

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

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: DEERMONT

0 Morrow Road
Calhoun, Gordon County, Georgia 30701

Effective Date: April 2, 2020
Report Date: April 13, 2020

Prepared for:
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April 13, 2020

Mr. Edrick Harris
Vice President - Development
Prestwick Development
3715 Northside Parkway NW
Building 200 Suite 175
Atlanta, GA 30327

Re: Application Market Study for Deermont, located in Calhoun, Gordon County, Georgia

Dear Mr. Harris:

At your request, Novogradac Consulting LLP performed a study of the multifamily rental market in the Calhoun, Gordon 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 56-unit family LIHTC project. It will be a newly constructed affordable LIHTC project, with 56 revenue generating units, restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less and market rate units. These consist of 20 one, 20 two, and 16 three-bedroom units at the 50 and 60 percent AMI levels. 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.

MR. EDRICK HARRIS
PRESTWICK COMPANIES
APRIL 13, 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.

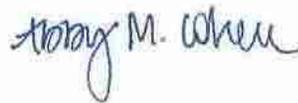
The COVID-19 coronavirus has caused an international pandemic and we have seen governments across the globe take dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. We are already seeing these efforts result in extensive impacts to economic activity. However, governments are also implementing or discussing the implementation of 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. As a result, it is an extraordinary assumption of this report that the duration of emergency measures will be relatively short term and that the stimulus packages will be sufficient to minimize the economic impacts on the broader economy and the housing market. Additionally, it is an extraordinary assumption of this report that the multifamily housing market will continue to perform in line with recent and historical performance and short-term impacts will be mitigated by the proposed economic measures.

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

Deermont will be a newly constructed family property located at 0 Morrow Road in Calhoun, Gordon County, Georgia, which will consist of three, three-story, residential buildings. The following table illustrates the proposed unit mix.

PROPOSED RENTS								
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2019 LIHTC Maximum Allowable Gross Rent*	2020 HUD Fair Market Rents	
@50%								
1BR / 1BA	653	4	\$483	\$60	\$543	\$568	\$534	
2BR / 2BA	963	4	\$579	\$77	\$656	\$681	\$653	
3BR / 2BA	1,115	3	\$664	\$98	\$762	\$787	\$942	
@60%								
1BR / 1BA	653	14	\$546	\$60	\$606	\$681	\$534	
2BR / 2BA	963	14	\$665	\$77	\$742	\$817	\$653	
3BR / 2BA	1,115	11	\$772	\$98	\$870	\$945	\$942	
Market								
1BR / 1BA	653	2	\$625	N/A	N/A	N/A	\$534	
2BR / 2BA	963	2	\$738	N/A	N/A	N/A	\$653	
3BR / 2BA	1,115	2	\$858	N/A	N/A	N/A	\$942	
		56						

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

*Based on national non-metropolitan rent limits

The Subject's proposed rents are set below the maximum allowable levels for each unit type and AMI level. The Subject's location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Gordon County. The Subject will offer inferior to similar in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to superior property amenities. The Subject will offer a business center, community room, laundry facility, and exercise facility, which many of the comparables will lack. However, the Subject will lack balconies/patios, 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 site is located on the north side of Morrow Road. The Subject site has good visibility and accessibility from Morrow Road. The Subject site is currently vacant land. Surrounding uses consist of vacant wooded land, houses of worship, a park, commercial and institutional uses in average condition, single-family homes and townhomes in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered "Car-Dependent" by Walkscore with a rating of 11 out of 100. Crime risk indices in the Subject's area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, most of which are within one mile of the Subject site.

3. Market Area Definition

The PMA is defined by Resaca Lafayette Rd and Nicklesville Rd to the north, portions of the Chattooga county line and the Johns Mountain Wildlife Management Area to the west, Adairsville Rd, Highway 140, and Folsom

Rd to the south, and Pleasant Hill Rd to the east. This area includes the cities of Calhoun, Plainville, Sugar Valley and Resaca as well as the north portion of Adairsville. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.7 miles
East: 9.0 miles
South: 11.5 miles
West: 11.6 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 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 12.7 miles. The SMA is defined as the Calhoun, GA Micropolitan Statistical Area, which consists of Gordon County in northwest Georgia and encompasses 358 square miles.

4. Community Demographic Data

The population in the PMA and the SMA increased significantly from 2000 to 2019, though the rate of growth slowed from 2010 to 2019. The rate of population and household growth is projected to increase slightly through 2024. The current population of the PMA is 53,541 and is expected to be 55,398 in 2024. The current number of households in the PMA is 18,800 and is expected to be 19,416 in 2024. Renter households are concentrated in the lowest income cohorts, with 49.8 percent of renters in the PMA earning between \$10,000 and \$39,999 annually. The Subject will target households earning between \$18,617 and \$39,240 for its LIHTC units, and up to \$65,400 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 2,820 housing units nationwide was in some stage of foreclosure as of February 2020. The City of Calhoun is experiencing a foreclosure rate of one in every 3,139 homes, which is similar to Gordon County. Georgia experienced one foreclosure in every 2,728 housing units. Overall, Calhoun is experiencing a lower foreclosure 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 51.7 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. The local economy appears to have diverse and low paying jobs in the manufacturing, healthcare/social assistance, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2010, job growth in the SMA generally exceeded the nation. As of December 2019, total employment in the SMA is at a post-recessionary record and increasing at an annualized rate of 1.1 percent, slightly below the growth across the overall nation. According to the most recent labor statistics, the unemployment rate in the SMA is 3.4 percent, which is similar to the current national unemployment rate. However, it is important to note that the unemployment rate in the SMA has been declining by greater rates than the nation in recent years. Given that total employment in the SMA surpassed its pre-recession levels, and local employment

growth and unemployment are both similar to the nation, it appears the SMA is fully recovered and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject’s proposed units.

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 at 50% AMI	\$18,617	\$24,250	4	169	0	169	2.4%	\$483
1BR at 60% AMI	\$20,777	\$29,100	14	225	0	225	6.2%	\$546
1BR Unrestricted	\$21,429	\$48,500	2	403	0	403	0.5%	\$625
1BR Overall	\$18,617	\$48,500	20	438	0	438	4.6%	-
1BR Overall LIHTC	\$18,617	\$29,100	18	253	0	253	7.1%	-
2BR at 50% AMI	\$22,491	\$27,250	4	201	0	201	2.0%	\$579
2BR at 60% AMI	\$25,440	\$32,700	14	267	0	267	5.2%	\$665
2BR Unrestricted	\$25,303	\$54,500	2	477	0	477	0.4%	\$738
2BR Overall	\$22,491	\$54,500	20	519	0	519	3.9%	-
2BR Overall LIHTC	\$22,491	\$32,700	18	300	0	300	6.0%	-
3BR at 50% AMI	\$26,126	\$32,700	3	126	0	126	2.4%	\$664
3BR at 60% AMI	\$29,829	\$39,240	11	168	0	168	6.6%	\$772
3BR Unrestricted	\$29,417	\$65,400	2	300	0	300	0.7%	\$858
3BR Overall	\$26,126	\$65,400	16	326	0	326	4.9%	-
3BR Overall LIHTC	\$26,126	\$39,240	14	188	0	188	7.4%	-
@50% Overall	\$18,617	\$32,700	11	496	0	496	2.2%	-
@60% Overall	\$20,777	\$39,240	39	660	0	660	5.9%	-
Unrestricted Overall	\$21,429	\$65,400	6	1,180	0	1180	0.5%	-
Overall	\$18,617	\$65,400	56	1,282	0	1282	4.4%	-
Overall LIHTC	\$18,617	\$39,240	50	740	0	740	6.8%	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.0 to 2.4 percent, with an overall capture rate of 2.2 percent. The Subject’s 60 percent AMI capture rates range from 5.2 to 6.6 percent, with an overall capture rate of 5.9 percent. The Subject’s unrestricted capture rates range from 0.4 to 0.7 percent, with an overall capture rate of 0.5 percent. The overall capture rate for the project’s 50 and 60 percent, as well as its market rate units is 4.4 percent. The overall capture rate for the project’s 50 and 60 percent units is 6.8 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

7. Competitive Rental Analysis

Comparable LIHTC properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as 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 eight “true” comparable properties containing 445 units.

The availability of LIHTC data is considered average; there are four LIHTC properties in the PMA. However, one of the four LIHTC properties, Catoosa Senior Village I and II, was excluded due to its senior tenancy. Catoosa Senior Village I and II is located approximately 4.1 miles from the Subject and is currently 99.1 percent occupied. Additionally, the contact at this property stated that management maintains a waiting list of 140 households, indicating demand for affordable housing in the area is strong. We included the remaining three LIHTC properties that target the general population and offer similar unit types in comparison to the proposed

Subject as comparable properties. The comparable LIHTC properties are all located in the PMA, between 0.6 and 4.2 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in Calhoun and there are several market rate properties in the area. We include five conventional properties in our analysis of the competitive market. All but one of the market rate properties are located in the PMA, between 3.3 and 4.5 miles from the Subject site. These comparables were built or renovated between 1982 and 2008. The remaining comparable property, Town Creek Commons, is located outside of the PMA in Adairsville approximately 5.9 miles from the Subject, and is considered a reasonable proxy for the Subject as it is the most recently constructed market rate property in the area. Adairsville is similar to the Subject in terms of median household income, median rent, and median home value. 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 count, and condition.

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

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

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$483	\$465	\$745	\$598	24%
2BR @ 50%	\$579	\$555	\$892	\$729	26%
3BR @ 50%	\$664	\$624	\$991	\$813	22%
1BR @ 60%	\$546	\$517	\$745	\$641	17%
2BR @ 60%	\$665	\$601	\$892	\$772	16%
3BR @ 60%	\$772	\$694	\$991	\$875	13%
1BR Unrestricted	\$625	\$620	\$745	\$688	10%
2BR Unrestricted	\$738	\$702	\$892	\$812	10%
3BR Unrestricted	\$858	\$915	\$991	\$944	10%

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

Garden Heights Apartments is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Garden Heights Apartments as a market rate property. Garden Heights Apartments was built in 1982 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Garden Heights Apartments is located 4.2 miles from the Subject site and offers a similar location. Garden Heights Apartments offers slightly superior in-unit amenities compared to the Subject as it offers balconies/patios and walk-in closets, which the Subject will not offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, laundry facility, and an exercise facility, which the Subject will offer. Garden Heights Apartments offers slightly superior unit sizes to the Subject. The one and two-bedroom rents at Garden Heights Apartments are approximately 36 and 34 percent higher than the Subject’s proposed rents at 60 percent of the AMI, respectively.

Twin Oaks Apartments is achieving the highest three-bedroom unrestricted rents in the market. The Subject will be superior to Twin Oaks Apartments as a market rate property. Twin Oaks Apartments was built in 1985 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Twin Oaks Apartments is located 4.5 miles from the Subject site and offers a similar location. Twin Oaks Apartments offers slightly superior in-unit amenities compared to the Subject as it offers balconies/patios, which the Subject will not offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, laundry facility, and an exercise facility, which the Subject will offer. Twin Oaks Apartments offers similar unit sizes to the Subject. The three-bedroom rents at Twin Oaks Apartments are approximately 28 percent higher than the Subject's proposed rents at 60 percent of the AMI. Overall, we believe that the Subject's proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

We were able to obtain absorption information from two of the comparable properties. We were also able to obtain absorption information from an additional LIHTC property and an additional market rate property, which is illustrated following table.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Cherokee Mill Lofts	LIHTC	Family	2014	60	5

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2014 and 2018, and reported absorption rates of five to 64 units per month, with an average of 16 units per month. Stone Ridge Apartments is a LIHTC development located approximately 0.6 mile north of the Subject in Calhoun. This property opened in October 2018 and was fully-occupied within a month. Thus, Stone Ridge Apartment demonstrated an absorption rate of 64 units per month. The contact at this property reported one vacant unit that is currently pre-leased, and stated that demand for affordable housing in the area is strong. Cherokee Mill Lofts is a LIHTC development located approximately 4.2 miles northwest of the Subject in Calhoun. This property reported an absorption rate of five units per month. The contact at Cherokee Mill Lofts reported three vacant units, each of which are currently pre-leased. Burrell Square is a LIHTC development located approximately 21.3 miles southwest of the Subject 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 there will be strong demand for the Subject's units due to the general lack of affordable housing in Calhoun and surrounding areas, the low vacancy rates among the stabilized LIHTC comparables, and presence of waiting lists in the market. We believe the Subject will experience an absorption rate within the range of the LIHTC properties illustrated above. We estimate that the Subject will experience an absorption rate of 20 units per month, which equates to an absorption period of three to four months.

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 vacancy rate among the existing stabilized LIHTC comparables is low at 2.2 percent. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to

the contact at Cherokee Mill Lofts, each of the three vacant units are pre-leased. Additionally, the property maintains a waiting list that currently consists of over 75 households. Stone Ridge Apartments reported a vacancy rate of 5.0 percent. According to the contact at Stone Ridge Apartments, the lone vacant unit is pre-leased. Additionally, the property maintains a waiting list that currently consists of 161 households. The remaining stabilized LIHTC comparable, Eastgate Apartments, reports full occupancy. Each of the three comparable LIHTC properties maintain waiting lists. These factors indicate demand for affordable housing in the area is strong. The Subject will offer generally similar to superior property amenities in comparison to the LIHTC and market rate comparable properties as it will offer a business center, community room, laundry facility, and exercise facility, which many of the LIHTC comparables will lack. The Subject will offer generally inferior to similar in-unit amenities in comparison to the LIHTC and market rate comparable properties as it will not offer balconies/patios and exterior storage, which some of the LIHTC and market rate comparables will offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered 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. Additionally, the Subject's proposed rents are among the lowest in the market. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is reasonable as proposed. We believe that it will fill a void in the market and will perform well.

Summary Table: (must be completed by the analyst and included in the executive summary)										
Development Name:		Deermont						Total # Units:		56
Location:		0 Morrow Road Calhoun, GA 30701						# LIHTC Units:		50
PMA Boundary:		North: Resaca Lafayette Rd NW and Nicklesville Rd; South: Adairsville Rd NE, Highway 140, and Folsom Rd SE; East: Pleasant Hill Rd NE; West: Chattooga county line						Farthest Boundary Distance to Subject:		12.7 miles
Rental Housing Stock (found on page 61)										
Type	# Properties*	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	31	1,674	32	98.1%						
Market-Rate Housing	18	715	24	96.6%						
<i>Assisted/Subsidized Housing not to include LIHTC</i>	9	668	3	99.6%						
LIHTC	4	291	5	98.3%						
Stabilized Comps	31	1,674	32	98.1%						
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap						
*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	
4	1BR at 50% AMI	1	653	\$483	\$598	\$0.92	24%	\$745	\$1.14	
4	2BR at 50% AMI	2	963	\$579	\$729	\$0.76	26%	\$892	\$0.93	
3	3BR at 50% AMI	2	1,115	\$664	\$813	\$0.73	22%	\$991	\$0.89	
14	1BR at 60% AMI	1	653	\$546	\$641	\$0.98	17%	\$745	\$1.14	
14	2BR at 60% AMI	2	963	\$665	\$772	\$0.80	16%	\$892	\$0.93	
11	3BR at 60% AMI	2	1,115	\$772	\$875	\$0.78	13%	\$991	\$0.89	
2	1BR Unrestricted	1	653	\$625	\$688	\$1.05	10%	\$745	\$1.14	
2	2BR Unrestricted	2	963	\$738	\$812	\$0.84	10%	\$892	\$0.93	
2	3BR Unrestricted	2	1,115	\$858	\$944	\$0.85	10%	\$991	\$0.89	
Capture Rates (found on page 59)										
Targeted Population				@50%	@60%	Market	Market-rate	Overall LIHTC	Overall	
Capture Rate:				2.2%	5.9%	0.5%	-	6.8%	4.4%	

*Includes LIHTC and unrestricted (when applicable)

C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. **Project Address and Development Location:** The Subject site is located at 0 Morrow Road in Calhoun, Gordon County, Georgia 30701. The Subject site is currently vacant.
- 2. **Construction Type:** The Subject will consist of three, three-story, garden-style residential buildings and one community building. The Subject will be new construction.
- 3. **Occupancy Type:** Families.
- 4. **Special Population Target:** None.
- 5. **Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. **Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. **Rents and Utility Allowances:** See following property profile.
- 8. **Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. **Proposed Development Amenities:** See following property profile.

DEERMONT – CALHOUN, GEORGIA – MARKET STUDY

Deermont													
Location	0 Morrow Road Calhoun, GA 30701 Gordon County												
Units	56												
Type	Garden (3 stories)												
Year Built / Renovated	2022 / N/A												
Market													
Program	@50%, @60%, Market						Leasing Pace	N/A					
Annual Turnover Rate	N/A						Change in Rent (Past Year)	N/A					
Units/Month Absorbed	N/A						Concession						
Section 8 Tenants	N/A												
Utilities													
A/C	not included -- central						Other Electric	not included					
Cooking	not included -- electric						Water	included					
Water Heat	not included -- electric						Sewer	included					
Heat	not included -- electric						Trash Collection	included					
Unit Mix (face rent)													
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?		
1	1	Garden (3 stories)	4	653	\$483	\$0	@50%	N/A	N/A	N/A	no		
1	1	Garden (3 stories)	14	653	\$546	\$0	@60%	N/A	N/A	N/A	no		
1	1	Garden (3 stories)	2	653	\$625	\$0	Market	N/A	N/A	N/A	N/A		
2	2	Garden (3 stories)	4	963	\$579	\$0	@50%	N/A	N/A	N/A	no		
2	2	Garden (3 stories)	14	963	\$665	\$0	@60%	N/A	N/A	N/A	no		
2	2	Garden (3 stories)	2	963	\$738	\$0	Market	N/A	N/A	N/A	N/A		
3	2	Garden (3 stories)	3	1,115	\$664	\$0	@50%	N/A	N/A	N/A	no		
3	2	Garden (3 stories)	11	1,115	\$772	\$0	@60%	N/A	N/A	N/A	no		
3	2	Garden (3 stories)	2	1,115	\$858	\$0	Market	N/A	N/A	N/A	N/A		
Amenities													
In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Garbage Disposal Microwave Oven Pull Cords Refrigerator Washer/Dryer hookup					Security			Limited Access				
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground					Premium			none				
Services	none					Other			Wellness Center, Community Garden				
Comments													
The property will consist of three, three-story, garden-style residential buildings targeting families. Construction is set to begin May 2021 and be completed September 2022. Utility allowances for the one, two, and three-bedroom units are \$60, \$77, and \$98, respectively.													

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in May 2021 and be completed in September 2022.
- Conclusion:** The Subject will be an excellent-quality brick and vinyl siding three-story walk-up, garden style apartment complex, comparable 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 April 2, 2020.
- 2. Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along Morrow Road.

Visibility/Views: The Subject will be located on the north side of Morrow Road. Visibility of the site will be good from Morrow Road. Views of the site will be good and initially will include vacant land and single family homes in average condition.

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



Source: Google Earth, March 2020.

The Subject site is located on the north side of Morrow Road. The Subject site is currently vacant wooded land. Adjacent north of the Subject site are single-family homes in average condition. Directly east of the Subject site is vacant wooded land. South of the Subject site, across Morrow Road, is vacant wooded land. Adjacent west of the Subject site is vacant land and Chelsea Park. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 11 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 average to good condition and the site has good proximity to locational amenities, most of which are within one 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 good condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Interstate 75, which provides convenient access to other employment centers.

3. Physical Proximity to Locational Amenities:

The Subject site is located within 4.0 miles of all locational amenities, most of which are within one mile.

4. Pictures of Site and Adjacent Uses:

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



View east on Morrow Road



View west on Morrow Road



View of Subject site



View of Subject site



Single-Family Home in Subject's neighborhood



Commercial use east of Subject site



House of Worship east of Subject site



Single-Family Home in Subject's neighborhood



Cemetery east of Subject site



Elementary School west of Subject site



Elementary School west of Subject site



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



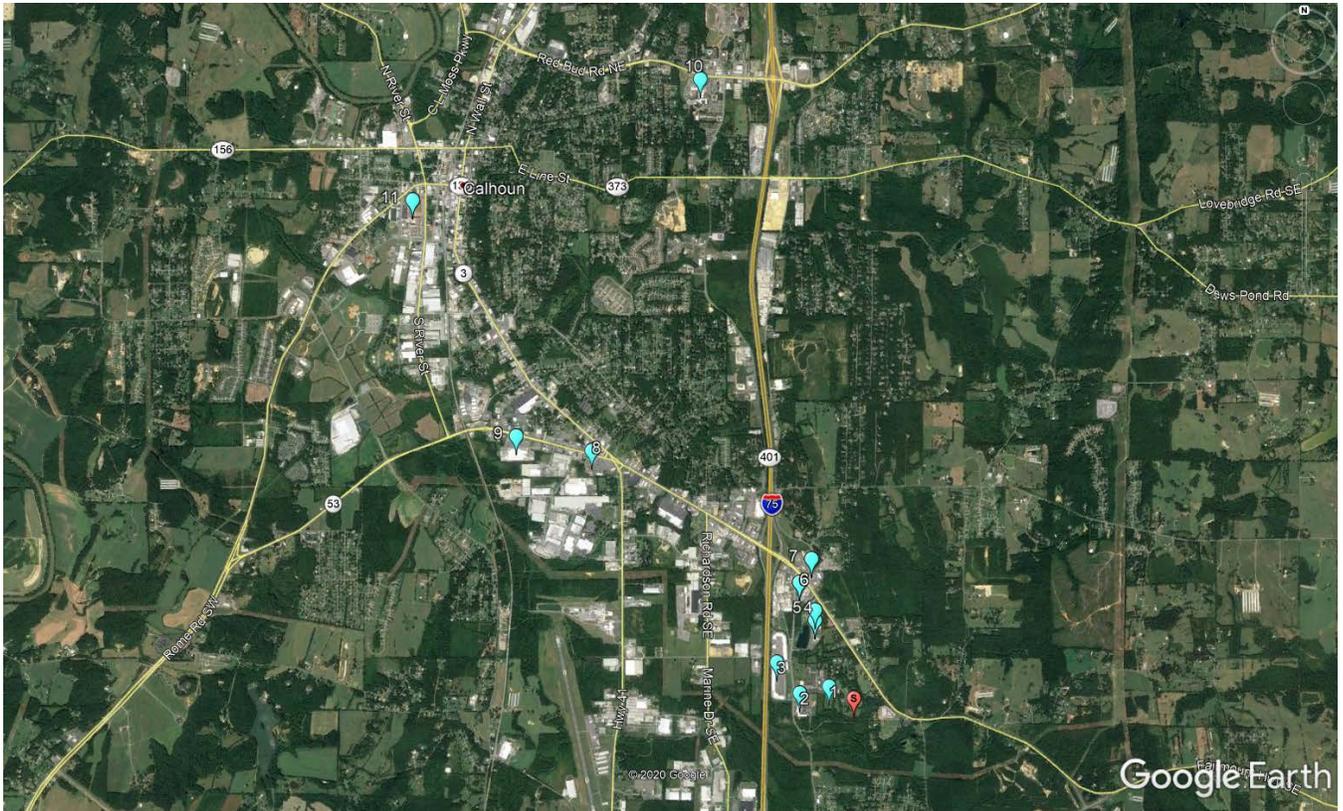
Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood

5. Proximity to Locational Amenities:

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



Source: Google Earth, March 2020.

