

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

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: SPARROW POINTE**

1301 Martha Berry Boulevard NE  
Rome, Floyd County, Georgia 30165

Effective Date: May 25, 2020  
Report Date: June 10, 2020

Prepared for:  
Mr. Deion Lowery  
DDER Development, LLC  
1631 E Vine Street  
Kissimmee, Florida 34744

Prepared by:  
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June 10, 2020

Mr. Deion Lowery  
DDER Development, LLC  
1631 E Vine Street  
Kissimmee, Florida 34744

Re: Application Market Study for Sparrow Pointe, located in Rome, Floyd County, Georgia

Dear Mr. Lowery:

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

The purpose of this market study is to assess the viability of the proposed 64-unit senior LIHTC project. It will be a newly constructed affordable LIHTC project, with 64 revenue generating units, restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less, as well as market rate units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

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

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report is completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

DEION LOWERY  
DDER DEVELOPMENT, LLC  
JUNE 10, 2020

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

In the wake of the COVID-19 pandemic there has been significant turmoil and uncertainty. Governments across the globe are taking dramatic efforts to reduce the strain on health care systems. These efforts result in extensive impacts on economic activity. However, governments are also implementing significant economic stimulus packages to help with the economic impact. At this point it is unclear how long it will be before the emergency restrictions are lifted or loosened or how the stimulus packages will blunt the impact from the emergency measures. Further it is unclear as to how these measures will impact the housing market. However, some trends are clear:

- Clients and market participants throughout the country report April and May collections that were better than expected for all types of multifamily properties. Particularly for affordable senior housing.
- Based upon various conversations with market participants and published articles and webinars many believe that multi-family real estate will be impacted but significantly less so than other sectors. Further, the impact is expected be shorter lived. Many view multi-family as a safer haven during this period of uncertainty, particularly affordable senior housing.
- Novogradac maintains a proprietary database of operating results from our surveys of affordable and market rate properties. The database was implemented in 2005 and contains over 100,000 individual properties. The national occupancy rate for two-bedroom, 60 percent LIHTC properties dipped slightly during the Great Recession, but began a rebound after 2009. In 2008, the occupancy rate was at 96.3 percent and it dropped less than one percentage point during the slowdown, dropping to 95.4 percent in 2009 before beginning a gradual increase that slowed between 2016 and 2018 but continued through 2019. We do not suggest this prior recession will be the same as the current economic situation but this data supports the point made above and illustrates the resilience in the affordable housing sector.
- States are starting to plan the reopening over the next several weeks to a month. As of May 5, Georgia has loosened stay at home restrictions with the exception of those 65 and older and other at-risk individuals and has allowed many non-essential businesses to re-open. That should open various job segments creating more stability and demand.
- The Subject will likely avoid impact as it is affordable senior housing, which is somewhat insulated from economic volatility. Additionally, construction on the Subject is not anticipated to be completed until August 2022, which is considered outside of the primary window from the pandemic.
- Finally, there have been transactions that were started prior to shutdown that have recently closed without adjustment.

DEION LOWERY  
DDER DEVELOPMENT, LLC  
JUNE 10, 2020

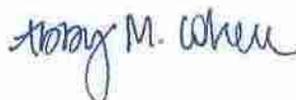
The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please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

Respectfully submitted,  
Novogradac Consulting LLP



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## **B. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Sparrow Pointe will be a newly constructed senior property located at 1301 Martha Berry Boulevard in Rome, Floyd County, Georgia, which will consist of one, three and four-story, elevator-serviced residential building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS								
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2019 LIHTC Maximum Allowable Gross	2020 HUD Fair Market Rents	
@50%								
1BR / 1BA	700	2	\$455	\$105	\$560	\$561	\$613	
2BR / 1BA	900	10	\$540	\$129	\$669	\$673	\$755	
@60%								
1BR / 1BA	700	6	\$565	\$105	\$670	\$673	\$613	
2BR / 1BA	900	39	\$660	\$129	\$789	\$808	\$755	
Market								
1BR / 1BA	700	2	\$605	N/A	N/A	N/A	\$613	
2BR / 1BA	900	5	\$730	N/A	N/A	N/A	\$755	
		<b>64</b>						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject's proposed rents are set below the maximum allowable levels for each unit type at the 50 and 60 percent AMI level. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and inferior to superior property amenities. The Subject will offer hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack and are amenities that seniors desire. However, the Subject will lack balconies/patios and a swimming pool, which are offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

### 2. Site Description/Evaluation

The Subject will be located along the western side of Martha Berry Boulevard NE and the northern side of Iron Street NW. The Subject site has good visibility from Martha Berry Boulevard NE and Iron Street NW, and accessibility from Martha Berry Boulevard NE. The Subject site consists of vacant land and a commercial use set for demolition. Surrounding uses consist of railroad tracks, multifamily, commercial, and single-family uses, as well as undeveloped land. The Subject site's close proximity to railroad tracks could be considered a negative attribute. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates of single-family homes in the area. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 50 out of 100. Crime risk indices in the Subject's area are considered similar to the overall nation. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, which are within 0.6 mile of the Subject site.

### 3. Market Area Definition

The PMA is defined by Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road to the north, the Floyd County Line to the east, the Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave Spring Road to the south, and the Georgia/Alabama State Line to the west. This area includes the Cities of

Cave Spring, Lindale, Rome, Armuchee, and Shannon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.5 miles  
East: 9.2 miles  
South: 15.7 miles  
West: 16.3 miles

The PMA is defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from outside of the county. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16.3 miles. The SMA is defined as the Rome, GA Metropolitan Statistical Area (MSA), which consists of Floyd County in northwest Georgia and encompasses 518 square miles.

#### **4. Community Demographic Data**

The senior population in the PMA and the MSA increased significantly from 2000 to 2019, though the rate of population and household growth is projected to slow through 2022. The current senior population of the PMA is 30,960 and is expected to be 32,198 in 2022. The number of senior households in the PMA is 17,812 and is expected to be 18,495 in 2022. Senior renter households in the PMA are concentrated in the lowest income cohorts, with 37.4 percent of senior renter households in the PMA earning incomes between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$16,800 and \$28,740 for its LIHTC units, and up to \$47,900 for its market rate units; therefore, the Subject should be well-positioned to service this market. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 9,569 housing units nationwide was in some stage of foreclosure as of April 2020. The City of Rome is experiencing a foreclosure rate of one in every 16,151 homes, which is similar to Floyd County. Georgia experienced one foreclosure in every 11,360 housing units. Overall, Rome is experiencing a similar foreclosure rate to Floyd County, and a lower rate than the state of Georgia and the nation as a whole, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

#### **5. Economic Data**

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, other services, and educational services industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and transportation/warehousing industries. The overconcentration of manufacturing and retail employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the educational services sector should provide stability to the area workforce.

The MSA experienced employment growth two of three years between 2005 and 2007. After 2007, total employment decreased each year through 2011. This indicates the MSA was slower to recover from the

national recession than the nation as a whole. However, the MSA has begun to recover in recent years, experiencing stronger growth in total employment than the nation in five of six years between 2016 and March 2020. Despite this employment growth in recent years, the employment levels in the MSA remain below pre-recessionary levels and has experienced a pause in the most recent data. Due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time.

In the years prior to the national recession, the MSA generally reported a similar unemployment rate to the nation; however, during the national recession the unemployment rate increased significantly, reaching an all-time high of 12.1 percent in 2011. Since the national recession, the MSA has reported a higher unemployment rate than the nation every year except for 2020. The most recent data reflects that the unemployment rate in the MSA is ten basis points lower than the nation. It is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation since 2012. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature the increase in unemployment will be for the MSA.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

## 6. Project-Specific Affordability and Demand Analysis

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$16,800	\$23,950	2	96	0	96	2.1%	\$455
1BR @60%	\$20,100	\$28,740	6	87	0	87	6.9%	\$565
1BR Market	\$18,150	\$47,900	2	264	0	264	0.8%	\$605
1BR Overall LIHTC	\$16,800	\$28,740	8	143	0	143	5.6%	-
1BR Overall	\$16,800	\$47,900	10	287	0	287	3.5%	-
2BR @50%	\$20,070	\$23,950	10	128	0	128	7.8%	\$540
2BR @60%	\$23,670	\$28,740	39	116	0	116	33.5%	\$660
2BR Market	\$21,900	\$47,900	5	353	0	353	1.4%	\$730
2BR Overall LIHTC	\$20,070	\$28,740	49	191	0	191	25.7%	-
2BR Overall	\$20,070	\$47,900	54	384	0	384	14.1%	-
@50% Overall	\$16,800	\$23,950	12	224	0	224	5.4%	-
@60% Overall	\$20,100	\$28,740	45	204	0	204	22.1%	-
Market Overall	\$18,150	\$47,900	7	617	0	617	1.1%	-
Overall LIHTC	\$16,800	\$28,740	57	334	0	334	17.1%	-
Overall	\$16,800	\$47,900	64	671	0	671	9.5%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. We believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent structure. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes ten “true” comparable properties containing 1,009 units.

The availability of LIHTC data is considered good. We included four LIHTC comparables in our analysis. All of the LIHTC comparables are located within the PMA, within 2.9 miles of the Subject site. Two of the comparables, Etowah Terrace and Highland Estates, target seniors and were built in 2011 and 2016, respectively. The remaining two properties, Ashland Park Apartments and Burrell Square, target the general population and were built in 2005 and 2017, respectively. These properties are reasonable proxies for the Subject as they are among the newest LIHTC properties in the area.

The availability of market rate data is considered good. The Subject is located in Rome and there are several market-rate properties in the immediate area. We include six conventional properties in our analysis of the competitive market. Other market rate properties have been excluded as they offer an inferior age and condition or we were unable to contact a representative with the property to participate in our survey. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity, unit types, or age and condition. It should be noted that the property managers at these properties generally did not experience a decrease in collections, but did experience a slight decrease in traffic during the COVID-19 Pandemic.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents

at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$455	\$329	\$1,100	\$619	36%
2BR @ 50%	\$540	\$418	\$1,125	\$713	32%
1BR @ 60%	\$565	\$441	\$1,100	\$682	21%
2BR @ 60%	\$660	\$528	\$1,125	\$766	16%
1BR Market	\$605	\$620	\$1,100	\$788	30%
2BR Market	\$730	\$730	\$1,125	\$839	15%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate.

Eastland Court is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Eastland Court as a market rate property. Eastland Court was built in 2005 and 2007 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Eastland Court is located 3.7 miles from the Subject site in Rome and offers a slightly inferior location. Eastland Court offers inferior in-unit amenities in comparison to the Subject as it does not offer hand rails, pull cords, and in-unit washers and dryers, which the Subject will offer and are amenities seniors desire, though it will offer balconies/patios and exterior storage, which the Subject will not offer. Eastland Court offers slightly superior property amenities when compared to the Subject as it offers a swimming pool, which the Subject will not offer, though it will not offer a business center and an exercise facility, which the Subject will offer. Eastland Court offers slightly superior unit sizes to the Subject. The lowest one and two-bedroom rents at Eastland Court are approximately 68 and 70 percent higher than the Subject’s proposed rents at 60 percent of the AMI, respectively. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

**8. Absorption/Stabilization Estimate**

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we have extended our search to other properties throughout Northwest Georgia.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Average					28

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Brentwood Senior Apartments is a senior LIHTC development located in Cartersville. This property opened in August 2019 and reported an absorption rate of 11 units per month. Burrell Square is a LIHTC development located in Rome. This property reported an absorption rate of 21 units per month. The contact at Burrell Square reported that management maintains a waiting list, and stated that demand for affordable housing in the area is strong. We believe the Subject, as a proposed LIHTC property, will be most similar to Brentwood Senior Apartments and Burrell Square and will be absorbed at a rate of approximately 15 units per month, equating to an absorption period of approximately five to six months. It should be noted that construction on the Subject is not anticipated to be completed until August 2022, which is considered outside of the primary window from the COVID-19 pandemic.

## 9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.3 percent, which is considered low. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The low vacancy rates and the presence of waiting lists at these properties indicates there is a strong demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and inferior to superior property amenities. The Subject will offer hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack and are amenities that seniors desire. However, the Subject will lack balconies/patios and a swimming pool, which are offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Given the Subject's anticipated similar to superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties and the low capture rates, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well. Further, we believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject's construction will further insulate it from the current COVID-19 pandemic.

Summary Table: (must be completed by the analyst and included in the executive summary)											
Development Name:		<b>Sparrow Pointe</b>					Total # Units:			<b>64</b>	
Location:		1301 Martha Berry Boulevard Rome, GA 30165					# LIHTC Units:			<b>57</b>	
PMA Boundary:		North: Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road; South: the Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave Spring Road; East: the Floyd County Line; West: the Georgia/Alabama State Line								Farthest Boundary Distance to Subject:	<b>16.3 miles</b>
Rental Housing Stock (found on page 61)											
Type	# Properties*	Total Units	Vacant Units	Average Occupancy							
All Rental Housing	36	2,839	19	99.3%							
Market-Rate Housing	12	1,023	8	99.2%							
Assisted/Subsidized Housing not to include LIHTC	16	1,218	1	99.9%							
LIHTC	8	598	10	98.3%							
Stabilized Comps	35	2,773	19	99.3%							
Properties in Construction & Lease Up	1	66	66	0.0%							
*Only includes properties in PMA											
Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent			
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF		
2	1BR at 50% AMI	1	700	\$455	\$619	\$0.88	36%	\$1,100	\$1.57		
10	2BR at 50% AMI	1	900	\$540	\$713	\$0.79	32%	\$1,125	\$1.25		
6	1BR at 60% AMI	1	700	\$565	\$682	\$0.97	21%	\$1,100	\$1.57		
39	2BR at 60% AMI	1	900	\$660	\$766	\$0.85	16%	\$1,125	\$1.25		
2	1BR Unrestricted	1	700	\$605	\$788	\$1.13	30%	\$1,100	\$1.57		
5	2BR Unrestricted	1	900	\$730	\$839	\$0.93	15%	\$1,125	\$1.25		
Capture Rates (found on page 59)											
Targeted Population				@50%	@60%	Market-rate	Other: __	Other: __	Overall		
Capture Rate:				5.4%	22.1%	1.1%	-	-	9.5%		

\*Includes LIHTC and unrestricted (when applicable)

## **C. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- |   |   |
|---|---|
| <b>1. Project Address and Development Location:</b>             | The Subject site is located at 1301 Martha Berry Boulevard NE in Rome, Floyd County, Georgia 30165. The Subject site consists of vacant land and a commercial use set for demolition. |
| <b>2. Construction Type:</b>                                    | The Subject will consist of one, three and four-story, elevator-serviced residential building. The Subject will be new construction.  |
| <b>3. Occupancy Type:</b>                                       | Housing for Older Persons ages 55 and older.  |
| <b>4. Special Population Target:</b>                            | None.   |
| <b>5. Number of Units by Bedroom Type and AMI Level:</b>        | See following property profile.   |
| <b>6. Unit Size, Number of Bedrooms and Structure Type:</b>     | See following property profile.   |
| <b>7. Rents and Utility Allowances:</b>                         | See following property profile.   |
| <b>8. Existing or Proposed Project-Based Rental Assistance:</b> | See following property profile.   |
| <b>9. Proposed Development Amenities:</b>                       | See following property profile.   |

**SPARROW POINTE – ROME, GEORGIA – MARKET STUDY**

Sparrow Pointe													
<b>Location</b>	1301 Martha Berry Boulevard Rome, GA 30165 Floyd County												
<b>Units</b>	64												
<b>Type</b>	Midrise (age-restricted) (4 stories)												
<b>Year Built / Renovated</b>	2022 / N/A												
Market													
<b>Program</b>	@50%, @60%, Market						<b>Leasing Pace</b>	N/A					
<b>Annual Turnover Rate</b>	N/A						<b>Change in Rent (Past Year)</b>	N/A					
<b>Units/Month Absorbed</b>	N/A						<b>Concession</b>						
<b>Section 8 Tenants</b>	N/A												
Utilities													
<b>A/C</b>	not included – central						<b>Other Electric</b>	not included					
<b>Cooking</b>	not included – electric						<b>Water</b>	not included					
<b>Water Heat</b>	not included – electric						<b>Sewer</b>	not included					
<b>Heat</b>	not included – electric						<b>Trash Collection</b>	included					
Unit Mix (face rent)													
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?		
1	1	Midrise (4 stories)	2	700	\$455	\$0	@50%	n/a	N/A	N/A	no		
1	1	Midrise (4 stories)	6	700	\$565	\$0	@60%	n/a	N/A	N/A	no		
1	1	Midrise (4 stories)	2	700	\$605	\$0	Market	n/a	N/A	N/A	N/A		
2	1	Midrise (4 stories)	10	900	\$540	\$0	@50%	n/a	N/A	N/A	no		
2	1	Midrise (4 stories)	39	900	\$660	\$0	@60%	n/a	N/A	N/A	no		
2	1	Midrise (4 stories)	5	900	\$730	\$0	Market	n/a	N/A	N/A	N/A		
Amenities													
<b>In-Unit</b>	Blinds Carpeting Central A/C Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Pull Cords Refrigerator Washer/Dryer Washer/Dryer hookup					<b>Security</b>	Intercom (Buzzer) Limited Access						
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Elevators Exercise Facility Off-Street Parking On-Site Management Picnic Area					<b>Premium</b>	none						
<b>Services</b>	Adult Education Computer Tutoring					<b>Other</b>	Community Garden, Health & Wellness room, Library						

**Comments**

The property will consist of one, three and four-story residential building targeting seniors (55+). Construction is proposed to begin August 2021 and be completed in August 2022. The utility allowances are \$105 and \$129 for the one and two-bedroom units, respectively. The property will also have an activity coordinator.

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in August 2021 and be completed in August 2022.
- Conclusion:** The Subject will be an excellent-quality three and four-story, elevator-serviced residential building, comparable to superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

## **D.SITE EVALUATION**

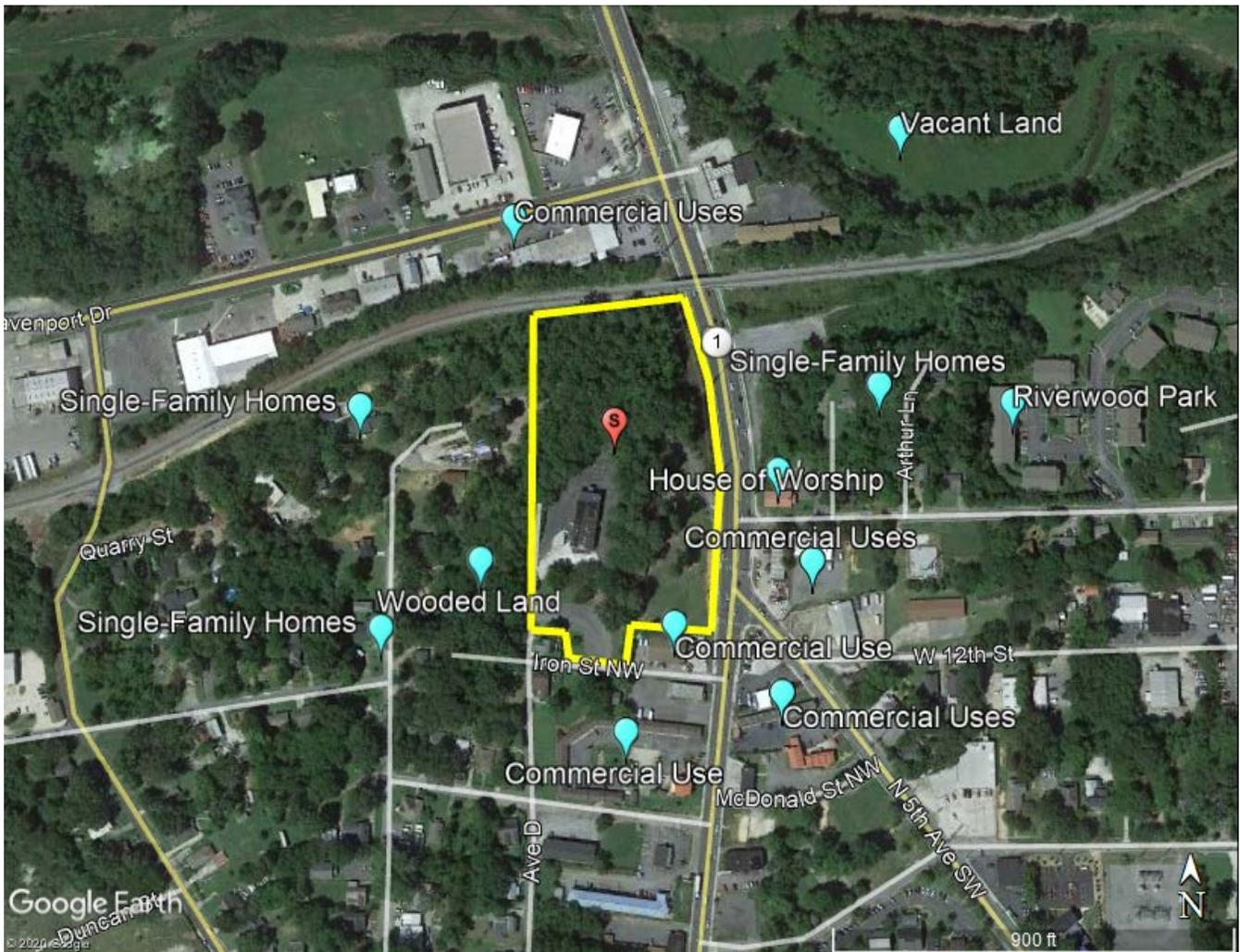
1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on May 25, 2020.

2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along Martha Berry Boulevard NE and Iron Street NW.

**Visibility/Views:** The Subject will be located along the western side of Martha Berry Boulevard NE and the northern side of Iron Street NW. Visibility of the site will be good from Martha Berry Boulevard NE and Iron Street NW. Views from the site will be good and initially will include railroad tracks to the north, commercial uses, a house of worship, and single-family homes to the east, a commercial use to the south, and wooded land and single-family homes to the west.

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



Source: Google Earth, May 2020

The Subject will be located along the western side of Martha Berry Boulevard and the northern side of Iron Street NW. The Subject site consists of vacant land and a commercial use set for demolition. North of the Subject site are railroad tracks and commercial uses in average condition. The Subject site’s close proximity to railroad tracks could be considered a negative attribute. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates of single-family homes in the area. To the east of the Subject site is a house of worship in average condition, commercial uses in average condition, and single-family homes in fair to average condition. South of the Subject site is a commercial use in average condition. West of the Subject site are single-family homes in fair to average condition and wooded land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 50 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, most of which are within 0.6 mile of the Subject site.

**Positive/Negative Attributes of Site:**

The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in fair to average condition, are considered positive attributes. The Subject site’s close proximity to railroad tracks could be considered a negative attribute. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates of single-family homes in the area.

**3. Physical Proximity to Locational Amenities:**

The Subject is located within 0.6 mile of all locational amenities.

