

Market Feasibility Analysis

Peaks of Jasper
1317 North Church Street
Jasper, Pickens County, Georgia 30143

Prepared For

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Section A – Executive Summary

This report evaluates the market feasibility of the Peaks of Jasper rental community to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Jasper, 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 48-unit Peaks of Jasper rental community on an approximate 3.7-acre site at 1317 West Church Street in Jasper, Georgia. The project will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income senior households ages 55 and older with 43 units set-aside for households earning up to 50%, 60%, and 80% of Area Median Household Income (AMHI). It is also anticipated that five (5) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by May 2022. Additional details regarding the proposed project are as follows and included in *Section B* of this report.

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
12	One-Br.	1.0	Garden	818	50%	\$450	\$105	\$555	\$747
10	One-Br.	1.0	Garden	818	60%	\$625	\$105	\$730	\$897
2	One-Br.	1.0	Garden	818	80%	\$675	\$105	\$780	\$1,196
12	Two-Br.	1.0	Garden	905	50%	\$525	\$129	\$654	\$897
9	Two-Br.	1.0	Garden	905	60%	\$725	\$129	\$854	\$1,077
3	Two-Br.	1.0	Garden	905	80%	\$775	\$129	\$904	\$1,436
48	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2019)

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave oven, washer/dryer appliances, ceiling fan, carpet and LVT flooring, window blinds, central air conditioning, emergency call system, and additional storage closets. Community amenities will include on-site management, a community room, fitness center, business center, elevator, picnic area, community garden, supportive services, and a health/wellness center. 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 situated within an established area of Jasper. The subject property is expected to fit well with the existing surrounding land uses which are generally of good quality and will have a positive impact on the subject's overall marketability. The subject site is easily accessible given the light vehicular traffic patterns in the immediate site neighborhood and the subject's proximity to West Church Street (State Route 53) directly north of the site. The site is generally visible from bordering roadways upon ingress but is partially obstructed from the aforementioned West Church Street corridor due to the elevation of the subject site and adjacent parcel north of the site. Thus, it is recommended that the property provides appropriate signage along West Church Street north of the site, to enhance awareness of the property, particularly during its initial lease-up period. Most area services are within 1.5 miles of the site and are easily accessible given the subject's proximity to West Church Street, which serves as a commercial corridor and connects with the State Route 5/515 corridor west of the site. Overall, the subject site is considered conducive to affordable age-restricted rental product such as that proposed.

3. Market Area Definition:

The Jasper Site PMA includes the municipalities of Jasper and Nelson, as well as outlying unincorporated portions of Pickens County. The boundaries of the Site PMA include U.S. Highway 136 and the Pickens County line to the north; the Pickens County line to the east; the Pickens County line and Nelson city limits to the south; and U.S. Highway 136/Perrow Highway, U.S. Highway 53, Henderson Mountain Road, Jerusalem Church Road and the Pickens County line to the west. The boundaries of the Site PMA are generally within 11.2 miles of the subject site. A map illustrating these boundaries is included on page *D-2* of this report.

4. Community Demographic Data:

Both population and household growth is projected for the Jasper Site PMA between 2020 and 2022, a trend which has been ongoing since 2000. Household growth will primarily be concentrated among seniors age 65 and older during this time period, a good indication of an expanding base of potential age-appropriate household support for product such as that proposed. Senior household growth will occur among both owner- and renter-occupied households and more than 1,100 renter households will be age 55 and older in 2022. Further, more than 65.0% of all senior renter households will earn less than \$50,000 in 2022, conducive to affordable age-restricted rental product such as that proposed. Additional demographic data is included in *Section E* of this report.

Also note that based on 2013-2017 American Community Survey (ACS) data, 28.1% of the vacant housing units in the Site PMA are classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Jasper Site PMA, the established rental properties are operating at strong occupancy levels and some maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that based on information obtained from RealtyTrac.com, Pickens County has a lower foreclosure rate (0.02%) than the state of Georgia (0.04%) as a whole. Based on the preceding analysis, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability. This is especially true when considering the limited availability of LIHTC product in the Jasper market.

5. Economic Data:

The Pickens County economy has been consistently improving in terms of both total employment and unemployment rate trends over the past decade. Notably, the employment base has increased by approximately 1.0% or more each of the past six years, as well as through January of 2020. A total of nearly 2,500 jobs have been added to the county since 2010. The unemployment rate within the county has steadily declined each year since 2010 and has remained below the statewide average each year since 2012. The unemployment rate is currently just 3.0% through January of 2020. While the preceding factors are indicative of a strong and steadily improving local economy within Pickens County, it is important to understand that these trends are reflective of those reported prior to the impact of the COVID-19 pandemic. Although trends have been positive in recent years, it is anticipated that the impact of the COVID-19 pandemic will slow economic growth and result in increased unemployment rates throughout the country, including the Pickens County area. The negative economic impact anticipated from the COVID-19 pandemic is likely to contribute to an ongoing need for affordable housing alternatives for the foreseeable future. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component – Age 55+	Percent of Median Household Income			
	50% AMHI (\$16,650 to \$31,900)	60% AMHI (\$21,900 to \$38,280)	80% AMHI (\$23,400 to \$51,040)	Tax Credit Overall (\$16,650 to \$51,040)
Net Demand	152	108	110	194
Proposed Units / Net Demand	24 / 152	19 / 108	5 / 110	48 / 194
Capture Rate	= 15.8%	= 17.6%	= 4.5%	= 24.7%

Per GDCA guidelines, capture rates below 35.0% for projects in rural markets are typically considered acceptable. Thus, the proposed project's overall capture rate of 24.7% for the LIHTC units is acceptable. This is particularly true when considering subject property will be the only age-restricted LIHTC property in the Jasper Site PMA, as we expect the subject development will be capable of attracting a higher than typical share of the age- and income-eligible households in this market. The high occupancy rates maintained among the existing general-occupancy LIHTC properties surveyed in the Site PMA further exacerbate the lack of available LIHTC product from which potential renters of the subject property could choose. Based on the preceding factors, the subject's capture rates by AMHI level units are also acceptable.

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (50%)	50%	12	76	0	76	15.8%
One-Bedroom (50%)	60%	10	54	0	54	18.5%
One-Bedroom (50%)	80%	2	55	0	55	3.6%
One-Bedroom	Total	24	185	0	185	13.0%
Two-Bedroom (50%)	50%	12	76	0	76	15.8%
Two-Bedroom (50%)	60%	9	54	0	54	16.7%
Two-Bedroom (50%)	80%	3	55	0	55	5.5%
Two-Bedroom	Total	24	185	0	185	13.0%

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

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

The capture rates by bedroom type and targeted income level range from 3.6% to 18.5%. 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 Jasper 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 site will offer one- and two-bedroom units targeting senior (age 55 and older) households earning up to 50%, 60%, and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Jasper Site PMA, we identified and surveyed a total of three properties which operate under the LIHTC program, two of which offer non-subsidized units similar to those proposed for the subject project. Although these two properties are general-occupancy (family), they offer unit types similar to those proposed for the subject site and thus have been included in our comparable analysis. These properties will not be directly competitive with the age-restricted subject project but will offer a good base of comparison.

Due to the limited supply of comparable LIHTC product in the Site PMA, we also identified and surveyed one additional age-restricted LIHTC property outside the Site PMA in the Calhoun, Georgia area. Similar to the general-occupancy properties surveyed in the Site PMA, this out-of-market property will not be directly competitive with the subject project due to its location but has been included for comparability purposes.

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 Jasper	2022	48	-	-	-	Seniors 55+; 50%, 60% & 80% AMHI & Section 811
3	Homestead Apts.	1999	57	96.5%	2.2 Miles	None	Families; 60% AMHI
5	Mountainside Manor	2004	140*	100.0%	2.6 Miles	None	Families; 60% AMHI
904	Catoosa Senior Village II	2009	52	100.0%	34.8 Miles	50 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

HH - Households

*Tax Credit units only

Map ID 904 is located outside the Site PMA

The three LIHTC projects have a combined occupancy rate of 99.2%, reflective of just two (2) vacant units at Homestead Apartments (Map ID 3). The two remaining properties are both 100.0% occupied and the one age-restricted property surveyed in the region maintains a 50-household waiting list. These are clear indications of strong demand for LIHTC product similar to that proposed for the subject site.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Jasper	\$555/50% (12) \$730/60% (10) \$780/80% (2)	\$654/50% (12) \$854/60% (9) \$904/80% (3)	-	-
3	Homestead Apts.	-	\$885/60% (18/1)	\$1,011/60% (39/1)	None
5	Mountainside Manor	\$793/60% (50/0)	\$961/60% (50/0)	\$1,083/60% (40/0)	None
904	Catoosa Senior Village II	\$553/50% (10/0) \$603/60% (14/0)	\$648/50% (9/0) \$698/60% (19/0)	-	None

Map ID 904 is located outside the Site PMA

The subject's proposed gross Tax Credit rents are competitive with those reported among similar unit types at the comparable properties surveyed in the market and region. Notably, the subject rents at the higher 80% AMHI level are similar to the rents reported at the 60% AMHI level among the comparable LIHTC properties located in the Site PMA. The competitive position of the subject rents will enhance the subject's marketability within the Jasper market, particularly when considering the high occupancy rates among existing product in this market and the newness/anticipated quality of the subject development.

Comparable/Competitive Tax Credit Summary

There are currently no age-restricted Tax Credit properties offered within the Jasper Site PMA. Additionally, the subject property will offer the only LIHTC units targeting the higher 80% AMHI level within the market. Thus, the subject property is expected to help fill a void in the local rental market. Two of the three general-occupancy LIHTC properties surveyed in the Site PMA offer unit types and target income (AMHI) levels similar to the subject project and have thus been included in our comparable analysis, along with one additional comparable age-restricted property located outside the Site PMA. The three properties included in our comparable analysis report an overall occupancy rate of 99.2%, reflective of just two vacant units among these properties. The subject's proposed gross Tax Credit rents are competitive with those reported among similar unit types at the comparable properties. The subject's generally smaller unit sizes (square feet) and lesser number of bathrooms within the two-bedroom units will likely limit the subject's rent potential but should not have any adverse impact on the subject's overall marketability given the pent-up demand for LIHTC product and lack of age-restricted LIHTC product in this market. The amenity package proposed is competitive and will have a positive impact on the subject's overall marketability. Overall, the subject project is considered marketable and will represent a value to low-income households within the Jasper Site PMA.

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 *located within the Site PMA* 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.
\$870	\$970

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 48 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately five months of opening. This absorption period is based on an average monthly absorption rate of approximately nine units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 48 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 Jasper 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 Jasper	Total # Units: 48
Location:	1317 West Church Street, Jasper, GA 30143 (Pickens County)	# LIHTC Units: 48
PMA Boundary:	U.S. Highway 136 and the Pickens County line to the north; the Pickens County line to the east; the Pickens County line and Nelson city limits to the south; and U.S. Highway 136/Perrow Highway, U.S. Highway 53, Henderson Mountain Road, Jerusalem Church Road and the Pickens County line to the west.	
	Farthest Boundary Distance to Subject: 11.2 miles	

RENTAL HOUSING STOCK (found on page H-1)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	321	7	97.8%
Market-Rate Housing	1*	36	5	86.1%
Assisted/Subsidized Housing not to include LIHTC	2	64	0	100.0%
LIHTC	3*	221	2	99.1%
Stabilized Comps**	2	197	2	99.0%
Properties in Construction & Lease Up	0	-	-	-

*Includes mixed-income properties

**In-market only

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
12	One-Br.	1.0	818	\$450 (50%)	\$870	\$0.94	93.3%	\$1,195	\$1.36
10	One-Br.	1.0	818	\$625 (60%)	\$870	\$0.94	39.2%	\$1,195	\$1.36
2	One-Br.	1.0	818	\$675 (80%)	\$870	\$0.94	28.9%	\$1,195	\$1.36
12	Two-Br.	1.0	905	\$525 (50%)	\$970	\$0.88	84.8%	\$1,250	\$1.37
9	Two-Br.	1.0	905	\$725 (60%)	\$970	\$0.88	33.8%	\$1,250	\$1.37
3	Two-Br.	1.0	905	\$775 (80%)	\$970	\$0.88	25.2%	\$1,250	\$1.37

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: 80%	Overall Tax
Capture Rate	-	15.8%	17.6%	-	4.5%	24.7%

Section B - Project Description

Project Name:	Peaks of Jasper
Location:	1317 West Church Street, Jasper, Georgia 30143 (Pickens County)
Census Tract:	502
Target Market:	Senior 55+
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 48-unit Peaks of Jasper rental community on an approximate 3.7-acre site at 1317 West Church Street in Jasper, Georgia. The project will be developed using Low-Income Housing Tax Credits (LIHTC) and target lower-income senior households ages 55 and older with 43 units set-aside for households earning up to 50%, 60%, and 80% of Area Median Household Income (AMHI). It is also anticipated that five (5) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by May 2022. Additional details of the subject project are as follows:

Proposed Unit Configuration						Program Rents			
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
12	One-Br.	1.0	Garden	818	50%	\$450	\$105	\$555	\$747
10	One-Br.	1.0	Garden	818	60%	\$625	\$105	\$730	\$897
2	One-Br.	1.0	Garden	818	80%	\$675	\$105	\$780	\$1,196
12	Two-Br.	1.0	Garden	905	50%	\$525	\$129	\$654	\$897
9	Two-Br.	1.0	Garden	905	60%	\$725	\$129	\$854	\$1,077
3	Two-Br.	1.0	Garden	905	80%	\$775	\$129	\$904	\$1,436
48	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2019)

Building/Site Information	
Residential Buildings:	One (1) three-story building
Building Style:	Elevator-served
Community Space:	Integrated throughout
Acres:	3.7

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

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

Community Amenities		
• On-Site Management	• Community Room	• Fitness Center
• Business Center	• Elevator	• Picnic Area
• Social/Supportive Services	• Community Garden	• Health/Wellness Center
• Surface Parking Lot (96 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 not provided for the subject project for review at the time this report was prepared. Information provided at the time of this analysis, however, indicates that the subject property will include one- and two-bedroom garden-style units located within a three-story elevator-equipped building. The subject’s one- and two-bedroom units will be 818 and 905 square feet in size, respectively, with each unit type including one full bathroom. Each unit will also come well-equipped with a full kitchen appliance package, patio/balcony area, and dedicated laundry area with washer/dryer appliances provided.

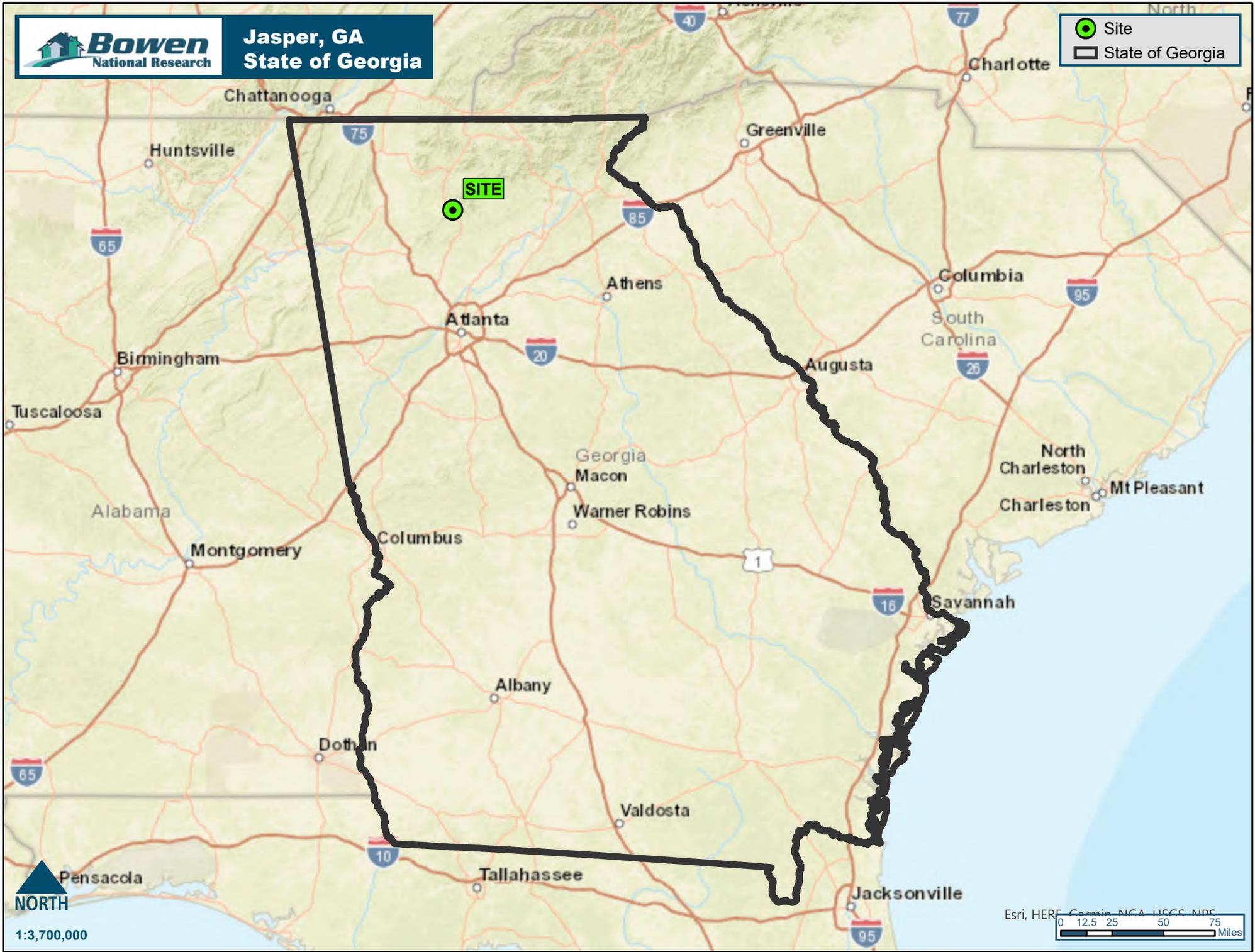
In addition to the subject’s residential units, the property will feature various community amenities integrated throughout the property including on-site management, a community room, fitness center, and computer center within the subject building and a community garden area and picnic area as outdoor amenities. This will further enhance marketability of the subject project. Overall, the subject 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 Jasper market.

