

Market Feasibility Analysis

Peaks of Fort Oglethorpe
Battlefield Parkway
Fort Oglethorpe, Catoosa County, Georgia 30742

Prepared For

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Section A – Executive Summary

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

1. Project Description:

The subject project involves the new construction of the 72-unit Peaks of Fort Oglethorpe rental community along Battlefield Parkway (east of Walmart) in Fort Oglethorpe, Catoosa County, Georgia. The project will target seniors ages 62 and older earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, the property will also offer eight (8) units which will operate as unrestricted market-rate. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by May of 2022. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
7	One-Br.	1.0	Garden	709	50%	\$515	\$105	\$620	\$636
25	One-Br.	1.0	Garden	709	60%	\$575	\$105	\$680	\$763
4	One-Br.	1.0	Garden	709	Market-Rate	\$650	\$105	\$755	-
6	Two-Br.	1.0	Garden	908	50%	\$615	\$129	\$744	\$763
26	Two-Br.	1.0	Garden	908	60%	\$700	\$129	\$829	\$916
4	Two-Br.	1.0	Garden	908	Market-Rate	\$750	\$129	\$879	-
72	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Chattanooga, TN-GA MSA; 2019)

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave oven, washer/dryer appliances, central air conditioning, patio/balcony with storage closet, ceiling fan, carpet and vinyl flooring, window blinds, and emergency call systems. Community amenities will include on-site management, a clubhouse/community room, gazebo, walking trail, lake/pond, elevator, computer center, community garden, health/wellness center, covered porch, fitness center, picnic area with grill, and a social/supportive services package. Overall, the amenity package offered at the property is considered appropriate for and marketable to the targeted tenant population and will be competitive with those offered among the comparable projects in the market and region.

2. Site Description/Evaluation:

The subject site is comprised of a vacant parcel of undeveloped land located along the south side of Battlefield Parkway, east of Walmart in the eastern portion of Fort Oglethorpe, Georgia. Surrounding land uses primarily include commercial/retail businesses located along Battlefield Parkway and wooded/undeveloped land. Visibility of the subject site is considered good from Battlefield Parkway north of the site. Access to the subject site is also considered good from this aforementioned roadway but is restricted to eastbound traffic due to a median which divides Battlefield Parkway at the subject site entrance. Thus, access to/from westbound Battlefield Parkway will require a U-turn east or west of the subject site along Battlefield Parkway. Most basic area services are located within 2.0 miles of the site and are easily accessible given the subject's location along Battlefield Parkway, which serves as a commercial corridor within the immediate site area. In fact, a Walmart Supercenter and various other area services are located adjacent the subject site to the west. Overall, the subject site location is considered conducive to affordable senior-oriented rental product.

3. Market Area Definition:

The Fort Oglethorpe Site PMA includes the incorporated areas, or portions, of Fort Oglethorpe, Chickamauga, Fairview, Lakeview, Ringgold, and Rossville, as well as some of the surrounding areas of Walker and Catoosa counties. The boundaries of the Fort Oglethorpe Site PMA include the Georgia/Tennessee state boundary to the north; State Route 151 and State Route 259 to the east; Rollins Industrial Boulevard, Holcomb Road, Spring Road, Three Notch Road, Long Hollow Road, Twin Cedars Road and Garretts Chapel Road to the south; and the Census Tract 205.01 boundary, Childers Hollow Road, Marble Top Road, Chickamauga Road, Nick A Jack Road, Rock Creek Road and State Route 193 to the west. The boundaries of the Fort Oglethorpe Site PMA are generally within 9.1 miles of the subject site. A map illustrating these boundaries is included on page *D-2* of this report.

4. Community Demographic Data:

The Fort Oglethorpe Site PMA is projected to experience demographic growth between 2020 and 2022, both in terms of total population and households. This is a trend which has been ongoing since 2000 and will likely increase housing demand within the area. Household growth will occur among several age cohorts but will primarily be concentrated among seniors. Notably, seniors age 62 and older are projected to increase by 431 households, or 3.9%, between 2020 and 2022. Approximately 20.0% of all senior (age 62 and older) households will continue to be renters through 2022, with nearly 2,300 senior renter households projected for the market at this time. Nearly two-thirds (66.2%) of all senior renter households are projected to earn less than \$30,000 through 2022. Based on the preceding

factors, a good and expanding base of potential age- and income-appropriate renter households will continue to exist within the market for affordable senior-oriented housing alternatives such as that primarily proposed for the subject site. Additional demographic data is included in *Section E* of this report.

Also note that based on 2014-2018 American Community Survey (ACS) data, 56.5% of the vacant housing units in the Site PMA are classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on information obtained from RealtyTrac.com, Catoosa County has a foreclosure rate of 0.01%. This is identical to the statewide rate. Further, our survey of the Fort Oglethorpe Site PMA revealed that established comparable age-restricted Tax Credit properties are operating at strong 100.0% occupancy levels and maintain waiting lists. Based on the preceding analysis, it is our opinion that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability.

5. Economic Data:

The Catoosa County economy experienced steady improvement over the past decade, both in terms of total employment and unemployment rate trends. Notably, the employment base increased by nearly 3,500 jobs between 2014 and 2019, an increase of nearly 12.0%. The unemployment rate during this same time period declined by more than three full percentage points to a rate of 3.0% through the end of 2019. According to local economic development representatives, COVID-19 has impacted many businesses in the area, though most area businesses have been able to reopen with some restrictions as of the end of April 2020. Nonetheless, the employment base within the county has declined by 2.0%, or more than 600 jobs, thus far in 2020, while the unemployment rate has increased by nearly two full percentage points through April of 2020. Based on the preceding factors, the Catoosa County economy will likely continue to experience elevated unemployment rates and modest employment growth for the foreseeable future due to the impact of the COVID-19 pandemic. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component – Age 62+	Percent of Median Household Income			
	50% AMHI (\$18,600 to \$28,500)	60% AMHI (\$20,400 to \$32,580)	Tax Credit Overall (\$18,600 to \$32,580)	Market-Rate (\$30,200 +)
Net Demand	299	242	324	122
Proposed Units / Net Demand	13 / 299	51 / 242	64 / 324	8 / 122
Capture Rate	= 4.3%	= 21.1%	= 19.8%	= 6.6%

Per GDCA guidelines, capture rates below 35.0% for projects in rural markets similar to the Fort Oglethorpe Site PMA are typically considered acceptable. Thus, the proposed project's overall capture rate of 19.8% for the LIHTC units is acceptable. This is particularly true when considering the 100.0% occupancy rates and waiting lists maintained among the existing comparable age-restricted LIHTC properties in the market. Based on the preceding factors, the subject's capture rates by AMHI level and for the market-rate units are also considered acceptable, ranging from 4.3% to 21.1%.

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (60%)	50%	7	183	7	176	4.0%
One-Bedroom (60%)	60%	25	170	1	169	14.8%
One-Bedroom (60%)	MR	4	73	0	73	5.5%
One-Bedroom	Total	36	426	8	418	8.6%
Two-Bedroom (40%)	50%	6	122	5	117	5.1%
Two-Bedroom (40%)	60%	26	114	47	67	38.8%
Two-Bedroom (40%)	MR	4	49	0	49	8.2%
Two-Bedroom	Total	36	285	52	233	15.5%

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

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

MR – Market-Rate

The capture rates by bedroom type and targeted income level range from 5.1% to 38.8%. These capture rates are below GDCA's capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Fort Oglethorpe Site PMA for each of the unit types proposed for the subject development.

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

7. Competitive Rental Analysis

Tax Credit

The proposed subject property will offer one- and two-bedroom units targeting senior (age 62 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Fort Oglethorpe Site PMA, we identified and surveyed a total of three age-restricted LIHTC properties which will be directly competitive with and provide a good comparison for the proposed subject property.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Fort Oglethorpe	2022	64*	-	-	-	Seniors 62+; 50% & 60% AMHI
6	Lone Mountain Village I	2008	44*	100.0%	5.6 Miles	70 HH	Seniors 55+; 50% & 60% AMHI
7	Lone Mountain Village II	2013	64	100.0%	5.7 Miles	38 HH	Seniors 55+; 50% & 60% AMHI
13	Village at Chickamauga Apts. I	2008	30*	100.0%	9.1 Miles	24 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy
 HH - Households
 *Tax Credit units only

The three LIHTC projects have a combined occupancy rate of 100.0% and all three maintain waiting lists ranging from 24- to 70-households. These are clear indications of strong and pent-up demand for additional age-restricted LIHTC product within this market.

It should also be noted that one additional age-restricted property, South Rossville Senior Village, was identified within the Fort Oglethorpe Site PMA but was unable to be surveyed. Thus, this property is not included in our comparable/competitive analysis. This property was, however, 100.0% occupied with a 20-household waiting list at the time of our last survey in January of 2020, similar to occupancy trends among the three comparable properties surveyed and included in this analysis.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)		Rent Special
		One-Br.	Two-Br.	
Site	Peaks of Fort Oglethorpe	\$620/50% (7) \$680/60% (25)	\$744/50% (6) \$829/60% (26)	-
6	Lone Mountain Village I	\$558/50% (14/0) \$558/60% (4/0)	\$618/50% (9/0) \$618/60% (17/0)	None
7	Lone Mountain Village II	\$558/50% (2/0) \$558/60% (6/0)	\$618/50% (14/0) \$618/60% (42/0)	None
13	Village at Chickamauga Apts. I	\$558/50% (8/0) \$573/60% (4/0)	\$613/50% (10/0) \$633/60% (8/0)	None

The subject's proposed gross Tax Credit rents are positioned above those reported among the comparable LIHTC properties surveyed. It is of note, however, that the comparable properties report very similar, if not the same, rents for both their 50% and 60% AMHI units. This is due to the developer of the comparable properties offering units which operate under the HOME program. This is a good indication that the 60% AMHI rents are being held artificially low at these properties and are not representative of the rent levels which may actually be achievable at this higher AMHI targeting within the Fort Oglethorpe Site PMA.

Although unable to be surveyed at the time of this analysis, it is of note that the existing South Rossville Senior Village property (excluded from this analysis due to not being able to survey) reported gross rents of \$644 and \$772 for their one- and two-bedroom units at 50% of AMHI and \$702 and \$856 for their units at 60% of AMHI at the time of our last survey of this property in January of 2020. This property was also 100.0% occupied with a waiting list of 20-households at the time of our last survey. The subject rents also represent strong market rent advantages as detailed in *Addendum E*, and are well supported demographically, as detailed by our demand estimates included in *Section G*. These are good indications the subject rents are achievable/marketable within the Fort Oglethorpe Site PMA, despite being positioned above those currently reported among the three comparable properties surveyed and included in this analysis.

Further, the subject property will be at least nine years newer than the existing age-restricted LIHTC properties in this market and will offer premium unit amenities such as microwave ovens and in-unit washer/dryer appliances. These features further contribute to the subject's ability to command premium rents within this market.

Comparable/Competitive Tax Credit Summary

A total of four comparable/competitive age-restricted LIHTC properties were identified within the Fort Oglethorpe Site PMA, three of which were able to be surveyed at the time of this analysis. The three properties surveyed are all 100.0% occupied with waiting lists of up to 70-households. The subject's proposed gross rents will be higher than those reported among the comparable properties surveyed. However, when considering that the surveyed properties effectively charge the same rent for their 50% and 60% AMHI units, it appears as though the reported 60% rents in this market are not reflective of what may actually be achievable. This is further supported by data obtained during our previous surveys of the Fort Oglethorpe Site PMA. Specifically, the one property unable to be surveyed at the time of this analysis, South Rossville Senior Village, reported rents at the time of our last survey (January 2020) which were very similar to those proposed for the subject property. Based on the preceding factors and considering the subject's newness and superior unit amenity package, it is our opinion the subject's proposed rents are achievable within the Fort Oglethorpe Site PMA.

Market-Rate

In addition to the LIHTC units, the subject property will also offer some units which will operate as unrestricted market-rate. Within the Fort Oglethorpe Site PMA, we identified and surveyed four market-rate properties which we consider most comparable to the subject property in terms of design, age, location, unit types offered, and/or amenities offered. The four properties selected for this analysis are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Fort Oglethorpe	2022	8*	-	-	-
2	Fountain Brook Apts. I & II	2000	224	100.0%	3.4 Miles	None
4	Lakeshore Apts. I	1984	79	100.0%	1.2 Miles	None
5	Lakeshore Apts. II	1988	79	100.0%	1.5 Miles	None
14	Village at Fort Town	2002	294	100.0%	1.0 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 676 units with an overall occupancy rate of 100.0%. This is a clear indication that the selected properties are well-received and will serve as an accurate benchmark with which to compare the subject property.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		Studio	One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	-	\$755 (4)	\$879 (4)
2	Fountain Brook Apts. I & II	-	\$868 (100/0)	\$1,093-\$1,153 (124/0)
4	Lakeshore Apts. I	\$567 (15/0)	\$763 (59/0)	\$936 (5/0)
5	Lakeshore Apts. II	\$567 (16/0)	\$743 (42/0)	\$936 (21/0)
14	Village at Fort Town	\$585 (4/0)	\$678 (88/0)	\$838-\$1,068 (202/0)

The subject’s proposed gross market-rate rents are competitive with those reported among the comparable market-rate properties. This will contribute to the subject’s marketability, particularly when considering the newness and anticipated quality of the subject project.

An in-depth comparable analysis is included in *Section H* of this report.

Average Market Rent

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

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$673	\$839

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

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$673	- \$650	\$23	/ \$650	3.5%
Two-Br.	\$839	- \$750	\$89	/ \$750	11.9%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 3.5% to 11.9%, as compared to the weighted average collected rents of the comparable market-rate projects. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include, or the differences in design, age, quality, etc. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately nine months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month. It is anticipated the subject's eight unrestricted market-rate units will be leased within the first two months of opening while the proposed LIHTC units will require the full nine-month absorption period.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings. This includes changes to market conditions within/near the Fort Oglethorpe Site PMA, particularly due to the COVID-19 pandemic. The findings/conclusions of this report assume market conditions remain favorable for continued economic/housing development within the subject market. Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable product in this market. We have no recommendations to the subject project at this time.

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

Development Name:	Peaks of Fort Oglethorpe	Total # Units: 72
Location:	Battlefield Parkway, Fort Oglethorpe, GA 30742 (Catoosa Co.)	# LIHTC Units: 64
PMA Boundary:	Georgia/Tennessee state boundary to the north; State Route 151 and State Route 259 to the east; Rollins Industrial Boulevard, Holcomb Road, Spring Road, Three Notch Road, Long Hollow Road, Twin Cedars Road and Garretts Chapel Road to the south; and the Census Tract 205.01 boundary, Childers Hollow Road, Marble Top Road, Chickamauga Road, Nick A Jack Road, Rock Creek Road and State Route 193 to the west.	
	Farthest Boundary Distance to Subject:	9.1 miles

RENTAL HOUSING STOCK (found on page H-1 & 2)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	1,470	4	99.7%
Market-Rate Housing	10*	1,025	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	1	68	0	100.0%
LIHTC	6*	377	4	98.9%
Stabilized Comps	3	138	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

*Includes mixed-income properties

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
7	One-Br.	1.0	709	\$515 (50%)	\$673	\$1.02	30.7%	\$755	\$1.21
25	One-Br.	1.0	709	\$575 (60%)	\$673	\$1.02	17.0%	\$755	\$1.21
4	One-Br.	1.0	709	\$650 (MR)	\$673	\$1.02	3.5%	\$755	\$1.21
6	Two-Br.	1.0	908	\$615 (50%)	\$839	\$0.86	36.4%	\$955	\$0.99
26	Two-Br.	1.0	908	\$700 (60%)	\$839	\$0.86	19.9%	\$955	\$0.99
4	Two-Br.	1.0	908	\$750 (MR)	\$839	\$0.86	11.9%	\$955	\$0.99

MR – Market-Rate

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-Rate	Other:	Overall Tax
Capture Rate	-	4.3%	21.1%	6.6%	-	19.8%

Section B - Project Description

Project Name:	Peaks of Fort Oglethorpe
Location:	Battlefield Parkway, Fort Oglethorpe, Georgia 30742 (Catoosa County)
Census Tract:	304.01
Target Market:	Senior 62+
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 72-unit Peaks of Fort Oglethorpe rental community along Battlefield Parkway (east of Walmart) in Fort Oglethorpe, Catoosa County, Georgia. The project will target seniors ages 62 and older earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. In addition, the property will also offer eight (8) units which will operate as unrestricted market-rate. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by May of 2022. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
7	One-Br.	1.0	Garden	709	50%	\$515	\$105	\$620	\$636
25	One-Br.	1.0	Garden	709	60%	\$575	\$105	\$680	\$763
4	One-Br.	1.0	Garden	709	Market-Rate	\$650	\$105	\$755	-
6	Two-Br.	1.0	Garden	908	50%	\$615	\$129	\$744	\$763
26	Two-Br.	1.0	Garden	908	60%	\$700	\$129	\$829	\$916
4	Two-Br.	1.0	Garden	908	Market-Rate	\$750	\$129	\$879	-
72	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Chattanooga, TN-GA MSA; 2019)

Building/Site Information	
Residential Buildings:	Three (3) three-story buildings
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	9.962

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	June 2021
Begin Preleasing:	January 2022
Construction End:	May 2022

Unit Amenities		
• Electric Range	• Microwave Oven	• Ceiling Fan
• Refrigerator with Icemaker	• Central Air Conditioning	• Emergency-Call System
• Garbage Disposal	• In-Unit Washer/Dryer Machines	• Window Blinds
• Dishwasher	• Carpet/VCT Flooring	• Patio/Balcony with Storage Closet

Community Amenities		
• On-Site Management	• Elevator	• Fitness Center
• Clubhouse	• Computer Center/Copy/Print/Fax	• Community Room with Kitchen
• Gazebo	• Community Gardens	• Picnic Area w/ Grill
• Walking Trail	• Health/Wellness Center	• Social/Supportive Services
• Lake/Pond	• Covered Porch	• Parties/Picnics
• Surface Parking (108 Spaces)		

Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

FLOOR AND SITE PLAN REVIEW:

Floor and site plans were provided for the subject project for review at the time this report was prepared. Based on these plans and additional information provided at the time of this analysis, the subject property will include one- and two-bedroom garden-style units located within three (3) three-story buildings. The three subject buildings will be connected via covered walkways and the center building will contain a centrally located elevator. The subject units will range in size from 709 to 908 square feet, with all units offering 1.0 bathroom. Each unit will come well-equipped in terms of unit amenities and will feature a full kitchen appliance package and dedicated laundry area with in-unit washer/dryer appliances, as well as a patio/balcony area with an exterior storage closet.

In addition to the subject’s residential units, the property will feature an array of community amenities integrated throughout the property. These will include but not be limited to on-site management, a clubhouse/community space, walking trail, fitness center, health/wellness center, and community gardens. This will further enhance marketability of the subject project. Overall, the property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section H* to better determine the competitive position and overall marketability of the subject project within the Fort Oglethorpe market.

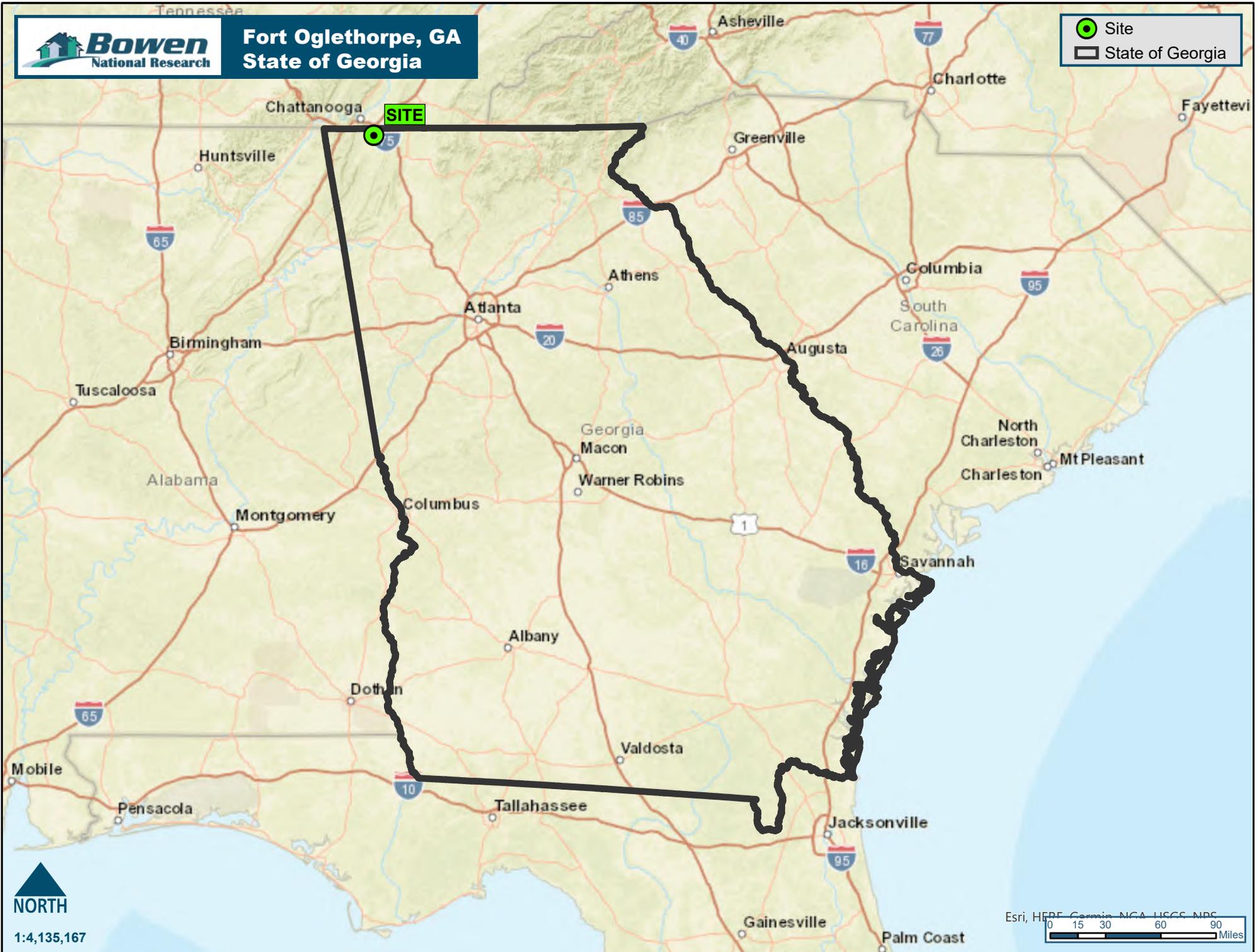
A state map, an area map and a site neighborhood map are on the following pages.





