

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

**MAGNOLIA VILLAS**

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: MAGNOLIA VILLAS**

EB Hamilton Drive  
Tifton, Tift County, Georgia 31793

Effective Date: May 4, 2020  
Report Date: June 11, 2020

Prepared for:  
Mr. Wallace Davis  
President and CEO  
Volunteers of America Southeast  
1204 Hillcrest Road  
Mobile, Alabama 36695

Prepared by:  
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June 11, 2020

Mr. Wallace Davis  
President and CEO  
Volunteers of America Southeast  
1204 Hillcrest Road  
Mobile, Alabama 36695

Re: Application Market Study for Magnolia Villas, located in Tifton, Tift County, Georgia

Dear Mr. Davis:

At your request, Novogradac Consulting LLP performed a study of the multifamily rental market in the Tifton, Tift 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 44-unit senior LIHTC project. It will be a newly constructed affordable LIHTC project, with 44 revenue generating units, restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less. These will consist of 12 one and 32 two-bedroom units at the 50 and 60 percent AMI levels and target seniors 55 and older. 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

**MR. WALLACE DAVIS  
VOLUNTEERS OF AMERICA SOUTHEAST  
JUNE 11, 2020**

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.

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

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

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

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

MR. WALLACE DAVIS  
VOLUNTEERS OF AMERICA SOUTHEAST  
JUNE 11, 2020

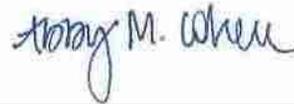
development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,  
Novogradac Consulting LLP



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## **B. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Magnolia Villas will be a newly constructed senior property located on EB Hamilton Drive in Tifton, Tift County, Georgia, which will consist of two, two-story, elevator-serviced lowrise residential buildings in addition to one community building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS								
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2019 LIHTC Maximum Allowable Gross Rent*	2020 HUD Fair Market Rents	
@50%								
1BR / 1BA	780	3	\$425	\$95	\$520	\$568	\$517	
2BR / 1BA	1,038	8	\$535	\$121	\$656	\$681	\$651	
@60%								
1BR / 1BA	780	9	\$480	\$95	\$575	\$681	\$517	
2BR / 1BA	1,038	24	\$550	\$121	\$671	\$817	\$651	
		<b>44</b>						

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 Tift County. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and slightly inferior to superior property amenities. The Subject will offer hand rails, in-unit washers and dryers, a business center, community room, and exercise facility, which many of the comparables will lack. However, the Subject will not offer a playground or swimming pool which is 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 along the south side of EB Hamilton Drive. The Subject site is currently vacant land. North of the Subject site is vacant land. Farther north is vacant land, scattered commercial uses, and Annie Belle Clark Primary School. To the east of the Subject site are two LIHTC developments, The Residences at West Haven and West Haven Senior Village I, which have been included as comparables in this report. Farther east is vacant land, commercial uses located along King Road, and single-family homes in average to good condition. South of the Subject site are single-family homes in average to good condition. Farther south is vacant land and numerous commercial uses located along Highway 82. West of the Subject site is vacant land. Farther west is vacant land and Friendly City Park. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered "Car-Dependent" by Walkscore with a rating of one out of 100, which is inferior to similar to the comparable properties. Of note, two of the surveyed LIHTC comparables, The Residences At West Haven and West Haven Senior Village I, are located adjacent to the Subject and have the same Walkscores. These developments are fully-occupied and maintain waiting lists of 100 and 15 households, respectively, indicating the limited walkability does not negatively affect their performance. The total crime indices in the PMA are below that of the SMA and slightly above the nation. The Subject will offer limited access as a security feature. The majority of the comparable properties do not offer any form of security features. Thus, it appears the Subject's security features are

market oriented and offer a competitive advantage over many of the surveyed comparable properties. 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 1.3 miles of the Subject site.

### 3. Market Area Definition

The PMA is defined by Highway 32, Coverdale Highway, and Georgia Highway 112 to the north, the Tift County line to the east and south, and Georgia Highway 256 and Shingler Sumner Road to the west. This area includes Tift County as well as portions of Worth, Irwin, and Turner Counties. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 15.6 miles  
East: 11.0 miles  
South: 9.2 miles  
West: 16.0 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 Tifton as well as other areas of Tift County and surrounding counties. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16.0 miles. The SMA is defined as Tift, Worth, Turner, Irwin, Berrien, Cook and Colquitt Counties.