**4. Pictures of Site and Adjacent Uses:**

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



View north along Martha Berry Boulevard



View south along Martha Berry Boulevard



View of Subject site



View of Subject site



View of Subject site



View of Subject site



Hospital in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



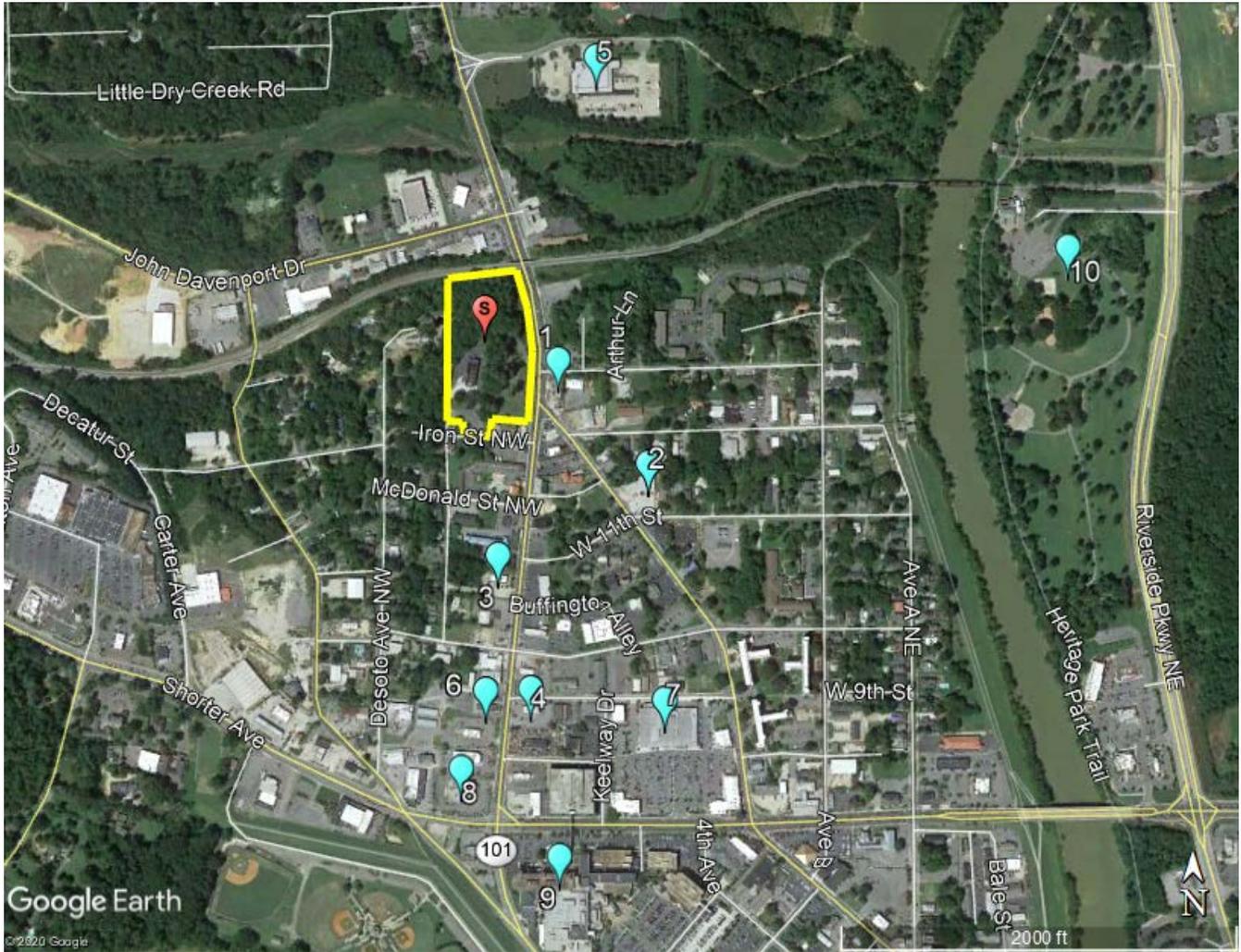
Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

The following table details the Subject’s distance from key locational amenities.



Source: Google Earth, May 2020

**LOCATIONAL AMENITIES**

Map #	Service or Amenity	Distance from Subject (Crow)
1	Gas Station	0.1 mile
2	Dollar General	0.2 mile
3	Pizza Hut	0.2 mile
4	Cook Out	0.2 mile
5	United States Postal Service	0.3 mile
6	Arby's	0.3 mile
7	Publix	0.4 mile
8	Walgreens	0.4 mile
9	Floyd Medical Center	0.4 mile
10	Ridge Ferry Park	0.6 mile

**6. Description of Land Uses**

The Subject will be located along the western side of Martha Berry Boulevard and the northern side of Iron Street NW. The Subject site consists of vacant land and a commercial use set for demolition. North of the Subject site are railroad tracks and commercial uses in average condition. The Subject site’s close proximity to railroad tracks could be considered a negative attribute. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates of single-family homes in the area. Farther north is vacant land. To the east of the Subject site is a house of worship in average condition, commercial uses in average condition, and single-family homes in fair to average condition. Farther east is Riverwood Park, a market rate apartment community in average condition. For the purposes of this report, Riverwood Park has been excluded as management refused to participate in our survey. Additionally, this property is in inferior condition relative to the Subject. South of the Subject site is a commercial use in average condition. Farther south are commercial uses in average condition and single-family homes in fair to average condition. West of the Subject site are single-family homes in fair to average condition and wooded land. Farther west are single-family homes in fair to average condition and commercial uses in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 50 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, most of which are within 0.6 mile of the Subject site.

**7. Crime:**

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

**2019 CRIME INDICES**

	PMA	Rome, GA Metropolitan Statistical Area
<b>Total Crime*</b>	<b>103</b>	<b>123</b>
<b>Personal Crime*</b>	<b>89</b>	<b>113</b>
Murder	95	115
Rape	78	89
Robbery	63	86
Assault	102	129
<b>Property Crime*</b>	<b>106</b>	<b>125</b>
Burglary	124	143
Larceny	105	126
Motor Vehicle Theft	60	65

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

\*Unweighted aggregations

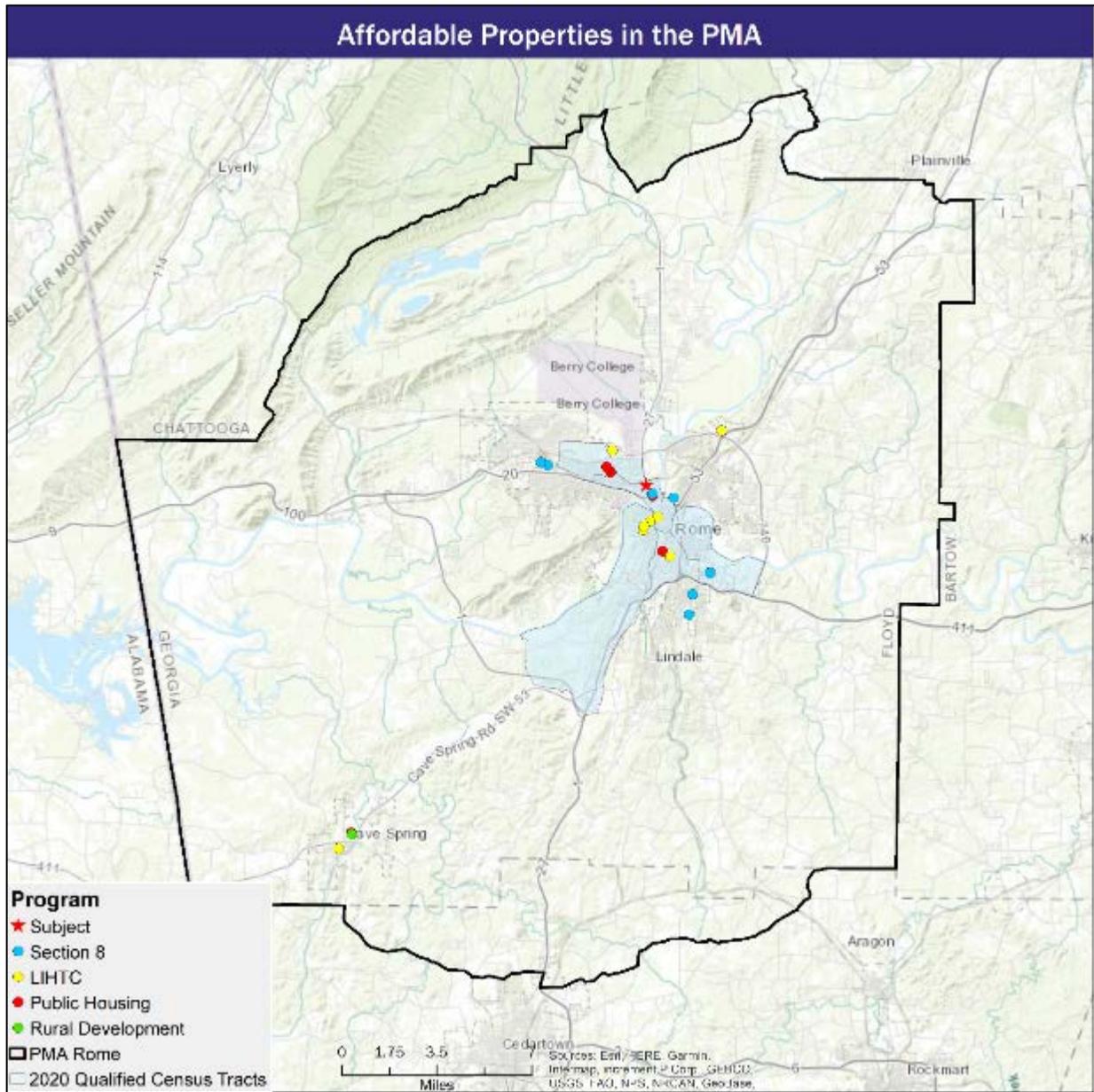
The total crime indices in the PMA are generally similar to that of the nation and below that of the MSA. Personal crime in the PMA is below the national personal crime levels. The Subject will offer limited

access and an intercom system as security features. All but two of the comparables offer at least one form of security and are similar to the Subject. Thus, the Subject offers generally similar security features to the comparable properties, which are performing well. The Subject’s security features appear to be market-oriented.

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

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color
Proposed Development	LIHTC	Rome	Senior	76	-	Star
Altoview Terrace	LIHTC	Rome	Family	66	2.4 miles	
Ashland Park Apartments	LIHTC	Rome	Family	184	2.9 miles	
Burrell Square	LIHTC	Rome	Family	84	1.3 miles	
Etowah Terrace	LIHTC, PBRA, Market	Rome	Senior	77	1.2 miles	
Greystone Apartments	LIHTC, Section 8, S+C	Rome	Senior	71	1.1 miles	
Highland Estates	LIHTC, Market	Rome	Senior	84	1.4 miles	
Pennington Place	LIHTC (HOME), Public Housing	Rome	Family	8	1.4 miles	
Spring Haven Apartments	LIHTC (HOME)	Cave Springs	Senior	24	14.5 miles	
Charles Hight Homes	Public Housing	Rome	Family	202	0.4 miles	
John Graham Homes	Public Housing	Rome	Family	150	2.1 miles	
Housing Authority of the City of Cave Spring	Public Housing	Cave Spring	Family	20	13.9 miles	
Village Green	Public Housing	Rome	Family	10	1.0 mile	
Willingham at Division	Public Housing	Rome	Family	27	1.1 miles	
Willingham Village	Public Housing	Rome	Family	76	1.5 miles	
Steve Pettis Court Apts	Rural Development	Cave Spring	Family	31	13.9 miles	
Callier Forest Apartments	Section 8	Rome	Family	130	3.4 miles	
Heatherwood Apartments	Section 8	Rome	Senior	68	3.6 miles	
High Rise	Section 8	Rome	Senior	101	0.4 miles	
Meadow Lane Apartments	Section 8, LIHTC, Non-Rental	Rome	Family	119	3.1 miles	
Oak Ridge	PSHP, Non-Rental	Rome	Family	35	4.3 miles	
Park Homes	Section 8	Rome	Family	100	1.0 mile	
Pine Ridge Apartments	Section 8	Rome	Homeless	30	3.2 miles	
Tamassee Apartments	Section 8	Rome	Family	80	3.2 miles	
The Villas	Section 8	Rome	Family	39	3.3 miles	



**9. Road, Infrastructure or Proposed Improvements:**

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

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

The Subject site can be accessed from Martha Berry Boulevard NE, which is a four-lane, moderately-trafficked street. Martha Berry Boulevard NE provides access to Highway 411 approximately three miles to the south of the Subject site. Highway 411 provides access to Cartersville, Georgia approximately 23 miles to the east of the Subject site, and Gadsden, Alabama approximately 50 miles to the west. Overall, access and visibility are considered good.

**11. Conclusion:**

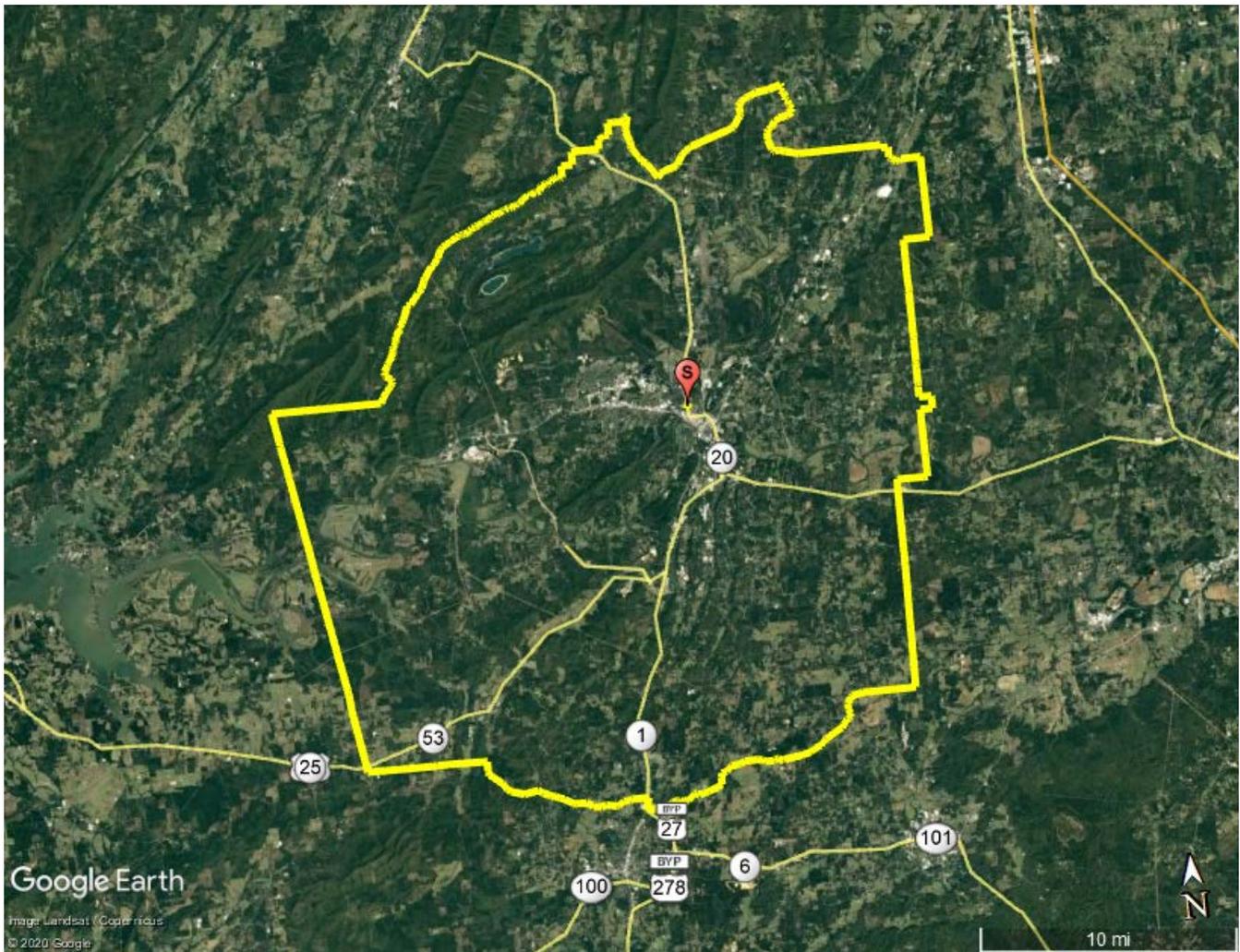
The Subject will be located along the western side of Martha Berry Boulevard NE and the northern side of Iron Street NW. The Subject site has good visibility from Martha Berry Boulevard NE and Iron Street NW, and accessibility from Martha Berry Boulevard NE. The Subject site consists of vacant land and a commercial use set for demolition. Surrounding uses consist of railroad tracks, multifamily, commercial, and single-family uses, as well as undeveloped land. The Subject site's close proximity to railroad tracks could be considered a negative attribute. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates of single-family homes in the area. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 50 out of 100. Crime risk indices in the Subject's area are considered similar to the overall nation. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, which are within 0.6 mile of the Subject site.

## **E. MARKET AREA**

## PRIMARY MARKET AREA

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

### Primary Market Area Map



Source: Google Earth, May 2020

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Rome, Georgia MSA are areas of growth or contraction.

The PMA is defined by Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road to the north, the Floyd County Line to the east, the Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave Spring Road to the south, and the Georgia/Alabama State Line to the west. This area includes the Cities of

Cave Spring, Lindale, Rome, Armuchee, and Shannon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.5 miles  
East: 9.2 miles  
South: 15.7 miles  
West: 16.3 miles

The PMA is defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from outside of the county. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16.3 miles. The SMA is defined as the Rome, GA Metropolitan Statistical Area (MSA), which consists of Floyd County in northwest Georgia and encompasses 518 square miles.

# **F. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA. The Subject’s completion date is in August 2022.

### 1. Population Trends

The following tables illustrate Total Population, Population by Age Group, and Number of Elderly and Non-Elderly and within the population in the MSA, the PMA and nationally from 2000 through 2024.

#### Total Population

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

POPULATION						
Year	PMA		Rome, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	90,036	-	88,426	-	281,250,431	-
2010	98,036	0.9%	96,317	0.9%	308,745,538	1.0%
2019	101,294	0.4%	99,453	0.4%	332,417,793	0.8%
Projected Mkt Entry August 2022	102,259	0.3%	100,385	0.3%	340,477,509	0.8%
2024	102,859	0.3%	100,964	0.3%	345,487,602	0.8%

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

SENIOR POPULATION, 55+						
Year	PMA		Rome, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	20,807	-	20,381	-	59,213,944	-
2010	25,639	2.3%	25,243	2.4%	76,750,713	3.0%
2019	30,960	2.2%	30,426	2.2%	97,974,761	3.0%
Projected Mkt Entry August 2022	32,198	1.3%	31,627	1.3%	102,967,214	1.7%
2024	32,967	1.3%	32,373	1.3%	106,070,630	1.7%

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

Between 2010 and 2019 there was approximately 2.2 percent annual senior population growth in the PMA and MSA, which slightly lagged the national population growth. Over the next five years, the senior population growth in the PMA and MSA is projected to increase at a 1.3 percent annual rate, respectively, which lags the national projections. Overall, we believe that senior population growth in the PMA and MSA is a positive indication of demand for the Subject’s proposed units.

### Total Population by Age Group

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

POPULATION BY AGE GROUP					
Age Cohort	PMA			Projected Mkt Entry August 2022	2024
	2000	2010	2019		
0-4	5,998	6,652	6,223	6,262	6,287
5-9	6,268	6,690	6,314	6,283	6,263
10-14	6,404	6,579	6,455	6,499	6,526
15-19	6,471	7,452	6,926	7,105	7,217
20-24	6,574	6,625	6,222	6,044	5,933
25-29	6,128	6,066	6,695	6,065	5,673
30-34	6,246	5,829	6,832	6,767	6,727
35-39	6,752	6,396	6,417	6,777	7,001
40-44	6,758	6,406	5,733	6,091	6,313
45-49	6,125	6,877	6,243	5,916	5,713
50-54	5,504	6,825	6,274	6,253	6,240
55-59	4,539	6,253	6,771	6,432	6,221
60-64	3,831	5,498	6,379	6,533	6,629
65-69	3,491	4,232	5,780	5,961	6,073
70-74	3,159	3,321	4,543	4,965	5,228
75-79	2,627	2,661	3,152	3,647	3,954
80-84	1,727	1,936	2,147	2,391	2,542
85+	1,433	1,738	2,188	2,269	2,320
<b>Total</b>	<b>90,035</b>	<b>98,036</b>	<b>101,294</b>	<b>102,260</b>	<b>102,860</b>

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

POPULATION BY AGE GROUP					
Rome, GA Metropolitan Statistical Area					
Age Cohort	2000	2010	2019	Projected Mkt Entry August 2022	2024
5-9	6,130	6,559	6,185	6,155	6,136
10-14	6,252	6,467	6,321	6,361	6,386
15-19	6,477	7,336	6,816	6,983	7,086
20-24	6,657	6,501	6,133	5,953	5,841
25-29	5,987	5,975	6,574	5,967	5,589
30-34	6,098	5,726	6,691	6,642	6,611
35-39	6,598	6,276	6,311	6,648	6,857
40-44	6,607	6,282	5,624	5,982	6,204
45-49	6,000	6,745	6,118	5,799	5,600
50-54	5,386	6,686	6,150	6,128	6,114
55-59	4,442	6,143	6,639	6,303	6,094
60-64	3,740	5,398	6,247	6,402	6,499
65-69	3,414	4,161	5,676	5,844	5,949
70-74	3,092	3,278	4,463	4,878	5,136
75-79	2,580	2,625	3,107	3,589	3,888
80-84	1,697	1,913	2,125	2,361	2,508
85+	1,416	1,725	2,169	2,249	2,299
<b>Total</b>	<b>88,426</b>	<b>96,317</b>	<b>99,453</b>	<b>100,385</b>	<b>100,964</b>

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

The largest age cohorts in the PMA are between 15 and 19 and 30 and 34, which indicates the presence of families. However, as illustrated earlier in this report, senior population growth in the PMA is projected to increase by 1.3 percent annually over the next five years.

### Number of Elderly and Non-Elderly

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

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	Total	PMA		Rome, GA Metropolitan Statistical Area		
		Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	90,036	69,229	20,807	88,426	68,045	20,381
2010	98,036	72,397	25,639	96,317	71,074	25,243
2019	101,294	70,334	30,960	99,453	69,027	30,426
Projected Mkt Entry August 2022	102,259	70,061	32,198	100,385	68,758	31,627
2024	102,859	69,892	32,967	100,964	68,591	32,373

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

The elderly population in the PMA is expected to increase through market entry and 2024.

## 2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, and (e) Housing for Older Persons Households 55+ within the population in the MSA, the PMA and nationally from 2000 through 2024.

### Total Number of Households and Average Household Size

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

Year	HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+					
	PMA		Rome, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,097	-	12,781	-	36,436,106	-
2010	15,619	1.9%	15,262	1.9%	45,892,723	2.6%
2019	17,812	1.5%	17,495	1.6%	56,080,840	2.4%
Projected Mkt Entry August 2022	18,495	1.2%	18,170	1.3%	59,464,396	2.0%
2024	18,920	1.2%	18,590	1.3%	61,567,688	2.0%

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

**AVERAGE HOUSEHOLD SIZE**

Year	Rome, GA Metropolitan Statistical Area				USA	
	PMA		Area			
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.56	-	2.55	-	2.59	-
2010	2.57	0.1%	2.57	0.1%	2.58	-0.1%
2019	2.59	0.1%	2.58	0.1%	2.59	0.1%
Projected Mkt Entry August 2022	2.59	0.0%	2.58	0.0%	2.60	0.1%
2024	2.59	0.0%	2.58	0.0%	2.60	0.1%

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

Senior households in the PMA grew at a rate of 1.5 percent per year between 2010 and 2019, which was less than both the MSA and nation during the same time period. Over the next five years, the senior household growth in the PMA and MSA is expected to lag the national household growth. The average household size in the PMA is similar to the national average at 2.59 persons in 2019. Over the next five years, the average household size is projected to remain relatively similar.

**Households by Tenure**

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

**TENURE PATTERNS PMA**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	22,653	67.0%	11,181	33.0%
2019	23,278	61.9%	14,323	38.1%
Projected Mkt Entry August 2022	23,702	62.4%	14,276	37.6%
2024	23,966	62.7%	14,246	37.3%

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	10,279	78.5%	2,818	21.5%
2019	12,946	72.7%	4,866	27.3%
Projected Mkt Entry August 2022	13,484	72.9%	5,011	27.1%
2024	13,819	73.0%	5,101	27.0%

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

As the table illustrates, senior households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a slightly smaller percentage of renters in the PMA than the nation. This percentage is projected to remain relatively stable over the next five years, although the number of senior renter households is projected to increase. This bodes well for the Subject’s proposed units.