Fort Oglethorpe, GA State of Georgia

● Site
▭ State of Georgia

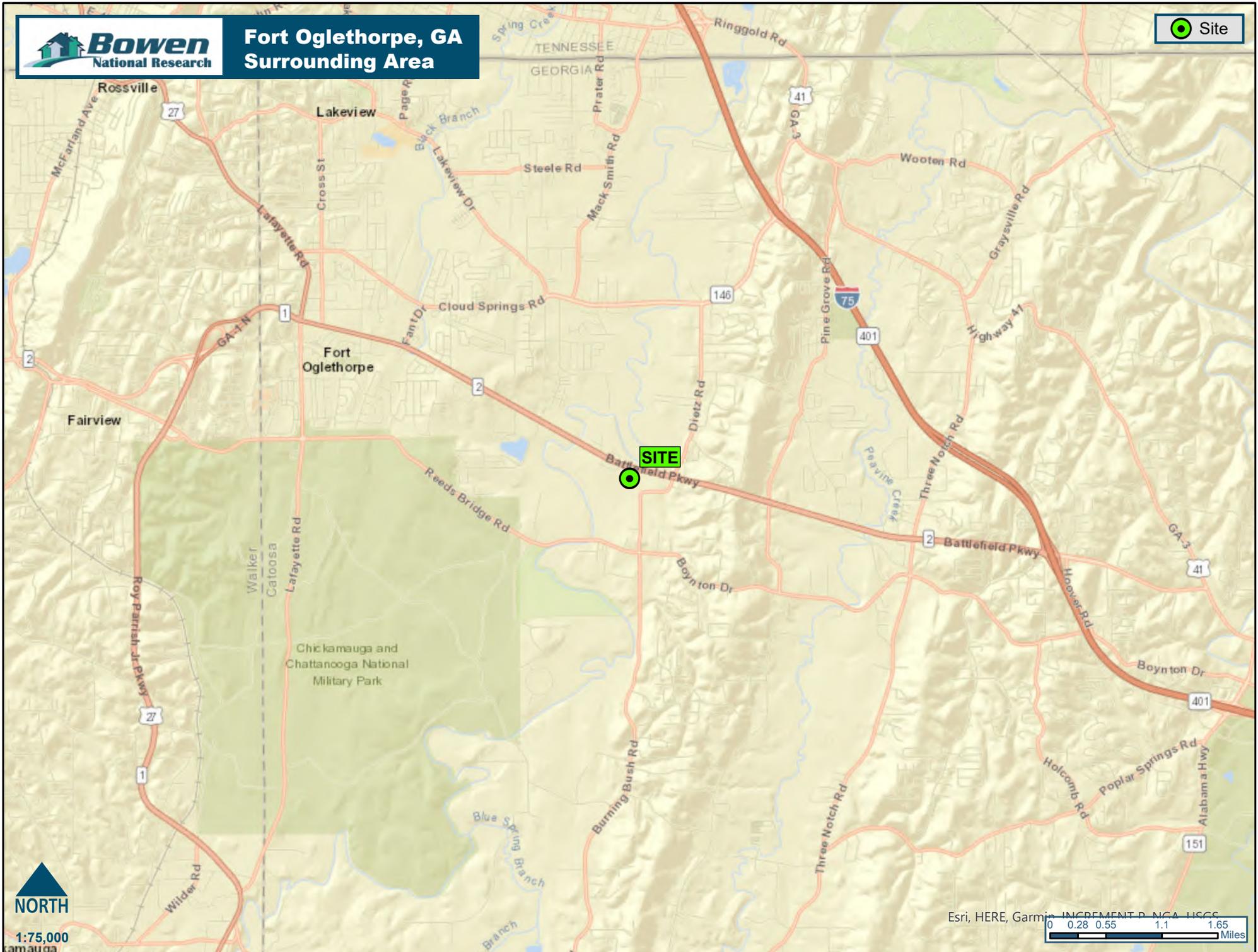


1:4,135,167

Esri, HERE, Garmin, NGA, USGS, NPS
0 15 30 60 90 Miles



Fort Oglethorpe, GA Surrounding Area



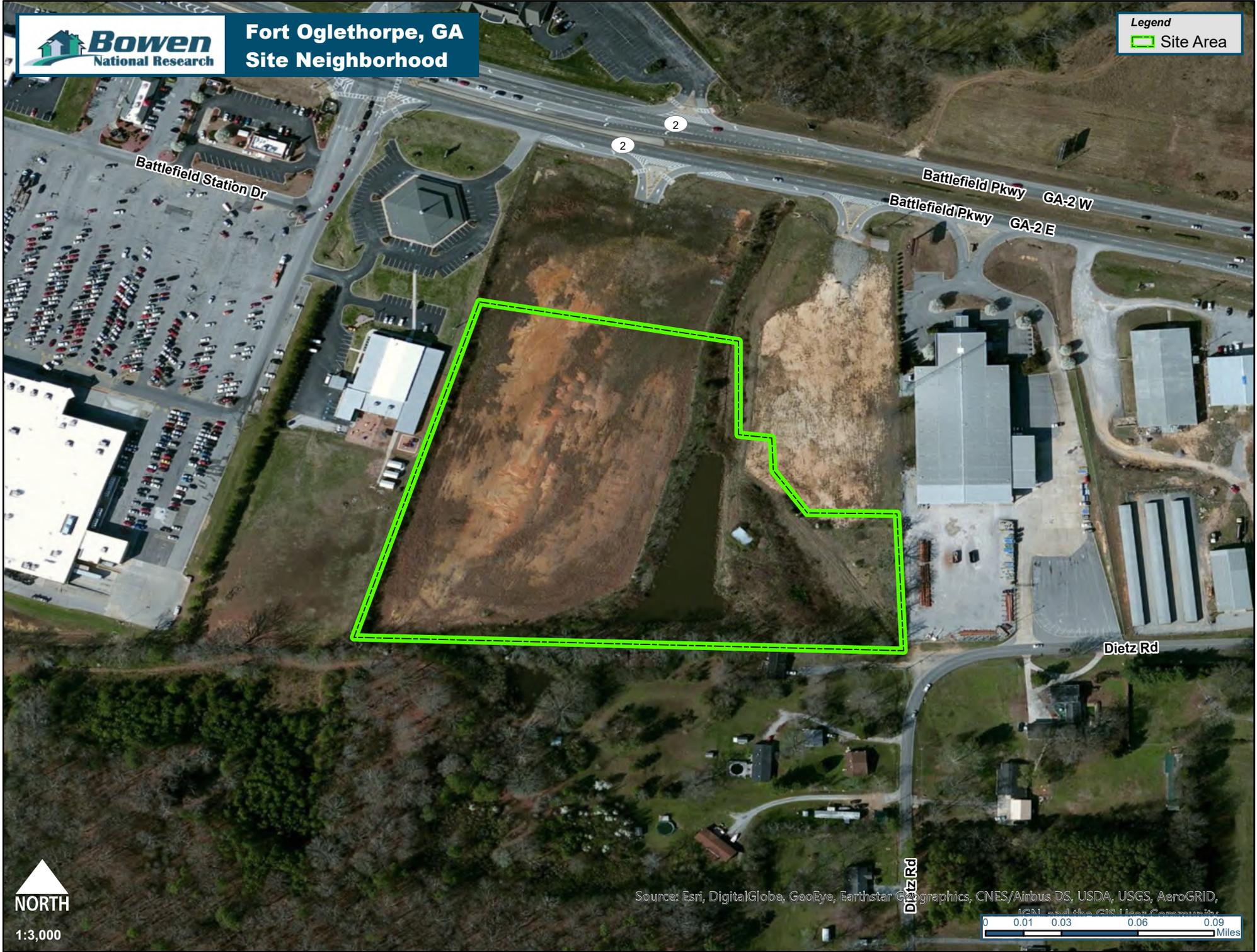
1:75,000

Esri, HERE, Garmin, INCREMENT P, NOAA, USGS
0 0.28 0.55 1.1 1.65 Miles



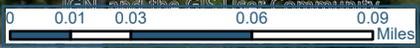
Fort Oglethorpe, GA Site Neighborhood

Legend
Site Area




NORTH
1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



Section C – Site Description And Evaluation

1. LOCATION

The subject site is comprised of a vacant 9.962-acre parcel located along Battlefield Parkway in the eastern portion of Fort Oglethorpe, Georgia. Located within Catoosa County, Fort Oglethorpe is approximately 8.0 miles southeast of Chattanooga, Tennessee. Greg Piduch, an employee of Bowen National Research, inspected the site and area apartments during the week of June 1, 2020.

2. SURROUNDING LAND USES

The subject site is within an established area of Fort Oglethorpe. Surrounding land uses generally include a church, day care center, Walmart Supercenter, commercial buildings and wooded land. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by Battlefield Parkway (State Route 2), a four-lane, divided highway with moderate traffic that can increase at various times throughout the day. A funeral home, gas station, storage facility and undeveloped land are present on the north side of Battlefield Parkway. Largely undeveloped land extends beyond.
East -	The eastern boundary is defined by an additional, smaller parcel of vacant land. Continuing east is a North Georgia Electric Membership Corporation facility, MedSTAT medical supplies and mini storage, and additional commercial businesses and community services located along Battlefield Parkway, as well as parcels of undeveloped land.
South -	The southern boundary is defined by wooded, undeveloped land. Farther south are single-family homes ranging from satisfactory to good condition along with scattered small businesses and various community services.
West -	The western boundary is defined by a thin tree line that buffers the subject site from Church of the Nazarene, Noah’s Ark Christian Learning Center and a shopping center anchored by Walmart Supercenter. A variety of businesses and services continue west along Battlefield Parkway.

The subject site is within an established portion of Fort Oglethorpe. Surrounding land uses primarily include a range of community services and commercial businesses and wooded/undeveloped land. Most of the surrounding structures and homes appeared to stand in good condition. Note that the site is adjacent south of a commercial and community service corridor. Overall, the subject property is expected to fit well with the surrounding land uses and they should contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

Visibility of the subject parcel is considered very good for both east and westbound passerby traffic along Battlefield Parkway (State Route 2), a primary arterial bordering the site to the north. This roadway will provide significant passerby traffic to the subject property. The proposed three-story design of the subject property will be slightly taller than other structures in the surrounding area which will enhance visibility of the property. We also anticipate the subject developer will provide proper signage at/near the subject's entrance from Battlefield Parkway to further enhance awareness/visibility of the property. It should be noted that site plans reviewed at the time of this analysis indicate commercial space to be developed north of the site which may limit the subject's future visibility from that direction. Nonetheless, overall visibility of the subject site is considered good and will contribute to the subject's marketability.

Site plans provided and reviewed at the time of this analysis indicate the subject property will derive vehicular access from Battlefield Parkway (State Route 2) north of the site. This divided, four-lane, arterial was observed to experience moderate traffic patterns, with the potential to increase during peak commuting hours and/or on weekends. Eastbound traffic along Battlefield Parkway is provided convenient access to the subject property. However, access to the property is limited to only eastbound traffic due to the median located directly north of the site along this roadway. Thus, westbound traffic will be required to make a U-turn west of the subject site and then access the site from eastbound Battlefield Parkway. Likewise, egress traffic from the property will be unable to directly access westbound Battlefield Parkway and would need to make a U-turn east of the site at Dietz Road to gain westbound access to Battlefield Parkway. Additionally, the site is within 4.0 miles of Interstate 75 and tenants of the property will have access to Catoosa County Trans-Aid, an on-demand transit service within the county. Based on the preceding factors, access to the subject site is considered good, though the median dividing Battlefield Parkway at the subject site entrance will cause some minor delays to westbound traffic along this roadway upon ingress/egress of the property.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

4. SITE PHOTOGRAPHS

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



Site Entryway



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



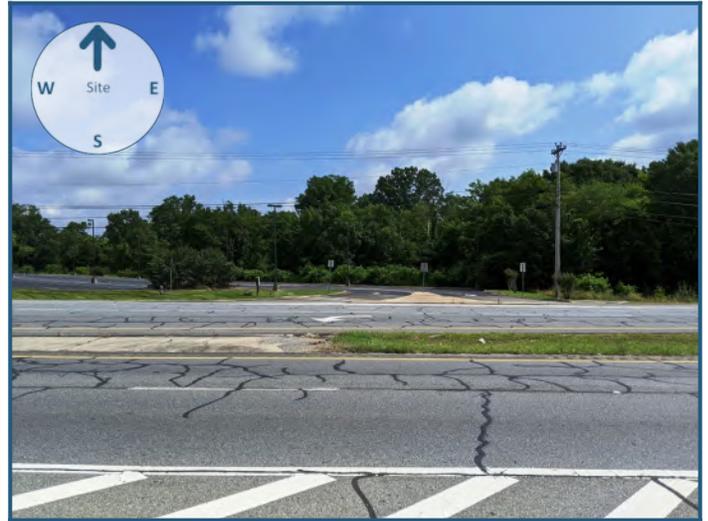
View of site from the southwest



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site



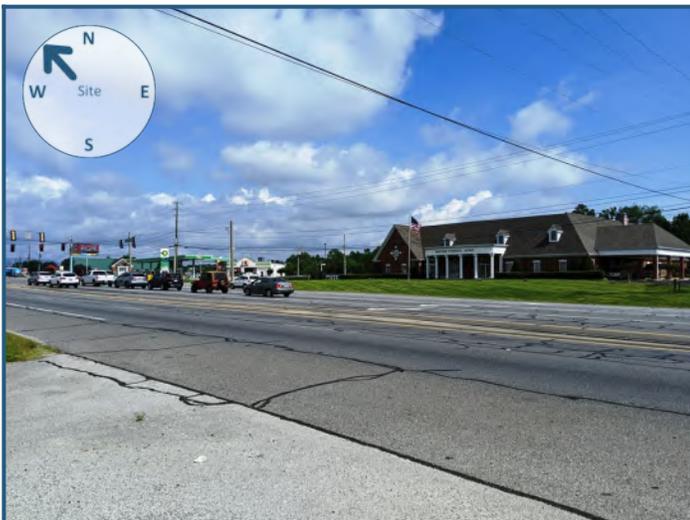
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: East view of Battlefield Parkway



Streetscape: West view of Battlefield Parkway

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 2 State Route 146 Interstate 75 U.S. Highway 27	Adjacent North 1.8 North 3.6 Southeast 3.7 Northeast
Public Bus Stop	Catoosa County Trans-Aid	On-Demand
Major Employers/ Employment Centers	Walmart Supercenter CHI Memorial Hospital	1.0 West 4.5 Northwest
Convenience Store	MAPCO Mart Kangaroo Express Spirit	0.4 East 0.9 Northwest 1.2 South
Grocery	Publix Walmart Supercenter ALDI	0.4 East 1.0 West 2.1 Northwest
Discount Department Store	Walmart Supercenter Dollar Tree Dirt Cheap	1.0 West 2.1 Northwest 2.2 Northwest
Shopping Center/Mall	Parkway Plaza Battlefield Center	1.0 Northwest 2.1 Northwest
Hospital	American Family Care Urgent Care CHI Memorial Family Practice Associates CHI Memorial Hospital	1.1 Northwest 1.5 Southeast 4.5 Northwest
Police	Fort Oglethorpe Police Department	3.1 Northwest
Fire	Fort Oglethorpe Fire Department	3.8 Northwest
Post Office	U.S. Post Office	3.8 Northwest
Bank	First Bank SunTrust Bank Community National Bank	0.3 East 1.0 West 1.7 Southeast
Senior Center	Catoosa County Senior Center	2.1 East
Recreational Facilities	Boynton Recreation Northwest Georgia Amphitheater	2.2 Southeast 2.4 Northeast
Gas Station	MAPCO BP Spirit	0.4 East 0.9 Northwest 1.2 South
Pharmacy	Public Pharmacy Walgreens Walmart Pharmacy	0.4 East 0.5 East 1.0 West
Restaurant	Wendy's Taco Bell Fazoli's	0.3 East 0.9 West 1.0 West
Day Care	Noah's Ark Christian Learning Center	1.0 West
Community Center	The Colonnade Center	2.2 Northeast
Library	Catoosa County Library	2.1 East
Park	Chickamauga National Military Park	2.2 Southwest
Church	Battlefield Parkway Church of the Nazarene Heritage Pointe Baptist Church Clearview Baptist Church	0.9 West 0.9 East 1.1 South

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Fitness	Planet Fitness	2.2 Northwest
Golf	Battlefield Golf Club	2.4 Southwest

The subject site is located along a central commercial and community service corridor, Battlefield Parkway (State Route 2). This allows for convenient access to most area services, many of which are located within 2.0 miles from the site. Additional arterial roads, such as Interstate 75, can be accessed within 4.0 miles while Catoosa County Trans-Aid offers on-demand transit for county residents. This includes travel to Chattanooga, Tennessee for medical appointments. The availability of on-demand public transit is considered beneficial to the targeted low-income senior population and will further enhance accessibility of many area services.

Notably, the site is adjacent to a shopping center that includes Walmart Supercenter, SunTrust Bank and multiple restaurants. Publix grocery and pharmacy, additional banks, the Catoosa County Public Library, and the Catoosa County Senior Center are additional notable services within approximately 2.0 miles east of the site. The Senior Center offers daily lunches, an exercise room and additional activities free of charge. The Fort Oglethorpe Police and Fire departments are 3.1 and 3.8 miles northwest, respectively. The nearest emergency medical center, CHI Memorial Hospital, is within 5.0 miles of the site.

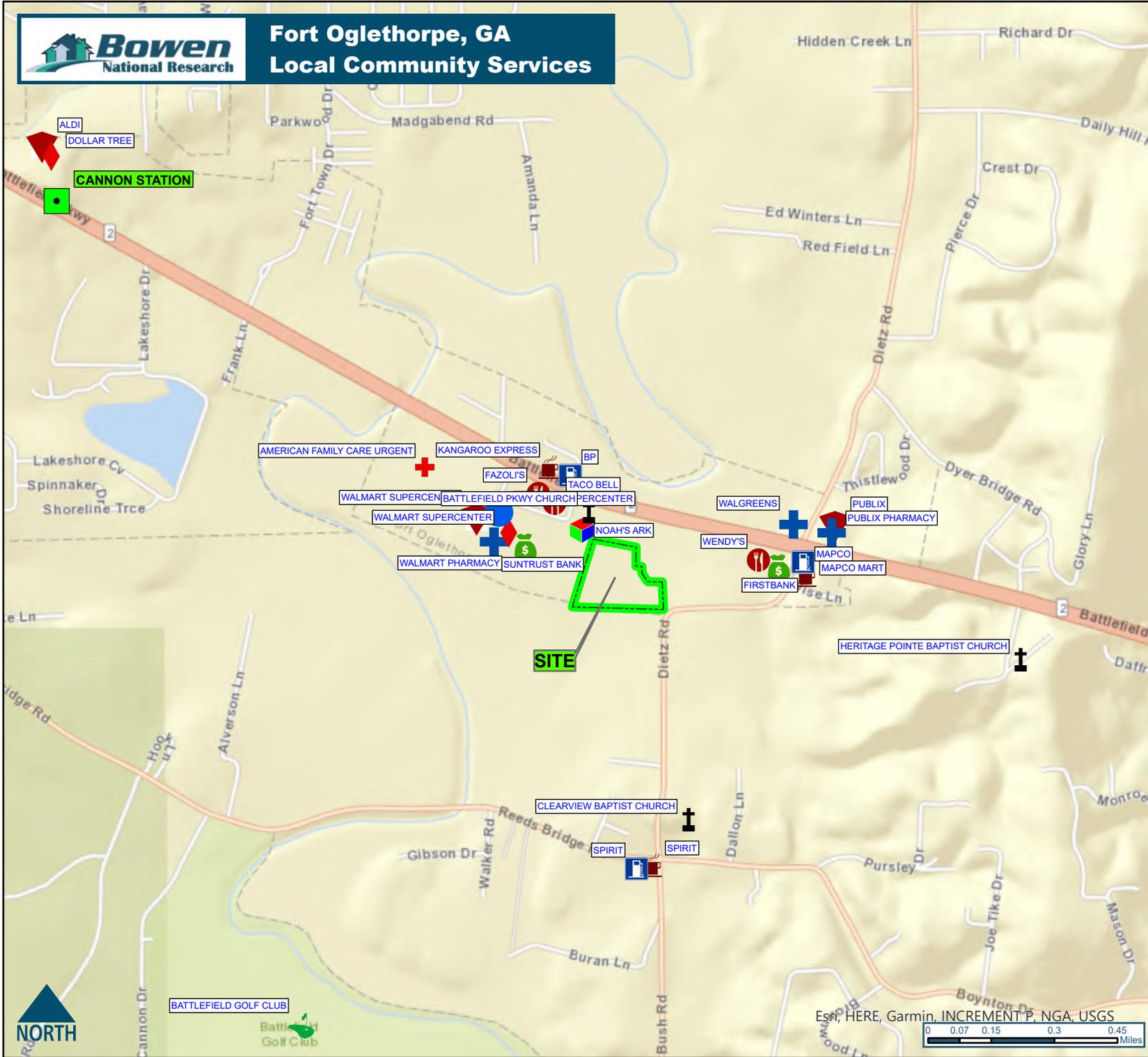
Overall, the site's proximity to community services is expected to positively contribute to its marketability.