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Chelsea Park	0.1 miles
2	Belwood Elementary School	0.2 miles
3	Calhoun Outlet Marketplace	0.3 miles
4	Georgia State Patrol Calhoun Post	0.5 miles
5	Gordon County Fire Department	0.5 miles
6	Guacamoles Bar & Grill	0.8 miles
7	Longhorn Steakhouse	0.9 miles
8	Kroger	2.1 miles
9	Walmart Supercenter	2.6 miles
10	AdventHealth Medical Group	3.7 miles
11	Calhoun High School	4.0 miles

6. Description of Land Uses

The Subject site is located on the north side of Morrow Road. The Subject site is currently vacant wooded land. Adjacent north of the Subject site are single-family homes in average condition. Farther north are single-family homes and townhomes in average condition. Directly east of the Subject site is vacant wooded land. Farther east land uses are comprised of single-family homes in average condition, a commercial use in average condition, houses of worship in good condition, and a cemetery. South of the Subject site, across Morrow Road, is vacant wooded land. Farther south, land uses are comprised of vacant land and single-family homes in average condition.

Adjacent west of the Subject site is vacant land and Chelsea Park. Farther west, land uses are comprised of Belwood elementary School and vacant wooded land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 11 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 average to good condition and the site has good proximity to locational amenities, most of which are within one mile of the Subject site.

7. Crime:

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

2019 CRIME INDICES

	PMA	Calhoun, GA Micropolitan Statistical Area
Total Crime*	79	89
Personal Crime*	40	34
Murder	60	64
Rape	53	55
Robbery	18	18
Assault	49	38
Property Crime*	84	96
Burglary	98	98
Larceny	84	101
Motor Vehicle Theft	49	53

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

*Unweighted aggregations

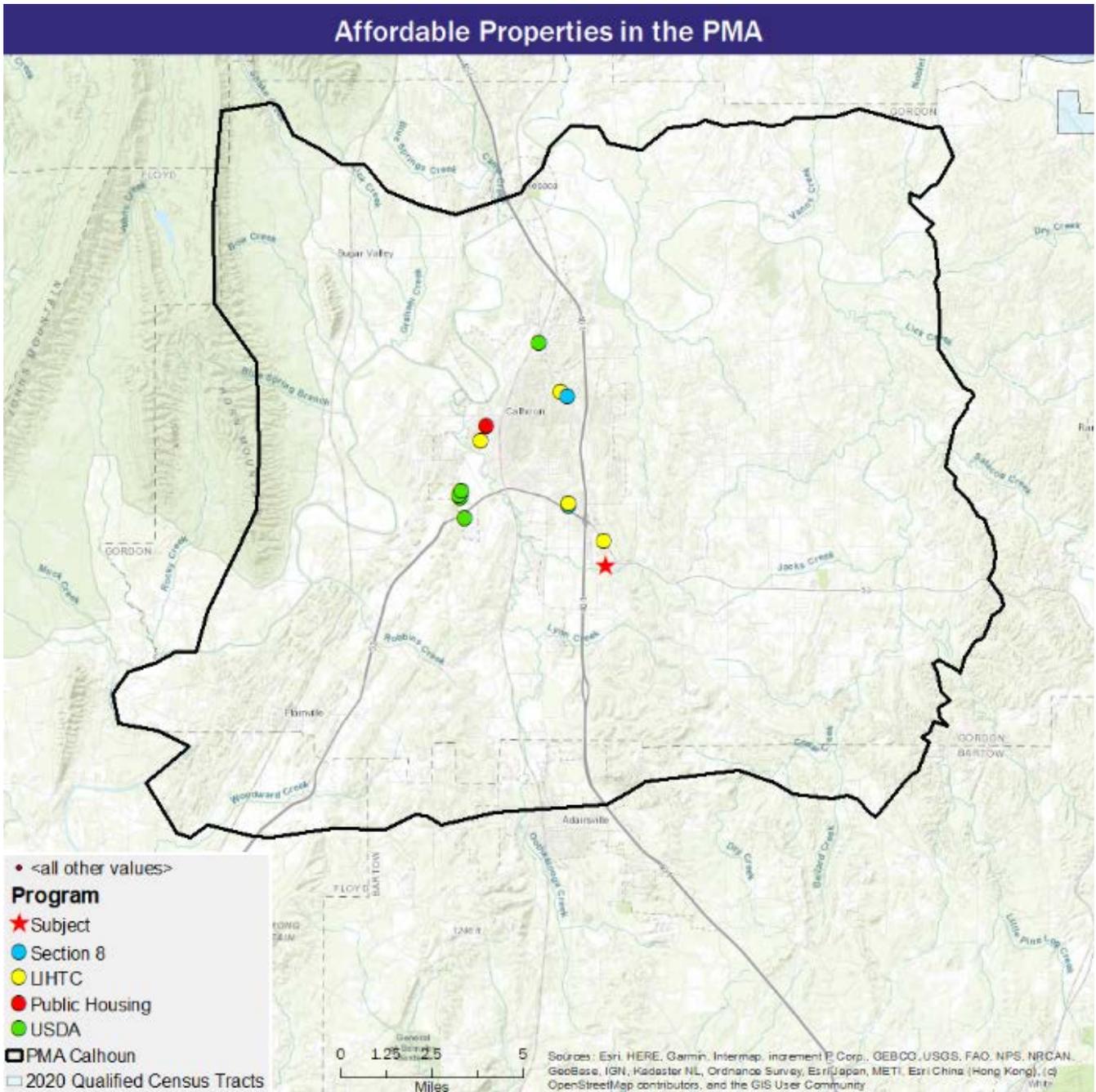
The total crime indices in the PMA are generally below that of the SMA and that of the nation. Personal crime in the PMA is also below the national personal crime levels. The Subject will offer limited access as a security feature. The majority of the comparable properties including Stone Ridge Apartments do not offer any form of security features, similar to the Subject. Given the low crime index indices in the Subject’s neighborhood and the lack of features in the market, we believe the Subject’s security features are 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
Deermont	LIHTC/Market	Calhoun	Family	80	-	Star
Catoosa Senior Village I And II	LIHTC/Market	Calhoun	Senior	111	4.1 miles	
Cherokee Mill Lofts	LIHTC	Calhoun	Family	60	4.2 miles	
Eastgate Apartments	LIHTC (HOME)	Calhoun	Family	56	1.2 miles	
Stone Ridge Apartments	LIHTC	Calhoun	Family	64	0.6 miles	
James Keene/C M Jones	Public Housing	Calhoun	Family	250	4.1 miles	
Forest Heights I	Rural Development/Market	Calhoun	Family	50	3.7 miles	
Forest Heights II	Rural Development	Calhoun	Family	52	3.7 miles	
Forest Heights Special	Rural Development	Calhoun	Family	18	3.7 miles	
Forest Hills	Rural Development	Calhoun	Family	50	3.6 miles	
Pine Ridge Apartments I And II	Rural Development	Calhoun	Family	60	6.2 miles	
Spring Valley	Rural Development	Calhoun	Family	40	3.4 miles	
Calhoun Gardens	Section 8	Calhoun	Family	76	8.2 miles	
Carriage Apartments	Section 8/Market	Calhoun	Family	72	4.0 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 has good visibility and accessibility from Morrow Road, which is a two-lane lightly-trafficked road. Morrow Road provides access to Highway 53 approximately 0.4 mile east of the Subject. Highway 53 is a moderately-trafficked four-lane road that provides access to a number of employers in the area. Highway 53 also provides access to Interstate 75 approximately 1.1 miles

northwest of the Subject site. Interstate 75 is a major thoroughfare that provides access to Chattanooga, Tennessee approximately 45 miles northwest of the Subject site, and Atlanta, Georgia approximately 55 miles southeast of the Subject site. Overall, access and visibility are considered good.

11. Conclusion:

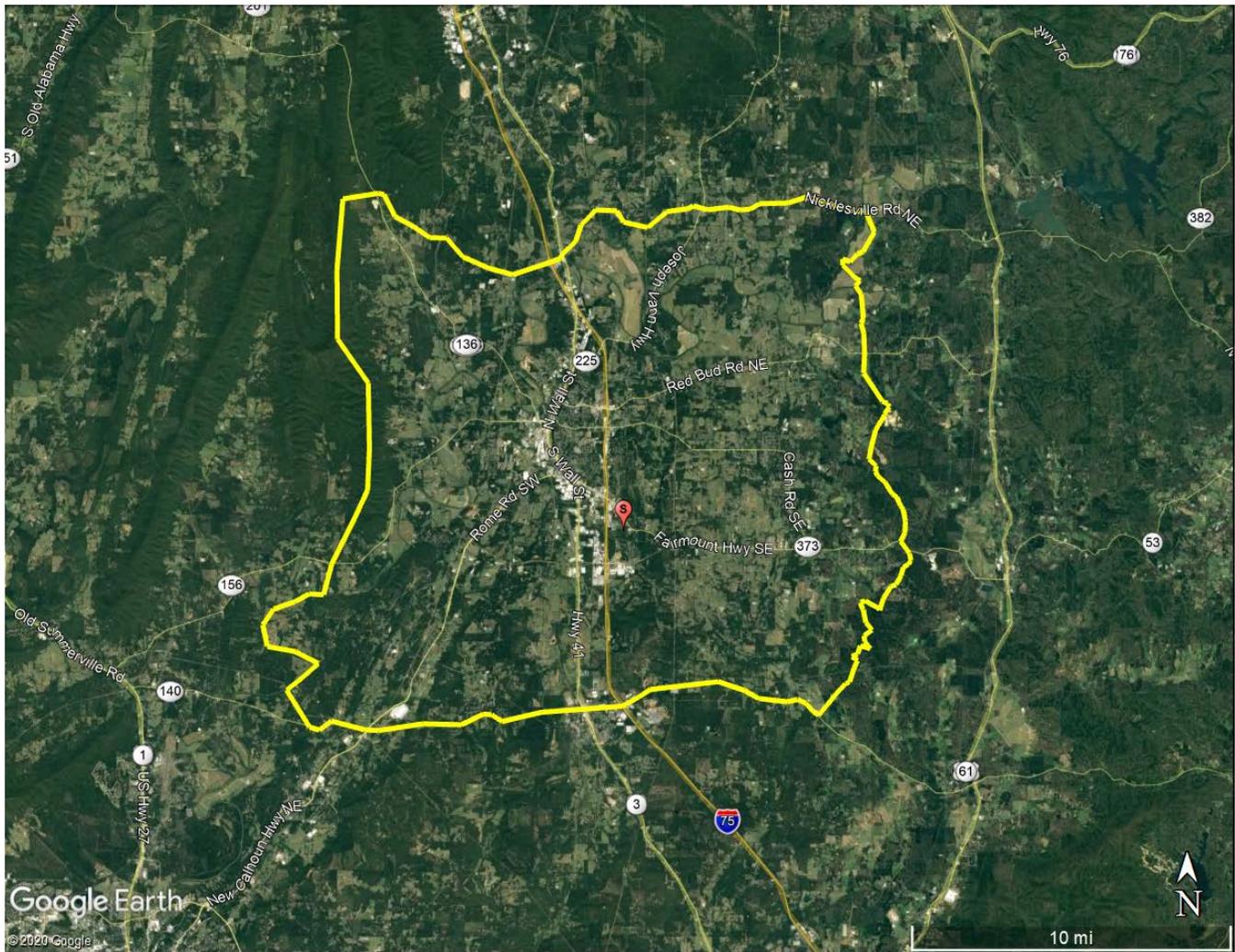
The Subject site is located on the north side of Morrow Road. The Subject site has good visibility and accessibility from Morrow Road. The Subject site is currently vacant land. Surrounding uses consist of vacant wooded land, houses of worship, a park, commercial and institutional uses in average condition, single-family homes and townhomes in average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 11 out of 100. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, most of which are within one 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, March 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 Calhoun, GA Micropolitan Statistical Area are areas of growth or contraction.

The PMA is defined by Resaca Lafayette Rd and Nicklesville Rd to the north, portions of the Chattooga county line and the Johns Mountain Wildlife Management Area to the west, Adairsville Rd, Highway 140, and Folsom Rd to the south, and Pleasant Hill Rd to the east. This area includes the cities of Calhoun, Plainville, Sugar Valley and Resaca as well as the north portion of Adairsville. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.7 miles
East: 9.0 miles
South: 11.5 miles
West: 11.6 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 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 12.7 miles. The SMA is defined as the Calhoun, GA Micropolitan Statistical Area, which consists of Gordon County in northwest Georgia and encompasses 358 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 Gordon County 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 Gordon County. The Subject’s anticipated completion is in September 2022, thus we have utilized September 2022 as the estimated market entry time in this section of the report according to DCA guidelines.

1. Population Trends

The following tables illustrate Total Population and Population by Age Group within the population in the SMA, the PMA and nationally from 2000 through 2024.

Total Population

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

Year	PMA		Calhoun, GA Micropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual</i>	<i>Number</i>	<i>Annual</i>	<i>Number</i>	<i>Annual</i>
2000	37,027	-	40,789	-	281,250,431	-
2010	50,604	3.7%	55,186	3.5%	308,745,538	1.0%
2019	53,541	0.6%	58,347	0.6%	332,417,793	0.8%
Projected Mkt Entry September 2022	54,717	0.7%	59,597	0.7%	340,695,339	0.8%
2024	55,398	0.7%	60,321	0.7%	345,487,602	0.8%

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

Between 2000 and 2010 there was approximately 3.7 percent annual growth in the PMA and 3.5 percent annual growth in the SMA, which is positive for a rural area and outpaces the national population growth. Between 2010 and 2019, there was approximately 0.6 percent annual growth in population in the PMA, which was similar to the SMA and slightly below the national population growth rate over the same time period. Total population in the PMA is projected to increase at a rate of 0.7 percent annually from 2019 through projected market entry and 2024, which is a growth rate similar to that of the SMA and below that of the nation as a whole. Overall, we believe that population growth in the PMA and SMA 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 SMA and nation from 2000 to 2024.

Age Cohort	PMA				
	2000	2010	2019	Projected Mkt Entry September 2022	2024
0-4	2,608	3,809	3,678	3,735	3,768
5-9	2,660	3,879	3,852	3,906	3,937
10-14	2,716	3,772	3,836	4,005	4,103
15-19	2,626	3,811	3,572	3,774	3,891
20-24	2,481	3,065	3,054	2,989	2,952
25-29	2,834	3,262	3,735	3,401	3,208
30-34	2,908	3,413	3,657	3,796	3,877
35-39	3,007	3,703	3,689	3,816	3,889
40-44	2,758	3,642	3,443	3,594	3,681
45-49	2,492	3,743	3,529	3,421	3,359
50-54	2,417	3,282	3,390	3,413	3,427
55-59	1,929	2,871	3,458	3,343	3,276
60-64	1,545	2,611	3,038	3,231	3,342
65-69	1,296	2,028	2,638	2,760	2,830
70-74	1,028	1,459	2,124	2,259	2,337
75-79	805	1,038	1,372	1,603	1,736
80-84	516	685	795	941	1,025
85+	399	531	679	731	761
Total	37,025	50,604	53,539	54,717	55,399

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

Age Cohort	Calhoun, GA Micropolitan Statistical Area				
	2000	2010	2019	Projected Mkt Entry September 2022	2024
0-4	2,864	4,110	3,943	4,001	4,035
5-9	2,903	4,142	4,130	4,174	4,200
10-14	2,973	4,060	4,138	4,313	4,414
15-19	2,863	4,096	3,822	4,055	4,190
20-24	2,776	3,312	3,279	3,202	3,158
25-29	3,133	3,492	4,018	3,644	3,427
30-34	3,203	3,612	3,922	4,056	4,133
35-39	3,283	3,994	3,954	4,105	4,192
40-44	3,013	4,011	3,707	3,874	3,970
45-49	2,745	4,138	3,854	3,707	3,622
50-54	2,627	3,614	3,753	3,756	3,757
55-59	2,154	3,250	3,842	3,725	3,657
60-64	1,722	2,932	3,393	3,616	3,745
65-69	1,413	2,306	3,023	3,131	3,194
70-74	1,146	1,628	2,400	2,574	2,675
75-79	897	1,152	1,544	1,805	1,956
80-84	595	762	887	1,062	1,164
85+	474	575	738	798	832
Total	40,784	55,186	58,347	59,597	60,321

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

The largest age cohorts in the PMA are between 5 and 9 and 10 and 14, which indicates the presence of families.

2. Household Trends

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

HOUSEHOLDS

Year	PMA		Calhoun, GA Micropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,671	-	15,085	-	105,409,439	-
2010	17,873	3.1%	19,667	3.0%	116,716,296	1.1%
2019	18,800	0.6%	20,703	0.6%	125,168,557	0.8%
Projected Mkt Entry September 2022	19,190	0.7%	21,107	0.6%	127,968,527	0.7%
2024	19,416	0.7%	21,341	0.6%	129,589,563	0.7%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Calhoun, GA Micropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.68	-	2.68	-	2.59	-
2010	2.81	0.5%	2.78	0.4%	2.58	-0.1%
2019	2.81	0.0%	2.78	0.0%	2.59	0.1%
Projected Mkt Entry September 2022	2.81	0.0%	2.79	0.1%	2.60	0.1%
2024	2.81	0.0%	2.79	0.1%	2.60	0.1%

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

Household growth in the PMA outpaced the SMA and nation between 2000 and 2010. Between 2010 and 2019, the PMA experienced household growth at a rate similar to that of the SMA and below the nation. Over the next five years, the household growth in the PMA and the SMA is expected to increase at a similar rate to the national household growth of the nation. The average household size in the PMA is slightly larger than the national average at 2.81 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 Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	9,593	70.2%	4,078	29.8%
2019	11,388	60.6%	7,412	39.4%
Projected Mkt Entry September 2022	11,752	61.2%	7,438	38.8%
2024	11,963	61.6%	7,453	38.4%

Source: Esri Demographics 2019, Novogradac Consulting LLP, March 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 larger 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 renters in the PMA 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

Income Cohort	2019		Projected Mkt Entry September 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,104	14.9%	1,064	14.3%	1,041	14.0%
\$10,000-19,999	1,472	19.9%	1,350	18.2%	1,280	17.2%
\$20,000-29,999	1,176	15.9%	1,112	15.0%	1,075	14.4%
\$30,000-39,999	1,037	14.0%	1,064	14.3%	1,080	14.5%
\$40,000-49,999	582	7.9%	593	8.0%	599	8.0%
\$50,000-59,999	648	8.7%	663	8.9%	671	9.0%
\$60,000-74,999	538	7.3%	577	7.8%	599	8.0%
\$75,000-99,999	536	7.2%	592	8.0%	624	8.4%
\$100,000-124,999	67	0.9%	81	1.1%	89	1.2%
\$125,000-149,999	102	1.4%	132	1.8%	150	2.0%
\$150,000-199,999	87	1.2%	122	1.6%	143	1.9%
\$200,000+	63	0.8%	88	1.2%	102	1.4%
Total	7,412	100.0%	7,438	100.0%	7,453	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - Calhoun, GA Micropolitan Statistical Area

Income Cohort	2019		Projected Mkt Entry September 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,196	14.9%	1,155	14.4%	1,131	14.1%
\$10,000-19,999	1,606	20.1%	1,477	18.4%	1,403	17.5%
\$20,000-29,999	1,217	15.2%	1,156	14.4%	1,121	13.9%
\$30,000-39,999	1,140	14.2%	1,167	14.5%	1,182	14.7%
\$40,000-49,999	658	8.2%	657	8.2%	657	8.2%
\$50,000-59,999	720	9.0%	738	9.2%	749	9.3%
\$60,000-74,999	561	7.0%	599	7.5%	621	7.7%
\$75,000-99,999	552	6.9%	608	7.6%	641	8.0%
\$100,000-124,999	70	0.9%	85	1.1%	94	1.2%
\$125,000-149,999	115	1.4%	146	1.8%	164	2.0%
\$150,000-199,999	99	1.2%	142	1.8%	167	2.1%
\$200,000+	69	0.9%	93	1.2%	107	1.3%
Total	8,003	100.0%	8,025	100.0%	8,037	100.0%

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

The Subject will target tenants earning between \$18,617 and \$39,240 for its LIHTC units, and up to \$65,400 for its market rate units. As the table above depicts, approximately 49.8 percent of renter households in the PMA are earning incomes between \$10,000 and \$39,999, which is comparable to the 49.5 percent of renter households in the SMA in 2019. For the projected market entry date of September 2022, these percentages are projected to slightly decrease to 47.5 percent and 47.3 percent for the PMA and SMA, 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 September 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	2,081	28.1%	2,073	27.9%	2,069	27.8%
2 Persons	1,655	22.3%	1,633	22.0%	1,620	21.7%
3 Persons	1,269	17.1%	1,279	17.2%	1,285	17.2%
4 Persons	1,054	14.2%	1,062	14.3%	1,067	14.3%
5+ Persons	1,353	18.3%	1,390	18.7%	1,412	18.9%
Total Households	7,412	100%	7,438	100%	7,453	100%

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

The majority of renter households in the PMA are one to three-person households.