## Household Income

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

### RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry August 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	755	15.5%	729	14.6%	713	14.0%
\$10,000-19,999	1,182	24.3%	1,159	23.1%	1,145	22.4%
\$20,000-29,999	638	13.1%	644	12.8%	647	12.7%
\$30,000-39,999	475	9.8%	476	9.5%	476	9.3%
\$40,000-49,999	435	8.9%	463	9.2%	480	9.4%
\$50,000-59,999	360	7.4%	362	7.2%	364	7.1%
\$60,000-74,999	185	3.8%	202	4.0%	213	4.2%
\$75,000-99,999	334	6.9%	345	6.9%	352	6.9%
\$100,000-124,999	193	4.0%	223	4.5%	242	4.7%
\$125,000-149,999	111	2.3%	147	2.9%	169	3.3%
\$150,000-199,999	111	2.3%	142	2.8%	162	3.2%
\$200,000+	87	1.8%	118	2.4%	138	2.7%
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>	<b>5,011</b>	<b>100.0%</b>	<b>5,101</b>	<b>100.0%</b>

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

### RENTER HOUSEHOLD INCOME DISTRIBUTION - Rome, GA Metropolitan Statistical Area, 55+

Income Cohort	2019		Projected Mkt Entry August 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	744	15.5%	721	14.6%	707	14.1%
\$10,000-19,999	1,167	24.4%	1,144	23.2%	1,129	22.5%
\$20,000-29,999	611	12.8%	618	12.5%	623	12.4%
\$30,000-39,999	464	9.7%	465	9.4%	465	9.3%
\$40,000-49,999	453	9.5%	481	9.8%	499	9.9%
\$50,000-59,999	350	7.3%	352	7.1%	354	7.0%
\$60,000-74,999	182	3.8%	200	4.1%	211	4.2%
\$75,000-99,999	326	6.8%	335	6.8%	341	6.8%
\$100,000-124,999	192	4.0%	222	4.5%	240	4.8%
\$125,000-149,999	109	2.3%	143	2.9%	164	3.3%
\$150,000-199,999	107	2.2%	137	2.8%	155	3.1%
\$200,000+	86	1.8%	117	2.4%	136	2.7%
<b>Total</b>	<b>4,791</b>	<b>100.0%</b>	<b>4,935</b>	<b>100.0%</b>	<b>5,024</b>	<b>100.0%</b>

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

The Subject will target tenants earning between \$16,800 and \$28,740 for its LIHTC units, and up to \$47,900 for its market rate units. As the table above depicts, approximately 37.4 percent of senior renter households in the PMA are earning incomes between \$10,000 and \$29,999, which is comparable to the 37.2 percent of senior renter households in the MSA in 2019. For the projected market entry date of August 2022, these percentages are projected to slightly decrease to 35.9 percent and 35.7 percent for the PMA and MSA, respectively.

### Renter Households by Number of Persons in the Household

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

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA**

Household Size	2019		Projected Mkt Entry August 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	5,091	35.5%	5,094	35.7%	5,096	35.8%
2 Persons	3,192	22.3%	3,137	22.0%	3,102	21.8%
3 Persons	2,436	17.0%	2,446	17.1%	2,453	17.2%
4 Persons	1,761	12.3%	1,747	12.2%	1,739	12.2%
5+ Persons	1,843	12.9%	1,851	13.0%	1,856	13.0%
<b>Total Households</b>	<b>14,323</b>	<b>100%</b>	<b>14,276</b>	<b>100%</b>	<b>14,246</b>	<b>100%</b>

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

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+**

Household Size	2019		Projected Mkt Entry August 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	2,976	61.2%	3,078	61.4%	3,142	61.6%
2 Persons	936	19.2%	967	19.3%	986	19.3%
3 Persons	572	11.8%	588	11.7%	598	11.7%
4 Persons	225	4.6%	221	4.4%	219	4.3%
5+ Persons	157	3.2%	156	3.1%	156	3.1%
<b>Total Households</b>	<b>4,866</b>	<b>100%</b>	<b>5,011</b>	<b>100%</b>	<b>5,101</b>	<b>100%</b>

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

The majority of renter households in the PMA are one and two-person households.

### Conclusion

The senior population in the PMA and the MSA increased significantly from 2000 to 2019, though the rate of population and household growth is projected to slow through 2022. The current senior population of the PMA is 30,960 and is expected to be 32,198 in 2022. The number of senior households in the PMA is 17,812 and is expected to be 18,495 in 2022. Senior renter households in the PMA are concentrated in the lowest income cohorts, with 37.4 percent of senior renter households in the PMA earning incomes between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$16,800 and \$28,740 for its LIHTC units, and up to \$47,900 for its market rate units; therefore, the Subject should be well-positioned to service this market. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **G. EMPLOYMENT TRENDS**

## Employment Trends

The PMA and Floyd County are economically reliant on the healthcare/social assistance, retail trade, and manufacturing sectors. While the retail trade and manufacturing sectors are volatile in times of economic downturn, the healthcare/social assistance sector is traditionally more stable. The local economy appears to be diverse and low paying jobs in the healthcare/social assistance, manufacturing, and retail trade sectors are expected to generate demand for affordable housing in the PMA.

### 1. Covered Employment

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

COVERED EMPLOYMENT		
Floyd County, Georgia		
Year	Total Employment	% Change
2008	47,077	-
2009	44,302	-6.3%
2010	39,750	-11.5%
2011	39,440	-0.8%
2012	39,913	1.2%
2013	39,614	-0.8%
2014	39,753	0.3%
2015	40,002	0.6%
2016	40,895	2.2%
2017	41,930	2.5%
2018	42,368	1.0%
2019 YTD Average	42,846	2.1%
Dec-18	42,796	-
Dec-19	43,392	1.4%

Source: U.S. Bureau of Labor Statistics  
YTD as of Mar 2019

As illustrated in the table above, Floyd County experienced a weakening economy during the national recession. The county felt the effects of the downturn until 2012, with its first employment increase of 1.2 percent since the recession. Employment growth quickly rebounded and Floyd County exhibited employment growth seven out of eight years from 2012 to 2019. Total employment in Floyd County increased 1.4 percent from December 2018 to December 2019. However, it is important to note that the above data is dated and does not reflect the impact from the COVID-19 pandemic, which is discussed and analyzed in further detail following in this section.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Floyd County as of the second quarter of 2018.

<b>TOTAL JOBS BY INDUSTRY</b>		
<b>Floyd County, Georgia - Q2 2018</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total, all industries</b>	<b>33,949</b>	<b>-</b>
Goods-producing	7,428	-
Natural resources and mining	122	0.4%
Construction	881	2.6%
Manufacturing	6,425	18.9%
Service-providing	26,521	-
Trade, transportation, and utilities	7,572	22.3%
Information	648	1.9%
Financial activities	1,135	3.3%
Professional and business services	2,476	7.3%
Education and health services	9,619	28.3%
Leisure and hospitality	4,142	12.2%
Other services	866	2.6%
Unclassified	63	0.2%

Source: Bureau of Labor Statistics, 2019

Education and health services is the largest industry in Floyd County, followed by trade, transportation, and utilities and manufacturing. Manufacturing, trade, and transportation industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. Health services are historically stable during recessionary periods. The following table illustrates employment by industry for the PMA as of 2019 (most recent year available).

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	7,487	16.6%	16,057,876	10.0%
Healthcare/Social Assistance	6,764	15.0%	22,612,482	14.1%
Retail Trade	4,746	10.5%	17,127,172	10.7%
Educational Services	4,598	10.2%	14,565,802	9.1%
Construction	3,509	7.8%	11,245,975	7.0%
Accommodation/Food Services	3,496	7.8%	11,738,765	7.3%
Other Services	3,329	7.4%	8,141,078	5.1%
Public Administration	2,102	4.7%	7,828,907	4.9%
Admin/Support/Waste Mgmt Svcs	1,665	3.7%	6,106,184	3.8%
Prof/Scientific/Tech Services	1,541	3.4%	11,744,228	7.3%
Transportation/Warehousing	1,446	3.2%	7,876,848	4.9%
Finance/Insurance	1,057	2.3%	7,377,311	4.6%
Real Estate/Rental/Leasing	735	1.6%	3,204,043	2.0%
Wholesale Trade	726	1.6%	4,183,931	2.6%
Information	683	1.5%	3,157,650	2.0%
Arts/Entertainment/Recreation	511	1.1%	3,332,132	2.1%
Utilities	408	0.9%	1,276,400	0.8%
Agric/Forestry/Fishing/Hunting	208	0.5%	1,915,709	1.2%
Mgmt of Companies/Enterprises	84	0.2%	237,307	0.1%
Mining	6	0.0%	819,151	0.5%
<b>Total Employment</b>	<b>45,101</b>	<b>100.0%</b>	<b>160,548,951</b>	<b>100.0%</b>

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

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, other services, and educational services industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and transportation/warehousing industries. The overconcentration of manufacturing employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the educational services sector should provide stability to the area workforce.

### 3. Major Employers

The table below shows the largest employers in Floyd County, Georgia.

#### MAJOR EMPLOYERS FLOYD COUNTY, GA

#	Employer Name	Industry	# Of Employees
1	Floyd Medical Center	Healthcare/Social Assistance	2,507
2	Redmond Regional Medical Center	Healthcare/Social Assistance	1,200
3	Lowe's RDC	Transportation/Warehousing	820
4	Harbin Clinic	Healthcare/Social Assistance	792
5	Berry College	Educational Services	562
6	Kellog's	Manufacturing	552
7	F & P Georgia	Manufacturing	518
8	International Paper Company	Manufacturing	451
9	Syntec Industries	Manufacturing	<u>350</u>
<b>Totals</b>			<b>7,752</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

The largest employer in Floyd County is the Floyd Medical Center. Seven of the top ten employers in Floyd County are from the healthcare/social assistance and manufacturing sectors. Healthcare/social assistance jobs is a historically stable industry while manufacturing is historically unstable, especially during times of recession and during the current pandemic.

#### Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 1, 2018 in Floyd County according to the Georgia Department of Labor.

#### WARN LISTINGS FLOYD COUNTY, GA

Company	Industry	Employees Affected	Layoff Date
Kindred Specialty Hospital LLC	Healthcare/Social Assistance	78	4/6/2020
Bloomin' Brands	Accommodation/Food Services	82	3/15/2020
Transdev On Demand	Transportation/Warehousing	98	5/1/2018
Sykes	Prof/Scientific/Tech Services	<u>181</u>	7/31/2018
<b>Total</b>		<b>439</b>	

Source: Georgia Department of Labor, retrieved May 2020

As illustrated in the above table, there have been 439 employees in the area impacted by layoffs or closures since 2018. Despite these job losses, employment growth in the area has continued. However, beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during

this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area.

We attempted to contact the Rome-Floyd Chamber of Commerce. As of the date of this report, our calls have yet to be returned. However, we were able to retrieve information on business expansions in the area from the Rome-Floyd Chamber of Commerce website.

**EXPANSIONS/NEW ADDITIONS - FLOYD COUNTY, GA**

Employer Name	Industry	Jobs
The Kerry Group	Manufacturing	100
Ball Aluminum Cups	Manufacturing	145
Ball Corporation	Manufacturing	46
Marglen Industries	Admin/Support/Waste Mgmt Svcs	20
<b>Total</b>		<b>311</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

- The Kerry Group has announced a \$125 million investment for its Rome Plant. This investment will result in the addition of more than 100 new jobs. Construction is expected to be completed in early 2021.
- Ball Aluminum Cups has announced a new manufacturing facility that will be adjacent to Ball's existing aluminum beverage can manufacturing plant in Rome, Georgia, and is expected to ramp up production in the fourth quarter of 2020. Ball plans to hire approximately 145 new employees for the cups facility to support the multi-year investment of approximately \$200 million.
- Additionally, Ball Corporation announced the addition of a fourth production line to the Floyd County Plant. The company will be adding 46 jobs.
- Marglen Industries announced in 2020 that they would add two new lines to its recycling operations. The Marglen project represents a \$17 million investment that will add approximately 20 jobs.

As illustrated, there are several additions in a variety of industries including manufacturing and waste management. There have recently been 311 new jobs announced, which helps to counteract the 439 layoffs in the county since 2018.

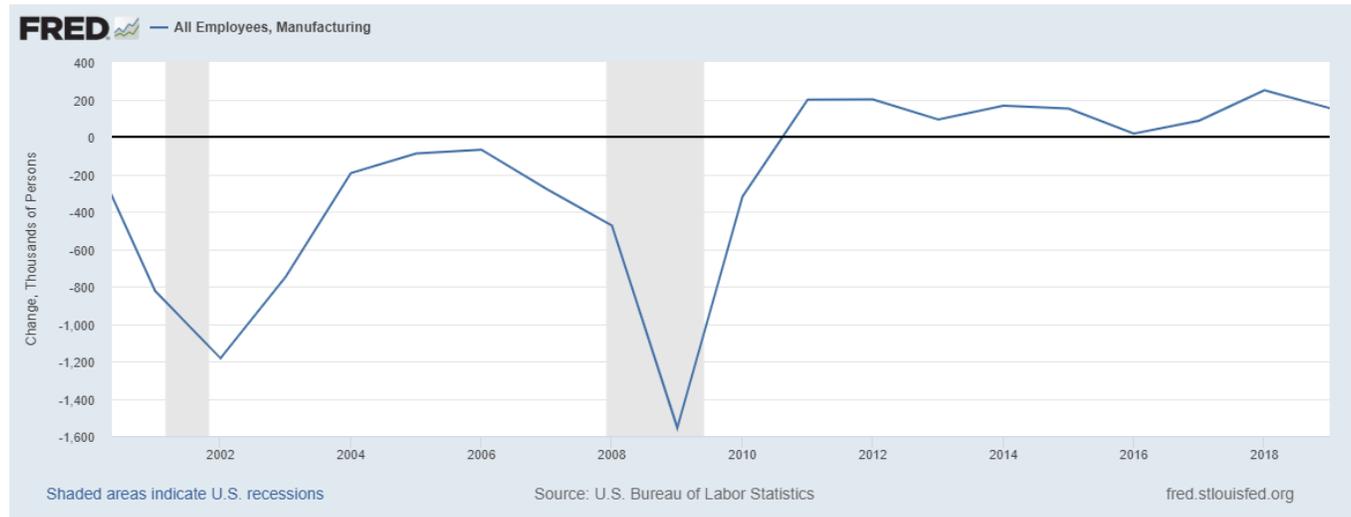
**Manufacturing Sector Trends**

In recent years, manufacturing in the U.S. has grown at a faster rate than the overall economy, a rarity with respect to recent declines in national manufacturing. Unfortunately, U.S. manufacturing has struggled with the onset of globalization and increased foreign manufacturing. Prior to the rapid expansion and refinement of technological capabilities in the late 1990s and the accelerated pace of globalization that accompanied it, foreign countries enjoyed a comparative advantage in manufacturing by leveraging their low labor costs. However, as global markets have become more integrated over time, the foreign labor cost advantage has minimized significantly. Furthermore, the U.S. enjoys relatively low costs of capital, raw materials, and transportation.

U.S. manufacturing output growth is expected to increase modestly through 2021. The Manufacturers Alliance for Productivity and Innovation (MAPI), a non-profit organization that produces research and projections for the manufacturing industry, publishes periodic economic forecasts. According to their March 2018 publication, U.S. manufacturing is expected to grow at an average of 2.8 percent through 2021.

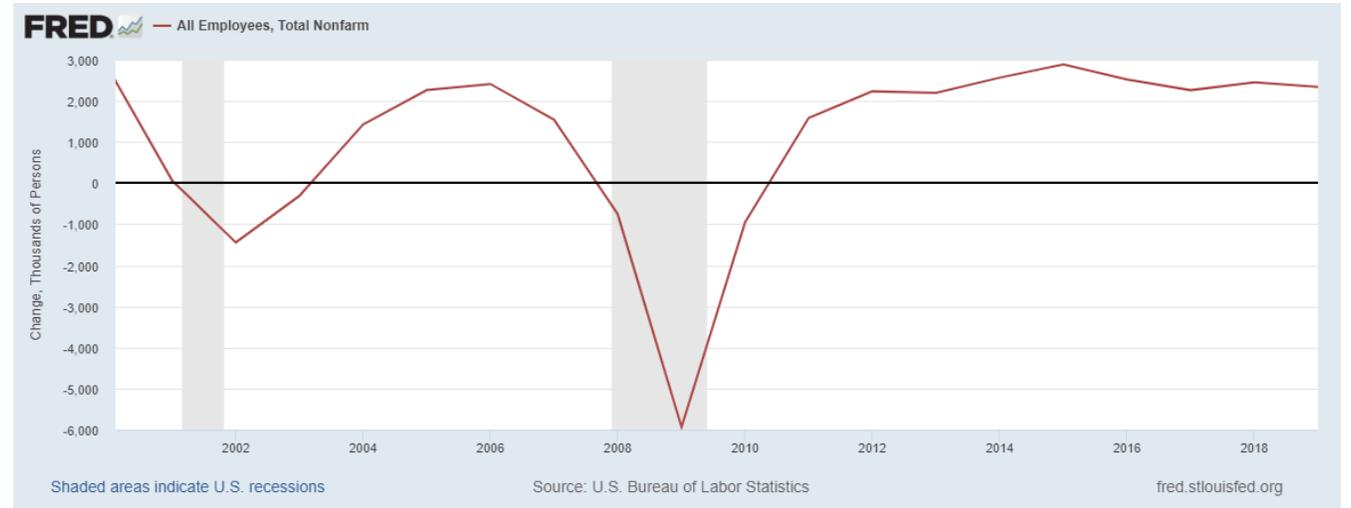
Although recent employment growth in the U.S. manufacturing sector bodes well for the MSA, the manufacturing sector is still not quite as strong as in the past. With manufacturing accounting for close to 10 percent of the U.S. economy and as a major source of employment for the MSA manufacturing employment should continue to be monitored closely.

The following graphs details total employment trends in both manufacturing and all industries (non-farm) in the nation since 2000.



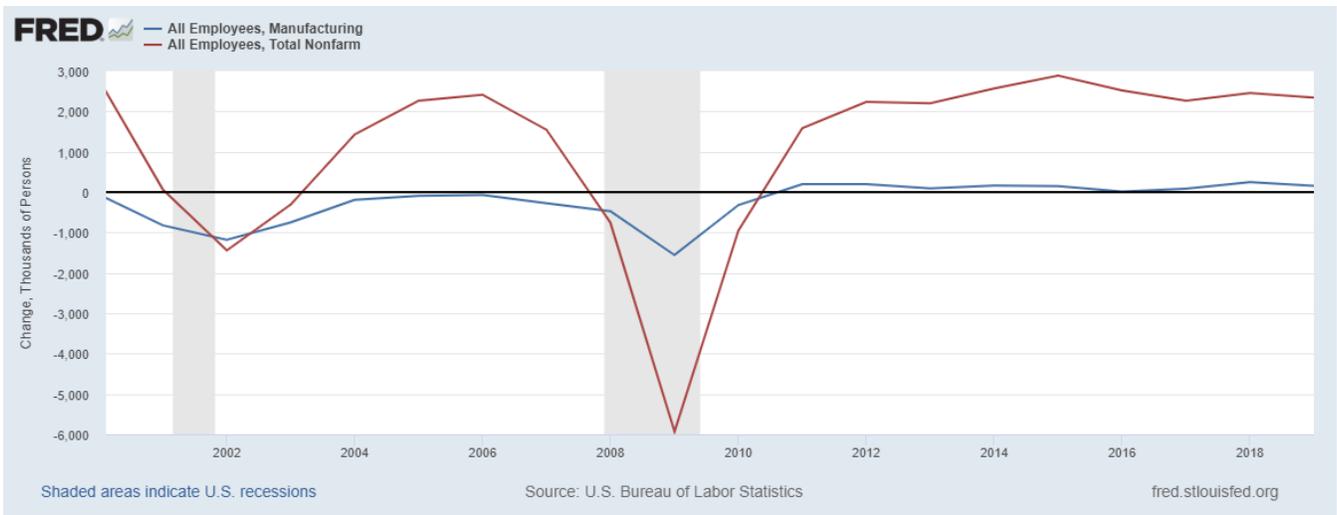
Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.



Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

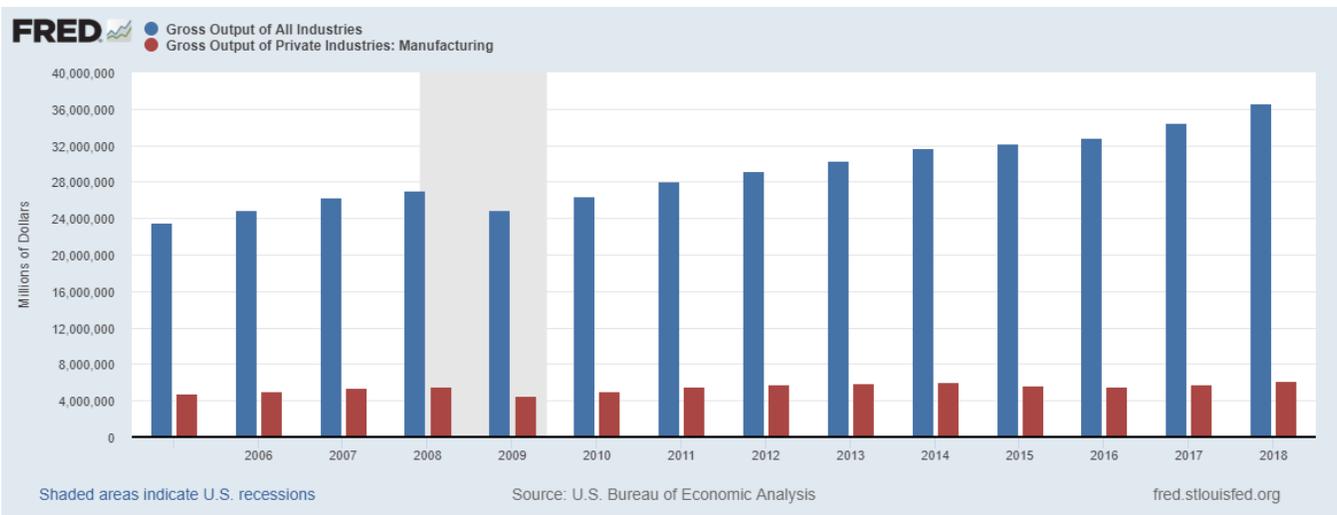


Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

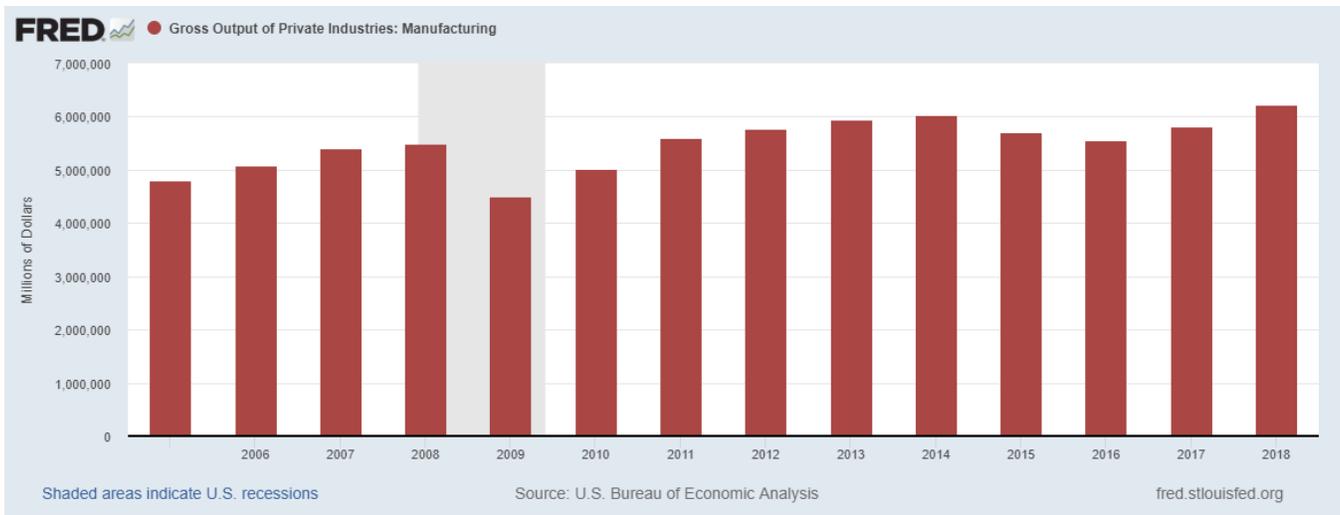
Total employment in the manufacturing sector, as well as the overall non-farm industry sector, declined from 2007 to 2009. Due to the most recent recession, all non-farm industries in the nation, including manufacturing, experienced significant loss. Since the most recent recession, total employment in non-farm industries has steady increased, though the manufacturing sector has experienced a slower recovery than other non-farm industries.