It is of note that while the Walmart Supercenter and various other services show as being 1.0 mile from the site in the preceding table, these services are effectively adjacent the subject site. The distances shown in the preceding table are the driving distances to area services and those located west of the site are inflated due to the median dividing Battlefield Parkway directly north of the site.

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



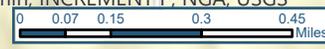
Fort Oglethorpe, GA Local Community Services



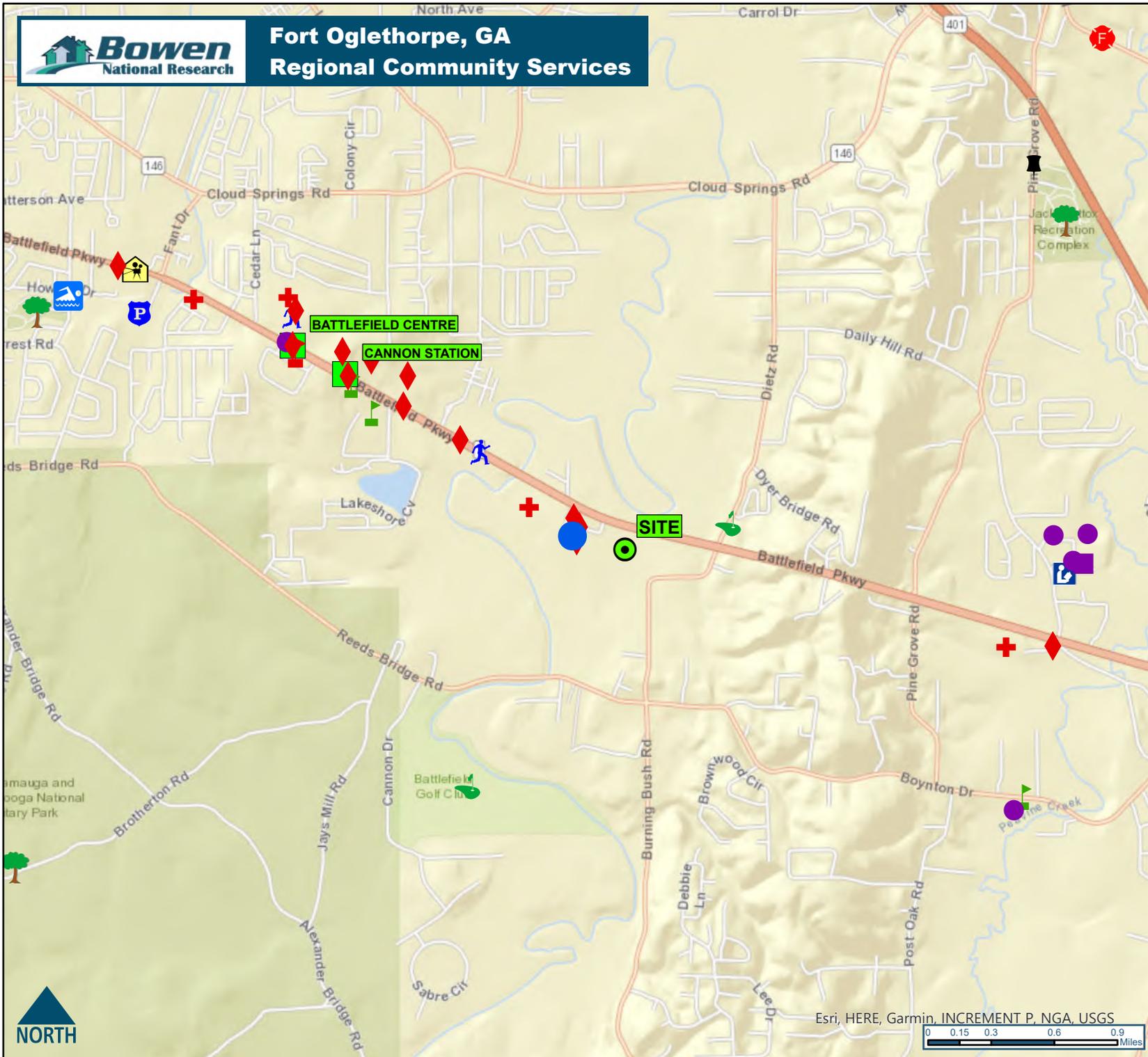
- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Convenience Store
 - Gas
 - Golf
 - Grocery
 - Medical Center
 - Pharmacy
 - Restaurant
 - Shopping
 - Employer 1000-5000
 - Shopping Center**
 - Shopping Center



Esri, HERE, Garmin, INCREMENT P, NGA, USGS



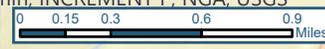
1:20,000



- Legend**
- Site
 - Cinema
 - Elementary School
 - Fire
 - Fitness Center
 - Golf
 - High School
 - Library
 - Medical Center
 - Park
 - Police
 - Recreation Center
 - Senior Services
 - Shopping
 - Stadium
 - Swimming
 - Employer 1000-5000
 - Shopping Center**
 - Shopping Center



Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:40,000

6. CRIME ISSUES

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

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

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

Total crime risk for the Site ZIP Code is 208, with an overall personal crime index of 120 and a property crime index of 222. Total crime risk for Catoosa County is 92, with indexes for personal and property crime of 54 and 98, respectively.

	Crime Risk Index	
	Site Zip Code	Catoosa County
Total Crime	208	92
Personal Crime	120	54
Murder	78	53
Rape	81	76
Robbery	62	33
Assault	152	60
Property Crime	222	98
Burglary	102	83
Larceny	273	108
Motor Vehicle Theft	77	51

Source: Applied Geographic Solutions

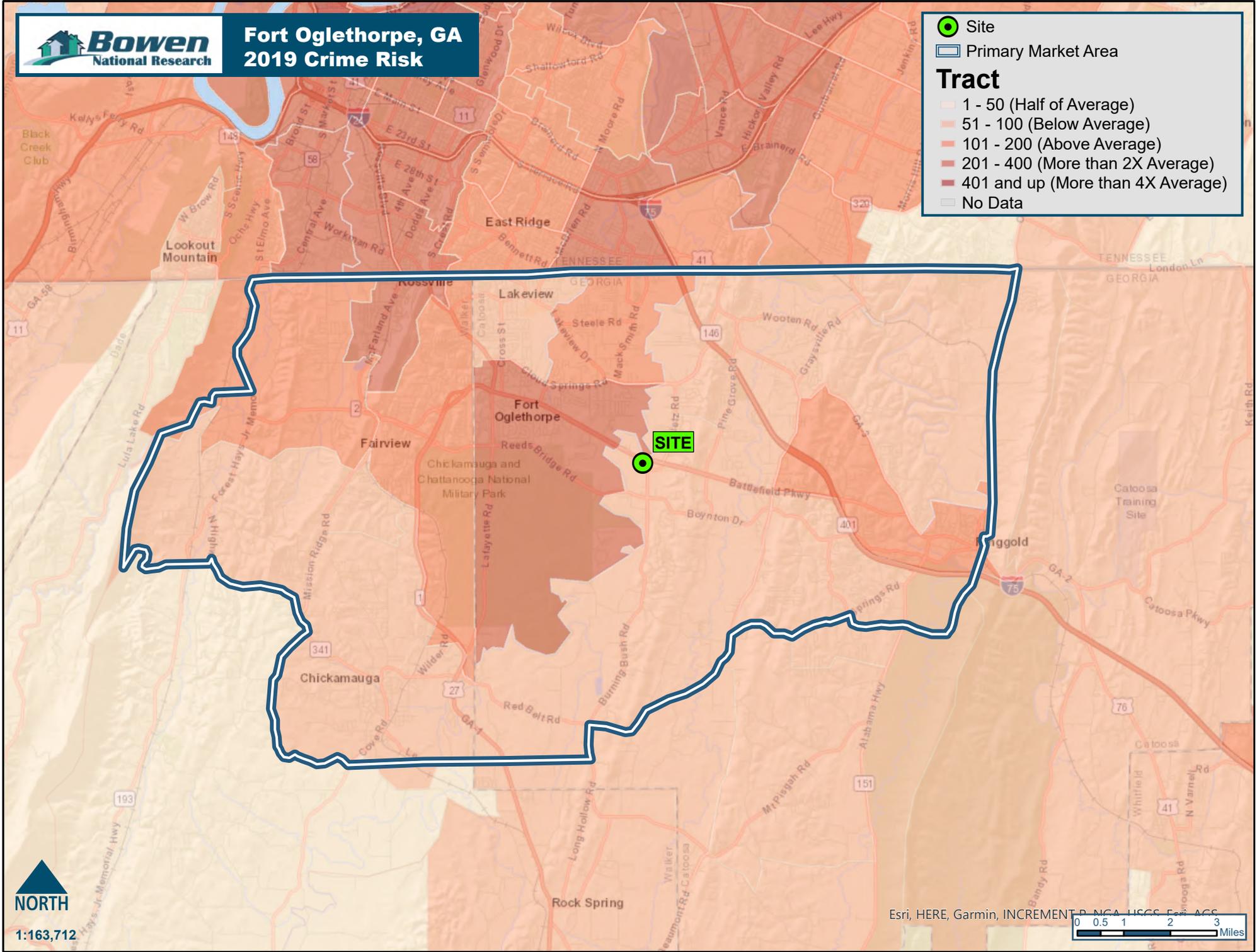
The crime risk index for the Site ZIP Code (208) is higher than that reported for Catoosa County (92) and the national average of 100. Higher crime indexes are not uncommon, however, of more developed areas with concentrations of commercial development, such as the subject site area. It is also of note that the subject property will provide on-site management and emergency call systems within each unit, features which will enhance the sense of security at the subject site. Additionally, several existing rental properties were surveyed within relative proximity to the subject site and maintain strong occupancy rates. Based on the preceding factors, we do not anticipate crime having any adverse impact on the overall marketability of the property.

A map illustrating crime risk is on the following page.

-  Site
-  Primary Market Area

Tract

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



7. OVERALL SITE EVALUATION

The subject site is comprised of a vacant parcel of undeveloped land located along the south side of Battlefield Parkway, east of Walmart in the eastern portion of Fort Oglethorpe, Georgia. Surrounding land uses primarily include commercial/retail businesses located along Battlefield Parkway and wooded/undeveloped land. Visibility of the subject site is considered good from Battlefield Parkway north of the site. Access to the subject site is also considered good from this aforementioned roadway but is restricted to eastbound traffic due to a median which divides Battlefield Parkway at the subject site entrance. Thus, access to/from westbound Battlefield Parkway will require a U-turn east or west of the subject site along Battlefield Parkway. Most basic area services are located within 2.0 miles of the site and are easily accessible given the subject's location along Battlefield Parkway, which serves as a commercial corridor within the immediate site area. In fact, a Walmart Supercenter and various other area services are located adjacent the subject site to the west. Overall, the subject site location is considered conducive to affordable senior-oriented rental product.

8. MAP OF LOW-INCOME RENTAL HOUSING

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

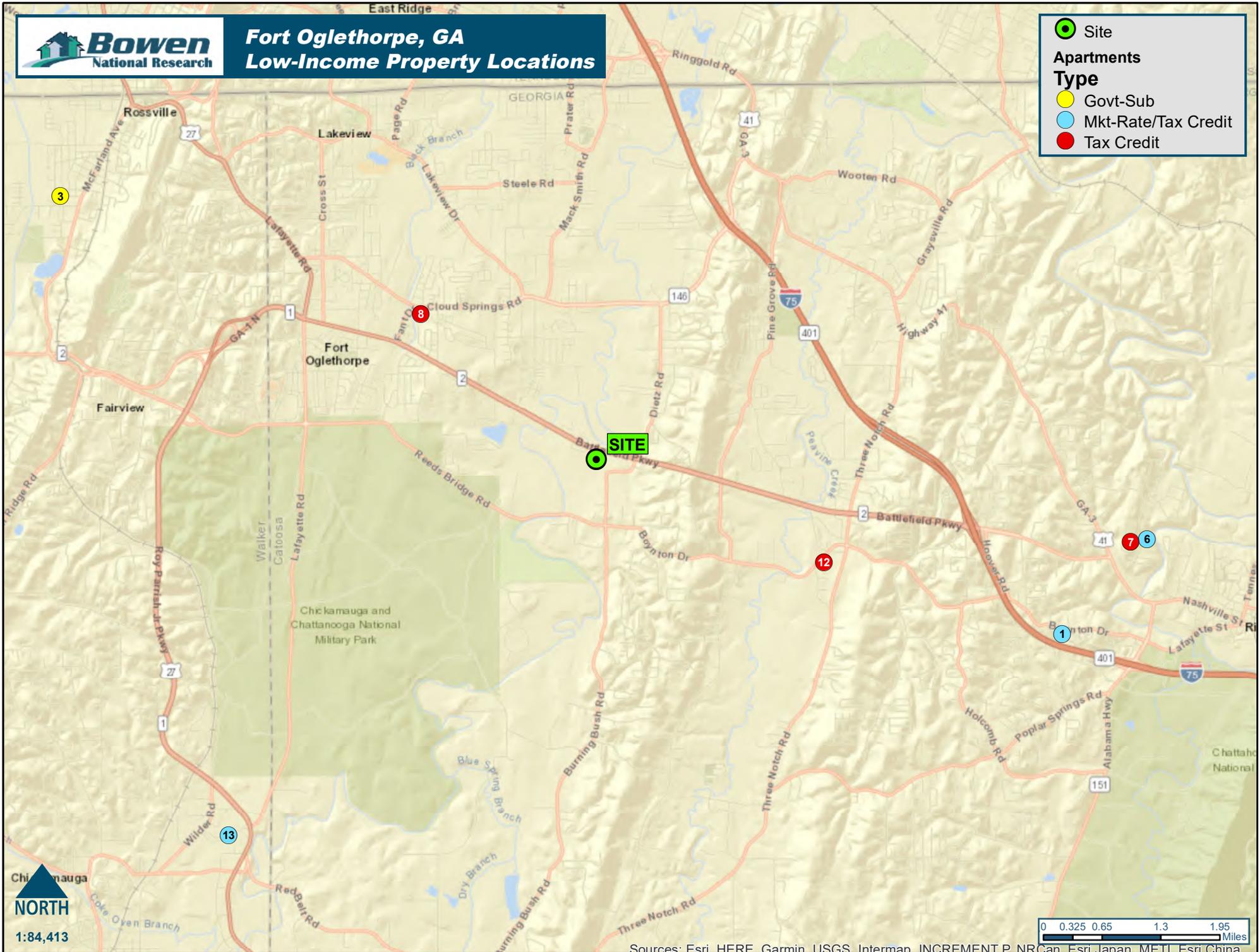


Fort Oglethorpe, GA Low-Income Property Locations

Site
● Site

Apartments Type

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



NORTH
1:84,413

0 0.325 0.65 1.3 1.95 Miles

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

Section D – Primary Market Area Delineation

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

The Fort Oglethorpe Site PMA includes the incorporated areas, or portions, of Fort Oglethorpe, Chickamauga, Fairview, Lakeview, Ringgold, and Rossville, as well as some of the surrounding areas of Walker and Catoosa counties. The boundaries of the Fort Oglethorpe Site PMA include the Georgia/Tennessee state boundary to the north; State Route 151 and State Route 259 to the east; Rollins Industrial Boulevard, Holcomb Road, Spring Road, Three Notch Road, Long Hollow Road, Twin Cedars Road and Garretts Chapel Road to the south; and the Census Tract 205.01 boundary, Childers Hollow Road, Marble Top Road, Chickamauga Road, Nick A Jack Road, Rock Creek Road and State Route 193 to the west. The boundaries of the Fort Oglethorpe Site PMA are generally within 9.1 miles of the subject site.

- Tonya Sarratt is the Leasing Consultant at Village at Fort Town, a market-rate property within the Fort Oglethorpe Site PMA. Ms. Sarratt stated that while she has experienced a recent trend of individuals and families moving south from Chattanooga due to rising rents in the city, the majority of current tenants and those on the waiting list are from the more local areas of Fort Oglethorpe, Ringgold and Rossville. Speaking specially about seniors, Ms. Sarratt explained that most tend to move from within the surrounding area as they choose to sell their homes and move into something with less responsibility. Ms. Sarratt confirmed the boundaries of the Site PMA.

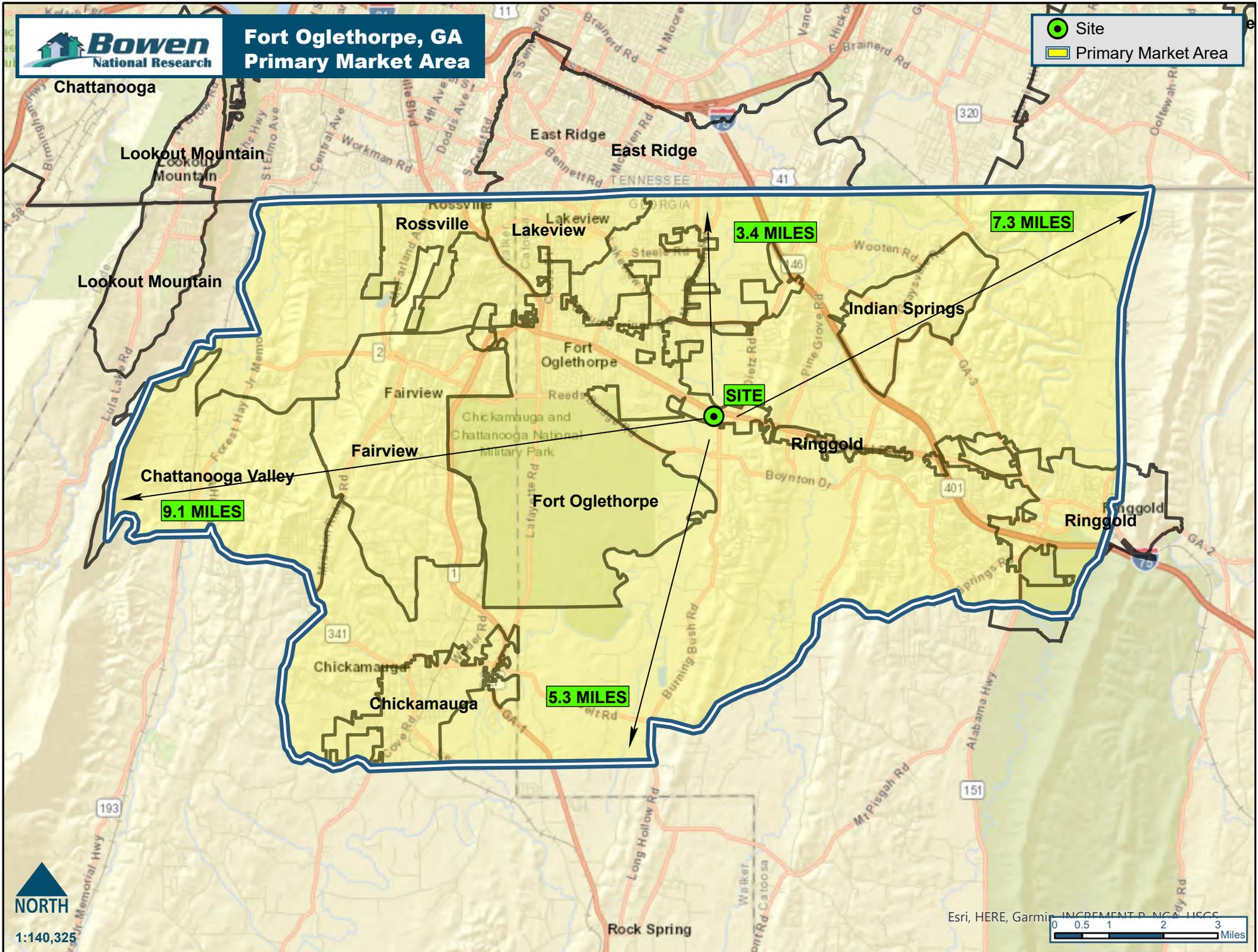
We recognize the subject property will likely receive some support from areas outside the Fort Oglethorpe Site PMA, particularly from areas north of the subject market in/near Chattanooga. This potential base of support, however, is expected to be nominal and therefore we have not considered any secondary market area within this report.