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



Jasper, GA State of Georgia

● Site
▭ State of Georgia



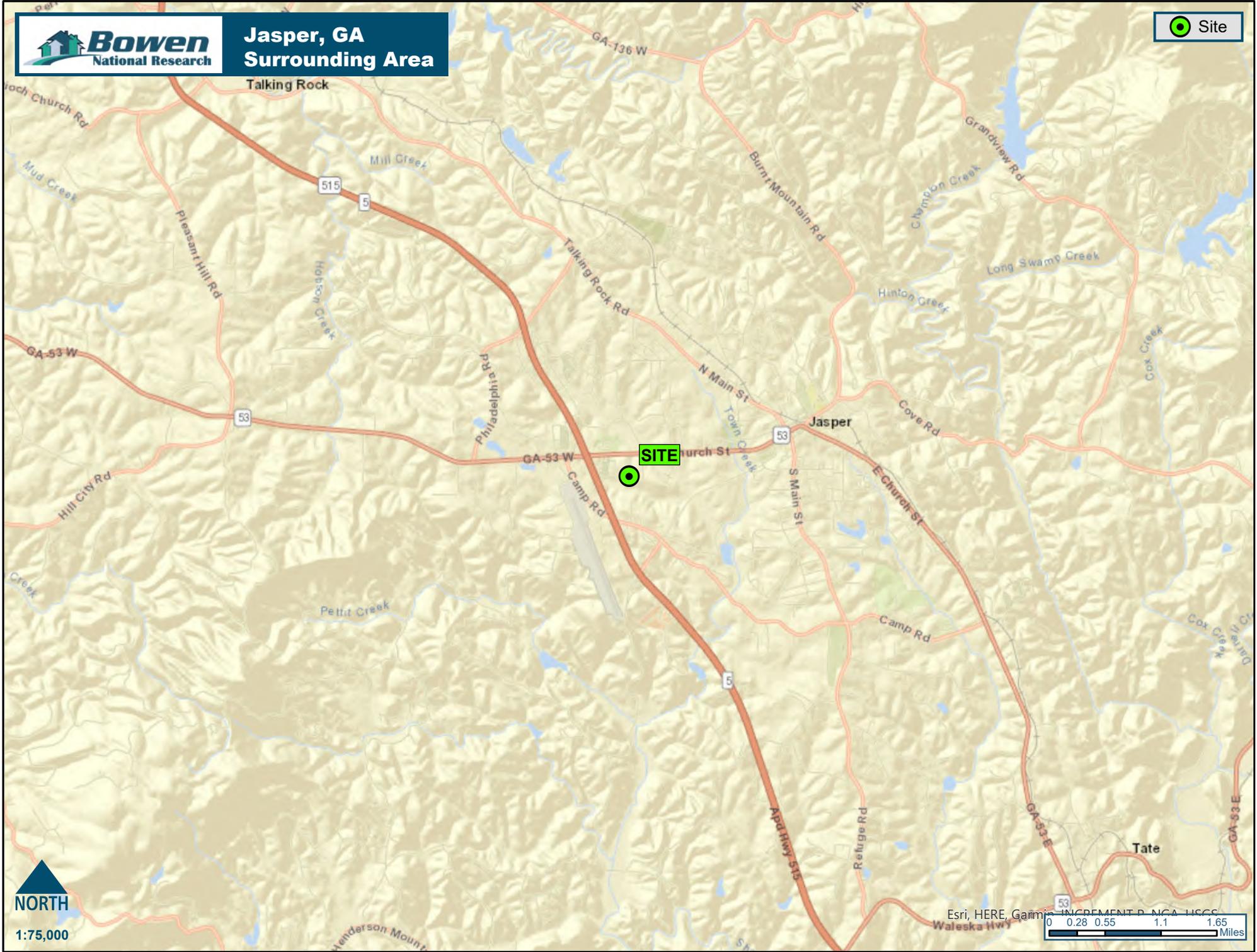

NORTH
1:3,700,000

Esri, HERE, Garmin, NGA, USGS, NPS
0 12.5 25 50 75 Miles



Jasper, GA Surrounding Area

Site



NORTH
1:75,000

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



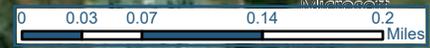
Jasper, GA Site Neighborhood

Legend
Site Area



NORTH

1:6,784



Section C – Site Description And Evaluation

1. LOCATION

The proposed subject site consists of a vacant 3.7-acre parcel located at 1317 West Church Street in the northern portion of Jasper, Georgia. Located within Pickens County, Jasper is approximately 60.0 miles north of Atlanta, Georgia and 82.0 miles southeast of Chattanooga, Tennessee. The proposed subject site visit and corresponding fieldwork were completed by Greg Piduch, an analyst of Bowen National Research, during the week of March 16, 2020.

2. SURROUNDING LAND USES

The proposed subject site is located within an established area of Jasper. Surrounding land uses generally include multifamily and single-family dwellings, undeveloped wooded land, and various local businesses and area services. Adjacent land uses are detailed as follows:

North -	Vacant land and a senior living (assisted living) property define the northern proposed subject site boundary followed by local businesses located along West Church Street (State Route 53). Continuing north is West Church Street followed by commercial development and undeveloped land. Residential development and undeveloped land extend beyond.
East -	Sammy McGhee Boulevard defines the eastern proposed subject site boundary followed by a U.S. Post Office. Scattered single-family homes and undeveloped wooded land extend beyond.
South -	A small body of water and undeveloped land define the southern proposed subject site boundary followed by a car dealership and primarily commercial development. Continuing south is undeveloped land and State Route 5/515 followed by the Piedmont Mountainside Hospital. Farther south is a mixture of single-family and multifamily dwellings and undeveloped land.
West -	A bank and Ingles grocery store border the proposed subject site to the west followed by State Route 5/515. Continuing west is commercial development and the Pickens County Airport, with residential development and undeveloped land extending beyond.

The subject site is within an established portion of Jasper. The residential and commercial dwellings surrounding the proposed subject site were observed to range from satisfactory to good condition. Overall, the proposed subject property is expected to fit well with the surrounding land uses and they should contribute to the marketability of the subject property.

3. VISIBILITY AND ACCESS

The proposed subject site will maintain limited frontage along Sammy McGhee Boulevard and Mountain Way, both two-lane lightly traveled roadways with clear lines of site in each direction. Due to the topography of the subject site and surrounding parcels, the subject property will likely be only partially visible from West Church Street (State Route 53), an arterial roadway north of the site. It is recommended that signage (permanent and/or promotional) is placed at/near the intersection of West Church Street and Mountain Way, north of the site. This will enhance awareness of the property to motorists along the more heavily traveled West Church Street corridor, particularly during the subject's initial lease-up period.

The subject property is anticipated to gain access from multiple vehicular access points, based on information provided at the time of this analysis. Specifically, the property will gain access from both Mountain Way and Sammy McGhee Boulevard from the north and east, respectively. These two roadways were both observed to experience light vehicular traffic patterns and provide direct access to and from West Church Street (State Route 53) north of the site. This aforementioned arterial provides access throughout the Jasper area and connects with State Route 5/515 approximately 0.3 miles west of the site. Although there is no fixed-route public transportation provided within the Jasper area, a dial-a-ride transportation service is available through Mountain Area Transportation System at a nominal fee. This will further enhance accessibility of the subject property.

Overall, both visibility and access of the subject site are considered good and should have a positive impact on the subject's overall marketability, though signage is recommended along the West Church Street (State Route 53) corridor north of the site to further enhance awareness of the property.

4. SITE PHOTOGRAPHS

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



Site Entryway - Mountain Way



Site Entryway - Sammy McGhee Boulevard



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



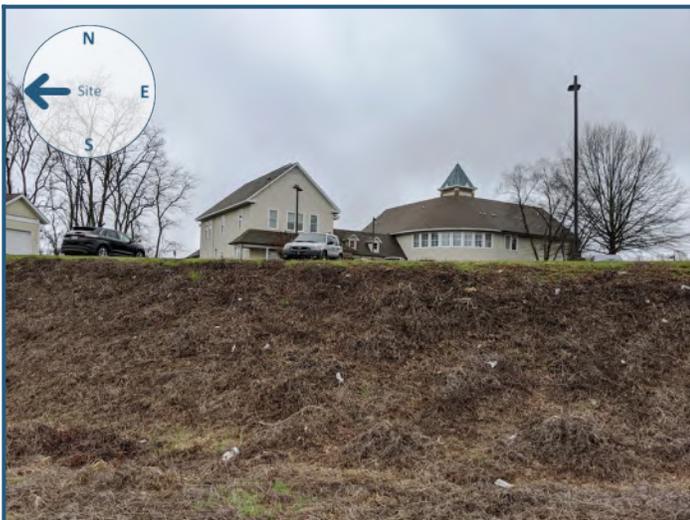
Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Mountain Way



Streetscape: South view of Mountain Way



Streetscape: North view of Sammy McGhee Boulevard



Streetscape: South view of Sammy McGhee Boulevard



Streetscape: East view of West Church Street



Streetscape: West view of West Church Street

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 53	0.1 North
	State Route 5/515	0.7 Northwest
Public Bus Stop	Mountain Area Transportation System (MATS)	On Demand
Major Employers/ Employment Centers	Walmart Supercenter	1.3 Northwest
	Piedmont Mountainside Hospital	2.4 South
Convenience Store	Ingles Gas Express	0.7 Northwest
	BP Shop	0.8 West
	Food Mart	0.8 West
Grocery	Ingles Market	0.6 West
	Kroger	0.9 West
	Walmart Supercenter	1.3 Northwest
Discount Department Store	Dollar General	0.5 Northeast
	Community Thrift Store	3.0 Northwest
Shopping Center/Mall	Walmart Supercenter	1.3 Northwest
Hospital	Piedmont Physicians of Jasper	0.2 North
	North Georgia Primary Care	0.3 North
	Piedmont Mountainside Hospital	2.4 South
Police	Jasper Police Department	1.3 East
Fire	Jasper Fire Department	1.3 East
Post Office	U.S. Post Office	0.1 East
Bank	Community Bank of Pickens County	0.2 Northeast
	Entegra Bank	0.6 Northwest
	Renasant Bank	0.8 West
Recreational Facilities	Body Plex Fitness Center	0.8 Northwest
Gas Station	Ingles Gas Express	0.7 Northwest
	BP	0.8 West
	Exxon	0.8 West
Pharmacy	Ingles Pharmacy	0.6 West
	Kroger Pharmacy	0.9 West
	Walmart Pharmacy	1.3 Northwest
Restaurant	Burger King	0.2 North
	McDonald's	0.4 Northwest
	Pizza Hut	0.4 Northwest
Park	Lee Newton Memorial Park	1.1 Northeast
Library	Pickens County Library	2.1 East
Church	Journey Church	0.5 Northeast

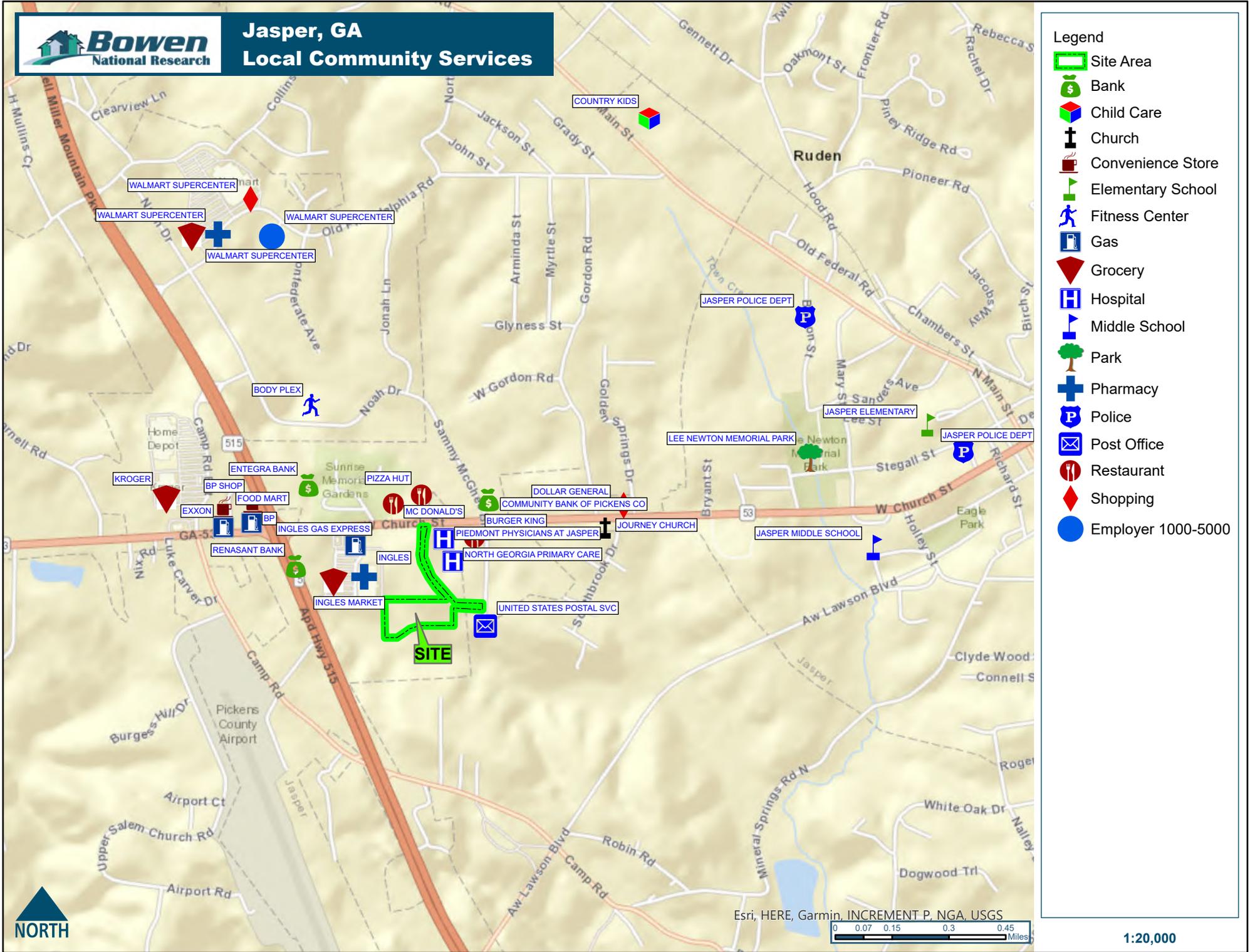
The proposed subject site is located within proximity of shopping, dining, employment, and entertainment opportunities as well as public safety and medical services. This is evident by the fact that most services are located within 1.5 miles of the site as detailed in the preceding table. Most area services are easily accessible due to the subject's proximity to the West Church Street (State Route 53) and State Route 5/515 corridors north and west of the site, respectively. Although a fixed-route public transportation service is not available within the Jasper area, an on-demand/on-call dial-a-ride service is offered through the Mountain Area Transportation System (MATS). This further enhances accessibility to most area services within the Jasper area.

The nearest hospital to the proposed subject site is the Piedmont Mountainside Hospital located within 2.4 miles. However, family and primary care facilities are located within 0.3 mile north of the site. Public safety services are provided by the Jasper Police Department and the Jasper Fire Department which are both located 1.3 miles east of the proposed subject site. Overall, the site's proximity to community services should positively contribute to its marketability.