The following charts illustrate U.S. manufacturing gross output compared to that across all industries since 2005.



Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions.



Source: Federal Reserve Bank of St. Louis, 1/2020.  
Note: Shaded area indicates U.S. recessions.

As illustrated by the previous graphs, manufacturing constitutes approximately 17 percent of the gross output of all private industries and experienced five years of consistent growth starting in 2009. Manufacturing output also surpassed pre-recessionary output levels in 2011, three years following the most recent national recession. However, manufacturing output decreased for both 2015 and 2016.

While the rebound in manufacturing output is noteworthy, this has not necessarily turned into job creation for the national economy. Since the most recent recession, job creation in the manufacturing sector continues to lag the overall economy. According to a November 18, 2016 article published by the *MIT Technology Review*, automation in the manufacturing sector has curtailed employment growth- a trend that is likely to continue through the coming years. As illustrated in the following graph, national employment in the manufacturing sector has been steadily declining since the 1980s, while production has increased. Overall, we believe it is reasonable to assume that the Rome, GA MSA, similar to the rest of the nation, will continue to be negatively impacted by automation in the manufacturing sector, leading to a continued decline in manufacturing employment.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Rome, GA MSA from 2004 to March 2020.

##### EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Rome, GA Metropolitan Statistical Area			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2004	46,862	-	-1.4%	139,252,000	-	-11.6%
2005	47,541	1.4%	0.0%	141,730,000	1.8%	-10.0%
2006	47,104	-0.9%	-0.9%	144,427,000	1.9%	-8.3%
2007	47,450	0.7%	-0.2%	146,047,000	1.1%	-7.3%
2008	47,077	-0.8%	-1.0%	145,363,000	-0.5%	-7.7%
2009	44,302	-5.9%	-6.8%	139,878,000	-3.8%	-11.2%
2010	39,750	-10.3%	-16.4%	139,064,000	-0.6%	-11.7%
2011	39,440	-0.8%	-17.0%	139,869,000	0.6%	-11.2%
2012	39,913	1.2%	-16.0%	142,469,000	1.9%	-9.6%
2013	39,614	-0.7%	-16.7%	143,929,000	1.0%	-8.6%
2014	39,753	0.4%	-16.4%	146,305,000	1.7%	-7.1%
2015	39,935	0.5%	-16.0%	148,833,000	1.7%	-5.5%
2016	40,822	2.2%	-14.1%	151,436,000	1.7%	-3.9%
2017	41,842	2.5%	-12.0%	153,337,000	1.3%	-2.7%
2018	42,261	1.0%	-11.1%	155,761,000	1.6%	-1.1%
2019	42,455	0.5%	-10.7%	157,538,000	1.1%	0.0%
2020 YTD Average*	42,843	0.9%	-	150,876,000	-4.2%	-
Mar-2019	42,528	-	-	156,441,000	-	-
Mar-2020	42,518	0.0%	-	155,167,000	-0.8%	-

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

**UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

	Rome, GA Metropolitan Statistical Area			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2004	4.8%	-	0.9%	5.5%	-	1.9%
2005	5.2%	0.4%	1.4%	5.1%	-0.5%	1.4%
2006	4.5%	-0.7%	0.7%	4.6%	-0.5%	1.0%
2007	4.7%	0.2%	0.9%	4.6%	0.0%	1.0%
2008	6.5%	1.8%	2.7%	5.8%	1.2%	2.1%
2009	10.5%	4.1%	6.7%	9.3%	3.5%	5.6%
2010	11.8%	1.3%	8.0%	9.6%	0.3%	6.0%
2011	12.1%	0.2%	8.2%	9.0%	-0.7%	5.3%
2012	10.9%	-1.1%	7.1%	8.1%	-0.9%	4.4%
2013	9.5%	-1.4%	5.7%	7.4%	-0.7%	3.7%
2014	7.9%	-1.6%	4.1%	6.2%	-1.2%	2.5%
2015	6.7%	-1.2%	2.9%	5.3%	-0.9%	1.6%
2016	6.0%	-0.7%	2.2%	4.9%	-0.4%	1.2%
2017	5.2%	-0.8%	1.3%	4.4%	-0.5%	0.7%
2018	4.3%	-0.9%	0.5%	3.9%	-0.4%	0.2%
2019	3.8%	-0.5%	0.0%	3.7%	-0.2%	0.0%
2020 YTD Average*	4.0%	0.2%	-	6.7%	3.0%	-
Mar-2019	3.8%	-	-	3.9%	-	-
Mar-2020	4.4%	0.6%	-	4.5%	0.6%	-

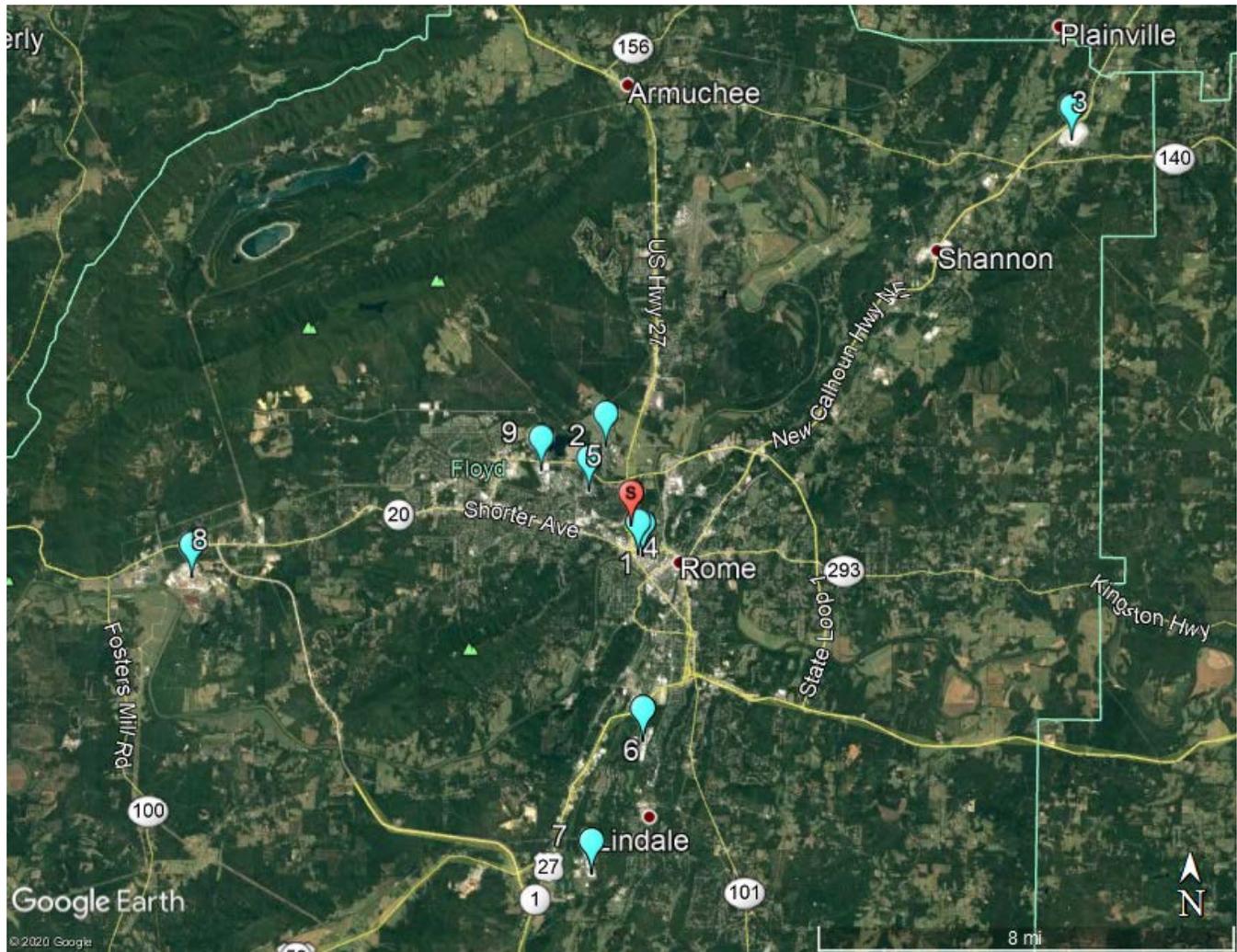
Source: U.S. Bureau of Labor Statistics, May 2020

The MSA experienced employment growth two of three years between 2005 and 2007. After 2007, total employment decreased each year through 2011. This indicates the MSA was slower to recover from the national recession than the nation as a whole. However, the MSA has begun to recover in recent years, experiencing stronger growth in total employment than the nation in five of six years between 2016 and March 2020. Despite this employment growth in recent years, the employment levels in the MSA remain below pre-recessionary levels and has experienced a pause in the most recent data. Due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time.

In the years prior to the national recession, the MSA generally reported a similar unemployment rate to the nation; however, during the national recession the unemployment rate increased significantly, reaching an all-time high of 12.1 percent in 2011. Since the national recession, the MSA has reported a higher unemployment rate than the nation every year except for 2020. The most recent data reflects that the unemployment rate in the MSA is ten basis points lower than the nation. It is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation since 2012. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature the increase in unemployment will be for the MSA.

## 5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, May 2020

### MAJOR EMPLOYERS FLOYD COUNTY, GA

#	Employer Name	Industry	# Of Employees
1	Floyd Medical Center	Healthcare/Social Assistance	2,507
2	Redmond Regional Medical Center	Healthcare/Social Assistance	1,200
3	Lowe's RDC	Transportation/Warehousing	820
4	Harbin Clinic	Healthcare/Social Assistance	792
5	Berry College	Educational Services	562
6	Kellogg's	Manufacturing	552
7	F & P Georgia	Manufacturing	518
8	International Paper Company	Manufacturing	451
9	Syntec Industries	Manufacturing	350
<b>Totals</b>			<b>7,752</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

## 6. Conclusion

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, other services, and educational services industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and transportation/warehousing industries. The overconcentration of manufacturing and retail employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the educational services sector should provide stability to the area workforce.

The MSA experienced employment growth two of three years between 2005 and 2007. After 2007, total employment decreased each year through 2011. This indicates the MSA was slower to recover from the national recession than the nation as a whole. However, the MSA has begun to recover in recent years, experiencing stronger growth in total employment than the nation in five of six years between 2016 and March 2020. Despite this employment growth in recent years, the employment levels in the MSA remain below pre-recessionary levels and has experienced a pause in the most recent data. Due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time.

In the years prior to the national recession, the MSA generally reported a similar unemployment rate to the nation; however, during the national recession the unemployment rate increased significantly, reaching an all-time high of 12.1 percent in 2011. Since the national recession, the MSA has reported a higher unemployment rate than the nation every year except for 2020. The most recent data reflects that the unemployment rate in the MSA is ten basis points lower than the nation. It is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation since 2012. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature the increase in unemployment will be for the MSA.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

# **H. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS**

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

### 1. Income Restrictions

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

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). However, very few senior households have more than two persons. Therefore, we assume a maximum household size of two persons in our analysis.

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. For the Subject’s unrestricted units, we assumed a maximum income limit of 100 percent of the AMI.

### 2. Affordability

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

#### 55+ INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%		Market	
1BR	\$16,800	\$23,950	\$20,100	\$28,740	\$18,150	\$47,900
2BR	\$20,070	\$23,950	\$23,670	\$28,740	\$21,900	\$47,900

### 3. Demand

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

#### Demand from New Households

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

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

### **Demand from Existing Households**

Demand for existing households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using ACS data based on appropriate income levels.

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

### **Demand from Elderly Homeowners likely to Convert to Rentership**

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we lower demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

### **3d. Other**

Per the 2020 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we do not account for leakage from outside the PMA boundaries in our demand analysis.

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

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

## **Net Demand**

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

### **Additions to Supply**

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

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

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

**COMPETITIVE SUPPLY**

Property Name	Program	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Meadow Lane	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under construction	0
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.9 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, no units are deducted in our demand analysis.
- Meadow Lane was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located 3.1 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of the Subject’s 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families. Construction is expected to be completed in June 2021. This development will be located 2.4 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 1.0 mile from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 0.4 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units

will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property will be located 3.4 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated or are not yet stabilized. Note that this table may illustrate non-competitive units and competitive properties that are not deducted from our demand analysis.

**ADDITIONS TO SUPPLY**

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Unrestricted	Overall
0BR						0
1BR						0
2BR						0
3BR						0
4BR						0
5BR						0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Rehab Developments and PBRA**

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

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

### Capture Rates

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

#### RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry August 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	755	15.5%	729	14.6%	713	14.0%
\$10,000-19,999	1,182	24.3%	1,159	23.1%	1,145	22.4%
\$20,000-29,999	638	13.1%	644	12.8%	647	12.7%
\$30,000-39,999	475	9.8%	476	9.5%	476	9.3%
\$40,000-49,999	435	8.9%	463	9.2%	480	9.4%
\$50,000-59,999	360	7.4%	362	7.2%	364	7.1%
\$60,000-74,999	185	3.8%	202	4.0%	213	4.2%
\$75,000-99,999	334	6.9%	345	6.9%	352	6.9%
\$100,000-124,999	193	4.0%	223	4.5%	242	4.7%
\$125,000-149,999	111	2.3%	147	2.9%	169	3.3%
\$150,000-199,999	111	2.3%	142	2.8%	162	3.2%
\$200,000+	87	1.8%	118	2.4%	138	2.7%
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>	<b>5,011</b>	<b>100.0%</b>	<b>5,101</b>	<b>100.0%</b>

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

**50% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$23,950	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter		
	in Households PMA 2019 to Prj Mrkt Entry August 2022				Households within Bracket		
\$0-9,999	-26	-17.9%	\$0	0.0%	0		
\$10,000-19,999	-23	-15.7%	\$3,199	32.0%	-7		
\$20,000-29,999	6	3.8%	\$3,950	39.5%	2		
\$30,000-39,999	1	0.4%	\$0	0.0%	0		
\$40,000-49,999	28	19.1%	\$0	0.0%	0		
\$50,000-59,999	2	1.7%	\$0	0.0%	0		
\$60,000-74,999	17	11.9%	\$0	0.0%	0		
\$75,000-99,999	11	7.7%	\$0	0.0%	0		
\$100,000-124,999	30	20.9%	\$0	0.0%	0		
\$125,000-149,999	36	24.7%	\$0	0.0%	0		
\$150,000-199,999	31	21.7%	\$0	0.0%	0		
\$200,000+	31	21.7%	\$0	0.0%	0		
<b>Total</b>	<b>145</b>	<b>100.0%</b>		<b>-3.5%</b>	<b>-5</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$23,950	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	755			15.5%	\$0	0.0%
\$10,000-19,999	1,182	24.3%	\$3,199	32.0%	378		
\$20,000-29,999	638	13.1%	\$3,950	39.5%	252		
\$30,000-39,999	475	9.8%	\$0	0.0%	0		
\$40,000-49,999	435	8.9%	\$0	0.0%	0		
\$50,000-59,999	360	7.4%	\$0	0.0%	0		
\$60,000-74,999	185	3.8%	\$0	0.0%	0		
\$75,000-99,999	334	6.9%	\$0	0.0%	0		
\$100,000-124,999	193	4.0%	\$0	0.0%	0		
\$125,000-149,999	111	2.3%	\$0	0.0%	0		
\$150,000-199,999	111	2.3%	\$0	0.0%	0		
\$200,000+	87	1.8%	\$0	0.0%	0		
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>		<b>13.0%</b>	<b>630</b>		

**ASSUMPTIONS - @50%**

Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	50%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	

**Demand from New Renter Households 2019 to August 2022**

Income Target Population	@50%
New Renter Households PMA	145
Percent Income Qualified	-3.5%
<b>New Renter Income Qualified Households</b>	<b>-5</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@50%
Total Existing Demand	4,866
Income Qualified	13.0%
Income Qualified Renter Households	630
Percent Rent Overburdened Prj Mrkt Entry August 2022	41.0%
<b>Rent Overburdened Households</b>	<b>258</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	630
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>18</b>

**Senior Households Converting from Homeownership**

Income Target Population	@50%
Total Senior Homeowners	13,484
Rural Versus Urban	0.04%
<b>Senior Demand Converting from Homeownership</b>	<b>5</b>

**Total Demand**

Total Demand from Existing Households	282
Total New Demand	-5
<b>Total Demand (New Plus Existing Households)</b>	<b>277</b>

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.4%	170
Two Persons	19.3%	53
Three Persons	11.7%	32
Four Persons	4.4%	12
Five Persons	3.1%	9
<b>Total</b>	<b>100.0%</b>	<b>277</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	85
Of two-person households in 1BR units	20%	11
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	85
Of two-person households in 2BR units	80%	43
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	32
Of four-person households in 3BR units	70%	9
Of five-person households in 3BR units	50%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	4
Of five-person households in 4BR units	50%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>277</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	96	-	0	=	96
2 BR	128	-	0	=	128
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>224</b>		<b>0</b>		<b>224</b>

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	2	/	96	=	2.1%
2 BR	10	/	128	=	7.8%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>12</b>		<b>224</b>		<b>5.4%</b>

**60% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit	\$20,100		Maximum Income Limit	\$28,740	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket
	in Households PMA 2019 to Prj Mrkt Entry August 2022				
\$0-9,999	-26	-17.9%	\$0	0.0%	0
\$10,000-19,999	-23	-15.7%	\$0	0.0%	0
\$20,000-29,999	6	3.8%	\$8,640	86.4%	5
\$30,000-39,999	1	0.4%	\$0	0.0%	0
\$40,000-49,999	28	19.1%	\$0	0.0%	0
\$50,000-59,999	2	1.7%	\$0	0.0%	0
\$60,000-74,999	17	11.9%	\$0	0.0%	0
\$75,000-99,999	11	7.7%	\$0	0.0%	0
\$100,000-124,999	30	20.9%	\$0	0.0%	0
\$125,000-149,999	36	24.7%	\$0	0.0%	0
\$150,000-199,999	31	21.7%	\$0	0.0%	0
\$200,000+	31	21.7%	\$0	0.0%	0
<b>Total</b>	<b>145</b>	<b>100.0%</b>		<b>3.3%</b>	<b>5</b>

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit	\$20,100		Maximum Income Limit	\$28,740	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	755			
\$10,000-19,999	1,182	24.3%	\$0	0.0%	0
\$20,000-29,999	638	13.1%	\$8,640	86.4%	551
\$30,000-39,999	475	9.8%	\$0	0.0%	0
\$40,000-49,999	435	8.9%	\$0	0.0%	0
\$50,000-59,999	360	7.4%	\$0	0.0%	0
\$60,000-74,999	185	3.8%	\$0	0.0%	0
\$75,000-99,999	334	6.9%	\$0	0.0%	0
\$100,000-124,999	193	4.0%	\$0	0.0%	0
\$125,000-149,999	111	2.3%	\$0	0.0%	0
\$150,000-199,999	111	2.3%	\$0	0.0%	0
\$200,000+	87	1.8%	\$0	0.0%	0
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>		<b>11.3%</b>	<b>551</b>

**ASSUMPTIONS - @60%**

Tenancy	55+		% of Income towards Housing		40%
Rural/Urban	Urban		Maximum # of Occupants		2
Persons in Household	0BR	1BR	2BR	3BR	4BR+
1	0%	50%	50%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2019 to August 2022**

Income Target Population	@60%
New Renter Households PMA	145
Percent Income Qualified	3.3%
<b>New Renter Income Qualified Households</b>	<b>5</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@60%
Total Existing Demand	4,866
Income Qualified	11.3%
Income Qualified Renter Households	551
Percent Rent Overburdened Prj Mrkt Entry August 2022	41.0%
<b>Rent Overburdened Households</b>	<b>226</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	551
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>16</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60%
Total Senior Homeowners	13,484
Rural Versus Urban	0.04%
<b>Senior Demand Converting from Homeownership</b>	<b>5</b>

**Total Demand**

Total Demand from Existing Households	247
Total New Demand	5
<b>Total Demand (New Plus Existing Households)</b>	<b>252</b>

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	2.1%
Is this Demand Over 2 percent of Total Demand?	Yes

**By Bedroom Demand**

One Person	61.4%	155
Two Persons	19.3%	49
Three Persons	11.7%	30
Four Persons	4.4%	11
Five Persons	3.1%	8
<b>Total</b>	<b>100.0%</b>	<b>252</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	77
Of two-person households in 1BR units	20%	10
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	77
Of two-person households in 2BR units	80%	39
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	30
Of four-person households in 3BR units	70%	8
Of five-person households in 3BR units	50%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	3
Of five-person households in 4BR units	50%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>252</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	87	-	0	=	87
2 BR	116	-	0	=	116
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>204</b>		<b>0</b>		<b>204</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	6	/	87	=	6.9%
2 BR	39	/	116	=	33.5%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>45</b>		<b>204</b>		<b>22.1%</b>

**Market**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market**

Minimum Income Limit		\$18,150	Maximum Income Limit		\$47,900
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry August 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-26			
\$10,000-19,999	-23	-15.7%	\$1,849	18.5%	-4
\$20,000-29,999	6	3.8%	\$9,999	100.0%	6
\$30,000-39,999	1	0.4%	\$9,999	100.0%	1
\$40,000-49,999	28	19.1%	\$7,900	79.0%	22
\$50,000-59,999	2	1.7%	\$0	0.0%	0
\$60,000-74,999	17	11.9%	\$0	0.0%	0
\$75,000-99,999	11	7.7%	\$0	0.0%	0
\$100,000-124,999	30	20.9%	\$0	0.0%	0
\$125,000-149,999	36	24.7%	\$0	0.0%	0
\$150,000-199,999	31	21.7%	\$0	0.0%	0
\$200,000+	31	21.7%	\$0	0.0%	0
<b>Total</b>	<b>145</b>	<b>100.0%</b>		<b>16.5%</b>	<b>24</b>

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market**

Minimum Income Limit		\$18,150	Maximum Income Limit		\$47,900
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	755			
\$10,000-19,999	1,182	24.3%	\$1,849	18.5%	219
\$20,000-29,999	638	13.1%	\$9,999	100.0%	638
\$30,000-39,999	475	9.8%	\$9,999	100.0%	475
\$40,000-49,999	435	8.9%	\$7,900	79.0%	344
\$50,000-59,999	360	7.4%	\$0	0.0%	0
\$60,000-74,999	185	3.8%	\$0	0.0%	0
\$75,000-99,999	334	6.9%	\$0	0.0%	0
\$100,000-124,999	193	4.0%	\$0	0.0%	0
\$125,000-149,999	111	2.3%	\$0	0.0%	0
\$150,000-199,999	111	2.3%	\$0	0.0%	0
\$200,000+	87	1.8%	\$0	0.0%	0
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>		<b>34.4%</b>	<b>1,675</b>

**ASSUMPTIONS - Market**

Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	50%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	

**Demand from New Renter Households 2019 to August 2022**

Income Target Population	Market
New Renter Households PMA	145
Percent Income Qualified	16.5%
<b>New Renter Income Qualified Households</b>	<b>24</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	Market
Total Existing Demand	4,866
Income Qualified	34.4%
Income Qualified Renter Households	1,675
Percent Rent Overburdened Prj Mrkt Entry August 2022	41.0%
<b>Rent Overburdened Households</b>	<b>686</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,675
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>49</b>

