										\$82,700	
Utility Allowance:											
1 Bedroom										\$105	
2 Bedroom										\$129	
3 Bedroom										\$163	
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%		
1 Person	\$17,370	\$23,160	\$28,950	\$34,740	\$46,320	\$57,900	\$69,480	\$86,850	\$115,800		
2 Persons	\$19,860	\$26,480	\$33,100	\$39,720	\$52,960	\$66,200	\$79,440	\$99,300	\$132,400		
3 Persons	\$22,350	\$29,800	\$37,250	\$44,700	\$59,600	\$74,500	\$89,400	\$111,750	\$149,000		
4 Persons	\$24,810	\$33,080	\$41,350	\$49,620	\$66,160	\$82,700	\$99,240	\$124,050	\$165,400		
5 Persons	\$26,820	\$35,760	\$44,700	\$53,640	\$71,520	\$89,400	\$107,280	\$134,100	\$178,800		
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%	
2	1	\$19,860	\$26,480	\$33,100	\$39,720	\$52,960	\$66,200	\$79,440	\$99,300	\$132,400	
3	2	\$22,350	\$29,800	\$37,250	\$44,700	\$59,600	\$74,500	\$89,400	\$111,750	\$149,000	
5	3	\$26,820	\$35,760	\$44,700	\$53,640	\$71,520	\$89,400	\$107,280	\$134,100	\$178,800	
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		40%		50%		60%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom		\$465	\$360	\$620	\$515	\$775	\$670	\$930	\$825	\$1,241	\$1,136
2 Bedroom		\$558	\$429	\$745	\$616	\$931	\$802	\$1,117	\$988	\$1,490	\$1,361
3 Bedroom		\$645	\$482	\$860	\$697	\$1,075	\$912	\$1,290	\$1,127	\$1,721	\$1,558

Source: U.S. Department of Housing and Urban Development

2. Affordability Analysis

The steps below look at the affordability of the proposed units at the subject property (Table 21):

- Looking at the 40 percent AMI one-bedroom units (upper left panel), the overall shelter cost at the proposed rent would be \$620 (\$515 net rent with a utility allowance of \$105 to cover all utilities except trash removal).
- We determined that a one-bedroom unit at 40 percent AMI would be affordable to households earning at least \$21,257 per year by applying a 35 percent rent burden to this gross rent. A projected 5,414 renter households in the market area will earn at least this amount in 2022.
- The maximum income limit for a one-bedroom unit at 40 percent AMI is \$26,480 based on a household size of two people. According to the interpolated income distribution for 2022, 4,984 renter households in the Farmington Hills Market Area will have incomes exceeding this 40 percent AMI income limit.
- Subtracting the 4,984 renter households with incomes above the maximum income limit from the 5,414 renter households that could afford to rent this unit, RPRG computes that a projected 430 renter households in the Farmington Hills Market Area will fall within the band of affordability for the subject’s 40 percent AMI one-bedroom units. The subject property would need to capture 4.2 percent of these income-qualified renter households to absorb the 18 proposed one-bedroom units at 40 percent AMI.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and the project overall. The remaining renter capture rates by



floor plan range from 1.4 to 10.5 percent while the capture rates by AMI level are 5.6 percent for 40 percent AMI units, 3.5 percent for 60 percent AMI units, and 2.9 percent for 80 percent AMI units; the project’s overall capture rate is 5.5 percent.

Table 21 Affordability Analysis, Farmington Hills III

40% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		18		30		12			
Net Rent		\$515		\$616		\$697			
Gross Rent		\$620		\$745		\$860			
Income Range (Min, Max)		\$21,257	\$26,480	\$25,543	\$29,800	\$29,486	\$35,760		
Renter Households									
Range of Qualified Hhlds		5,414	4,984	5,047	4,761	4,782	4,344		
# Qualified Hhlds		430		286		439			
Renter HH Capture Rate		4.2%		10.5%		2.7%			

60% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		18		30		12			
Net Rent		\$820		\$987		\$1,122			
Gross Rent		\$925		\$1,116		\$1,285			
Income Range (Min, Max)		\$31,714	\$39,720	\$38,263	\$44,700	\$44,057	\$53,640		
Renter Households									
Range of Qualified Hhlds		4,633	3,991	4,121	3,546	3,604	2,917		
# Qualified Hhlds		642		574		687			
Renter HH Capture Rate		2.8%		5.2%		1.7%			

80% AMI		35% Rent Burden		One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
		Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units		18		30		12			
Net Rent		\$969		\$1,104		\$1,387			
Gross Rent		\$1,074		\$1,233		\$1,550			
Income Range (Min, Max)		\$36,823	\$52,960	\$42,274	\$59,600	\$53,143	\$71,520		
Renter Households									
Range of Qualified Hhlds		4,249	2,946	3,763	2,661	2,938	2,148		
# Qualified Households		1,303		1,102		790			
Renter HH Capture Rate		1.4%		2.7%		1.5%			

Income Target	# Units	Renter Households = 6,525				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
40% AMI	60	Income Households	\$21,257 5,414	\$35,760 4,344	1,070	5.6%
60% AMI	60	Income Households	\$31,714 4,633	\$53,640 2,917	1,716	3.5%
80% AMI	60	Income Households	\$36,823 4,249	\$71,520 2,148	2,101	2.9%
Total Units	180	Income Households	\$21,257 5,414	\$71,520 2,148	3,266	5.5%

Source: Income Projections, RPRG, Inc.



3. Conclusions of Affordability

All affordability capture rates are acceptable indicating sufficient income-qualified households will exist in the market area to support the proposed units at Farmington Hills III.

B. Demand Estimates and Capture Rates

1. Methodology

DCA's demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of income-qualified renter households projected to move into the Farmington Hills Market Area between the base year (2020) and the placed-in-service year of 2022.
- The next component of demand is income-qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to ACS data, the percentage of renter households in the primary market area that are "substandard" is 3.7 percent (see Table 15 on page 32). This substandard percentage is applied to current household numbers.
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 35.8 percent of Farmington Hills Market Area renter households are categorized as cost burdened (see Table 15 on page 32).

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 22. Income qualification percentages for demand estimates are derived by using the Affordability Analysis detailed in Table 21.

2. Demand Analysis

According to DCA's demand methodology, all comparable units recently funded by DCA, proposed for funding for a bond allocation from DCA, or any comparable units at communities undergoing lease-up are to be subtracted from the demand estimates to arrive at net demand. The 156 units proposed at River's Edge are subtracted from demand estimates; all units at this community will target renter households earning up to 60 percent AMI.

Capture rates for the subject property are 13.3 percent for the 40 percent AMI units, 10.5 percent for the 60 percent AMI units, 6.8 percent for the 80 percent AMI units, and the project's overall capture rate is 14.7 percent (Table 22). Farmington Hills III's capture rates by floor plan within each income target range from 3.3 percent to 24.8 percent and the capture rates by floor plan are 5.8 for all one-bedroom units, 13.5 percent for all two-bedroom units, and 8.6 percent for all three-bedroom units (Table 23).



Table 22 Overall Demand Estimates, Farmington Hills III

Income Target	40% AMI	60% AMI	80% AMI	Total Units
Minimum Income Limit	\$21,257	\$31,714	\$36,823	\$21,257
Maximum Income Limit	\$35,760	\$53,640	\$71,520	\$71,520
(A) Renter Income Qualification Percentage	16.4%	26.3%	32.2%	50.1%
Demand from New Renter Households <i>Calculation (C-B)*F*A</i>	43	70	85	132
PLUS				
Demand from Existing Renter HHs (Substandard) <i>Calculation B*D*F*A</i>	39	62	76	118
PLUS				
Demand from Existing Renter HHs (Overburdened) <i>- Calculation B*E*F*A</i>	370	593	726	1,129
Total Demand	452	725	887	1,380
LESS				
Comparable Units	0	156	0	156
Net Demand	452	569	887	1,224
Proposed Units	60	60	60	180
Capture Rate	13.3%	10.5%	6.8%	14.7%

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2020 Householders	27,055
C). 2022 Householders	28,189
D). Substandard Housing (% of Rental Stock)	3.7%
E). Rent Overburdened (% of Renter HHs at >35%)	35.8%
F). Renter Percentage (% of all 2020 HHs)	23.3%

Table 23 Demand Estimates by Floor Plan, Farmington Hills III

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Demand	Supply	Net Demand	Capture Rate
40% AMI	\$21,257 - \$35,760								
One Bedroom Units		18	6.6%	182		182	0	182	9.9%
Two Bedroom Units		30	4.4%	121		121	0	121	24.8%
Three Bedroom Units		12	6.7%	185	54.0%	100	0	100	12.0%
60% AMI	\$31,714 - \$53,640								
One Bedroom Units		18	9.8%	271		271	72	199	9.0%
Two Bedroom Units		30	8.8%	243		243	72	171	17.6%
Three Bedroom Units		12	10.5%	290	54.0%	157	12	145	8.3%
80% AMI	\$36,823 - \$71,520								
One Bedroom Units		18	20.0%	550		550	0	550	3.3%
Two Bedroom Units		30	16.9%	466		466	0	466	6.4%
Three Bedroom Units		12	12.1%	334	54.0%	180	0	180	6.7%
By Bedroom									
One Bedroom Units		54	36.4%	1,003		1,003	72	931	5.8%
Two Bedroom Units		90	26.8%	738		738	72	666	13.5%
Three Bedroom Units		36	29.0%	800	54.0%	432	12	420	8.6%
Project Total	\$21,257 - \$71,520								
40% AMI	\$21,257 - \$35,760	60	16.4%	452			0	452	13.3%
60% AMI	\$31,714 - \$53,640	60	26.3%	725			156	569	10.5%
80% AMI	\$36,823 - \$71,520	60	32.2%	887			0	887	6.8%
Total Units	\$21,257 - \$71,520	180	50.1%	1,380			156	1,224	14.7%

3. DCA Demand Conclusions

All capture rates are well within acceptable levels indicating sufficient demand in the market area to support the proposed subject property and the comparable pipeline DCA community.