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



Fort Oglethorpe, GA Primary Market Area

- Site
- Primary Market Area



1:140,325

Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2020 (estimated) and 2022 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2022 (Projected)
Population	65,603	74,592	79,112	80,097
Population Change	-	8,989	4,520	985
Percent Change	-	13.7%	6.1%	1.2%

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

The Fort Oglethorpe Site PMA population base increased by 8,989 between 2000 and 2010. This represents a 13.7% increase over the 2000 population, or an annual rate of 1.3%. Between 2010 and 2020, the population increased by 4,520, or 6.1%. It is projected that the population will increase by 985, or 1.2%, between 2020 and 2022.

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

Population by Age	2010 (Census)		2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	19,827	26.6%	18,762	23.7%	18,998	23.7%	236	1.3%
20 to 24	4,286	5.7%	4,263	5.4%	4,156	5.2%	-106	-2.5%
25 to 34	9,456	12.7%	10,499	13.3%	10,368	12.9%	-131	-1.2%
35 to 44	10,104	13.5%	10,172	12.9%	10,360	12.9%	188	1.8%
45 to 54	10,588	14.2%	10,220	12.9%	10,209	12.7%	-10	-0.1%
55 to 64	9,089	12.2%	10,473	13.2%	10,498	13.1%	25	0.2%
65 to 74	6,261	8.4%	8,443	10.7%	8,776	11.0%	332	3.9%
75 & Over	4,981	6.7%	6,281	7.9%	6,732	8.4%	451	7.2%
Total	74,592	100.0%	79,112	100.0%	80,097	100.0%	985	1.2%

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

The subject property will be restricted to seniors age 62 and older. Notably, population growth is projected to be greatest among seniors age 65 and older between 2020 and 2022.

The following compares the PMA's elderly (age 62+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2020 (Estimated)	2022 (Projected)
Elderly (Age 62+)	13,869	17,795	18,664
Non-Elderly	60,723	61,316	61,433
Total	74,592	79,112	80,097

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

The elderly population is projected to increase by 868, or 4.9%, between 2020 and 2022. This increase among the targeted age cohort will likely increase the demand for senior-oriented housing.

2. HOUSEHOLD TRENDS

Household trends within the Fort Oglethorpe Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2022 (Projected)
Households	25,857	29,383	31,060	31,437
Household Change	-	3,526	1,677	378
Percent Change	-	13.6%	5.7%	1.2%
Household Size	2.54	2.54	2.52	2.53

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

Within the Fort Oglethorpe Site PMA, households increased by 3,526 (13.6%) between 2000 and 2010. Between 2010 and 2020, households increased by 1,677 or 5.7%. By 2022, there will be 31,437 households, an increase of 378 households, or 1.2% over 2020 levels. This is an increase of approximately 189 households annually over the next two years.

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

Households by Age	2010 (Census)		2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,178	4.0%	1,064	3.4%	1,060	3.4%	-4	-0.4%
25 to 34	4,234	14.4%	4,486	14.4%	4,417	14.1%	-68	-1.5%
35 to 44	5,297	18.0%	5,040	16.2%	5,107	16.2%	66	1.3%
45 to 54	5,871	20.0%	5,372	17.3%	5,339	17.0%	-33	-0.6%
55 to 64	5,353	18.2%	5,869	18.9%	5,846	18.6%	-24	-0.4%
65 to 74	4,097	13.9%	5,208	16.8%	5,379	17.1%	171	3.3%
75 to 84	2,571	8.7%	3,291	10.6%	3,511	11.2%	220	6.7%
85 & Over	782	2.7%	730	2.4%	779	2.5%	49	6.7%
Total	29,383	100.0%	31,060	100.0%	31,437	100.0%	378	1.2%

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

Household growth within the Fort Oglethorpe Site PMA will primarily be concentrated among seniors age 65 and older between 2020 and 2022, with the greatest growth projected for the 75 to 84 age cohort. This is a good indication of ongoing demand for senior-oriented housing alternatives within this market.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	13,245	45.1%	11,973	38.5%	11,965	38.1%
Owner-Occupied (Age 62+)	7,362	25.1%	8,762	28.2%	9,151	29.1%
Renter-Occupied (<Age 62)	7,080	24.1%	8,095	26.1%	8,047	25.6%
Renter-Occupied (Age 62+)	1,686	5.7%	2,229	7.2%	2,271	7.2%
Total	29,373	100.0%	31,059	100.0%	31,435	100.0%

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

Currently, 7.2% of all occupied housing units within the Site PMA are occupied by renters age 62 and older. While the share of such households will remain stable over the next two years, the number of senior renter households is projected to increase.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	20,613	70.2%	20,731	66.7%	21,114	67.2%
Renter-Occupied	8,770	29.8%	10,329	33.3%	10,324	32.8%
Total	29,383	100.0%	31,060	100.0%	31,437	100.0%

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

In 2020, homeowners occupied 66.7% of all occupied housing units, while the remaining 33.3% were occupied by renters.

Households by tenure for those age 62 and older in 2010, 2020 (estimated) and 2022 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,362	81.4%	8,762	79.7%	9,151	80.1%
Renter-Occupied	1,686	18.6%	2,229	20.3%	2,271	19.9%
Total	9,048	100.0%	10,991	100.0%	11,422	100.0%

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

A total of 2,229 (20.3%) of all households age 62 and older within the Fort Oglethorpe Site PMA were renters in 2020. The share of senior renter households is projected to remain relatively stable through 2022. However, the number of senior renter households will increase by 42, or 1.9%. Although modest, the projected growth among senior renter households is a good indication of an expanding senior rental market within the Fort Oglethorpe Site PMA.

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2020 estimates and 2022 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,383	62.0%	1,400	61.6%	17	1.2%
2 Persons	388	17.4%	404	17.8%	16	4.1%
3 Persons	199	8.9%	203	8.9%	4	2.0%
4 Persons	147	6.6%	149	6.6%	2	1.4%
5 Persons+	112	5.0%	115	5.1%	3	2.6%
Total	2,229	100.0%	2,271	100.0%	42	1.9%

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

Persons Per Owner Household Age 62+	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,797	31.9%	2,852	31.2%	55	2.0%
2 Persons	3,103	35.4%	3,297	36.0%	194	6.2%
3 Persons	1,210	13.8%	1,268	13.9%	58	4.8%
4 Persons	1,007	11.5%	1,052	11.5%	45	4.5%
5 Persons+	646	7.4%	683	7.5%	37	5.7%
Total	8,762	100.0%	9,151	100.0%	389	4.4%

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

The one- and two-bedroom units proposed for the subject property are expected to primarily house up to two-person senior households. Notably, nearly 80.0% of all senior renter households are comprised of one- and two-person households. Such households are also projected to account for nearly 79.0% of all senior renter household growth between 2020 and 2022.

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

Household Income	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,481	8.4%	2,183	7.0%	2,102	6.7%
\$10,000 to \$19,999	4,448	15.1%	3,630	11.7%	3,595	11.4%
\$20,000 to \$29,999	4,350	14.8%	3,935	12.7%	3,838	12.2%
\$30,000 to \$39,999	4,163	14.2%	3,164	10.2%	3,082	9.8%
\$40,000 to \$49,999	2,934	10.0%	2,474	8.0%	2,442	7.8%
\$50,000 to \$59,999	2,520	8.6%	2,541	8.2%	2,481	7.9%
\$60,000 to \$74,999	2,895	9.9%	3,133	10.1%	3,206	10.2%
\$75,000 to \$99,999	2,861	9.7%	4,094	13.2%	4,327	13.8%
\$100,000 to \$124,999	1,415	4.8%	2,981	9.6%	3,173	10.1%
\$125,000 to \$149,999	616	2.1%	1,485	4.8%	1,624	5.2%
\$150,000 to \$199,999	446	1.5%	908	2.9%	993	3.2%
\$200,000 & Over	254	0.9%	532	1.7%	575	1.8%
Total	29,383	100.0%	31,060	100.0%	31,438	100.0%
Median Income	\$38,197		\$50,568		\$52,661	

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

In 2010, the median household income was \$38,197. This increased by 32.4% to \$50,568 in 2020. By 2022, it is projected that the median household income will be \$52,661, an increase of 4.1% over 2020.

The distribution of households by income age 62 and older within the Fort Oglethorpe Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	729	8.1%	684	6.2%	709	6.2%
\$10,000 to \$19,999	2,288	25.3%	2,052	18.7%	2,153	18.9%
\$20,000 to \$29,999	1,676	18.5%	2,088	19.0%	2,115	18.5%
\$30,000 to \$39,999	1,367	15.1%	1,329	12.1%	1,358	11.9%
\$40,000 to \$49,999	864	9.5%	857	7.8%	864	7.6%
\$50,000 to \$59,999	523	5.8%	749	6.8%	754	6.6%
\$60,000 to \$74,999	621	6.9%	902	8.2%	935	8.2%
\$75,000 to \$99,999	528	5.8%	1,057	9.6%	1,132	9.9%
\$100,000 to \$124,999	221	2.4%	600	5.5%	643	5.6%
\$125,000 to \$149,999	120	1.3%	319	2.9%	366	3.2%
\$150,000 to \$199,999	60	0.7%	217	2.0%	242	2.1%
\$200,000 & Over	51	0.6%	138	1.3%	149	1.3%
Total	9,048	100.0%	10,991	100.0%	11,422	100.0%
Median Income	\$28,992		\$35,054		\$35,402	

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

In 2010, the median household income for households age 62 and older was \$28,992. This increased by 20.9% to \$35,054 in 2020. By 2022, it is projected that the median household income will be \$35,402, an increase of 1.0% over 2020.

The following tables illustrate renter household income by household size for age 62 and older for 2010, 2020 and 2022 for the Fort Oglethorpe Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	131	30	20	17	12	210
\$10,000 to \$19,999	492	100	69	55	39	756
\$20,000 to \$29,999	234	51	35	29	20	369
\$30,000 to \$39,999	106	26	18	14	10	174
\$40,000 to \$49,999	45	12	8	6	4	75
\$50,000 to \$59,999	19	5	4	3	2	34
\$60,000 to \$74,999	26	7	5	4	3	45
\$75,000 to \$99,999	11	3	2	2	1	18
\$100,000 to \$124,999	2	0	0	0	0	3
\$125,000 to \$149,999	2	0	0	0	0	3
\$150,000 to \$199,999	0	0	0	0	0	1
\$200,000 & Over	0	0	0	0	0	1
Total	1,068	235	161	131	91	1,686

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	126	37	19	14	11	208
\$10,000 to \$19,999	461	119	61	45	35	721
\$20,000 to \$29,999	364	96	49	36	28	572
\$30,000 to \$39,999	164	47	24	17	14	266
\$40,000 to \$49,999	90	28	15	10	8	151
\$50,000 to \$59,999	54	18	9	7	5	94
\$60,000 to \$74,999	66	23	12	9	8	116
\$75,000 to \$99,999	36	12	6	4	3	62
\$100,000 to \$124,999	12	4	2	2	1	21
\$125,000 to \$149,999	8	3	2	1	0	14
\$150,000 to \$199,999	1	0	0	0	0	2
\$200,000 & Over	1	0	0	0	0	1
Total	1,383	388	199	147	112	2,229

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	126	38	19	14	11	208
\$10,000 to \$19,999	470	124	63	46	36	739
\$20,000 to \$29,999	350	96	48	36	27	557
\$30,000 to \$39,999	170	50	25	18	15	278
\$40,000 to \$49,999	95	30	15	11	8	158
\$50,000 to \$59,999	55	19	9	7	5	95
\$60,000 to \$74,999	68	24	12	9	8	121
\$75,000 to \$99,999	39	14	7	5	3	68
\$100,000 to \$124,999	14	5	3	2	1	25
\$125,000 to \$149,999	10	4	2	2	0	18
\$150,000 to \$199,999	2	0	0	0	0	3
\$200,000 & Over	1	0	0	0	0	2
Total	1,400	404	203	149	115	2,271

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2020 and 2022 for the Fort Oglethorpe Site PMA:

Owner Age 62+ Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	185	160	74	64	36	519
\$10,000 to \$19,999	579	459	212	182	102	1,532
\$20,000 to \$29,999	478	398	185	158	89	1,307
\$30,000 to \$39,999	410	376	174	149	83	1,193
\$40,000 to \$49,999	260	255	118	101	55	789
\$50,000 to \$59,999	152	162	75	64	35	489
\$60,000 to \$74,999	179	191	89	75	42	576
\$75,000 to \$99,999	160	169	78	67	37	510
\$100,000 to \$124,999	66	73	34	29	16	218
\$125,000 to \$149,999	36	39	18	15	9	117
\$150,000 to \$199,999	18	20	9	8	4	59
\$200,000 & Over	14	18	8	7	3	50
Total	2,537	2,319	1,073	920	513	7,362

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2020 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	157	166	65	54	34	475
\$10,000 to \$19,999	461	452	176	147	95	1,331
\$20,000 to \$29,999	521	517	201	168	107	1,515
\$30,000 to \$39,999	350	371	145	120	77	1,063
\$40,000 to \$49,999	223	251	98	82	52	706
\$50,000 to \$59,999	193	241	94	78	50	655
\$60,000 to \$74,999	231	289	113	94	60	786
\$75,000 to \$99,999	299	362	141	117	76	995
\$100,000 to \$124,999	171	212	83	69	44	579
\$125,000 to \$149,999	88	113	44	36	24	305
\$150,000 to \$199,999	65	78	30	25	16	215
\$200,000 & Over	39	51	20	16	10	136
Total	2,797	3,103	1,210	1,007	646	8,762

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	162	177	68	57	37	502
\$10,000 to \$19,999	479	489	188	156	102	1,414
\$20,000 to \$29,999	521	543	209	174	112	1,558
\$30,000 to \$39,999	347	384	148	122	80	1,080
\$40,000 to \$49,999	219	255	98	82	53	706
\$50,000 to \$59,999	191	245	94	78	50	659
\$60,000 to \$74,999	235	303	117	97	63	815
\$75,000 to \$99,999	311	394	151	126	82	1,064
\$100,000 to \$124,999	178	230	88	74	48	618
\$125,000 to \$149,999	98	131	50	42	27	348
\$150,000 to \$199,999	70	89	34	28	18	240
\$200,000 & Over	41	56	22	18	11	147
Total	2,852	3,297	1,268	1,052	683	9,151

Source: ESRI; Urban Decision Group

Demographic Summary

The Fort Oglethorpe Site PMA is projected to experience demographic growth between 2020 and 2022, both in terms of total population and households. This is a trend which has been ongoing since 2000 and will likely increase housing demand within the area. Household growth will occur among several age cohorts but will primarily be concentrated among seniors. Notably, seniors age 62 and older are projected to increase by 431 households, or 3.9%, between 2020 and 2022. Approximately 20.0% of all senior (age 62 and older) households will continue to be renters through 2022, with nearly 2,300 senior renter households projected for the market at this time. Nearly two-thirds (66.2%) of all senior renter households are projected to earn less than \$30,000 through 2022. Based on the preceding factors, a good and expanding base of potential age- and income-appropriate renter households will continue to exist within the market for affordable senior-oriented housing alternatives such as that primarily proposed for the subject site.

Section F – Economic Trends

1. LABOR FORCE PROFILE

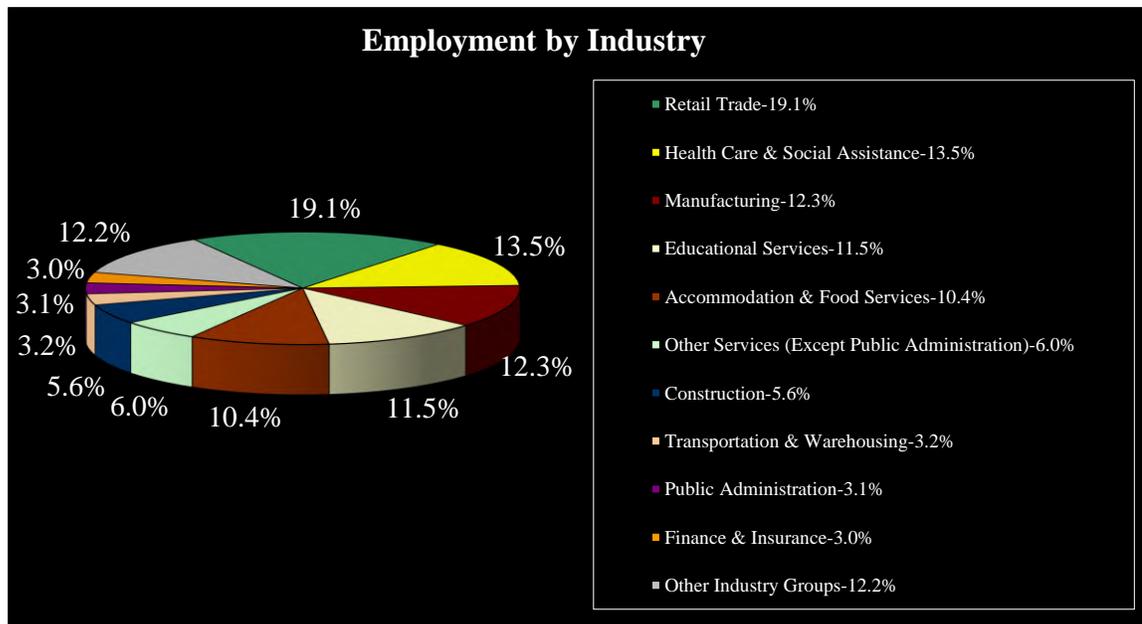
The labor force within the Fort Oglethorpe Site PMA is based primarily in five sectors. Retail Trade (which comprises 19.1%), Health Care & Social Assistance, Manufacturing, Educational Services and Accommodation & Food Services comprise nearly 67% of the Site PMA labor force. Employment in the Fort Oglethorpe Site PMA, as of 2020, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	5	0.2%	12	0.1%	2.4
Mining	1	0.0%	15	0.1%	15.0
Utilities	6	0.3%	94	0.4%	15.7
Construction	135	6.5%	1,192	5.6%	8.8
Manufacturing	58	2.8%	2,595	12.3%	44.7
Wholesale Trade	75	3.6%	638	3.0%	8.5
Retail Trade	417	20.2%	4,031	19.1%	9.7
Transportation & Warehousing	49	2.4%	678	3.2%	13.8
Information	31	1.5%	264	1.3%	8.5
Finance & Insurance	109	5.3%	640	3.0%	5.9
Real Estate & Rental & Leasing	119	5.8%	390	1.8%	3.3
Professional, Scientific & Technical Services	112	5.4%	451	2.1%	4.0
Management of Companies & Enterprises	3	0.1%	4	0.0%	1.3
Administrative, Support, Waste Management & Remediation Services	59	2.9%	272	1.3%	4.6
Educational Services	61	2.9%	2,437	11.5%	40.0
Health Care & Social Assistance	165	8.0%	2,845	13.5%	17.2
Arts, Entertainment & Recreation	36	1.7%	423	2.0%	11.8
Accommodation & Food Services	139	6.7%	2,195	10.4%	15.8
Other Services (Except Public Administration)	368	17.8%	1,275	6.0%	3.5
Public Administration	71	3.4%	661	3.1%	9.3
Nonclassifiable	49	2.4%	4	0.0%	0.1
Total	2,068	100.0%	21,116	100.0%	10.2

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Chattanooga Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Chattanooga MSA	Georgia
Management Occupations	\$104,050	\$116,740
Business and Financial Occupations	\$65,650	\$74,280
Computer and Mathematical Occupations	\$80,800	\$88,550
Architecture and Engineering Occupations	\$78,440	\$83,500
Community and Social Service Occupations	\$44,730	\$48,540
Art, Design, Entertainment and Sports Medicine Occupations	\$48,230	\$56,780
Healthcare Practitioners and Technical Occupations	\$68,390	\$77,470
Healthcare Support Occupations	\$29,400	\$30,880
Protective Service Occupations	\$40,010	\$39,900
Food Preparation and Serving Related Occupations	\$21,630	\$22,600
Building and Grounds Cleaning and Maintenance Occupations	\$25,620	\$27,240
Personal Care and Service Occupations	\$27,650	\$28,200
Sales and Related Occupations	\$37,060	\$39,160
Office and Administrative Support Occupations	\$37,470	\$38,260
Construction and Extraction Occupations	\$44,970	\$43,690
Installation, Maintenance and Repair Occupations	\$46,620	\$47,530
Production Occupations	\$36,500	\$35,690
Transportation and Moving Occupations	\$35,950	\$35,260

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

Most annual blue-collar salaries range from \$21,630 to \$48,230 within the Chattanooga MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$79,466. It is important to note that most occupational types within the Chattanooga MSA have slightly lower typical wages than the state of Georgia's typical wages. Regardless, the subject project will be restricted to seniors age 62 and older, many of which are likely to be retired and thus generally unaffected by area wages.