Conclusion

The population in the PMA and the SMA increased significantly from 2000 to 2019, though the rate of growth slowed from 2010 to 2019. The rate of population and household growth is projected to increase slightly through 2024. The current population of the PMA is 53,541 and is expected to be 55,398 in 2024. The current number of households in the PMA is 18,800 and is expected to be 19,416 in 2024. Renter households are concentrated in the lowest income cohorts, with 49.8 percent of renters in the PMA earning between \$10,000 and \$39,999 annually. The Subject will target households earning between \$18,617 and \$39,240 for its LIHTC units, and up to \$65,400 for its market rate units; therefore, the Subject should be well-positioned to

service this market. Overall, population growth and the concentration of 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 Gordon County, which is equivalent to the Calhoun, GA Micropolitan Statistical Area, are economically reliant on the manufacturing and healthcare industries. Eight of the 12 major employers in Gordon County are in either the manufacturing and healthcare industries. This is significant to note as the manufacturing industry is historically volatile, and prone to contraction during recessionary periods. However, the PMA and Gordon County also have a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Employment levels in the PMA and Gordon County decreased during the national recession, but have since rebounded and surpassed pre-recession highs.

1. Covered Employment

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

COVERED EMPLOYMENT		
Gordon County, Georgia		
Year	Total Employment	% Change
2005	25,363	-
2006	25,891	2.0%
2007	25,598	-1.1%
2008	24,669	-3.8%
2009	22,190	-11.2%
2010	22,749	2.5%
2011	23,198	1.9%
2012	24,216	4.2%
2013	23,876	-1.4%
2014	24,110	1.0%
2015	24,541	1.8%
2016	23,888	-2.7%
2017	25,450	6.1%
2018	26,940	5.5%
2019 YTD Average	26,952	5.6%
Dec-18	26,923	-
Dec-19	27,204	1.0%

Source: U.S. Bureau of Labor Statistics

YTD as of Mar 2019

As illustrated in the table above, Gordon County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2007. Employment growth rebounded and Gordon County exhibited employment growth in all but two years since 2009. Gordon County has experienced strong employment growth from 2017 through December of 2019. Total employment in Gordon County increased 1.0 percent from December 2018 to December 2019, and is at a post-recessionary record.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Gordon County as of April 2018.

TOTAL JOBS BY INDUSTRY		
Gordon County, Georgia - Q2 2018		
	Number	Percent
Total, all industries	19,766	100.0%
Goods-producing	9,312	47.1%
Natural resources and mining	215	1.1%
Construction	736	3.7%
Manufacturing	8,361	42.3%
Service-providing	10,454	52.9%
Trade, transportation, and utilities	4,024	20.4%
Information	83	0.4%
Financial activities	481	2.4%
Professional and business services	2,186	11.1%
Education and health services	1,934	9.8%
Leisure and hospitality	1,537	7.8%
Other services	184	0.9%
Unclassified	25	0.1%

Source: Bureau of Labor Statistics, 2019

Manufacturing is the largest industry in Gordon County, followed by trade, transportation, and utilities and professional and business services. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities and professional and business services. 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	7,899	30.4%	16,057,876	10.0%
Healthcare/Social Assistance	2,893	11.1%	22,612,482	14.1%
Retail Trade	2,641	10.2%	17,127,172	10.7%
Construction	2,083	8.0%	11,245,975	7.0%
Accommodation/Food Services	1,702	6.5%	11,738,765	7.3%
Educational Services	1,619	6.2%	14,565,802	9.1%
Transportation/Warehousing	1,273	4.9%	7,876,848	4.9%
Public Administration	974	3.7%	7,828,907	4.9%
Other Services	921	3.5%	8,141,078	5.1%
Admin/Support/Waste Mgmt Svcs	804	3.1%	6,106,184	3.8%
Wholesale Trade	735	2.8%	4,183,931	2.6%
Prof/Scientific/Tech Services	597	2.3%	11,744,228	7.3%
Agric/Forestry/Fishing/Hunting	554	2.1%	1,915,709	1.2%
Real Estate/Rental/Leasing	421	1.6%	3,204,043	2.0%
Finance/Insurance	345	1.3%	7,377,311	4.6%
Information	233	0.9%	3,157,650	2.0%
Arts/Entertainment/Recreation	166	0.6%	3,332,132	2.1%
Utilities	116	0.4%	1,276,400	0.8%
Mining	35	0.1%	819,151	0.5%
Mgmt of Companies/Enterprises	0	0.0%	237,307	0.1%
Total Employment	26,011	100.0%	160,548,951	100.0%

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

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 51.7 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, construction, and agriculture/forestry/fishing/hunting industries. Conversely, the PMA is underrepresented in the professional/scientific/technical services, finance/insurance, and healthcare/social assistance industries.

3. Major Employers

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

MAJOR EMPLOYERS			
Gordon County, Georgia			
#	Employer Name	Industry	# Of Employees
1	Aladdin Manufacturing	Manufacturing	20,431
2	Mohawk Industries, Inc.	Manufacturing	3,400
3	Dal-Tile Services, Inc.	Manufacturing	7,524
4	Gordon City School District	Educational Services	770
5	Apache Mills Inc.	Manufacturing	500
6	Gordon Hospital	Healthcare	500
7	Engineered Floors, LLC	Manufacturing	500
8	Walmart Supercenter	Retail Trade	250
9	CALHOUN Plastics	Manufacturing	250
10	Cracker Barrel Old Country Store	Retail Trade	150
11	Kroger	Retail Trade	150
12	Brumlow Mills	Manufacturing	<u>100</u>
Totals			34,525

Source: SEIDA, retrieved March 2020

Major employers in Gordon County include companies in the manufacturing, education, healthcare and retail trade industries. While healthcare and education are historically stable industries, manufacturing is historically unstable, especially during times of recession. Aladdin Manufacturing is a flooring manufacturer whose headquarters is located in Calhoun, GA. Aladdin Manufacturing is the largest employer in Gordon County as they have approximately 20,431 employees within the area.

Expansions/Contractions

We reviewed publications by the Georgia Department of Labor listing WARN (Worker Adjustment and Retraining Notification Act) notices since 2016. There were two WARN notices filed from 2016 to 2019 year-to-date, which are detailed below:

- Omnova Solutions, a global manufacturer, laid off 30 employees on January 1, 2016.
- Superior Manufacturing Group, a manufacturer, laid off 40 employees on June 30, 2016.

The lack of WARN notices filed over the past three years indicates a stable local economy.

We attempted to speak with the Gordon County Economic Development Authority; however, as of the date of this report our calls have not been returned. We conducted internet research regarding investment and business expansion in the region.

Expansions in Gordon County, GA - 2018-YTD 2020		
Company Name	Industry	Jobs
Mannington Mills	Manufacturing	268
Floor Trend USA	Manufacturing	100
Pilgrim's Pride	Agric/Forestry/Fishing/Hunting	<u>25</u>
Totals		393

As illustrated, there were three additions in industries including manufacturing and agriculture/forestry/fishing/hunting. Between 2018 and 2020, there were a total of 393 jobs created, which helps to counteract the 70 layoffs that occurred in the county since 2016.

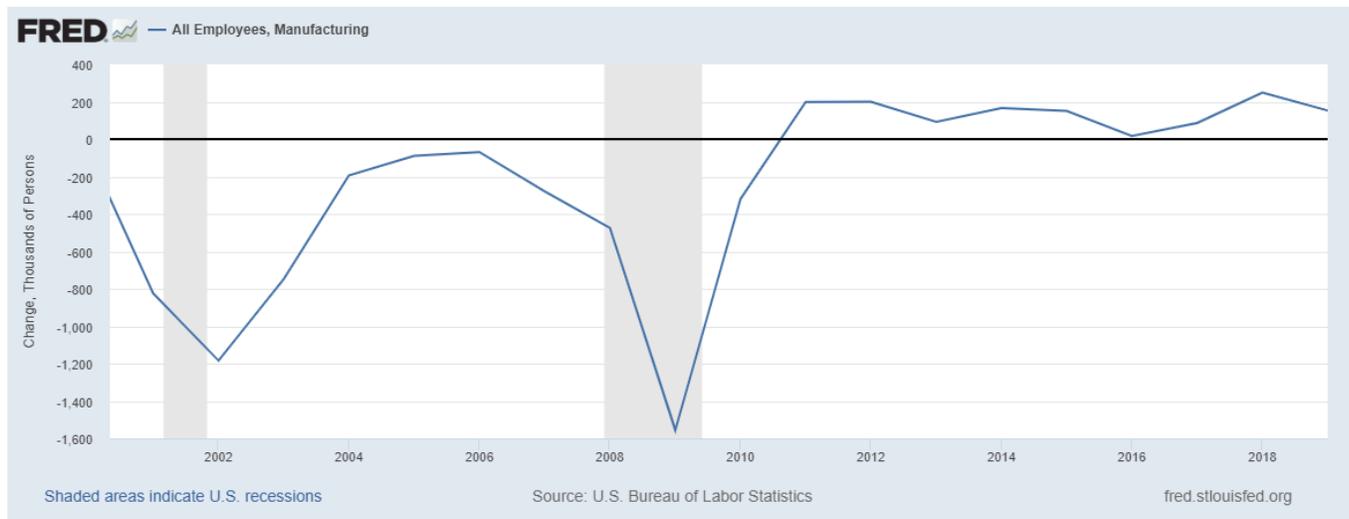
Manufacturing Sector Trends

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.

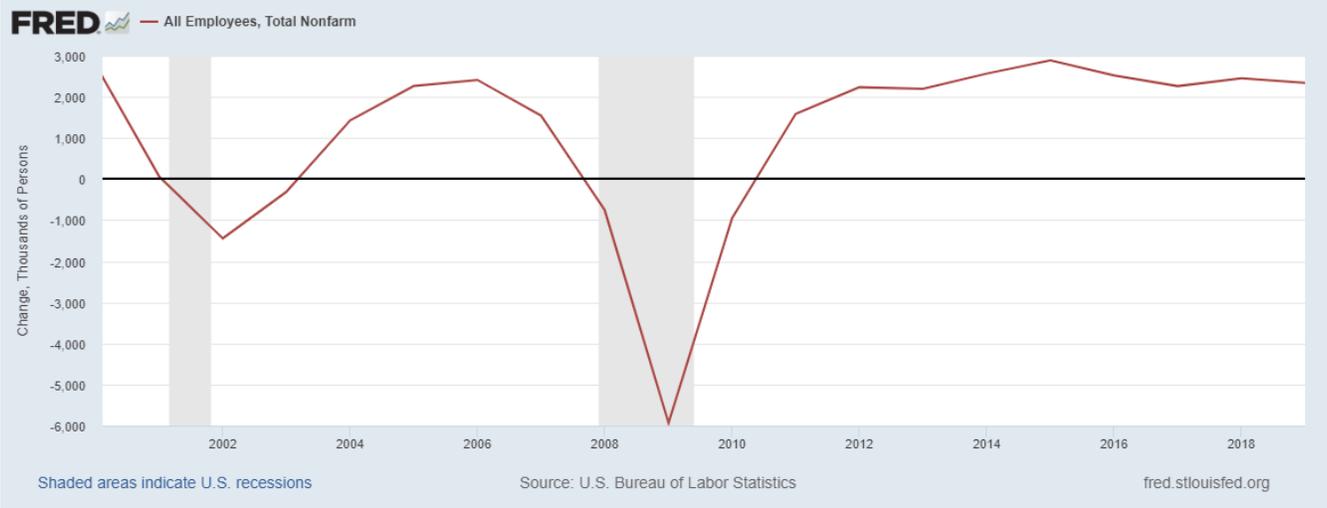
Although recent employment growth in the U.S. manufacturing sector bodes well for the SMA, the manufacturing sector is still not quite as strong as in the past. With manufacturing accounting for close to 10 percent of the U.S. economy and as a major source of employment for the SMA manufacturing employment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



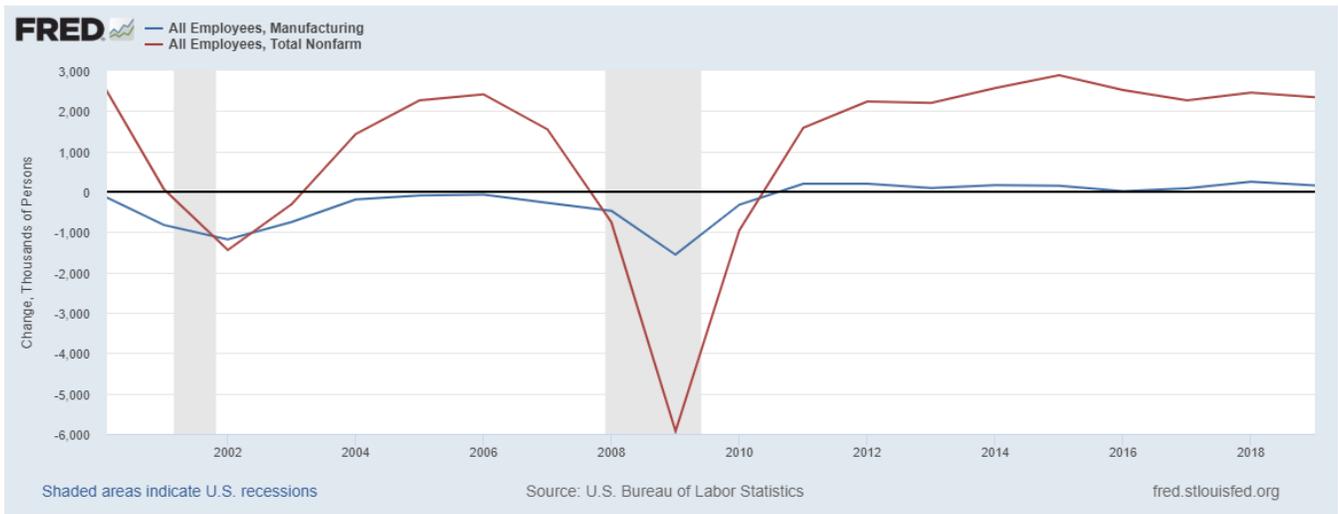
Source: Federal Reserve Bank of St. Louis, 1/2020.

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.

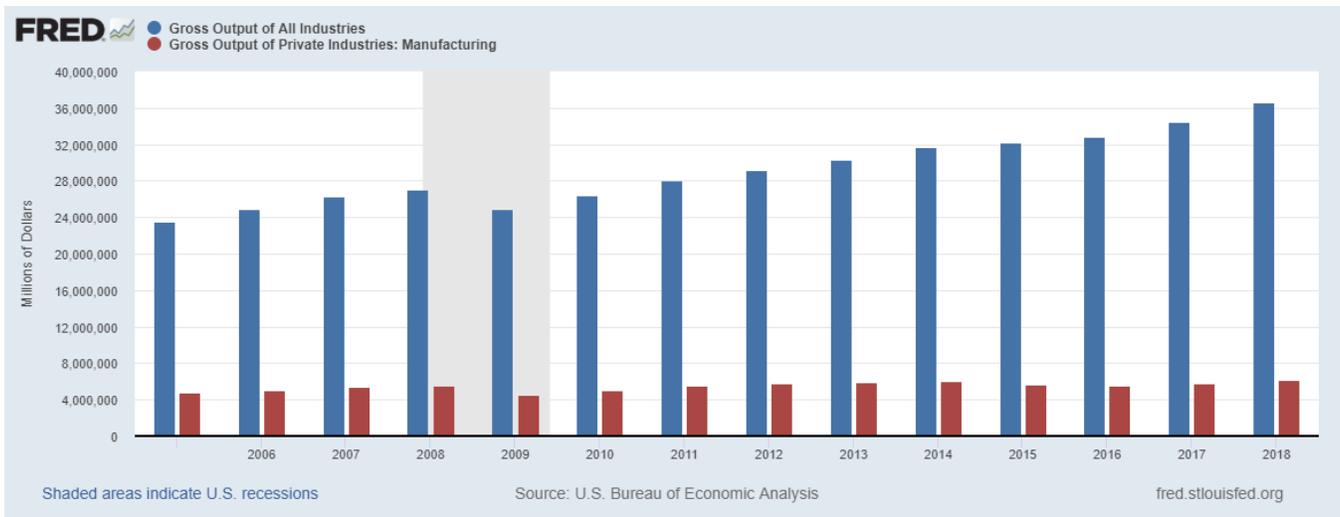


Source: Federal Reserve Bank of St. Louis, 1/2020.

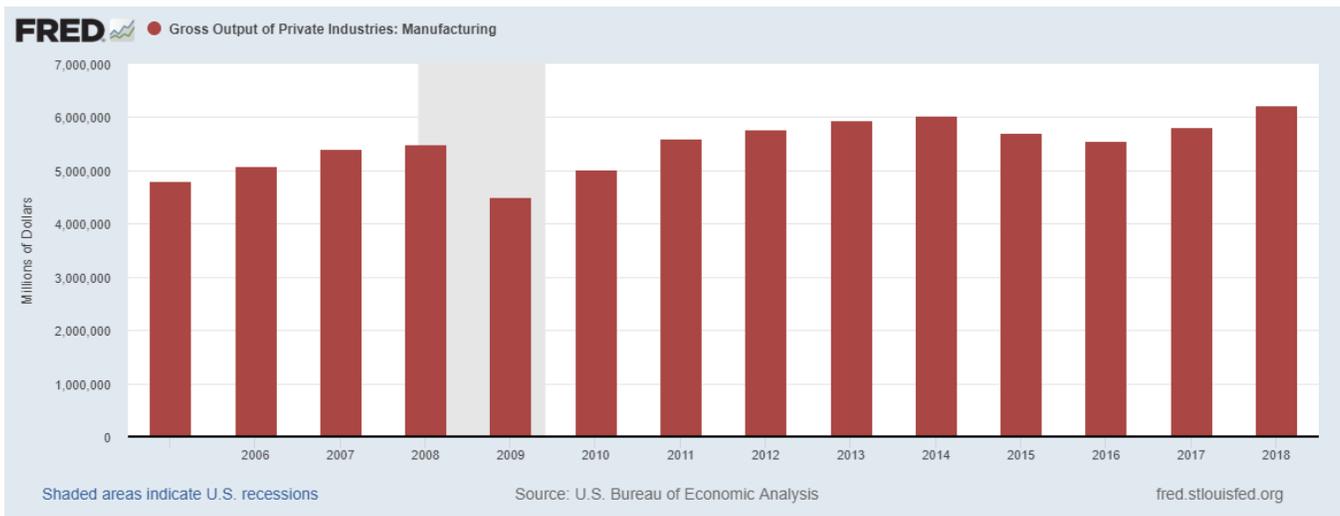
Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

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 steadily 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 Calhoun, 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 SMA from 2003 to December 2019.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Calhoun, GA Micropolitan Statistical Area			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2003	23,731	-	-11.9%	137,736,000	-	-11.6%
2004	24,371	2.7%	-9.5%	139,252,000	1.1%	-10.6%
2005	25,363	4.1%	-5.9%	141,730,000	1.8%	-9.0%
2006	25,891	2.1%	-3.9%	144,427,000	1.9%	-7.3%
2007	25,598	-1.1%	-5.0%	146,047,000	1.1%	-6.2%
2008	24,669	-3.6%	-8.4%	145,363,000	-0.5%	-6.7%
2009	22,190	-10.0%	-17.6%	139,878,000	-3.8%	-10.2%
2010	22,749	2.5%	-15.6%	139,064,000	-0.6%	-10.7%
2011	23,198	2.0%	-13.9%	139,869,000	0.6%	-10.2%
2012	24,216	4.4%	-10.1%	142,469,000	1.9%	-8.5%
2013	23,876	-1.4%	-11.4%	143,929,000	1.0%	-7.6%
2014	24,110	1.0%	-10.5%	146,305,000	1.7%	-6.1%
2015	24,541	1.8%	-8.9%	148,833,000	1.7%	-4.4%
2016	23,888	-2.7%	-11.3%	151,436,000	1.7%	-2.8%
2017	25,450	6.5%	-5.5%	153,337,000	1.3%	-1.6%
2018	26,940	5.9%	0.0%	155,761,000	1.6%	0.0%
2019 YTD Average*	26,952	0.0%	-	157,538,083	1.1%	-
Dec-2018	26,908	-	-	156,481,000	-	-
Dec-2019	27,204	1.1%	-	158,504,000	1.3%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Calhoun, GA Micropolitan Statistical Area			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2003	4.7%	-	1.0%	6.0%	-	2.1%
2004	4.5%	-0.2%	0.7%	5.5%	-0.5%	1.6%
2005	4.9%	0.4%	1.1%	5.1%	-0.5%	1.2%
2006	4.4%	-0.5%	0.6%	4.6%	-0.5%	0.7%
2007	4.7%	0.3%	0.9%	4.6%	0.0%	0.7%
2008	7.4%	2.8%	3.7%	5.8%	1.2%	1.9%
2009	13.0%	5.5%	9.2%	9.3%	3.5%	5.4%
2010	12.7%	-0.2%	9.0%	9.6%	0.3%	5.7%
2011	11.7%	-1.1%	7.9%	9.0%	-0.7%	5.1%
2012	9.8%	-1.9%	6.0%	8.1%	-0.9%	4.2%
2013	8.8%	-1.0%	5.1%	7.4%	-0.7%	3.5%
2014	7.2%	-1.6%	3.5%	6.2%	-1.2%	2.3%
2015	5.9%	-1.3%	2.2%	5.3%	-0.9%	1.4%
2016	5.6%	-0.3%	1.8%	4.9%	-0.4%	1.0%
2017	4.6%	-1.0%	0.8%	4.4%	-0.5%	0.4%
2018	3.8%	-0.8%	0.0%	3.9%	-0.4%	0.0%
2019 YTD Average*	3.4%	-0.3%	-	3.7%	-0.2%	-
Dec-2018	4.0%	-	-	3.7%	-	-
Dec-2019	3.4%	-0.6%	-	3.4%	-0.3%	-