9. COMPETITIVE RENTAL ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the Farmington Hills Market Area. We pursued several avenues of research to identify multifamily rental projects that are in the planning stages or under construction in the Farmington Hills Market Area. We interviewed planners with the Cities of Winder and Dacula as well as Barrow and Gwinnett Counties. We also reviewed LIHTC application/allocation lists provided by DCA. The rental survey was conducted in July 2020.

B. Overview of Market Area Housing Stock

Renter-occupied units in both the Farmington Hills Market Area and Bi-County Market Area include a large proportion of units in low-density structures including single-family detached homes and mobile homes. Two-thirds of Farmington Hills Market Area renter-occupied units are single-family detached homes and 6.1 percent are mobile homes. Approximately 23 percent of renter-occupied units in the Farmington Hills Market Area are in multi-family structures including 9.6 percent in structures with five or more units (Table 24). The Bi-County Market Area contains a similar proportion of renter occupied units in multi-family structures when compared to the Farmington Hills Market Area (23.3 percent versus 22.5 percent) but a lower percentage of single-family detached home renter occupied units and larger proportion of renter occupied units in mobile homes. Nearly all owner-occupied units in both areas are single-family detached homes or mobile homes.

The Farmington Hills Market Area's rental housing stock is newer than the Bi-County Market Area's with a median year built of 1992 compared to 1988 in the Bi-County Market Area. The majority (54.3 percent) of Farmington Hills Market Area renter occupied units were built since 1990 including 30.3 percent built since 2000. Approximately 28 percent of Farmington Hills Market Area renter households were built in the 1970's or 1980's while 17.4 percent were built prior to 1970 (Table 25). The Bi-County Market Area has a significantly smaller proportion of renter-occupied units built since 2000 when compared to the Farmington Hills Market Area (21.8 percent versus 30.3 percent) and a larger proportion built prior to 1970 (19.2 percent versus 17.4 percent). Owner occupied units in the Farmington Hills Market Area are newer than renter occupied units with a median year built of 1999 including a much larger proportion of owner-occupied units built since 2000 (48.8 percent versus 30.3 percent).

According to 2014-2018 ACS data, the median value among owner-occupied housing units in the Farmington Hills Market Area was \$157,529, which is 4.5 percent less than the Bi-County Market Area median of \$164,880 (Table 26). ACS estimates home values based upon values from homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight of relative housing values among two or more areas.



Table 24 Dwelling Units by Structure and Tenure

Structure Type	Owner Occupied				Renter Occupied			
	Bi-County Market Area		Farmington Hills Market Area		Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%	#	%	#	%
1, detached	38,552	93.6%	15,705	93.8%	8,950	59.2%	4,190	66.6%
1, attached	305	0.7%	246	1.5%	973	6.4%	296	4.7%
2	7	0.0%	0	0.0%	1,477	9.8%	563	9.0%
3-4	21	0.1%	0	0.0%	762	5.0%	250	4.0%
5-9	23	0.1%	0	0.0%	686	4.5%	293	4.7%
10-19	14	0.0%	6	0.0%	312	2.1%	140	2.2%
20+ units	0	0.0%	0	0.0%	281	1.9%	171	2.7%
Mobile home	2,254	5.5%	785	4.7%	1,690	11.2%	384	6.1%
TOTAL	41,176	100%	16,742	100%	15,131	101%	6,287	100%

Source: American Community Survey 2014-2018

Table 25 Dwelling Units by Year Built and Tenure

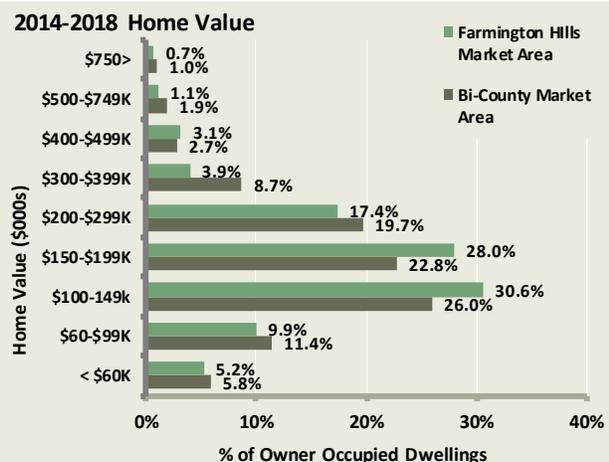
Year Built	Owner Occupied				Renter Occupied			
	Bi-County Market Area		Farmington Hills Market Area		Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%	#	%	#	%
2014 or later	1,079	2.6%	634	3.8%	176	1.2%	70	1.1%
2010 to 2013	806	2.0%	358	2.1%	423	2.8%	323	5.1%
2000 to 2009	15,771	38.3%	7,181	42.9%	2,713	17.8%	1,513	24.1%
1990 to 1999	11,856	28.8%	4,188	25.0%	3,905	25.7%	1,508	24.0%
1980 to 1989	5,408	13.1%	1,855	11.1%	3,119	20.5%	917	14.6%
1970 to 1979	2,643	6.4%	1,033	6.2%	1,970	12.9%	859	13.7%
1960 to 1969	1,801	4.4%	784	4.7%	1,056	6.9%	428	6.8%
1950 to 1959	807	2.0%	357	2.1%	803	5.3%	331	5.3%
1940 to 1949	261	0.6%	97	0.6%	226	1.5%	69	1.1%
1939 or earlier	797	1.9%	255	1.5%	832	5.5%	269	4.3%
TOTAL	41,229	100%	16,742	100%	15,223	100%	6,287	100%
MEDIAN YEAR BUILT	1997		1999		1988		1992	

Source: American Community Survey 2014-2018

Table 26 Value of Owner Occupied Housing Stock

2014-2018 Home Value	Bi-County Market Area		Farmington Hills Market Area	
	#	%	#	%
	less than \$60,000	2,399	5.8%	873
\$60,000 - \$99,999	4,716	11.4%	1,665	9.9%
\$100,000 - \$149,999	10,704	26.0%	5,127	30.6%
\$150,000 - \$199,999	9,393	22.8%	4,688	28.0%
\$200,000 - \$299,999	8,125	19.7%	2,911	17.4%
\$300,000 - \$399,999	3,574	8.7%	661	3.9%
\$400,000 - \$499,999	1,133	2.7%	527	3.1%
\$500,000 - \$749,999	777	1.9%	180	1.1%
\$750,000 over	408	1.0%	110	0.7%
Total	41,229	100%	16,742	100%
Median Value	\$164,880		\$157,529	

Source: American Community Survey 2014-2018



C. Survey of General Occupancy Rental Communities

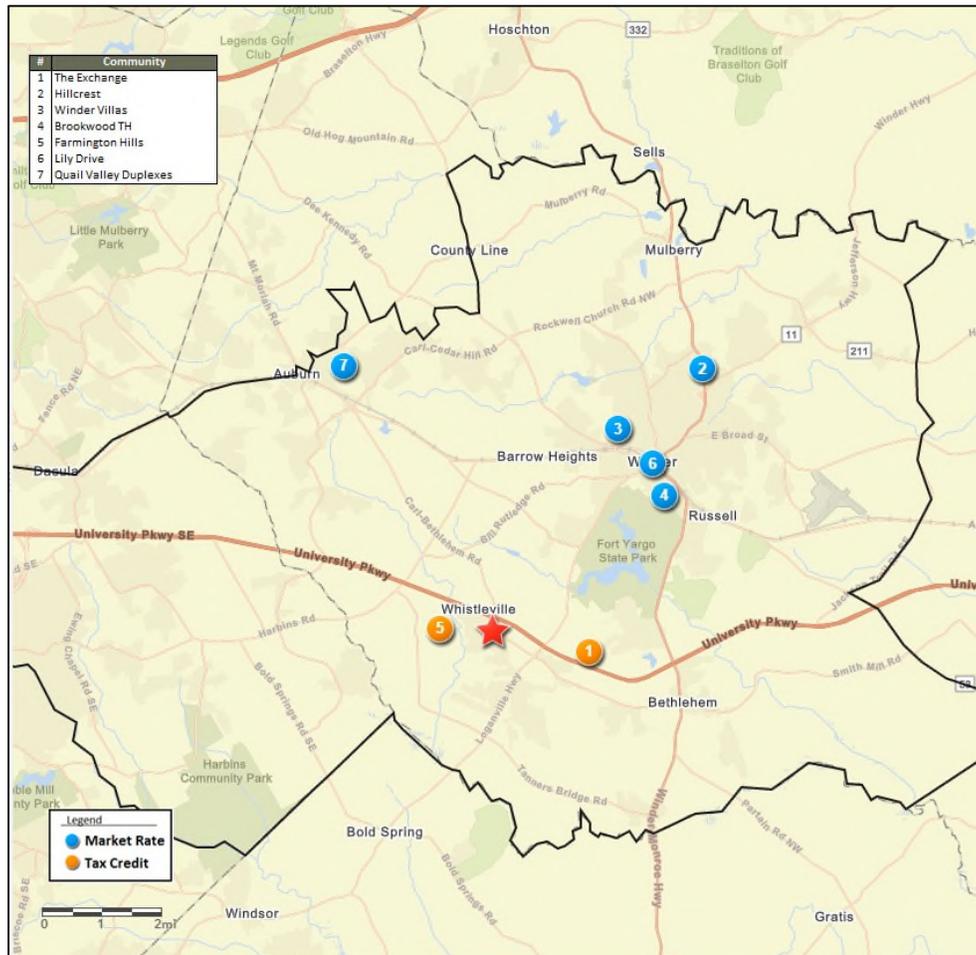
1. Introduction to the Rental Housing Survey

RPRG surveyed seven multi-family rental communities in the Farmington Hills Market Area including five market rate communities and two Low Income Housing Tax Credit (LIHTC) communities as part of this analysis. The LIHTC communities are considered most comparable to the subject property including the first two phases of the subject property (Farmington Hills) given similar income and rent restrictions. We were unable to survey one LIHTC community (Rock Springs) following repeated attempts to contact management; however, this community is deeply subsidized and is not comparable to the subject property which will not have deep subsidies. Profile sheets with detailed information on each surveyed community are attached as Appendix 6.