### 4. Community Demographic Data

Between 2010 and 2019 there was approximately 2.3 percent annual senior population growth in the PMA, which outpaced the SMA but lagged the national senior population growth. Over the next five years, the senior population growth in the PMA and SMA is projected to increase at a 1.3 and 1.2 percent annual rate, respectively, which lags the national projections. The current senior population of the PMA is 12,927 and is expected to be 13,416 in 2022. The current number of senior households in the PMA is 7,544 and is expected to be 7,809 in 2022. Renter households are concentrated in the lowest income cohorts, with 30.5 percent of renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$15,600 and \$29,100. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 2,893 housing units nationwide was in some stage of foreclosure as of March 2020. The City of Tifton is experiencing a foreclosure rate of one in every 7,454 homes, while Tift County is experiencing foreclosure rate of one in every 4,118 homes and Georgia experienced one foreclosure in every 2,210 housing units. Overall, Tifton is experiencing a lower foreclosure rate than Tift County, the state of Georgia, and the overall nation, 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 healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 37.8 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. 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 agriculture /forestry/fishing/hunting, retail trade, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and manufacturing industries. The overconcentration of retail trade and accommodation/food services employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the healthcare/social assistance sector should provide stability to the area workforce.

Since 2012, average employment growth in the SMA trailed the nation in all but two years. As of December 2019, total employment in the SMA is at a post-recessionary record, and increasing at an annualized rate of 1.0 percent, compared to 1.3 percent across the overall nation. Since 2012, the SMA generally experienced a higher unemployment rate compared to the overall nation. However, due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time. Given that total employment in the SMA is at a post-recessionary record and local employment growth has been strong through the end of 2019, the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. According to the most recent labor statistics, the unemployment rate in the SMA is 3.2 percent, slightly lower than the current national unemployment rate of 3.4 percent. Overall, these recent trends in employment growth and unemployment decline indicate that the economy in the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature any increase in unemployment will be for the SMA.

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

## **6. Project-Specific Affordability and Demand Analysis**

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$15,600	\$24,250	3	58	0	58	5.1%	\$425
1BR @60%	\$17,250	\$29,100	9	53	0	53	17.1%	\$480
1BR Overall	\$15,600	\$29,100	12	70	0	70	17.1%	-
2BR @50%	\$19,680	\$24,250	8	82	0	82	9.8%	\$535
2BR @60%	\$20,130	\$29,100	24	74	0	74	32.4%	\$550
2BR Overall	\$19,680	\$29,100	32	99	0	99	32.4%	-
@50% Overall	\$15,600	\$24,250	11	140	0	140	7.8%	-
@60% Overall	\$17,250	\$29,100	33	127	0	127	26.0%	-
Overall	\$15,600	\$29,100	44	169	0	169	26.0%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover.

**7. Competitive Rental Analysis**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent structure. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 412 units.

The availability of LIHTC data is considered good. We included two LIHTC and two mixed-income comparables in our analysis. Three of the four LIHTC and mixed-income properties target seniors, and all are located within the PMA, between 0.3 and 4.3 miles of the Subject. The comparables were built between 2003 and 2017.

The availability of market rate data is considered good. The Subject is located in Tifton and there are several market rate properties in the area. We include five conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 1.1 and 4.4 miles from the Subject site. These comparables were built or renovated between 1969 and 2014. It should be noted that we are aware of Casey’s Court Luxury Apartments, an under construction development located approximately 0.8 mile southeast of the Subject site. However, we were unable to reach a contact with the property to conduct an interview. Further, we visited the leasing office upon our inspection to conduct an in-person interview; however, our attempt was unsuccessful. According to online research, two-bedroom unit sizes range 990 square feet and three-bedroom unit sizes are 1,260 square feet. It should be noted that one-bedroom unit sizes were unavailable. One-bedroom asking rents are currently \$775, two-bedroom asking rents reportedly are \$901, and three-bedroom rents are \$1,076. 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. Of note, despite the challenges in interviewing property managers in-person due to the office restrictions related to COVID-19, we were able to personally interview all of the comparables utilized in this report over the phone. The property managers interviewed noted no significant leasing issues due to the COVID-19 pandemic.

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

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$425	\$348	\$765	\$474	11%
2BR @ 50%	\$535	\$363	\$915	\$599	12%
1BR @ 60%	\$480	\$400	\$765	\$547	14%
2BR @ 60%	\$550	\$490	\$915	\$657	19%

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

Cypress Suites is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Cypress Suites as a market rate property. Cypress Suites was built in 2008 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Cypress Suites is located 4.4 miles from the Subject site and offers a similar location. Cypress Suites offers inferior in-unit amenities compared to the Subject as it lacks in-unit washers and dryers, which the Subject will offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, on-site management, or an exercise facility, which the Subject will offer. Cypress Suites offers similar unit sizes to the Subject. The one and two-bedroom rents at Cypress Suites are approximately 59 and 66 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

Information regarding the absorption periods of two of the surveyed comparable properties is illustrated in the following table.

**ABSORPTION**

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Residences At West Haven	LIHTC	Family	2017	48	12
The Groves Place	LIHTC	Senior	2016	56	8

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. Overall, the comparables demonstrate absorption rates ranging from eight to 12 units per month, with an average of ten units per month. We have placed emphasis on the average presented in the comparable set. Based on the information above, we believe the Subject would be able to absorb approximately ten units per month, for an absorption period of approximately four to five months. It should be noted that construction on the Subject is not anticipated to be completed until July 2022, which is considered outside of the primary window from the COVID-19 pandemic.