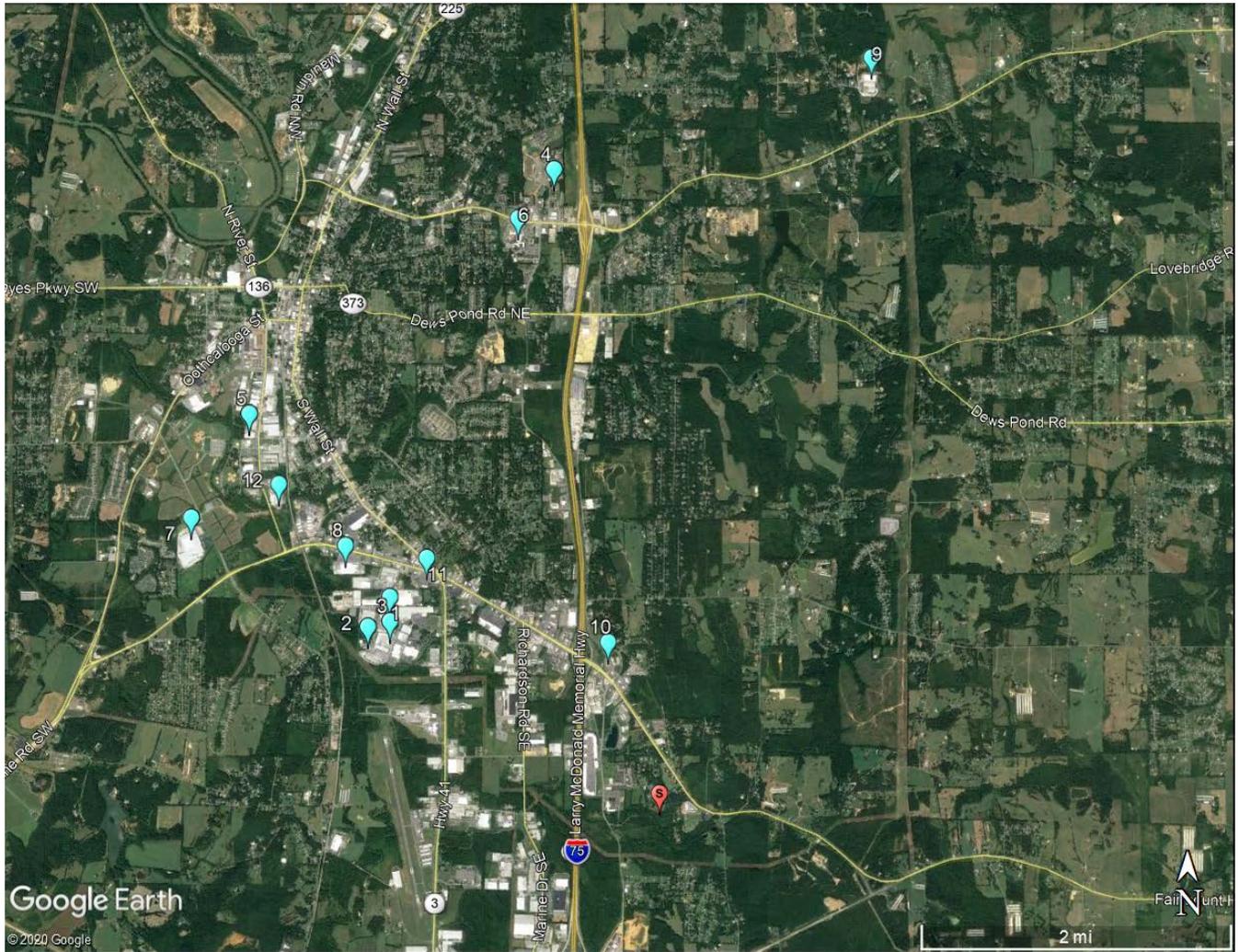
Source: U.S. Bureau of Labor Statistics, April 2020

Prior to the national recession, average employment growth in the SMA generally outpaced the nation. Between 2003 and 2006, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2006. While the nation experienced its most significant recession-related employment losses in 2009, at the height of the recession, the SMA was also significantly impacted at this time. Overall, the SMA experienced total employment losses of 14.7 percent compared to 4.9 percent nationally. However, as of 2018, the SMA has surpassed its pre-recession employment highs. Furthermore, total employment growth in the SMA vastly exceeded that of the nation in 2017 and 2018. As of December 2019, total employment in the SMA is at a post-recessionary record and increasing at an annualized rate of 1.1 percent, slightly below the growth across the overall nation. It should be noted that due to the smaller total employment pool in the SMA, employment variations may appear more significant on a percentage basis.

Historically, the SMA reported a higher unemployment rate relative to the nation. Unemployment in the SMA began increasing during 2007, at the onset of the national recession. The SMA maintained a higher unemployment rate throughout the entire recession relative to the nation. The most recent data show unemployment in the SMA at the same level as the nation, indicating a constrained labor market. Given that total employment in the SMA surpassed its pre-recession levels, and local employment growth and unemployment are both similar to the nation, it appears the SMA is fully recovered and entered into an expansionary phase, which should have a positive impact on local affordable rental housing demand.

5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, March 2020.

MAJOR EMPLOYERS
Gordon County, Georgia

#	Employer Name	Industry	# Of Employees
1	Aladdin Manufacturing	Manufacturing	20,431
2	Mohawk Industries, Inc.	Manufacturing	3,400
3	Dal-Tile Services, Inc.	Manufacturing	7,524
4	Gordon City School District	Educational Services	770
5	Apache Mills Inc.	Manufacturing	500
6	Gordon Hospital	Healthcare	500
7	Engineered Floors, LLC	Manufacturing	500
8	Walmart Supercenter	Retail Trade	250
9	CALHOUN Plastics	Manufacturing	250
10	Cracker Barrel Old Country Store	Retail Trade	150
11	Kroger	Retail Trade	150
12	Brumlow Mills	Manufacturing	<u>100</u>
Totals			34,525

Source: SEIDA, retrieved March 2020

6. Conclusion

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 51.7 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. The local economy appears to have diverse and low paying jobs in the manufacturing, healthcare/social assistance, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2010, job growth in the SMA generally exceeded the nation. As of December 2019, total employment in the SMA is at a post-recessionary record and increasing at an annualized rate of 1.1 percent, slightly below the growth across the overall nation. According to the most recent labor statistics, the unemployment rate in the SMA is 3.4 percent, which is similar to the current national unemployment rate. However, it is important to note that the unemployment rate in the SMA has been declining by greater rates than the nation in recent years. Given that total employment in the SMA surpassed its pre-recession levels, and local employment growth and unemployment are both similar to the nation, it appears the SMA is fully recovered and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject’s proposed units.

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.

FAMILY 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	\$18,617	\$24,250	\$20,777	\$29,100	\$21,429	\$48,500
2BR	\$22,491	\$27,250	\$25,440	\$32,700	\$25,303	\$54,500
3BR	\$26,126	\$32,700	\$29,829	\$39,240	\$29,417	\$65,400

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. Calhoun Gardens is a family property that was allocated in 2019 for the rehabilitation of 76 LIHTC and Section 8 units in Calhoun, Georgia. The property is located at 110 Richardson Road, approximately 8.2 miles from the Subject. The development will be renovated with LIHTC and all 76 revenue generating units, will become restricted to households earning 60 percent of the Area Median Income (AMI) or less. All units will maintain their subsidy following renovations and tenants will continue to pay 30 percent of their income towards rent. It should be noted that the current management company has an age restriction preference on 45 units for senior households. However, there is not a formal age-restriction on the property and we analyze the development as a family development. Calhoun Gardens offers 49 one, 22 two, and five three-bedroom units. As all the units at this property will maintain their subsidy following renovations, we have not deducted its units from competitive supply. We were unable to identify any other competitive units in the PMA which have been recently allocated, placed in service, or are current in lease up.

Rehab Developments and PBRA

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

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

Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry September 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,104	14.9%	1,064	14.3%	1,041	14.0%
\$10,000-19,999	1,472	19.9%	1,350	18.2%	1,280	17.2%
\$20,000-29,999	1,176	15.9%	1,112	15.0%	1,075	14.4%
\$30,000-39,999	1,037	14.0%	1,064	14.3%	1,080	14.5%
\$40,000-49,999	582	7.9%	593	8.0%	599	8.0%
\$50,000-59,999	648	8.7%	663	8.9%	671	9.0%
\$60,000-74,999	538	7.3%	577	7.8%	599	8.0%
\$75,000-99,999	536	7.2%	592	8.0%	624	8.4%
\$100,000-124,999	67	0.9%	81	1.1%	89	1.2%
\$125,000-149,999	102	1.4%	132	1.8%	150	2.0%
\$150,000-199,999	87	1.2%	122	1.6%	143	1.9%
\$200,000+	63	0.8%	88	1.2%	102	1.4%
Total	7,412	100.0%	7,438	100.0%	7,453	100.0%

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50%

Minimum Income Limit		\$18,617		Maximum Income Limit		\$32,700	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry September 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-40			-153.7%	\$0	0.0%
\$10,000-19,999	-122	-468.3%	\$1,382	13.8%	-17		
\$20,000-29,999	-64	-246.3%	\$9,999	100.0%	-64		
\$30,000-39,999	27	104.9%	\$2,700	27.0%	7		
\$40,000-49,999	11	41.5%	\$0	0.0%	0		
\$50,000-59,999	15	56.1%	\$0	0.0%	0		
\$60,000-74,999	39	148.8%	\$0	0.0%	0		
\$75,000-99,999	56	214.6%	\$0	0.0%	0		
\$100,000-124,999	14	53.7%	\$0	0.0%	0		
\$125,000-149,999	30	117.1%	\$0	0.0%	0		
\$150,000-199,999	35	136.6%	\$0	0.0%	0		
\$200,000+	25	95.1%	\$0	0.0%	0		
Total	26	100.0%		-282.7%	-73		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50%

Minimum Income Limit		\$18,617		Maximum Income Limit		\$32,700	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	1,104			14.9%	\$0	0.0%
\$10,000-19,999	1,472	19.9%	\$1,382	13.8%	203		
\$20,000-29,999	1,176	15.9%	\$9,999	100.0%	1,176		
\$30,000-39,999	1,037	14.0%	\$2,700	27.0%	280		
\$40,000-49,999	582	7.9%	\$0	0.0%	0		
\$50,000-59,999	648	8.7%	\$0	0.0%	0		
\$60,000-74,999	538	7.3%	\$0	0.0%	0		
\$75,000-99,999	536	7.2%	\$0	0.0%	0		
\$100,000-124,999	67	0.9%	\$0	0.0%	0		
\$125,000-149,999	102	1.4%	\$0	0.0%	0		
\$150,000-199,999	87	1.2%	\$0	0.0%	0		
\$200,000+	63	0.8%	\$0	0.0%	0		
Total	7,412	100.0%		22.4%	1,659		

ASSUMPTIONS - @50%

Tenancy		Family		% of Income towards Housing		35%	
Rural/Urban		Rural		Maximum # of Occupants		5	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	0%	90%	10%	0%	0%		
2	0%	20%	80%	0%	0%		
3	0%	0%	60%	40%	0%		
4	0%	0%	30%	40%	30%		
5+	0%	0%	0%	50%	50%		

Demand from New Renter Households 2019 to September 2022

Income Target Population	@50%
New Renter Households PMA	26
Percent Income Qualified	-282.7%
New Renter Income Qualified Households	-73

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@50%
Total Existing Demand	7,412
Income Qualified	22.4%
Income Qualified Renter Households	1,659
Percent Rent Overburdened Prj Mrkt Entry September 2022	37.6%
Rent Overburdened Households	624

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,659
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	24

Senior Households Converting from Homeownership

Income Target Population	@50%
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	648
Total New Demand	-73
Total Demand (New Plus Existing Households)	574

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

By Bedroom Demand

One Person	27.9%	160
Two Persons	22.0%	126
Three Persons	17.2%	99
Four Persons	14.3%	82
Five Persons	18.7%	107
Total	100.0%	574

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	90%	144
Of two-person households in 1BR units	20%	25
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	16
Of two-person households in 2BR units	80%	101
Of three-person households in 2BR units	60%	59
Of four-person households in 2BR units	30%	25
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	40
Of four-person households in 3BR units	40%	33
Of five-person households in 3BR units	50%	54
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%	25
Of five-person households in 4BR units	50%	54
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
Total Demand		574

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	169	-	0	=	169
2 BR	201	-	0	=	201
3 BR	126	-	0	=	126
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	496		0		496

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	4	/	169	=	2.4%
2 BR	4	/	201	=	2.0%
3 BR	3	/	126	=	2.4%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	11		496		2.2%

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,777		Maximum Income Limit		\$39,240	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2019 to Prj Mrkt Entry September 2022						
\$0-9,999	-40	-153.7%	\$0	0.0%	0		
\$10,000-19,999	-122	-468.3%	\$0	0.0%	0		
\$20,000-29,999	-64	-246.3%	\$9,222	92.2%	-59		
\$30,000-39,999	27	104.9%	\$9,240	92.4%	25		
\$40,000-49,999	11	41.5%	\$0	0.0%	0		
\$50,000-59,999	15	56.1%	\$0	0.0%	0		
\$60,000-74,999	39	148.8%	\$0	0.0%	0		
\$75,000-99,999	56	214.6%	\$0	0.0%	0		
\$100,000-124,999	14	53.7%	\$0	0.0%	0		
\$125,000-149,999	30	117.1%	\$0	0.0%	0		
\$150,000-199,999	35	136.6%	\$0	0.0%	0		
\$200,000+	25	95.1%	\$0	0.0%	0		
Total	26	100.0%		-130.3%	-34		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$20,777		Maximum Income Limit		\$39,240	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,104	14.9%	\$0	0.0%	0		
\$10,000-19,999	1,472	19.9%	\$0	0.0%	0		
\$20,000-29,999	1,176	15.9%	\$9,222	92.2%	1,085		
\$30,000-39,999	1,037	14.0%	\$9,240	92.4%	958		
\$40,000-49,999	582	7.9%	\$0	0.0%	0		
\$50,000-59,999	648	8.7%	\$0	0.0%	0		
\$60,000-74,999	538	7.3%	\$0	0.0%	0		
\$75,000-99,999	536	7.2%	\$0	0.0%	0		
\$100,000-124,999	67	0.9%	\$0	0.0%	0		
\$125,000-149,999	102	1.4%	\$0	0.0%	0		
\$150,000-199,999	87	1.2%	\$0	0.0%	0		
\$200,000+	63	0.8%	\$0	0.0%	0		
Total	7,412	100.0%		27.6%	2,043		

ASSUMPTIONS - @60%

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Rural		Maximum # of Occupants		5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2019 to September 2022

Income Target Population	@60%
New Renter Households PMA	26
Percent Income Qualified	-130.3%
New Renter Income Qualified Households	-34

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	7,412
Income Qualified	27.6%
Income Qualified Renter Households	2,043
Percent Rent Overburdened Prj Mrkt Entry September 2022	37.6%
Rent Overburdened Households	768

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,043
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	30

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	797
Total New Demand	-34
Total Demand (New Plus Existing Households)	764

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

By Bedroom Demand

One Person	27.9%	213
Two Persons	22.0%	168
Three Persons	17.2%	131
Four Persons	14.3%	109
Five Persons	18.7%	143
Total	100.0%	764

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	90%	192
Of two-person households in 1BR units	20%	34
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	21
Of two-person households in 2BR units	80%	134
Of three-person households in 2BR units	60%	79
Of four-person households in 2BR units	30%	33
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	53
Of four-person households in 3BR units	40%	44
Of five-person households in 3BR units	50%	71
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%	33
Of five-person households in 4BR units	50%	71
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
Total Demand		764

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	225	-	0	=	225
2 BR	267	-	0	=	267
3 BR	168	-	0	=	168
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	660		0		660

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	14	/	225	=	6.2%
2 BR	14	/	267	=	5.2%
3 BR	11	/	168	=	6.6%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	39		660		5.9%

Market

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$21,429		Maximum Income Limit		\$65,400	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry September 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-40			-153.7%	\$0	0.0%
\$10,000-19,999	-122	-468.3%	\$0	0.0%	0		
\$20,000-29,999	-64	-246.3%	\$8,570	85.7%	-55		
\$30,000-39,999	27	104.9%	\$9,999	100.0%	27		
\$40,000-49,999	11	41.5%	\$9,999	100.0%	11		
\$50,000-59,999	15	56.1%	\$9,999	100.0%	15		
\$60,000-74,999	39	148.8%	\$5,400	36.0%	14		
\$75,000-99,999	56	214.6%	\$0	0.0%	0		
\$100,000-124,999	14	53.7%	\$0	0.0%	0		
\$125,000-149,999	30	117.1%	\$0	0.0%	0		
\$150,000-199,999	35	136.6%	\$0	0.0%	0		
\$200,000+	25	95.1%	\$0	0.0%	0		
Total	26	100.0%		44.9%	12		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$21,429		Maximum Income Limit		\$65,400	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	1,104			14.9%	\$0	0.0%
\$10,000-19,999	1,472	19.9%	\$0	0.0%	0		
\$20,000-29,999	1,176	15.9%	\$8,570	85.7%	1,008		
\$30,000-39,999	1,037	14.0%	\$9,999	100.0%	1,037		
\$40,000-49,999	582	7.9%	\$9,999	100.0%	582		
\$50,000-59,999	648	8.7%	\$9,999	100.0%	648		
\$60,000-74,999	538	7.3%	\$5,400	36.0%	194		
\$75,000-99,999	536	7.2%	\$0	0.0%	0		
\$100,000-124,999	67	0.9%	\$0	0.0%	0		
\$125,000-149,999	102	1.4%	\$0	0.0%	0		
\$150,000-199,999	87	1.2%	\$0	0.0%	0		
\$200,000+	63	0.8%	\$0	0.0%	0		
Total	7,412	100.0%		46.8%	3,469		

ASSUMPTIONS - Market

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Rural		Maximum # of Occupants		5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2019 to September 2022

Income Target Population	Market
New Renter Households PMA	26
Percent Income Qualified	44.9%
New Renter Income Qualified Households	12

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	Market
Total Existing Demand	7,412
Income Qualified	46.8%
Income Qualified Renter Households	3,469
Percent Rent Overburdened Prj Mrkt Entry September 2022	37.6%
Rent Overburdened Households	1,304

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,469
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	50

Senior Households Converting from Homeownership

Income Target Population	Market
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,354
Total New Demand	12
Total Demand (New Plus Existing Households)	1,366

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

By Bedroom Demand

One Person	27.9%	381
Two Persons	22.0%	300
Three Persons	17.2%	235
Four Persons	14.3%	195
Five Persons	18.7%	255
Total	100.0%	1,366

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	90%	343
Of two-person households in 1BR units	20%	60
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	38
Of two-person households in 2BR units	80%	240
Of three-person households in 2BR units	60%	141
Of four-person households in 2BR units	30%	59
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	94
Of four-person households in 3BR units	40%	78
Of five-person households in 3BR units	50%	128
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%	59
Of five-person households in 4BR units	50%	128
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
Total Demand		1,366

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	403	-	0	=	403
2 BR	477	-	0	=	477
3 BR	300	-	0	=	300
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	1,180		0		1,180

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	2	/	403	=	0.5%
2 BR	2	/	477	=	0.4%
3 BR	2	/	300	=	0.7%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	6		1,180		0.5%

Overall

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$18,617		Maximum Income Limit		\$65,400	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry September 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-40			-153.7%	\$0	0.0%
\$10,000-19,999	-122	-468.3%	\$1,382	13.8%	-17		
\$20,000-29,999	-64	-246.3%	\$9,999	100.0%	-64		
\$30,000-39,999	27	104.9%	\$9,999	100.0%	27		
\$40,000-49,999	11	41.5%	\$9,999	100.0%	11		
\$50,000-59,999	15	56.1%	\$9,999	100.0%	15		
\$60,000-74,999	39	148.8%	\$5,400	36.0%	14		
\$75,000-99,999	56	214.6%	\$0	0.0%	0		
\$100,000-124,999	14	53.7%	\$0	0.0%	0		
\$125,000-149,999	30	117.1%	\$0	0.0%	0		
\$150,000-199,999	35	136.6%	\$0	0.0%	0		
\$200,000+	25	95.1%	\$0	0.0%	0		
Total	26	100.0%		-55.1%	-14		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$18,617		Maximum Income Limit		\$65,400	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	1,104			14.9%	\$0	0.0%
\$10,000-19,999	1,472	19.9%	\$1,382	13.8%	203		
\$20,000-29,999	1,176	15.9%	\$9,999	100.0%	1,176		
\$30,000-39,999	1,037	14.0%	\$9,999	100.0%	1,037		
\$40,000-49,999	582	7.9%	\$9,999	100.0%	582		
\$50,000-59,999	648	8.7%	\$9,999	100.0%	648		
\$60,000-74,999	538	7.3%	\$5,400	36.0%	194		
\$75,000-99,999	536	7.2%	\$0	0.0%	0		
\$100,000-124,999	67	0.9%	\$0	0.0%	0		
\$125,000-149,999	102	1.4%	\$0	0.0%	0		
\$150,000-199,999	87	1.2%	\$0	0.0%	0		
\$200,000+	63	0.8%	\$0	0.0%	0		
Total	7,412	100.0%		51.8%	3,840		