2. Location

The two surveyed LIHTC communities (The Exchange and the first two phases of Farmington Hills) are within three miles of the site and are the newest communities by at least 14 years. Four market rate communities are roughly five to seven miles to the northeast near downtown Winder while the lowest priced market rate community is to the northwest in Auburn (Map 6). The subject site is generally comparable to the location of nearly all surveyed communities in the market area including both LIHTC communities. The site is superior to the location of Quail Valley Duplexes in Auburn given proximity to major traffic arteries and neighborhood amenities.

Map 6 Surveyed Rental Communities





3. Size of Communities

The surveyed communities range in size from nine to 144 units and average 77 units (Table 27). The two LIHTC communities are the largest surveyed communities with 130 units (The Exchange) and 144 units (Farmington Hills) while the market rate communities range from nine to 102 units.

4. Age of Communities

The two LIHTC communities are the newest surveyed communities with the two phases of Farmington Hills built in 2012 and 2014; The Exchange was built in 2018. Market rate communities are much older and built from 1983 to 1998 (Table 27); three market rate communities were built in the 1980's and two were built in 1997 or 1998.

5. Structure Type

Three surveyed communities offer both garden apartments and townhomes, two offer townhomes exclusively, and Farmington Hills offers garden apartments only. Quail Valley Duplexes offer duplexes only.

6. Vacancy Rates

The Farmington Hills Market Area's rental market is performing well with nine vacancies among 539 combined units for an aggregate vacancy rate of 1.7 percent (Table 27). Five of seven communities are fully occupied while the highest vacancy rate is 5.7 percent at Brookwood Townhomes. Among LIHTC communities, The Exchange has five vacancies among 130 units for a vacancy rate of 3.8 percent and the first two phases of the subject property (Farmington Hills) are fully occupied with a waiting list.

7. Rent Concessions

None of the surveyed communities were offering rental incentives at the time of our survey.

Table 27 Rental Summary, Surveyed Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject - 40% AMI		Gar	60			\$515	\$616	
	Subject - 60% AMI		Gar	60			\$820	\$987	
	Subject - 80% AMI		Gar	60			\$969	\$1,104	
				180					
1	The Exchange*	2018	Gar/TH	130	5	3.8%	\$789	\$940	None
2	Hillcrest	1989	Gar/TH	102	0	0.0%	\$750	\$938	None
3	Winder Villas	1983	Gar/TH	64	0	0.0%		\$892	None
4	Brookwood TH	1998	TH	70	4	5.7%		\$875	None
5	Farmington Hills*	2012	Gar	144	0	0.0%	\$705	\$820	None
6	Lily Drive	1997	TH	9	0	0.0%		\$785	None
7	Quail Valley Duplexes	1985	Duplex	20	0	0.0%		\$600	None
	Total			539	9	1.7%			
	Average	1997		77			\$748	\$836	
	LIHTC Total			274	5	1.8%			
	LIHTC Average	2015		137			\$747	\$880	

(1) Rent is contract rent, and not adjusted for utilities or incentives

(*) Tax Credit Community

Source: Phone Survey, RPRG, Inc. July 2020



8. Absorption History

The Exchange (mixed-income LIHTC community) opened in January 2018 and leased all 130 units by August 2018 for an average monthly absorption of 18.6 units.

D. Analysis of Product Offerings

1. Payment of Utility Costs

Five of seven surveyed communities include trash removal in the rent including three which also offer water and sewer in the rent. Two market rate communities include no utilities in the rent (Table 28). Both LIHTC communities include trash removal similar to the subject property which will include only trash removal in the rent.

2. Unit Features

Six of seven surveyed communities offer a dishwasher in each unit and all communities offer washer and dryer connections. The two highest-priced communities and the first phases of the subject property offer a microwave in each unit while the remaining older market rate communities do not offer this feature. Both LIHTC communities offer a dishwasher, microwave, and washer and dryer connections.

Farmington Hills III will offer a dishwasher, range/oven, refrigerator, microwave, ceiling fans, and washer and dryer connections which is comparable to the surveyed LIHTC communities including The Exchange which offers both LIHTC and market rate units. The subject property’s unit features will be superior to most of the market rate communities given only one of five of these communities offer a microwave. The proposed unit features will be competitive in the market area among both LIHTC and market rate communities.

Table 28 Utility Arrangement and Unit Features

Community	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
	Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject Property	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
The Exchange*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Hillcrest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Winder Villas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select		Surface	Hook Ups
Brookwood TH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		Surface	Hook Ups
Farmington Hills*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Lily Drive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Quail Valley Duplexes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			Surface	Hook Ups

Source: Phone Survey, RPRG, Inc. July 2020

LIHTC Community*

3. Community Amenities

Both LIHTC communities offer extensive amenity packages while the older market rate communities offer limited or no community amenities. LIHTC communities offer a clubhouse/community room, swimming pool, playground, and business/computer center while the newest LIHTC community (The



Exchange) also offers a fitness center (Table 29). Four of five market rate communities offer no amenities while Brookwood TH offers a playground only.

Farmington Hills III will offer a clubhouse/community room, fitness center, swimming pool, playground, business/computer center, and laundry facilities which is comparable to the existing LIHTC communities in the market area including The Exchange which offers the highest-priced market rate units in the market area. The proposed amenities are far superior to those at the older market rate communities, most of which offer no amenities. The subject’s amenities will be competitive with the LIHTC communities and will result in a competitive advantage compared to existing market rate communities in the market area.

Table 29 Community Amenities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
Subject Property	☒	☒	☒	☒	☐	☒	☐
The Exchange*	☒	☒	☒	☒	☐	☒	☐
Hillcrest	☐	☐	☐	☐	☐	☐	☐
Winder Villas	☐	☐	☐	☐	☐	☐	☐
Brookwood TH	☐	☐	☐	☒	☐	☐	☐
Farmington Hills*	☒	☐	☒	☒	☐	☒	☐
Lily Drive	☐	☐	☐	☐	☐	☐	☐
Quail Valley Duplexes	☐	☐	☐	☐	☐	☐	☐

Source: Phone Survey, RPRG, Inc. July 2020

LIHTC Community*

4. Unit Distribution

All surveyed communities offer two-bedroom units including three of five market rate communities which offer two-bedroom units only; four communities offer three-bedroom units and three communities offer one-bedroom units (Table 30). Both LIHTC communities offer one, two, and three-bedroom units while only one market rate community (Hillcrest) offers all three floor plans. Unit distributions were available for six of seven surveyed communities accounting for 87.0 percent of surveyed units; two-bedroom units are the most common accounting for 58.0 percent of units while one-bedroom units account for 18.6 percent and three-bedroom units account for 23.5 percent.

5. Effective Rents

Unit rents presented in Table 30 are net or effective rents, as opposed to street or advertised rents. We applied downward adjustments to street rents to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where base rents include the cost of trash removal.

Among all surveyed rental communities, net rents, unit sizes, and rents per square foot were as follows:



- **One-bedroom** effective rents average \$751 per month. The average one-bedroom unit size is 801 square feet, resulting in a net rent per square foot of \$0.94. The range for one-bedroom effective rents is \$562 to \$970.
- **Two-bedroom** effective rents average \$845 per month. The average two-bedroom unit size is 1,078 square feet, resulting in a net rent per square foot of \$0.78. The range for two-bedroom effective rents is \$610 to \$1,105.
- **Three-bedroom** effective rents average \$1,056 per month. The average three-bedroom unit size is 1,318 square feet, resulting in a net rent per square foot of \$0.80. The range for three-bedroom effective rents is \$736 to \$1,450.

Sixty percent AMI LIHTC rents at both LIHTC communities are among the existing market rate rents in the market area and the market rate rents at The Exchange (mixed-income LIHTC community) are the highest rents in the market area by a wide margin.

Table 30 Unit Distribution, Size, and Pricing

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject - 40% AMI	60	18	\$515	800	\$0.64	30	\$616	1,000	\$0.62	12	\$697	1,200	\$0.58
Subject - 60% AMI	60	18	\$820	800	\$1.03	30	\$987	1,000	\$0.99	12	\$1,122	1,200	\$0.94
Subject - 80% AMI	60	18	\$969	800	\$1.21	30	\$1,104	1,000	\$1.10	12	\$1,387	1,200	\$1.16
The Exchange	13	1	\$970	815	\$1.19	2	\$1,105	1,100	\$1.00	10	\$1,450	1,490	\$0.97
The Exchange 60% AMI*	91	27	\$830	815	\$1.02	30	\$994	1,100	\$0.90	34	\$1,134	1,317	\$0.86
Hillcrest	102	25	\$735	700	\$1.05	67	\$918	1,013	\$0.91	10	\$1,175	1,100	\$1.07
Brookwood TH	70						\$885	1,143	\$0.77		\$1,078	1,427	\$0.76
Farmington Hills 60% AMI*	122	18	\$765	829	\$0.92	62	\$885	1,094	\$0.81	42	\$965	1,286	\$0.75
Winder Villas	64					64	\$872	881	\$0.99				
Lily Drive	9					9	\$765	1,175	\$0.65				
Farmington Hills 50% AMI*	22	8	\$645	829	\$0.78	8	\$755	1,094	\$0.69	6	\$855	1,286	\$0.66
The Exchange 50% AMI*	26	8	\$562	815	\$0.69	10	\$662	1,100	\$0.60	8	\$736	1,317	\$0.56
Quail Valley Duplexes	20					20	\$610	-	-				
Total/Average	539		\$751	801	\$0.94		\$845	1,078	\$0.78		\$1,056	1,318	\$0.80
Unit Distribution	469	87				272				110			
% of Total	87.0%	18.6%				58.0%				23.5%			

(1) Rent is adjusted to include trash, and Incentives

(*) Tax Credit Community

Source: Phone Survey, RPRG, Inc. July 2020

6. Scattered Site Rentals

Given the limited multi-family rental market and large proportion of renter-occupied units in single-family homes in the Farmington Hills Market Area, we have included data on available scattered site rental units in the market area. RPRG identified one two-bedroom and five three-bedroom listings for scattered site rentals in the Farmington Hills Market Area; the available scattered site rentals cover a range of products from single-family detached homes to townhomes and newer to older properties (Table 31). The two-bedroom unit is listed for \$950 while the three-bedroom units average \$1,498 per month for a 1,587 square foot unit.