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



Jasper, GA Local Community Services



- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Convenience Store
 - Elementary School
 - Fitness Center
 - Gas
 - Grocery
 - Hospital
 - Middle School
 - Park
 - Pharmacy
 - Police
 - Post Office
 - Restaurant
 - Shopping
 - Employer 1000-5000

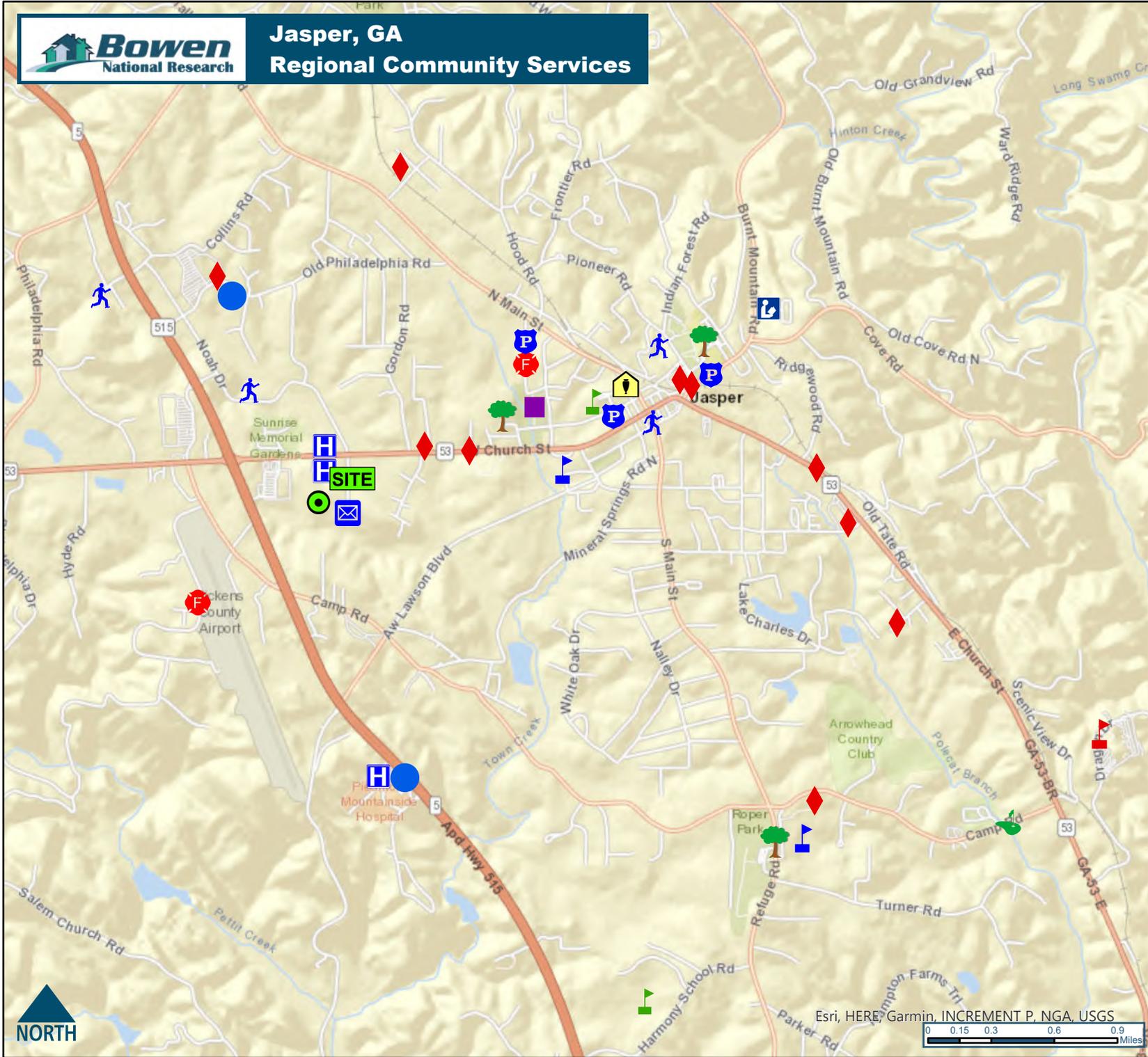


Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:20,000

- Legend**
-  Site
 -  Elementary School
 -  Fire
 -  Fitness Center
 -  Golf
 -  High School
 -  Hospital
 -  Library
 -  Middle School
 -  Museum
 -  Park
 -  Police
 -  Post Office
 -  Senior Services
 -  Shopping
 -  Employer 1000-5000



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 110, with an overall personal crime index of 55 and a property crime index of 118. Total crime risk for Pickens County is 102, with indexes for personal and property crime of 50 and 110, respectively.

	Crime Risk Index	
	Site Zip Code	Pickens County
Total Crime	110	102
Personal Crime	55	50
Murder	66	50
Rape	73	73
Robbery	43	31
Assault	58	54
Property Crime	118	110
Burglary	104	94
Larceny	128	120
Motor Vehicle Theft	69	62

Source: Applied Geographic Solutions

The crime risk index reported for the Site ZIP Code (110) is very similar to that reported for Pickens County (102) and the national average (100). This crime index is considered relatively low and is expected to have a positive impact on the subject's overall marketability.

A map illustrating crime risk is on the following page.



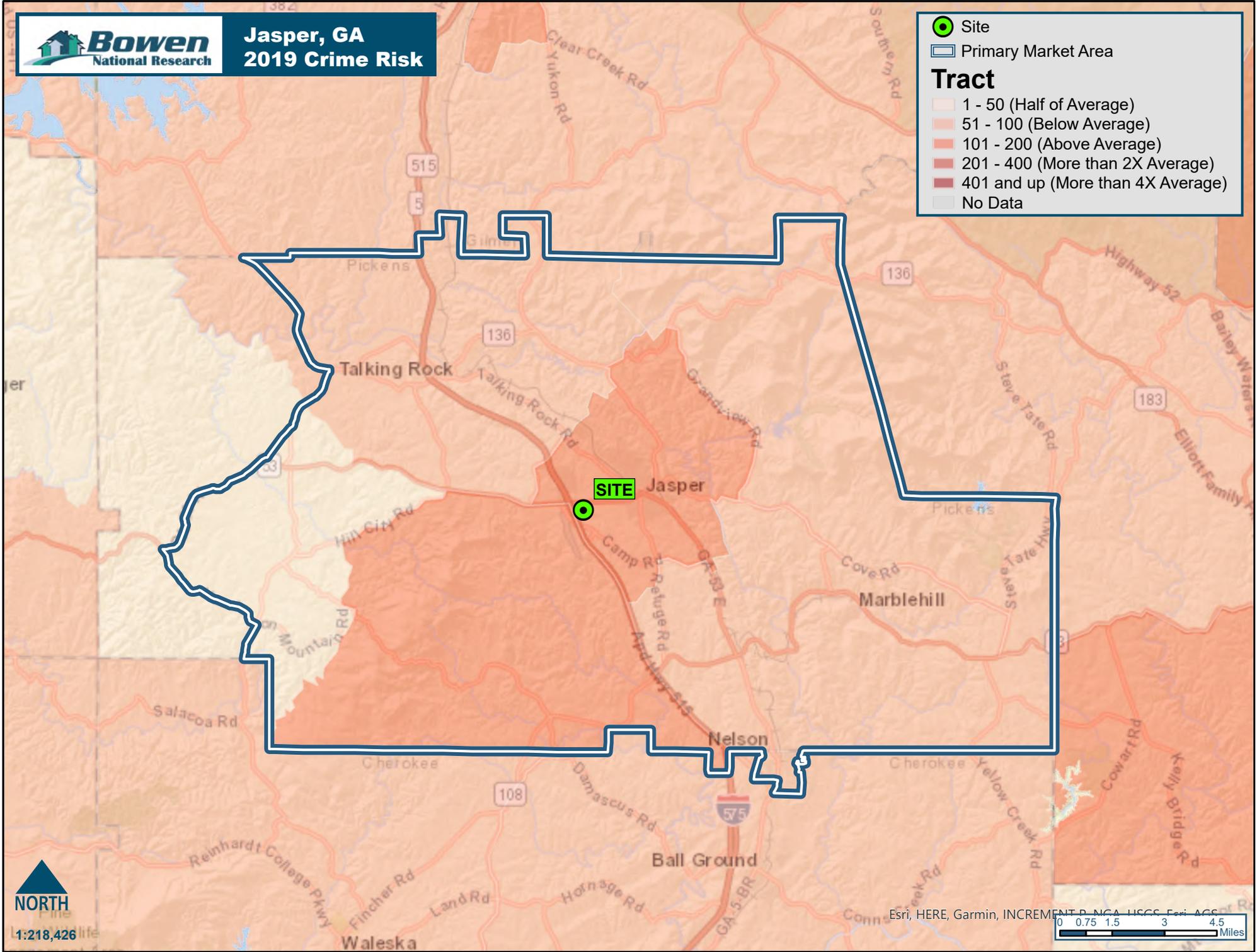
Jasper, GA 2019 Crime Risk

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



1:218,426



7. OVERALL SITE EVALUATION

The subject site is situated within an established area of Jasper. The subject property is expected to fit well with the existing surrounding land uses which are generally of good quality and will have a positive impact on the subject's overall marketability. The subject site is easily accessible given the light vehicular traffic patterns in the immediate site neighborhood and the subject's proximity to West Church Street (State Route 53) directly north of the site. The site is generally visible from bordering roadways upon ingress but is partially obstructed from the aforementioned West Church Street corridor due to the elevation of the subject site and adjacent parcel north of the site. Thus, it is recommended that the property provides appropriate signage along West Church Street north of the site, to enhance awareness of the property, particularly during its initial lease-up period. Most area services are within 1.5 miles of the site and are easily accessible given the subject's proximity to West Church Street, which serves as a commercial corridor and connects with the State Route 5/515 corridor west of the site. Overall, the subject site is considered conducive to affordable age-restricted rental product such as that proposed.

8. MAP OF LOW-INCOME RENTAL HOUSING

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

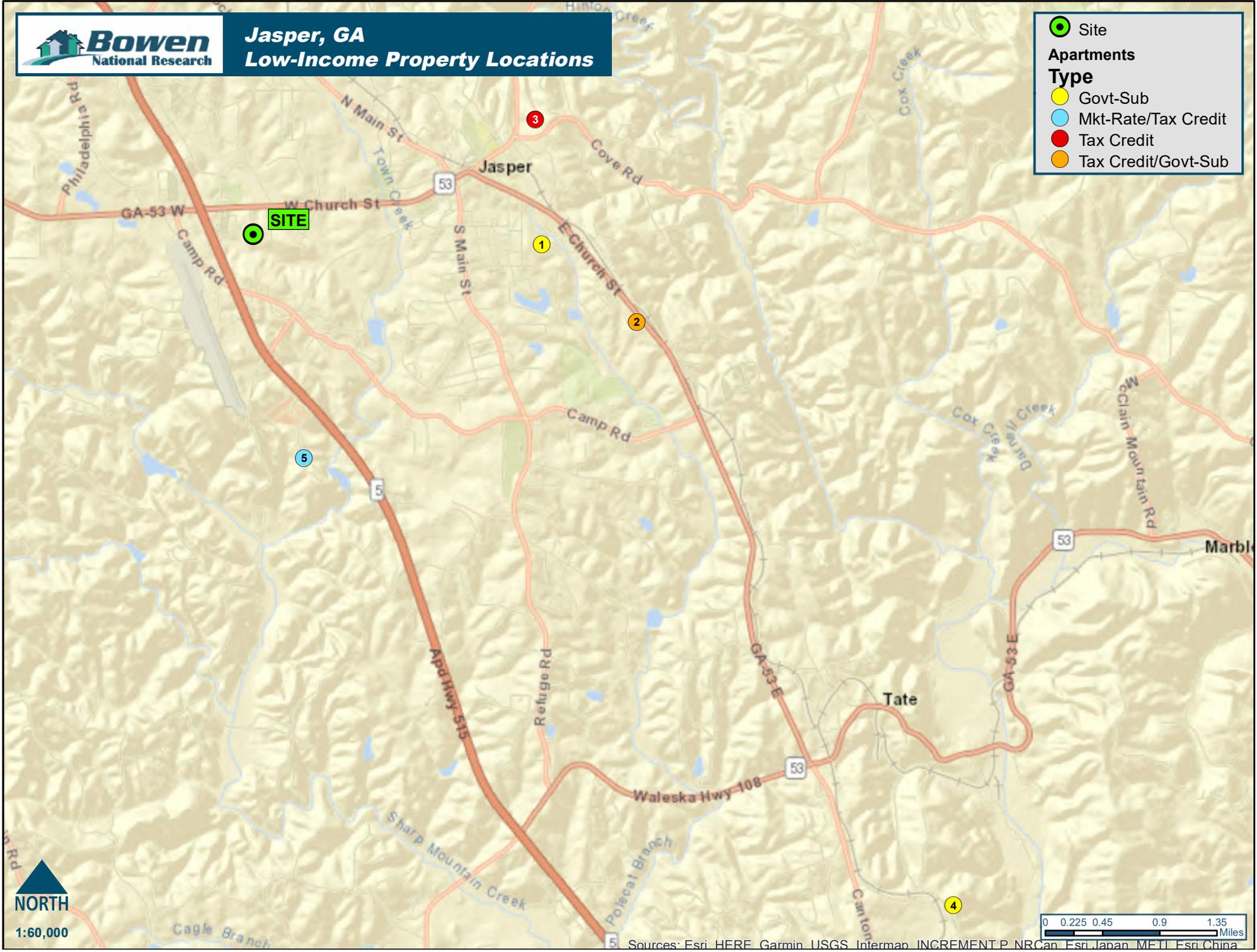


Jasper, GA Low-Income Property Locations

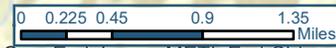
Site
● Site

Apartments Type

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



NORTH
1:60,000



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

Section D – Primary Market Area Delineation

The Site Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Jasper 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 Jasper Site PMA includes the municipalities of Jasper and Nelson, as well as outlying unincorporated portions of Pickens County. The boundaries of the Site PMA include U.S. Highway 136 and the Pickens County line to the north; the Pickens County line to the east; the Pickens County line and Nelson city limits to the south; and U.S. Highway 136/Perrow Highway, U.S. Highway 53, Henderson Mountain Road, Jerusalem Church Road and the Pickens County line to the west.

- Michelle Gregory is the Property Manager at Homestead Apartments, a general-occupancy Tax Credit property located in Jasper. Ms. Gregory confirmed the boundaries of the Site PMA and agreed that the majority of support for the subject property would originate from within the immediate Jasper area and surrounding areas of Pickens County. Ms. Gregory added that city and county residents continue to stay in their local areas due to the affordable living options compared to larger cities. While Ms. Gregory also stated that she receives inquiries from residents of Canton, Georgia to the south, support from this area is minimal.

A modest portion of support may originate from some of the outlying smaller communities in the area and Canton, Georgia to the south; we have not, however, considered a secondary market area in this report.

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

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	22,067	28,309	31,258	31,932
Population Change	-	6,242	2,949	674
Percent Change	-	28.3%	10.4%	2.2%

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

The Jasper Site PMA population base increased by 6,242 between 2000 and 2010. This represents a 28.3% increase over the 2000 population, or an annual rate of 2.5%. Between 2010 and 2020, the population increased by 2,949, or 10.4%. It is projected that the population will increase by 674, or 2.2%, 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	6,973	24.6%	6,976	22.3%	7,125	22.3%	148	2.1%
20 to 24	1,428	5.0%	1,417	4.5%	1,412	4.4%	-5	-0.3%
25 to 34	2,986	10.5%	3,469	11.1%	3,365	10.5%	-104	-3.0%
35 to 44	3,826	13.5%	3,632	11.6%	3,775	11.8%	144	4.0%
45 to 54	4,138	14.6%	4,100	13.1%	4,051	12.7%	-49	-1.2%
55 to 64	4,291	15.2%	4,684	15.0%	4,669	14.6%	-16	-0.3%
65 to 74	3,001	10.6%	4,441	14.2%	4,632	14.5%	191	4.3%
75 & Over	1,666	5.9%	2,539	8.1%	2,904	9.1%	364	14.4%
Total	28,309	100.0%	31,258	100.0%	31,932	100.0%	674	2.2%

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

As the preceding table illustrates, more than 37% of the population is expected to be age 55 and older in 2020, the targeted age group for the subject project.

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

Population Type	Year		
	2010 (Census)	2020 (Estimated)	2022 (Projected)
Elderly (Age 55+)	8,958	11,664	12,204
Non-Elderly	19,351	19,594	19,728
Total	28,309	31,258	31,932

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

The elderly population is projected to increase by 540, or 4.6%, 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 Jasper Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2022 (Projected)
Households	8,625	10,906	11,957	12,204
Household Change	-	2,281	1,051	247
Percent Change	-	26.4%	9.6%	2.1%
Household Size	2.56	2.60	2.59	2.59

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

Within the Jasper Site PMA, households increased by 2,281 (26.4%) between 2000 and 2010. Between 2010 and 2020, households increased by 1,051 or 9.6%. By 2022, there will be 12,204 households, an increase of 247 households, or 2.1% over 2020 levels. This is an increase of approximately 123 households annually over the next five 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	308	2.8%	288	2.4%	292	2.4%	4	1.4%
25 to 34	1,191	10.9%	1,312	11.0%	1,266	10.4%	-46	-3.5%
35 to 44	1,916	17.6%	1,722	14.4%	1,781	14.6%	60	3.5%
45 to 54	2,239	20.5%	2,098	17.5%	2,061	16.9%	-37	-1.8%
55 to 64	2,368	21.7%	2,460	20.6%	2,439	20.0%	-21	-0.9%
65 to 74	1,836	16.8%	2,573	21.5%	2,662	21.8%	89	3.5%
75 to 84	843	7.7%	1,213	10.1%	1,374	11.3%	160	13.2%
85 & Over	205	1.9%	290	2.4%	329	2.7%	38	13.2%
Total	10,906	100.0%	11,957	100.0%	12,204	100.0%	247	2.1%

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

Household growth is primarily projected to be concentrated among seniors age 65 and older between 2020 and 2022, as detailed in the preceding table. This is likely to increase demand for senior-oriented housing alternatives.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,511	78.0%	8,970	75.0%	9,201	75.4%
Renter-Occupied	2,395	22.0%	2,986	25.0%	3,003	24.6%
Total	10,906	100.0%	11,957	100.0%	12,204	100.0%

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

In 2020, homeowners occupied 75.0% of all occupied housing units, while the remaining 25.0% were occupied by renters.

Households by tenure for those age 55 and older in 2010, 2020 (estimated) and 2022 (projected) are distributed as follows:

Tenure Age 55+	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	4,553	86.7%	5,464	83.6%	5,698	83.7%
Renter-Occupied	699	13.3%	1,073	16.4%	1,106	16.3%
Total	5,252	100.0%	6,537	100.0%	6,804	100.0%

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

A total of 1,073 (16.4%) of all households age 55 and older within the Site PMA are renters in 2020. The number of senior renter households is projected to increase slightly between 2020 and 2022, as detailed in the preceding table.