ASSUMPTIONS - Overall

Tenancy		Family		% of Income towards Housing		35%	
Rural/Urban		Rural		Maximum # of Occupants		5	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	0%	90%	10%	0%	0%		
2	0%	20%	80%	0%	0%		
3	0%	0%	60%	40%	0%		
4	0%	0%	30%	40%	30%		
5+	0%	0%	0%	50%	50%		

Demand from New Renter Households 2019 to September 2022

Income Target Population	Overall
New Renter Households PMA	26
Percent Income Qualified	-55.1%
New Renter Income Qualified Households	-14

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	7,412
Income Qualified	51.8%
Income Qualified Renter Households	3,840
Percent Rent Overburdened Prj Mrkt Entry September 2022	37.6%
Rent Overburdened Households	1,443

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,840
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	56

Senior Households Converting from Homeownership

Income Target Population	Overall
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,499
Total New Demand	-14
Total Demand (New Plus Existing Households)	1,485

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

By Bedroom Demand

One Person	27.9%	414
Two Persons	22.0%	326
Three Persons	17.2%	255
Four Persons	14.3%	212
Five Persons	18.7%	278
Total	100.0%	1,485

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	90%	372
Of two-person households in 1BR units	20%	65
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	41
Of two-person households in 2BR units	80%	261
Of three-person households in 2BR units	60%	153
Of four-person households in 2BR units	30%	64
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	102
Of four-person households in 3BR units	40%	85
Of five-person households in 3BR units	50%	139
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%	64
Of five-person households in 4BR units	50%	139
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
Total Demand		1,485

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	438	-	0	=	438
2 BR	519	-	0	=	519
3 BR	326	-	0	=	326
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	1,282		0		1,282

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	20	/	438	=	4.6%
2 BR	20	/	519	=	3.9%
3 BR	16	/	326	=	4.9%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	56		1,282		4.4%

Overall LIHTC

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC

Minimum Income Limit		\$18,617		Maximum Income Limit		\$39,240	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter		
	in Households PMA 2019 to Prj Mrkt	Entry September 2022			Households	within Bracket	
\$0-9,999	-40	-153.7%	\$0	0.0%	0		
\$10,000-19,999	-122	-468.3%	\$1,382	13.8%	-17		
\$20,000-29,999	-64	-246.3%	\$9,999	100.0%	-64		
\$30,000-39,999	27	104.9%	\$9,240	92.4%	25		
\$40,000-49,999	11	41.5%	\$0	0.0%	0		
\$50,000-59,999	15	56.1%	\$0	0.0%	0		
\$60,000-74,999	39	148.8%	\$0	0.0%	0		
\$75,000-99,999	56	214.6%	\$0	0.0%	0		
\$100,000-124,999	14	53.7%	\$0	0.0%	0		
\$125,000-149,999	30	117.1%	\$0	0.0%	0		
\$150,000-199,999	35	136.6%	\$0	0.0%	0		
\$200,000+	25	95.1%	\$0	0.0%	0		
Total	26	100.0%		-214.1%	-56		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC

Minimum Income Limit		\$18,617		Maximum Income Limit		\$39,240	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households		
					within Bracket		
\$0-9,999	1,104	14.9%	\$0	0.0%	0		
\$10,000-19,999	1,472	19.9%	\$1,382	13.8%	203		
\$20,000-29,999	1,176	15.9%	\$9,999	100.0%	1,176		
\$30,000-39,999	1,037	14.0%	\$9,240	92.4%	958		
\$40,000-49,999	582	7.9%	\$0	0.0%	0		
\$50,000-59,999	648	8.7%	\$0	0.0%	0		
\$60,000-74,999	538	7.3%	\$0	0.0%	0		
\$75,000-99,999	536	7.2%	\$0	0.0%	0		
\$100,000-124,999	67	0.9%	\$0	0.0%	0		
\$125,000-149,999	102	1.4%	\$0	0.0%	0		
\$150,000-199,999	87	1.2%	\$0	0.0%	0		
\$200,000+	63	0.8%	\$0	0.0%	0		
Total	7,412	100.0%		31.5%	2,338		

ASSUMPTIONS - Overall LIHTC

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Rural		Maximum # of Occupants		0
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	30%	40%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2019 to September 2022

Income Target Population	Overall LIHTC
New Renter Households PMA	26
Percent Income Qualified	-214.1%
New Renter Income Qualified Households	-56

Demand from Existing Households 2019

Demand from Rent Overburdened Households

Income Target Population	Overall LIHTC
Total Existing Demand	7,412
Income Qualified	31.5%
Income Qualified Renter Households	2,338
Percent Rent Overburdened Prj Mrkt Entry September 2022	37.6%
Rent Overburdened Households	879

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,338
Percent Living in Substandard Housing	1.4%
Households Living in Substandard Housing	34

Senior Households Converting from Homeownership

Income Target Population	Overall LIHTC
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	913
Total New Demand	-56
Total Demand (New Plus Existing Households)	857

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

By Bedroom Demand

One Person	27.9%	239
Two Persons	22.0%	188
Three Persons	17.2%	147
Four Persons	14.3%	122
Five Persons	18.7%	160
Total	100.0%	857

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	90%	215
Of two-person households in 1BR units	20%	38
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	24
Of two-person households in 2BR units	80%	150
Of three-person households in 2BR units	60%	88
Of four-person households in 2BR units	30%	37
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	59
Of four-person households in 3BR units	40%	49
Of five-person households in 3BR units	50%	80
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%	37
Of five-person households in 4BR units	50%	80
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
Total Demand		857

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	253	-	0	=	253
2 BR	300	-	0	=	300
3 BR	188	-	0	=	188
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	740		0		740

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	18	/	253	=	7.1%
2 BR	18	/	300	=	6.0%
3 BR	14	/	188	=	7.4%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	50		740		6.8%

CAPTURE RATE ANALYSIS CHART

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

- The number of households in the PMA is expected to increase 0.7 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 (Family)	HH at @50% AMI (\$18,617 to \$32,700)	HH at @60% AMI (\$20,777 to \$39,240)	HH at Market (\$21,429 to \$65,400)	Overall Demand	Overall LIHTC Demand
Demand from New Households (age and income appropriate)	-73	-34	12	-14	-56
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	24	30	50	56	34
PLUS	+	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	624	768	1,304	1,443	879
Sub Total	574	764	1,366	1,485	857
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0	0	0
Equals Total Demand	574	764	1,366	1,485	857
Less	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
Equals Net Demand	574	764	1,366	1,485	857

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 at 50% AMI	\$18,617	\$24,250	4	169	0	169	2.4%	\$598	\$465	\$745	\$483
1BR at 60% AMI	\$20,777	\$29,100	14	225	0	225	6.2%	\$641	\$517	\$745	\$546
1BR Unrestricted	\$21,429	\$48,500	2	403	0	403	0.5%	\$688	\$620	\$745	\$625
1BR Overall	\$18,617	\$48,500	20	438	0	438	4.6%	-	-	-	-
1BR Overall LIHTC	\$18,617	\$29,100	18	253	0	253	7.1%	-	-	-	-
2BR at 50% AMI	\$22,491	\$27,250	4	201	0	201	2.0%	\$729	\$555	\$892	\$579
2BR at 60% AMI	\$25,440	\$32,700	14	267	0	267	5.2%	\$772	\$601	\$892	\$665
2BR Unrestricted	\$25,303	\$54,500	2	477	0	477	0.4%	\$812	\$702	\$892	\$738
2BR Overall	\$22,491	\$54,500	20	519	0	519	3.9%	-	-	-	-
2BR Overall LIHTC	\$22,491	\$32,700	18	300	0	300	6.0%	-	-	-	-
3BR at 50% AMI	\$26,126	\$32,700	3	126	0	126	2.4%	\$813	\$624	\$991	\$664
3BR at 60% AMI	\$29,829	\$39,240	11	168	0	168	6.6%	\$875	\$694	\$991	\$772
3BR Unrestricted	\$29,417	\$65,400	2	300	0	300	0.7%	\$944	\$915	\$991	\$858
3BR Overall	\$26,126	\$65,400	16	326	0	326	4.9%	-	-	-	-
3BR Overall LIHTC	\$26,126	\$39,240	14	188	0	188	7.4%	-	-	-	-
@50% Overall	\$18,617	\$32,700	11	496	0	496	2.2%	-	-	-	-
@60% Overall	\$20,777	\$39,240	39	660	0	660	5.9%	-	-	-	-
Unrestricted Overall	\$21,429	\$65,400	6	1,180	0	1,180	0.5%	-	-	-	-
Overall	\$18,617	\$65,400	56	1,282	0	1,282	4.4%	-	-	-	-
Overall LIHTC	\$18,617	\$39,240	50	740	0	740	6.8%	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.0 to 2.4 percent, with an overall capture rate of 2.2 percent. The Subject’s 60 percent AMI capture rates range from 5.2 to 6.6 percent, with an overall capture rate of 5.9 percent. The Subject’s unrestricted capture rates range from 0.4 to 0.7 percent, with an overall capture rate of 0.5 percent. The overall capture rate for the project’s 50 and 60 percent, as well as its market rate units is 4.4 percent. The overall capture rate for the project’s 50 and 60 percent units is 6.8 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 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 eight “true” comparable properties containing 445 units.

The availability of LIHTC data is considered average; there are four LIHTC properties in the PMA. However, one of the four LIHTC properties, Catoosa Senior Village I and II, was excluded due to its senior tenancy. Catoosa Senior Village I and II is located approximately 4.1 miles from the Subject and is currently 99.1 percent occupied. Additionally, the contact at this property stated that management maintains a waiting list of 140 households, indicating demand for affordable housing in the area is strong. We included the remaining three LIHTC properties that target the general population and offer similar unit types in comparison to the proposed Subject as comparable properties. The comparable LIHTC properties are all located in the PMA, between 0.6 and 4.2 miles of the proposed Subject.

The availability of market rate data is considered good. The Subject is located in Calhoun and there are several market rate properties in the area. We include five conventional properties in our analysis of the competitive market. All but one of the market rate properties are located in the PMA, between 3.3 and 4.5 miles from the Subject site. These comparables were built or renovated between 1982 and 2008. The remaining comparable property, Town Creek Commons, is located outside of the PMA in Adairsville approximately 5.9 miles from the Subject, and is considered a reasonable proxy for the Subject as it is the most recently constructed market rate property in the area. Adairsville is similar to the Subject in terms of median household income, median rent, and median home value. 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 count, and condition.

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.

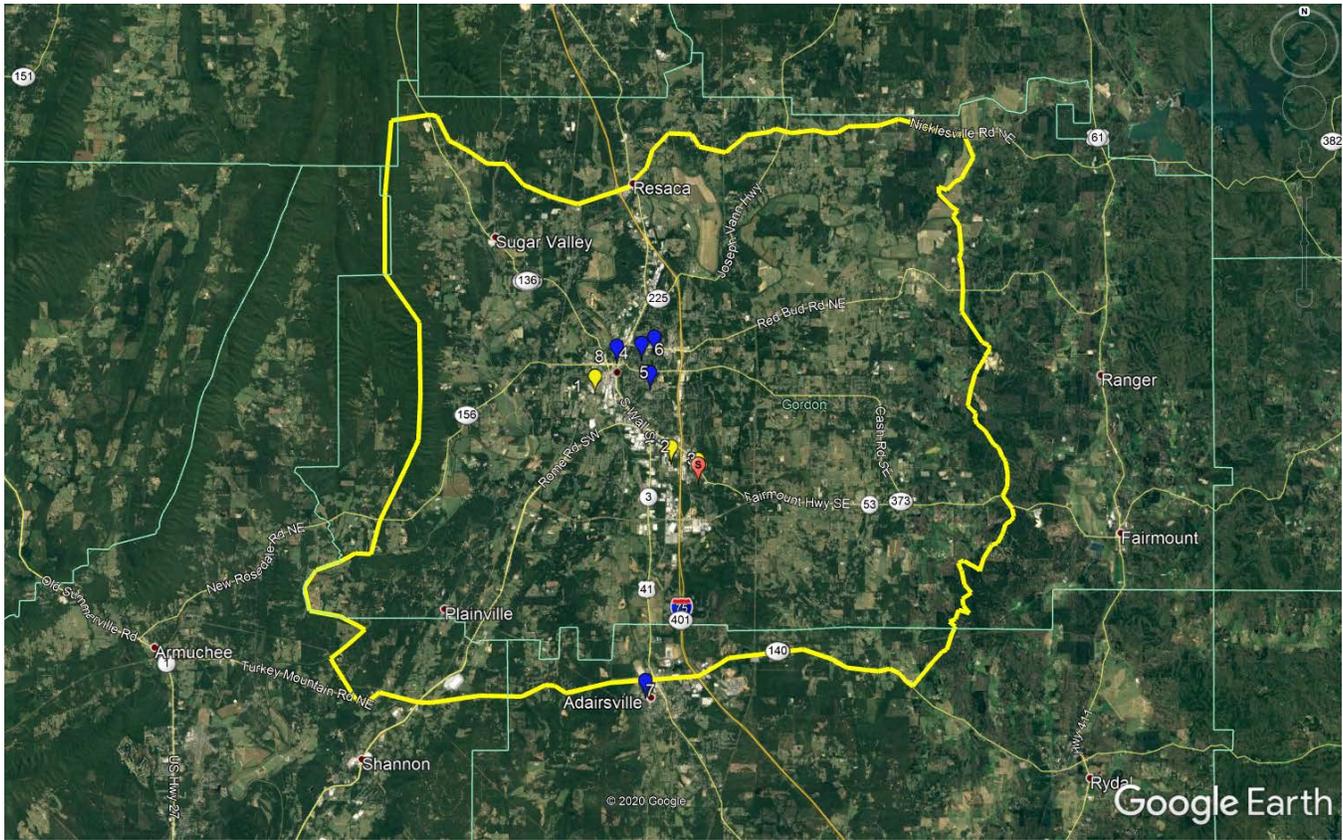
Excluded Properties

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
Deermont	LIHTC/Market	Calhoun	Family	80	-
Catoosa Senior Village I And II	LIHTC/Market	Calhoun	Senior	111	Dissimilar tenancy
James Keene/C M Jones	Public Housing	Calhoun	Family	250	Subsidized
Forest Heights I	Rural Development/Market	Calhoun	Family	50	Subsidized
Forest Heights II	Rural Development	Calhoun	Family	52	Subsidized
Forest Heights Special	Rural Development	Calhoun	Family	18	Subsidized
Forest Hills	Rural Development	Calhoun	Family	50	Subsidized
Pine Ridge Apartments I And II	Rural Development	Calhoun	Family	60	Subsidized
Spring Valley	Rural Development	Calhoun	Family	40	Subsidized
Calhoun Gardens	Section 8	Calhoun	Family	76	Subsidized
Carriage Apartments	Section 8/Market	Calhoun	Family	72	Subsidized
Belwood Apartments	Market	Calhoun	Family	47	Would not participate
Bagwell's Apartments	Market	Calhoun	Family	44	Inferior age/condition
Clairmont Apartments	Market	Calhoun	Family	16	Low unit count
Park Brook Apartments	Market	Calhoun	Family	84	Unable to contact/would not participate
Creekview Estates	Market	Calhoun	Family	58	Unable to contact/would not participate
100 Dan Cheri Drive	Market	Calhoun	Family	18	Low unit count
Woodland Circle	Market	Calhoun	Family	18	Low unit count
115 N Dale Avenue	Market	Calhoun	Family	15	Low unit count
154 N Dale Avenue	Market	Calhoun	Family	24	Inferior age/condition
401-416 Waterford Drive	Market	Calhoun	Family	12	Low unit count
Holly Hills Apartments	Market	Calhoun	Family	52	Unable to contact/would not participate
Briarwood Apartments	Market	Calhoun	Family	28	Unable to contact/would not participate
Calhoun Crossing Apartments	Market	Calhoun	Family	24	Unable to contact/would not participate

1. Comparable Rental Property Map



Source: Google Earth, March 2020.

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Deermont	Calhoun	LIHTC/ Market	Family	-
1	Cherokee Mill Lofts	Calhoun	LIHTC	Family	4.2 miles
2	Eastgate Apartments	Calhoun	LIHTC/HOME	Family	1.2 miles
3	Stone Ridge Apartments	Calhoun	LIHTC	Family	0.6 miles
4	Garden Heights Apartments	Calhoun	Market	Family	4.2 miles
5	Meadowbrook Apartments	Calhoun	Market	Family	3.3 miles
6	Newtown Apartments	Calhoun	Market	Family	4.2 miles
7	Town Creek Commons*	Adairsville	Market	Family	5.9 miles
8	Twin Oaks Apartments	Calhoun	Market	Family	4.5 miles

*Located outside PMA

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

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	Deermont 0 Morrow Road Calhoun, GA 30701 Gordon County	-	Garden 3-stories 2022 / n/a Family	@50%, @60%, Market	1BR / 1BA	4	7.1%	653	@50%	\$483	No	N/A	N/A	N/A
					1BR / 1BA	14	25.0%	653	@60%	\$546	No	N/A	N/A	N/A
					1BR / 1BA	2	3.6%	653	Market	\$625	N/A	N/A	N/A	N/A
					2BR / 2BA	4	7.1%	963	@50%	\$579	No	N/A	N/A	N/A
					2BR / 2BA	14	25.0%	963	@60%	\$665	No	N/A	N/A	N/A
					2BR / 2BA	2	3.6%	963	Market	\$738	N/A	N/A	N/A	N/A
					3BR / 2BA	3	5.4%	1,115	@50%	\$664	No	N/A	N/A	N/A
					3BR / 2BA	11	19.6%	1,115	@60%	\$772	No	N/A	N/A	N/A
					3BR / 2BA	2	3.6%	1,115	Market	\$858	N/A	N/A	N/A	N/A
										56				
1	Cherokee Mill Lofts 305 Mcconnell Rd Calhoun, GA 30701 Gordon County	4.2 miles	Townhouse 2-stories 2014 / n/a Family	@50%, @60%	1BR / 1BA	3	5.0%	759	@50%	\$465	No	Yes	1	33.3%
					1BR / 1BA	9	15.0%	759	@60%	\$517	No	Yes	0	0.0%
					2BR / 2BA	6	10.0%	1,052	@50%	\$555	No	Yes	1	16.7%
					2BR / 2BA	24	40.0%	1,052	@60%	\$601	No	Yes	0	0.0%
					3BR / 2BA	3	5.0%	1,128	@50%	\$624	No	Yes	0	0.0%
					3BR / 2BA	15	25.0%	1,128	@60%	\$694	No	Yes	1	6.7%
					60							3	5.0%	
2	Eastgate Apartments 420 Richardson St Calhoun, GA 30701 Gordon County	1.2 miles	Garden 2-stories 2001 / n/a Family	@50% (HOME), @60% (HOME)	1BR / 1BA	7	12.5%	684	@50% (HOME)	\$384	No	Yes	0	0.0%
					1BR / 1BA	5	8.9%	684	@60% (HOME)	\$394	No	Yes	0	0.0%
					2BR / 1BA	19	33.9%	829	@50% (HOME)	\$465	No	Yes	0	0.0%
					2BR / 1BA	13	23.2%	829	@60% (HOME)	\$494	No	Yes	0	0.0%
					3BR / 2BA	8	14.3%	1,100	@50% (HOME)	\$518	No	Yes	0	0.0%
					3BR / 2BA	4	7.1%	1,100	@60% (HOME)	\$540	No	Yes	0	0.0%
					56							0	0.0%	
3	Stone Ridge Apartments 4560 Fairmount Hwy SE Calhoun, GA 30701 Gordon County	0.6 miles	Garden 3-stories 2018 / n/a Family	@50%, @60%	1BR / 1BA	7	10.9%	750	@50%	\$512	Yes	Yes	0	0.0%
					1BR / 1BA	1	1.6%	750	@60%	\$625	Yes	Yes	0	0.0%
					2BR / 1BA	3	4.7%	950	@50%	\$606	Yes	Yes	0	0.0%
					2BR / 1BA	25	39.1%	950	@60%	\$742	Yes	Yes	1	4.0%
					3BR / 2BA	3	4.7%	1,100	@50%	\$692	Yes	Yes	0	0.0%
					3BR / 2BA	25	39.1%	1,100	@60%	\$850	Yes	Yes	0	0.0%
					64							1	1.6%	
4	Garden Heights Apartments 465 Red Bud Road Calhoun, GA 30701 Gordon County	4.2 miles	Garden 2-stories 1982 / n/a Family	Market	1BR / 1BA	N/A	N/A	960	Market	\$745	N/A	No	1	N/A
					2BR / 2BA	N/A	N/A	1,152	Market	\$892	N/A	No	3	N/A
													4	8.3%
5	Meadowbrook Apartments 202 Meadowbrook Rd Calhoun, GA 30701 Gordon County	3.3 miles	Townhouse 2-stories 1989 / 1999 Family	Market	2BR / 1.5BA	20	60.6%	1,100	Market	\$702	N/A	No	0	0.0%
					3BR / 2BA	13	39.4%	1,500	Market	\$915	N/A	No	0	0.0%
										33				
6	Newtown Apartments 265 Newtown Rd NE Calhoun, GA 30701 Gordon County	4.2 miles	Garden 2-stories 2001 / n/a Family	Market	1BR / 1BA	90	75.0%	700	Market	\$620	N/A	No	N/A	N/A
					2BR / 1.5BA	30	25.0%	1,400	Market	\$752	N/A	No	N/A	N/A
										120				
7	Town Creek Commons 3 George Street Adairsville, GA 30103 Bartow County	5.9 miles	Garden 2-stories 2008 / n/a Family	Market	2BR / 2BA	12	50.0%	900	Market	\$825	N/A	No	0	0.0%
					3BR / 2BA	12	50.0%	1,100	Market	\$925	N/A	No	0	0.0%
													0	0.0%
8	Twin Oaks Apartments 258 Forrest Ave Calhoun, GA 30701 Gordon County	4.5 miles	Various 2-stories 1985 / n/a Family	Market	1BR / 1BA	24	48.0%	625	Market	\$700	N/A	No	0	0.0%
					2BR / 1.5BA	24	48.0%	912	Market	\$888	N/A	No	0	0.0%
					3BR / 2BA	2	4.0%	1,040	Market	\$991	N/A	No	0	0.0%
													0	0.0%
													0	0.0%