**Senior Households Converting from Homeownership**

Income Target Population	Market
Total Senior Homeowners	13,484
Rural Versus Urban	0.04%
<b>Senior Demand Converting from Homeownership</b>	<b>5</b>

**Total Demand**

Total Demand from Existing Households	741
Total New Demand	24
<b>Total Demand (New Plus Existing Households)</b>	<b>764</b>

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.7%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.4%	470
Two Persons	19.3%	148
Three Persons	11.7%	90
Four Persons	4.4%	34
Five Persons	3.1%	24
<b>Total</b>	<b>100.0%</b>	<b>764</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	235
Of two-person households in 1BR units	20%	30
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	235
Of two-person households in 2BR units	80%	118
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	90
Of four-person households in 3BR units	70%	24
Of five-person households in 3BR units	50%	12
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	10
Of five-person households in 4BR units	50%	12
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>764</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	264	-	0	=	264
2 BR	353	-	0	=	353
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>617</b>		<b>0</b>		<b>617</b>

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	2	/	264	=	0.8%
2 BR	5	/	353	=	1.4%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>7</b>		<b>617</b>		<b>1.1%</b>

**Overall LIHTC**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$28,740	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry August 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-26			-17.9%	\$0	0.0%
\$10,000-19,999	-23	-15.7%	\$3,199	32.0%	-7		
\$20,000-29,999	6	3.8%	\$8,740	87.4%	5		
\$30,000-39,999	1	0.4%	\$0	0.0%	0		
\$40,000-49,999	28	19.1%	\$0	0.0%	0		
\$50,000-59,999	2	1.7%	\$0	0.0%	0		
\$60,000-74,999	17	11.9%	\$0	0.0%	0		
\$75,000-99,999	11	7.7%	\$0	0.0%	0		
\$100,000-124,999	30	20.9%	\$0	0.0%	0		
\$125,000-149,999	36	24.7%	\$0	0.0%	0		
\$150,000-199,999	31	21.7%	\$0	0.0%	0		
\$200,000+	31	21.7%	\$0	0.0%	0		
<b>Total</b>	<b>145</b>	<b>100.0%</b>		<b>-1.7%</b>	<b>-2</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$28,740	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	755			15.5%	\$0	0.0%
\$10,000-19,999	1,182	24.3%	\$3,199	32.0%	378		
\$20,000-29,999	638	13.1%	\$8,740	87.4%	558		
\$30,000-39,999	475	9.8%	\$0	0.0%	0		
\$40,000-49,999	435	8.9%	\$0	0.0%	0		
\$50,000-59,999	360	7.4%	\$0	0.0%	0		
\$60,000-74,999	185	3.8%	\$0	0.0%	0		
\$75,000-99,999	334	6.9%	\$0	0.0%	0		
\$100,000-124,999	193	4.0%	\$0	0.0%	0		
\$125,000-149,999	111	2.3%	\$0	0.0%	0		
\$150,000-199,999	111	2.3%	\$0	0.0%	0		
\$200,000+	87	1.8%	\$0	0.0%	0		
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>		<b>19.2%</b>	<b>936</b>		

**ASSUMPTIONS - Overall LIHTC**

Tenancy		55+		% of Income towards Housing		40%	
Rural/Urban		Urban		Maximum # of Occupants		2	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	0%	50%	50%	0%	0%		
2	0%	20%	80%	0%	0%		
3	0%	0%	0%	100%	0%		
4	0%	0%	0%	70%	30%		
5+	0%	0%	0%	50%	50%		

**Demand from New Renter Households 2019 to August 2022**

Income Target Population	Overall LIHTC
New Renter Households PMA	145
Percent Income Qualified	-1.7%
<b>New Renter Income Qualified Households</b>	<b>-2</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	Overall LIHTC
Total Existing Demand	4,866
Income Qualified	19.2%
Income Qualified Renter Households	936
Percent Rent Overburdened Prj Mrkt Entry August 2022	41.0%
<b>Rent Overburdened Households</b>	<b>383</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	936
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>27</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall LIHTC
Total Senior Homeowners	13,484
Rural Versus Urban	0.04%
<b>Senior Demand Converting from Homeownership</b>	<b>5</b>

**Total Demand**

Total Demand from Existing Households	416
Total New Demand	-2
<b>Total Demand (New Plus Existing Households)</b>	<b>414</b>

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	1.3%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.4%	254
Two Persons	19.3%	80
Three Persons	11.7%	49
Four Persons	4.4%	18
Five Persons	3.1%	13
<b>Total</b>	<b>100.0%</b>	<b>414</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	127
Of two-person households in 1BR units	20%	16
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	127
Of two-person households in 2BR units	80%	64
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	49
Of four-person households in 3BR units	70%	13
Of five-person households in 3BR units	50%	6
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	5
Of five-person households in 4BR units	50%	6
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>414</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	0	=	-
1 BR	143	-	0	=	143
2 BR	191	-	0	=	191
3 BR	-	-	0	=	-
4 BR	-	-	0	=	-
5 BR	-	-	0	=	-
<b>Total</b>	<b>334</b>		<b>0</b>		<b>334</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	0	/	-	=	-
1 BR	8	/	143	=	5.6%
2 BR	49	/	191	=	25.7%
3 BR	0	/	-	=	-
4 BR	0	/	-	=	-
5 BR	0	/	-	=	-
<b>Total</b>	<b>57</b>		<b>334</b>		<b>17.1%</b>

**Overall**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$47,900	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2019 to Prj Mrkt Entry August 2022						
\$0-9,999	-26	-17.9%	\$0	0.0%	0		
\$10,000-19,999	-23	-15.7%	\$3,199	32.0%	-7		
\$20,000-29,999	6	3.8%	\$9,999	100.0%	6		
\$30,000-39,999	1	0.4%	\$9,999	100.0%	1		
\$40,000-49,999	28	19.1%	\$7,900	79.0%	22		
\$50,000-59,999	2	1.7%	\$0	0.0%	0		
\$60,000-74,999	17	11.9%	\$0	0.0%	0		
\$75,000-99,999	11	7.7%	\$0	0.0%	0		
\$100,000-124,999	30	20.9%	\$0	0.0%	0		
\$125,000-149,999	36	24.7%	\$0	0.0%	0		
\$150,000-199,999	31	21.7%	\$0	0.0%	0		
\$200,000+	31	21.7%	\$0	0.0%	0		
<b>Total</b>	<b>145</b>	<b>100.0%</b>		<b>14.3%</b>	<b>21</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall**

Minimum Income Limit		\$16,800		Maximum Income Limit		\$47,900	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	755	15.5%	\$0	0.0%	0		
\$10,000-19,999	1,182	24.3%	\$3,199	32.0%	378		
\$20,000-29,999	638	13.1%	\$9,999	100.0%	638		
\$30,000-39,999	475	9.8%	\$9,999	100.0%	475		
\$40,000-49,999	435	8.9%	\$7,900	79.0%	344		
\$50,000-59,999	360	7.4%	\$0	0.0%	0		
\$60,000-74,999	185	3.8%	\$0	0.0%	0		
\$75,000-99,999	334	6.9%	\$0	0.0%	0		
\$100,000-124,999	193	4.0%	\$0	0.0%	0		
\$125,000-149,999	111	2.3%	\$0	0.0%	0		
\$150,000-199,999	111	2.3%	\$0	0.0%	0		
\$200,000+	87	1.8%	\$0	0.0%	0		
<b>Total</b>	<b>4,866</b>	<b>100.0%</b>		<b>37.7%</b>	<b>1,835</b>		

**ASSUMPTIONS - Overall**

Tenancy	55+	% of Income towards Housing		40%	
Rural/Urban	Urban	Maximum # of Occupants		2	
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	50%	50%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2019 to August 2022**

Income Target Population	Overall
New Renter Households PMA	145
Percent Income Qualified	14.3%
<b>New Renter Income Qualified Households</b>	<b>21</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	Overall
Total Existing Demand	4,866
Income Qualified	37.7%
Income Qualified Renter Households	1,835
Percent Rent Overburdened Prj Mrkt Entry August 2022	41.0%
<b>Rent Overburdened Households</b>	<b>751</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,835
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>54</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall
Total Senior Homeowners	13,484
Rural Versus Urban	0.04%
<b>Senior Demand Converting from Homeownership</b>	<b>5</b>

**Total Demand**

Total Demand from Existing Households	811
Total New Demand	21
<b>Total Demand (New Plus Existing Households)</b>	<b>831</b>

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.6%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.4%	511
Two Persons	19.3%	160
Three Persons	11.7%	98
Four Persons	4.4%	37
Five Persons	3.1%	26
<b>Total</b>	<b>100.0%</b>	<b>831</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	255
Of two-person households in 1BR units	20%	32
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	255
Of two-person households in 2BR units	80%	128
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	98
Of four-person households in 3BR units	70%	26
Of five-person households in 3BR units	50%	13
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	11
Of five-person households in 4BR units	50%	13
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>831</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	0	=	-
1 BR	287	-	0	=	287
2 BR	384	-	0	=	384
3 BR	-	-	0	=	-
4 BR	-	-	0	=	-
5 BR	-	-	0	=	-
<b>Total</b>	<b>671</b>		<b>0</b>		<b>671</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	10	/	287	=	3.5%
2 BR	54	/	384	=	14.1%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>64</b>		<b>671</b>		<b>9.5%</b>

## CAPTURE RATE ANALYSIS CHART

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

- The number of senior households in the PMA is expected to increase 1.3 percent annually between 2019 and 2022.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

**DEMAND AND NET DEMAND**

DCA Conclusion Tables (Senior 55+)	HH at @50% AMI (\$16,800 to \$23,950)	HH at @60% AMI (\$20,100 to \$28,740)	HH at Market AMI (\$18,150 to \$47,900)	Overall LIHTC Demand	Overall Demand
Demand from New Households (age and income appropriate)	-5	5	24	-2	21
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	18	16	49	27	54
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	258	226	686	383	751
Sub Total	271	247	759	408	826
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	5	5	5	5	5
<b>Equals Total Demand</b>	277	252	764	414	831
<b>Less</b>	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
<b>Equals Net Demand</b>	277	252	764	414	831

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @50%	\$16,800	\$23,950	2	96	0	96	2.1%	\$619	\$329	\$1,100	\$455
1BR @60%	\$20,100	\$28,740	6	87	0	87	6.9%	\$682	\$441	\$1,100	\$565
1BR Market	\$18,150	\$47,900	2	264	0	264	0.8%	\$788	\$620	\$1,100	\$605
1BR Overall LIHTC	\$16,800	\$28,740	8	143	0	143	5.6%	-	-	-	-
1BR Overall	\$16,800	\$47,900	10	287	0	287	3.5%	-	-	-	-
2BR @50%	\$20,070	\$23,950	10	128	0	128	7.8%	\$713	\$418	\$1,125	\$540
2BR @60%	\$23,670	\$28,740	39	116	0	116	33.5%	\$766	\$528	\$1,125	\$660
2BR Market	\$21,900	\$47,900	5	353	0	353	1.4%	\$839	\$730	\$1,125	\$730
2BR Overall LIHTC	\$20,070	\$28,740	49	191	0	191	25.7%	-	-	-	-
2BR Overall	\$20,070	\$47,900	54	384	0	384	14.1%	-	-	-	-
@50% Overall	\$16,800	\$23,950	12	224	0	224	5.4%	-	-	-	-
@60% Overall	\$20,100	\$28,740	45	204	0	204	22.1%	-	-	-	-
Market Overall	\$18,150	\$47,900	7	617	0	617	1.1%	-	-	-	-
Overall LIHTC	\$16,800	\$28,740	57	334	0	334	17.1%	-	-	-	-
Overall	\$16,800	\$47,900	64	671	0	671	9.5%	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.1 to 7.8 percent, with an overall capture rate of 5.4 percent. The Subject’s capture rates at the 60 percent AMI level will range from 6.9 to 33.5 percent, with an overall capture rate of 22.1 percent. The Subject’s unrestricted capture rates range from 0.8 to 1.4 percent, with an overall capture rate of 1.1 percent. The overall capture rate for the project’s 50 and 60 percent AMI levels, as well as its market rate units is 9.5 percent. The overall capture rate for the project’s LIHTC units is 17.1 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

# **I. EXISTING COMPETITIVE RENTAL ENVIRONMENT**

## Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent structure. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes ten “true” comparable properties containing 1,009 units.

The availability of LIHTC data is considered good. We included four LIHTC comparables in our analysis. All of the LIHTC comparables are located within the PMA, within 2.9 miles of the Subject site. Two of the comparables, Etowah Terrace and Highland Estates, target seniors and were built in 2011 and 2016, respectively. The remaining two properties, Ashland Park Apartments and Burrell Square, target the general population and were built in 2005 and 2017, respectively. These properties are reasonable proxies for the Subject as they are among the newest LIHTC properties in the area.

The availability of market rate data is considered good. The Subject is located in Rome and there are several market-rate properties in the immediate area. We include six conventional properties in our analysis of the competitive market. Other market rate properties have been excluded as they offer an inferior age and condition or we were unable to contact a representative with the property to participate in our survey. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity, unit types, or age and condition. It should be noted that the property managers at these properties generally did not experience a decrease in collections, but did experience a slight decrease in traffic during the COVID-19 Pandemic.

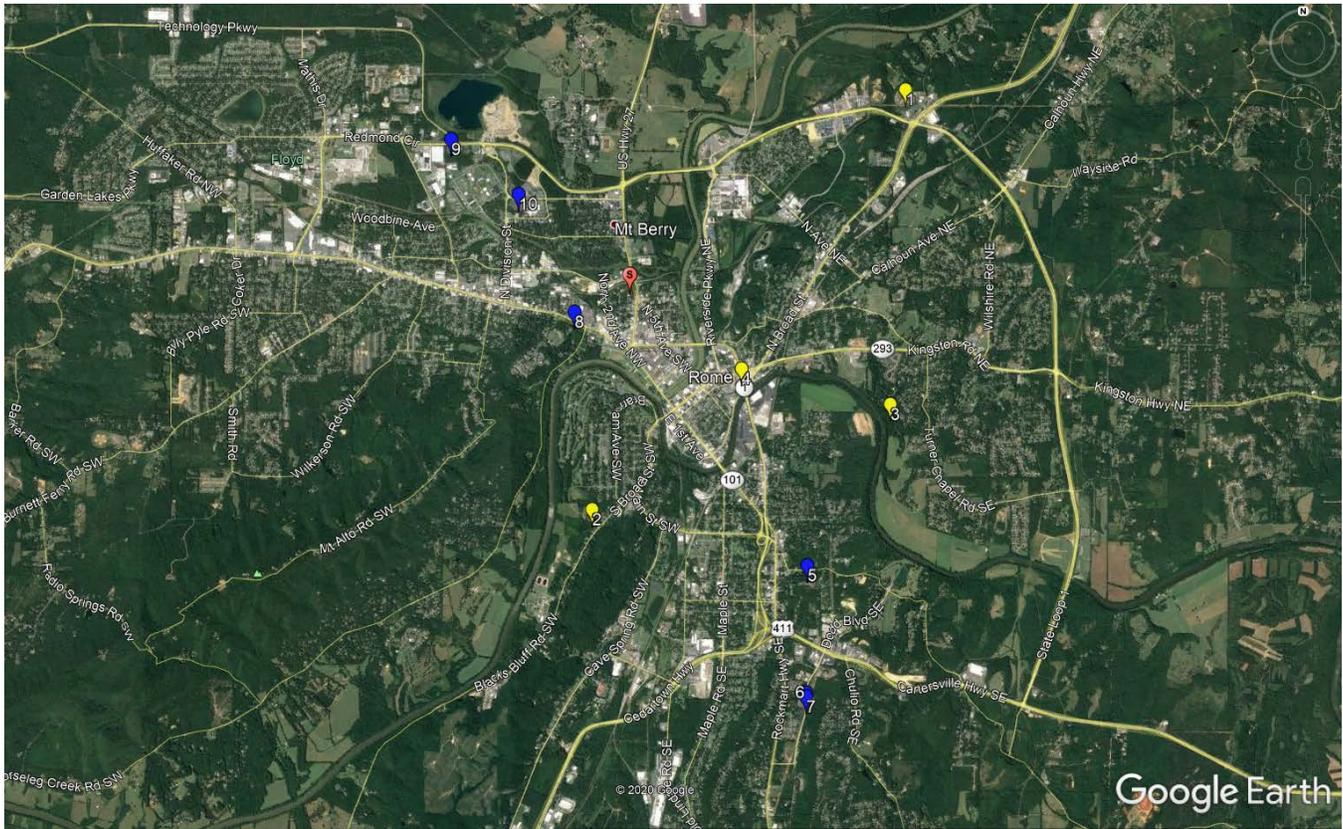
A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the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

## Excluded Properties

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

EXCLUDED PROPERTIES						
Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion	
Altoview Terrace	LIHTC	Rome	Family	66	Proposed	
Greystone Apartments	LIHTC, Section 8, S+C	Rome	Senior	71	Inferior age/condition/largely subsidized	
Pennington Place	LIHTC (HOME), Public Housing	Rome	Family	8	Dissimilar restriction levels/dissimilar tenancy	
Spring Haven Apartments	LIHTC (HOME)	Cave Springs	Senior	24	More proximate properties	
Charles Hight Homes	Public Housing	Rome	Family	202	Subsidized	
John Graham Homes	Public Housing	Rome	Family	150	Subsidized	
Housing Authority of the City of Cave Spring	Public Housing	Cave Spring	Family	20	Subsidized	
Village Green	Public Housing	Rome	Family	10	Subsidized	
Willingham at Division	Public Housing	Rome	Family	27	Subsidized	
Willingham Village	Public Housing	Rome	Family	76	Subsidized	
Steve Pettis Court Apts	Rural Development	Cave Spring	Family	31	Subsidized	
Callier Forest Apartments	Section 8	Rome	Family	130	Subsidized	
Heatherwood Apartments	Section 8	Rome	Senior	68	Subsidized	
High Rise	Section 8	Rome	Senior	101	Subsidized	
Meadow Lane Apartments	Section 8, LIHTC, Non-Rental	Rome	Family	119	Subsidized	
Oak Ridge	PSHP, Non-Rental	Rome	Family	35	Subsidized	
Park Homes	Section 8	Rome	Family	100	Subsidized	
Pine Ridge Apartments	Section 8	Rome	Homeless	30	Subsidized	
Tamassee Apartments	Section 8	Rome	Family	80	Subsidized	
The Villas	Section 8	Rome	Family	39	Subsidized	
Claridge Gate	Market	Rome	Family	32	Refused to participate	
Riverpoint Luxury Apartments	Market	Rome	Family	124	Refused to participate	
Summer Stone	Market	Rome	Family	32	More proximate property	
Willow Way Apartments	Market	Rome	Family	65	Inferior age/condition	
Arbor Terrace Apartments	Market	Rome	Family	99	Inferior age/condition	
Riverwood Park	Market	Rome	Family	91	Inferior age/condition/refused to participate	

**1. Comparable Rental Property Map**



Source: Google Earth, May 2020.

**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
<b>S</b>	<b>Sparrow Pointe</b>	<b>Rome</b>	<b>LIHTC/ Market</b>	<b>Senior</b>	<b>-</b>
1	Ashland Park Apartments	Rome	LIHTC	Family	2.9 miles
2	Burrell Square	Rome	LIHTC	Family	1.3 miles
3	Etowah Terrace	Rome	LIHTC/ Market	Senior	1.2 miles
4	Highland Estates	Rome	LIHTC/ Market	Senior	1.4 miles
5	Ashton Ridge	Rome	Market	Family	2.7 miles
6	Eastland Court	Rome	Market	Family	3.7 miles
7	Guest House Apartments	Rome	Market	Family	3.7 miles
8	Hamilton Ridge	Rome	Market	Family	0.5 miles
9	Redmond Chase	Rome	Market	Family	1.9 miles
10	The Grove At Six Hundred	Rome	Market	Family	1.2 miles

**SPARROW POINTE – ROME, GEORGIA – MARKET STUDY**

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

**SUMMARY MATRIX**

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Sparrow Pointe 1301 Martha Berry Boulevard Rome, GA 30165 Floyd County	-	Midrise 4-stories 2022 / n/a Senior	@50%, @60%, Market	1BR / 1BA	2	3.1%	700	@50%	\$455	No	N/A	N/A	N/A
					1BR / 1BA	6	9.4%	700	@60%	\$565	No	N/A	N/A	N/A
					1BR / 1BA	2	3.1%	700	Market	\$605	N/A	N/A	N/A	N/A
					2BR / 1BA	10	15.6%	900	@50%	\$540	No	N/A	N/A	N/A
					2BR / 1BA	39	60.9%	900	@60%	\$660	No	N/A	N/A	N/A
					2BR / 1BA	5	7.8%	900	Market	\$730	N/A	N/A	N/A	N/A
					<b>64</b>							<b>N/A</b>	<b>N/A</b>	
1	Ashland Park Apartments 10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County	2.9 miles	Garden 3-stories 2005 / n/a Family	@60%	1BR / 1BA	24	13.0%	874	@60%	\$495	No	No	0	0.0%
					2BR / 2BA	88	47.8%	1,149	@60%	\$565	No	No	0	0.0%
					3BR / 2BA	72	39.1%	1,388	@60%	\$615	No	No	0	0.0%
					<b>184</b>							<b>0</b>	<b>0.0%</b>	
2	Burrell Square 425 Cherokee Street Rome, GA 30161 Floyd County	1.3 miles	Various 3-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	13	15.5%	750	@50%	\$329	No	Yes	0	0.0%
					1BR / 1BA	9	10.7%	750	@60%	\$441	No	Yes	0	0.0%
					2BR / 2BA	4	4.8%	1,050	@50%	\$418	No	Yes	0	0.0%
					2BR / 2BA	37	44.1%	1,050	@60%	\$528	No	Yes	1	2.7%
					3BR / 2BA	4	4.8%	1,250	@50%	\$460	No	Yes	0	0.0%
					3BR / 2BA	17	20.2%	1,250	@60%	\$590	No	Yes	0	0.0%
					<b>84</b>							<b>1</b>	<b>1.2%</b>	
3	Etowah Terrace 1 Etowah Terrace Rome, GA 30161 Floyd County	1.2 miles	Midrise 4-stories 2011 / n/a Senior	@50%, @60%, @60% (Project Based Rental Assistance - PBRA), Market	1BR / 1BA	7	9.1%	770	@50%	\$441	No	Yes	0	0.0%
					1BR / 1BA	13	16.9%	770	@60%	\$553	No	Yes	0	0.0%
					1BR / 1BA	10	13.0%	770	@60% (PBRA)	\$553	No	Yes	0	0.0%
					1BR / 1BA	5	6.5%	770	Market	-	N/A	Yes	0	0.0%
					2BR / 2BA	9	11.7%	970	@50%	\$530	No	Yes	0	0.0%
					2BR / 2BA	21	27.3%	970	@60%	\$665	No	Yes	2	9.5%
					2BR / 2BA	10	13.0%	970	@60% (PBRA)	\$665	No	Yes	0	0.0%
					2BR / 2BA	2	2.6%	970	Market	\$756	N/A	Yes	0	0.0%
					<b>77</b>							<b>2</b>	<b>2.6%</b>	
4	Highland Estates 179 Woodrow Wilson Way NW Rome, GA 30165 Floyd County	1.4 miles	Various 1-stories 2016 / n/a Senior	@50%, @60%, Market	1BR / 1BA	N/A	N/A	749	@50%	\$395	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	749	@60%	\$493	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	749	Market	\$620	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	@50%	\$456	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	@50%	\$456	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	@60%	\$574	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	@60%	\$574	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	Market	\$730	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	Market	\$734	N/A	Yes	N/A	N/A
										<b>84</b>				
5	Ashton Ridge 2522 Callier Springs Road Rome, GA 30161 Floyd County	2.7 miles	Garden 3-stories 1999 / 2020 Family	Market	1BR / 1BA	14	15.9%	708	Market	\$750	N/A	No	N/A	N/A
					2BR / 2BA	37	42.1%	933	Market	\$890	N/A	No	N/A	N/A
					3BR / 2BA	37	42.1%	1,134	Market	\$975	N/A	No	N/A	N/A
					<b>88</b>							<b>3</b>	<b>3.4%</b>	
6	Eastland Court 40 Chateau Drive Rome, GA 30161 Floyd County	3.7 miles	Garden 4-stories 2005/2007 / n/a Family	Market	1BR / 1BA	21	18.1%	804	Market	\$950	N/A	No	0	0.0%
					1BR / 1BA	4	3.5%	919	Market	\$1,100	N/A	No	0	0.0%
					2BR / 2BA	68	58.6%	1,056	Market	\$1,125	N/A	No	4	5.9%
					3BR / 2BA	23	19.8%	1,516	Market	\$1,300	N/A	No	0	0.0%
					<b>116</b>							<b>4</b>	<b>3.4%</b>	
7	Guest House Apartments 48 Chateau Drive Rome, GA 30161 Floyd County	3.7 miles	Various 2-stories 1989 / 2002/2019 Family	Market	1BR / 1BA	59	78.7%	550	Market	\$740	N/A	No	0	0.0%
					2BR / 1.5BA	16	21.3%	1,100	Market	\$940	N/A	No	0	0.0%
					<b>75</b>								<b>0</b>	<b>0.0%</b>
8	Hamilton Ridge 72 Hamilton Avenue Rome, GA 30165 Floyd County	0.5 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	20	41.7%	532	Market	\$650	N/A	Yes	0	0.0%
					2BR / 1BA	20	41.7%	1,000	Market	\$800	N/A	Yes	0	0.0%
					3BR / 1BA	8	16.7%	1,300	Market	\$950	N/A	Yes	0	0.0%
					<b>48</b>								<b>0</b>	<b>0.0%</b>
9	Redmond Chase 1349 Redmond Circle Rome, GA 30165 Floyd County	1.9 miles	Various 2-stories 1968 / 2017 Family	Market	1BR / 1BA	N/A	N/A	750	Market	\$705	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	950	Market	\$763	N/A	No	0	N/A
					2BR / 1.5BA	N/A	N/A	1,150	Market	\$829	N/A	No	0	N/A
					3BR / 2BA	N/A	N/A	1,150	Market	\$900	N/A	No	0	N/A
					<b>149</b>							<b>0</b>	<b>0.0%</b>	
10	The Grove At Six Hundred 600 Redmond Road NW Rome, GA 30165 Floyd County	1.2 miles	Townhouse 2-stories 1974 / 2017 Family	Market	2BR / 1.5BA	88	84.6%	1,120	Market	\$818	N/A	No	1	1.1%
					3BR / 2BA	16	15.4%	1,320	Market	\$1,130	N/A	No	0	0.0%
					<b>104</b>								<b>1</b>	<b>1.0%</b>