Table 31 Scattered Site Rentals, Farmington Hills Market Area

Bed	Bath	Sq. Ft.	Rent	Address	City	Type
2	1	792	\$950	223 Highlands Dr.	Winder	SFD
2BR Average		792	\$950			
3	2	1,801	\$1,725	916 Kendall Park Dr.	Winder	SFD
3	2	1,814	\$1,550	1712 Snapping Ct.	Winder	TH
3	2	1,460	\$1,535	2660 Dacula Ridge Dr.	Dacula	SFD
3	2	1,551	\$1,350	2773 Michelle Cir.	Dacula	SFD
3	2	1,308	\$1,329	1624 River Trace	Auburn	SFD
3BR Average		1,587	\$1,498			

Source: Rent.com, Zillow.com

7. DCA Average Market Rent

To determine the “average market rents” as outlined in DCA’s 2020 Market Study Manual, market rate rents at The Exchange (mixed-income LIHTC community) were utilized. The Exchange is the only comparable community with market rate units in the market area given its age (built in 2018) and extensive community amenities. All market rate communities in the market area are at least 20 years old and offer little to no community amenities; the subject property will be superior to all of the existing market rate communities based on new construction, unit features/finishes, and community amenities. It should be noted that all market rate units at The Exchange are occupied, indicating these rents are appropriate for the market area. It is also important to note, “average market rents” are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. LIHTC units are not used in this calculation.

The “average market rent” is \$970 for one-bedroom units, \$1,105 for two-bedroom units, and \$1,450 for three-bedroom units (Table 32). The proposed 40 percent AMI rents have rent advantages of at least 79 percent and the proposed 60 percent AMI rents have rent advantages of at least 12.0 percent. All proposed 80 percent AMI rents are below average market rents. The project’s overall weighted average rent advantage is 35.4 percent (Table 33).

Table 32 Average Rents

Community	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
The Exchange	\$970	815	\$1.19	\$1,105	1,100	\$1.00	\$1,450	1,490	\$0.97
Total/Average	\$970	815	\$1.19	\$1,105	1,100	\$1.00	\$1,450	1,490	\$0.97

(1) Rent is adjusted to include trash, and incentives

Source: Phone Survey, RPRG, Inc. July 2020

Table 33 Average Market Rent and Rent Advantage Summary

	1 BR	2 BR	3 BR
Average Market Rent	\$970	\$1,105	\$1,450
Proposed 40% AMI Rent	\$515	\$616	\$697
Advantage (\$)	\$455	\$489	\$753
Advantage (%)	88.3%	79.4%	108.0%
Total Units	18	30	12
Proposed 60% AMI Rent	\$820	\$987	\$1,122
Advantage (\$)	\$150	\$118	\$328
Advantage (%)	18.3%	12.0%	29.2%
Total Units	18	30	12
Proposed 80% AMI Rent	\$969	\$1,104	\$1,387
Advantage (\$)	\$1	\$1	\$63
Advantage (%)	0.1%	0.1%	4.5%
Total Units	18	30	12
Overall Advantage	35.4%		

Source: Phone Survey, RPRG, Inc. July 2020

E. Multi-Family Pipeline

According to DCA LIHTC allocation/application lists and interviews with planning officials, one comparable affordable general occupancy rental community is in the development pipeline in the Farmington Hills Market Area:

- River's Edge** recently applied for four percent Low Income Housing Tax Credits for 156 general occupancy LIHTC rental units targeting households earning up to 60 percent of the Area Median Income (AMI). The developer (Tapestry Development) stated that the project will offer 72 one-bedroom units, 72 two-bedroom units, and 12 three-bedroom units. The project will be at 1395 Winder Highway near Dacula, just inside the Farmington Hills Market Area. River's Edge will directly compete with the subject property given similar income and rent restrictions.

River's Edge			
Bed	Bath	Income Target	Quantity
1	1	60%	72
2	2	60%	72
3	2	60%	12
Total			156

Additionally, Wimberly Manor was allocated nine percent tax credits in 2019 in the Farmington Hills Market Area. The project will offer 73 age-restricted units targeting households with householder age 55+ and will not directly compete with the subject property given a difference in age targeting.

F. Housing Authority Data

The Winder Housing Authority manages approximately 322 Section 8 units and 380 additional Housing Choice Vouchers (HCV) with a long waiting list. The authority does not manage any public housing units.



G. Existing Low Income Rental Housing

Five LIHTC communities are inside the Farmington Hills Market Area including three general occupancy and two age-restricted communities; one general occupancy LIHTC community (Rock Springs) is deeply subsidized through the USDA Rural Development program (Table 34). Both general occupancy LIHTC communities without deep subsidies were included in our competitive survey; we were unable to contact Rock Springs following repeated attempts to reach management. Age-restricted communities were excluded from our survey given a difference in target markets when compared to the general occupancy subject property. One general occupancy LIHTC community (River’s Edge) and an age restricted LIHTC community (Wimberly Manor) are proposed in the market area. The remaining community (Winder Woods) is deeply subsidized through the USDA Rural Development program. The location of all affordable rental communities is shown in Map 7.

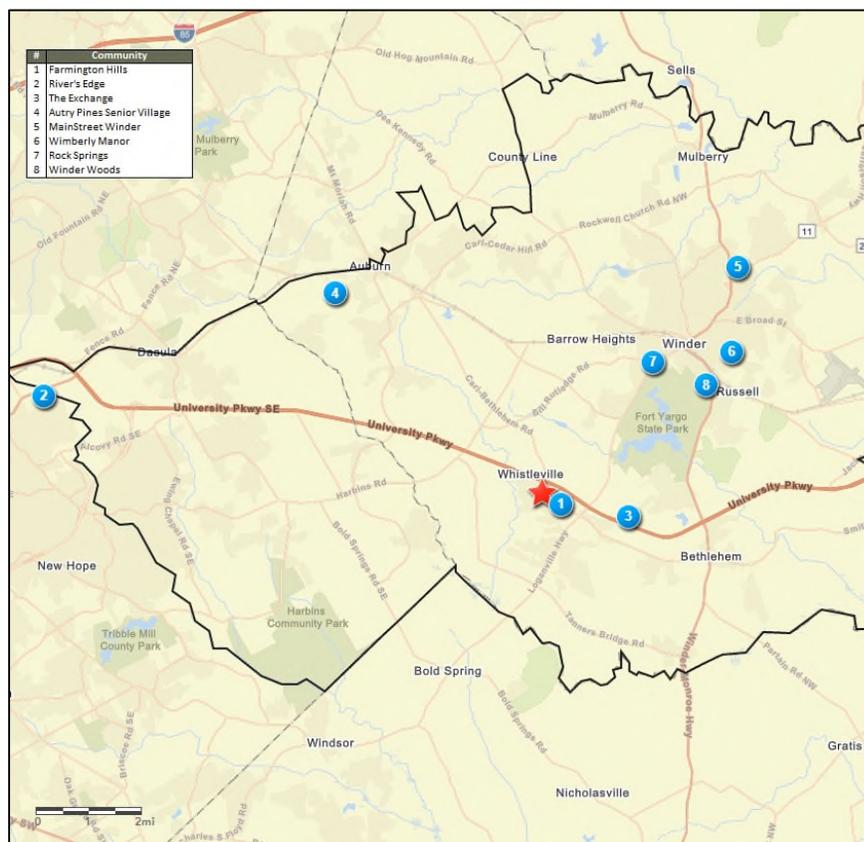
Table 34 Affordable Communities, Farmington Hills Market Area

Community	Subsidy	Type	Address	City	Distance
Farmington Hills	LIHTC	Family	801 Haymon Morris Rd.	Winder	0.1 mile
River's Edge	LIHTC	Family	1395 Winder Hwy.	Decula	11.2 miles
The Exchange	LIHTC	Family	839 Exchange Cir.	Bethlehem	2.5 miles
Autry Pines Senior Village	LIHTC	Senior	144 Autry Rd.	Auburn	7 miles
MainStreet Winder	LIHTC	Senior	454 Jefferson Hwy.	Winder	7.3 miles
Wimberly Manor	LIHTC	Senior	165 E Wright St.	Winder	6.5 miles
Rock Springs	LIHTC/USDA	Family	187 S Broad St.	Winder	4.4 miles
Winder Woods	USDA	Family	206 2nd St.	Winder	5.9 miles

Alllocated or Applied for Low Income Housing Tax Credits and has yet to start construction

Source: HUD, USDA, GA DCA

Map 7 Affordable Rental Communities





H. Impact of Abandoned, Vacant, or Foreclosed Homes

Based on field observations, limited abandoned / vacant single and multi-family homes exist in the Farmington Hills Market Area. In addition, to understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner’s grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30680 in which the subject property will be located and the broader areas of Winder, Barrow County, Georgia, and the United States for comparison purposes.