2. MAJOR EMPLOYERS

The ten largest employers within the Catoosa County area are summarized in the following table. Note the number employed for each of the top employers was unavailable as of the time of this report:

Employer Name	Business Type
Catoosa County Schools	K-12 Education
Catoosa County	Government
Costco Wholesale	Retail
Five Star Food Service	Vending Machine Servicer
Chi Memorial Hospital	Healthcare
Lowe's Home Centers, Inc.	Retail
NHC of Fort Oglethorpe	Healthcare
Propex Operating Company, LLC	Manufacturing
Shaw Industries Group, Inc.	Carpet Manufacturing
Walmart	Retail

Source: Source: Georgia Department of Labor 4Q 2019, Catoosa County Economic Development Authority

According to a representative with the Catoosa County Economic Development Authority, the Catoosa County and Fort Oglethorpe economy is stable, though some businesses have been impacted by the COVID-19 pandemic. Many area businesses were shut down in late March of 2020 but were able to reopen with some restrictions in late April. The county's tax revenue, however, remained stable since some of the largest employers in the county were able to stay open because they were deemed essential, such as Costco, Walmart, Lowe's, Publix, and Food City.

The following summarize some recent and/or notable economic development activity within the Catoosa County area:

- The Canopy at Boynton Ridge assisted living and memory care facility is under construction in Fort Oglethorpe. The property will be comprised of 64 units located within a two-story building and is expected to be complete in January of 2021. The developer is Rimrock Cos.
- BMG Bakery, a distributor for Dunkin Donuts, is adding 100 jobs in 2020, at a new facility in Ringgold that opened in January 2018.

- There is a new mixed used development under way near the 4700 block of Battlefield Parkway in Ringgold. The primary tenant will be Tennessee Oncology. The developer plans to build more medical space, and some commercial and retail space on the remaining 10 acres
- Shaw, a carpeting, and flooring manufacturer in Ringgold, underwent a \$30 million expansion in late 2017, which brought an additional product line to their Ringgold facility. This expansion created approximately 150 jobs for the area.
- In 2019 a new Food City grocery, a new Publix grocery, and several new restaurants opened in Fort Oglethorpe.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on June 8, 2020 and according to the Georgia Department of Labor there have been no WARN notices reported for Catoosa County over the past 18 months.

It is of note however, that Cabela's closed their Fort Oglethorpe store in January 2020. The store was opened in 2015. The merger in 2017 with Bass Pro Shops led to the closing of the Fort Oglethorpe store. However, the approximate 200 employees from the former Cabela's location were offered positions at the Bass Pro Shop in East Ridge, Tennessee, approximately two miles away. Therefore, Cabela's did not have to report a WARN Notice.

3. EMPLOYMENT TRENDS

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

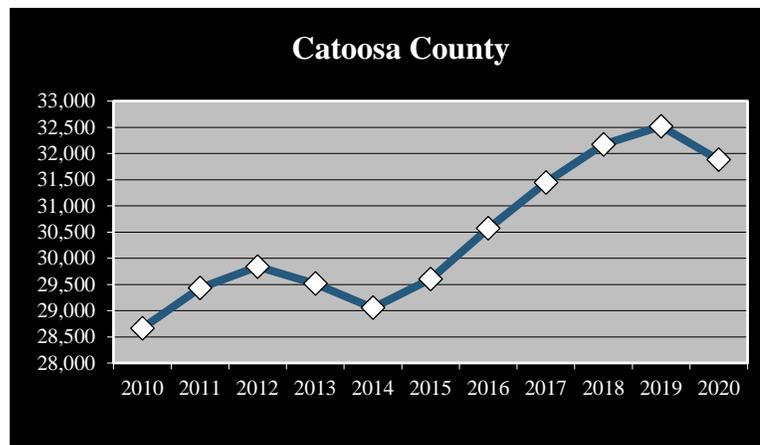
Excluding 2020, the employment base has increased by 9.8% over the past five years in Catoosa County, less than the Georgia state increase of 10.1%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Catoosa County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	28,665	-	4,202,052	-	140,469,139	-
2011	29,433	2.7%	4,263,305	1.5%	141,791,255	0.9%
2012	29,840	1.4%	4,348,083	2.0%	143,621,634	1.3%
2013	29,516	-1.1%	4,366,374	0.4%	145,017,562	1.0%
2014	29,054	-1.6%	4,403,433	0.8%	147,313,048	1.6%
2015	29,604	1.9%	4,482,922	1.8%	149,500,941	1.5%
2016	30,569	3.3%	4,649,755	3.7%	151,887,366	1.6%
2017	31,445	2.9%	4,812,097	3.5%	154,160,937	1.5%
2018	32,173	2.3%	4,880,038	1.4%	156,081,212	1.2%
2019	32,518	1.1%	4,935,310	1.1%	158,102,439	1.3%
2020*	31,879	-2.0%	4,799,037	-2.8%	157,927,470	-0.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through April



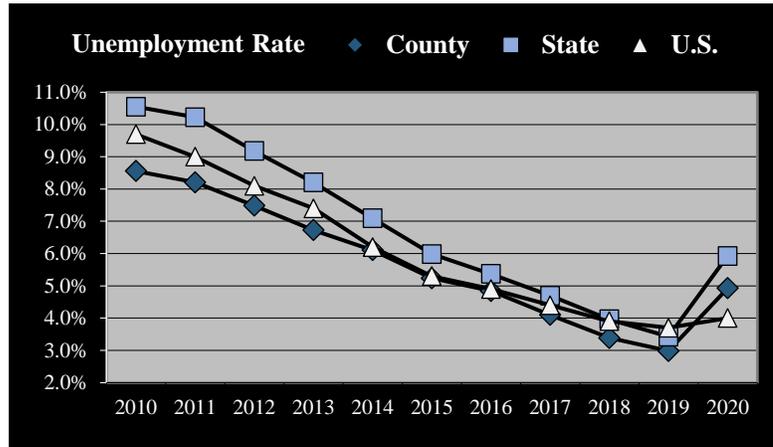
As the preceding illustrates, the Catoosa County employment base increased by at least 1.1% each of the past five years and by a total of 3,464 jobs, or 11.9%, during this time period. Employment growth during this time period was relatively similar to that reported for the state of Georgia. Thus, far in 2020, however, the county employment base has declined by 2.0%, or 639 jobs, a slightly lower rate of decline than that reported for the state. This is likely reflective of the impact of the COVID-19 pandemic as well as the closure of the Cabela's store in Fort Oglethorpe.

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

Year	Unemployment Rate		
	Catoosa County	Georgia	United States
2010	8.6%	10.6%	9.7%
2011	8.2%	10.2%	9.0%
2012	7.5%	9.2%	8.1%
2013	6.7%	8.2%	7.4%
2014	6.1%	7.1%	6.2%
2015	5.2%	6.0%	5.3%
2016	4.8%	5.4%	4.9%
2017	4.1%	4.7%	4.4%
2018	3.4%	4.0%	3.9%
2019	3.0%	3.4%	3.7%
2020*	4.9%	5.9%	4.0%

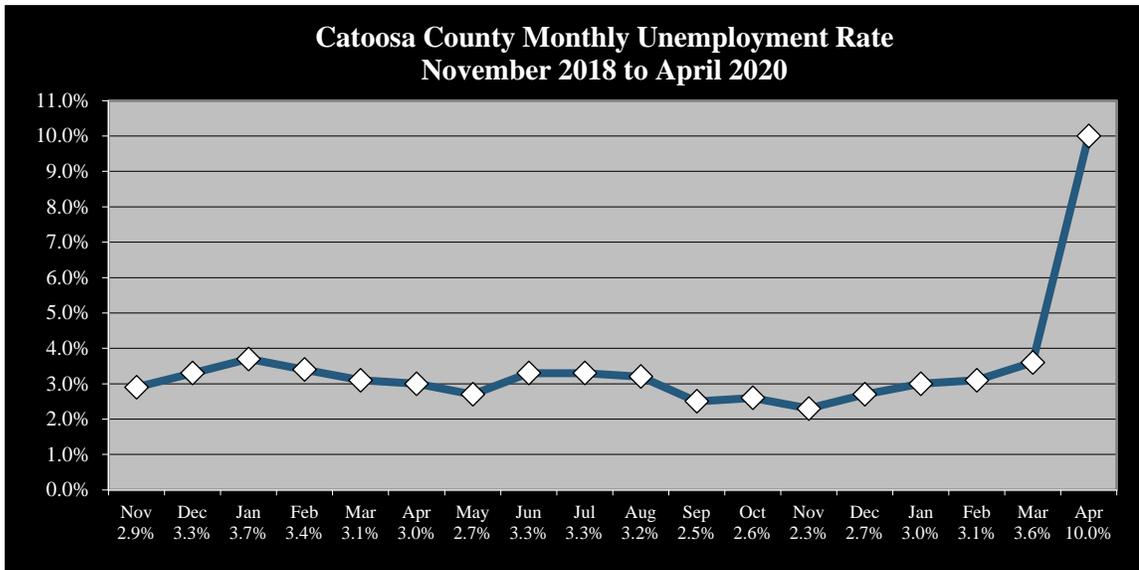
Source: Department of Labor, Bureau of Labor Statistics

*Through April



The unemployment rate in Catoosa County declined each year between 2010 and 2019 and by nearly six full percentage points overall during this time period. County unemployment rates have also been consistently below the statewide average over the past decade, a trend which has continued thus far in 2020. However, it is of note that the unemployment rate has increased by nearly two full percentage points through April of 2020, reflective of the impact of the COVID-19 pandemic.

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



The monthly unemployment rate was stable around 3.0% over much of the past 18-month period before a spike of more than six full percentage points in April of 2020. This is reflective of the impact of the COVID-19 pandemic between March and April of 2020.

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

In-Place Employment Catoosa County			
Year	Employment	Change	Percent Change
2009	13,626	-	-
2010	13,181	-445	-3.3%
2011	13,145	-36	-0.3%
2012	13,334	189	1.4%
2013	13,658	324	2.4%
2014	13,768	110	0.8%
2015	15,088	1,320	9.6%
2016	14,092	-996	-6.6%
2017	14,842	750	5.3%
2018	15,213	371	2.5%
2019	15,540	327	2.1%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in Catoosa County to be 47.8% of the total Catoosa County employment. This means that Catoosa County has more employed persons leaving the county for daytime employment than those who work in the county. This is not uncommon of more rural markets near larger employment centers such as Catoosa County's proximity to the Chattanooga, Tennessee area. It is also important to understand that the subject property will be age-restricted and thus tenants of the property are likely to be retired and thus unaffected by in-place employment trends.

4. ECONOMIC FORECAST

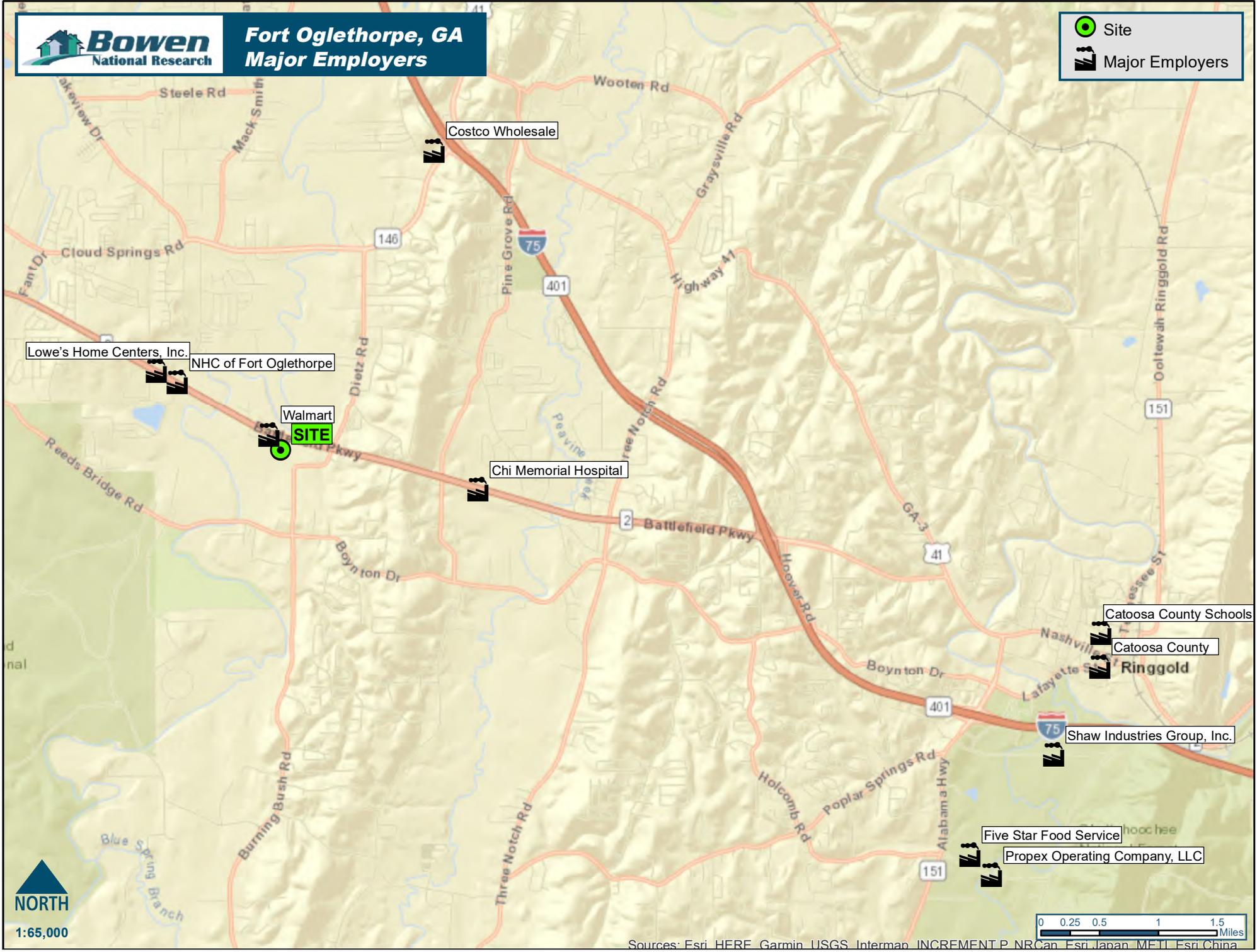
The Catoosa County economy experienced steady improvement over the past decade, both in terms of total employment and unemployment rate trends. Notably, the employment base increased by nearly 3,500 jobs between 2014 and 2019, an increase of nearly 12.0%. The unemployment rate during this same time period declined by more than three full percentage points to a rate of 3.0% through the end of 2019. According to local economic development representatives, COVID-19 has impacted many businesses in the area, though most area businesses have been able to reopen with some restrictions as of the end of April 2020. Nonetheless, the employment base within the county has declined by 2.0%, or more than 600 jobs, thus far in 2020, while the unemployment rate has increased by nearly two full percentage points through April of 2020. Based on the preceding factors, the Catoosa County economy will likely continue to experience elevated unemployment rates and modest employment growth for the foreseeable future due to the impact of the COVID-19 pandemic.

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

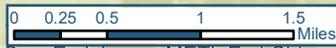


Fort Oglethorpe, GA Major Employers

- Site
- Major Employers



NORTH
1:65,000



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

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Chattanooga, TN-GA Metropolitan Statistical Area (MSA), which has a median four-person household income of \$70,100 for 2019. The subject property will be restricted to senior (age 62 and older) households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$23,750	\$28,500
Two-Person	\$27,150	\$32,580

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$32,580**. It should be reiterated that the subject project will also offer unrestricted market-rate units. These units will not have a maximum income limit. While higher income households are often more likely to become homeowners rather than renting, our demand estimates only consider senior *renter* households. As such, we have not capped the maximum allowable income for the subject’s unrestricted market-rate units.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$620 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,440. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$18,600**.

Utilizing the same methodology as above but considering a lower rent-to-income ratio of 30% (typical of most market-rate product), the minimum requirement for the subject’s market-rate units is **\$30,200**.

c. Income-Appropriate Range

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 50% of AMHI)	\$18,600	\$28,500
Tax Credit (Limited to 60% of AMHI)	\$20,400	\$32,580
Tax Credit Overall	\$18,600	\$32,580
Market-Rate	\$30,200	None

2. METHODOLOGY

Demand

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

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

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

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

Based on Table B25074 of the American Community Survey (ACS) 2013-2017 5-year estimates, approximately 5.8% to 48.4% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on Table B25016 of the American Community Survey (ACS) 2013-2017 5-year estimates, 5.3% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.

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

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

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2018/2019) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2018 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **GDCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from GDCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

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

As detailed in *Section H*, we identified and surveyed a total of three existing age-restricted LIHTC properties within the Fort Oglethorpe Site PMA. All three of these properties, however, were built prior to 2018 and are 100.0% occupied. Thus, these existing properties have not been considered in our demand estimates.

There is, however, one planned age-restricted property for the Fort Oglethorpe Site PMA which received a Tax Credit allocation in 2019. This property, Village of Chickamauga II will be located at 13311 U.S. Highway 27 in Chickamauga, Georgia and is summarized as follows:

Project Name	Year Built	Number of Bedrooms	Units at Targeted AMHI		
			50% AMHI	60% AMHI	Market Rate
Village of Chickamauga II	P/P	One	7	1	-
		Two	5	47	-

P/P – Planned/Proposed

As the subject property will offer similar unit types and target a similar age group, the directly comparable/competitive units proposed for the aforementioned property have been considered in our demand estimates.

The following is a summary of our demand calculations:

Demand Component – Age 62+	Percent of Median Household Income			
	50% AMHI (\$18,600 to \$28,500)	60% AMHI (\$20,400 to \$32,580)	Tax Credit Overall (\$18,600 to \$32,580)	Market-Rate (\$30,200 +)
Demand from New Household (Age- and Income-Appropriate)	577 - 587 = -10	606 - 618 = -12	732 - 742 = -10	762 - 722 = 40
+				
Demand from Existing Households (Rent Overburdened)	587 X 48.4% = 284	618 X 42.6% = 263	742 X 46.7% = 347	722 X 5.8% = 42
+				
Demand from Existing Households (Renters in Substandard Housing)	587 X 5.3% = 31	618 X 5.3% = 33	742 X 5.3% = 39	722 X 5.3% = 38
=				
Demand Subtotal	305	284	376	120
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	6*	6*	8*	2*
=				
Total Demand	311	290	384	122
-				
Supply (Directly Comparable Units Built and/or Funded Since 2018)	12	48	60	0
=				
Net Demand	299	242	324	122
Proposed Units / Net Demand	13 / 299	51 / 242	64 / 324	8 / 122
Capture Rate	= 4.3%	= 21.1%	= 19.8%	= 6.6%

*Adjusted to reflect no more than 2% of total demand per GDCA guidelines.

Per GDCA guidelines, capture rates below 35.0% for projects in rural markets similar to the Fort Oglethorpe Site PMA are typically considered acceptable. Thus, the proposed project's overall capture rate of 19.8% for the LIHTC units is acceptable. This is particularly true when considering the 100.0% occupancy rates and waiting lists maintained among the existing comparable age-restricted LIHTC properties in the market. Based on the preceding factors, the subject's capture rates by AMHI level and for the market-rate units are also considered acceptable, ranging from 4.3% to 21.1%.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	60.0%
Two-Bedroom	40.0%
Total	100.0%

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (60%)	50%	7	183	7	176	4.0%	2 Months	\$673	\$565 - \$755	\$515
One-Bedroom (60%)	60%	25	170	1	169	14.8%	6 Months	\$673	\$565 - \$755	\$575
One-Bedroom (60%)	MR	4	73	0	73	5.5%	1 Month	\$673	\$565 - \$755	\$650
One-Bedroom	Total	36	426	8	418	8.6%	9 Months	\$673	\$565 - \$755	-
Two-Bedroom (40%)	50%	6	122	5	117	5.1%	2 Months	\$839	\$755 - \$955	\$615
Two-Bedroom (40%)	60%	26	114	47	67	38.8%	8 Months	\$839	\$755 - \$955	\$700
Two-Bedroom (40%)	MR	4	49	0	49	8.2%	2 Months	\$839	\$755 - \$955	\$750
Two-Bedroom	Total	36	285	52	233	15.5%	9 Months	\$839	\$755 - \$955	-

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

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

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

The capture rates by bedroom type and targeted income level range from 5.1% to 38.8%. These capture rates are below GDCA’s capture rate thresholds and are considered achievable. This indicates that a sufficient base of income-appropriate renter household support exists in the Fort Oglethorpe Site PMA for each of the unit types proposed for the subject development.