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 55)	3,958	36.3%	3,503	29.3%	3,499	28.7%
Owner-Occupied (Age 55+)	4,553	41.7%	5,467	45.7%	5,702	46.7%
Renter-Occupied (<Age 55)	1,696	15.6%	1,913	16.0%	1,897	15.5%
Renter-Occupied (Age 55+)	699	6.4%	1,073	9.0%	1,106	9.1%
Total	10,906	100.0%	11,957	100.0%	12,204	100.0%

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

Currently, 9.0% of all occupied housing units within the Site PMA are occupied by renters age 55 and older. This share will remain relatively stable through 2022.

The household sizes by tenure for age 55 and older within the Site PMA, based on the 2020 estimates and 2022 projections, were distributed as follows:

Persons Per Renter Household Age 55+	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	505	47.0%	507	45.8%	2	0.5%
2 Persons	187	17.4%	192	17.4%	6	3.1%
3 Persons	162	15.1%	174	15.7%	12	7.4%
4 Persons	107	10.0%	111	10.1%	4	3.8%
5 Persons+	113	10.5%	122	11.0%	9	8.0%
Total	1,073	100.0%	1,106	100.0%	33	3.1%

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

Persons Per Owner Household Age 55+	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,367	25.0%	1,412	24.8%	46	3.3%
2 Persons	2,204	40.3%	2,303	40.4%	98	4.5%
3 Persons	841	15.4%	883	15.5%	41	4.9%
4 Persons	604	11.0%	631	11.1%	27	4.4%
5 Persons+	451	8.2%	474	8.3%	23	5.1%
Total	5,467	100.0%	5,702	100.0%	235	4.3%

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

The one- and two-bedroom units proposed for the subject project are expected to house up to two-person senior households. Notably, nearly 65.0% of all senior renter households are comprised of one- and two-person households.

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

Household Income	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	993	9.1%	500	4.2%	466	3.8%
\$10,000 to \$19,999	1,611	14.8%	909	7.6%	868	7.1%
\$20,000 to \$29,999	1,375	12.6%	873	7.3%	838	6.9%
\$30,000 to \$39,999	1,121	10.3%	1,033	8.6%	1,014	8.3%
\$40,000 to \$49,999	984	9.0%	1,062	8.9%	1,017	8.3%
\$50,000 to \$59,999	1,087	10.0%	1,100	9.2%	1,082	8.9%
\$60,000 to \$74,999	1,210	11.1%	1,370	11.5%	1,375	11.3%
\$75,000 to \$99,999	969	8.9%	1,766	14.8%	1,835	15.0%
\$100,000 to \$124,999	583	5.3%	1,231	10.3%	1,352	11.1%
\$125,000 to \$149,999	303	2.8%	674	5.6%	756	6.2%
\$150,000 to \$199,999	260	2.4%	845	7.1%	948	7.8%
\$200,000 & Over	410	3.8%	593	5.0%	654	5.4%
Total	10,906	100.0%	11,957	100.0%	12,204	100.0%
Median Income	\$43,587		\$65,486		\$68,930	

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

In 2010, the median household income was \$43,587. This increased by 50.2% to \$65,486 in 2020. By 2022, it is projected that the median household income will be \$68,930, an increase of 5.3% over 2020.

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

Household Income 55+	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	510	9.7%	276	4.2%	264	3.9%
\$10,000 to \$19,999	968	18.4%	641	9.8%	626	9.2%
\$20,000 to \$29,999	734	14.0%	540	8.3%	535	7.9%
\$30,000 to \$39,999	512	9.7%	582	8.9%	591	8.7%
\$40,000 to \$49,999	412	7.8%	530	8.1%	517	7.6%
\$50,000 to \$59,999	420	8.0%	543	8.3%	546	8.0%
\$60,000 to \$74,999	470	8.9%	750	11.5%	765	11.2%
\$75,000 to \$99,999	399	7.6%	874	13.4%	921	13.5%
\$100,000 to \$124,999	315	6.0%	588	9.0%	655	9.6%
\$125,000 to \$149,999	175	3.3%	380	5.8%	441	6.5%
\$150,000 to \$199,999	142	2.7%	470	7.2%	539	7.9%
\$200,000 & Over	195	3.7%	367	5.6%	410	6.0%
Total	5,252	100.0%	6,540	100.0%	6,808	100.0%
Median Income	\$38,086		\$63,159		\$66,396	

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

In 2010, the median household income for households age 55 and older was \$38,086. This increased by 65.8% to \$63,159 in 2020. By 2022, it is projected that the median household income will be \$66,396, an increase of 5.1% over 2020.

The following tables illustrate renter household income by household size for 2010, 2020 and 2022 for the Jasper Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	130	119	63	61	43	416
\$10,000 to \$19,999	208	163	87	84	59	601
\$20,000 to \$29,999	131	120	64	62	43	420
\$30,000 to \$39,999	80	84	45	43	30	282
\$40,000 to \$49,999	54	61	33	32	22	203
\$50,000 to \$59,999	35	42	22	22	15	137
\$60,000 to \$74,999	39	47	25	24	17	152
\$75,000 to \$99,999	21	25	13	13	9	80
\$100,000 to \$124,999	14	15	8	8	6	51
\$125,000 to \$149,999	8	8	4	4	3	27
\$150,000 to \$199,999	3	3	2	2	1	10
\$200,000 & Over	4	5	3	3	2	16
Total	727	691	369	357	251	2,395

Source: ESRI; Urban Decision Group

Renter Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	73	58	50	33	35	249
\$10,000 to \$19,999	164	92	79	53	55	442
\$20,000 to \$29,999	121	85	73	49	51	378
\$30,000 to \$39,999	103	85	73	48	51	360
\$40,000 to \$49,999	82	79	68	45	47	321
\$50,000 to \$59,999	66	68	59	39	41	273
\$60,000 to \$74,999	89	83	72	47	50	340
\$75,000 to \$99,999	78	80	69	46	48	322
\$100,000 to \$124,999	26	29	25	16	17	113
\$125,000 to \$149,999	16	15	13	9	9	62
\$150,000 to \$199,999	19	18	16	10	11	74
\$200,000 & Over	14	13	11	7	8	52
Total	850	703	607	403	423	2,986

Source: ESRI; Urban Decision Group

Renter Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	66	52	46	30	32	227
\$10,000 to \$19,999	157	85	76	49	53	420
\$20,000 to \$29,999	119	79	71	46	50	364
\$30,000 to \$39,999	101	80	72	46	51	351
\$40,000 to \$49,999	77	74	66	43	47	307
\$50,000 to \$59,999	68	69	62	40	44	283
\$60,000 to \$74,999	93	86	78	50	54	360
\$75,000 to \$99,999	87	88	80	51	56	363
\$100,000 to \$124,999	26	28	25	16	18	113
\$125,000 to \$149,999	16	15	14	9	10	63
\$150,000 to \$199,999	22	22	20	13	14	90
\$200,000 & Over	16	15	13	9	9	62
Total	848	693	624	400	437	3,003

Source: ESRI; Urban Decision Group

The following tables illustrate renter household income by household size for age 55 and older for 2010, 2020 and 2022 for the Jasper Site PMA:

Renter Age 55+ Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	71	30	16	15	11	143
\$10,000 to \$19,999	128	43	23	22	16	232
\$20,000 to \$29,999	68	24	13	12	9	126
\$30,000 to \$39,999	33	14	7	7	5	66
\$40,000 to \$49,999	19	8	4	4	3	39
\$50,000 to \$59,999	11	5	3	3	2	23
\$60,000 to \$74,999	11	5	3	3	2	24
\$75,000 to \$99,999	7	3	2	2	1	15
\$100,000 to \$124,999	6	3	2	2	1	14
\$125,000 to \$149,999	4	2	1	1	1	9
\$150,000 to \$199,999	2	1	0	0	0	4
\$200,000 & Over	2	1	1	0	0	4
Total	362	140	75	72	51	699

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2020 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	46	17	15	10	10	97
\$10,000 to \$19,999	129	40	34	23	24	250
\$20,000 to \$29,999	82	26	22	15	15	160
\$30,000 to \$39,999	61	22	19	13	13	128
\$40,000 to \$49,999	40	16	14	9	10	89
\$50,000 to \$59,999	29	13	11	7	8	68
\$60,000 to \$74,999	47	21	18	12	13	112
\$75,000 to \$99,999	36	17	15	10	10	87
\$100,000 to \$124,999	10	5	4	3	3	24
\$125,000 to \$149,999	7	3	3	2	2	17
\$150,000 to \$199,999	9	4	4	2	3	22
\$200,000 & Over	8	4	3	2	2	19
Total	505	187	162	107	113	1,073

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2022 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	42	16	14	9	10	91
\$10,000 to \$19,999	126	39	35	22	24	246
\$20,000 to \$29,999	83	26	23	15	16	163
\$30,000 to \$39,999	62	23	20	13	14	132
\$40,000 to \$49,999	38	16	14	9	10	88
\$50,000 to \$59,999	31	14	12	8	9	73
\$60,000 to \$74,999	50	23	21	13	15	122
\$75,000 to \$99,999	39	19	18	11	12	100
\$100,000 to \$124,999	10	5	4	3	3	24
\$125,000 to \$149,999	7	3	3	2	2	18
\$150,000 to \$199,999	11	5	5	3	3	27
\$200,000 & Over	9	4	4	3	3	23
Total	507	192	174	111	122	1,106

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 55 and older for 2010, 2020 and 2022 for the Jasper Site PMA:

Owner Age 55+ Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	106	142	51	39	28	367
\$10,000 to \$19,999	234	273	99	75	54	736
\$20,000 to \$29,999	193	226	82	62	45	608
\$30,000 to \$39,999	131	172	62	47	34	446
\$40,000 to \$49,999	105	146	53	40	29	373
\$50,000 to \$59,999	104	159	58	44	32	397
\$60,000 to \$74,999	119	178	64	49	35	446
\$75,000 to \$99,999	95	158	57	43	31	384
\$100,000 to \$124,999	72	124	45	34	25	301
\$125,000 to \$149,999	40	69	25	19	14	166
\$150,000 to \$199,999	33	57	21	16	11	138
\$200,000 & Over	46	79	29	22	16	191
Total	1,279	1,783	646	490	355	4,553

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2020 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	49	70	27	19	14	179
\$10,000 to \$19,999	116	148	56	41	30	392
\$20,000 to \$29,999	112	144	55	40	30	381
\$30,000 to \$39,999	123	177	68	49	36	454
\$40,000 to \$49,999	113	176	67	48	36	441
\$50,000 to \$59,999	114	194	74	53	40	475
\$60,000 to \$74,999	152	262	100	72	54	639
\$75,000 to \$99,999	184	324	124	89	66	787
\$100,000 to \$124,999	132	232	88	63	47	563
\$125,000 to \$149,999	87	148	57	41	30	363
\$150,000 to \$199,999	105	184	70	50	38	448
\$200,000 & Over	79	145	55	40	30	348
Total	1,367	2,204	841	604	451	5,467

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2022 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	47	67	26	18	14	173
\$10,000 to \$19,999	112	144	55	39	30	380
\$20,000 to \$29,999	109	141	54	39	29	372
\$30,000 to \$39,999	124	180	69	49	37	459
\$40,000 to \$49,999	109	172	66	47	35	429
\$50,000 to \$59,999	114	192	74	53	40	473
\$60,000 to \$74,999	153	263	101	72	54	643
\$75,000 to \$99,999	192	338	129	92	69	821
\$100,000 to \$124,999	146	260	100	71	54	631
\$125,000 to \$149,999	101	173	66	47	36	423
\$150,000 to \$199,999	118	211	81	58	43	511
\$200,000 & Over	86	162	62	44	33	387
Total	1,412	2,303	883	631	474	5,702

Source: ESRI; Urban Decision Group

Demographic Summary

Both population and household growth are projected for the Jasper Site PMA between 2020 and 2022, a trend which has been ongoing since 2000. Household growth will primarily be concentrated among seniors age 65 and older during this time period, a good indication of an expanding base of potential age-appropriate household support for product such as that proposed. Senior household growth will occur among both owner- and renter-occupied households and more than 1,100 renter households will be age 55 and older in 2022. Further, more than 65.0% of all senior renter households will earn less than \$50,000 in 2022, conducive to affordable age-restricted rental product such as that proposed.

Section F – Economic Trends

1. LABOR FORCE PROFILE

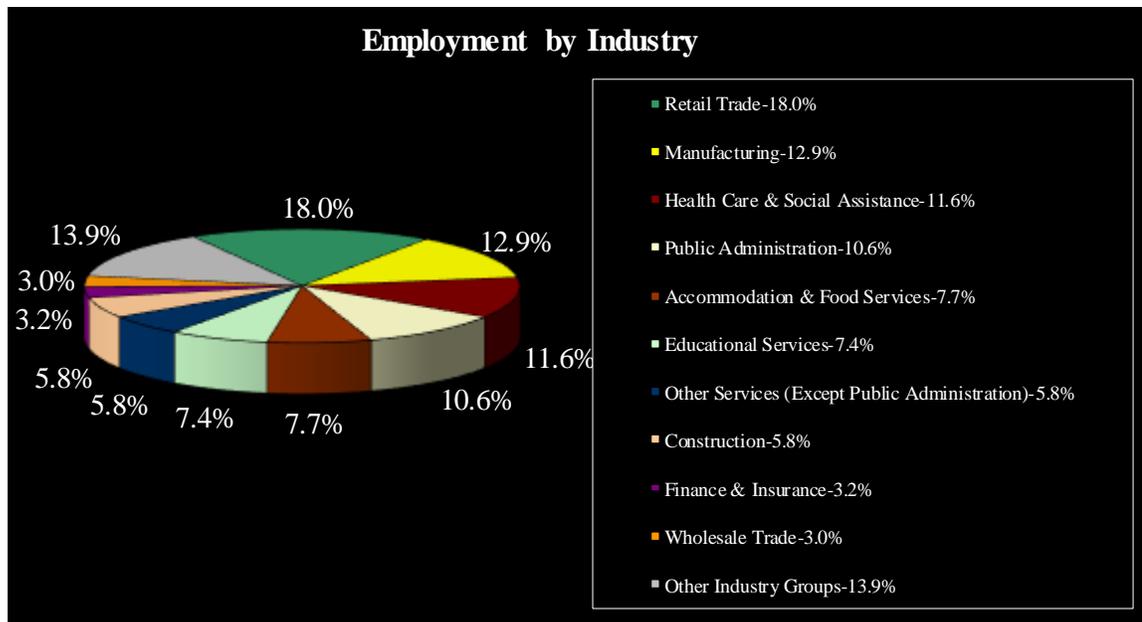
The labor force within the Jasper Site PMA is based primarily in four sectors. Retail Trade (which comprises 18.0%), Manufacturing, Health Care & Social Assistance and Public Administration comprise over 53% of the Site PMA labor force. Employment in the Jasper Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	18	1.3%	107	0.9%	5.9
Mining	2	0.1%	5	0.0%	2.5
Utilities	5	0.4%	51	0.4%	10.2
Construction	109	8.1%	703	5.8%	6.4
Manufacturing	51	3.8%	1,561	12.9%	30.6
Wholesale Trade	45	3.4%	367	3.0%	8.2
Retail Trade	204	15.2%	2,174	18.0%	10.7
Transportation & Warehousing	18	1.3%	216	1.8%	12.0
Information	21	1.6%	126	1.0%	6.0
Finance & Insurance	65	4.8%	381	3.2%	5.9
Real Estate & Rental & Leasing	79	5.9%	349	2.9%	4.4
Professional, Scientific & Technical Services	94	7.0%	360	3.0%	3.8
Management of Companies & Enterprises	3	0.2%	24	0.2%	8.0
Administrative, Support, Waste Management & Remediation Services	40	3.0%	148	1.2%	3.7
Educational Services	29	2.2%	890	7.4%	30.7
Health Care & Social Assistance	112	8.4%	1,406	11.6%	12.6
Arts, Entertainment & Recreation	27	2.0%	243	2.0%	9.0
Accommodation & Food Services	77	5.7%	929	7.7%	12.1
Other Services (Except Public Administration)	171	12.8%	706	5.8%	4.1
Public Administration	91	6.8%	1,285	10.6%	14.1
Nonclassifiable	80	6.0%	45	0.4%	0.6
Total	1,341	100.0%	12,076	100.0%	9.0

*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 Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA) are compared with those of the state of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Atlanta-Sandy Springs-Roswell MSA	Georgia
Management Occupations	\$125,800	\$116,740
Business and Financial Occupations	\$77,730	\$74,280
Computer and Mathematical Occupations	\$90,930	\$88,550
Architecture and Engineering Occupations	\$85,510	\$83,500
Community and Social Service Occupations	\$52,350	\$48,540
Art, Design, Entertainment and Sports Medicine Occupations	\$59,420	\$56,780
Healthcare Practitioners and Technical Occupations	\$81,780	\$77,470
Healthcare Support Occupations	\$32,180	\$30,880
Protective Service Occupations	\$41,260	\$39,900
Food Preparation and Serving Related Occupations	\$23,270	\$22,600
Building and Grounds Cleaning and Maintenance Occupations	\$28,370	\$27,240
Personal Care and Service Occupations	\$29,590	\$28,200
Sales and Related Occupations	\$42,750	\$39,160
Office and Administrative Support Occupations	\$40,300	\$38,260
Construction and Extraction Occupations	\$46,230	\$43,690
Installation, Maintenance and Repair Occupations	\$50,010	\$47,530
Production Occupations	\$36,870	\$35,690
Transportation and Moving Occupations	\$36,500	\$35,260

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

Most annual blue-collar salaries range from \$23,270 to \$59,420 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$92,350. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have slightly higher typical wages than the state of Georgia's typical wages. Regardless, the proposed project will generally target senior households, many of which will likely be retired and/or living on fixed incomes.