Our RealtyTrac search revealed May 2020 foreclosure rates of 0.08 percent in the subject property’s ZIP Code (30680) and Winder, 0.09 percent in Barrow County, and 0.01 percent in Georgia and the nation (Table 35). Monthly foreclosures in the subject site’s ZIP Code ranged from none to 13 units over the past year (Table 36).

While the conversion of foreclosure properties can affect the demand for new multi-family rental housing in some markets, the impact on an affordable housing community is typically limited due to their tenant rent and income restrictions. Furthermore, current foreclosure activity in the subject site’s ZIP Code was not significant over the past year. As such, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units.

Table 35 Foreclosure Rate, ZIP Code 30680, May 2020

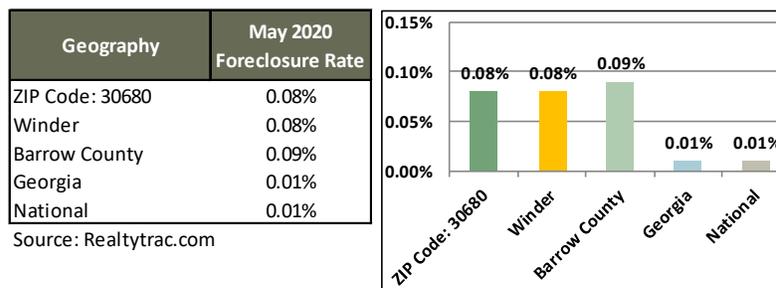
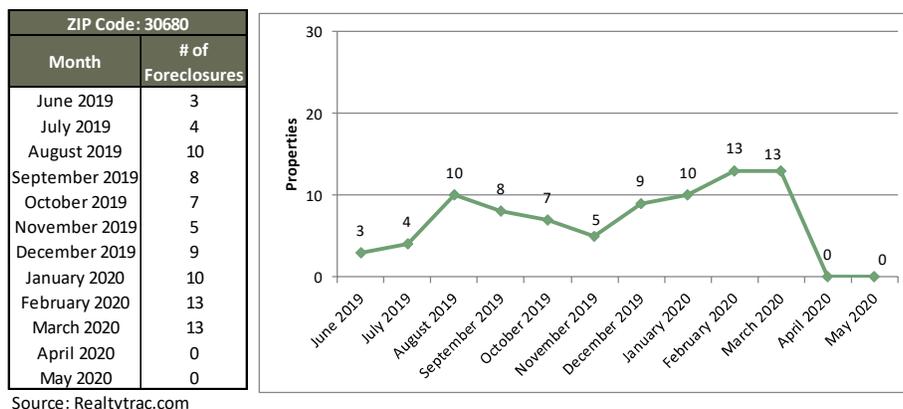


Table 36 Recent Foreclosure Activity, ZIP Code 30680



10. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Farmington Hills Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, employers, and transportation arteries.

- The subject site is on the north side of Haymon Morris Road, adjacent to the second phase of Farmington Hills. Surrounding land uses are compatible with affordable rental housing including primarily well-maintained single-family detached homes and the first two phases of the subject property. The subject's designated schools are grouped within one mile to the west of the site and a concentration of commercial uses including Barrow Crossing (shopping destination) are within one mile to the east.
- Neighborhood amenities are convenient to the site including shopping, a convenience store, a grocery store, a pharmacy, and schools within one mile while medical facilities and additional shopping opportunities are within 2.5 miles. Barrow Crossing offers retailers including Target, TJ Maxx, PetSmart, and Belk within one mile.
- The site is within one-half mile of State Highway 316/U.S. Highway 29 which connects the site to the region including Athens to the east and the Atlanta Metro Area to the west. State Highway 81 is just east of the site and provides access to downtown Winder roughly five miles to the north while Interstate 85 is within 15 miles north of the site and Interstate 20 is roughly 28 miles to the south.
- The overall Farmington Hills development has visibility from Haymon Morris Road. The first two phases of the subject property are fully occupied indicating sufficient visibility.
- RPRG did not identify any adjacent land uses that would negatively impact the proposed development's viability in the marketplace. The site will appeal to households living and working throughout the region.

2. Economic Context

Barrow County's economy is performing well with job growth in seven of the past eight years and a decreasing unemployment rate that is lower than the state rate.

- The county's unemployment rate dropped in each of the past nine years to a low 2.8 percent in 2019 which is below both state (3.4 percent) and national (3.7 percent) rates. Barrow County's unemployment rate has been below the state rate since 2011.
- Barrow County added jobs in seven of the past eight years with the net addition of 5,486 jobs since 2012, roughly 2.7 times the jobs lost during the recession-era (2008-2011), reaching an all-time high At-Place Employment in 2019. The county added an annual average of 804 jobs over the past three years.
- Trade-Transportation-Utilities is the largest sector in the county by far accounting for 32.9 percent of jobs compared to 18.6 percent of jobs nationally. The Government, Manufacturing, Education-Health, and Leisure-Hospitality sectors each account for roughly 10-15 percent of the county's jobs.
- Commuting data suggests that the residents of the Farmington Hills Market Area work throughout the region with more than half of workers employed outside their county of residence.

- RPRG did not identify any major job expansions or contractions in Barrow County over the past two years.

3. Population and Household Trends

The Farmington Hills Market Area grew significantly from 2000 to 2010; growth slowed but remained strong from 2010 to 2020. Growth is expected to remain strong over the next two years.

- The Farmington Hills Market Area added 21,967 net people (52.5 percent) and 6,757 households (45.8 percent) from 2000 to 2010; annual growth was 2,197 people (4.3 percent) and 676 households (3.8 percent) over this period. Annual growth over the past 10 years was 1,718 people (2.4 percent) and 556 households (2.3 percent), reaching 80,988 people and 27,055 households in 2020.
- Annual growth in the Farmington Hills Market Area is expected to remain strong from 2020 to 2022 at 1,736 people (2.1 percent) and 567 households (2.1 percent).

4. Demographic Analysis

The Farmington Hills Market Area household base is younger, less likely to rent, and included a larger proportion of households with children when compared to the Bi-County Market Area.

- The median age of the Farmington Hills Market Area's population is 35 years with Adults ages 35 to 61 representing the largest population age cohort in the market area at 35.6 percent while 29.0 percent of the population are Children/Youth under 20 years old. Young Adults ages 20 to 34 comprise 20.3 percent of the Farmington Hills Market Area's population while Seniors ages 62 and older account for 15.1 percent.
- Approximately 82 percent of Farmington Hills Market Area households were multi-person households including 45.0 percent of households with children. Single-person households accounted for 17.9 percent of Farmington Hills Market Area households.
- Roughly 23 percent of households in the Farmington Hills Market Area rent in 2020 compared to 27.4 percent in the Bi-County Market Area. The market area added 2,878 net renter households over the past 20 years accounting for 23.4 percent of net household growth. Esri projects renter households to account for 19.0 percent of net household growth over the next two years with the net addition of 215 renter households.
- The Farmington Hills Market Area includes a range of renter households by size with 46.0 percent having one or two people, 34.9 percent having three or four people, and 19.0 percent having five people.
- The 2020 median household income in the Farmington Hills Market Area is \$66,718 which is similar to the \$67,083 median in the Bi-County Market Area. RPRG estimates that the median income of renter households in the Farmington Hills Market Area is \$47,083. One-third of renter households in the Farmington Hills Market Area earn less than \$35,000 including 22.7 percent earning less than \$25,000 while 37.2 percent earn moderate incomes of \$35,000 to \$74,999.

5. Competitive Housing Analysis

RPRG surveyed seven multi-family rental communities in the Farmington Hills Market Area including two LIHTC communities. The rental market is performing well with limited vacancies including at LIHTC communities.

- The surveyed communities have nine vacancies among 539 combined units for an aggregate vacancy rate of 1.7 percent. Five of seven communities are fully occupied including the first



two phases of the subject property (Farmington Hills – LIHTC). The remaining LIHTC community (The Exchange) has five vacancies among 130 units for a vacancy rate of 3.8 percent.

- Among the surveyed communities, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents average \$751 per month. The average one-bedroom unit size is 801 square feet, resulting in a net rent per square foot of \$0.94.
 - **Two-bedroom** effective rents average \$845 per month. The average two-bedroom unit size is 1,078 square feet, resulting in a net rent per square foot of \$0.78.
 - **Three-bedroom** effective rents average \$1,056 per month. The average three-bedroom unit size is 1,318 square feet, resulting in a net rent per square foot of \$0.80.

Sixty percent AMI LIHTC rents at both LIHTC communities are among the existing market rate rents in the market area and the market rate rents at The Exchange (mixed-income LIHTC community) are the highest rents in the market area by a wide margin.

- The “average market rent” is \$970 for one-bedroom units, \$1,105 for two-bedroom units, and \$1,450 for three-bedroom units. The proposed 40 percent AMI rents have rent advantages of at least 79 percent and the proposed 60 percent AMI rents have rent advantages of at least 12.0 percent. All proposed 80 percent AMI rents are below average market rents. The project’s overall weighted average rent advantage is 35.4 percent.
- One comparable general occupancy LIHTC community was identified as proposed (River’s Edge) in the Farmington Hills Market Area. River’s Edge recently applied for four percent tax credits for 156 units targeting households earning up to 60 percent AMI just inside the market area in the Dacula area. This community will be directly comparable to the subject property. One age restricted LIHTC community (Wimberly Manor) received an allocation of nine percent tax credits for 73 units in Winder but this community will not be comparable to the subject property given a difference in age targeting.