While sufficient support exists for both the subject project and the existing and currently planned age-restricted LIHTC properties within the Fort Oglethorpe Site PMA; the development of the currently planned Village of Chickamauga II property will alleviate a portion of the pent-up demand for age-restricted LIHTC product in the market prior to the opening of the subject project. This is expected to have a slowing impact on the overall absorption potential for the subject property and has been considered throughout this analysis.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Fort Oglethorpe Site PMA in 2010 and 2020 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2020 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	29,383	90.1%	31,060	90.0%
Owner-Occupied	20,613	70.2%	20,731	66.7%
Renter-Occupied	8,770	29.8%	10,329	33.3%
Vacant	3,220	9.9%	3,433	10.0%
Total	32,603	100.0%	34,493	100.0%

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

Based on a 2020 update of the 2010 Census, of the 34,493 total housing units in the market, 10.0% were vacant. In 2020, it was estimated that homeowners occupied 66.7% of all occupied housing units, while the remaining 33.3% were occupied by renters.

Conventional Rentals

We identified and surveyed 14 conventional rental housing projects containing a total of 1,470 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.7%, a strong rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	7	985	0	100.0%
Market-Rate/Tax Credit	3	184	0	100.0%
Tax Credit	3	233	4	98.3%
Government-Subsidized	1	68	0	100.0%
Total	14	1,470	4	99.7%

All rental housing segments surveyed are performing well with overall occupancy rates of 98.3% or higher. This is a good indication of strong demand for rental product across multiple affordability levels within the Fort Oglethorpe Site PMA.

Tax Credit Property Disclosure: In addition to the six Tax Credit properties surveyed, we are also aware of one additional property within the Fort Oglethorpe Site PMA that operates under the Tax Credit program. This property, South Rossville Senior Village, is located at 1300 McFarland Avenue in Rossville, Georgia and offers a total of 60 age-restricted units, 48 of which operate under the Tax Credit program. Despite multiple attempts, we were unable to survey this property at the time of this analysis. Thus, this property has been excluded from our survey. However, as this property is age-restricted, it is expected to be competitive with the proposed subject project. This property was 100.0% occupied with a 20-household waiting list at the time of our last survey in January of 2020.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	95	9.3%	0	0.0%	\$497
One-Bedroom	1.0	465	45.4%	0	0.0%	\$678
Two-Bedroom	1.0	226	22.0%	0	0.0%	\$838
Two-Bedroom	1.5	133	13.0%	0	0.0%	\$938
Two-Bedroom	2.0	72	7.0%	0	0.0%	\$1,153
Two-Bedroom	2.5	19	1.9%	0	0.0%	\$986
Three-Bedroom	1.0	2	0.2%	0	0.0%	\$923
Three-Bedroom	2.0	13	1.3%	0	0.0%	\$958
Total Market-Rate		1,025	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	93	24.7%	1	1.1%	\$583
Two-Bedroom	1.0	44	11.7%	0	0.0%	\$618
Two-Bedroom	2.0	116	30.8%	0	0.0%	\$618
Three-Bedroom	1.5	44	11.7%	3	6.8%	\$902
Three-Bedroom	2.0	32	8.5%	0	0.0%	\$768
Four-Bedroom	2.0	48	12.7%	0	0.0%	\$997
Total Tax Credit		377	100.0%	4	1.1%	-

The market-rate units are 100.0% occupied and the non-subsidized Tax Credit units are 98.9% occupied. It is of note that the four vacant Tax Credit units are concentrated among family (general-occupancy) properties. All age-restricted Tax Credit product surveyed in the market is 100.0% occupied (0.0% vacancy rate), as detailed later in this section. Also note the median gross Tax Credit rents reported in the preceding table as they are generally positioned well below the median gross rents reported for similar market-rate product in this market. These lower rents along with the strong occupancy rate are good indications of the value non-subsidized Tax Credit product represents in this market.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	12	0.0%
B+	2	312	0.0%
B	6	631	0.0%
C	1	70	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	108	0.0%
B+	2	167	2.4%
B	2	102	0.0%

Non-subsidized rental product surveyed within the Fort Oglethorpe Site PMA is generally of good overall quality as indicated by the quality ratings assigned by our analyst and detailed in the preceding table. The subject project is expected to have a very good overall quality/condition upon completion which will contribute to its marketability within the Fort Oglethorpe Site PMA.

2. SUMMARY OF ASSISTED PROJECTS

We surveyed a total of seven federally subsidized and/or Tax Credit apartment developments in the Fort Oglethorpe Site PMA. These projects were surveyed in June of 2020 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occupancy	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Bedford Place	TAX	2004	70*	100.0%	\$403 - \$658 (32)	\$473 - \$758 (30)	\$818 - \$858 (8)	-
3	Happy Valley Apts.	SEC 8	1980	68	100.0%	\$644 (8)	\$733 (48)	\$888 (12)	-
6	Lone Mountain Village I	TAX	2008	44*	100.0%	\$558 (18)	\$618 (26)	-	-
7	Lone Mountain Village II	TAX	2013	64	100.0%	\$558 (8)	\$618 (56)	-	-
8	Oglethorpe Ridge Apts.	TAX	1997	97	95.9%	\$674 (5)	-	\$902 (44)	\$997 (48)
12	Summer Breeze Park Village at	TAX	2016	72	100.0%	\$583 - \$598 (18)	\$673 - \$683 (30)	\$758 - \$768 (24)	-
13	Chickamauga Apts. I	TAX	2008	30*	100.0%	\$558 - \$573 (12)	\$613 - \$633 (18)	-	-
Total				445	99.1%				

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

TAX - Tax Credit

SEC - Section

*Market-rate units not included

The overall occupancy is 99.1% for these projects and none of the properties surveyed report individual occupancy rates below 95.9%. In fact, six of the seven properties surveyed are 100.0% occupied. These occupancy rates further demonstrate strong demand for affordable rental product in this market.

Housing Choice Voucher Holders

Despite multiple attempts, we were unable to receive a response from local housing authority representatives regarding the status of the Housing Choice Voucher program within the Catoosa County/Fort Oglethorpe area. However, the three comparable age-restricted Tax Credit properties surveyed in the Fort Oglethorpe Site PMA all accept Housing Choice Vouchers, as indicated by our Phone Survey of Conventional Rentals (*Addendum A*) and summarized in the following table.

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
6	Lone Mountain Village I	44*	4	9.1%
7	Lone Mountain Village II	64	3	4.7%
13	Village at Chickamauga Apts. I	30*	0	0.0%
Total		138	7	5.1%

*Tax Credit units only

As the preceding table illustrates, there are a total of just seven (7) Voucher holders residing at the existing non-subsidized age-restricted Tax Credit properties surveyed in the Fort Oglethorpe Site PMA. This comprises only 5.1% of the 138 total non-subsidized Tax Credit units offered among these properties. This is a good indication that Voucher support is limited and that the gross rents reported among these properties are achievable within the Fort Oglethorpe Site PMA.

If the rents do not exceed the Payment Standards established by the local/regional housing authority, households with Housing Choice Vouchers may be willing to reside at a Tax Credit project. Established by the Georgia Department of Community Affairs (GDCA) Rental Assistance Division – North Region, the regional Payment Standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$720	\$620 (50%)
		\$680 (60%)
		\$755 (MR)
Two-Bedroom	\$874	\$744 (50%)
		\$829 (60%)
		\$879 (MR)

MR – Market-Rate

As the preceding table illustrates, the proposed gross Tax Credit rents are below the Payment Standards set by the Georgia Department of Community Affairs (GDCA) Rental Assistance Division – North Region. As such, those who hold Housing Choice Vouchers will likely respond to these units at the subject development. This will likely increase the base of income-appropriate renter households within the Fort Oglethorpe Site PMA for the subject development and has been considered in our absorption projections in *Section I* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are two rental housing projects planned within the Fort Oglethorpe Site PMA. These planned developments are summarized as follows:

- The Village of Chickamauga II is a planned senior Tax Credit development to be located at 13311 U.S. Highway 27 in Chickamauga, adjacent to Village of Chickamauga I. This project (phase two) was allocated funding in 2019 and will include 60 total units targeting seniors age 55 and older earning up to 50% and 60% of Area Median Household Income (AMHI). The property will offer eight (8) one-bedroom units at 779 square feet and 52 two-bedroom units at 1,109 square feet. The units will include but not be limited to, microwaves, disposals and washer/dryer hookups, and patio/balcony areas with exterior storage closet. Notable property amenities include a computer center, fitness room, a clubhouse with a community kitchen, and a covered picnic pavilion. The developer recently submitted their soil and erosion plan in spring of 2020. The estimated completion date is mid-2021.
- Flats Sam Lane is a planned property which received Tax Credit allocations in 2019 and will be located at 92 Sam Lane in Ringgold. The plans call for 72 units comprised of 12 one-bedroom, 30 two-bedroom, and 30 three-bedroom units. The property will target general-occupancy (family) households earning up to 50%, 60%, and 70% of AMHI.

As the Village of Chickamauga II property will target seniors earning up to 50% and 60% of AMHI, it is expected to be competitive with the proposed subject development. Thus, this property has been considered in our demand estimates included in *Section G*.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Fort Oglethorpe and Catoosa County for the past ten years:

Housing Unit Building Permits for Fort Oglethorpe, GA:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	26	3	0	22	20	30	14	0	0	0
Single-Family Permits	7	7	14	30	29	38	30	34	27	39
Total Units	33	10	14	52	49	68	44	34	27	39

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

Housing Unit Building Permits for Catoosa County:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	29	3	0	26	28	109	14	4	24	46
Single-Family Permits	94	81	116	123	116	145	158	192	230	267
Total Units	123	84	116	149	144	254	172	196	254	313

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

While there have been some multifamily building permits issued within the county, none have been issued within the city of Fort Oglethorpe since 2016. Thus, the subject units would introduce a modern multifamily product that is not readily available within the immediate Fort Oglethorpe area.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject property will offer one- and two-bedroom units targeting senior (age 62 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Fort Oglethorpe Site PMA, we identified and surveyed a total of three age-restricted LIHTC properties which will be directly competitive with and provide a good comparison for the proposed subject property.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Fort Oglethorpe	2022	64*	-	-	-	Seniors 62+; 50% & 60% AMHI
6	Lone Mountain Village I	2008	44*	100.0%	5.6 Miles	70 HH	Seniors 55+; 50% & 60% AMHI
7	Lone Mountain Village II	2013	64	100.0%	5.7 Miles	38 HH	Seniors 55+; 50% & 60% AMHI
13	Village at Chickamauga Apts. I	2008	30*	100.0%	9.1 Miles	24 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

HH - Households

*Tax Credit units only

The three LIHTC projects have a combined occupancy rate of 100.0% and all three maintain waiting lists ranging from 24- to 70-households. These are clear indications of strong and pent-up demand for additional age-restricted LIHTC product within this market.

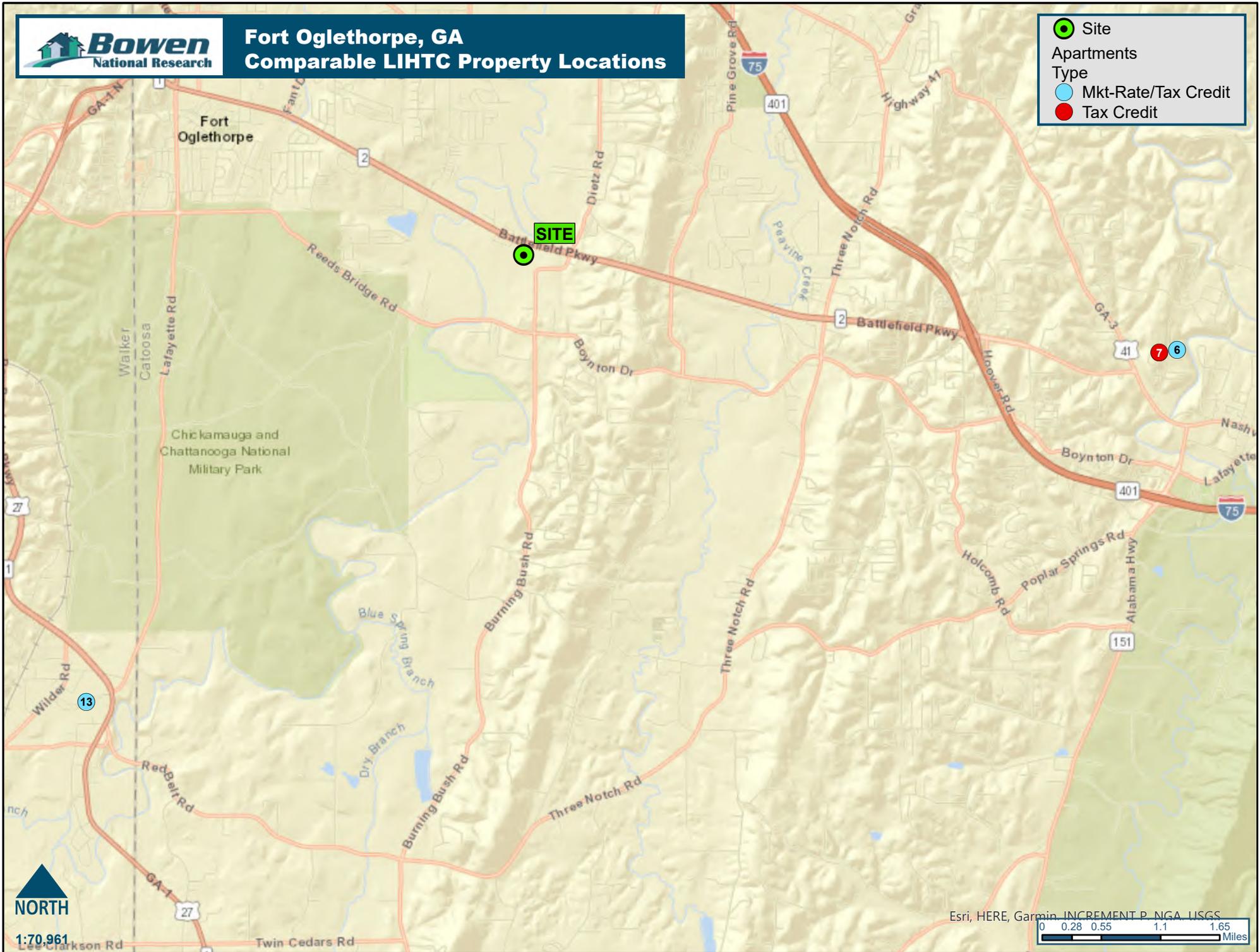
It should also be reiterated that one additional/age-restricted property, South Rossville Senior Village, was identified within the Fort Oglethorpe Site PMA but was unable to be surveyed. Thus, this property is not included in our comparable/competitive analysis. This property was, however, 100.0% occupied with a 20-household waiting list at the time of our last survey in January of 2020, similar to occupancy trends among the three comparable properties surveyed and included in this analysis.

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



Fort Oglethorpe, GA Comparable LIHTC Property Locations

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



NORTH

1:70,961

Esri, HERE, Garmin, INCREMENT P, NGI, USGS



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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)		Rent Special
		One-Br.	Two-Br.	
Site	Peaks of Fort Oglethorpe	\$620/50% (7) \$680/60% (25)	\$744/50% (6) \$829/60% (26)	-
6	Lone Mountain Village I	\$558/50% (14/0) \$558/60% (4/0)	\$618/50% (9/0) \$618/60% (17/0)	None
7	Lone Mountain Village II	\$558/50% (2/0) \$558/60% (6/0)	\$618/50% (14/0) \$618/60% (42/0)	None
13	Village at Chickamauga Apts. I	\$558/50% (8/0) \$573/60% (4/0)	\$613/50% (10/0) \$633/60% (8/0)	None

The subject's proposed gross Tax Credit rents are positioned above those reported among the comparable LIHTC properties surveyed. It is of note, however, that the comparable properties report very similar, if not the same, rents for both their 50% and 60% AMHI units. This is due to the developer of the comparable properties offering units which operate under the HOME program. This is a good indication that the 60% AMHI rents are being held artificially low at these properties and are not representative of the rent levels which may actually be achievable at this higher AMHI targeting within the Fort Oglethorpe Site PMA.

Although unable to be surveyed at the time of this analysis, it is of note that the existing South Rossville Senior Village property (excluded from this analysis due to not being able to survey) reported gross rents of \$644 and \$772 for their one- and two-bedroom units at 50% of AMHI and \$702 and \$856 for their units at 60% of AMHI at the time of our last survey of this property in January of 2020. The subject rents also represent strong market rent advantages as detailed in Addendum E, and are well supported demographically, as detailed by our demand estimates included in Section G. These are good indications the subject rents are achievable/marketable within the Fort Oglethorpe Site PMA, despite being positioned above those currently reported among the three comparable properties surveyed and included in this analysis.

Further, the subject property will be at least nine years newer than the existing age-restricted LIHTC properties in this market and will offer premium unit amenities such as microwave ovens and in-unit washer/dryer appliances. These features further contribute to the subject's ability to command premium rents within this market.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC units by bedroom type and targeted income level among the properties surveyed within the Site PMA:

Weighted Average Collected Rent of Comparable LIHTC Units (AMHI)	
One-Br.	Two-Br.
\$445 (50%)	\$478 (50%)
\$449 (60%)	\$482 (60%)

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

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$445 (50%)	- \$515 (50%)	-\$70	/ \$515 (50%)	-13.6%
	\$449 (60%)	- \$575 (60%)	-\$126	/ \$575 (60%)	-21.9%
Two-Br.	\$478 (50%)	- \$615 (50%)	-\$137	/ \$615 (50%)	-22.3%
	\$482 (60%)	- \$700 (60%)	-\$218	/ \$700 (60%)	-31.1%

Although the subject rents represent negative rent advantages, it is important to reiterate that the comparable LIHTC properties generally offer the same rent for both their 50% and 60% AMHI units. Additionally, this analysis is reflective of the collected rent and does not account for utility responsibilities and/or other features of the subject project, including the subject’s age/newness, and/or amenities which will enable it to charge higher rents. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development’s collected rents are included in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage	
		One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	709	908
6	Lone Mountain Village I	760	1,002
7	Lone Mountain Village II	762	1,078
13	Village at Chickamauga Apts. I	760	1,002

Map I.D.	Project Name	Number of Baths	
		One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	1.0	1.0
6	Lone Mountain Village I	1.0	1.0
7	Lone Mountain Village II	1.0	2.0
13	Village at Chickamauga Apts. I	1.0	1.0

The subject units will be the smallest among the comparable LIHTC properties in terms of square feet. However, unit sizes such as those proposed are not uncommon of affordable age-restricted product and are not expected to have any adverse impact on the subject's overall marketability within the Fort Oglethorpe Site PMA. This is particularly true when considering the newness and anticipated quality of the subject project, as well as the pent-up demand for age-restricted LIHTC product within this market. The number of bathrooms proposed for each bedroom type is appropriate and competitive.

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

Tax Credit Unit Amenities by Map ID					
	Site**	6	7	13	
Appliances	Dishwasher	X	X	X	X
	Disposal	X	X	X	X
	Icemaker	X	X	X	X
	Microwave	X		X	
	Range	X	X	X	X
	Refrigerator	X	X	X	X
	No Appliances				
Unit Amenities	AC-Central	X	X	X	X
	AC-Other				
	Balcony	X	X	X	X
	Deck / Patio	X	X	X	X
	Basement				
	Ceiling Fan	X	X	X	X
	Controlled Access				
	E-Call System	X	X		X
	Fireplace				
	Furnished				
	Security System				
	Sunroom				
	W/D Hookup		X	X	X
	W/D	X	S	S	
	Walk-In Closet				
	Window Treatments	X	X	X	X
Flooring	Carpet	X	X	X	X
	Ceramic Tile				
	Composite (VCT)(LVT)		X	X	
	Hardwood				
	Finished Concrete				
	Vinyl	X			
Upgraded	Wood Laminate / Plank				X
	Premium Appliances				
	Premium Countertops				
	Premium Cabinetry				
	Premium Fixtures				
	High Ceilings				
	Vaulted Ceilings				
	Crown Molding				
Oversized Windows					
Parking	Attached Garage				
	Detached Garage				
	Surface Lot	X	X	X	X
	Carport				
	Property Parking Garage				
	Podium Parking				
No Provided Parking					

** Proposed Site(s): Peaks of Fort Oglethorpe

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

* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	6	7	13
Bike Racks / Storage				
Business Center *	X	X	X	X
Car Care *				
Common Patio				
Community Garden	X			X
Community Space				
Activity / Craft Room		X		
Chapel				
Clubhouse	X	X		X
Conference Room				
Community Kitchen	X			
Community Room	X	X	X	X
Dining Room - Private				
Dining Room - Public				
Rooftop Lounge				
Study Lounge				
TV Lounge				
Concierge Service *				
Convenience Amenities *				
Courtyard				
Covered Outdoor Area *	X			X
Elevator	X	X	X	X
Laundry Room		X	X	X
Meals				
On-Site Management	X	X	X	X
Pet Care *				
Recreation				
Basketball				
Bocce Ball				
Firepit				
Fitness Center	X	X	X	X
Grill	X			X
Game Room - Billiards				
Hiking - Walking Trail	X		X	X
Hot Tub				
Library				X
Media Room / Theater				
Picnic Table / Area	X	X	X	X
Playground				
Putting Green		X		
Racquetball				
Shuffleboard				
Sports Court				
Swimming Pool - Indoor				
Swimming Pool - Outdoor				
Tennis				
Volleyball				
Security				
CCTV				
Courtesy Officer				
Gated Community				
Gated Parking				
Police Substation				
Social Services *	X	X		X
Storage - Extra	X	X	X	X
Water Feature	X			
WiFi				

** Proposed Site(s): Peaks of Fort Oglethorpe

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

* Details in Comparable Property Profile Report

The subject property will offer a comprehensive amenity package which will compete well with those offered among the existing comparable LIHTC properties. In fact, the inclusion of microwaves and in-unit washer/dryer appliances within each unit is expected to create a competitive advantage and contribute to the subject's rent potential within the Fort Oglethorpe Site PMA. The subject property does not appear to lack any key amenities that would adversely impact its marketability.