DEERMONT – CALHOUN, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
	Units Surveyed:	455	Weighted Occupancy:	97.1%		
	Market Rate	275	Market Rate	96.7%		
	Tax Credit	180	Tax Credit	97.8%		
One Bedroom One Bath		Two Bedroom Two Bath		Three Bedroom Two Bath		
RENT	Property	Average	Property	Average	Property	
	Garden Heights Apartments (Market)	\$745	Garden Heights Apartments (Market)	\$892	Twin Oaks Apartments (Market)	\$991
	Twin Oaks Apartments (Market)	\$700	Twin Oaks Apartments (Market)(1.5BA)	\$888	Town Creek Commons (Market)	\$925
	Deermont (Market)	\$625	Town Creek Commons (Market)	\$825	Meadowbrook Apartments (Market)	\$915
	Stone Ridge Apartments (@60%)	\$625	Newtown Apartments (Market)(1.5BA)	\$752	Deermont (Market)	\$858
	Newtown Apartments (Market)	\$620	Stone Ridge Apartments (@60%)(1BA)	\$742	Stone Ridge Apartments (@60%)	\$850
	Deermont (@60%)	\$546	Deermont (Market)	\$738	Deermont (@60%)	\$772
	Cherokee Mill Lofts (@60%)	\$517	Meadowbrook Apartments (Market)(1.5BA)	\$702	Cherokee Mill Lofts (@60%)	\$694
	Stone Ridge Apartments (@50%)	\$512	Deermont (@60%)	\$665	Stone Ridge Apartments (@50%)	\$692
	Deermont (@50%)	\$483	Stone Ridge Apartments (@50%)(1BA)	\$606	Deermont (@50%)	\$664
	Cherokee Mill Lofts (@50%)	\$465	Cherokee Mill Lofts (@60%)	\$601	Cherokee Mill Lofts (@50%)	\$624
	Eastgate Apartments (@60%)	\$394	Deermont (@50%)	\$579	Eastgate Apartments (@60%)	\$540
	Eastgate Apartments (@50%)	\$384	Cherokee Mill Lofts (@50%)	\$555	Eastgate Apartments (@50%)	\$518
			Eastgate Apartments (@60%)(1BA)	\$494		
			Eastgate Apartments (@50%)(1BA)	\$465		
SQUARE FOOTAGE						
	Garden Heights Apartments (Market)	960	Newtown Apartments (Market)(1.5BA)	1,400	Meadowbrook Apartments (Market)	1,500
	Cherokee Mill Lofts (@60%)	759	Garden Heights Apartments (Market)	1,152	Cherokee Mill Lofts (@50%)	1,128
	Cherokee Mill Lofts (@50%)	759	Meadowbrook Apartments (Market)(1.5BA)	1,100	Cherokee Mill Lofts (@60%)	1,128
	Stone Ridge Apartments (@50%)	750	Cherokee Mill Lofts (@50%)	1,052	Deermont (Market)	1,115
	Stone Ridge Apartments (@60%)	750	Cherokee Mill Lofts (@60%)	1,052	Deermont (@50%)	1,115
	Newtown Apartments (Market)	700	Deermont (@60%)	963	Deermont (@60%)	1,115
	Eastgate Apartments (@60%)	684	Deermont (Market)	963	Eastgate Apartments (@60%)	1,100
	Eastgate Apartments (@50%)	684	Deermont (@50%)	963	Stone Ridge Apartments (@60%)	1,100
	Deermont (Market)	653	Stone Ridge Apartments (@60%)(1BA)	950	Stone Ridge Apartments (@50%)	1,100
	Deermont (@60%)	653	Stone Ridge Apartments (@50%)(1BA)	950	Town Creek Commons (Market)	1,100
	Deermont (@50%)	653	Twin Oaks Apartments (Market)(1.5BA)	912	Eastgate Apartments (@50%)	1,100
	Twin Oaks Apartments (Market)	625	Town Creek Commons (Market)	900	Twin Oaks Apartments (Market)	1,040
			Eastgate Apartments (@50%)(1BA)	829		
			Eastgate Apartments (@60%)(1BA)	829		
RENT PER SQUARE FOOT						
	Twin Oaks Apartments (Market)	\$1.12	Twin Oaks Apartments (Market)(1.5BA)	\$0.97	Twin Oaks Apartments (Market)	\$0.95
	Deermont (Market)	\$0.96	Town Creek Commons (Market)	\$0.92	Town Creek Commons (Market)	\$0.84
	Newtown Apartments (Market)	\$0.89	Stone Ridge Apartments (@60%)(1BA)	\$0.78	Stone Ridge Apartments (@60%)	\$0.77
	Deermont (@60%)	\$0.84	Garden Heights Apartments (Market)	\$0.77	Deermont (Market)	\$0.77
	Stone Ridge Apartments (@60%)	\$0.83	Deermont (Market)	\$0.77	Deermont (@60%)	\$0.69
	Garden Heights Apartments (Market)	\$0.78	Deermont (@60%)	\$0.69	Stone Ridge Apartments (@50%)	\$0.63
	Deermont (@50%)	\$0.74	Meadowbrook Apartments (Market)(1.5BA)	\$0.64	Cherokee Mill Lofts (@60%)	\$0.62
	Stone Ridge Apartments (@50%)	\$0.68	Stone Ridge Apartments (@50%)(1BA)	\$0.64	Meadowbrook Apartments (Market)	\$0.61
	Cherokee Mill Lofts (@60%)	\$0.68	Deermont (@50%)	\$0.60	Deermont (@50%)	\$0.60
	Cherokee Mill Lofts (@50%)	\$0.61	Eastgate Apartments (@60%)(1BA)	\$0.60	Cherokee Mill Lofts (@50%)	\$0.55
	Eastgate Apartments (@60%)	\$0.58	Cherokee Mill Lofts (@60%)	\$0.57	Eastgate Apartments (@60%)	\$0.49
	Eastgate Apartments (@50%)	\$0.56	Eastgate Apartments (@50%)(1BA)	\$0.56	Eastgate Mill Lofts (@50%)	\$0.47
			Newtown Apartments (Market)(1.5BA)	\$0.54		
			Cherokee Mill Lofts (@50%)	\$0.53		

PROPERTY PROFILE REPORT

Cherokee Mill Lofts

Effective Rent Date	3/16/2020
Location	305 Mcconnell Rd Calhoun, GA 30701 Gordon County
Distance	4.2 miles
Units	60
Vacant Units	3
Vacancy Rate	5.0%
Type	Townhouse (2 stories)
Year Built/Renovated	2014 / 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	Ashley
Phone	706-383-6620



Market Information

Program	@50%, @60%
Annual Turnover Rate	17%
Units/Month Absorbed	5
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased six percent
Concession	None
Waiting List	Yes, 75+ 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	Townhouse (2 stories)	3	759	\$465	\$0	@50%	Yes	1	33.3%	no	None
1	1	Townhouse (2 stories)	9	759	\$517	\$0	@60%	Yes	0	0.0%	no	None
2	2	Townhouse (2 stories)	6	1,052	\$555	\$0	@50%	Yes	1	16.7%	no	None
2	2	Townhouse (2 stories)	24	1,052	\$601	\$0	@60%	Yes	0	0.0%	no	None
3	2	Townhouse (2 stories)	3	1,128	\$624	\$0	@50%	Yes	0	0.0%	no	None
3	2	Townhouse (2 stories)	15	1,128	\$694	\$0	@60%	Yes	1	6.7%	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	\$465	\$0	\$465	\$0	\$465	1BR / 1BA	\$517	\$0	\$517	\$0	\$517
2BR / 2BA	\$555	\$0	\$555	\$0	\$555	2BR / 2BA	\$601	\$0	\$601	\$0	\$601
3BR / 2BA	\$624	\$0	\$624	\$0	\$624	3BR / 2BA	\$694	\$0	\$694	\$0	\$694

Cherokee Mill Lofts, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Limited Access	None
Central A/C	Coat Closet	Video Surveillance	
Dishwasher	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

Comments

Management reported that all three vacant units are pre-leased. The contact reported a strong demand for affordable housing in the area.

Photos



PROPERTY PROFILE REPORT

Eastgate Apartments

Effective Rent Date	3/25/2020
Location	420 Richardson St Calhoun, GA 30701 Gordon County
Distance	1.2 miles
Units	56
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Stone Ridge
Tenant Characteristics	Mostly families from all over the area, not just within the city
Contact Name	Stacy
Phone	706-602-0044



Market Information

Program	@50% (HOME), @60% (HOME)
Annual Turnover Rate	9%
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, approximately 100 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	7	684	\$384	\$0	@50% (HOME)	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	5	684	\$394	\$0	@60% (HOME)	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	19	829	\$465	\$0	@50% (HOME)	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	13	829	\$494	\$0	@60% (HOME)	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	8	1,100	\$518	\$0	@50% (HOME)	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,100	\$540	\$0	@60% (HOME)	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$384	\$0	\$384	\$0	\$384	1BR / 1BA	\$394	\$0	\$394	\$0	\$394
2BR / 1BA	\$465	\$0	\$465	\$0	\$465	2BR / 1BA	\$494	\$0	\$494	\$0	\$494
3BR / 2BA	\$518	\$0	\$518	\$0	\$518	3BR / 2BA	\$540	\$0	\$540	\$0	\$540

Eastgate Apartments, continued

Amenities

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

Comments

The contact reported that they could most likely achieve rents at the maximum allowable levels, but they choose not to as their tenants maintain long tenure at the property and management does not want to raise their rents. The contact noted a three-bedroom has not been available for over three years.

Photos



PROPERTY PROFILE REPORT

Stone Ridge Apartments

Effective Rent Date	3/12/2020
Location	4560 Fairmount Hwy SE Calhoun, GA 30701 Gordon County
Distance	0.6 miles
Units	64
Vacant Units	1
Vacancy Rate	1.6%
Type	Garden (3 stories)
Year Built/Renovated	2018 / N/A
Marketing Began	N/A
Leasing Began	10/01/2018
Last Unit Leased	11/01/2018
Major Competitors	Eastgate
Tenant Characteristics	Most tenants from Calhoun; five percent seniors
Contact Name	Dorian
Phone	706-403-6377



Market Information

Program	@50%, @60%
Annual Turnover Rate	11%
Units/Month Absorbed	64
HCV Tenants	6%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased eight percent
Concession	None
Waiting List	Yes, 161 households

Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- gas
Heat	not included -- gas
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)	7	750	\$467	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	1	750	\$580	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	3	950	\$554	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Garden (3 stories)	25	950	\$690	\$0	@60%	Yes	1	4.0%	yes	None
3	2	Garden (3 stories)	3	1,100	\$627	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	25	1,100	\$785	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$467	\$0	\$467	\$45	\$512	1BR / 1BA	\$580	\$0	\$580	\$45	\$625
2BR / 1BA	\$554	\$0	\$554	\$52	\$606	2BR / 1BA	\$690	\$0	\$690	\$52	\$742
3BR / 2BA	\$627	\$0	\$627	\$65	\$692	3BR / 2BA	\$785	\$0	\$785	\$65	\$850

Stone Ridge Apartments, continued

Amenities

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

Comments

Management reported that they have one current vacancy that is pre-leased and scheduled for move-in on April 15th, 2020. The contact reported a strong demand for rental housing in the area.

Photos



PROPERTY PROFILE REPORT

Garden Heights Apartments

Effective Rent Date	3/26/2020
Location	465 Red Bud Road Calhoun, GA 30701 Gordon County
Distance	4.2 miles
Units	48
Vacant Units	4
Vacancy Rate	8.3%
Type	Garden (2 stories)
Year Built/Renovated	1982 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mostly small local area families
Contact Name	Annie
Phone	678-480-1897



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	1BR stable, 2BR decreased 7%
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	960	\$700	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,152	\$840	\$0	Market	No	3	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$700	\$0	\$700	\$45	\$745
2BR / 2BA	\$840	\$0	\$840	\$52	\$892

Amenities

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

Comments

The contact was unable to provide a unit count for the one and two-bedroom units. She stated that the property is typically 96 percent occupied and that the current vacancy level is coincidental with the timing of the survey.

Photos



PROPERTY PROFILE REPORT

Meadowbrook Apartments

Effective Rent Date	3/19/2020
Location	202 Meadowbrook Rd Calhoun, GA 30701 Gordon County
Distance	3.3 miles
Units	33
Vacant Units	0
Vacancy Rate	0.0%
Type	Townhouse (2 stories)
Year Built/Renovated	1989 / 1999
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Most tenants are from Calhoun, some tenants from Cartersville
Contact Name	Cameron
Phone	844-261-6362



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 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	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
2	1.5	Townhouse (2 stories)	20	1,100	\$650	\$0	Market	No	0	0.0%	N/A	None
3	2	Townhouse (2 stories)	13	1,500	\$850	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$650	\$0	\$650	\$52	\$702
3BR / 2BA	\$850	\$0	\$850	\$65	\$915

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Dishwasher		
Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None
Picnic Area		

Meadowbrook Apartments, continued

Comments

Management reported a strong demand for rental housing in the area.

Photos



Comments

Management reported a strong demand for rental housing in the area.

Photos



PROPERTY PROFILE REPORT

Town Creek Commons

Effective Rent Date	3/25/2020
Location	3 George Street Adairsville, GA 30103 Bartow County
Distance	5.9 miles
Units	24
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Raintree Properties
Tenant Characteristics	Mixed tenancy from surrounding areas
Contact Name	Malorie
Phone	770-386-3505



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 two 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	2	Garden (2 stories)	12	900	\$825	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	12	1,100	\$925	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$825	\$0	\$825	\$0	\$825
3BR / 2BA	\$925	\$0	\$925	\$0	\$925

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Oven		
Vaulted Ceilings		
Washer/Dryer hookup		
Property	Premium	Other
Off-Street Parking	None	None

Comments

This property does not accept Housing Choice Vouchers. The contact stated that demand for rental housing in the area is high.

Photos



PROPERTY PROFILE REPORT

Twin Oaks Apartments

Effective Rent Date	3/19/2020
Location	258 Forrest Ave Calhoun, GA 30701 Gordon County
Distance	4.5 miles
Units	50
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	1985 / 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	Bruce
Phone	678-464-4130



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, eight households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	24	625	\$640	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	24	912	\$821	\$0	Market	No	0	0.0%	N/A	None
3	2	Townhouse (2 stories)	2	1,040	\$911	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$640	\$0	\$640	\$60	\$700
2BR / 1.5BA	\$821	\$0	\$821	\$67	\$888
3BR / 2BA	\$911	\$0	\$911	\$80	\$991

Twin Oaks Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Microwave	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Off-Street Parking	On-Site Management	None	None
Playground			

Comments

The contact reported a strong demand for rental housing in the area.

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 Gordon 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 mentioned that there are 11 families utilizing these Housing Choice Vouchers in Gordon 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, 16 of which are from Gordon County. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS			
Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Cherokee Mill Lofts	LIHTC	Family	0%
Eastgate Apartments	LIHTC/HOME	Family	1%
Stone Ridge Apartments	LIHTC	Family	6%
Garden Heights Apartments	Market	Family	0%
Meadowbrook Apartments	Market	Family	0%
Newtown Apartments	Market	Family	0%
Town Creek Commons*	Market	Family	N/A
Twin Oaks Apartments	Market	Family	0%

*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from zero to six percent. All of the LIHTC properties report a low 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 ten percent.

3. Phased Developments

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

Lease Up History

We were able to obtain absorption information from two of the comparable properties. We were also able to obtain absorption information from an additional LIHTC property and an additional market rate property, which is illustrated following table.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Cherokee Mill Lofts	LIHTC	Family	2014	60	5

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2014 and 2018, and reported absorption rates of five to 64 units per month, with an average of 16 units per month. Stone Ridge Apartments is a LIHTC development located approximately 0.6 mile north of the Subject in Calhoun. This property opened in October 2018 and was fully-occupied within a month. Thus, Stone Ridge Apartment demonstrated an absorption rate of 64 units per month. The contact at this property reported one vacant unit that is currently pre-leased, and stated that demand for affordable housing in the area is strong. Cherokee Mill Lofts is a LIHTC development located approximately 4.2 miles northwest of the Subject in Calhoun. This property reported an absorption rate of five

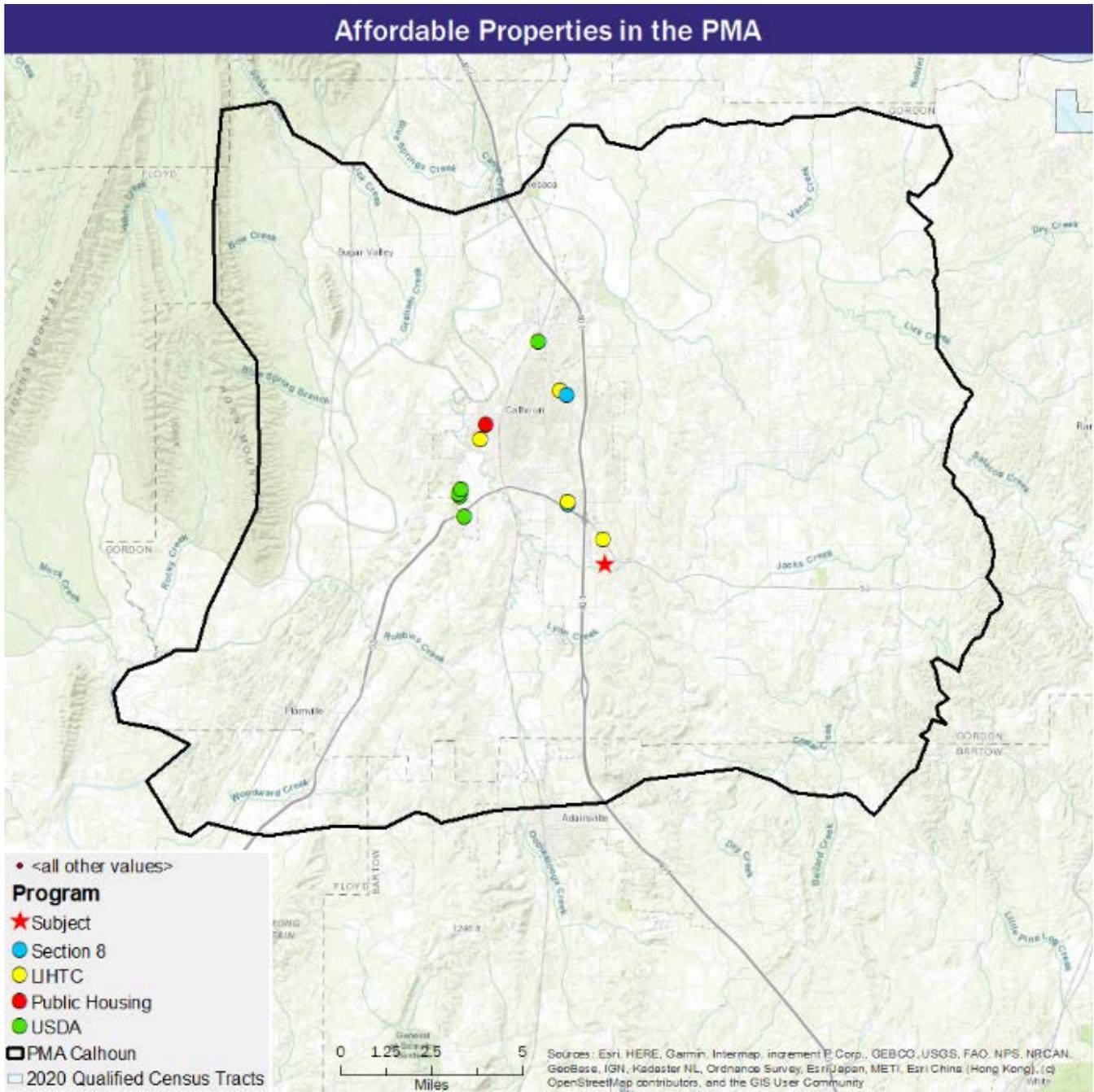
units per month. The contact at Cherokee Mill Lofts reported three vacant units, each of which are currently pre-leased. Burrell Square is a LIHTC development located approximately 21.3 miles southwest of the Subject in Rome. This property reported an absorption rate of 21 units per month. The contact at Burrell Square reported that management maintains a waiting list, and stated that demand for affordable housing in the area is strong.

We believe there will be strong demand for the Subject's units due to the general lack of affordable housing in Calhoun and surrounding areas, the low vacancy rates among the stabilized LIHTC comparables, and presence of waiting lists in the market. We believe the Subject will experience an absorption rate within the range of the LIHTC properties illustrated above. We estimate that the Subject will experience an absorption rate of 20 units per month, which equates to an absorption period of three to four months.

4. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Deermont	LIHTC/Market	Calhoun	Family	80	N/A	Star
Catoosa Senior Village I And II	LIHTC/Market	Calhoun	Senior	111	99.1%	Yellow
Cherokee Mill Lofts	LIHTC	Calhoun	Family	60	95.0%	
Eastgate Apartments	LIHTC (HOME)	Calhoun	Family	56	100.0%	Red
Stone Ridge Apartments	LIHTC	Calhoun	Family	64	98.4%	
James Keene/C M Jones	Public Housing	Calhoun	Family	250	100.0%	Green
Forest Heights I	Rural Development/Market	Calhoun	Family	50	98.0%	
Forest Heights II	Rural Development	Calhoun	Family	52	98.1%	
Forest Heights Special	Rural Development	Calhoun	Family	18	100.0%	
Forest Hills	Rural Development	Calhoun	Family	50	100.0%	
Pine Ridge Apartments I And II	Rural Development	Calhoun	Family	60	100.0%	
Spring Valley	Rural Development	Calhoun	Family	40	97.5%	
Calhoun Gardens	Section 8	Calhoun	Family	76	100.0%	Blue
Carriage Apartments	Section 8/Market	Calhoun	Family	72	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	Cherokee Mill Lofts	Eastgate Apartments	Stone Ridge Apartments	Garden Heights Apartments	Meadowbrook Apartments	Newtown Apartments	Town Creek Commons	Twin Oaks Apartments
Rent Structure	LIHTC/ Market Family	LIHTC Family	LIHTC/HOME Family	LIHTC Family	Market Family	Market Family	Market Family	Market Family	Market Family
Tenancy	LIHTC/ Market Family	LIHTC Family	LIHTC/HOME Family	LIHTC Family	Market Family	Market Family	Market Family	Market Family	Market Family
Building									
Property Type	Garden	Townhouse	Garden	Garden	Garden	Townhouse	Garden	Garden	Various
# of Stories	3-stories	2-stories	2-stories	3-stories	2-stories	2-stories	2-stories	2-stories	2-stories
Year Built	2022	2014	2001	2018	1982	1989	2001	2008	1985
Year Renovated	n/a	n/a	n/a	n/a	n/a	1999	n/a	n/a	n/a
Commercial	no	no	no	no	no	no	no	no	no
Elevators	no	no	no	no	no	no	no	no	no
Courtyard	no	no	no	no	no	no	no	no	no
Utility Structure									
Cooking	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no
Water	yes	yes	yes	no	no	no	no	yes	no
Sewer	yes	yes	yes	no	no	no	no	yes	no
Trash	yes	yes	yes	yes	yes	yes	yes	yes	no
Accessibility									
Grab Bars	no	no	no	no	no	no	no	no	no
Hand Rails	no	no	no	no	no	no	no	no	no
Pull Cords	yes	no	no	no	no	no	no	no	no
Unit Amenities									
Balcony/Patio	no	no	no	yes	yes	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	no	yes	yes	yes	yes
Hardwood	no	no	no	no	yes	no	no	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	no	yes	yes	no	yes	no	no
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	no	no	no	no
Vaulted Ceilings	no	yes	no	no	no	no	no	yes	no
Walk-In Closet	no	yes	no	no	yes	no	no	no	no
Washer/Dryer	no	no	no	no	no	no	no	yes	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen									
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	yes	yes	yes	yes	yes	no	yes	no	no
Microwave	yes	yes	no	yes	no	no	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community									
Business Center	yes	yes	no	yes	no	no	no	no	no
Community Room	yes	yes	yes	yes	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	no	no	no	no	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	no	yes
Recreation									
Basketball Court	no	no	yes	no	no	no	no	no	no
Exercise Facility	yes	yes	no	no	no	no	no	no	no
Playground	yes	yes	yes	yes	yes	yes	no	no	yes
Swimming Pool	no	no	no	no	no	no	no	no	no
Picnic Area	yes	yes	yes	yes	no	yes	no	no	no
Tennis Court	no	no	no	no	no	no	no	no	no
Recreational Area	no	no	no	no	no	no	no	no	no
Volleyball Court	no	no	no	no	no	no	no	no	no
Security									
In-Unit Alarm	no	no	no	no	no	no	no	no	no
Intercom (Buzzer)	no	no	no	no	no	no	no	no	no
Intercom (Phone)	no	no	no	no	no	no	no	no	no
Limited Access	yes	yes	no	no	no	no	no	no	yes
Patrol	no	no	no	no	no	no	no	no	no
Perimeter Fencing	no	no	no	no	no	no	no	no	no
Video Surveillance	no	yes	no	no	no	no	no	no	no
Parking									
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject will offer inferior to similar in-unit amenities in comparison to the LIHTC and market rate comparable properties and similar to superior property amenities. The Subject will offer a business center, community room, laundry facility, and exercise facility, which many of the comparables will lack. However, the Subject will lack balconies/patios, 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 families. All of the comparable properties also target families.

Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cherokee Mill Lofts	LIHTC	Family	60	3	5.0%
Eastgate Apartments	LIHTC/HOME	Family	56	0	0.0%
Stone Ridge Apartments	LIHTC	Family	64	1	1.6%
Garden Heights Apartments	Market	Family	48	4	8.3%
Meadowbrook Apartments	Market	Family	33	0	0.0%
Newtown Apartments	Market	Family	120	5	4.2%
Town Creek Commons*	Market	Family	24	0	0.0%
Twin Oaks Apartments	Market	Family	50	0	0.0%
Total LIHTC			180	4	2.2%
Total Market Rate			275	9	3.3%
Overall Total			455	13	2.9%

*Located outside of the PMA

Overall vacancy in the market is low at 2.9 percent, and LIHTC vacancy is lower at 2.2 percent. One of the LIHTC comparables is fully-occupied, while the one vacant unit at Stone Ridge Apartments is pre-leased, according to the contact at this property. Cherokee Mill Lofts reported the highest vacancy among the LIHTC comparables at 5.0 percent. The contact reported that the three vacant units are all pre-leased, and that management maintains a waiting list of over 75 households. Further, all of the LIHTC comparables reported maintaining waiting lists ranging from 75 to 161 households, indicating strong demand for 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 3.3 percent and three of the market rate properties are fully-occupied. Garden Heights Apartments reports the highest vacancy rate among the comparables, at 8.3 percent. Our contact at the property stated that the elevated vacancy is coincidental with the timing of the survey and that the property is typically offered at 96 percent. 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. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. 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

We made numerous attempts to contact the city of Calhoun Community Development and Gordon County Planning & Development departments. 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 no multifamily developments currently planned, proposed, or under construction in the Subject’s PMA.

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	Cherokee Mill Lofts	LIHTC	Family	Similar	Similar	Similar	Slightly Inferior	Similar	-5
2	Eastgate Apartments	LIHTC/HOME	Family	Slightly Inferior	Similar	Similar	Inferior	Similar	-15
3	Stone Ridge Apartments	LIHTC	Family	Slightly Inferior	Slightly Superior	Similar	Similar	Similar	0
4	Garden Heights Apartments	Market	Family	Inferior	Slightly Superior	Similar	Inferior	Slightly Superior	-10
5	Meadowbrook Apartments	Market	Family	Inferior	Similar	Similar	Inferior	Slightly Superior	-15
6	Newtown Apartments	Market	Family	Inferior	Similar	Similar	Inferior	Slightly Superior	-15
7	Town Creek Commons	Market	Family	Inferior	Superior	Similar	Inferior	Similar	-10
8	Twin Oaks Apartments	Market	Family	Inferior	Slightly Superior	Similar	Inferior	Similar	-15

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

The Subject’s location is considered a rural area as determined by USDA. Therefore, the Subject is eligible to use the national non-metropolitan rent and income limits, which are higher than the published rent and income limits for Gordon County. 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	1BR	2BR	3BR	Rents at Max?
Deermont	\$483	\$579	\$664	No
2019 LIHTC National Non-Metro Maximum Rent (Net) (Gordon County)	\$508	\$604	\$689	
Cherokee Mill Lofts	\$465	\$555	\$624	No
Eastgate Apartments	\$384	\$465	\$518	No
Stone Ridge Apartments	\$512	\$606	\$692	Yes
Average	\$454	\$542	\$611	

LIHTC RENT COMPARISON @60%

Property Name	1BR	2BR	3BR	Rents at Max?
Deermont	\$546	\$665	\$772	No
2019 LIHTC National Non-Metro Maximum Rent (Net) (Gordon County)	\$621	\$740	\$847	
Cherokee Mill Lofts	\$517	\$601	\$694	No
Eastgate Apartments	\$394	\$494	\$540	No
Stone Ridge Apartments	\$625	\$742	\$850	Yes
Average	\$512	\$612	\$695	

The Subject property is held to the 2019 National Non-Metro maximum allowable levels. The Subject’s proposed rents are below the 2019 National Non-Metro maximum allowable levels. The AMI in Gordon County reached its peak in 2010 and experienced a decrease the following year. In 2019, the AMI in Gordon County experienced an increase, though it remains below the peak level the county experienced in 2010. All of the

comparable LIHTC properties are located in Gordon County and were built between 2001 and 2018. However, the Subject and all of the comparables are held to the National Non-Metro maximum allowable levels. Therefore, each of these properties are held to the same maximum allowable levels.

One comparable, Stone Ridge Apartments, reported achieving maximum allowable rents for its one, two, and three-bedroom units at 50 and 60 percent AMI. However, the rents at Stone Ridge Apartments appear to be above the 2019 National Non-Metro maximum allowable levels. This is most likely due to differences in utility allowances.

Stone Ridge Apartments is located 0.6 mile from the Subject in Calhoun and offers a similar location. This property was constructed in 2018 and exhibits excellent condition, which is considered similar to the anticipated excellent condition of the Subject upon completion. Stone Ridge Apartments offers slightly superior in-unit amenities compared to the Subject as it offers balconies/patios and exterior storage, which the Subject will not offer. This property offers slightly inferior property amenities in comparison to the Subject as it does not offer an exercise facility, which the Subject will offer. Stone Ridge Apartments offers similar unit sizes to the Subject. According to our contact at Stone Ridge Apartments, the property is currently achieving rents at the 50 and 60 percent AMI National Non-Metro maximum allowable levels for its one, two, and three-bedroom units. The Subject's proposed rents are below the rents currently being achieved at Stone Ridge Apartments for all unit types. Overall, Stone Ridge Apartments is considered similar to the proposed Subject. Therefore, we believe the Subject's proposed rents are achievable, with upward potential.

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 COMPARABLE RENTS

Unit Type	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$483	\$465	\$745	\$598	24%
2BR @ 50%	\$579	\$555	\$892	\$729	26%
3BR @ 50%	\$664	\$624	\$991	\$813	22%
1BR @ 60%	\$546	\$517	\$745	\$641	17%
2BR @ 60%	\$665	\$601	\$892	\$772	16%
3BR @ 60%	\$772	\$694	\$991	\$875	13%
1BR Unrestricted	\$625	\$620	\$745	\$688	10%
2BR Unrestricted	\$738	\$702	\$892	\$812	10%
3BR Unrestricted	\$858	\$915	\$991	\$944	10%

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

Garden Heights Apartments is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Garden Heights Apartments as a market rate property. Garden Heights Apartments was built in 1982 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Garden Heights Apartments is located 4.2 miles from the Subject site and offers a similar location. Garden Heights Apartments offers slightly superior in-unit amenities compared to the Subject as it offers balconies/patios and walk-in closets, which the Subject will not offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, laundry facility, and an exercise facility, which the Subject will offer. Garden Heights Apartments offers slightly superior unit sizes to the Subject. The one and two-bedroom rents at Garden Heights Apartments are approximately 36 and 34 percent higher than the Subject’s proposed rents at 60 percent of the AMI, respectively.

Twin Oaks Apartments is achieving the highest three-bedroom unrestricted rents in the market. The Subject will be superior to Twin Oaks Apartments as a market rate property. Twin Oaks Apartments was built in 1985 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Twin Oaks Apartments is located 4.5 miles from the Subject site and offers a similar location. Twin Oaks Apartments offers slightly superior in-unit amenities compared to the Subject as it offers balconies/patios, which the Subject will not offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, laundry facility, and an exercise facility, which the Subject will offer. Twin Oaks Apartments offers similar unit sizes to the Subject. The three-bedroom rents at Twin Oaks Apartments are approximately 28 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types and AMI levels. All of the Subject’s capture rates are within Georgia DCA thresholds. The average LIHTC vacancy rate is low at 2.2 percent, and one of the three properties are fully-occupied. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to the contact at Cherokee Mill Lofts, each of the three vacant units are pre-leased. Additionally, the property maintains a waiting list that currently consists of over 75 households. Stone Ridge Apartments reported a vacancy rate of 5.0 percent. According to the contact at Stone Ridge Apartments, the lone vacant unit is pre-leased. Additionally, the property maintains a waiting list that currently consists of 161 households. Each of the three comparable LIHTC properties maintain waiting lists. The low vacancy rates and presence of

extensive waiting lists among the LIHTC comparables indicate strong demand for affordable housing in the area.

One property has been allocated in the Subject’s PMA since 2017. Calhoun Gardens is a family property that was allocated in 2019 for the rehabilitation of 76 LIHTC and Section 8 units in Calhoun, Georgia. The property is located at 110 Richardson Road, approximately 8.2 miles from the Subject. The development will be renovated with LIHTC and all 76 revenue generating units, will become restricted to households earning 60 percent of the Area Median Income (AMI) or less. All units will maintain their subsidy following renovations and tenants will continue to pay 30 percent of their income towards rent. It should be noted that the current management company has an age restriction preference on 45 units for senior households. However, there is not a formal age-restriction on the property and we analyze the development as a family development. Calhoun Gardens offers 49 one, 22 two, and five three-bedroom units. As all the units at this property will maintain their subsidy following renovations, these units are not considered directly competitive with the Subject. Given the low vacancy rates and presence of waiting lists at the comparable properties, we do not believe that the addition of the Subject to the market will impact the renovated LIHTC property or the existing LIHTC properties that are in overall average condition and currently performing well.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	9,593	70.2%	4,078	29.8%
2019	11,388	60.6%	7,412	39.4%
Projected Mkt Entry September 2022	11,752	61.2%	7,438	38.8%
2024	11,963	61.6%	7,453	38.4%

Source: Esri Demographics 2019, Novogradac Consulting LLP, March 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 larger 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 renters in the PMA is projected to increase. This bodes well for the Subject’s proposed units.

Historical Vacancy

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

HISTORICAL VACANCY					
#	Property Name	Program	Total Units	2019 Q4	2020 Q1
1	Cherokee Mill Lofts	LIHTC	60	5.0%	5.0%
2	Eastgate Apartments	LIHTC/HOME	56	0.0%	0.0%
3	Stone Ridge Apartments	LIHTC	64	0.0%	1.6%
4	Garden Heights Apartments	Market	48	N/A	8.3%
5	Meadowbrook Apartments	Market	33	0.0%	0.0%
6	Newtown Apartments	Market	120	4.2%	4.2%
7	Town Creek Commons*	Market	24	N/A	0.0%
8	Twin Oaks Apartments	Market	50	6.0%	0.0%

*Located outside of the PMA

As illustrated, historical vacancy data is limited for the LIHTC and market rate comparables. However, the contacts at these properties reported that the current vacancy levels are typical and are historically what would be found within the market. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to the contact at Cherokee Mill Lofts, the three vacant units are all pre-leased. Additionally, the property maintains a waiting list that currently consists of over 75 households. The remaining stabilized LIHTC comparables, Eastgate Apartments and Stone Ridge Apartments, report vacancy rates of zero and 1.6 percent, respectively, and both of the properties maintain waiting lists. These factors indicate demand for affordable housing in the area is strong.

Cherokee Mill Lofts and Stone Ridge Apartments were constructed in 2014 and 2018, respectively, and therefore have limited historical vacancy data. These properties demonstrated absorption rates of five and 64 units per month upon completion, respectively. Cherokee Mill Lofts and Stone Ridge Apartments are both currently stabilized. Overall, we believe that the current performance of the LIHTC comparable properties, as well as the strong absorption rates demonstrated at Cherokee Mill Lofts and Stone Ridge Apartments, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH			
Property Name	Rent Structure	Tenancy	Rent Growth
Cherokee Mill Lofts	LIHTC	Family	Increased six percent
Eastgate Apartments	LIHTC/HOME	Family	None
Stone Ridge Apartments	LIHTC	Family	Increased eight percent
Garden Heights Apartments	Market	Family	One-bedroom stable, two-bedroom decreased 7%
Meadowbrook Apartments	Market	Family	Increased three percent
Newtown Apartments	Market	Family	Increased four percent
Town Creek Commons*	Market	Family	Increased two percent
Twin Oaks Apartments	Market	Family	None

*Located outside of the PMA

Stone Ridge Apartments reported rental rates are kept at maximum allowable levels for one, two, and three-bedroom units at 50 and 60 percent AMI. Cherokee Mill Lofts reported increases in rents of six percent for its units, and that all three of its vacant units are pre-leased. The contact at Eastgate Apartments reported that rents had remained steady for its units, and that the property was fully-occupied. The market rate properties reported in some instances rent growth up to four 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 2,820 housing units nationwide was in some stage of foreclosure as of February 2020. The City of Calhoun is experiencing a foreclosure rate of one in every 3,139 homes, which is similar to Gordon County. Georgia experienced one foreclosure in every 2,728 housing units. Overall, Calhoun is experiencing a lower foreclosure 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

There is one proposed LIHTC development in the PMA. However, as all the units at this property will maintain their subsidy following renovations, these units are not considered directly competitive with the Subject. The vacancy rate among the existing stabilized LIHTC comparables is low at 2.2 percent. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to the contact at Cherokee Mill Lofts, each of the three vacant units are pre-leased. Additionally, the property maintains a waiting list that currently consists of over

75 households. Stone Ridge Apartments reported a vacancy rate of 5.0 percent. According to the contact at Stone Ridge Apartments, the lone vacant unit is pre-leased. Additionally, the property maintains a waiting list that currently consists of 161 households. The remaining stabilized LIHTC comparable, Eastgate Apartments, reports full occupancy. Each of the three comparable LIHTC properties maintain waiting lists. These factors indicate demand for affordable housing in the area is strong. In summary, the performance of the comparable LIHTC properties and the existence of waiting lists for affordable units indicates 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 vacancy rate among the existing stabilized LIHTC comparables is low at 2.2 percent. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to the contact at Cherokee Mill Lofts, each of the three vacant units are pre-leased. Additionally, the property maintains a waiting list that currently consists of over 75 households. Stone Ridge Apartments reported a vacancy rate of 5.0 percent. According to the contact at Stone Ridge Apartments, the lone vacant unit is pre-leased. Additionally, the property maintains a waiting list that currently consists of 161 households. The remaining stabilized LIHTC comparable, Eastgate Apartments, reports full occupancy. Each of the three comparable LIHTC properties maintain waiting lists. These factors indicate demand for affordable housing in the area is strong. The Subject will offer generally similar to superior property amenities in comparison to the LIHTC and market rate comparable properties as it will offer a business center, community room, laundry facility, and exercise facility, which many of the LIHTC comparables will lack. The Subject will offer generally inferior to similar in-unit amenities in comparison to the LIHTC and market rate comparable properties as it will not offer balconies/patios and exterior storage, which some of the LIHTC and market rate comparables will offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered 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. Additionally, the Subject's proposed rents are among the lowest in the market. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is reasonable as proposed. We believe that it will fill a void in the market and will perform well.

J. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption information from two of the comparable properties. We were also able to obtain absorption information from an additional LIHTC property and an additional market rate property, which is illustrated following table.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Cherokee Mill Lofts	LIHTC	Family	2014	60	5

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2014 and 2018, and reported absorption rates of five to 64 units per month, with an average of 16 units per month. Stone Ridge Apartments is a LIHTC development located approximately 0.6 mile north of the Subject in Calhoun. This property opened in October 2018 and was fully-occupied within a month. Thus, Stone Ridge Apartment demonstrated an absorption rate of 64 units per month. The contact at this property reported one vacant unit that is currently pre-leased, and stated that demand for affordable housing in the area is strong. Cherokee Mill Lofts is a LIHTC development located approximately 4.2 miles northwest of the Subject in Calhoun. This property reported an absorption rate of five units per month. The contact at Cherokee Mill Lofts reported three vacant units, each of which are currently pre-leased. Burrell Square is a LIHTC development located approximately 21.3 miles southwest of the Subject 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 there will be strong demand for the Subject's units due to the general lack of affordable housing in Calhoun and surrounding areas, the low vacancy rates among the stabilized LIHTC comparables, and presence of waiting lists in the market. We believe the Subject will experience an absorption rate within the range of the LIHTC properties illustrated above. We estimate that the Subject will experience an absorption rate of 20 units per month, which equates to an absorption period of three to four months.

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 Gordon 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 mentioned that there are 11 families utilizing these Housing Choice Vouchers in Gordon 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, 16 of which are from Gordon County. The payment standards for Gordon County are listed below.

PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$587
Two-Bedroom	\$718
Three-Bedroom	\$1,036

Source: Georgia Department of Community Affairs, effective January 2020

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

Planning

We made numerous attempts to contact the city of Calhoun Community Development and Gordon County Planning & Development departments. 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 no multifamily developments currently planned, proposed, or under construction in the Subject’s PMA.

Gordon County Economic Development Authority

We attempted to speak with the Gordon County Economic Development Authority; however, as of the date of this report our calls have not been returned. We conducted internet research regarding investment and business expansion in the region.

Expansions in Gordon County, GA - 2018-YTD 2020

Company Name	Industry	Jobs
Mannington Mills	Manufacturing	268
Floor Trend USA	Manufacturing	100
Pilgrim's Pride	Agric/Forestry/Fishing/Hunting	25
Totals		393

As illustrated, there were three additions in industries including manufacturing and agriculture/forestry/fishing/hunting. Between 2018 and 2020, there were a total of 393 jobs created, which helps to counteract the 70 layoffs that occurred in the county since 2016.

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

L. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The population in the PMA and the SMA increased significantly from 2000 to 2019, though the rate of growth slowed from 2010 to 2019. The rate of population and household growth is projected to increase slightly through 2024. The current population of the PMA is 53,541 and is expected to be 55,398 in 2024. The current number of households in the PMA is 18,800 and is expected to be 19,416 in 2024. Renter households are concentrated in the lowest income cohorts, with 49.8 percent of renters in the PMA earning between \$10,000 and \$39,999 annually. The Subject will target households earning between \$18,617 and \$39,240 for its LIHTC units, and up to \$65,400 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of 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 51.7 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. The local economy appears to have diverse and low paying jobs in the manufacturing, healthcare/social assistance, and retail trade sectors which is expected to generate demand for affordable housing in the PMA.