**SPARROW POINTE – ROME, GEORGIA – MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.</b>				
	Units Surveyed:	1,009	Weighted Occupancy:	98.2%
	Market Rate	580	Market Rate	98.6%
	Tax Credit	429	Tax Credit	97.7%
	<b>One Bedroom One Bath</b>		<b>Two Bedroom One Bath</b>	
	Property	Average	Property	Average
<b>RENT</b>	Eastland Court (Market)	\$1,100	Eastland Court (Market)(2BA)	\$1,125
	Eastland Court (Market)	\$950	Guest House Apartments (Market)(1.5BA)	\$940
	Ashton Ridge (Market)	\$750	Ashton Ridge (Market)(2BA)	\$890
	Guest House Apartments (Market)	\$740	Redmond Chase (Market)(1.5BA)	\$829
	Redmond Chase (Market)	\$705	The Grove At Six Hundred (Market)(1.5BA)	\$818
	Hamilton Ridge (Market)	\$650	Hamilton Ridge (Market)	\$800
	Highland Estates (Market)	\$620	Redmond Chase (Market)	\$763
	<b>Sparrow Pointe (Market)</b>	<b>\$605</b>	Etowah Terrace (Market)(2BA)	\$756
	<b>Sparrow Pointe (@60%)</b>	<b>\$565</b>	Highland Estates (Market)(2BA)	\$734
	Etowah Terrace (@60%)	\$553	<b>Sparrow Pointe (Market)</b>	<b>\$730</b>
	Etowah Terrace (@60%)	\$553	Highland Estates (Market)(2BA)	\$730
	Ashland Park Apartments (@60%)	\$495	Etowah Terrace (@60%)(2BA)	\$665
	Highland Estates (@60%)	\$493	Etowah Terrace (@60%)(2BA)	\$665
	<b>Sparrow Pointe (@50%)</b>	<b>\$455</b>	<b>Sparrow Pointe (@60%)</b>	<b>\$660</b>
	Etowah Terrace (@50%)	\$441	Highland Estates (@60%)(2BA)	\$574
	Burrell Square (@60%)	\$441	Highland Estates (@60%)(2BA)	\$574
	Highland Estates (@50%)	\$395	Ashland Park Apartments (@60%)(2BA)	\$565
	Burrell Square (@50%)	\$329	<b>Sparrow Pointe (@50%)</b>	<b>\$540</b>
			Etowah Terrace (@50%)(2BA)	\$530
			Burrell Square (@60%)(2BA)	\$528
		Highland Estates (@50%)(2BA)	\$456	
		Highland Estates (@50%)(2BA)	\$456	
		Burrell Square (@50%)(2BA)	\$418	
<b>SQUARE FOOTAGE</b>	Eastland Court (Market)	919	Redmond Chase (Market)(1.5BA)	1,150
	Ashland Park Apartments (@60%)	874	Ashland Park Apartments (@60%)(2BA)	1,149
	Eastland Court (Market)	804	The Grove At Six Hundred (Market)(1.5BA)	1,120
	Etowah Terrace (Market)	770	Guest House Apartments (Market)(1.5BA)	1,100
	Etowah Terrace (@50%)	770	Eastland Court (Market)(2BA)	1,056
	Etowah Terrace (@60%)	770	Burrell Square (@60%)(2BA)	1,050
	Etowah Terrace (@60%)	770	Burrell Square (@50%)(2BA)	1,050
	Burrell Square (@60%)	750	Hamilton Ridge (Market)	1,000
	Burrell Square (@50%)	750	Highland Estates (@60%)(2BA)	984
	Redmond Chase (Market)	750	Highland Estates (Market)(2BA)	984
	Highland Estates (@50%)	749	Highland Estates (@50%)(2BA)	984
	Highland Estates (Market)	749	Etowah Terrace (Market)(2BA)	970
	Highland Estates (@60%)	749	Etowah Terrace (@50%)(2BA)	970
	Ashton Ridge (Market)	708	Etowah Terrace (@60%)(2BA)	970
	<b>Sparrow Pointe (@60%)</b>	<b>700</b>	Etowah Terrace (@60%)(2BA)	970
	<b>Sparrow Pointe (Market)</b>	<b>700</b>	Redmond Chase (Market)	950
	<b>Sparrow Pointe (@50%)</b>	<b>700</b>	Highland Estates (Market)(2BA)	944
	Guest House Apartments (Market)	550	Highland Estates (@50%)(2BA)	944
	Hamilton Ridge (Market)	532	Highland Estates (@60%)(2BA)	944
			Ashton Ridge (Market)(2BA)	933
		<b>Sparrow Pointe (@50%)</b>	<b>900</b>	
		<b>Sparrow Pointe (@60%)</b>	<b>900</b>	
		<b>Sparrow Pointe (Market)</b>	<b>900</b>	
<b>RENT PER SQUARE FOOT</b>	Guest House Apartments (Market)	\$1.35	Eastland Court (Market)(2BA)	\$1.07
	Hamilton Ridge (Market)	\$1.22	Ashton Ridge (Market)(2BA)	\$0.95
	Eastland Court (Market)	\$1.20	Guest House Apartments (Market)(1.5BA)	\$0.85
	Eastland Court (Market)	\$1.18	<b>Sparrow Pointe (Market)</b>	<b>\$0.81</b>
	Ashton Ridge (Market)	\$1.06	Redmond Chase (Market)	\$0.80
	Redmond Chase (Market)	\$0.94	Hamilton Ridge (Market)	\$0.80
	<b>Sparrow Pointe (Market)</b>	<b>\$0.86</b>	Etowah Terrace (Market)(2BA)	\$0.78
	Highland Estates (Market)	\$0.83	Highland Estates (Market)(2BA)	\$0.77
	<b>Sparrow Pointe (@60%)</b>	<b>\$0.81</b>	Highland Estates (Market)(2BA)	\$0.75
	Etowah Terrace (@60%)	\$0.72	<b>Sparrow Pointe (@60%)</b>	<b>\$0.73</b>
	Etowah Terrace (@60%)	\$0.72	The Grove At Six Hundred (Market)(1.5BA)	\$0.73
	Highland Estates (@60%)	\$0.66	Redmond Chase (Market)(1.5BA)	\$0.72
	<b>Sparrow Pointe (@50%)</b>	<b>\$0.65</b>	Etowah Terrace (@60%)(2BA)	\$0.69
	Burrell Square (@60%)	\$0.59	Etowah Terrace (@60%)(2BA)	\$0.69
	Etowah Terrace (@50%)	\$0.57	Highland Estates (@60%)(2BA)	\$0.61
	Ashland Park Apartments (@60%)	\$0.57	<b>Sparrow Pointe (@50%)</b>	<b>\$0.60</b>
	Highland Estates (@50%)	\$0.53	Highland Estates (@60%)(2BA)	\$0.58
	Burrell Square (@50%)	\$0.44	Etowah Terrace (@50%)(2BA)	\$0.55
			Burrell Square (@60%)(2BA)	\$0.50
			Ashland Park Apartments (@60%)(2BA)	\$0.49
		Highland Estates (@50%)(2BA)	\$0.48	
		Highland Estates (@50%)(2BA)	\$0.46	
		Burrell Square (@50%)(2BA)	\$0.40	

# PROPERTY PROFILE REPORT

## Ashland Park Apartments

Effective Rent Date	5/13/2020
Location	10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County
Distance	5.8 miles
Units	184
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ashton Ridge, Riverwood Park
Tenant Characteristics	Mostly families from the Atlanta area
Contact Name	Diamond
Phone	706-290-1040



### Market Information

Program	@60%
Annual Turnover Rate	7%
Units/Month Absorbed	N/A
HCV Tenants	40%
Leasing Pace	Within one weeks
Annual Chg. in Rent	None reported
Concession	None
Waiting List	Yes, 26 households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	874	\$480	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	88	1,149	\$550	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	72	1,388	\$600	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$480	\$0	\$480	\$15	\$495
2BR / 2BA	\$550	\$0	\$550	\$15	\$565
3BR / 2BA	\$600	\$0	\$600	\$15	\$615

## Ashland Park Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$50.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

### Comments

Rents are below maximum allowable levels, and priced to what the market can bear. A renovation of this property is planned. Renovations for the first 30 units are planned for the second half of 2020. Renovations will include new appliances, flooring, cabinets, countertops, light fixtures, bathroom vanity, and paint. Marketing will soon cease because of this planned renovation. The property will have new owners and management following renovations. The property also provides supportive housing for a small number of units to veterans via the Veterans Affairs Supportive Housing (VASH) program, and these units typically turnover at a greater rate than general occupancy units. During the COVID-19 Pandemic, the property has not experienced a decrease in collections, but did experience a slight decrease in traffic.

Photos



# PROPERTY PROFILE REPORT

## Burrell Square

Effective Rent Date	5/14/2020
Location	425 Cherokee Street Rome, GA 30161 Floyd County
Distance	1.9 miles
Units	84
Vacant Units	1
Vacancy Rate	1.2%
Type	Various (3 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mix of local area families from Rome and Floyd CO, some seniors
Contact Name	Cherene
Phone	706-410-2764



### Market Information

Program	@50%, @60%
Annual Turnover Rate	28%
Units/Month Absorbed	21
HCV Tenants	2%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 0-2% since 2Q 2019
Concession	None
Waiting List	Yes; unknown length

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	13	750	\$374	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	9	750	\$486	\$0	@60%	Yes	0	0.0%	no	None
2	2	Duplex (2 stories)	4	1,050	\$470	\$0	@50%	Yes	0	0.0%	no	None
2	2	Duplex (2 stories)	37	1,050	\$580	\$0	@60%	Yes	1	2.7%	no	None
3	2	Duplex (2 stories)	4	1,250	\$525	\$0	@50%	Yes	0	0.0%	no	None
3	2	Duplex (2 stories)	17	1,250	\$655	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$374	\$0	\$374	-\$45	\$329	1BR / 1BA	\$486	\$0	\$486	-\$45	\$441
2BR / 2BA	\$470	\$0	\$470	-\$52	\$418	2BR / 2BA	\$580	\$0	\$580	-\$52	\$528
3BR / 2BA	\$525	\$0	\$525	-\$65	\$460	3BR / 2BA	\$655	\$0	\$655	-\$65	\$590

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

Comments

This property consists of three non-contiguous but nearby components, the 34-unit Burrell Square at 425 Cherokee Street, the 23-unit Etowah Bend at 2 Etowah Terrace, and the 27-unit McCall Place at 310 South Broad Street. All were constructed at about the same time and all components are jointly managed. Rents are the same among all three components. For simplicity, we refer to this development as Burrell Square, which has the most units out of the three properties. Rents are below maximum allowable levels, priced to what the market can bear according to the manager. There is one vacant unit, which is not formally preleased. Nonetheless, the manager stated that this unit will be leased by a household from the waiting list, the number of which was not revealed. Turnover is largely the result of evictions according to the manager. A large portion of tenants are younger households, many of which are on their own for the first time.

Photos



# PROPERTY PROFILE REPORT

## Etowah Terrace

Effective Rent Date	5/13/2020
Location	1 Etowah Terrace Rome, GA 30161 Floyd County
Distance	2.4 miles
Units	77
Vacant Units	2
Vacancy Rate	2.6%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	3/01/2012
Leasing Began	6/01/2012
Last Unit Leased	10/01/2012
Major Competitors	N/A
Tenant Characteristics	Average age 65
Contact Name	Larose
Phone	706-622-4598



### Market Information

Program	@50%, @60%, @60% (Project Based Rental)
Annual Turnover Rate	N/A
Units/Month Absorbed	19
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	None
Waiting List	Yes, ten households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	7	770	\$486	\$0	@50%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	13	770	\$598	\$0	@60%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	10	770	\$598	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	5	770	N/A	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	9	970	\$582	\$0	@50%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	21	970	\$717	\$0	@60%	Yes	2	9.5%	no	None
2	2	Midrise (4 stories)	10	970	\$717	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	2	970	\$808	\$0	Market	Yes	0	0.0%	N/A	None



# PROPERTY PROFILE REPORT

## Highland Estates

Effective Rent Date	5/13/2020
Location	179 Woodrow Wilson Way NW Rome, GA 30165 Floyd County
Distance	1.1 miles
Units	84
Vacant Units	7
Vacancy Rate	8.3%
Type	Various (age-restricted)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Majority from the local area; average age of 70; majority former homeowners
Contact Name	Vicky
Phone	706-378-2255



### Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	6%
Units/Month Absorbed	N/A
HCV Tenants	18%
Leasing Pace	Pre-leased to two weeks
Annual Chg. in Rent	Increased three to five percent
Concession	None
Waiting List	Yes, 100+ households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	N/A	749	\$493	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Midrise (3 stories)	N/A	749	\$395	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Midrise (3 stories)	N/A	749	\$620	\$0	Market	Yes	N/A	N/A	N/A	None
2	2	Midrise (3 stories)	N/A	944	\$456	\$0	@50%	Yes	N/A	N/A	no	None
2	2	Midrise (3 stories)	N/A	944	\$574	\$0	@60%	Yes	N/A	N/A	no	None
2	2	Midrise (3 stories)	N/A	944	\$730	\$0	Market	Yes	N/A	N/A	N/A	None
2	2	Townhouse	N/A	984	\$456	\$0	@50%	Yes	N/A	N/A	no	None
2	2	Townhouse	N/A	984	\$574	\$0	@60%	Yes	N/A	N/A	no	None
2	2	Townhouse	N/A	984	\$734	\$0	Market	Yes	N/A	N/A	N/A	None



Photos



# PROPERTY PROFILE REPORT

## Ashton Ridge

Effective Rent Date	5/14/2020
Location	2522 Callier Springs Road Rome, GA 30161 Floyd County
Distance	2.7 miles
Units	88
Vacant Units	3
Vacancy Rate	3.4%
Type	Garden (3 stories)
Year Built/Renovated	1999 / 2020
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Arbor Terrace, Grove At Six Hundred
Tenant Characteristics	Mostly families
Contact Name	Cheryl
Phone	706-802-0017



### Market Information

Program	Market
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 30% for new leases
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	14	708	\$750	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	37	933	\$890	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	37	1,134	\$975	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	\$0	\$750
2BR / 2BA	\$890	\$0	\$890	\$0	\$890
3BR / 2BA	\$975	\$0	\$975	\$0	\$975

## Ashton Ridge, continued

### Amenities

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

### Comments

The property was originally developed as a LIHTC property, but converted to a market rate development in 2014. The property changed ownership in October 2019 and the new owner has begun a renovation, the scope of which includes new kitchens and baths among others. Asking rents increased dramatically for new tenants by \$175 to \$215 from September 2019. Rents for existing tenants will be gradually increased to the new market levels over time. Of the four vacant units, two are preleased.

Photos



# PROPERTY PROFILE REPORT

## Eastland Court

Effective Rent Date	5/13/2020
Location	40 Chateau Drive Rome, GA 30161 Floyd County
Distance	3.7 miles
Units	116
Vacant Units	4
Vacancy Rate	3.4%
Type	Garden (4 stories)
Year Built/Renovated	2005/2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed-tenancy
Contact Name	April
Phone	706-232-2300



### Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	0
HCV Tenants	0%
Leasing Pace	Within two week
Annual Chg. in Rent	Increased 2-6% since 2019
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	21	804	\$950	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (4 stories)	4	919	\$1,100	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (4 stories)	68	1,056	\$1,125	\$0	Market	No	4	5.9%	N/A	None
3	2	Garden (4 stories)	23	1,516	\$1,300	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$950 - \$1,100	\$0	\$950 - \$1,100	\$0	\$950 - \$1,100
2BR / 2BA	\$1,125	\$0	\$1,125	\$0	\$1,125
3BR / 2BA	\$1,300	\$0	\$1,300	\$0	\$1,300

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Exterior Storage(\$75.00)	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer hookup		
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Garage(\$120.00)	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Recreation Areas		
Swimming Pool			

Comments

The market rate property is among the most upscale apartment properties in the Rome area. A waiting list has been maintained in the past, but not currently. During the COVID-19 Pandemic, the property has not experienced a decrease in collections. Additionally, the property experienced a small decrease in the amount of inquiries, and closed the office to support social distancing measures.

Photos





### Comments

The rents shown in the profile are for renovated units. Non-renovated units rent for a discount of approximately \$30 to \$50 per month. Renovations include new stainless steel appliances, plank flooring, and fixtures. The property has renovated over half of the units, and gradually renovating the remaining units as leases expire. During the COVID-19 pandemic, the property has had one tenant default on rent payment. However, the amount of traffic and inquiries on units has doubled at the property.

Photos



# PROPERTY PROFILE REPORT

## Hamilton Ridge

Effective Rent Date	5/13/2020
Location	72 Hamilton Avenue Rome, GA 30165 Floyd County
Distance	0.5 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Linda
Phone	(706) 291-9191



### Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3% to 6%
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	20	532	\$650	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (3 stories)	20	1,000	\$800	\$0	Market	No	0	0.0%	N/A	None
3	1	Garden (3 stories)	8	1,300	\$950	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$650	\$0	\$650	\$0	\$650
2BR / 1BA	\$800	\$0	\$800	\$0	\$800
3BR / 1BA	\$950	\$0	\$950	\$0	\$950

## Hamilton Ridge, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpet/Hardwood	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management			

### Comments

Hamilton Ridge is among the most upscale market rate properties in the Rome area. The property is typically 100 percent occupied. Management has maintained a waiting list in the past, but does not have one currently. During the COVID-19 Pandemic, the property has not experienced a decrease in collections or a decrease in traffic and inquiries. Additional information, such as turnover and a tenant profile, was not provided.

Photos



# PROPERTY PROFILE REPORT

## Redmond Chase

Effective Rent Date	5/14/2020
Location	1349 Redmond Circle Rome, GA 30165 Floyd County
Distance	1.9 miles
Units	149
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1968 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Westminster, Ashland Park
Tenant Characteristics	None identified
Contact Name	Lee
Phone	706-235-0409



### Market Information

Program	Market
Annual Turnover Rate	16%
Units/Month Absorbed	0
HCV Tenants	0%
Leasing Pace	Increased 10-15% since 1Q 2019
Annual Chg. in Rent	None
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	750	\$750	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	950	\$815	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,150	\$881	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,150	\$965	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	-\$45	\$705
2BR / 1BA	\$815	\$0	\$815	-\$52	\$763
2BR / 1.5BA	\$881	\$0	\$881	-\$52	\$829
3BR / 2BA	\$965	\$0	\$965	-\$65	\$900

## Redmond Chase, continued

### Amenities

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

### Comments

The property was formerly known as Heritage Pointe. The property underwent minor renovations in 2017 that included interior and exterior upgrades with repairs to community amenities, new appliances as needed, new flooring, and new management. According to the contact, rents increased by approximately 8-10 percent, or \$51 to \$87 per month post-renovation. The property is fully occupied but management does not maintain a waiting list.

Photos



# PROPERTY PROFILE REPORT

## The Grove At Six Hundred

Effective Rent Date	5/13/2020
Location	600 Redmond Road NW Rome, GA 30165 Floyd County
Distance	1.2 miles
Units	104
Vacant Units	1
Vacancy Rate	1.0%
Type	Townhouse (2 stories)
Year Built/Renovated	1974 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Arbor Terrace, Heritage Pointe
Tenant Characteristics	Mostly families
Contact Name	Tina
Phone	706-291-2154



### Market Information

Program	Market
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased two to three percent
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Townhouse (2 stories)	88	1,120	\$870	\$0	Market	No	1	1.1%	N/A	None
3	2	Townhouse (2 stories)	16	1,320	\$1,195	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$870	\$0	\$870	-\$52	\$818
3BR / 2BA	\$1,195	\$0	\$1,195	-\$65	\$1,130

### Amenities

In-Unit	Security	Services
Balcony/Patio	Patrol	None
Carpeting		
Coat Closet		
Ceiling Fan		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting Room/Community	None	None
Off-Street Parking		
Playground		

### Comments

The property accepts Housing Choice Vouchers, but there are no tenants currently using them. This property was formerly known as Westminster Townhouse. Minor renovations on the property were completed in 2017 and included updated kitchens and bathrooms with new fixtures, appliances, new flooring, exterior improvements, and a change in management. There are ten units remaining that have not been renovated. The contact stated that rents increased between \$50 and \$100 post-renovation. Rents have been increased \$25 in the past year. During the COVID-19 pandemic, collections have decreased five percent. However, traffic and the number of inquiries have also increased.

Photos



## 2. Housing Choice Vouchers

We were able to speak with Ms. Valencia Jordan, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Candler County. According to Ms. Jordan, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Ms. Jordan also stated that there are 69 families utilizing these Housing Choice Vouchers in Floyd County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list, 51 of which are from Floyd County. The following table illustrates voucher usage at the comparables.

### TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Ashland Park Apartments	LIHTC	Family	40%
Burrell Square	LIHTC	Family	2%
Etowah Terrace	LIHTC/ Market	Senior	N/A
Highland Estates	LIHTC/ Market	Senior	18%
Ashton Ridge	Market	Family	0%
Eastland Court	Market	Family	0%
Guest House Apartments	Market	Family	0%
Hamilton Ridge	Market	Family	N/A
Redmond Chase	Market	Family	0%
The Grove At Six Hundred	Market	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 40 percent. All of the LIHTC properties report a low to moderate reliance on tenants with vouchers. Thus, it appears that the Subject will not need to rely on voucher residents in order to maintain a high occupancy level. As a LIHTC property, we anticipate the Subject will operate with a voucher usage of less than 20 percent.