B. Product Evaluation

Considered in the context of the competitive environment, the relative position of Farmington Hills III is as follows:

- **Site:** The subject site is in a residential neighborhood and is acceptable for affordable rental housing. Neighborhood amenities are convenient to the site including shopping, convenience stores, a grocery store, a pharmacy, schools, and medical facilities within two miles; Barrow Crossing is the area’s largest concentration of shopping and is within one mile east of the site. Surrounding land uses are compatible with multi-family rental housing including well maintained single-family detached homes and the first two phases of the subject property (Farmington Hills); Farmington Hills is adjacent to the site and is fully occupied with a waiting list. The site is just south of State Highway 316/U.S. Highway 29 which provides access to the region including Athens to the east and the Atlanta Metro Area to the west. The subject site is generally comparable to the location of nearly all surveyed communities in the market area including both LIHTC communities; the site is superior to the location of Quail Valley Duplexes in Auburn given proximity to major traffic arteries and neighborhood amenities.
- **Unit Distribution:** The proposed unit mix at Farmington Hills III includes 54 one-bedroom units (30 percent), 90 two-bedroom units (50 percent), and 36 three-bedroom units (20 percent). One, two, and three-bedroom units are common in the market area with both LIHTC offering all three floor plans. The proposed unit mix is generally comparable to the existing rental market which offers 18.6 percent one-bedroom units, 58.0 percent two-bedroom units, and 23.5 percent three-bedroom units. Furthermore, the Affordability Analysis indicates sufficient income qualified renter households will exist in the market area to support the



proposed unit mix and rents. The proposed unit distribution is acceptable and will be well received in the market area.

- **Unit Size:** The proposed unit sizes at Farmington Hills III are 800 square feet for one-bedroom units, 1,000 square feet for two-bedroom units, and 1,200 square feet for three-bedroom units. The proposed one-bedroom units are comparable to the market average of 801 square feet while the proposed two and three-bedroom unit sizes are within 78-118 square feet of market averages. The proposed unit sizes are acceptable given the new construction and proposed unit features/community amenities that will result in a competitive advantage over most surveyed communities. The proposed unit sizes will be well received by the target market of very low to moderate-income renter households.
- **Unit Features:** Farmington Hills III will offer a dishwasher, range/oven, refrigerator, microwave, ceiling fans, and washer and dryer connections which is comparable to the surveyed LIHTC communities including The Exchange which offers both LIHTC and market rate units. The subject property's unit features will be superior to most of the market rate communities given only one of five of these communities offer a microwave. The proposed unit features will be competitive in the market among both LIHTC and market rate communities.
- **Community Amenities:** Farmington Hills III will offer a clubhouse/community room, fitness center, swimming pool, playground, business/computer center, and laundry facilities which is comparable to the existing LIHTC communities in the market area including The Exchange which offers the highest-priced market rate units in the market area. The proposed amenities are far superior to those at the older market rate communities, most of which offer no amenities. The subject's amenities will be competitive with the LIHTC communities and will result in a competitive advantage compared to existing market rate communities in the market area.
- **Marketability:** The subject property will offer an attractive product with unit features and community amenities comparable to surveyed communities priced at the top of the market. The new construction will be appealing to renters given the limited multi-family rental stock built in the past 20 years in the Farmington Hills Market Area. The first two phases of the subject property built roughly six to eight years ago are fully occupied with a waiting list and offer a similar product to that proposed at Farmington Hills III.

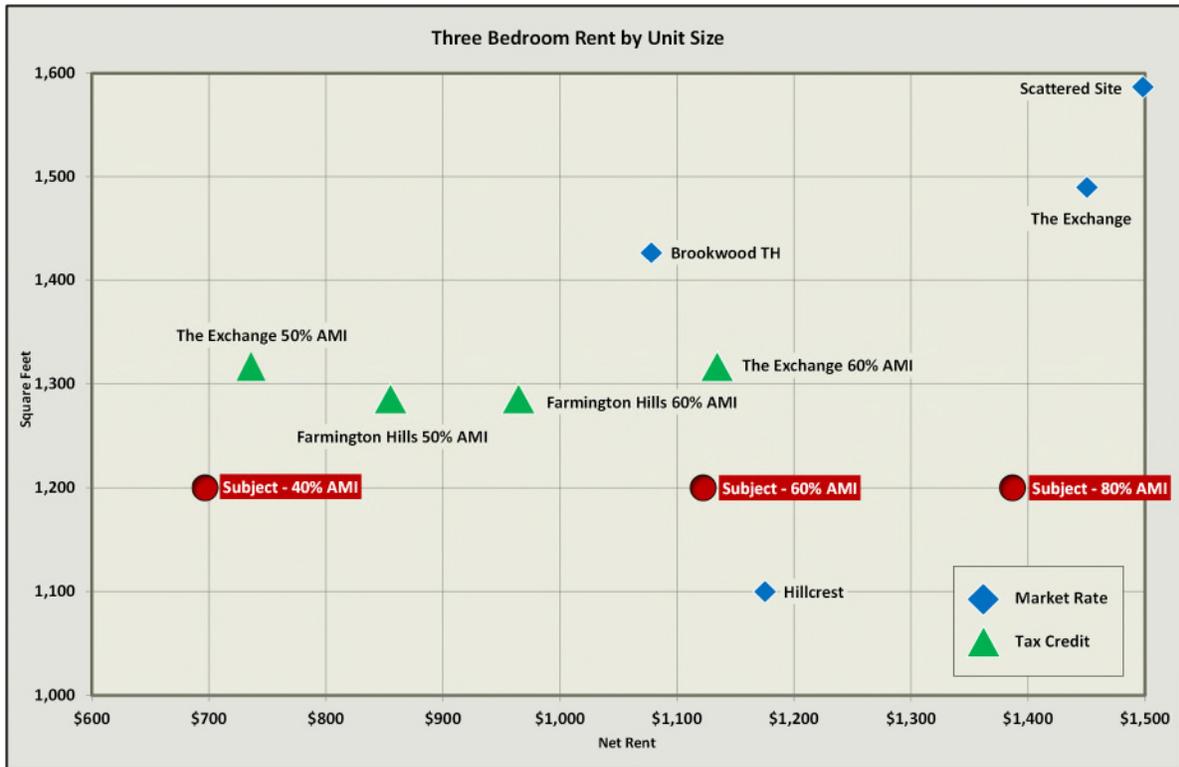
C. Price Position

The proposed 40 percent AMI rents will be at or near the bottom of the market and the proposed 60 percent AMI rents are all below the 60 percent AMI rents at the newest LIHTC community in the market area (The Exchange). The proposed 80 percent AMI rents are all below the market rate rents at The Exchange (LIHTC) which is acceptable given the proposed 80 percent AMI units will target similar income households as these market rate units and the proposed product/new construction will position the subject property at the top of the market (Figure 9). Furthermore, the Affordability Analysis indicates sufficient income qualified renter households will exist in the market area to fill the proposed unit mix and rents. All proposed rents are acceptable and will be well received in the market area.



Figure 9 Price Position







11. ABSORPTION AND STABILIZATION RATES

A. Absorption Estimate

The Exchange (mixed-income LIHTC community) opened in January 2018 and leased all 130 units by August 2018 for an average monthly absorption of 18.6 units. In addition to the experience of this community, absorption estimates are based on a variety of factors including:

- The Farmington Hills Market Area is projected to add 1,134 net households from 2020 to 2022 including 215 renter households.
- Roughly 3,300 renter households will be income-qualified for at least one of the proposed units at the subject property resulting in a project-wide affordability capture rate of 5.5 percent.
- All DCA demand capture rates overall and by floor plan are well within acceptable levels including an overall capture rate of 14.7 percent, indicating sufficient demand for the units proposed at the subject property and the comparable pipeline community.
- The rental market in the Farmington Hills Market Area is strong with an overall vacancy rate of 1.7 percent. The first two phases of the subject property (Farmington Hills) are fully occupied with a waiting list while The Exchange (LIHTC) has five vacancies among 130 units for a vacancy rate of 3.8 percent.
- Farmington Hills III will offer a competitive product with the newest and highest-priced community in the market area (The Exchange).

Based on the product to be constructed and the factors discussed above, we expect Farmington Hills III units to lease-up at a rate of 18 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within roughly nine to 10 months.

B. Impact on Existing and Pipeline Rental Market

Given the strong rental market in the Farmington Hills Market Area (including a waiting list at the first phases of the subject property) and the projected renter household growth over the next two years, we do not expect Farmington Hills III to have a negative impact on existing or proposed rental communities in the Farmington Hills Market Area including those with tax credits.



12. INTERVIEWS

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Lydia Skeppstrom with the Winder Planning Department, Dan Shultz with the Barrow County Planning and Community Development Department, Susan Owen with the Gwinnett County Planning Department, Michelle Yawn with the Winder Housing Authority, and staff with the City of Dacula.



13. CONCLUSIONS AND RECOMMENDATIONS

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Demand	Supply	Net Demand	Capture Rate	Average Market Rent	Market Rents Band	Proposed Rents
40% AMI		\$21,257 - \$35,760										
One Bedroom Units		18	6.6%	182		182	0	182	9.9%	\$970	\$970	\$515
Two Bedroom Units		30	4.4%	121		121	0	121	24.8%	\$1,105	\$1,105	\$616
Three Bedroom Units		12	6.7%	185	54.0%	100	0	100	12.0%	\$1,450	\$1,450	\$697
60% AMI		\$31,714 - \$53,640										
One Bedroom Units		18	9.8%	271		271	72	199	9.0%	\$970	\$970	\$820
Two Bedroom Units		30	8.8%	243		243	72	171	17.6%	\$1,105	\$1,105	\$987
Three Bedroom Units		12	10.5%	290	54.0%	157	12	145	8.3%	\$1,450	\$1,450	\$1,122
80% AMI		\$36,823 - \$71,520										
One Bedroom Units		18	20.0%	550		550	0	550	3.3%	\$970	\$970	\$969
Two Bedroom Units		30	16.9%	466		466	0	466	6.4%	\$1,105	\$1,105	\$1,104
Three Bedroom Units		12	12.1%	334	54.0%	180	0	180	6.7%	\$1,450	\$1,450	\$1,387
By Bedroom												
One Bedroom Units		54	36.4%	1,003		1,003	72	931	5.8%			
Two Bedroom Units		90	26.8%	738		738	72	666	13.5%			
Three Bedroom Units		36	29.0%	800	54.0%	432	12	420	8.6%			
Project Total		\$21,257 - \$71,520										
40% AMI	\$21,257 - \$35,760	60	16.4%	452			0	452	13.3%			
60% AMI	\$31,714 - \$53,640	60	26.3%	725			156	569	10.5%			
80% AMI	\$36,823 - \$71,520	60	32.2%	887			0	887	6.8%			
Total Units	\$21,257 - \$71,520	180	50.1%	1,380			156	1,224	14.7%			

Based on projected household growth trends, affordability and demand estimates, rental market conditions, and socio-economic and demographic characteristics of the Farmington Hills Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market; the first two phases of the subject property are fully occupied with a waiting list. The subject property will be competitively positioned with existing rental communities in the Farmington Hills Market Area and the units will be well received by the target market.