Since 2010, job growth in the SMA generally exceeded the nation. As of December 2019, total employment in the SMA is at a post-recessionary record and increasing at an annualized rate of 1.1 percent, slightly below the growth across the overall nation. According to the most recent labor statistics, the unemployment rate in the SMA is 3.4 percent, which is similar to the current national unemployment rate. However, it is important to note that the unemployment rate in the SMA has been declining by greater rates than the nation in recent years. Given that total employment in the SMA surpassed its pre-recession levels, and local employment growth and unemployment are both similar to the nation, it appears the SMA is fully recovered and entered into an expansionary phase. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

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 at 50% AMI	\$18,617	\$24,250	4	169	0	169	2.4%	\$483
1BR at 60% AMI	\$20,777	\$29,100	14	225	0	225	6.2%	\$546
1BR Unrestricted	\$21,429	\$48,500	2	403	0	403	0.5%	\$625
1BR Overall	\$18,617	\$48,500	20	438	0	438	4.6%	-
1BR Overall LIHTC	\$18,617	\$29,100	18	253	0	253	7.1%	-
2BR at 50% AMI	\$22,491	\$27,250	4	201	0	201	2.0%	\$579
2BR at 60% AMI	\$25,440	\$32,700	14	267	0	267	5.2%	\$665
2BR Unrestricted	\$25,303	\$54,500	2	477	0	477	0.4%	\$738
2BR Overall	\$22,491	\$54,500	20	519	0	519	3.9%	-
2BR Overall LIHTC	\$22,491	\$32,700	18	300	0	300	6.0%	-
3BR at 50% AMI	\$26,126	\$32,700	3	126	0	126	2.4%	\$664
3BR at 60% AMI	\$29,829	\$39,240	11	168	0	168	6.6%	\$772
3BR Unrestricted	\$29,417	\$65,400	2	300	0	300	0.7%	\$858
3BR Overall	\$26,126	\$65,400	16	326	0	326	4.9%	-
3BR Overall LIHTC	\$26,126	\$39,240	14	188	0	188	7.4%	-
@50% Overall	\$18,617	\$32,700	11	496	0	496	2.2%	-
@60% Overall	\$20,777	\$39,240	39	660	0	660	5.9%	-
Unrestricted Overall	\$21,429	\$65,400	6	1,180	0	1180	0.5%	-
Overall	\$18,617	\$65,400	56	1,282	0	1282	4.4%	-
Overall LIHTC	\$18,617	\$39,240	50	740	0	740	6.8%	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.0 to 2.4 percent, with an overall capture rate of 2.2 percent. The Subject’s 60 percent AMI capture rates range from 5.2 to 6.6 percent, with an overall capture rate of 5.9 percent. The Subject’s unrestricted capture rates range from 0.4 to 0.7 percent, with an overall capture rate of 0.5 percent. The overall capture rate for the project’s 50 and 60 percent, as well as its market rate units is 4.4 percent. The overall capture rate for the project’s 50 and 60 percent units is 6.8 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

Absorption

We were able to obtain absorption information from two of the comparable properties. We were also able to obtain absorption information from an additional LIHTC property and an additional market rate property, which is illustrated following table.

ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 At Woodstock	Market	Family	2015	272	15
Cherokee Mill Lofts	LIHTC	Family	2014	60	5

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2014 and 2018, and reported absorption rates of five to 64 units per month, with an average of 16 units per month. Stone Ridge Apartments is a LIHTC development located approximately 0.6 mile north of the Subject in Calhoun. This property opened in October 2018 and was fully-occupied within a month. Thus, Stone Ridge Apartment demonstrated an absorption rate of 64 units

per month. The contact at this property reported one vacant unit that is currently pre-leased, and stated that demand for affordable housing in the area is strong. Cherokee Mill Lofts is a LIHTC development located approximately 4.2 miles northwest of the Subject in Calhoun. This property reported an absorption rate of five units per month. The contact at Cherokee Mill Lofts reported three vacant units, each of which are currently pre-leased. Burrell Square is a LIHTC development located approximately 21.3 miles southwest of the Subject 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 there will be strong demand for the Subject’s units due to the general lack of affordable housing in Calhoun and surrounding areas, the low vacancy rates among the stabilized LIHTC comparables, and presence of waiting lists in the market. We believe the Subject will experience an absorption rate within the range of the LIHTC properties illustrated above. We estimate that the Subject will experience an absorption rate of 20 units per month, which equates to an absorption period of three to four months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cherokee Mill Lofts	LIHTC	Family	60	3	5.0%
Eastgate Apartments	LIHTC/HOME	Family	56	0	0.0%
Stone Ridge Apartments	LIHTC	Family	64	1	1.6%
Garden Heights Apartments	Market	Family	48	4	8.3%
Meadowbrook Apartments	Market	Family	33	0	0.0%
Newtown Apartments	Market	Family	120	5	4.2%
Town Creek Commons*	Market	Family	24	0	0.0%
Twin Oaks Apartments	Market	Family	50	0	0.0%
Total LIHTC			180	4	2.2%
Total Market Rate			275	9	3.3%
Overall Total			455	13	2.9%

*Located outside of the PMA

Overall vacancy in the market is low at 2.9 percent, and LIHTC vacancy is lower at 2.2 percent. One of the LIHTC comparables is fully-occupied, while the one vacant unit at Stone Ridge Apartments is pre-leased, according to the contact at this property. Cherokee Mill Lofts reported the highest vacancy among the LIHTC comparables at 5.0 percent. The contact reported that the three vacant units are all pre-leased, and that management maintains a waiting list of over 75 households. Further, all of the LIHTC comparables reported maintaining waiting lists ranging from 75 to 161 households, indicating strong demand for 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 3.3 percent and three of the market rate properties are fully-occupied. Garden Heights Apartments reports the highest vacancy rate among the comparables, at 8.3 percent. Our contact at the property stated that the elevated vacancy is coincidental with the timing of the survey and that the property is typically offered at 96 percent. 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. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. 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 a business center and an exercise facility, which some of the LIHTC 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 vacancy rate among the existing stabilized LIHTC comparables is low at 2.2 percent. Cherokee Mill Lofts reported a vacancy rate of 5.0 percent. According to the contact at Cherokee Mill Lofts, each of the three vacant units are pre-leased. Additionally, the property maintains a waiting list that currently consists of over 75 households. Stone Ridge Apartments reported a vacancy rate of 5.0 percent. According to the contact at Stone Ridge Apartments, the lone vacant unit is pre-leased. Additionally, the property maintains a waiting list that currently consists of 161 households. The remaining stabilized LIHTC comparable, Eastgate Apartments, reports full occupancy. Each of the three comparable LIHTC properties maintain waiting lists. These factors indicate demand for affordable housing in the area is strong. The Subject will offer generally similar to superior property amenities in comparison to the LIHTC and market rate comparable properties as it will offer a business center, community room, laundry facility, and exercise facility, which many of the LIHTC comparables will lack. The Subject will offer generally inferior to similar in-unit amenities in comparison to the LIHTC and market rate comparable properties as it will not offer balconies/patios and exterior storage, which some of the LIHTC and market rate comparables will offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered 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. Additionally, the Subject's proposed rents are among the lowest in the market. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is reasonable as proposed. We believe that it will fill a void in the market and will perform well.

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.

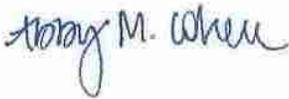
To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with 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.



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

April 13, 2020



Abby Cohen
Partner
Novogradac Consulting LLP

April 13, 2020



Brian Neukam
Manager
Novogradac Consulting LLP

April 13, 2020



Brinton Noble
Analyst
Novogradac Consulting LLP

April 13, 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 east on Morrow Road



View west on Morrow Road



View of Subject site



View of Subject site



Single-Family Home in Subject's neighborhood



Commercial use east of Subject site



House of Worship east of Subject site



Single-Family Home in Subject's neighborhood



Cemetery east of Subject site



Elementary School west of Subject site



Elementary School west of Subject site



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in Subject's neighborhood



Commercial use in 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:

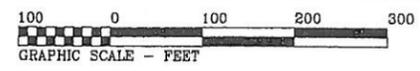
- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher 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	
Subject	Deermont 0 Morrow Road Calhoun, GA 30701 Gordon County	-	Garden 3-stories 2022 / n/a Family	@50%, @60%, Market	1BR / 1BA	4	7.1%	653	@50%	\$483	No	N/A	N/A	N/A	
					1BR / 1BA	14	25.0%	653	@60%	\$546	No	N/A	N/A	N/A	
					1BR / 1BA	2	3.6%	653	Market	\$625	N/A	N/A	N/A	N/A	
					2BR / 2BA	4	7.1%	963	@50%	\$579	No	N/A	N/A	N/A	
					2BR / 2BA	14	25.0%	963	@60%	\$665	No	N/A	N/A	N/A	
					2BR / 2BA	2	3.6%	963	Market	\$738	N/A	N/A	N/A	N/A	
					3BR / 2BA	3	5.4%	1,115	@50%	\$664	No	N/A	N/A	N/A	
					3BR / 2BA	11	19.6%	1,115	@60%	\$772	No	N/A	N/A	N/A	
					3BR / 2BA	2	3.6%	1,115	Market	\$858	N/A	N/A	N/A	N/A	
										<u>56</u>					
1	Cherokee Mill Lofts 305 Mcconnell Rd Calhoun, GA 30701 Gordon County	4.2 miles	Townhouse 2-stories 2014 / n/a Family	@50%, @60%	1BR / 1BA	3	5.0%	759	@50%	\$465	No	Yes	1	33.3%	
					1BR / 1BA	9	15.0%	759	@60%	\$517	No	Yes	0	0.0%	
					2BR / 2BA	6	10.0%	1,052	@50%	\$555	No	Yes	1	16.7%	
					2BR / 2BA	24	40.0%	1,052	@60%	\$601	No	Yes	0	0.0%	
					3BR / 2BA	3	5.0%	1,128	@50%	\$624	No	Yes	0	0.0%	
					3BR / 2BA	15	25.0%	1,128	@60%	\$694	No	Yes	1	6.7%	
					<u>60</u>							3	5.0%		
2	Eastgate Apartments 420 Richardson St Calhoun, GA 30701 Gordon County	1.2 miles	Garden 2-stories 2001 / n/a Family	@50% (HOME), @60% (HOME)	1BR / 1BA	7	12.5%	684	@50% (HOME)	\$384	No	Yes	0	0.0%	
					1BR / 1BA	5	8.9%	684	@60% (HOME)	\$394	No	Yes	0	0.0%	
					2BR / 2BA	19	33.9%	829	@50% (HOME)	\$465	No	Yes	0	0.0%	
					2BR / 1BA	13	23.2%	829	@60% (HOME)	\$494	No	Yes	0	0.0%	
					3BR / 2BA	8	14.3%	1,100	@50% (HOME)	\$518	No	Yes	0	0.0%	
					3BR / 2BA	4	7.1%	1,100	@60% (HOME)	\$540	No	Yes	0	0.0%	
					<u>56</u>							0	0.0%		
3	Stone Ridge Apartments 4560 Fairmount Hwy SE Calhoun, GA 30701 Gordon County	0.6 miles	Garden 3-stories 2018 / n/a Family	@50%, @60%	1BR / 1BA	7	10.9%	750	@50%	\$512	Yes	Yes	0	0.0%	
					1BR / 1BA	1	1.6%	750	@60%	\$625	Yes	Yes	0	0.0%	
					2BR / 1BA	3	4.7%	950	@50%	\$606	Yes	Yes	0	0.0%	
					2BR / 1BA	25	39.1%	950	@60%	\$742	Yes	Yes	1	4.0%	
					3BR / 2BA	3	4.7%	1,100	@50%	\$692	Yes	Yes	0	0.0%	
					3BR / 2BA	25	39.1%	1,100	@60%	\$850	Yes	Yes	0	0.0%	
					<u>64</u>							1	1.6%		
4	Garden Heights Apartments 465 Red Bud Road Calhoun, GA 30701 Gordon County	4.2 miles	Garden 2-stories 1982 / n/a Family	Market	1BR / 1BA	N/A	N/A	960	Market	\$745	N/A	No	1	N/A	
					2BR / 2BA	N/A	N/A	1,152	Market	\$892	N/A	No	3	N/A	
													4	8.3%	
5	Meadowbrook Apartments 202 Meadowbrook Rd Calhoun, GA 30701 Gordon County	3.3 miles	Townhouse 2-stories 1989 / 1999 Family	Market	2BR / 1.5BA	20	60.6%	1,100	Market	\$702	N/A	No	0	0.0%	
					3BR / 2BA	13	39.4%	1,500	Market	\$915	N/A	No	0	0.0%	
										<u>33</u>					
6	Newtown Apartments 265 Newtown Rd NE Calhoun, GA 30701 Gordon County	4.2 miles	Garden 2-stories 2001 / n/a Family	Market	1BR / 1BA	90	75.0%	700	Market	\$620	N/A	No	N/A	N/A	
					2BR / 1.5BA	30	25.0%	1,400	Market	\$752	N/A	No	N/A	N/A	
													5	4.2%	
7	Town Creek Commons 3 George Street Adairsville, GA 30103 Bartow County	5.9 miles	Garden 2-stories 2008 / n/a Family	Market	2BR / 2BA	12	50.0%	900	Market	\$825	N/A	No	0	0.0%	
					3BR / 2BA	12	50.0%	1,100	Market	\$925	N/A	No	0	0.0%	
										<u>24</u>					
8	Twin Oaks Apartments 258 Forrest Ave Calhoun, GA 30701 Gordon County	4.5 miles	Various 2-stories 1985 / n/a Family	Market	1BR / 1BA	24	48.0%	625	Market	\$700	N/A	No	0	0.0%	
					2BR / 1.5BA	24	48.0%	912	Market	\$888	N/A	No	0	0.0%	
					3BR / 2BA	2	4.0%	1,040	Market	\$991	N/A	No	0	0.0%	
													<u>50</u>	0	0.0%

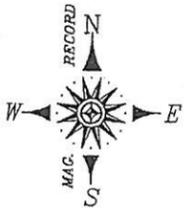
ADDENDUM E
Subject Floor Plans



DATE: SEPTEMBER 04, 2007

THIS SURVEY PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT. THIS SURVEY SHOULD NOT CONSTITUTE A GUARANTEE THAT THE TITLE TO THE PREMISES SHOWN HEREIN RESTS IN THE PERSON(S) OR ENTITIES NAMED HEREON.

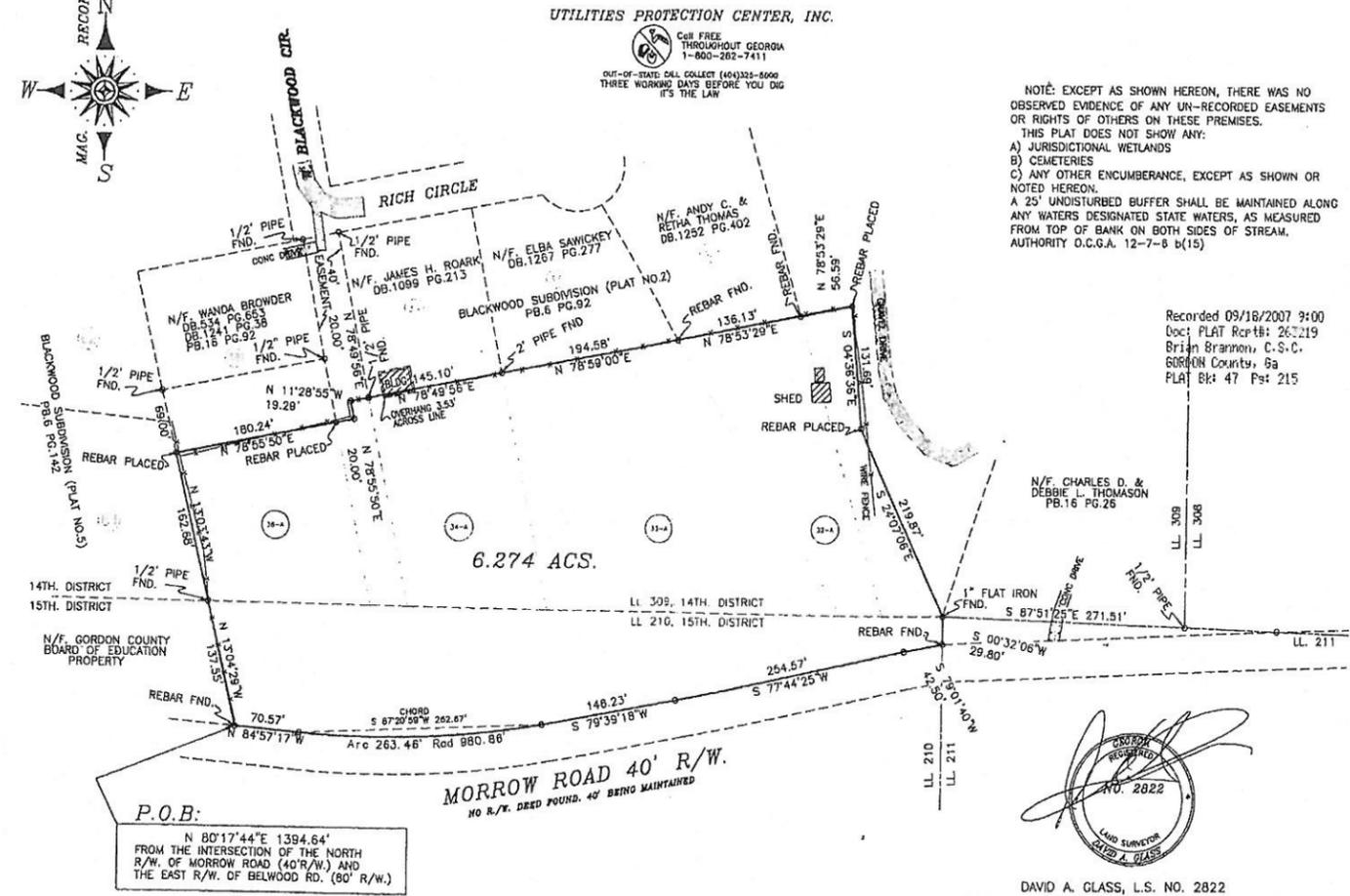
THE FIELD DATA UPON WHICH THIS PLAT IS BASED HAS A CLOSURE PRECISION OF ONE FOOT IN 16,762 FEET AND AN ANGULAR ERROR OF .02" PER ANGLE POINT AND WAS ADJUSTED BY THE LEAST SQUARES METHOD. THIS PLAT HAS BEEN CALCULATED FOR CLOSURE AND FOUND TO BE ACCURATE WITHIN ONE FOOT IN 100,000+ FEET. FIELD WORK WAS DONE USING A NAD83 DTM 560 TOTAL STATION AND HP 1DS 48 DATA COLLECTOR.



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OUT-OF-STATE CALL COLLECT (604)325-8600
THREE WORKING DAYS BEFORE YOU DIG IT'S THE LAW

NOTE: EXCEPT AS SHOWN HEREON, THERE WAS NO OBSERVED EVIDENCE OF ANY UN-RECORDED EASEMENTS OR RIGHTS OF OTHERS ON THESE PREMISES.
THIS PLAT DOES NOT SHOW ANY:
A) JURISDICTIONAL WETLANDS
B) CEMETERIES
C) ANY OTHER ENCUMBRANCE, EXCEPT AS SHOWN OR NOTED HEREON.
A 25' UNDISTURBED BUFFER SHALL BE MAINTAINED ALONG ANY WATERS DESIGNATED STATE WATERS, AS MEASURED FROM TOP OF BANK ON BOTH SIDES OF STREAM.
AUTHORITY O.C.G.A. 12-7-8 b(15)

Recorded 09/18/2007 9:00
Doc: PLAT Rcr#1: 263219
Bria Brammer, C.S.C.
GORDON COUNTY, GA
PLAT Bk: 47 Pg: 215



P.O.B.:
N 80°17'44"E 1394.64'
FROM THE INTERSECTION OF THE NORTH
R/W. OF MORROW ROAD (40' R/W.) AND
THE EAST R/W. OF BELWOOD RD. (80' R/W.)

SAID PROPERTY IS SUBJECT TO ALL EASEMENTS, RIGHT-OF-WAYS, AND RESTRICTIVE COVENANTS OF RECORD

SURVEY FOR
D&D INVESTMENT LLC

BEING LOTS 32-A, 33-A, 34-A, AND PORTION OF LOT 36-A, BLACKWOOD SUBDIVISION-PLAT NO.4. (PB.6 PG.92)
LOCATED IN LAND LOT NO. 210, 15TH. DISTRICT, 3RD. SECTION, AND LAND LOT 309, 14TH. DISTRICT, 3RD. SECTION, GORDON COUNTY, GEORGIA.

DAVID A. GLASS, L.S. NO. 2822
MEMBER: AMERICAN CONGRESS ON SURVEYING AND MAPPING
NATIONAL SOCIETY OF PROFESSIONAL SURVEYORS
SURVEYING & MAPPING SOCIETY OF GEORGIA.

FL & FREEMAN & LAMBERT SURVEYORS P.C.
LICENSED LAND SURVEYING FIRM, LICENSE NO. LSF000056
OFFICE ADDRESS: 204 NEW TOWN ROAD, CALHOUN, GA. 30701
MAILING ADDRESS: P.O. BOX 873, CALHOUN, GA. 30703

FILE NO. 07091
TELEPHONE: 706-629-2260
TELECOPIER: 706-629-0277

zoned A1

BK Pa
47 215