2. MAJOR EMPLOYERS

The ten largest employers (in no particular order) within the Pickens County area are summarized in the following table. Please note that the number employed for each employer was not available at the time of this analysis.

Employer Name	Business Type
Big Canoe Property Owners Association	Real Estate
Bojangles	Restaurant
Home Depot	Home Improvement Store
Imerys	Manufacturer
Ingles Market, Inc	Grocery Store
Lexington Precision Corp	Electronic Parts Supplier
Piedmont Mountainside Hospital, Inc	Healthcare
Royston, LLC	Sheet Metal Contractor
The Kroger Company	Grocery Store
Walmart	Department Store

Source: Georgia Department of Labor (3rd Quarter 2019)

According to a representative with the Pickens County Chamber of Commerce, the Pickens County economy is stable. The following are summaries of some notable and recent economic development activity/announcements within the Pickens County area:

- The Piedmont Village, a mixed-use development is currently being constructed behind the Piedmont Mountainside Hospital. The developers, Gary Copeland with MSMD, LLC and Southeast Investment Realty, plan to construct a town square, amphitheater, hotels, spas, restaurants, and residential units. Phase I will include 72 residential townhomes targeting seniors age 55 and older. Phase II will include an assisted living facility and additional townhomes. Phase III will include the town square, amphitheater, hotels, spas, and restaurants. Construction began on Phase I in June 2019 and Phase II is expected to start construction sometime in 2020. A timeline for Phase III and completion of the entire project is unknown at this time.
- Orloco, a global manufacturer of camera solutions, announced plans in December 2019 to expand. The company plans to open a new office and warehouse at a former telecommunications building located at 33 Confederate Avenue in Jasper. This expansion is expected to create 65 jobs over a five-year period.

- As of October 2018, a project to widen State Route 53 in Pickens County and add a passing lane is under construction. The project located east of Four Mile Church Road to east of Wilkie Road is planned to improve traffic flow and safety. Expected completion was anticipated for the end of March 2020 and the cost of the project is approximately \$6.8 million.
- In October 2018 the city of Jasper announced it received a permit to withdraw additional water for its residents, expanding the wastewater system and repairing the dam at Grandview Lake. The city had inspections of the water system in 2018 and 2019 and reduced water loss from leaks. The city is running a new waterline that will eventually connect to the county’s new water treatment plant. The Grandview Lake project received approval in January 2020.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on April 6, 2020 and according to the Georgia Department of Labor there have been no WARN notices reported for Pickens County over the past 18 months.

3. EMPLOYMENT TRENDS

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

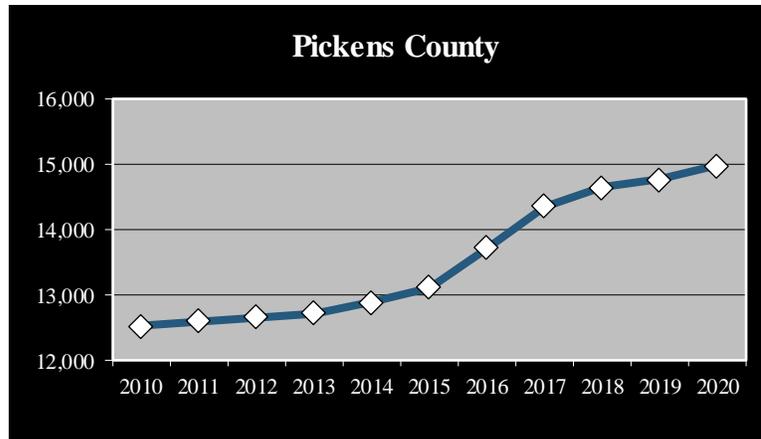
Excluding 2020, the employment base has increased by 12.6% over the past five years in Pickens County, more than the Georgia state increase of 10.1%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Pickens County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	12,505	-	4,202,052	-	140,469,139	-
2011	12,582	0.6%	4,263,305	1.5%	141,791,255	0.9%
2012	12,637	0.4%	4,348,083	2.0%	143,621,634	1.3%
2013	12,710	0.6%	4,366,374	0.4%	145,017,562	1.0%
2014	12,868	1.2%	4,403,433	0.8%	147,313,048	1.6%
2015	13,100	1.8%	4,482,922	1.8%	149,500,941	1.5%
2016	13,705	4.6%	4,649,755	3.7%	151,887,366	1.6%
2017	14,345	4.7%	4,812,097	3.5%	154,160,937	1.5%
2018	14,626	2.0%	4,880,038	1.4%	156,081,212	1.2%
2019	14,754	0.9%	4,935,310	1.1%	158,102,439	1.3%
2020*	14,968	1.4%	4,992,364	1.2%	157,927,470	-0.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through January



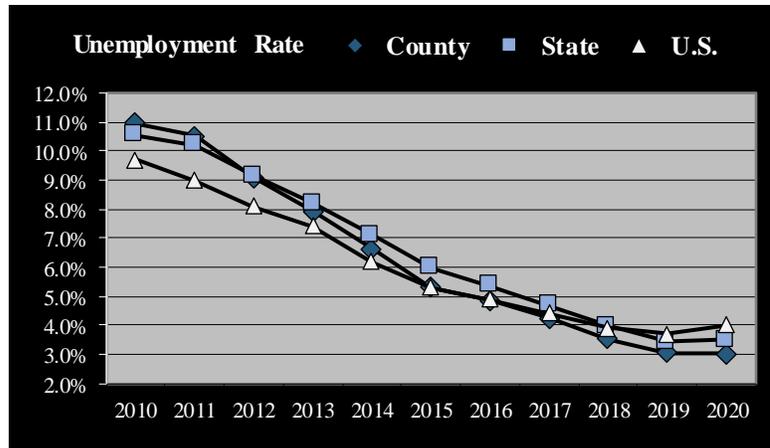
As the preceding illustrates, the Pickens County employment base has increased each year since 2010 and by a total of 2,463 jobs during this time period, an increase of nearly 20.0% through January of 2020.

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

Year	Unemployment Rate		
	Pickens County	Georgia	United States
2010	11.0%	10.6%	9.7%
2011	10.5%	10.2%	9.0%
2012	9.1%	9.2%	8.1%
2013	7.9%	8.2%	7.4%
2014	6.6%	7.1%	6.2%
2015	5.3%	6.0%	5.3%
2016	4.8%	5.4%	4.9%
2017	4.2%	4.7%	4.4%
2018	3.5%	4.0%	3.9%
2019	3.0%	3.4%	3.7%
2020*	3.0%	3.5%	4.0%

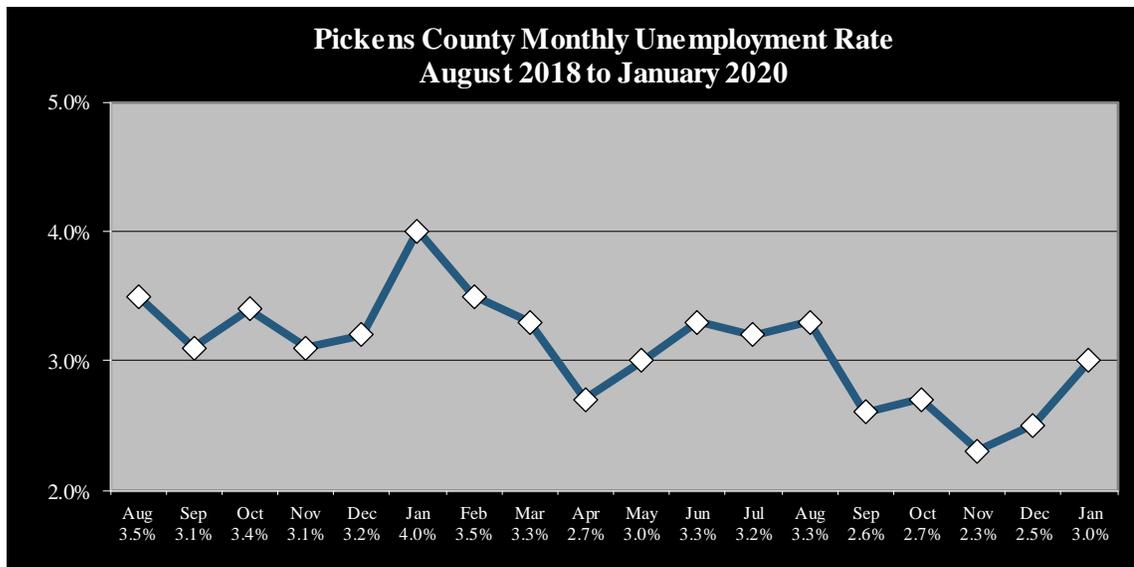
Source: Department of Labor, Bureau of Labor Statistics

*Through January



The unemployment rate in Pickens County has declined or remained stable each year since 2010 and been below both state and national averages each year since 2016.

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



The monthly unemployment rate within the county has fluctuated between 2.3% and 4.0% over the past 18-month period but has generally remained around 3.0% during much of this time.

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 Pickens County.

In-Place Employment Pickens County			
Year	Employment	Change	Percent Change
2009	7,023	-	-
2010	6,884	-139	-2.0%
2011	6,969	85	1.2%
2012	7,002	33	0.5%
2013	6,995	-7	-0.1%
2014	7,220	225	3.2%
2015	7,326	106	1.5%
2016	7,535	209	2.9%
2017	7,687	152	2.0%
2018	7,899	212	2.8%
2019*	7,944	45	0.6%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2018, the most recent year that year-end figures are available, indicates in-place employment in Pickens County to be 54.0% of the total Pickens County employment. This means that Pickens County has more employed persons leaving the county for daytime employment than those who work in the county. Regardless, in-place employment is not expected to have any adverse impact on the subject's overall marketability given the property is age-restricted and will likely attract many residents which are retired.

4. **ECONOMIC FORECAST**

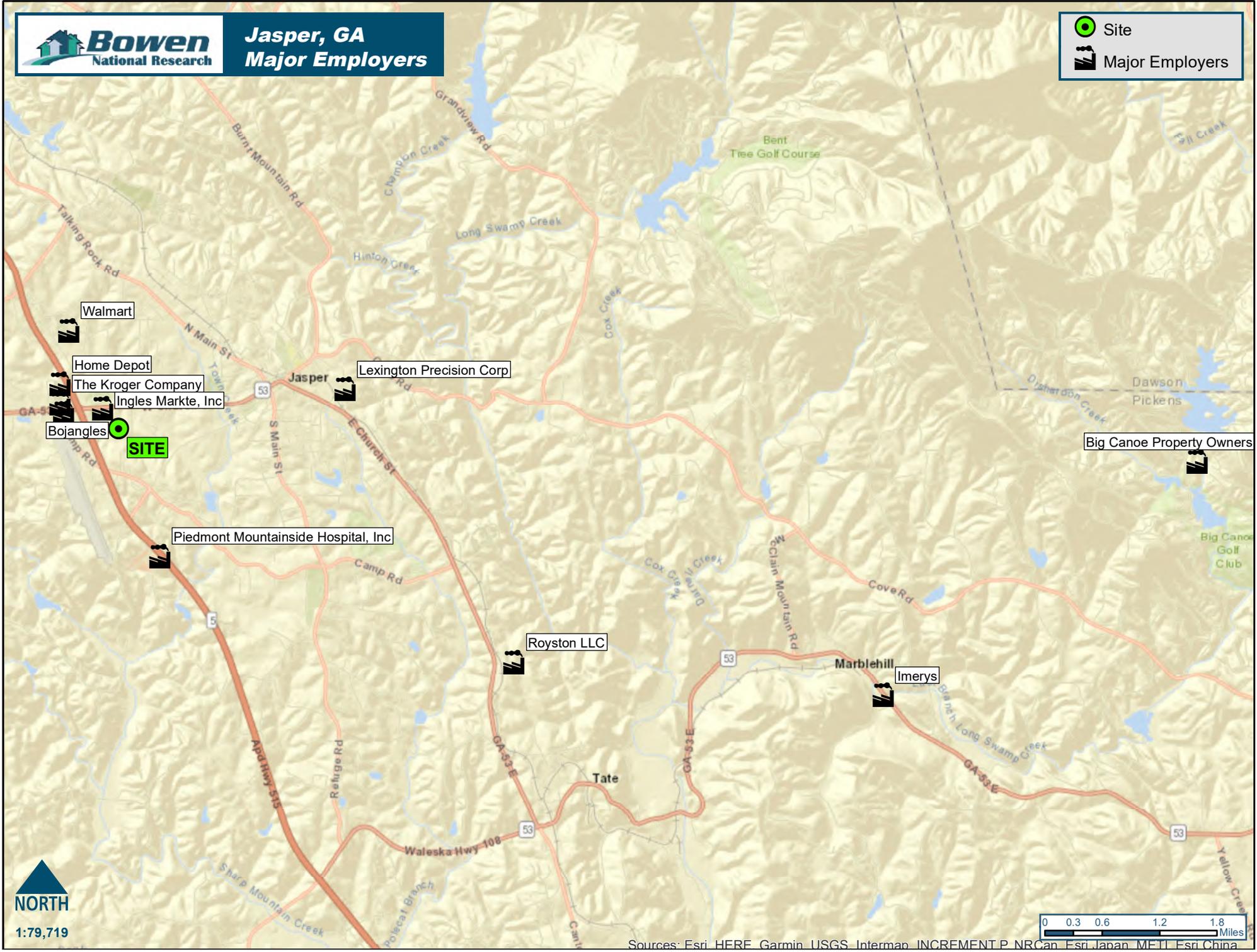
The Pickens County economy has been consistently improving in terms of both total employment and unemployment rate trends over the past decade. Notably, the employment base has increased by approximately 1.0% or more each of the past six years, as well as through January of 2020. A total of nearly 2,500 jobs have been added to the county since 2010. The unemployment rate within the county has steadily declined each year since 2010 and has remained below the statewide average each year since 2012. The unemployment rate is currently just 3.0% through January of 2020. While the preceding factors are indicative of a strong and steadily improving local economy within Pickens County, it is important to understand that these trends are reflective of those reported prior to the impact of the COVID-19 pandemic. Although trends have been positive in recent years, it is anticipated that the impact of the COVID-19 pandemic will slow economic growth and result in increased unemployment rates throughout the country, including the Pickens County area. The negative economic impact anticipated from the COVID-19 pandemic is likely to contribute to an ongoing need for affordable housing alternatives for the foreseeable future.

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

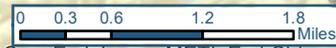


Jasper, GA Major Employers

- Site
- Major Employers



NORTH
1:79,719



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 Atlanta-Sandy Springs-Roswell, Georgia HUD Metro FMR Area, which has a median four-person household income of \$79,700 for 2019. The subject property will be restricted to senior (age 55 and older) households with incomes of up to 50%, 60%, and 80% 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%	80%
One-Person	\$27,900	\$33,480	\$44,640
Two-Person	\$31,900	\$38,280	\$51,040

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior (age 55+) households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$51,040**.

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 \$555 (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 \$6,660. 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 **\$16,650**.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 50%, 60% and 80% 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)	\$16,650	\$31,900
Tax Credit (Limited to 60% of AMHI)	\$21,900	\$38,280
Tax Credit (Limited to 80% of AMHI)	\$23,400	\$51,040
Tax Credit Overall	\$16,650	\$51,040

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 28.9% to 53.0% (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, 2.0% 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).

Within the Site PMA, we did not identify any rental units within the development pipeline that will directly compete with the subject project. In addition, we did not identify any competitive projects placed in service prior to 2018 that have not reached a stabilized occupancy of 90%. Thus, we have not considered any directly competitive supply units in our demand estimates.

The following is a summary of our demand calculations:

Demand Component – Age 55+	Percent of Median Household Income			
	50% AMHI (\$16,650 to \$31,900)	60% AMHI (\$21,900 to \$38,280)	80% AMHI (\$23,400 to \$51,040)	Tax Credit Overall (\$16,650 to \$51,040)
Demand from New Household (Age- and Income-Appropriate)	270 - 268 = 2	241 - 235 = 6	335 - 329 = 6	473 - 467 = 6
+				
Demand from Existing Households (Rent Overburdened)	268 X 53.0% = 142	235 X 40.5% = 95	329 X 28.9% = 95	467 X 37.5% = 175
+				
Demand from Existing Households (Renters in Substandard Housing)	268 X 2.0% = 5	235 X 2.0% = 5	329 X 2.0% = 7	467 X 2.0% = 9
=				
Demand Subtotal	149	106	108	190
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	3*	2*	2*	4*
=				
Total Demand	152	108	110	194
-				
Supply (Directly Comparable Units Built and/or Funded Since 2018)	0	0	0	0
=				
Net Demand	152	108	110	194
Proposed Units / Net Demand	24 / 152	19 / 108	5 / 110	48 / 194
Capture Rate	= 15.8%	= 17.6%	= 4.5%	= 24.7%

*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 are typically considered acceptable. Thus, the proposed project's overall capture rate of 24.7% for the LIHTC units is acceptable. This is particularly true when considering subject property will be the only age-restricted LIHTC property in the Jasper Site PMA, as we expect the subject development will be capable of attracting a higher than typical share of the age- and income-eligible households in this market. The high occupancy rates maintained among the existing general-occupancy LIHTC properties surveyed in the Site PMA further exacerbate the lack of available LIHTC product from which potential renters of the subject property could choose. Based on the preceding factors, the subject's capture rates by AMHI level units are also acceptable.