## 3. Phased Developments

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

### Lease Up History

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we have extended our search to other properties throughout Northwest Georgia.

### ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Average					28

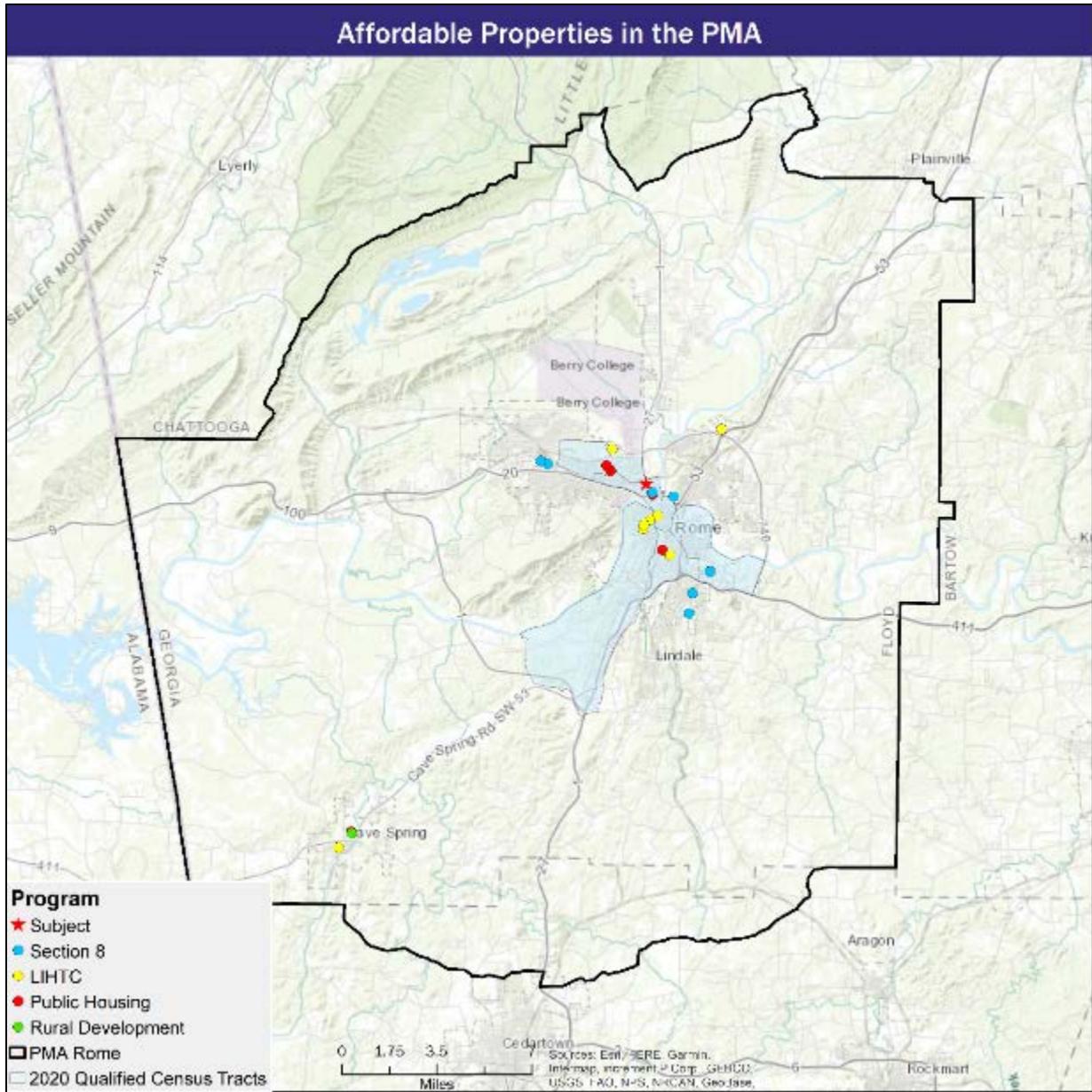
Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Brentwood Senior Apartments is a senior LIHTC development located in Cartersville. This property opened in August 2019 and reported an absorption rate of 11 units per month. Burrell Square is a LIHTC development located in Rome. This property reported an absorption rate of 21 units per month. The contact at Burrell Square reported that management maintains a waiting list, and stated that demand for affordable housing in the area is strong. We believe the Subject, as a

proposed LIHTC property, will be most similar to Brentwood Senior Apartments and Burrell Square and will be absorbed at a rate of approximately 15 units per month, equating to an absorption period of approximately five to six months. It should be noted that construction on the Subject is not anticipated to be completed until August 2022, which is considered outside of the primary window from the COVID-19 pandemic.

#### 4. Competitive Project Map

##### COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Proposed Development	LIHTC	Rome	Senior	76	0.0%	Star
Altoview Terrace	LIHTC	Rome	Family	66	N/A	Yellow
Ashland Park Apartments	LIHTC	Rome	Family	184	100.0%	
Burrell Square	LIHTC	Rome	Family	84	98.8%	
Etowah Terrace	LIHTC, PBRA, Market	Rome	Senior	77	97.4%	
Greystone Apartments	LIHTC, Section 8, S+C	Rome	Senior	71	100.0%	
Highland Estates	LIHTC, Market	Rome	Senior	84	91.7%	
Pennington Place	LIHTC (HOME), Public Housing	Rome	Family	8	100.0%	
Spring Haven Apartments	LIHTC (HOME)	Cave Springs	Senior	24	100.0%	
Charles Hight Homes	Public Housing	Rome	Family	202	N/A	
John Graham Homes	Public Housing	Rome	Family	150	100.0%	
Housing Authority of the City of Cave Spring	Public Housing	Cave Spring	Family	20	N/A	Red
Village Green	Public Housing	Rome	Family	10	N/A	
Willingham at Division	Public Housing	Rome	Family	27	N/A	
Willingham Village	Public Housing	Rome	Family	76	100.0%	
Steve Pettis Court Apts	Rural Development	Cave Spring	Family	31	N/A	Green
Callier Forest Apartments	Section 8	Rome	Family	130	N/A	Blue
Heatherwood Apartments	Section 8	Rome	Senior	68	100.0%	
High Rise	Section 8	Rome	Senior	101	N/A	
Meadow Lane Apartments	Section 8, LIHTC, Non-Rental	Rome	Family	119	N/A	
Oak Ridge	PSHP, Non-Rental	Rome	Family	35	100.0%	
Park Homes	Section 8	Rome	Family	100	N/A	
Pine Ridge Apartments	Section 8	Rome	Homeless	30	96.7%	
Tamassee Apartments	Section 8	Rome	Family	80	100.0%	
The Villas	Section 8	Rome	Family	39	100.0%	



## 5. Amenities

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

AMENITY MATRIX											
	Subject	Ashland Park Apartments	Burrell Square	Etowah Terrace	Highland Estates	Ashton Ridge	Eastland Court	Guest House Apartments	Hamilton Ridge	Redmond Chase	The Grove At Six Hundred
<b>Rent Structure</b>	LIHTC/Market Senior	LIHTC Family	LIHTC Family	LIHTC/Market Senior	LIHTC/Market Senior	Market Family	Market Family	Market Family	Market Family	Market Family	Market Family
<b>Tenancy</b>											
<b>Building</b>											
Property Type	Midrise	Garden	Various	Midrise	Various	Garden	Garden	Various	Garden	Various	Townhouse
# of Stories	4-stories	3-stories	3-stories	4-stories	1-stories	3-stories	4-stories	2-stories	3-stories	2-stories	2-stories
Year Built	2022	2005	2017	2011	2016	1999	2005/2007	1989	2002	1968	1974
Year Renovated	n/a	n/a	n/a	n/a	n/a	2020	n/a	2002/2019	n/a	2017	2017
Commercial	no	no	no	no	no	no	no	no	no	no	no
Elevators	yes	no	no	yes	yes	no	no	no	no	no	no
Courtyard	yes	no	no	no	yes	no	no	no	no	no	no
<b>Utility Structure</b>											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	yes	no	no	no	no	no	yes	yes
Sewer	no	no	yes	yes	no	no	no	no	no	yes	yes
Trash	yes	no	yes	yes	yes	yes	yes	no	yes	yes	yes
<b>Accessibility</b>											
Grab Bars	no	no	no	no	no	no	no	no	no	no	no
Hand Rails	yes	no	no	yes	no	no	no	no	no	no	no
Pull Cords	yes	no	no	yes	no	no	no	no	no	no	no
<b>Unit Amenities</b>											
Balcony/Patio	no	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Hardwood	no	no	no	no	no	no	no	no	yes	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	yes	yes	no	no	no	no
Vaulted Ceilings	no	no	no	no	no	no	yes	no	no	no	no
Walk-In Closet	no	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Washer/Dryer	yes	no	no	no	no	no	no	yes	no	no	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Kitchen</b>											
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	yes	yes	no	yes	no	yes
Microwave	yes	no	no	no	yes	no	no	no	yes	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>											
Business Center	yes	yes	yes	yes	yes	no	no	no	no	no	no
Community Room	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes
Central Laundry	no	yes	yes	yes	yes	yes	no	no	yes	yes	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Concierge	no	no	no	no	no	no	no	no	no	no	no
<b>Recreation</b>											
Exercise Facility	yes	yes	yes	yes	yes	no	yes	no	no	no	yes
Playground	no	yes	yes	no	yes	yes	yes	yes	no	yes	yes
Swimming Pool	no	yes	no	no	no	no	yes	yes	no	yes	yes
Picnic Area	yes	yes	yes	no	yes	yes	yes	yes	no	no	no
Sport Court	no	no	no	no	no	no	no	no	no	no	no
Tennis Court	no	no	no	no	no	no	no	no	no	no	no
Theatre	no	no	no	no	no	no	no	no	no	no	no
Recreational Area	no	no	no	yes	no	no	yes	no	no	no	no
WiFi	no	no	no	no	no	no	no	no	no	no	no
<b>Services</b>											
Daycare	no	no	no	no	no	no	no	no	no	no	no
Adult Education	yes	no	no	no	no	no	no	no	no	no	no
Neighborhood	no	no	no	no	no	no	no	no	no	no	no
Non-Shelter	no	no	no	yes	no	no	no	no	no	no	no
Service	no	no	no	no	no	no	no	no	no	no	no
Shuttle Service	no	no	no	no	no	no	no	no	no	no	no
<b>Security</b>											
In-Unit Alarm	no	no	no	no	no	no	no	no	no	no	no
Intercom (Buzzer)	yes	no	no	yes	no	no	no	no	no	no	no
Intercom (Phone)	no	no	no	no	yes	no	no	no	no	no	no
Limited Access	yes	no	no	yes	yes	no	yes	no	yes	no	no
Patrol	no	no	no	no	no	no	no	no	no	no	yes
Perimeter Fencing	no	yes	yes	no	no	no	yes	yes	yes	no	no
Video Surveillance	no	no	no	no	no	no	no	no	no	no	no
<b>Parking</b>											
Garage	no	yes	no	no	no	no	yes	no	no	no	no
Garage Fee	n/a	\$50	\$0	\$0	\$0	\$0	\$120	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and inferior to superior property amenities. The Subject will offer hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack and are amenities that seniors desire. However, the Subject will lack balconies/patios and a swimming pool, which are offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

## 6. Comparable Tenancy

The Subject will target seniors age 55 and over. Two of the comparable properties also target seniors. However, given the limited supply of senior properties in the market, we include data from two family LIHTC properties in our LIHTC rent discussion. These properties target families but we believe the similar unit types will provide additional support for our rent conclusions.

### Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashland Park Apartments	LIHTC	Family	184	0	0.0%
Burrell Square	LIHTC	Family	84	1	1.2%
Etowah Terrace	LIHTC/ Market	Senior	77	2	2.6%
Highland Estates	LIHTC/ Market	Senior	84	7	8.3%
Ashton Ridge	Market	Family	88	3	3.4%
Eastland Court	Market	Family	116	4	3.4%
Guest House Apartments	Market	Family	75	0	0.0%
Hamilton Ridge	Market	Family	48	0	0.0%
Redmond Chase	Market	Family	149	0	0.0%
The Grove At Six Hundred	Market	Family	104	1	1.0%
<b>Total LIHTC</b>			<b>429</b>	<b>10</b>	<b>2.3%</b>
<b>Total Market Rate</b>			<b>580</b>	<b>8</b>	<b>1.4%</b>
<b>Overall Total</b>			<b>1,009</b>	<b>18</b>	<b>1.8%</b>

\*Located outside of the PMA

Overall vacancy in the market is low at 1.8 percent, and LIHTC vacancy is also considered low at 2.3 percent. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The Subject will exhibit similar to superior condition to the LIHTC comparables upon completion. Therefore, we believe there is adequate demand for the Subject as proposed.

Vacancy among the market rate comparable properties is low at 1.4 percent and three of the market rate properties are fully-occupied. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. The low vacancy rates and presence of waiting lists among the stabilized LIHTC comparables indicates demand for affordable housing in the area. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

## 7. Properties Under Construction and Proposed

The following section details properties currently planned, proposed or under construction.

### Altoview Terrace

- a. Location: 14th Street And Maple Avenue, Rome, GA
- b. Owner: Northwest Georgia Housing Authority
- c. Total number of units: 66 units
- d. Unit configuration: One, two, three, and four-bedroom units
- e. Rent structure: 50 and 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: June 2021
- g. Relevant information: All units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

### Meadow Lane

- a. Location: 22 Tamassee Lane, Rome, GA
- b. Owner: LHP Development, LLC (developer)
- c. Total number of units: 119 units
- d. Unit configuration: One, two, three, and four-bedroom units
- e. Rent structure: 60 percent AMI, 114 will continue to operate with a Section 8 project-based subsidy
- f. Estimated market entry: 2019
- g. Relevant information: Of the 119 units, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

### Park Homes

- a. Location: 201 Reservoir Street, Rome, GA
- b. Owner: REA Ventures (developer)
- c. Total number of units: 100 units
- d. Unit configuration: One, two, three, and four-bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: February 2019
- g. Relevant information: All units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

### High Rise

- a. Location: 906 N 5<sup>th</sup> Avenue, Rome, GA
- b. Owner: REA Ventures (developer)
- c. Total number of units: 101 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: November 2018

- g. Relevant information: All units will be subsidized and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

**Callier Forest Apartments**

- a. Location: 131 Dodd Boulevard SE, Rome, GA
- b. Owner: Unknown
- c. Total number of units: 130 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: November 2020
- g. Relevant information: All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

**Ashland Park**

- a. Location: 10 Ashland Park Boulevard NE, Rome, GA
- b. Owner: Northwest Georgia Housing Authority
- c. Total number of units: 184 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI,
- f. Estimated market entry: 2020
- g. Relevant information: Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, no units are deducted in our demand analysis.

## 8. Rental Advantage

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

**SIMILARITY MATRIX**

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Ashland Park	LIHTC	Family	Superior	Inferior	Similar	Inferior	Slightly Superior	-5
2	Burrell Square	LIHTC	Family	Similar	Inferior	Slightly Inferior	Similar	Similar	-15
3	Etowah Terrace	LIHTC/ Market	Senior	Similar	Inferior	Slightly Inferior	Slightly Inferior	Similar	-20
4	Highland Estates	LIHTC/ Market	Senior	Similar	Inferior	Similar	Similar	Similar	-10
5	Ashton Ridge	Market	Family	Inferior	Inferior	Slightly Inferior	Slightly Inferior	Similar	-30
6	Eastland Court	Market	Family	Slightly Superior	Inferior	Slightly Inferior	Inferior	Slightly Superior	-15
7	Guest House	Market	Family	Similar	Slightly Inferior	Slightly Inferior	Slightly Inferior	Similar	-15
8	Hamilton Ridge	Market	Family	Inferior	Inferior	Similar	Inferior	Similar	-30
9	Redmond Chase	Market	Family	Similar	Inferior	Similar	Slightly Inferior	Similar	-15
10	The Grove At Six	Market	Family	Slightly Superior	Inferior	Similar	Slightly Inferior	Slightly Superior	-5

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

The rental rates at the LIHTC properties are compared to the Subject’s proposed 50 and 60 percent AMI rents in the following table.

**LIHTC RENT COMPARISON @50%**

Property Name	County	Tenancy	1BR	2BR	Rents at Max?
<b>Sparrow Pointe</b>	<b>Floyd</b>	<b>Senior</b>	<b>\$455</b>	<b>\$540</b>	No
<b>LIHTC Maximum Rent (Net) (Floyd County)</b>	<b>Floyd</b>		<b>\$456</b>	<b>\$544</b>	
Burrell Square	Floyd	Family	\$329	\$418	No
Etowah Terrace	Floyd	Senior	\$441	\$530	No
Highland Estates	Floyd	Senior	\$395	\$456	No
<b>Average</b>			<b>\$388</b>	<b>\$468</b>	

**LIHTC RENT COMPARISON @60%**

Property Name	County	Tenancy	1BR	2BR	Rents at Max?
<b>Sparrow Pointe</b>	<b>Floyd</b>	<b>Senior</b>	<b>\$565</b>	<b>\$660</b>	No
<b>LIHTC Maximum Rent (Net) (Floyd County)</b>	<b>Floyd</b>		<b>\$568</b>	<b>\$679</b>	
Ashland Park Apartments	Floyd	Family	\$495	\$565	No
Burrell Square	Floyd	Family	\$441	\$528	No
Etowah Terrace	Floyd	Senior	\$553	\$665	No
Highland Estates	Floyd	Senior	\$493	\$574	No
<b>Average</b>			<b>\$496</b>	<b>\$583</b>	

The Subject property is held to the 2019 maximum allowable levels for Floyd County. Floyd County experienced its peak AMI level in 2019. The Subject's proposed 50 and 60 percent AMI rents are set below the 2019 maximum allowable levels. None of the comparable properties report achieving maximum allowable rents.

Etowah Terrace is located 1.2 miles from the Subject site in Rome and offers a slightly inferior location to the Subject in terms of median income, median rent, and median home value. Etowah Terrace is not achieving maximum allowable LIHTC rents, but is achieving the highest rents in the market. This property was constructed in 2011 and exhibits good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject. Etowah Terrace offers similar property amenities to the proposed Subject. This property offers inferior in-unit amenities to the Subject as it does not offer in-unit washers and dryers, which the Subject will offer, though it does offer exterior storage, which the Subject will not offer. This property offers similar unit sizes. Overall, Etowah Terrace is considered inferior to the Subject.

Highland Estates is located 1.4 miles from the proposed Subject site in Rome and offers a similar location to the Subject. This property was built in 2016 and exhibits excellent condition, which is considered similar to the Subject. Highland Estates offers similar property amenities to the Subject. This property offers inferior in-unit amenities to the Subject as it does not offer in-unit washers and dryers, which the Subject will offer, though it does offer balconies/patios, which the Subject will not offer. The unit sizes are similar to the proposed property's unit sizes. Overall, Highland Estates is considered inferior to the Subject.

The Subject's proposed rents are set below the 2019 maximum allowable levels. None of the comparables report achieving maximum allowable levels. The LIHTC comparables report low vacancy rates and all four of the LIHTC comparables report waiting lists indicating asking LIHTC rents in the market are achievable. The Subject is considered superior to Etowah Terrace and Highland Estates and, thus, would be able to achieve rents in line or above these two properties. We believe the Subject's LIHTC rents are feasible as proposed.

#### **Analysis of "Market Rents"**

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

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

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$455	\$329	\$1,100	\$619	36%
2BR @ 50%	\$540	\$418	\$1,125	\$713	32%
1BR @ 60%	\$565	\$441	\$1,100	\$682	21%
2BR @ 60%	\$660	\$528	\$1,125	\$766	16%
1BR Market	\$605	\$620	\$1,100	\$788	30%
2BR Market	\$730	\$730	\$1,125	\$839	15%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate.

Eastland Court is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Eastland Court as a market rate property. Eastland Court was built in 2005 and 2007 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Eastland Court is located 3.7 miles from the Subject site in Rome and offers a slightly inferior location. Eastland Court offers inferior in-unit amenities in comparison to the Subject as it does not offer hand rails, pull cords, and in-unit washers and dryers, which the Subject will offer and are amenities seniors desire, though it will offer balconies/patios and exterior storage, which the Subject will not offer. Eastland Court offers slightly superior property amenities when compared to the Subject as it offers a swimming pool, which the Subject will not offer, though it will not offer a business center and an exercise facility, which the Subject will offer. Eastland Court offers slightly superior unit sizes to the Subject. The lowest one and two-bedroom rents at Eastland Court are approximately 68 and 70 percent higher than the Subject’s proposed rents at 60 percent of the AMI, respectively. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

**9. LIHTC Competition – DCA Funded Properties within the PMA**

Capture rates for the Subject are considered low to moderate for all bedroom types and AMI levels. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is considered low at 2.3 percent. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The low vacancy rates and the presence of waiting lists at these properties indicates there is a strong demand for affordable housing in the area.

According to LIHTC allocation lists provided by the Georgia Department of Community Affairs, there have been six properties allocated tax credits within the Subject’s PMA since 2017. We have identified Ashland Park, Meadow Lane, Altoview Terrace, Park Homes, High Rise, and Callier Forest Apartments as competitive properties in the PMA coming online.

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

**COMPETITIVE SUPPLY**

Property Name	Program	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Meadow Lane	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under construction	0
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families. Construction is expected to be completed in June 2021. This development will be located 2.4 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Meadow Lane was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located 3.1 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of the Subject’s 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 1.0 mile from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 0.4 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property will be located 3.4 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.9 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change

post-renovation. Thus, Ashland Park will not add any new units to the market. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, no units are deducted in our demand analysis.

We do not believe that the addition of the Subject to the market will impact the new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well.

### 10. Rental Trends in the PMA

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

#### TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	22,653	67.0%	11,181	33.0%
2019	23,278	61.9%	14,323	38.1%
Projected Mkt Entry August 2022	23,702	62.4%	14,276	37.6%
2024	23,966	62.7%	14,246	37.3%

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

#### PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	10,279	78.5%	2,818	21.5%
2019	12,946	72.7%	4,866	27.3%
Projected Mkt Entry August 2022	13,484	72.9%	5,011	27.1%
2024	13,819	73.0%	5,101	27.0%

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a slightly smaller percentage of renters in the PMA than the nation. This percentage is projected to remain relatively stable over the next five years.

### Historical Vacancy

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

#### HISTORICAL VACANCY

#	Property Name	Program	Total Units	2015	2017	2018	2018	2019	2020
				Q1	Q2	Q2	Q4	Q3	Q2
1	Ashland Park Apartments	LIHTC	184	3.8%	0.5%	N/A	N/A	0.0%	0.0%
2	Burrell Square	LIHTC	84	N/A	N/A	N/A	N/A	1.2%	1.2%
3	Etowah Terrace	LIHTC/ Market	77	N/A	N/A	N/A	N/A	N/A	2.6%
4	Highland Estates	LIHTC/ Market	84	N/A	N/A	2.4%	N/A	N/A	8.3%
5	Ashton Ridge	Market	88	4.5%	4.5%	0.0%	N/A	0.0%	3.4%
6	Eastland Court	Market	116	0.0%	0.9%	0.9%	0.9%	0.9%	3.4%
7	Guest House Apartments	Market	75	N/A	4.0%	N/A	0.0%	1.3%	0.0%
8	Hamilton Ridge	Market	48	N/A	4.2%	0.0%	N/A	N/A	0.0%
9	Redmond Chase	Market	149	2.7%	N/A	N/A	6.7%	0.0%	0.0%
10	The Grove At Six Hundred	Market	104	N/A	N/A	N/A	4.8%	1.0%	1.0%

The historical vacancy rates at all of the comparable properties for several quarters in the past five years are illustrated in the previous table. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. Current vacancy at the remaining comparables is considered to be low and is indicative of a healthy market. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low vacancy rates, indicates demand for affordable rental housing in the Subject’s market.