Comparable/Competitive Tax Credit Summary

A total of four comparable/competitive age-restricted LIHTC properties were identified within the Fort Oglethorpe Site PMA, three of which were able to be surveyed at the time of this analysis. The three properties surveyed are all 100.0% occupied with waiting lists of up to 70-households. The subject's proposed gross rents will be higher than those reported among the comparable properties surveyed. However, when considering that the surveyed properties effectively charge the same rent for their 50% and 60% AMHI units, it appears as though the reported 60% rents in this market are not reflective of what may actually be achievable. This is further supported by data obtained during our previous surveys of the Fort Oglethorpe Site PMA. Specifically, the one property unable to be surveyed at the time of this analysis, South Rossville Senior Village, reported rents at the time of our last survey (January 2020) which were very similar to those proposed for the subject property. Based on the preceding factors and considering the subject's newness and superior unit amenity package, it is our opinion the subject's proposed rents are achievable within the Fort Oglethorpe Site PMA.

Competitive Housing Impact

The anticipated occupancy rate of the existing comparable Tax Credit developments surveyed in the Site PMA following completion of the subject project are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2022
6	Lone Mountain Village I	100.0%	95.0% +
7	Lone Mountain Village II	100.0%	95.0% +
13	Village at Chickamauga Apts. I	100.0%	95.0% +

As detailed throughout this section of the report and again in the preceding table, the three comparable age-restricted LIHTC properties surveyed are all 100.0% occupied. All three properties also maintain waiting lists for their next available units. As such, we do not expect the development of the subject project will have any adverse impact on future occupancy levels among these existing properties.

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

Market-Rate Units

In addition to the LIHTC units, the subject property will also offer some units which will operate as unrestricted market-rate. Within the Fort Oglethorpe Site PMA, we identified and surveyed four market-rate properties which we consider most comparable to the subject property in terms of design, age, location, unit types offered, and/or amenities offered. The four properties selected for this analysis are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Fort Oglethorpe	2022	8*	-	-	-
2	Fountain Brook Apts. I & II	2000	224	100.0%	3.4 Miles	None
4	Lakeshore Apts. I	1984	79	100.0%	1.2 Miles	None
5	Lakeshore Apts. II	1988	79	100.0%	1.5 Miles	None
14	Village at Fort Town	2002	294	100.0%	1.0 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 676 units with an overall occupancy rate of 100.0%. This is a clear indication that the selected properties are well-received and will serve as an accurate benchmark with which to compare the subject property.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		Studio	One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	-	\$755 (4)	\$879 (4)
2	Fountain Brook Apts. I & II	-	\$868 (100/0)	\$1,093-\$1,153 (124/0)
4	Lakeshore Apts. I	\$567 (15/0)	\$763 (59/0)	\$936 (5/0)
5	Lakeshore Apts. II	\$567 (16/0)	\$743 (42/0)	\$936 (21/0)
14	Village at Fort Town	\$585 (4/0)	\$678 (88/0)	\$838-\$1,068 (202/0)

The subject’s proposed gross market-rate rents are competitive with those reported among the comparable market-rate properties. This will contribute to the subject’s marketability, particularly when considering the newness and anticipated quality of the subject project.

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

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$673	\$839

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

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$673	- \$650	\$23	/ \$650	3.5%
Two-Br.	\$839	- \$750	\$89	/ \$750	11.9%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 3.5% to 11.9%, as compared to the weighted average collected rents of the comparable market-rate projects. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include, or the differences in design, age, quality, etc. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		Studio	One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	-	709	908
2	Fountain Brook Apts. I & II	-	850	1,300
4	Lakeshore Apts. I	288	576	864
5	Lakeshore Apts. II	280	565	860
14	Village at Fort Town	275 - 300	600	816 - 1,140

Map I.D.	Project Name	Number of Baths		
		Studio	One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	-	1.0	1.0
2	Fountain Brook Apts. I & II	-	1.0	1.5 - 2.0
4	Lakeshore Apts. I	1.0	1.0	1.0 - 2.0
5	Lakeshore Apts. II	1.0	1.0	1.5
14	Village at Fort Town	1.0	1.0	1.0 - 2.0

The proposed development will be competitive with the existing comparable market-rate projects in the market based on unit size (square footage) and the number of baths offered.

The following tables compare the amenities of the subject development with the most comparable market-rate projects in the market.

Market-Rate Unit Amenities by Map ID						
	Site**	2	4	5	14	
Appliances	Dishwasher	X	X			X
	Disposal	X	X	X		S
	Icemaker	X	X			
	Microwave	X	X			X
	Range	X	X	X	X	X
	Refrigerator	X	X	X	X	X
	No Appliances					
Unit Amenities	AC-Central	X	X			X
	AC-Other			X	X	
	Balcony	X	S			S
	Deck / Patio	X	S	S	S	S
	Basement					
	Ceiling Fan	X	X	X	S	X
	Controlled Access					
	E-Call System	X				
	Fireplace					
	Furnished					
	Security System					
	Sunroom		S			
	W/D Hookup		X		S	X
	W/D	X		S	O	
	Walk-In Closet		X			
	Window Treatments	X	X	X	X	X
	Flooring	Carpet	X	X		X
Ceramic Tile			X			
Composite (VCT)(LVT)						
Hardwood				X		
Finished Concrete						
Vinyl		X			X	
Upgraded	Wood Laminate / Plank					
	Premium Appliances					
	Premium Countertops					
	Premium Cabinetry					
	Premium Fixtures					
	High Ceilings					
	Vaulted Ceilings					
	Crown Molding		X			
Oversized Windows						
Parking	Attached Garage					
	Detached Garage		O			S
	Surface Lot	X	X	X	X	X
	Carport					
	Property Parking Garage					
	Podium Parking					
	No Provided Parking					

** Proposed Site(s): Peaks of Fort Oglethorpe

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

* Details in Comparable Property Profile Report

Market-Rate Property Amenities by Map ID					
	Site**	2	4	5	14
Bike Racks / Storage					
Business Center *	X				
Car Care *					
Common Patio					
Community Garden	X				
Community Space					
Activity / Craft Room					
Chapel					
Clubhouse	X	X			
Conference Room					
Community Kitchen	X				
Community Room	X				
Dining Room - Private					
Dining Room - Public					
Rooftop Lounge					
Study Lounge					
TV Lounge					
Concierge Service *					
Convenience Amenities *					
Courtyard					
Covered Outdoor Area *	X				
Elevator	X				
Laundry Room			X		
Meals					
On-Site Management	X	X	X	X	X
Pet Care *					X
Recreation					
Basketball					
Bocce Ball					
Firepit					
Fitness Center	X				
Grill	X				
Game Room - Billiards					
Hiking - Walking Trail	X				
Hot Tub					
Library					
Media Room / Theater					
Picnic Table / Area	X				X
Playground					X
Putting Green					
Racquetball					
Shuffleboard					
Sports Court					
Swimming Pool - Indoor					
Swimming Pool - Outdoor		X			X
Tennis					
Volleyball					
Security					
CCTV					
Courtesy Officer					
Gated Community					
Gated Parking					
Police Substation					
Social Services *	X				
Storage - Extra	X	O	X	X	O
Water Feature	X		X		
WiFi					

** Proposed Site(s): Peaks of Fort Oglethorpe

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

* Details in Comparable Property Profile Report

The amenity package proposed for the subject property is very competitive with, if not superior to, those offered among the comparable market-rate properties. This will contribute to the subject's marketability, particularly when considering the competitive position of the subject's market-rate rents.

Comparable/Competitive Market-Rate Summary

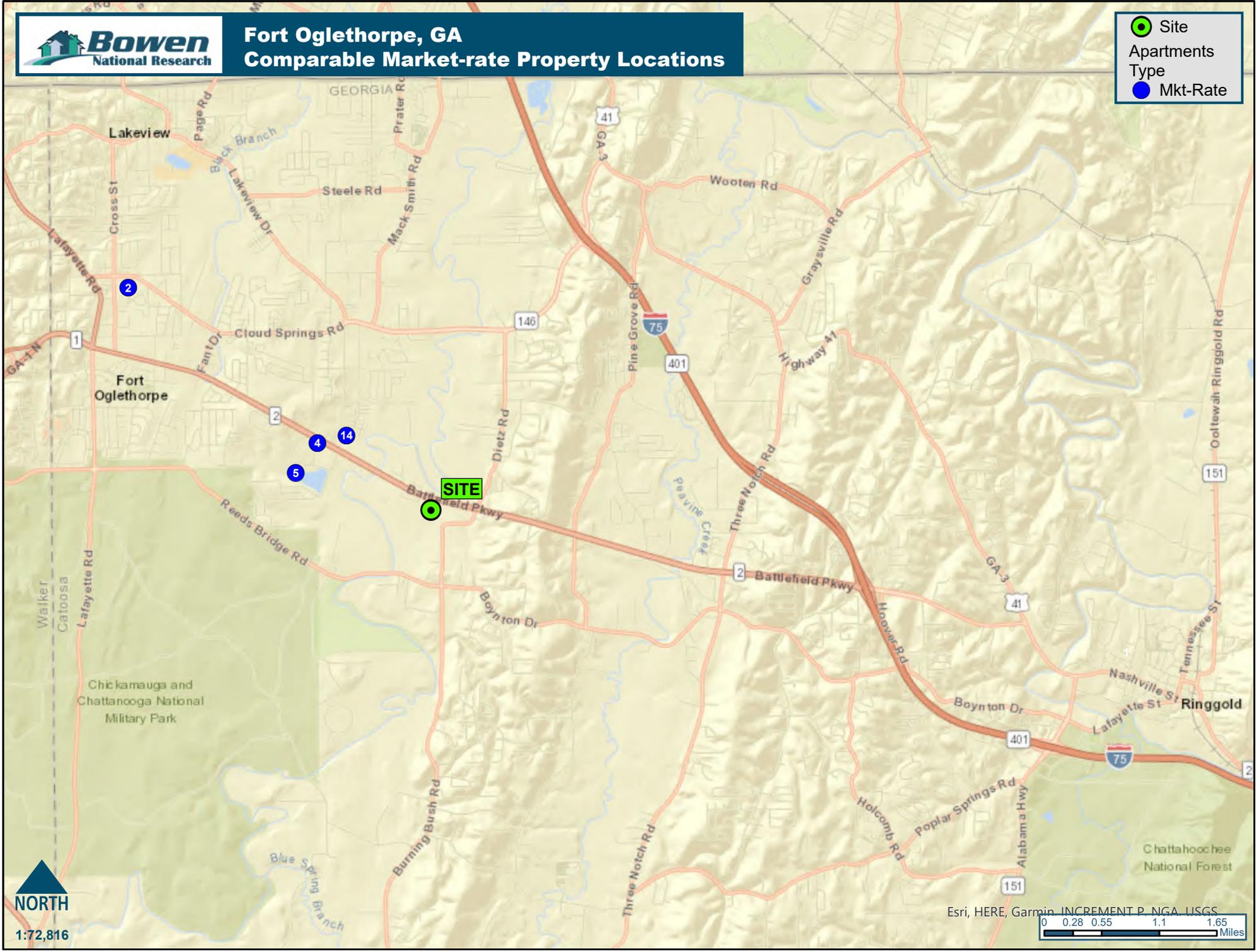
The four most comparable market-rate properties surveyed all report occupancy rates of 100.0%. The subject's market-rate rents are very competitive with those reported among the comparable properties which are generally older and of lesser quality as compared to the subject property. The subject project is also competitive in terms of overall design and amenities offered.

The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location.



Fort Oglethorpe, GA Comparable Market-rate Property Locations

- Site
- Apartments
- Mkt-Rate



NORTH
1:72,816

Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.28 0.55 1.1 1.65 Miles

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$139,824. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$139,824 home is \$841, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$139,824
Mortgaged Value = 95% of Median Home Price	\$132,833
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$673
Estimated Taxes and Insurance*	\$168
Estimated Monthly Mortgage Payment	\$841

*Estimated at 25% of principal and interest

In comparison, the collected rents for the subject property range from \$515 to \$750 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$91 more than the cost of renting at the subject project. Although some tenants could likely afford the cost of a typical monthly mortgage in this market, it is important to remember the subject property will be age-restricted to seniors age 62 and older. Typically, households of this age group are not in the for-sale market. Rather, seniors generally look to downsize to a smaller maintenance-free rental alternative. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2022 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2022.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates maintained among the existing comparable LIHTC properties in the market, as well as the one comparable/competitive LIHTC project currently in the development pipeline within the Fort Oglethorpe Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate and market rent advantage.

Based on our analysis, it is our opinion that the 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately nine months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month. It is anticipated the subject's eight unrestricted market-rate units will be leased within the first two months of opening while the proposed LIHTC units will require the full nine-month absorption period.

These absorption projections assume a May 2022 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

The preceding absorption projections and findings/conclusions detailed throughout this report also assume market conditions remain constant and/or favorable to the continued development of affordable age-restricted rental housing product. Should market conditions change, primarily/specifically due to the ongoing COVID-19 pandemic, the findings of this market study could vary.

Section J – Interviews

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

- Tonya Sarratt, Leasing Consultant at Village at Fort Town, believes there is a need for more affordable housing in Fort Oglethorpe and the surrounding area. Ms. Sarratt indicated that the need for additional housing alternatives has contributed to the 60-household waiting list currently maintained at her property. According to Ms. Sarratt, there are individuals and families in the area that earn incomes too high to qualify for some affordable housing projects but do not make enough to afford market-rate product.
- Keith Barclift, the Economic Development Director of the Catoosa County Economic Development Authority, stated that he believes there is a need for affordable senior rental housing in Fort Oglethorpe and throughout Catoosa County. The area has a significant aging population, and there is not much senior housing in the area for independent seniors on a fixed income/budget, according to Mr. Barclift.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 units proposed for the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings. This also assumes market conditions remain stable/favorable for continued affordable housing development during and following the COVID-19 pandemic. Should market conditions change due to the ongoing pandemic and/or other circumstances, the findings of this report may vary.

The subject site is situated within a good quality area in the eastern portion of Fort Oglethorpe near various area services located along Battlefield Parkway. The subject property is expected to have good visibility from the aforementioned bordering roadway. However, this roadway is a divided highway which limits ingress and egress of the subject site to eastbound traffic along Battlefield Parkway. This could create some minor delays upon ingress and egress but is not expected to have any adverse impact on the overall marketability of the property.

The three comparable age-restricted LIHTC properties surveyed within the Fort Oglethorpe Site PMA are all 100.0% occupied and maintain waiting lists of up to 70-households. Thus, the subject property will help alleviate a portion of this pent-up demand. It is of note, however, that there is one additional age-restricted LIHTC property currently in the development pipeline within the Fort Oglethorpe Site PMA. Although not located within the immediate Fort Oglethorpe area, this property (Village at Chickamauga II) is expected to meet a portion of the unmet demand for age-restricted LIHTC product within the market prior to the opening of the subject property.

Our demand estimates indicate, however, that the subject market is deep enough to support both the subject property and the existing and currently planned age-restricted LIHTC properties in the market. This is evident by the subject's overall capture rate of 19.8% for the LIHTC units. Additionally, the aforementioned property currently in the development pipeline will primarily be comprised of two-bedroom units. This will limit the subject's competitive overlap as the subject property will offer an even distribution of one- and two-bedroom units. Nonetheless, the addition of this property to the subject market in advance of the subject property is likely to have a slowing impact on the absorption potential of the subject development. This has been considered in our absorption projections and throughout our analysis.

The subject property is considered competitive and marketable within the Fort Oglethorpe market in terms of both price point and overall design, as discussed throughout this analysis. The newness, anticipated quality, and generally superior overall amenity package as compared to existing properties is expected to create a competitive advantage and contribute to the subject's rent potential.

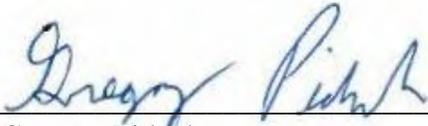
Overall, the subject property is considered marketable as proposed and is expected to help alleviate some of the pent-up demand for additional age-restricted LIHTC product within the Fort Oglethorpe housing market. The subject project is not anticipated to have any adverse impact on future occupancy rates among the comparable properties. We have no recommendations to the subject project at this time.

Section L - Signed Statement

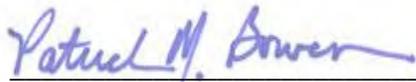
I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any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



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: June 12, 2020



Gregory Piduch
Market Analyst
gregp@bowennational.com
Date: June 12, 2020



Patrick M. Bowen
President/Market Analyst
Bowen National Research
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(614) 833-9300
patrickb@bowennational.com
Date: June 12, 2020

Section M – Market Study Representation

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

Section N - Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

Ambrose Lester, Market Analyst, has conducted detailed research and analysis on a variety of residential alternatives, including rental and for-sale housing. She has conducted on-site research of buildable sites, surveyed existing rental and for-sale housing and conducted numerous stakeholder interviews. She has also conducted research on unique housing issues such as accessory dwelling units, government policy and programs and numerous special needs populations. Ms. Lester has a degree in Economics from Franciscan University of Steubenville.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

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

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

Ron Pompey, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

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

Nathan Stelts, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

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

Research Staff

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

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

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

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

ADDENDUM A:

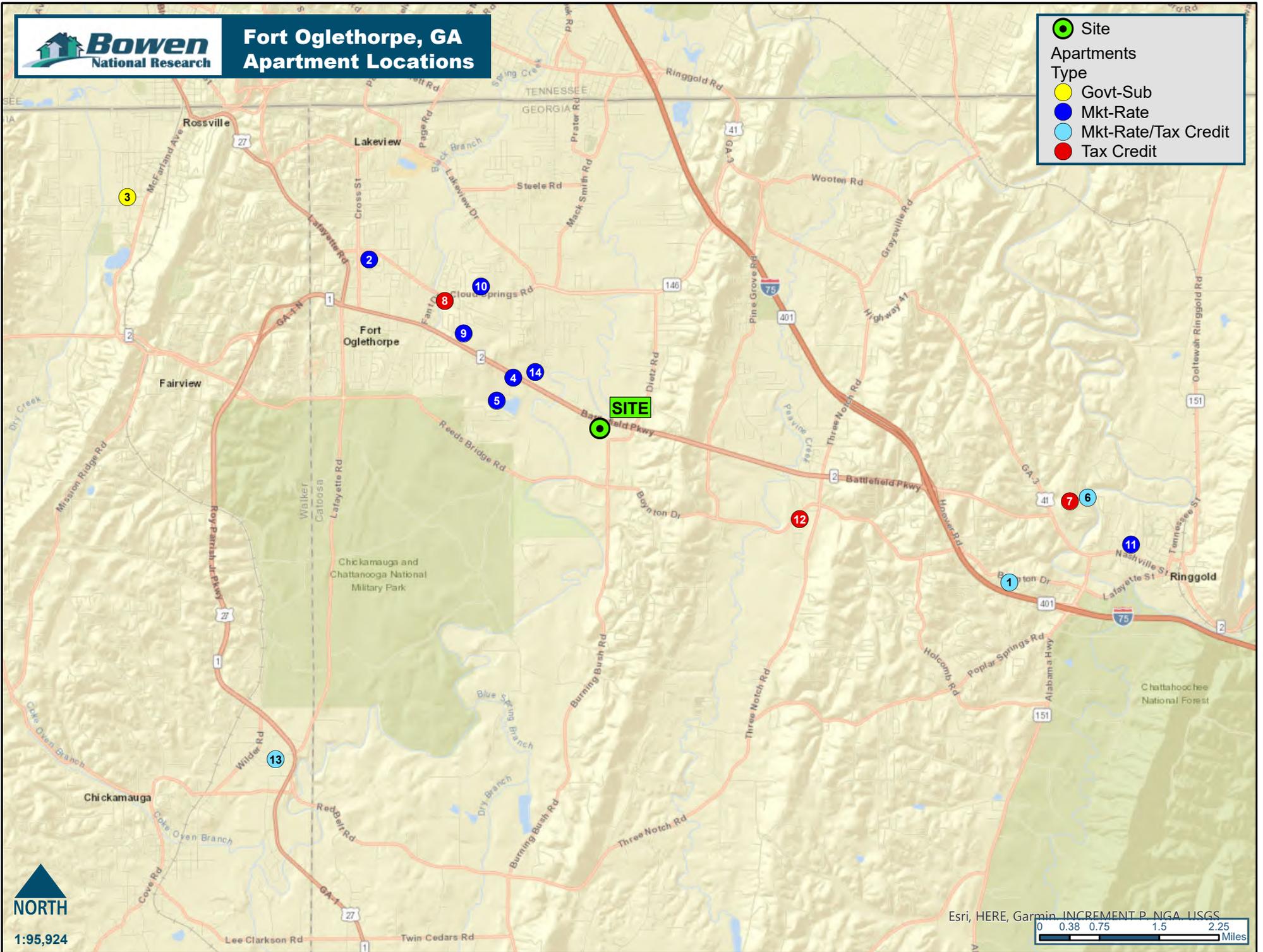
FIELD SURVEY OF
CONVENTIONAL RENTALS



Fort Oglethorpe, GA Apartment Locations

Site
Apartment
Type

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



1:95,924

Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.38 0.75 1.5 2.25 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Bedford Place	MRT	B+	2004	88	0	100.0%	5.1
✓ 2	Fountain Brook Apts. I & II	MRR	B	2000	224	0	100.0%	3.4
✓ 3	Happy Valley Apts.	GSS	B	1980	68	0	100.0%	7.4
✓ 4	Lakeshore Apts. I	MRR	B	1984	79	0	100.0%	1.2
✓ 5	Lakeshore Apts. II	MRR	B	1988	79	0	100.0%	1.5
✓ 6	Lone Mountain Village I	MRT	A	2008	56	0	100.0%	5.6
✓ 7	Lone Mountain Village II	TAX	A	2013	64	0	100.0%	5.7
8	Oglethorpe Ridge Apts.	TAX	B+	1997	97	4	95.9%	2.4
9	Park Knoll Apts.	MRR	B	1984	32	0	100.0%	1.8
10	Park Lake Apts.	MRR	B	1983	207	0	100.0%	2.5
11	Spring Hill Apts.	MRR	C	1986	70	0	100.0%	6.1
12	Summer Breeze Park	TAX	B	2016	72	0	100.0%	2.8
✓ 13	Village at Chickamauga Apts. I	MRT	B	2008	40	0	100.0%	9.1
✓ 14	Village at Fort Town	MRR	B+	2002	294	0	100.0%	1.0