This market study was completed based on the most recent available data, which does not reflect the potential impact of the COVID-19 pandemic on demographic and economic trends as well as housing demand. At this stage, we do not believe demand for affordable rental housing will be reduced in the long term due to economic losses related to COVID-19. Demand for rental housing, especially affordable housing, is projected to increase over the next several years.

We recommend proceeding with the project as planned.

Brett Welborn
Analyst

Tad Scepianiak
Managing Principal



14. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



15. APPENDIX 2 ANALYST CERTIFICATIONS

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. The report was 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.

A handwritten signature in black ink, appearing to read 'Brett Welborn', is positioned above a horizontal line.

Brett Welborn
Analyst

Real Property Research Group, Inc.

A handwritten signature in blue ink, appearing to read 'Connor Hild', is positioned above a horizontal line.

Connor Hild
Research Associate

Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



16. APPENDIX 3 NCHMA CERTIFICATION

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

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepaniak
Name

Managing Principal
Title

July 14, 2020
Date

Date



17. APPENDIX 4 ANALYST RESUMES

TAD SCEPANIAK Managing Principal

Tad Scepianiak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is Immediate Past Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as National Chair, Vice Chair, and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

- Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
- Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.
- Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
- Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

Mr. Lefenfeld, Founding Principal of the firm, with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in 2001, Bob served as an officer of research subsidiaries of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting residential market studies throughout the United States. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



BRETT WELBORN
Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett progressed to serve as Analyst for RPRG for the past five years and has conducted market studies for LIHTC and market rate communities.

Areas of Concentration:

- **Low Income Housing Tax Credit Rental Housing:** Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.
- **Market Rate Rental Housing** – Brett has conducted projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



18. APPENDIX 5 DCA CHECKLIST

A. Executive Summary

1. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-street..... Page(s) 1
 - ii. Construction and Occupancy TypesPage(s) 1
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance Page(s) 1
 - iv. Any additional subsidies available, including project based rental assistance (PBRA) Page(s) 1
 - v. Brief description of proposed amenities and how they compare with existing properties Page(s) 1-2
2. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels..... Page(s) 2
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural)..... Page(s) 2
 - iii. A discussion of site access and visibility Page(s) 2
 - iv. Any significant positive or negative aspects of the subject site Page(s) 2
 - v. A brief summary of the site’s proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc Page(s) 2
 - vi. A brief discussion discussion of public safety, including comments on local perceptions, maps, or statistics of crime in the area Page(s) 2
 - vii. An overall conclusion of the site’s appropriateness for the proposed development..... Page(s) 2
3. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject property Page(s) 2-3
4. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA..... Page(s) 3
 - ii. Household tenure including any trends in rental rates. Page(s) 3
 - iii. Household income level. Page(s) 3
 - iv. Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development..... Page(s) 4
5. Economic Data:
 - i. Trends in employment for the county and/or region..... Page(s) 4
 - ii. Employment by sector for the primary market area. Page(s) 4
 - iii. Unemployment trends for the county and/or region for the past five years..... Page(s) 4
 - iv. Brief discussion of recent or planned employment contractions or expansions..... Page(s) 4
 - v. Overall conclusion regarding the stability of the county’s economic environment. Page(s) 4
6. Project Specific Affordability and Demand Analysis:
 - i. Number of renter households income qualified for the proposed development given retention of current tenants (rehab only), the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households. Page(s) 4-5
 - ii. Overall estimate of demand based on DCA’s demand methodology..... Page(s) 4-5
 - iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), by AMI, by bedroom type, and a conclusion regarding the achievability of these capture rates..... Page(s) 4-5



7.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA.	Page(s)	5
ii.	Number of properties.....	Page(s)	5
iii.	Rent bands for each bedroom type proposed.	Page(s)	5
iv.	Average market rents.....	Page(s)	5
8.	Absorption/Stabilization Estimate:		
i.	An estimate of the number of units expected to be leased at the subject property, on average, per month.....	Page(s)	6
ii.	Number of months required for the project to stabilize at 93% occupancy.....	Page(s)	6
9.	Overall Conclusion:		
i.	Overall conclusion regarding potential for success of the proposed development.....	Page(s)	6
10.	Summary Table.....	Page(s)	6-7

B. Project Description

1.	Project address and location.....	Page(s)	10
2.	Construction type.....	Page(s)	10
3.	Occupancy Type.....	Page(s)	10
4.	Special population target (if applicable).....	Page(s)	N/A
5.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	11
6.	Unit size, number of bedrooms, and structure type.....	Page(s)	11
7.	Rents and Utility Allowances.....	Page(s)	11
8.	Existing or proposed project based rental assistance.....	Page(s)	11
9.	Proposed development amenities.....	Page(s)	11
10.	For rehab proposals, current occupancy levels, rents being charged, and tenant incomes, if available, as well as detailed information with regard to the scope of work planned. Scopes of work should include an estimate of the total and per unit construction cost.....	Page(s)	N/A
11.	Projected placed-in-service date.....	Page(s)	12

C. Site Evaluation

1.	Date of site / comparables visit and name of site inspector.....	Page(s)	8
2.	Physical features of the site and adjacent parcel, including positive and negative attributes.....	Page(s)	13-16
3.	The site's physical proximity to surrounding roads, transportation (including bus stops), amenities, employment, and community services.....	Page(s)	18-22
4.	Labeled photographs of the subject property (front, rear and side elevations, on-site amenities, interior of typical units, if available), of the neighborhood, and street scenes with a description of each vantage point.....	Page(s)	14, 16
5.	A map clearly identifying the project and proximity to neighborhood amenities. A listing of the closest shopping areas, schools, employment centers, medical facilities and other amenities that would be important to the target population and the proximity in miles to each.....	Page(s)	21
6.	The land use and structures of the area immediately surrounding the site including significant concentrations of residential, commercial, industrial, vacant, or agricultural uses; comment on the condition of these existing land uses.....	Page(s)	15
7.	Any public safety issues in the area, including local perceptions of crime, crime statistics, or other relevant information.....	Page(s)	17



8. A map identifying existing low-income housing: 4% & 9% tax credit, tax exempt bond, Rural Development, Public Housing, DCA HOME funded, Sec. 1602 Tax Credit Exchange program, USDA financed, Georgia Housing Trust Fund of the Homeless financed properties, and HUD 202 or 811 and Project Based Rental Assistance (PBRA). Indicate proximity in miles of these properties to the proposed site.....	Page(s)	53
9. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	19
10. Vehicular and pedestrian access, ingress/egress, and visibility of site.....	Page(s)	18-19
11. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	22

D. Market Area

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	23
2. Map Identifying subject property's location within market area.....	Page(s)	24

E. Community Demographic Data

1. Population Trends		
i. Total Population.....	Page(s)	25
ii. Population by age group.....	Page(s)	27
iii. Number of elderly and non-elderly.....	Page(s)	N/A
iv. If a special needs population is proposed, provide additional information on population growth patterns specifically related to the population.....	Page(s)	N/A
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	25
ii. Household by tenure (If appropriate, breakout by elderly and non-elderly).....	Page(s)	29-29
iii. Households by income. (Elderly proposals should reflect the income distribution of elderly households only).....	Page(s)	31-31
iv. Renter households by number of persons in the household.....	Page(s)	30

F. Employment Trends

1. Total jobs in the county or region.....	Page(s)	35
2. Total jobs by industry – numbers and percentages.....	Page(s)	36
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	37
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past 10 years.....	Page(s)	33
5. Map of the site and location of major employment concentrations.....	Page(s)	38
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	38

G. Project-specific Affordability and Demand Analysis

1. Income Restrictions / Limits.....	Page(s)	40
2. Affordability estimates.....	Page(s)	40
3. Demand		
i. Demand from new households.....	Page(s)	43
ii. Demand from existing households.....	Page(s)	43



iii. Elderly Homeowners likely to convert to rentership.	Page(s)	N/A
iv. Net Demand and Capture Rate Calculations	Page(s)	43-43

H. Competitive Rental Analysis (Existing Competitive Rental Environment)

1. Detailed project information for each competitive rental community surveyed		
i. Name and address of the competitive property development.	Page(s)	App. 6
ii. Name, title, and phone number of contact person and date contact was made.	Page(s)	App. 6
iii. Description of property.	Page(s)	App. 6
iv. Photographs.	Page(s)	App. 6
v. Square footages for each competitive unit type.	Page(s)	50, App. 6
vi. Monthly rents and the utilities included in the rents of each unit type.	Page(s)	48, 50, App. 8
vii. Project age and current physical condition.....	Page(s)	47, App. 8
viii. Concessions given if any.....	Page(s)	47
ix. Current vacancy rates, historic vacancy factors, waiting lists, and turnover rates, broken down by bedroom size and structure type.....	Page(s)	47
x. Number of units receiving rental assistance, description of assistance as project or tenant based.	Page(s)	App. 6
xi. Lease-up history	Page(s)	48