**Change in Rental Rates**

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

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Ashland Park Apartments	LIHTC	Family	None reported
Burrell Square	LIHTC	Family	Inc. 0-2% since 2Q 2019
Etowah Terrace	LIHTC/ Market	Senior	None reported
Highland Estates	LIHTC/ Market	Senior	Increased three to five percent
Ashton Ridge	Market	Family	Increased 30% for new leases
Eastland Court	Market	Family	Increased 2-6% since 2Q19
Guest House Apartments	Market	Family	Increased 3-4% since 2Q19
Hamilton Ridge	Market	Family	Increased 3% to 6%
Redmond Chase	Market	Family	None
The Grove At Six Hundred	Market	Family	Increased two to three percent

Two of the four LIHTC properties reported rent growth of up to five percent. The market rate properties reported rent growth of up to 30 percent. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

**11. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 9,569 housing units nationwide was in some stage of foreclosure as of April 2020. The City of Rome is experiencing a foreclosure rate of one in every 16,151 homes, which is similar to Floyd County. Georgia experienced one foreclosure in every 11,360 housing units. Overall, Rome is experiencing a similar foreclosure rate to Floyd County, and a lower rate than the state of Georgia and the nation as a whole, indicating a healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

**12. Effect of Subject on Other Affordable Units in Market**

According to LIHTC allocation lists provided by the Georgia Department of Community Affairs, there have been six properties allocated tax credits within the Subject’s PMA since 2017. Overall vacancy in the market is low at 1.8 percent. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing

in the area. In summary, the performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, and the Subject's low capture rates all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.3 percent, which is considered low. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The low vacancy rates and the presence of waiting lists at these properties indicates there is a strong demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and inferior to superior property amenities. The Subject will offer hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack and are amenities that seniors desire. However, the Subject will lack balconies/patios and a swimming pool, which are offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Given the Subject's anticipated similar to superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties and the low capture rates, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well. Further, we believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject's construction will further insulate it from the current COVID-19 pandemic.

# **J. ABSORPTION AND STABILIZATION RATES**

**ABSORPTION AND STABILIZATION RATES**

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we have extended our search to other properties throughout Northwest Georgia.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Average					28

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Brentwood Senior Apartments is a senior LIHTC development located in Cartersville. This property opened in August 2019 and reported an absorption rate of 11 units per month. Burrell Square is a LIHTC development located in Rome. This property reported an absorption rate of 21 units per month. The contact at Burrell Square reported that management maintains a waiting list, and stated that demand for affordable housing in the area is strong. We believe the Subject, as a proposed LIHTC property, will be most similar to Brentwood Senior Apartments and Burrell Square and will be absorbed at a rate of approximately 15 units per month, equating to an absorption period of approximately five to six months. It should be noted that construction on the Subject is not anticipated to be completed until August 2022, which is considered outside of the primary window from the COVID-19 pandemic.

# **K. INTERVIEWS**

### Georgia Department of Community Affairs

We were able to speak with Ms. Valencia Jordan, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Candler County. According to Ms. Jordan, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Ms. Jordan also stated that there are 69 families utilizing these Housing Choice Vouchers in Floyd County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list, 51 of which are from Floyd County. The payment standards for Floyd County are listed below.

#### PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$644
Two-Bedroom	\$793

Source: Georgia Department of Community Affairs, effective January 1, 2020

The Subject’s proposed LIHTC rents are below the current payment standards. Thus, tenants utilizing vouchers in these units will not be required to pay out of pocket. The Subject’s proposed market rate rents are above the payment standards. Therefore, tenants in these units will be required to pay out of pocket.

### Planning

We made numerous attempts to contact the Rome-Floyd County Planning and Zoning Department. However, as of the date of this report, our calls have not been returned. We conducted additional online research utilizing LIHTC allocation lists provided by the Georgia Department of Community Affairs and a CoStar new construction report. According to our research, there are six multifamily developments currently planned, proposed, or under construction in the Subject’s PMA.

#### COMPETITIVE SUPPLY

Property Name	Program	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Meadow Lane	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under construction	0
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.9 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, no units are deducted in our demand analysis.
- Meadow Lane was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located 3.1 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of the Subject’s 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. This property targets different tenancy than the Subject and

will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families. Construction is expected to be completed in June 2021. This development will be located 2.4 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 1.0 mile from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 0.4 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.
- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property will be located 3.4 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized and will not be considered directly competitive. This property targets different tenancy than the Subject and will not be considered directly competitive. As such, we have not deducted these units in our demand analysis.

### Rome-Floyd Chamber of Commerce

We attempted to contact the Rome-Floyd Chamber of Commerce. As of the date of this report, our calls have yet to be returned. However, we were able to retrieve information on business expansions in the area from the Rome-Floyd Chamber of Commerce website.

#### EXPANSIONS/NEW ADDITIONS - FLOYD COUNTY, GA

Employer Name	Industry	Jobs
The Kerry Group	Manufacturing	100
Ball Aluminum Cups	Manufacturing	145
Ball Corporation	Manufacturing	46
Marglen Industries	Admin/Support/Waste Mgmt Svcs	20
<b>Total</b>		<b>311</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

- The Kerry Group has announced a \$125 million investment for its Rome Plant. This investment will result in the addition of more than 100 new jobs. Construction is expected to be completed in early 2021.
- Ball Aluminum Cups has announced a new manufacturing facility that will be adjacent to Ball's existing aluminum beverage can manufacturing plant in Rome, Georgia, and is expected to ramp up

production in the fourth quarter of 2020. Ball plans to hire approximately 145 new employees for the cups facility to support the multi-year investment of approximately \$200 million.

- Additionally, Ball Corporation announced the addition of a fourth production line to the Floyd County Plant. The company will be adding 46 jobs.
- Marglen Industries announced in 2020 that they would add two new lines to its recycling operations. The Marglen project represents a \$17 million investment that will add approximately 20 jobs.

As illustrated, there are several additions in a variety of industries including manufacturing and waste management. There have recently been 311 new jobs announced, which helps to counteract the 439 layoffs in the county since 2018.

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

# **L. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

The senior population in the PMA and the MSA increased significantly from 2000 to 2019, though the rate of population and household growth is projected to slow through 2022. The current senior population of the PMA is 30,960 and is expected to be 32,198 in 2022. The number of senior households in the PMA is 17,812 and is expected to be 18,495 in 2022. Senior renter households in the PMA are concentrated in the lowest income cohorts, with 37.4 percent of senior renter households in the PMA earning incomes between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$16,800 and \$28,740 for its LIHTC units, and up to \$47,900 for its market rate units; therefore, the Subject should be well-positioned to service this market. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, other services, and educational services industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and transportation/warehousing industries. The overconcentration of manufacturing and retail employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the educational services sector should provide stability to the area workforce.

The MSA experienced employment growth two of three years between 2005 and 2007. After 2007, total employment decreased each year through 2011. This indicates the MSA was slower to recover from the national recession than the nation as a whole. However, the MSA has begun to recover in recent years, experiencing stronger growth in total employment than the nation in five of six years between 2016 and March 2020. Despite this employment growth in recent years, the employment levels in the MSA remain below pre-recessionary levels and has experienced a pause in the most recent data. Due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time.

In the years prior to the national recession, the MSA generally reported a similar unemployment rate to the nation; however, during the national recession the unemployment rate increased significantly, reaching an all-time high of 12.1 percent in 2011. Since the national recession, the MSA has reported a higher unemployment rate than the nation every year except for 2020. The most recent data reflects that the unemployment rate in the MSA is ten basis points lower than the nation. It is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation since 2012. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature the increase in unemployment will be for the MSA.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has

blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

### Capture Rates

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$16,800	\$23,950	2	96	0	96	2.1%	\$455
1BR @60%	\$20,100	\$28,740	6	87	0	87	6.9%	\$565
1BR Market	\$18,150	\$47,900	2	264	0	264	0.8%	\$605
1BR Overall LIHTC	\$16,800	\$28,740	8	143	0	143	5.6%	-
1BR Overall	\$16,800	\$47,900	10	287	0	287	3.5%	-
2BR @50%	\$20,070	\$23,950	10	128	0	128	7.8%	\$540
2BR @60%	\$23,670	\$28,740	39	116	0	116	33.5%	\$660
2BR Market	\$21,900	\$47,900	5	353	0	353	1.4%	\$730
2BR Overall LIHTC	\$20,070	\$28,740	49	191	0	191	25.7%	-
2BR Overall	\$20,070	\$47,900	54	384	0	384	14.1%	-
@50% Overall	\$16,800	\$23,950	12	224	0	224	5.4%	-
@60% Overall	\$20,100	\$28,740	45	204	0	204	22.1%	-
Market Overall	\$18,150	\$47,900	7	617	0	617	1.1%	-
Overall LIHTC	\$16,800	\$28,740	57	334	0	334	17.1%	-
Overall	\$16,800	\$47,900	64	671	0	671	9.5%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. We believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

### Absorption

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we have extended our search to other properties throughout Northwest Georgia.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Average					28

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Brentwood Senior Apartments is a senior LIHTC development located in Cartersville. This property opened in August 2019 and reported an absorption rate of 11 units per month. Burrell Square is a LIHTC development located in Rome. This property reported an absorption rate of 21 units per month. The contact at Burrell Square reported that management maintains a waiting list, and stated that demand for affordable housing in the area is strong. We believe the Subject, as a proposed LIHTC property, will be most similar to Brentwood Senior Apartments and Burrell Square and will be absorbed at a rate of approximately 15 units per month, equating to an absorption period of approximately five to six months. It should be noted that construction on the Subject is not anticipated to be completed until August 2022, which is considered outside of the primary window from the COVID-19 pandemic.

### Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashland Park Apartments	LIHTC	Family	184	0	0.0%
Burrell Square	LIHTC	Family	84	1	1.2%
Etowah Terrace	LIHTC/ Market	Senior	77	2	2.6%
Highland Estates	LIHTC/ Market	Senior	84	7	8.3%
Ashton Ridge	Market	Family	88	3	3.4%
Eastland Court	Market	Family	116	4	3.4%
Guest House Apartments	Market	Family	75	0	0.0%
Hamilton Ridge	Market	Family	48	0	0.0%
Redmond Chase	Market	Family	149	0	0.0%
The Grove At Six Hundred	Market	Family	104	1	1.0%
<b>Total LIHTC</b>			<b>429</b>	<b>10</b>	<b>2.3%</b>
<b>Total Market Rate</b>			<b>580</b>	<b>8</b>	<b>1.4%</b>
<b>Overall Total</b>			<b>1,009</b>	<b>18</b>	<b>1.8%</b>

\*Located outside of the PMA

Overall vacancy in the market is low at 1.8 percent, and LIHTC vacancy is also considered low at 2.3 percent. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The Subject will exhibit similar to superior condition to the LIHTC comparables upon completion. Therefore, we believe there is adequate demand for the Subject as proposed.

Vacancy among the market rate comparable properties is low at 1.4 percent and three of the market rate properties are fully-occupied. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. The low vacancy rates and presence of waiting lists among the stabilized LIHTC comparables indicates demand for affordable housing in the area. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

## Strengths of the Subject

The Subject will be the newest LIHTC development in the PMA upon completion. The Subject will exhibit excellent condition upon completion, which is similar to superior to the existing LIHTC housing stock in the PMA. The Subject will offer competitive amenity packages, which will include hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack. The Subject will offer a considerable rent advantage over the comparables; the Subject's proposed rents are among the lowest in the market. Therefore, we believe the Subject will be well received in the market given its competitive advantage over the existing housing stock, competitive amenity packages, and rent advantage over the LIHTC and market rate comparables.

## Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 2.3 percent, which is considered low. Of the four LIHTC comparables, one is fully-occupied. Highland Estates reported the highest vacancy rate among the LIHTC comparables at 8.3 percent. The contact at this property stated that the property has an elevated vacancy due to recent tenant deaths. The contact also reported that the vacant units are being processed from a waiting list of over 100 households. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to over 100 households, but the time to turn the units has increased during the current COVID-19 pandemic. Further, both senior properties report maintaining waiting lists ranging from 10 to over 100 households, indicating strong demand for senior affordable housing in the area. The low vacancy rates and the presence of waiting lists at these properties indicates there is a strong demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and inferior to superior property amenities. The Subject will offer hand rails, pull cords, in-unit washers and dryers, a business center, and exercise facility, which many of the comparables will lack and are amenities that seniors desire. However, the Subject will lack balconies/patios and a swimming pool, which are offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Given the Subject's anticipated similar to superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties and the low capture rates, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well. Further, we believe that the Subject's senior tenancy will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject's construction will further insulate it from the current COVID-19 pandemic.

## Recommendations

We recommend the Subject as proposed.

# **M. SIGNED STATEMENT REQUIREMENTS**

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

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

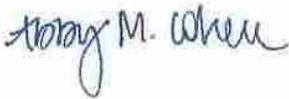
DCA may rely on the representation made in the market study. The document is assignable to other lenders.



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H. Blair Kincer, MAI, CRE  
LEED Green Associate  
Partner  
Novogradac Consulting LLP

June 10, 2020



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Abby Cohen  
Partner  
Novogradac Consulting LLP

June 10, 2020



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Brian Neukam  
Manager  
Novogradac Consulting LLP

June 10, 2020



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Brinton Noble  
Analyst  
Novogradac Consulting LLP

June 10, 2020

**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

**ADDENDUM B**  
**Subject and Neighborhood Photographs**

**Photographs of Subject Site and Surrounding Uses**



View north along Martha Berry Boulevard



View south along Martha Berry Boulevard



View of Subject site



View of Subject site



View of Subject site



View of Subject site



Hospital in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

Duquesne University, Pittsburgh, Pennsylvania  
Masters in Business Administration  
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia  
Bachelor of Science in Business Administration  
Graduated Magna Cum Laude

### II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)  
Member, The Counselors of Real Estate (CRE)  
LEED Green Associate  
Member, National Council of Housing Market Analysts (NCHMA)  
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. GA12288 – District of Columbia  
Certified General Real Estate Appraiser, No CG1694 – State of Maine  
Certified General Real Estate Appraiser, No. 1326 – State of Maryland  
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts  
Certified General Real Estate Appraiser, No. 46000039124 – State of New York  
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina  
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania  
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina  
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee  
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia

### III. Professional Experience

**Partner**, Novogradac & Company LLP  
**Vice President/Owner**, Capital Realty Advisors, Inc.  
**Vice President - Acquisitions**, The Community Partners Development Group, LLC  
**Commercial Loan Officer/Work-Out Specialist**, First Federal Savings Bank of Western MD  
**Manager** - Real Estate Valuation Services, Ernst & Young LLP  
**Senior Associate**, Joseph J. Blake and Associates, Inc.  
**Senior Appraiser**, Chevy Chase, F.S.B.  
**Senior Consultant**, Pannell Kerr Forster

#### **IV. Professional Training**

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

#### **V. Real Estate Assignments – Examples**

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

The Pennsylvania State University, University Park, PA  
Bachelor of Arts

### II. Licensing and Professional Affiliation

Certified General Appraiser, FL License #RZ4143  
Certified General Appraiser, MD License #40032823  
Certified General Appraiser, NC License #A8127  
Certified General Appraiser, NJ License #42RG00255000  
Certified General Appraiser, SC License #7487

Designated Member of the National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

### III. Professional Experience

Novogradac & Company LLP, Partner  
Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

### IV. Professional Training

7-Hour National USPAP Update for 2020-2021, February 2020  
Appraisal of Fast Food Facilities, February 2020  
Appraisal of Self-Storage Facilities, February 2020  
The Odd Side of Appraisal, February 2020  
Basic Hotel Appraising – Limited Service Hotels, October 2019  
Advanced Hotel Appraising – Full Service Hotels, October 2019  
Appraisal of REO and Foreclosure Properties, October 2019  
Appraisal of Land Subject to Ground Leases, December 2017  
Business Practices and Ethics, January 2017  
General Appraiser Report Writing and Case Studies, February 2015  
General Appraiser Sales Comparison Approach, February 2015  
General Appraiser Site Valuation and Cost Approach, February 2015  
Expert Witness for Commercial Appraisers, January 2015  
Commercial Appraisal Review, January 2015  
Real Estate Finance Statistics and Valuation Modeling, December 2014  
General Appraiser Income Approach Part II, December 2014  
General Appraiser Income Approach Part I, November 2014  
General Appraiser Market Analysis and Highest & Best Use, November 2014  
IRS Valuation Summit, October 2014  
15-Hour National USPAP Equivalent, April 2013  
Basic Appraisal Procedures, March 2013  
Basic Appraisal Principles, January 2013

### V. Publications

Co-authored “Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions,” Novogradac Journal of Tax Credits, March 2016

## VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

**State of Georgia Certified General Real Property Appraiser No.329471**

**State of North Carolina Certified General Appraiser No. 8284**

**State of South Carolina Certified General Appraiser No. 7493**

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Manager, December 2016-present**

Novogradac & Company LLP, Senior Real Estate Analyst, September 2015- December 2016

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

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

**REAL ESTATE ASSIGNMENTS**

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

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## Brinton Noble

### I. Education

Clemson University - Clemson, SC  
Bachelor of Science in Economics

### II. Professional Experience

Analyst, Novogradac & Company LLP, December 2019 – Present  
Junior Analyst, Novogradac & Company LLP, January 2019 – December 2019  
Substitute Teacher, Fayetteville-Manlius School District, September 2017 - October 2018  
Intern to the Assistant Superintendent of Business Administration, Fayetteville-Manlius School District, May 2016 - June 2016

### III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

## **ADDENDUM D**

### **Summary Matrix**

**SUMMARY MATRIX**

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Sparrow Point 1301 Martha Berry Boulevard Rome, GA 30165 Floyd County	-	Midrise 4-stories 2022 / n/a Senior	@50%, @60%, Market	1BR / 1BA	2	3.1%	700	@50%	\$455	No	N/A	N/A	N/A
					1BR / 1BA	6	9.4%	700	@60%	\$565	No	N/A	N/A	N/A
					1BR / 1BA	2	3.1%	700	Market	\$605	N/A	N/A	N/A	N/A
					2BR / 1BA	10	15.6%	900	@50%	\$540	No	N/A	N/A	N/A
					2BR / 1BA	39	60.9%	900	@60%	\$660	No	N/A	N/A	N/A
					2BR / 1BA	5	7.8%	900	Market	\$730	N/A	N/A	N/A	N/A
					<u>64</u>							N/A	N/A	
1	Ashland Park Apartments 10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County	2.9 miles	Garden 3-stories 2005 / n/a Family	@60%	1BR / 1BA	24	13.0%	874	@60%	\$495	No	No	0	0.0%
					2BR / 2BA	88	47.8%	1,149	@60%	\$565	No	No	0	0.0%
					3BR / 2BA	72	39.1%	1,388	@60%	\$615	No	No	0	0.0%
						<u>184</u>								
2	Burrell Square 425 Cherokee Street Rome, GA 30161 Floyd County	1.3 miles	Various 3-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	13	15.5%	750	@50%	\$329	No	Yes	0	0.0%
					1BR / 1BA	9	10.7%	750	@60%	\$441	No	Yes	0	0.0%
					2BR / 2BA	4	4.8%	1,050	@50%	\$418	No	Yes	0	0.0%
					2BR / 2BA	37	44.1%	1,050	@60%	\$528	No	Yes	1	2.7%
					3BR / 2BA	4	4.8%	1,250	@50%	\$460	No	Yes	0	0.0%
					3BR / 2BA	17	20.2%	1,250	@60%	\$590	No	Yes	0	0.0%
					<u>84</u>							1	1.2%	
3	Etowah Terrace 1 Etowah Terrace Rome, GA 30161 Floyd County	1.2 miles	Midrise 4-stories 2011 / n/a Senior	@50%, @60%, @60% (Project Based Rental Assistance - PBRA), Market	1BR / 1BA	7	9.1%	770	@50%	\$441	No	Yes	0	0.0%
					1BR / 1BA	13	16.9%	770	@60%	\$553	No	Yes	0	0.0%
					1BR / 1BA	10	13.0%	770	@60% (PBRA)	\$553	No	Yes	0	0.0%
					1BR / 1BA	5	6.5%	770	Market	-	N/A	Yes	0	0.0%
					2BR / 2BA	9	11.7%	970	@50%	\$530	No	Yes	0	0.0%
					2BR / 2BA	21	27.3%	970	@60%	\$665	No	Yes	2	9.5%
					2BR / 2BA	10	13.0%	970	@60% (PBRA)	\$665	No	Yes	0	0.0%
					2BR / 2BA	2	2.6%	970	Market	\$756	N/A	Yes	0	0.0%
					<u>77</u>							2	2.6%	
4	Highland Estates 179 Woodrow Wilson Way NW Rome, GA 30165 Floyd County	1.4 miles	Various 1-stories 2016 / n/a Senior	@50%, @60%, Market	1BR / 1BA	N/A	N/A	749	@50%	\$395	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	749	@60%	\$493	No	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	749	Market	\$620	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	@50%	\$456	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	@50%	\$456	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	@60%	\$574	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	@60%	\$574	No	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	944	Market	\$730	N/A	Yes	N/A	N/A
					2BR / 2BA	N/A	N/A	984	Market	\$734	N/A	Yes	N/A	N/A
										<u>84</u>				
5	Ashton Ridge 2522 Callier Springs Road Rome, GA 30161 Floyd County	2.7 miles	Garden 3-stories 1999 / 2020 Family	Market	1BR / 1BA	14	15.9%	708	Market	\$750	N/A	No	N/A	N/A
					2BR / 2BA	37	42.1%	933	Market	\$890	N/A	No	N/A	N/A
					3BR / 2BA	37	42.1%	1,134	Market	\$975	N/A	No	N/A	N/A
						<u>88</u>								
6	Eastland Court 40 Chateau Drive Rome, GA 30161 Floyd County	3.7 miles	Garden 4-stories 2005/2007 / n/a Family	Market	1BR / 1BA	21	18.1%	804	Market	\$950	N/A	No	0	0.0%
					1BR / 1BA	4	3.5%	919	Market	\$1,100	N/A	No	0	0.0%
					2BR / 2BA	68	58.6%	1,056	Market	\$1,125	N/A	No	4	5.9%
					3BR / 2BA	23	19.8%	1,516	Market	\$1,300	N/A	No	0	0.0%
					<u>116</u>							4	3.4%	
7	Guest House Apartments 48 Chateau Drive Rome, GA 30161 Floyd County	3.7 miles	Various 2-stories 1989 / 2002/2019 Family	Market	1BR / 1BA	59	78.7%	550	Market	\$740	N/A	No	0	0.0%
					2BR / 1.5BA	16	21.3%	1,100	Market	\$940	N/A	No	0	0.0%
					<u>75</u>								0	0.0%
8	Hamilton Ridge 72 Hamilton Avenue Rome, GA 30165 Floyd County	0.5 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	20	41.7%	532	Market	\$650	N/A	Yes	0	0.0%
					2BR / 1BA	20	41.7%	1,000	Market	\$800	N/A	Yes	0	0.0%
					3BR / 1BA	8	16.7%	1,300	Market	\$950	N/A	Yes	0	0.0%
					<u>48</u>								0	0.0%
9	Redmond Chase 1349 Redmond Circle Rome, GA 30165 Floyd County	1.9 miles	Various 2-stories 1968 / 2017 Family	Market	1BR / 1BA	N/A	N/A	750	Market	\$705	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	950	Market	\$763	N/A	No	0	N/A
					2BR / 1.5BA	N/A	N/A	1,150	Market	\$829	N/A	No	0	N/A
					3BR / 2BA	N/A	N/A	1,150	Market	\$900	N/A	No	0	N/A
					<u>149</u>								0	0.0%
10	The Grove At Six Hundred 600 Redmond Road NW Rome, GA 30165 Floyd County	1.2 miles	Townhouse 2-stories 1974 / 2017 Family	Market	2BR / 1.5BA	88	84.6%	1,120	Market	\$818	N/A	No	1	1.1%
					3BR / 2BA	16	15.4%	1,320	Market	\$1,130	N/A	No	0	0.0%
					<u>104</u>								1	1.0%