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

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

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent***	Market Rents Band Min-Max	Subject Rents
One-Bedroom (50%)	50%	12	76	0	76	15.8%	3 Months	\$870	\$870-\$1,195	\$450
One-Bedroom (50%)	60%	10	54	0	54	18.5%	3 Months	\$870	\$870-\$1,195	\$625
One-Bedroom (50%)	80%	2	55	0	55	3.6%	1 Month	\$870	\$870-\$1,195	\$675
One-Bedroom	Total	24	185	0	185	13.0%	5 Months	\$870	\$870-\$1,195	-
<hr/>										
Two-Bedroom (50%)	50%	12	76	0	76	15.8%	3 Months	\$970	\$970-\$1,250	\$525
Two-Bedroom (50%)	60%	9	54	0	54	16.7%	2 Months	\$970	\$970-\$1,250	\$725
Two-Bedroom (50%)	80%	3	55	0	55	5.5%	1 Month	\$970	\$970-\$1,250	\$775
Two-Bedroom	Total	24	185	0	185	13.0%	5 Months	\$970	\$970-\$1,250	-

*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.

***Reflective of in-market comps only

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

The capture rates by bedroom type and targeted income level range from 3.6% to 18.5%. 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 Jasper Site PMA for each of the unit types proposed for the subject development.

Supplemental Special Needs Demand Estimates

As detailed in *Section B*, the subject project will offer five (5) units that will also operate with a HUD Section 811 subsidy and target disabled households. As a single person/household could be classified as having multiple disabilities, we have conservatively only considered physically disabled households for this analysis in order to eliminate double counting. Within the Jasper Site PMA, there are a total 1,009 persons age 65 and older (age 55 and older data not available) with an ambulatory (physical) disability, based on 2013-2017 American Community Survey (ACS) 5-Year Estimates-Table S1810.

Income data for the special needs population is difficult to obtain given the transient nature, instability of work history, and/or physical illness of this special needs population. However, the subject units will be restricted to households earning up to 80% of Area Median Household Income (AMHI) as detailed in *Section III*. Considering the income levels targeted and unit types offered, the subject's disabled units could potentially accommodate households earning up to \$52,960. The minimum income requirement for the special needs units will effectively be \$0 as the subsidy will allow the property to accommodate households earning little to no income.

The following table summarizes the subject's special needs capture rate based on the preceding factors:

	Disabled Capture Rate
Physically Disabled Households (Age 65+)	1,009
x Site PMA Renter Share	x 14.3%
x Income Qualified Share	x 67.3%
= Total Qualified Households	= 97
Proposed Units / Qualified Households	5 / 97
= Capture Rate	= 5.2%

Utilizing this methodology, the subject's capture rate of 5.2% for the special needs units is considered low and indicative of a sufficient base of potential support for these proposed unit types.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Jasper 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	10,906	82.2%	11,957	82.3%
Owner-Occupied	8,511	78.0%	8,970	75.0%
Renter-Occupied	2,395	22.0%	2,986	25.0%
Vacant	2,358	17.8%	2,571	17.7%
Total	13,264	100.0%	14,528	100.0%

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

Based on a 2020 update of the 2010 Census, of the 14,528 total housing units in the market, 17.7% were vacant. While this is considered a relatively high share of vacant housing units, it is important to understand that this includes abandoned, dilapidated, and/or for-sale housing units, as well as housing units utilized solely for seasonal/recreational purposes. Thus, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental market within the Jasper Site PMA.

Conventional Rentals

The Jasper Site PMA is relatively rural and offers a limited supply of conventional rental product, as evident by the fact that we identified and personally surveyed just five conventional rental housing projects containing a total of 321 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.8%, a good rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate/Tax Credit	1	176	5	97.2%
Tax Credit	1	57	2	96.5%
Tax Credit/Government-Subsidized	1	24	0	100.0%
Government-Subsidized	2	64	0	100.0%
Total	5	321	7	97.8%

As the preceding illustrates, all rental housing segments surveyed offer some type of affordable (i.e. Tax Credit and/or government-subsidized) units and each segment reports an overall occupancy rate of 96.5% or higher. These are clear indications of strong demand for affordable rental product within the Jasper Site PMA.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	10	27.8%	0	0.0%	\$938
Two-Bedroom	2.0	16	44.4%	2	12.5%	\$1,056
Three-Bedroom	2.0	10	27.8%	3	30.0%	\$1,178
Total Market-Rate		36	100.0%	5	13.9%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	50	25.4%	0	0.0%	\$793
Two-Bedroom	2.0	68	34.5%	1	1.5%	\$961
Three-Bedroom	2.0	40	20.3%	0	0.0%	\$1,083
Three-Bedroom	2.5	39	19.8%	1	2.6%	\$1,011
Total Tax Credit		197	100.0%	2	1.0%	-

The market-rate units are 86.1% occupied and the Tax Credit units are 99.0% occupied, reflective of just two (2) vacant units among the Tax Credit properties. Also note the lower median gross rents reported among the Tax Credit units surveyed, relative to similar unrestricted market-rate product. This is a good indication, along with the 99.0% occupancy rate, that non-subsidized Tax Credit product represents a good value within the Jasper 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	36	13.9%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	140	0.0%
B-	1	57	3.5%

The Tax Credit properties surveyed are generally of good to very good condition, as evident by the quality ratings assigned by our analyst. The subject project is expected to have an excellent quality finish upon completion, which will contribute to its marketability within the Jasper market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of five federally subsidized and/or Tax Credit apartment developments in the Jasper Site PMA. These projects were surveyed in March 2020 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occup.	Gross Rent (Unit Mix)				
						Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Brooks Hollow Apts.	RD 515	1992	40	100.0%	-	\$523 - \$671 (36)	\$561 - \$709 (4)	-	-
2	Brooks Run Apts.	TAX & RD 515	1995	24	100.0%	-	\$523 - \$672 (6)	\$586 - \$733 (18)	-	-
3	Homestead Apts.	TAX	1999	57	96.5%	-	-	\$885 (18)	\$1,011 (39)	-
4	Mount Calvary Place	SEC 8	1974	24	100.0%	-	\$574 (8)	\$646 (12)	\$793 (2)	\$879 (2)
5	Mountainside Manor	TAX	2004	140*	100.0%	-	\$793 (50)	\$961 (50)	\$1,083 (40)	-
Total				285	99.3%					

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

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

RD - Rural Development

*Market-rate units not included

The overall occupancy is 99.3% for these projects and none of the properties surveyed report individual occupancy rates below 96.5%. Notably, four of the five 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 Pickens County/Jasper area. However, the two comparable Tax Credit properties surveyed in the Site PMA both accept Housing Choice Vouchers, as indicated by our Field 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
3	Homestead Apts.	57	0	0.0%
5	Mountainside Manor	140*	7	5.0%
Total		197	7	3.6%

*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 LIHTC properties in the Site PMA. This comprises only 3.6% of the 197 total non-subsidized LIHTC units offered among these properties. This is a good indication that Voucher support is limited and that the gross rents reported among these properties are achievable within the Jasper 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 LIHTC 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	\$924	\$555 (50%)
		\$730 (60%)
		\$780 (80%)
Two-Bedroom	\$1,056	\$654 (50%)
		\$854 (60%)
		\$904 (80%)

*Based on 2019 Payment Standards as 2020 limits not available at the time of this analysis

As the preceding table illustrates, the proposed gross 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 Jasper Site PMA for the subject development and has been considered in our absorption estimates in *Section I* of this report.

3. **PLANNED MULTIFAMILY DEVELOPMENT**

Based on our interviews with planning representatives, it was determined that there is one rental housing project currently in the development pipeline within the Site PMA. The known details of this project are summarized as follows:

- Onyx Investment Services LLC has proposed a 96-unit market-rate development to be located at Old Philadelphia Road and Jonah Lane in Jasper. The city council approved rezoning of the area in 2018, however, plans have yet to be submitted for the project which proposes to include tennis courts, two swimming pools and greenspace, and rents ranging from \$1,200 to \$1,500.

Considering the aforementioned project has yet to begin construction, plans have not been submitted, and the fact that this property will be general-occupancy, it is not expected to have any competitive overlap with the proposed subject development.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Jasper and Pickens County for the most recent ten-year reporting period.

Housing Unit Building Permits for Jasper, GA:										
Permits	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Multifamily Permits	0	0	0	0	0	0	0	0	0	0
Single-Family Permits	2	1	4	2	2	1	2	4	5	3
Total Units	2	1	4	2	2	1	2	4	5	3

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

Housing Unit Building Permits for Pickens County:										
Permits	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Multifamily Permits	0	0	0	0	0	2	2	0	0	0
Single-Family Permits	38	28	41	34	60	51	65	116	132	125
Total Units	38	28	41	34	60	53	67	116	132	125

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

As the preceding illustrates, there has been virtually no multifamily building permit activity within both the city of Jasper and Pickens County during the ten-year reporting period. Thus, the subject units would introduce a modern multifamily product that is not readily available within the Jasper area.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject site will offer one- and two-bedroom units targeting senior (age 55 and older) households earning up to 50%, 60% and 80% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Jasper Site PMA, we identified and surveyed a total of three properties which operate under the LIHTC program, two of which offer non-subsidized units similar to those proposed for the subject project. Although these two properties are general-occupancy (family), they offer unit types similar to those proposed for the subject site and thus have been included in our comparable analysis. These properties will not be directly competitive with the age-restricted subject project but will offer a good base of comparison.

Due to the limited supply of comparable LIHTC product in the Site PMA, we also identified and surveyed one additional age-restricted LIHTC property outside the Site PMA in the Calhoun, Georgia area. Similar to the general-occupancy properties surveyed in the Site PMA, this out-of-market property will not be directly competitive with the subject project due to its location but has been included for comparability purposes.

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 Jasper	2022	48	-	-	-	Seniors 55+; 50%, 60%, & 80% AMHI & Section 811
3	Homestead Apts.	1999	57	96.5%	2.2 Miles	None	Families; 60% AMHI
5	Mountainside Manor	2004	140*	100.0%	2.6 Miles	None	Families; 60% AMHI
904	Catoosa Senior Village II	2009	52	100.0%	34.8 Miles	50 HH	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

HH - Households

*Tax Credit units only

Map ID 904 is located outside the Site PMA

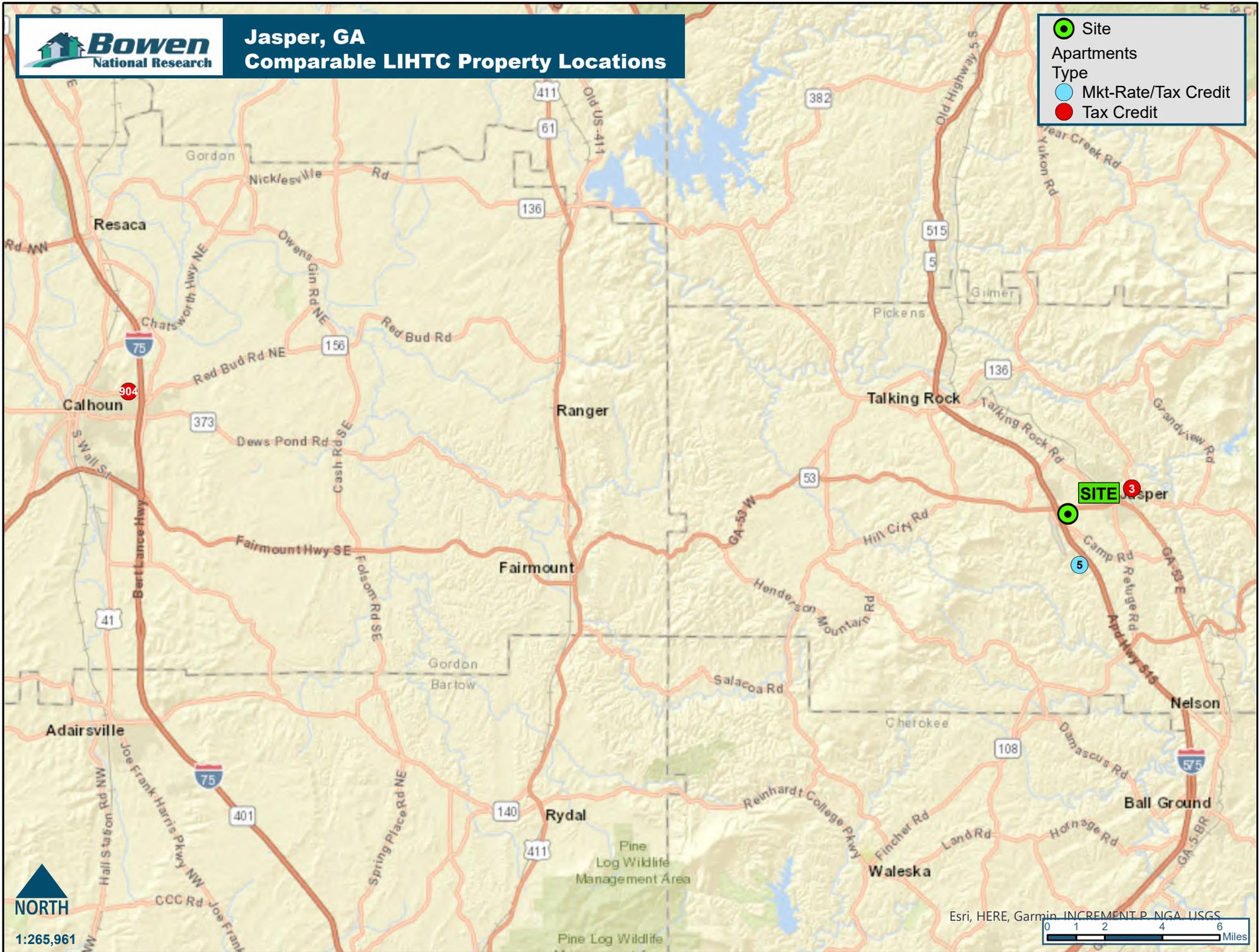
The three LIHTC projects have a combined occupancy rate of 99.2%, reflective of just two (2) vacant units at Homestead Apartments (Map ID 3). The two remaining properties are both 100.0% occupied and the one age-restricted property surveyed in the region maintains a 50-household waiting list. These are clear indications of strong demand for LIHTC product similar to that proposed for the subject site.

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



Jasper, GA Comparable LIHTC Property Locations

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



1:265,961

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



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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Jasper	\$555/50% (12) \$730/60% (10) \$780/80% (2)	\$654/50% (12) \$854/60% (9) \$904/80% (3)	-	-
3	Homestead Apts.	-	\$885/60% (18/1)	\$1,011/60% (39/1)	None
5	Mountainside Manor	\$793/60% (50/0)	\$961/60% (50/0)	\$1,083/60% (40/0)	None
904	Catoosa Senior Village II	\$553/50% (10/0) \$603/60% (14/0)	\$648/50% (9/0) \$698/60% (19/0)	-	None

Map ID 904 is located outside the Site PMA

The subject's proposed gross Tax Credit rents are competitive with those reported among similar unit types at the comparable properties surveyed in the market and region. Notably, the subject rents at the higher 80% AMHI level are similar to the rents reported at the 60% AMHI level among the comparable LIHTC properties located in the Site PMA. The competitive position of the subject rents will enhance the subject's marketability within the Jasper market, particularly when considering the high occupancy rates among existing product in this market and the newness/anticipated quality of the subject development.

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

Weighted Average Collected Rent of Comparable LIHTC Units (AMHI)	
One-Br.	Two-Br.
N/A (50%)	N/A (50%)
\$725 (60%)	\$855 (60%)
N/A (80%)	N/A (80%)

N/A – In-market product does not offer product at 50% & 80% AMHI levels

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.	N/A (50%)	-	-	-	-
	\$725 (60%)	- \$625 (60%)	\$100	/ \$625 (60%)	16.0%
	N/A (80%)	-	-	-	-
Two-Br.	N/A (50%)	-	-	-	-
	\$855 (60%)	- \$725 (60%)	\$130	/ \$725 (60%)	17.9%
	N/A (80%)	-	-	-	-

N/A – In-market product does not offer product at 50% & 80% AMHI levels

As the preceding table illustrates, the collected rents for the subject's 60% AMHI units represent rent advantages ranging from 16.0% to 17.9%. However, it should be noted that this analysis is reflective of the collected rent and does not account for utility responsibilities and/or other features of the subject project, including the subject's age/newness, which will enable it to charge higher rents. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are included in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Jasper	818	905	-
3	Homestead Apts.	-	957	1,240
5	Mountainside Manor	925	1,106	1,293
904	Catoosa Senior Village II	762	1,078	-

Map ID 904 is located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Jasper	1.0	1.0	-
3	Homestead Apts.	-	2.0	2.5
5	Mountainside Manor	1.0	2.0	2.0
904	Catoosa Senior Village II	1.0	2.0	-

Map ID 904 is located outside the Site PMA

The subject development will offer some of the smallest unit sizes in terms of square footage, as well as a lesser number of bathrooms within its two-bedroom units, relative to similar unit types offered among the comparable properties. While this may limit the subject's rent potential, it is not expected to have any adverse impact on the property's overall marketability given the targeted senior population, lack of age-restricted LIHTC product in the market, and very limited availability among existing general-occupancy LIHTC product in the market.