Additional rental market information

1. An analysis of the vouchers available in the Market Area, including if vouchers go unused and whether waitlisted households are income-qualified and when the list was last updated.	Page(s)	52
2. If the proposed development represents an additional phase of an existing housing development, include a tenant profile and information on a waiting list of the existing phase.	Page(s)	App. 6
3. A map showing the competitive projects and all LIHTC and Bond proposed projects which have received tax credit allocations within the market area.....	Page(s)	46, 53
4. An assessment as to the quality and compatibility of the proposed amenities to what is currently available in the market	Page(s)	58
5. Consider tenancy type. If comparable senior units do not exist in the PMA, provide an overview of family-oriented properties, or vice versa. Account for differences in amenities, unit sizes, and rental levels.	Page(s)	N/A
6. Provide the name, address/location, name of owner, number of units, unit configuration, rent structure, estimated date of market entry, and any other relevant market analysis information of developments in the planning, rehabilitation, or construction stages. If there are none, provide a statement to that effect.....	Page(s)	52
7. Provide documentation and diagrams on how the projected initial rents for the project compare to the rental range for competitive projects within the PMA and provide an average market rent for each of the proposed unit types.	Page(s)	51, 58
8. Comment on any other DCA funded projects located outside of the primary area, but located within a reasonable distance from the proposed project.	Page(s)	N/A
9. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.		N/A



10. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	54
11. Note whether the proposed project would adversely impact the occupancy and health of existing properties financed by Credits, USDA, HUD 202, or 811 (as appropriate), DCA or locally financed HOME properties, Sec. 1602 Tax Credit Exchange program, HTF, and HUD 221(d)(3) and HUD 221 (d) (4) and other market rate FHA insured properties (not including public housing properties).....	Page(s)	61
I. Absorption and Stabilization Rates		
1. Anticipated absorption rate of the subject property	Page(s)	61
2. Stabilization period.....	Page(s)	61
J. Interviews.....		
	Page(s)	62
K. Conclusions and Recommendations		
	Page(s)	63
L. Signed Statement Requirements.....		
	Page(s)	App 2



19. APPENDIX 6 RENTAL COMMUNITY PROFILES

Community	Address	City	Date Surveyed	Phone Number
Brookwood TH	124 2nd st.	Winder	7/15/2020	678-425-2159
Hillcrest	490 Gainesville Hwy.	Winder	7/15/2020	770-307-0224
Lily Drive	Lily Drive	Winder	7/15/2020	770-867-4007
Winder Villas	291 Apperson Drive	Winder	7/15/2020	770-480-6983
Farmington Hills	1506 Farmington Way	Winder	7/15/2020	770-963-5018
Quail Valley Duplexes	275 Carter Rd.	Winder	7/15/2020	678-871-0839
The Exchange	839 Exchange Cir.	Bethlehem	7/15/2020	770-847-7117

Brookwood TH

Multifamily Community Profile

124 2nd st.
Winder,GA

CommunityType: **Market Rate - General**

Structure Type: **2-Story Townhouse**

70 Units 5.7% Vacant (4 units vacant) as of 7/15/2020

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$905	1,143	\$0.79	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	\$1,103	1,427	\$0.77	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Mabry Real Estate Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 7/15/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	--	\$850	1,140	\$0.75	Market	7/15/20	5.7%	--	\$905	\$1,103
Townhouse	--	2	2.5	--	\$900	1,145	\$0.79	Market	3/28/16	0.0%	--	\$625	\$730
Townhouse	--	3	1.5	--	\$1,000	1,400	\$0.71	Market	6/6/12	--	--	--	--
Townhouse	--	3	2.5	--	\$1,150	1,440	\$0.80	Market	5/27/11	2.9%	--	--	--
Townhouse	--	3	2	--	\$1,055	1,440	\$0.73	Market					

Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>													

Brookwood TH

GA013-015718

Farmington Hills

Multifamily Community Profile

1506 Farmington Way
Winder, GA 30680

Community Type: LIHTC - General

Structure Type: Garden

144 Units 0.0% Vacant (0 units vacant) as of 7/15/2020

Opened in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	18.1%	\$743	829	\$0.90	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	48.6%	\$890	1,094	\$0.81	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	33.3%	\$976	1,286	\$0.76	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C	
Select Units: Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: TBG Residential Owner: --	

Comments

Waiting list of 8+ months.
First phase built in 2012 and the second phase built in 2014.

Floorplans (Published Rents as of 7/15/2020) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$645	829	\$.78	LIHTC/ 50%	7/15/20	0.0%	\$743	\$890	\$976
Garden	--	1	1	18	\$765	829	\$.92	LIHTC/ 60%	6/12/18	0.0%	\$697	\$844	\$926
Garden	--	2	2	8	\$755	1,094	\$.69	LIHTC/ 50%	11/27/17	0.0%	\$620	\$755	\$846
Garden	--	2	2	62	\$885	1,094	\$.81	LIHTC/ 60%	5/22/17	0.0%	\$620	\$755	\$846
Garden	--	3	2	6	\$855	1,286	\$.66	LIHTC/ 50%					
Garden	--	3	2	42	\$965	1,286	\$.75	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Hillcrest

Multifamily Community Profile

490 Gainesville Hwy.
Winder, GA

Community Type: **Market Rate - General**

Structure Type: **Garden/TH**

102 Units 0.0% Vacant (0 units vacant) as of 7/15/2020

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$750	700	\$1.07	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	--	\$938	1,013	\$0.93	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	\$1,200	1,100	\$1.09	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

25 1BRs, 67 2BRs, 10 3BRs.

Floorplans (Published Rents as of 7/15/2020) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$750	700	\$1.07	Market	7/15/20	0.0%	\$750	\$938	\$1,200
Townhouse	--	2	1.5	--	\$975	1,100	\$0.89	Market	8/15/19	3.9%	\$700	\$875	\$1,050
Townhouse	--	2	1.5	--	\$975	1,200	\$0.81	Market	6/12/18	0.0%	\$700	\$842	\$1,000
Garden	--	2	1	--	\$850	850	\$1.00	Market	11/27/17	4.9%	\$700	\$792	\$925
Townhouse	--	2	1.5	--	\$950	900	\$1.06	Market					
SF Detached	--	3	1	--	\$1,200	1,100	\$1.09	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Hillcrest

GA013-015719

Lily Drive

Multifamily Community Profile

Lily Dr. & Springdale Rd.
Winder,GA

CommunityType: Market Rate - General
Structure Type: Townhouse

9 Units 0.0% Vacant (0 units vacant) as of 7/15/2020

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$785	1,175	\$0.67	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

FKA Ivey Corners & Lily Drive

Floorplans (Published Rents as of 7/15/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	--	--	--	--	--	--	--	7/15/20	0.0%	--	\$785	--
Townhouse	--	2	2	9	\$785	1,175	\$0.67	Market	5/29/15	22.2%	--	--	--
									2/6/14	111.1%	--	--	--
									6/5/12	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Lily Drive

GA013-015721

Quail Valley Duplexes

Multifamily Community Profile

275 Carter Rd.
Auburn, GA

Community Type: **Market Rate - General**
Structure Type: **Duplex**

20 Units 0.0% Vacant (0 units vacant) as of 7/15/2020

Opened in 1985

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$630	--	--	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Floorplans (Published Rents as of 7/15/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	1.5	20	\$600	--	--	Market	7/15/20	0.0%	--	\$630	--
									3/28/16	0.0%	--	\$530	--
									2/6/14	5.0%	--	--	--

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>

© 2020 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

The Exchange

Multifamily Community Profile

839 Exchange Cir.
Bethlehem, GA 30620

Community Type: LIHTC - General

Structure Type: Garden/TH

130 Units 3.8% Vacant (5 units vacant) as of 7/15/2020

Opened in 2018



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	27.7%	\$789	815	\$0.97	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	32.3%	\$940	1,100	\$0.85	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	40.0%	\$1,159	1,350	\$0.86	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: --	
Owner: --	

Comments

Opened January 2018 and leased up in August 2018.

All vacancies are LIHTC units. Management stated market rate units are in high demand.

Floorplans (Published Rents as of 7/15/2020) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program		Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	1	\$970	815	\$1.19	Market		7/15/20	3.8%	\$789	\$940	\$1,159
Garden	--	1	1	8	\$562	815	\$.69	LIHTC/ 50%		1/9/20	2.3%	\$767	\$913	\$1,120
Garden	--	1	1	27	\$830	815	\$1.02	LIHTC/ 60%		5/30/19	3.1%	\$765	\$913	\$1,120
Garden	--	2	2	2	\$1,105	1,100	\$1.00	Market		6/20/18*	10.0%	\$727	\$868	\$1,058
Garden	--	2	2	10	\$662	1,100	\$.60	LIHTC/ 50%		* Indicates initial lease-up.				
Garden	--	2	2	30	\$994	1,100	\$.90	LIHTC/ 60%						
Garden	--	3	2	8	\$736	1,317	\$.56	LIHTC/ 50%						
Garden	--	3	2	34	\$1,134	1,317	\$.86	LIHTC/ 60%						
Townhouse	--	3	2.5	10	\$1,450	1,490	\$.97	Market						

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Winder Villas

Multifamily Community Profile

291 Apperson Drive
Winder, GA 30680

Community Type: Market Rate - General

Structure Type: 2-Story Garden/TH

64 Units 0.0% Vacant (0 units vacant) as of 7/15/2020

Last Major Rehab in 2017 Opened in 1983



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$892	881	\$1.01	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Dishwasher	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Stainless appliances and laminate hardwood flooring.

Floorplans (Published Rents as of 7/15/2020) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	48	\$879	860	\$1.02	Market	7/15/20	0.0%	--	\$892	--
Townhouse	--	2	1.5	16	\$929	944	\$98	Market	1/9/20	0.0%	--	\$892	--
									8/15/19	0.0%	--	\$862	--
									6/12/18	0.0%	--	\$808	--
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Natural Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Winder Villas

GA013-017140