*Drive distance in miles

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

1	Bedford Place 60 Bedford Pl, Ringgold, GA 30736	Contact: Amy Phone: (706) 937-6268
	Total Units: 88 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2004 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 22 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (18 units); Tax Credit (70 units); Accepts HCV (0 currently)	
2	Fountain Brook Apts. I & II 100 Brookhaven Cir, Fort Oglethorpe, GA 30742	Contact: Jenny Phone: (706) 866-9441
	Total Units: 224 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2000 BR: 1, 2 Vacant Units: 0 Waitlist: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	
3	Happy Valley Apts. 1209 Indian Ave., Rossville, GA 30741	Contact: Leslie Phone: (706) 861-3145
	Total Units: 68 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1980 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 30 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: HUD Section 8	
4	Lakeshore Apts. I 1100 Lakeshore Dr., Fort Oglethorpe, GA 30742	Contact: Jessica Phone: (706) 861-5518
	Total Units: 79 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1984 BR: 0, 1, 2 Vacant Units: 0 Waitlist: 5 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	
5	Lakeshore Apts. II 1000 Lakeshore Dr., Fort Oglethorpe, GA 30742	Contact: Jessica Phone: (706) 861-5518
	Total Units: 79 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1988 BR: 0, 1, 2 Vacant Units: 0 Waitlist: 7 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	

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



6	Lone Mountain Village I 140 Hailey Dr., Ringgold, GA 30736	Contact: Lisa Phone: (706) 965-6437
	Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2008 BR: 1, 2 Vacant Units: 0 Waitlist: 70 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Market-rate (12 units); Tax Credit (44 units); HCV (4 units)	



7	Lone Mountain Village II 85 Darlene Ln., Ringgold, GA 30736	Contact: Lisa Phone: (706) 965-6438
	Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2013 BR: 1, 2 Vacant Units: 0 Waitlist: 38 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (3 units)	

8	Oglethorpe Ridge Apts. 1252 Cloud Springs Rd, Fort Oglethorpe, GA 30742	Contact: Tammy Phone: (706) 858-3880
	Total Units: 97 UC: 0 Occupancy: 95.9% Stories: 2 Year Built: 1997 BR: 1, 3, 4 Vacant Units: 4 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; HCV (5 units)	

9	Park Knoll Apts. 2212 S. Cedar Ln., Fort Oglethorpe, GA 30742	Contact: Paula Phone: (423) 622-0277
	Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 1, 2 Year Built: 1984 BR: 2, 3 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	

10	Park Lake Apts. 950 Park Lake Rd, Rossville, GA 30741	Contact: Phyllis Phone: (706) 861-1666
	Total Units: 207 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1983 BR: 0, 1, 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	

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

11	Spring Hill Apts. 363 Guyler St, Ringgold, GA 30736	Contact: Shonda Phone: (423) 316-7661
	Total Units: 70 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1986 BR: 1, 2 Vacant Units: 0 Waitlist: 1 mos; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	
12	Summer Breeze Park 14 Summer Breeze Ln., Ringgold, GA 30736	Contact: Brittney Phone: (706) 229-7440
	Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2016 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 50 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; Accepts HCV	
13	Village at Chickamauga Apts. I 147 Arrow Head Dairy Ln, Chickamauga, GA 30707	Contact: Theresa Phone: (706) 375-3047
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2008 BR: 1, 2 Vacant Units: 0 Waitlist: 24 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Market-rate (10 units); Tax Credit (30 units); Accepts HCV (0 currently)	
14	Village at Fort Town 304 Fort Town Dr., Fort Oglethorpe, GA 30742	Contact: Tonya Phone: (706) 866-1114
	Total Units: 294 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2002 BR: 0, 1, 2 Vacant Units: 0 Waitlist: 60 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	

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

Source: Georgia Department of Community Affairs
Effective: 01/2020

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	8	12	14	18	24	28	9	13	16	20	25	29
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	27	42	50	65	84	99	32	45	57	72	82	92
	Electric	12	17	20	26	31	38	13	18	24	29	36	41
	Heat Pump	8	9	11	16	20	21	8	9	11	16	20	21
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Cooking	Natural Gas	2	3	4	5	6	7	2	3	4	5	6	7
	Bottled Gas	7	12	15	17	22	27	7	12	15	17	22	27
	Electric	5	8	10	12	15	17	5	8	10	12	15	17
Other Electric	16	22	28	34	44	50	16	22	28	34	44	50	
+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0	
Air Conditioning	5	7	9	12	14	17	6	8	10	13	16	19	
Water Heating	Natural Gas	3	5	7	8	10	12	3	5	7	8	10	12
	Bottled Gas	12	17	25	30	35	45	12	17	25	30	35	45
	Electric	9	14	19	24	29	34	9	14	19	24	29	34
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	19	22	25	31	37	40	19	22	25	31	37	40	
Sewer	19	23	27	34	41	46	19	23	27	34	41	46	
Trash Collection	15	15	15	15	15	15	15	15	15	15	15	15	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

ADDENDUM B:

COMPARABLE
PROPERTY PROFILES

2 Fountain Brook Apts. I & II 3.4 miles to site



Address: 100 Brookhaven Cir, Fort Oglethorpe, GA 30742
 Phone: (706) 866-9441 Contact: Jenny
 Property Type: Market Rate
 Target Population: Family
 Total Units: 224 Year Built: 2000
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist:
 Rent Special:

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

Notes: Does not accept HCV



Features And Utilities

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; Sunroom; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Ceramic Tile); Crown Molding

Property Amenities: Clubhouse; On-Site Management; Recreation Areas (Outdoor Swimming Pool); Extra Storage

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	100	0	850	\$0.89	\$755	0%
2	1.5 - 2	G	124	0	1,300	\$0.73 - \$0.78	\$955 - \$1,015	0%

* Adaptive Reuse

4 Lakeshore Apts. I 1.2 miles to site



Address: 1100 Lakeshore Dr., Fort Oglethorpe, GA 30742
 Phone: (706) 861-5518 Contact: Jessica
 Property Type: Market Rate
 Target Population: Family
 Total Units: 79 Year Built: 1984
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: 5 HH;
 Rent Special:

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

Notes: Does not accept HCV



Features And Utilities

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

Unit Amenities: Disposal; Range; Refrigerator; AC Other; Deck / Patio; Ceiling Fan; W/D; Window Treatments; Flooring (Hardwood)

Property Amenities: Laundry Room; On-Site Management; Extra Storage; Water Feature

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	15	0	288	\$1.81	\$520	0%
1	1	G	59	0	576	\$1.21	\$695	0%
2	1 - 2	G	5	0	864	\$0.98	\$850	0%

* Adaptive Reuse

5 Lakeshore Apts. II 1.5 miles to site



Address: 1000 Lakeshore Dr., Fort Oglethorpe, GA 30742
 Phone: (706) 861-5518 Contact: Jessica
 Property Type: Market Rate
 Target Population: Family
 Total Units: 79 Year Built: 1988
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: 7 HH;
 Rent Special:

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

Notes: Does not accept HCV



Features And Utilities

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

Unit Amenities: Range; Refrigerator; AC Other; Deck / Patio; Ceiling Fan; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: On-Site Management; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	16	0	280	\$1.86	\$520	0%
1	1	G	42	0	565	\$1.19	\$675	0%
2	1.5	G	21	0	860	\$0.99	\$850	0%

* Adaptive Reuse

6 Lone Mountain Village I **5.6 miles to site**



Address: 140 Hailey Dr., Ringgold, GA 30736
 Phone: (706) 965-6437 Contact: Lisa
 Property Type: Market Rate, Tax Credit
 Target Population: Senior 55+
 Total Units: 56 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 70 HH;
 Rent Special:

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

Notes: Market-rate (12 units); Tax Credit (44 units); HCV (4 units)



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Business Center (Computer); Activity-Craft Room, Clubhouse, Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area, Putting Green); Social Services (Parties / Picnics, Social Services Coordinator); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	6	0	760	\$0.66	\$500	0%
1	1	G	14	0	760	\$0.59	\$445	50%
1	1	G	4	0	760	\$0.59	\$445	60%
2	1	G	6	0	1,002	\$0.54	\$540	0%
2	1	G	9	0	1,002	\$0.48	\$480	50%
2	1	G	17	0	1,002	\$0.48	\$480	60%

* Adaptive Reuse

7 Lone Mountain Village II 5.7 miles to site



Address: 85 Darlene Ln., Ringgold, GA 30736
 Phone: (706) 965-6438 Contact: Lisa
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 64 Year Built: 2013
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 38 HH;
 Rent Special:

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

Notes: Tax Credit; HCV (3 units)



Features And Utilities

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

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

Property Amenities: Business Center (Computer); Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Hiking-Walking Trail, Picnic Table / Area); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	762	\$0.58	\$445	50%
1	1	G	6	0	762	\$0.58	\$445	60%
2	2	G	14	0	1,078	\$0.45	\$480	50%
2	2	G	42	0	1,078	\$0.45	\$480	60%

* Adaptive Reuse

13 Village at Chickamauga Apts.I 9.1 miles to site



Address: 147 Arrow Head Dairy Ln, Chickamauga, GA 30707
 Phone: (706) 375-3047 Contact: Theresa
 Property Type: Market Rate, Tax Credit
 Target Population: Senior 55+
 Total Units: 40 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 24 HH;
 Rent Special:

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

Notes: Market-rate (10 units); Tax Credit (30 units); Accepts HCV (0 currently)



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Business Center (Computer, Copy, Fax); Community Gardens; Clubhouse, Community Room; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Hiking-Walking Trail, Library, Picnic Table / Area); Social Services (Classes, Health Screenings, Meals on Wheels, Parties / Picnics); Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	760	\$0.68	\$515	0%
1	1	G	8	0	760	\$0.59	\$445	50%
1	1	G	4	0	760	\$0.61	\$460	60%
2	1	G	6	0	1,002	\$0.54	\$545	0%
2	1	G	10	0	1,002	\$0.47	\$475	50%
2	1	G	8	0	1,002	\$0.49	\$495	60%

* Adaptive Reuse

14 Village at Fort Town 1.0 miles to site



Address: 304 Fort Town Dr., Fort Oglethorpe, GA 30742
 Phone: (706) 866-1114 Contact: Tonya
 Property Type: Market Rate
 Target Population: Family
 Total Units: 294 Year Built: 2002
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1,2
 Waitlist: 60 HH;
 Rent Special:

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

Notes: Does not accept HCV



Features And Utilities

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

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

Property Amenities: On-Site Management; Dog Park; Recreation Areas (Picnic Table / Area, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
0	1	G	4	0	275 - 300	\$1.82 - \$1.67	\$500	0%
1	1	G	88	0	600	\$0.94	\$565	0%
2	1	G	176	0	816 - 960	\$0.86 - \$0.79	\$700 - \$755	0%
2	1.5	T	10	0	1,024	\$0.73	\$745	0%
2	1.5	T	8	0	960	\$0.83	\$795	0%
2	2	G	8	0	1,140	\$0.82	\$930	0%

* Adaptive Reuse

Addendum C – NCHMA Member Certification & Checklist

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

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



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Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

		Section (s)
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22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
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26.	Distribution of income	E
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28.	Comparable property profiles	Addendum B
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
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Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H & Addendum E
45.	Derivation of Achievable Market Rent and Market Advantage	Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	A
48.	Market strengths and weaknesses impacting project	A
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
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52.	Discussion of risks or other mitigating circumstances impacting project projection	A
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CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Fort Oglethorpe, Georgia by Peaks of Fort Oglethorpe L.P.

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

We identified four market-rate properties within the Fort Oglethorpe Site PMA that we consider most comparable to the subject project in terms of age, location, design, unit type, and/or amenities offered. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					Studio	One-Br.	Two-Br.
Site	Peaks of Fort Oglethorpe	2022	72	-	-	36 (-)	36 (-)
2	Fountain Brook Apts. I & II	2000	224	100.0%	-	100 (100.0%)	124 (100.0%)
4	Lakeshore Apts. I	1984	79	100.0%	15 (100.0%)	59 (100.0%)	5 (100.0%)
5	Lakeshore Apts. II	1988	79	100.0%	16 (100.0%)	42 (100.0%)	21 (100.0%)
14	Village at Fort Town	2002	294	100.0%	4 (100.0%)	88 (100.0%)	202 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 676 units with an overall occupancy rate of 100.0%. These strong occupancy rates indicate the selected properties are well-received and will serve as accurate benchmarks with which to compare the subject site.

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

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Fort Oglethorpe		Fountain Brook Apts. I & II		Lakeshore Apts. I		Lakeshore Apts. II		Spring Hill Apts.		Village at Fort Town	
Battlefield Parkway		100 Brookhaven Cir		1100 Lakeshore Dr.		1000 Lakeshore Dr.		363 Guyler St		304 Fort Town Dr.	
Fort Oglethorpe, GA		Fort Oglethorpe, GA		Fort Oglethorpe, GA		Fort Oglethorpe, GA		Ringgold, GA		Fort Oglethorpe, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$755		\$695		\$675		\$535		\$565	
2	Date Surveyed	Jun-20		Jun-20		Jun-20		Jun-20		Jun-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$755	0.89	\$695	1.21	\$675	1.19	\$535	0.86	\$565	0.94
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/2,3		R/1		R/1		WU/1,2	
7	Yr. Built/Yr. Renovated	2022	\$22	2000	\$22	1984	\$38	1988	\$34	1986	\$36
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	G	\$15	F	\$30
9	Neighborhood	G		G		G		G		F	\$10
10	Same Market?			Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	709	(\$35)	850	\$33	576	\$33	565	\$36	620	\$22
14	Patio/Balcony	Y		Y		Y		Y		N	\$5
15	AC: Central/Wall	C		C		W	\$5	W	\$5	C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y	\$15	N/N	\$15	N/N	\$15	N/Y	\$5
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D	\$25	HU	\$25	HU	\$25
19	Floor Coverings	C/V		C/T		W		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y	\$5	N	\$5	N	\$5
23	Ceiling Fan/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y		Y	\$5	N	\$5	N	\$5	N	\$5
28	Pool/Recreation Areas	F/WT/G	\$1	P	\$11	N	\$11	N	\$11	N	\$11
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area/Storage	Y/Y	\$8	N/N	\$8	N/Y	\$3	N/Y	\$3	N/N	\$8
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N	(\$45)	Y/Y	(\$45)	Y/Y	(\$45)	Y/Y	(\$45)
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg		
40	# Adjustments B to D	8	1	11		13		14		11	
41	Sum Adjustments B to D	\$89	(\$35)	\$143		\$172		\$180		\$121	
42	Sum Utility Adjustments				(\$45)		(\$45)		(\$45)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$54	\$124	\$98	\$188	\$127	\$217	\$135	\$225	\$121	\$121
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$809		\$793		\$802		\$670		\$686	
45	Adj Rent/Last rent		107%		114%		119%		125%		121%
46	Estimated Market Rent	\$765	\$1.08	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Fort Oglethorpe		Fountain Brook Apts. I & II		Lakeshore Apts. I		Lakeshore Apts. II		Spring Hill Apts.		Village at Fort Town	
Battlefield Parkway		100 Brookhaven Cir		1100 Lakeshore Dr.		1000 Lakeshore Dr.		363 Guyler St		304 Fort Town Dr.	
Fort Oglethorpe, GA		Fort Oglethorpe, GA		Fort Oglethorpe, GA		Fort Oglethorpe, GA		Ringgold, GA		Fort Oglethorpe, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$955		\$850		\$850		\$685		\$755	
2	Date Surveyed	Jun-20		Jun-20		Jun-20		Jun-20		Jun-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$955	0.73	\$850	0.98	\$850	0.99	\$685	0.82	\$755	0.79
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/3		WU/2,3		R/1		R/1		WU/1,2	
7	Yr. Built/Yr. Renovated	2022	\$22	2000	\$22	1984	\$38	1988	\$34	1986	\$36
8	Condition/Street Appeal	E	\$15	G	\$15	G	\$15	G	\$15	F	\$30
9	Neighborhood	G		G		G		G		F	\$10
10	Same Market?			Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$15)	1.5	(\$15)	1	(\$15)	1	(\$15)	1	
13	Unit Interior Sq. Ft.	908	(\$83)	1300	(\$83)	864	\$9	860	\$10	840	\$14
14	Patio/Balcony	Y		Y		Y		Y		N	\$5
15	AC: Central/Wall	C		C		W	\$5	W	\$5	C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		N/N	\$15	N/N	\$15	N/Y	\$5
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU	\$25	HU	\$25
19	Floor Coverings	C/V		C/T		W		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		N	\$5	N	\$5
23	Ceiling Fan/E-Call System	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y		Y		N	\$5	N	\$5	N	\$5
28	Pool/Recreation Areas	F/WT/G	\$1	P	\$1	N	\$11	N	\$11	N	\$11
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area/Storage	Y/Y	\$8	N/N	\$8	N/Y	\$3	N/Y	\$3	N/N	\$8
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		Y/Y	(\$52)	Y/Y	(\$52)	Y/Y	(\$52)
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg		
40	# Adjustments B to D	8	2	11		13	1	14		10	1
41	Sum Adjustments B to D	\$89	(\$98)	\$119		\$146	(\$15)	\$172		\$94	(\$11)
42	Sum Utility Adjustments				(\$52)		(\$52)		(\$52)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$9)	\$187	\$67	\$171	\$79	\$213	\$120	\$224	\$83	\$105
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$946		\$917		\$929		\$805		\$838	
45	Adj Rent/Last rent		99%		108%		109%		118%		111%
46	Estimated Market Rent	\$895	\$0.99 ←	Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$515	\$765	32.7%
One-Br.	60%	\$575	\$765	24.8%
One-Br.	MR	\$650	\$765	15.0%
Two-Br.	50%	\$615	\$895	31.3%
Two-Br.	60%	\$700	\$895	21.8%
Two-Br.	MR	\$750	\$895	16.2%

MR – Market-Rate

The proposed collected rents represent market rent advantages ranging from 15.0% to 32.7%, depending on bedroom type and targeted income level, including the market-rate units. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants within the market. As such, the proposed rents should represent significant values for the local market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

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

7. The subject property is expected to be complete in 2022. The selected properties were built between 1986 and 2002. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider having an inferior quality to the subject development.
9. One of the selected properties is located in a neighborhood considered less desirable than the subject site neighborhood in terms of overall quality, access/visibility, and/or proximity to area services. This property has been positively adjusted by \$10 to reflect the subject's superior location.
12. Some of the selected properties offer 1.5 bathrooms within their two-bedroom units, as compared to just 1.0 bathroom within the subject units. A negative adjustment of \$15 per half bath has been applied to each of these selected properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package superior to the selected properties. We have made adjustments for features lacking at the selected properties.
- 24.-32. The proposed project offers a project amenities package which is also superior to those offered among the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property, as needed. The utility adjustments were based on the local housing authority's utility cost estimates.