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

Tax Credit Unit Amenities by Map ID					
	Site**	3	5	904	
Appliances	Dishwasher	X	X	X	X
	Disposal	X	X	X	X
	Icemaker		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
	Controlled Access				
	E-Call System	X			X
	Fireplace				
	Furnished				
	Security System				
	Sunroom				
	W/D Hookup		X	X	X
	W/D	X			X
	Walk-In Closet				
	Window Treatments	X	X	X	X
Flooring	Carpet	X	X	X	X
	Ceramic Tile				
	Composite (VCT)(LVT)				
	Hardwood				
	Finished Concrete				
	Vinyl	X	X		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			O	
	Surface Lot	X	X	X	X
	Carport				
	Property Parking Garage				
	Podium Parking				
No Provided Parking					

** Proposed Site(s): Peaks of Jasper

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

* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	3	5	904
Bike Racks / Storage				
Business Center *	X		X	X
Car Care *			X	
Common Patio				
Community Garden	X			
Community Space				
Activity / Craft Room				X
Chapel				
Clubhouse		X	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 *				
Elevator	X			X
Laundry Room		X	X	
Meals				
On-Site Management	X	X	X	X
Pet Care *			X	
Recreation				
Basketball		X		
Bocce Ball				
Firepit				
Fitness Center	X		X	X
Grill		X	X	X
Game Room - Billiards				
Hiking - Walking Trail				X
Hot Tub				
Library				X
Media Room / Theater				
Picnic Table / Area	X	X	X	X
Playground		X	X	
Putting Green				
Racquetball				
Shuffleboard				
Sports Court				
Swimming Pool - Indoor				
Swimming Pool - Outdoor			X	
Tennis			X	
Volleyball				
Security				
CCTV				
Courtesy Officer				
Gated Community				
Gated Parking				
Police Substation				
Social Services *	X			X
Storage - Extra	X		X	X
Water Feature				
WiFi				

** Proposed Site(s): Peaks of Jasper

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

* Details in Comparable Property Profile Report

The amenity package proposed for the subject site is considered competitive and marketable, both in terms of unit and community amenities, as detailed in the preceding tables. The subject project does not appear to lack any key amenities that would adversely impact its marketability within the Jasper market, particularly when considering the newness of the subject property. In fact, the inclusion of microwaves, in-unit washer/dryer appliances, a business center, activity/craft room, and elevator access will likely create a competitive advantage for the property.

Comparable/Competitive Tax Credit Summary

There are currently no age-restricted Tax Credit properties offered within the Jasper Site PMA. Additionally, the subject property will offer the only LIHTC units targeting the higher 80% AMHI level within the market. Thus, the subject property is expected to help fill a void in the local rental market. Two of the three general-occupancy LIHTC properties surveyed in the Site PMA offer unit types and target income (AMHI) levels similar to the subject project and have thus been included in our comparable analysis, along with one additional comparable age-restricted property located outside the Site PMA. The three properties included in our comparable analysis report an overall occupancy rate of 99.2%, reflective of just two vacant units among these properties. The subject’s proposed gross Tax Credit rents are competitive with those reported among similar unit types at the comparable properties. The subject’s generally smaller unit sizes (square feet) and lesser number of bathrooms within the two-bedroom units will likely limit the subject’s rent potential but should not have any adverse impact on the subject’s overall marketability given the pent-up demand for LIHTC product and lack of age-restricted LIHTC product in this market. The amenity package proposed is competitive and will have a positive impact on the subject’s overall marketability. Overall, the subject project is considered marketable and will represent a value to low-income households within the Jasper Site PMA.

Competitive Housing Impact

The anticipated occupancy rate of the existing comparable Tax Credit developments located *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
3	Homestead Apts.	96.5%	95.0% +
5	Mountainside Manor	100.0%	95.0% +

As detailed throughout this section of the report, there are no age-restricted LIHTC properties currently offered in the Site PMA. Further, the two comparable general-occupancy properties both maintain high occupancy rates. Based on these high occupancy rates and considering the general lack of senior-oriented LIHTC product, and demographic projections for the Jasper market, we do not expect the subject development to have any adverse impact on future occupancy rates at the two comparable existing LIHTC properties in the Site PMA.

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

5. **SINGLE-FAMILY HOME IMPACT**

According to ESRI, the median home value within the Site PMA was \$243,133. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$243,133 home is \$1,463, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$243,133
Mortgaged Value = 95% of Median Home Price	\$230,976
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,170
Estimated Taxes and Insurance*	\$293
Estimated Monthly Mortgage Payment	\$1,463

*Estimated at 25% of principal and interest

In comparison, the collected rents for the subject property range from \$450 to \$775 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$688 more than the cost of renting at the subject project. Considering the significantly higher cost of homeownership within this market, we do not anticipate any competitive impact on or from the homebuyer market. This is particularly true when considering the subject property will be age-restricted and will therefore likely attract some senior homeowners looking to downsize to a smaller maintenance-free rental alternative.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 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 and region, as well as the lack of existing age-restricted LIHTC product in the Jasper 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 achievable market rents.

Based on our analysis, it is our opinion that the 48 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately five months of opening. This absorption period is based on an average monthly absorption rate of approximately nine units per month.

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.

Section J – Interviews

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

- Michelle Gregory, Property Manager at Homestead Apartments in Jasper, does not believe that there is a need for more affordable housing in the area. Ms. Gregory explained that she is receiving many applications with overqualified households, adding that a family of four with two parents that each work and make anything over minimum wage is almost always over the qualified income limits for Tax Credit housing. As a result, she thinks the area could use newer market-rate housing to support this population with demand for both one- and three-bedroom units. Ms. Gregory also previously managed Mountainside Manor in Jasper, which offers a mix of market-rate and Tax Credit units; she said that there was typically only a waiting list for the market-rate units.

It is of note that while we were unable to conduct interviews with other area stakeholders due to lack of availability and/or willingness to participate, the preceding interview was conducted with the property manager of a general-occupancy (family) LIHTC property and this stakeholder was unable to comment on the need for senior-oriented product. While we recognize that family households in the area may be overqualified for LIHTC product, the subject property will be age-restricted. It is anticipated that many, if not most, potential tenants of the subject project will be retired and/or living on fixed incomes. Considering the targeted tenant base and the lack of age-restricted LIHTC product currently available within the Jasper Site PMA, we expect the subject development will help fill a void within the Jasper rental market. Further, the strong occupancy rates reported among existing general-occupancy LIHTC properties in this market further demonstrates a lack of available affordable non-subsidized LIHTC product from which potential senior tenants of the subject project could currently choose.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 48 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings.

The subject site location is considered conducive to senior-oriented rental product and is within a good quality area which will contribute to the project's overall marketability. The subject site is also located within proximity of most basic area services and various arterial roadways which will enhance the subject's overall marketability.

There are currently no age-restricted LIHTC properties offered within the Jasper Site PMA, which will create a competitive advantage for the subject property and contribute to the subject's ability to attract a larger than typical share of the qualified households in this market. The subject units targeting households earning up to 80% of AMHI are also expected to create a competitive advantage for the property as none of the existing LIHTC projects in the market offer units at this higher AMHI set aside. The two comparable general-occupancy (family) LIHTC properties surveyed *in the Site PMA* both report high occupancy rates, as only two vacant units are reported among these two properties. The subject's proposed gross rents are competitive with those reported among similar unit types at the comparable properties. Although the property will offer smaller unit sizes (square feet) and a lesser number of bathrooms within their two-bedroom units as compared to existing LIHTC product in the market, this is not expected to adversely impact the overall marketability of the subject property. This is particularly true when considering the targeted senior population, lack of age-restricted LIHTC product in the Site PMA, and the newness of the subject development.

Demographic growth is projected for the Jasper Site PMA between 2020 and 2022, with much of this growth projected to occur among seniors age 65 and older. Further, more than 1,100 renter households will be age 55 or older in 2022, the targeted age group for the subject property. The subject property has an overall capture rate of 24.7%, which is below the GDCA threshold of 35.0% for markets such as the Jasper Site PMA. The subject's capture rate is considered achievable, particularly when considering the lack of age-restricted LIHTC product and general lack of availability among the comparable one- and two-bedroom units offered among the existing general-occupancy LIHTC properties surveyed in the Site PMA. These factors will contribute to the subject's ability to attract a larger share of the qualified households within this market.

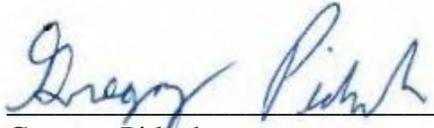
Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable product in this market. We have no recommendations to the subject project at this time.

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 (Primary Contact)
Market Analyst
craigr@bowennational.com
Date: April 8, 2020



Gregory Piduch
Market Analyst
gregp@bowennational.com
Date: April 8, 2020



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: April 8, 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

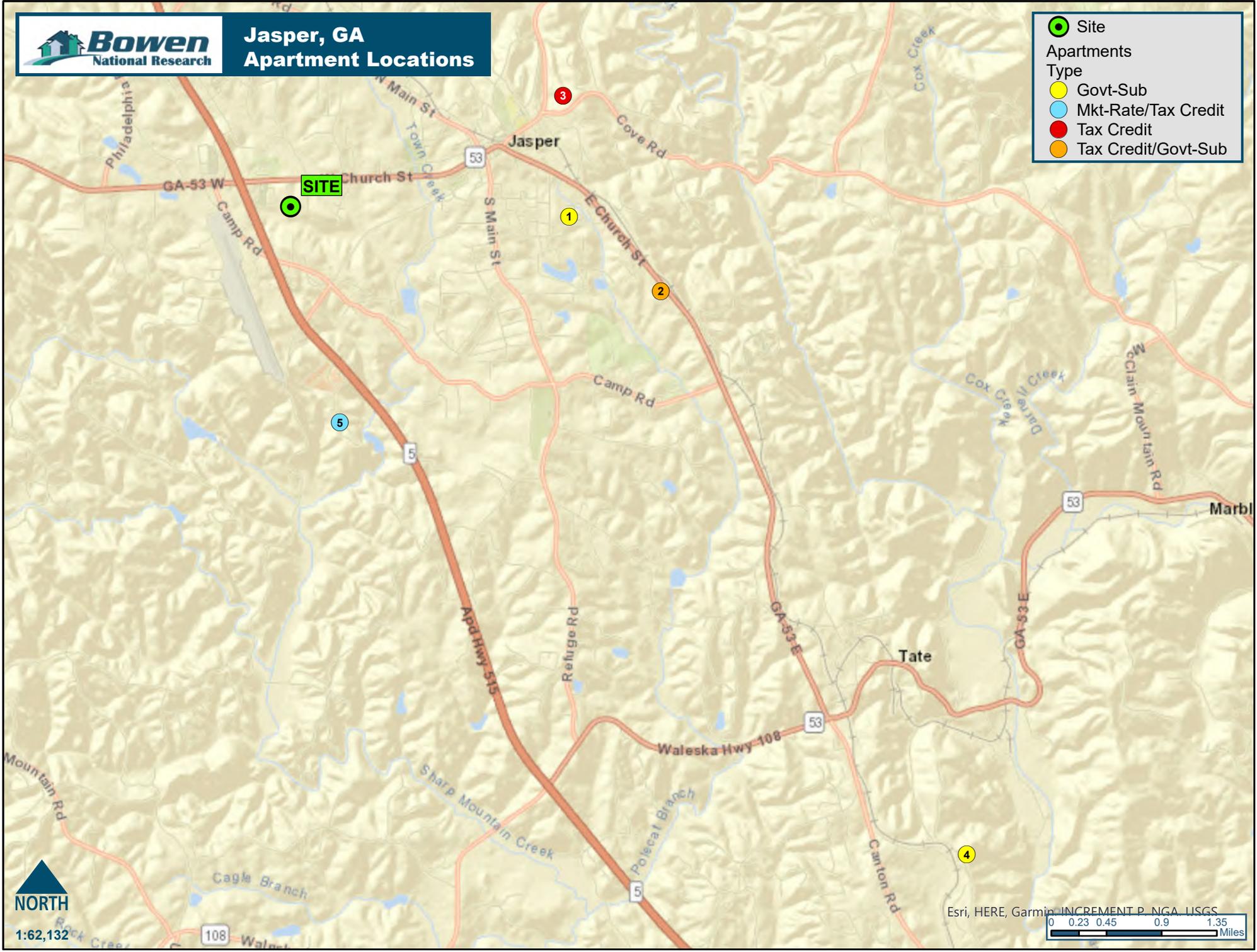


Jasper, GA Apartment Locations

● Site

Apartments
Type

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



1:62,132

Esri, HERE, Garmin, INCREMENT P, NOAA, USGS
0 0.23 0.45 0.9 1.35 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
1	Brooks Hollow Apts.	GSS	B+	1992	40	0	100.0%	2.8
2	Brooks Run Apts.	TGS	B-	1995	24	0	100.0%	3.2
3	Homestead Apts.	TAX	B-	1999	57	2	96.5%	2.2
4	Mount Calvary Place	GSS	C	1974	24	0	100.0%	7.8
5	Mountainside Manor	MRT	B+	2004	176	5	97.2%	2.6
901	Alexander Ridge Apts.	MRT	B+	2001	272	16	94.1%	24.6
902	Aspect on the River	MRR	A	2008	138	9	93.5%	20.2
903	Canterbury Ridge	MRR	B	2000	212	10	95.3%	24.4
904	Catoosa Senior Village II	TAX	A	2009	52	0	100.0%	34.8
906	Lancaster Ridge	MRR	B	1995	145	0	100.0%	20.4

*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	Brooks Hollow Apts. 100 Brooks Hollow Dr, Jasper, GA 30143	Contact: Stacy (In Person) Phone: (706) 692-5931
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1992 BR: 1, 2 Vacant Units: 0 Waitlist: 22 HH; AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: RD 515, has RA (31 units); Accepts HCV (0 currently)	
2	Brooks Run Apts. 1600 E Church St, Jasper, GA 30143	Contact: Stacy (In Person) Phone: (706) 692-5931
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1995 BR: 1, 2 Vacant Units: 0 Waitlist: 13 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; RD 515, has RA (5 units); Accepts HCV (0 currently)	
3	Homestead Apts. 102 Library Ln, Jasper, GA 30143	Contact: Michelle (In Person) Phone: (706) 253-4663
	Total Units: 57 UC: 0 Occupancy: 96.5% Stories: 2 Year Built: 1999 BR: 2, 3 Vacant Units: 2 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; Accepts HCV (0 currently)	
4	Mount Calvary Place 7 Mount Calvary Pl, Tate, GA 30177	Contact: Ann (In Person) Phone: (706) 692-5514
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1974 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 6-12 mos; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: HUD Section 8 & RAD	
5	Mountainside Manor 264 Bill Hasty Blvd, Jasper, GA 30143	Contact: Jessica (In Person) Phone: (678) 454-4050
	Total Units: 176 UC: 0 Occupancy: 97.2% Stories: 2,3 Year Built: 2004 BR: 1, 2, 3 Vacant Units: 5 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Market-rate (36 units); Tax Credit (140 units); HCV (7 units)	

 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)		



901	Alexander Ridge Apts. 102 Alexander Dr, Canton, GA 30114	Contact: Linda Phone: (770) 479-5970	(In Person)
	Total Units: 272 UC: 0 Occupancy: 94.1% Stories: 3 Year Built: 2001 BR: 1, 2, 3 Vacant Units: 16 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: Market-rate (84 units); Tax Credit (188 units); HCV (10 units)		



902	Aspect on the River 59 Anderson Ave, Canton, GA 30114	Contact: Cynthia Phone: (678) 880-8437	(In Person)
	Total Units: 138 UC: 0 Occupancy: 93.5% Stories: 3,4 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 9 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: Does not accept HCV		



903	Canterbury Ridge 101 Canterbury Ridge Pkwy, Canton, GA 30114	Contact: Michael Phone: (770) 720-8076	(In Person)
	Total Units: 212 UC: 0 Occupancy: 95.3% Stories: 3,4 Year Built: 2000 BR: 1, 2, 3 Vacant Units: 10 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: 2015 Notes: HCV (12 units); Rent range based on floor level		



904	Catoosa Senior Village II 400 Birchwood Rd, Calhoun, GA 30701	Contact: Wanda Phone: (706) 629-0022	(In Person)
	Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2009 BR: 1, 2 Vacant Units: 0 Waitlist: 50 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (1 unit)		



906	Lancaster Ridge 800 Hickory Knoll Dr, Canton, GA 30114	Contact: Katy Phone: (770) 720-2368	(In Person)
	Total Units: 145 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 1995 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: HCV (6 units)		

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

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

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

3 Homestead Apts. 2.2 miles to site



Address: 102 Library Ln, Jasper, GA 30143
 Phone: (706) 253-4663 Contact: Michelle (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 57 Year Built: 1999
 Vacant Units: 2 *AR Year:
 Occupancy: 96.5% Yr Renovated:
 Turnover: Stories: 2
 Waitlist:
 Rent Special:

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

Notes: Tax Credit; Accepts HCV (0 currently)



Features And Utilities

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

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

Property Amenities: Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Basketball, Grill, Picnic Table / Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	18	1	957	\$0.83	\$799	60%
3	2.5	T	39	1	1,240	\$0.73	\$899	60%

* Adaptive Reuse

5 Mountainside Manor 2.6 miles to site



Address: 264 Bill Hasty Blvd, Jasper, GA 30143
 Phone: (678) 454-4050 Contact: Jessica (In Person)
 Property Type: Market Rate, Tax Credit
 Target Population: Family
 Total Units: 176 Year Built: 2004 Ratings
 Vacant Units: 5 *AR Year: Quality: B+
 Occupancy: 97.2% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2,3 Access/Visibility: C+/C
 Waitlist:
 Rent Special:



Notes: Market-rate (36 units); Tax Credit (140 units); HCV (7 units)

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

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

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Balcony; Deck / Patio; W/D Hookup; Window Treatments; Flooring (Carpet, Wood Laminate / Plank)

Property Amenities: Business Center (Computer); Car Care (Car Wash); Clubhouse; Laundry Room; On-Site Management; Dog Wash; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool, Tennis); 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	10	0	925	\$0.94	\$870	0%
1	1	G	50	0	925	\$0.78	\$725	60%
2	2	G	16	2	1,106	\$0.88	\$970	0%
2	2	G	50	0	1,106	\$0.79	\$875	60%
3	2	G	10	3	1,293	\$0.83	\$1,070	0%
3	2	G	40	0	1,293	\$0.75	\$975	60%

* Adaptive Reuse

901 Alexander Ridge Apts. 24.6 miles to site



Address: 102 Alexander Dr, Canton, GA 30114
 Phone: (770) 479-5970 Contact: Linda (In Person)
 Property Type: Market Rate, Tax Credit
 Target Population: Family
 Total Units: 272 Year Built: 2001
 Vacant Units: 16 *AR Year:
 Occupancy: 94.1% Yr Renovated:
 Turnover: Stories: 3
 Waitlist:
 Rent Special:

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



Notes: Market-rate (84 units); Tax Credit (188 units); HCV (10 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; Window Treatments; Flooring (Carpet, Hardwood)

Property Amenities: Business Center (Computer); Car Care (Car Vacuum, Car Wash); Clubhouse; Concierge Services (Package Receiving); Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); CCTV, Courtesy Officer, Gated Community; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	28	2	801	\$1.36	\$1,090	0%
1	1	G	24	1	801	\$0.82	\$655	50%
1	1	G	36	2	801	\$1.02	\$820	60%
2	2	G	28	2	1,001	\$1.25	\$1,250	0%
2	2	G	28	2	1,001	\$0.79	\$795	50%
2	2	G	42	2	1,001	\$0.98	\$980	60%
3	2	G	28	2	1,200	\$1.21	\$1,450	0%
3	2	G	14	1	1,200	\$0.75	\$905	50%
3	2	G	44	2	1,200	\$0.93	\$1,115	60%

* Adaptive Reuse

902 Aspect on the River 20.2 miles to site



Address: 59 Anderson Ave, Canton, GA 30114
 Phone: (678) 880-8437 Contact: Cynthia (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 138 Year Built: 2008
 Vacant Units: 9 *AR Year:
 Occupancy: 93.5% Yr Renovated:
 Turnover: Stories: 3,4
 Waitlist:
 Rent Special:

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

Notes: Does not accept HCV

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;
 Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D; Window Treatments; Flooring (Carpet)
 Property Amenities: Business Center (Computer); Clubhouse; On-Site Management; Recreation Areas (Fitness Center, Grill, Yoga Room)
 Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	56	4	560 - 1,000	\$1.61 - \$1.20	\$899 - \$1,195	0%
2	1 - 2	G	60	4	768 - 1,200	\$1.37 - \$1.12	\$1,049 - \$1,345	0%
3	2	G	22	1	2,755	\$0.61 - \$0.68	\$1,685 - \$1,885	0%

* Adaptive Reuse

903 Canterbury Ridge 24.4 miles to site



Address: 101 Canterbury Ridge Pkwy, Canton, GA 30114
 Phone: (770) 720-8076 Contact: Michael (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 212 Year Built: 2000
 Vacant Units: 10 *AR Year:
 Occupancy: 95.3% Yr Renovated: 2015
 Turnover: Stories: 3,4
 Waitlist:
 Rent Special:

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



Notes: HCV (12 units); Rent range based on floor level

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; W/D; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); Gated Community

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	42	2	654 - 821	\$1.53 - \$1.34	\$1,000 - \$1,100	0%
2	2	G	118	6	1,106 - 1,187	\$1.08 - \$1.10	\$1,200 - \$1,300	0%
3	2	G	52	2	1,338	\$1.05 - \$1.12	\$1,400 - \$1,500	0%

* Adaptive Reuse

904 Catoosa Senior Village II 34.8 miles to site



Address: 400 Birchwood Rd, Calhoun, GA 30701
 Phone: (706) 629-0022 Contact: Wanda (In Person)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 52 Year Built: 2009
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2 (w/Elev)
 Waitlist: 50 HH;
 Rent Special:

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

Notes: Tax Credit; HCV (1 unit)



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; E-Call System; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy, Fax); Activity-Craft Room, Clubhouse, Community Kitchen; Elevator; On-Site Management; Recreation Areas (Fitness Center, Grill, Hiking-Walking Trail, Library, Picnic Table / Area); Social Services (Classes, 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	10	0	762	\$0.58	\$440	50%
1	1	G	14	0	762	\$0.64	\$490	60%
2	2	G	9	0	1,078	\$0.47	\$510	50%
2	2	G	19	0	1,078	\$0.52	\$560	60%

* Adaptive Reuse

906 Lancaster Ridge 20.4 miles to site



Address: 800 Hickory Knoll Dr, Canton, GA 30114
 Phone: (770) 720-2368 Contact: Katy (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 145 Year Built: 1995
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist:
 Rent Special:

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

Notes: HCV (6 units)



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Clubhouse; Concierge Services (Package Receiving); On-Site Management; Recreation Areas (Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Surface Lot

Unit Configuration

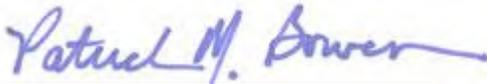
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	24	0	850	\$1.19	\$1,014	0%
2	2	G	85	0	960	\$1.22	\$1,167	0%
3	2	G	36	0	1,140	\$1.19	\$1,351	0%

* Adaptive Reuse

Addendum C – NCHMA Member Certification & Checklist

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

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



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Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

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

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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

4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

We identified one market-rate property within the Jasper Site PMA that we consider comparable to the subject project in terms of age, design, and/or unit types offered. Due to the limited supply of such product within the Jasper market, we also identified and surveyed four additional properties located outside the Site PMA in the nearby Canton, Georgia area. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Peaks of Jasper	2022	48	-	24 (-)	24 (-)	-
5	Mountainside Manor	2004	36*	86.1%	10 (100.0%)	16 (87.5%)	10 (70.0%)
901	Alexander Ridge Apts.	2001	84*	92.9%	28 (92.9%)	28 (92.9%)	28 (92.9%)
902	Aspect on the River	2008	138	93.5%	56 (92.9%)	60 (93.3%)	22 (95.5%)
903	Canterbury Ridge	2000 / 2015	212	95.3%	42 (95.2%)	118 (94.9%)	52 (96.2%)
906	Lancaster Ridge	1995	145	100.0%	24 (100.0%)	85 (100.0%)	36 (100.0%)

900 Series Map IDs are located outside the Site PMA

Occ. – Occupancy

*Market-rate units only

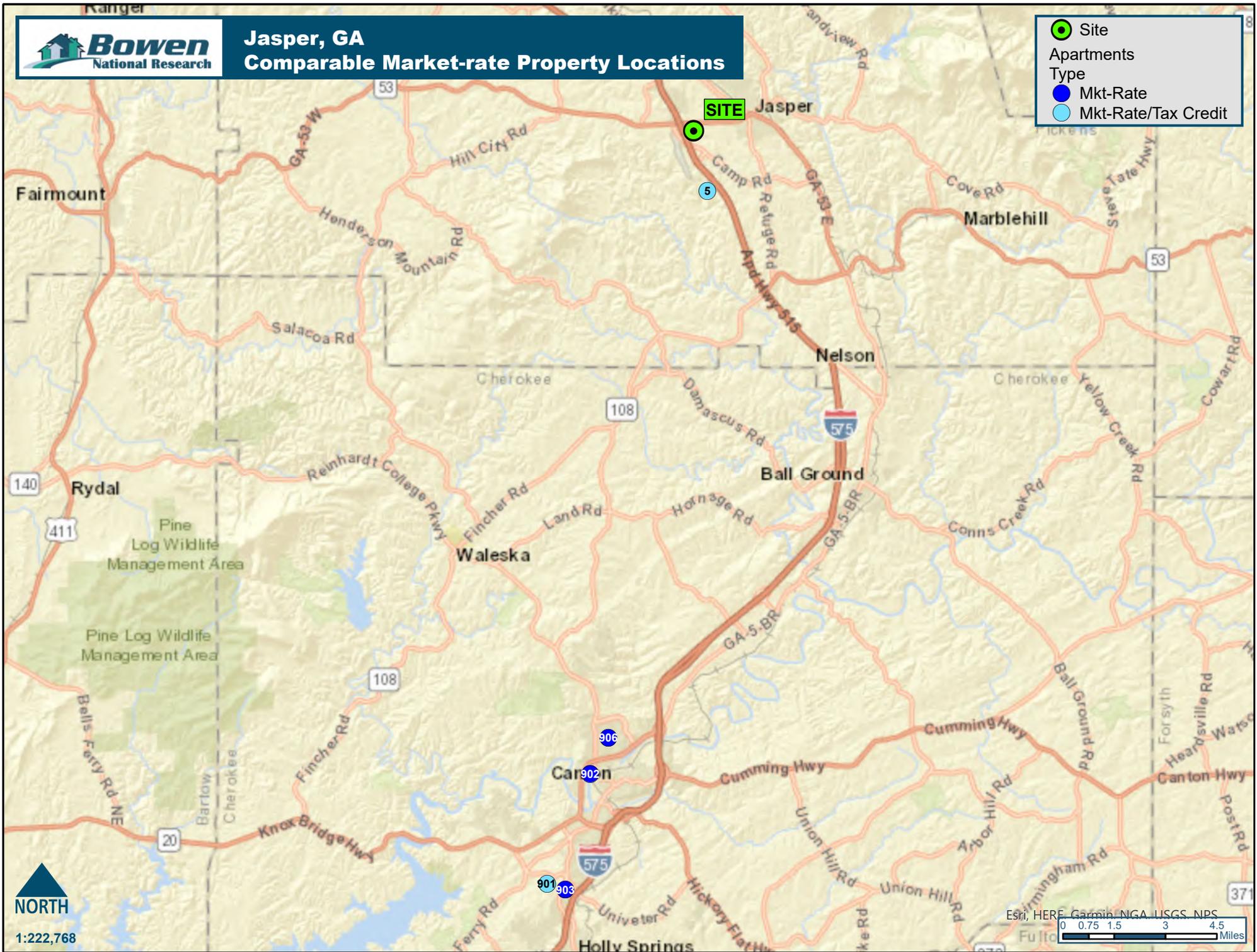
The five selected market-rate projects have a combined total of 615 units with an overall occupancy rate of 95.1%. Although the one property located in the Site PMA, Mountainside Manor, is 86.1% occupied, the majority of its vacant units are concentrated among three-bedroom units, a unit type the subject property will not offer. Overall, the occupancy rates reported among the comparable market-rate properties are good indications they are well-received within the market and region and will serve as accurate benchmarks with which to compare the subject project.

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. Preceding the Rent Comparability Grids is a map depicting the location of the comparable market-rate properties in relation to the subject site.



Jasper, GA Comparable Market-rate Property Locations

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



NORTH
1:222,768

Estn. HERE, Garmin, NGA, USGS, NPS
0 0.75 1.5 3 4.5 Miles

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Jasper		Mountanside Manor		Alexander Ridge Apts.		Aspect on the River		Canterbury Ridge		Lancaster Ridge	
1317 North Church Street		264 Bill Hasty Blvd.		102 Alexander Dr		59 Anderson Ave		101 Canterbury Ridge Pkwy		800 Hickory Knoll Dr	
Jasper, GA		Jasper, GA		Canton, GA		Canton, GA		Canton, GA		Canton, GA	
A. Rents Charged	Data on Subject	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$870		\$1,090		\$1,195		\$1,100		\$1,014	
2	Date Surveyed	Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		93%		93%		95%		100%	
5	Effective Rent & Rent/ sq. ft	\$870	0.94	\$1,090	1.36	\$1,195	1.20	\$1,100	1.34	\$1,014	1.19
B. Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6	Structure / Stories	EE/3		WU/2,3		WU/3		WU/3,4		WU/3	
7	Yr. Built/Yr. Renovated	2022		2004	\$18	2001	\$21	2008	\$14	2000/2015	\$14
8	Condition/Street Appeal	E		G	\$15	G	\$15	E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		No	(\$218)	No	(\$239)	No	(\$220)
C. Unit Equipment/ Amenities	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.	818	(\$32)	925	\$5	801	(\$55)	1000	(\$1)	821	(\$10)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU/L	\$25	HU/L	\$25	W/D		W/D	
19	Floor Coverings	C/V		C/W		C/W		C		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/E-Call System	Y/Y	\$10	N/N	\$10	Y/N	\$5	Y/N	\$5	N/N	\$10
D. Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N	(\$5)	Y	(\$5)	N	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/G	(\$7)	P/F	(\$7)	P/F	(\$7)	F	\$3	P/F	(\$7)
29	Computer/Business Center	Y		Y		Y		Y		Y	\$3
30	Picnic Area/Storage	Y/Y		Y/Y		Y/Y		Y/N	\$5	Y/N	\$5
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		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	(\$45)	Y/Y		N/N		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$15	Y/N	\$15
F. Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D	6	2	6	3	5	2	5	4	5	3
41	Sum Adjustments B to D	\$83	(\$39)	\$81	(\$230)	\$37	(\$294)	\$54	(\$233)	\$65	(\$215)
42	Sum Utility Adjustments		(\$45)			\$15				\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$1)	\$167	(\$149)	\$311	(\$242)	\$346	(\$179)	\$287	(\$135)	\$295
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
44	Adjusted Rent (5+ 43)	\$869		\$941		\$953		\$921		\$879	
45	Adj Rent/Last rent		100%		86%		80%		84%		87%
46	Estimated Market Rent	\$890		\$1.09 ←							
											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 Jasper		Mountanside Manor		Alexander Ridge Apts.		Aspect on the River		Canterbury Ridge		Lancaster Ridge	
1317 North Church Street		264 Bill Hasty Blvd.		102 Alexander Dr		59 Anderson Ave		101 Canterbury Ridge Pkwy		800 Hickory Knoll Dr	
Jasper, GA		Jasper, GA		Canton, GA		Canton, GA		Canton, GA		Canton, GA	
A. Rents Charged	Data on Subject	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$970		\$1,250		\$1,049		\$1,200		\$1,167	
2	Date Surveyed	Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	88%		93%		93%		95%		100%	
5	Effective Rent & Rent/ sq. ft	\$970	0.88	\$1,250	1.25	\$1,049	1.37	\$1,200	1.08	\$1,167	1.22
B. Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6	Structure / Stories	EE/3		WU/2,3		WU/3		WU/3,4		WU/3	
7	Yr. Built/Yr. Renovated	2022		2004	\$18	2001	\$21	2008	\$14	2000/2015	\$14
8	Condition/Street Appeal	E		G	\$15	G	\$15	E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		No	(\$250)	No	(\$219)	No	(\$240)
C. Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2	(\$30)	2	(\$30)	1	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	905	(\$57)	1106	(\$57)	1001	(\$27)	768	\$39	1106	(\$57)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU/L	\$25	HU/L	\$25	W/D		W/D	
19	Floor Coverings	C/V		C/W		C/W		C		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/E-Call System	Y/Y	\$10	N/N	\$10	Y/N	\$5	Y/N	\$5	N/N	\$10
D. Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N	(\$5)	Y	(\$5)	N	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	F/G	(\$7)	P/F	(\$7)	P/F	(\$7)	F	\$3	P/F	(\$7)
29	Computer/Business Center	Y		Y		Y		Y		Y	
30	Picnic Area/Storage	Y/Y		Y/Y		Y/Y		Y/N	\$5	Y/N	\$5
31	Library	N		N		N		N		N	
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		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	(\$52)	Y/Y	(\$52)	N/N		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$15	Y/N	\$15
F. Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D	6	3	5	5	6	1	5	5	5	4
41	Sum Adjustments B to D	\$83	(\$94)	\$76	(\$319)	\$76	(\$219)	\$54	(\$339)	\$65	(\$281)
42	Sum Utility Adjustments		(\$52)				\$15				\$15
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$63)	\$229	(\$243)	\$395	(\$128)	\$310	(\$285)	\$393	(\$201)	\$361
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	
44	Adjusted Rent (5+ 43)	\$907		\$1,007		\$921		\$915		\$966	
45	Adj Rent/Last rent		93%		81%		88%		76%		83%
46	Estimated Market Rent	\$945		\$1.04 ←		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%	\$450	\$890	49.4%
One-Br.	60%	\$625	\$890	29.8%
One-Br.	80%	\$675	\$890	24.2%
Two-Br.	50%	\$525	\$945	44.4%
Two-Br.	60%	\$725	\$945	23.3%
Two-Br.	80%	\$775	\$945	18.0%

The proposed collected rents represent market rent advantages ranging from 18.0% to 49.4%, depending on bedroom type and targeted income level, including the subject units at the higher 80% AMHI set aside. 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 1995 and 2008. 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.
10. Due to the lack of market-rate product in the Site PMA, all of the selected properties are located outside of the Site PMA in the Canton, Georgia market. Based on American Community Survey (ACS) data, the Canton market is considered superior to the Jasper market in terms of household income, rents charged, and home values. This is also evident by the rents reported among properties located outside the Site PMA as compared to those in the subject market area. Thus, the selected properties have been negatively adjusted by 20% to account for these out-of-market differences.
12. Some of the selected properties offer 2.0 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 similar to the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a project amenities package which is also relatively similar 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.