## 9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households

in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and slightly inferior to superior property amenities. The Subject will offer hand rails, in-unit washers and dryers, a business center, community room, and exercise facility, which many of the comparables will lack. However, the Subject will not offer a playground or swimming pool which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be 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:		Magnolia Villas						Total # Units:		44
Location:		EB Hamilton Drive Tifton, GA 31793						# LIHTC Units:		44
PMA Boundary:		North: Highway 32, Coverdale Highway, and Georgia Highway 112; South: Tift County Line; East: Tift County Line; West: Georgia Highway 256 and Shingler Sumner Road						Farthest Boundary Distance to Subject:		16.0 miles
Rental Housing Stock (found on page 61)										
Type	# Properties*	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	42	2,052	43	97.9%						
Market-Rate Housing	14	741	25	96.6%						
<i>Assisted/Subsidized Housing not to include LIHTC</i>	19	814	16	98.0%						
LIHTC	9	497	2	99.6%						
Stabilized Comps	42	2,052	43	97.9%						
Properties in Construction & Lease Up	1	80	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	
3	1BR at 50% AMI	1	780	\$425	\$474	\$0.61	11%	\$765	\$0.98	
8	2BR at 50% AMI	1	1,038	\$535	\$599	\$0.58	12%	\$915	\$0.88	
9	1BR at 60% AMI	1	780	\$480	\$547	\$0.70	14%	\$765	\$0.98	
24	2BR at 60% AMI	1	1,038	\$550	\$657	\$0.63	19%	\$915	\$0.88	
Capture Rates (found on page 59)										
Targeted Population				@50%	@60%	-	-	-	Overall	
Capture Rate:				7.8%	26.0%	-	-	-	26.0%	

\*Includes LIHTC and unrestricted (when applicable)

## **C. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

- |   |  |
|---|--|
| <b>1. Project Address and Development Location:</b>             | The Subject site is located at EB Hamilton Drive in Tifton, Tift County, Georgia 31793. The Subject site is currently vacant.  |
| <b>2. Construction Type:</b>                                    | The Subject will consist of two, two-story, elevator-serviced lowrise residential buildings in addition to one community building. The Subject will be new construction. |
| <b>3. Occupancy Type:</b>                                       | Housing for Older Persons ages 55 and older.   |
| <b>4. Number of Units by Bedroom Type and AMI Level:</b>        | See following property profile.  |
| <b>5. Unit Size, Number of Bedrooms and Structure Type:</b>     | See following property profile.  |
| <b>6. Rents and Utility Allowances:</b>                         | See following property profile.  |
| <b>7. Existing or Proposed Project-Based Rental Assistance:</b> | See following property profile.  |
| <b>8. Proposed Development Amenities:</b>                       | See following property profile.  |

MAGNOLIA VILLAS – TIFTON, GEORGIA – MARKET STUDY

Magnolia Villas												
<b>Location</b>	EB Hamilton Drive Tifton, GA 31793 Tift County											
<b>Units</b>	44											
<b>Type</b>	Lowrise (age-restricted) (2 stories)											
<b>Year Built / Renovated</b>	2022 / n/a											
Market												
<b>Program</b>	@50%, @60%						<b>Leasing Pace</b>	n/a				
<b>Annual Turnover Rate</b>	n/a						<b>Change in Rent (Past Year)</b>	n/a				
<b>Units/Month Absorbed</b>	n/a						<b>Concession</b>	n/a				
<b>Section 8 Tenants</b>	n/a											
Utilities												
<b>A/C</b>	not included – central						<b>Other Electric</b>	not included				
<b>Cooking</b>	not included – electric						<b>Water</b>	not included				
<b>Water Heat</b>	not included – electric						<b>Sewer</b>	not included				
<b>Heat</b>	not included – electric						<b>Trash Collection</b>	included				
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Lowrise (2 stories)	3	780	\$425	\$0	@50%	n/a	n/a	n/a	no	
1	1	Lowrise (2 stories)	9	780	\$480	\$0	@60%	n/a	n/a	n/a	no	
2	1	Lowrise (2 stories)	8	1,038	\$535	\$0	@50%	n/a	n/a	n/a	no	
2	1	Lowrise (2 stories)	24	1,038	\$550	\$0	@60%	n/a	n/a	n/a	no	
Amenities												
<b>In-Unit</b>	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Refrigerator Washer/Dryer						<b>Security</b>	Limited Access				
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Exercise Facility Off-Street Parking On-Site Management Picnic Area Wi-Fi						<b>Premium</b>	none				
<b>Services</b>	Adult Education Computer Tutoring						<b>Other</b>	Activity Coordinator				
Comments												
The property will consist of two, two-story lowrise residential buildings, and one community building targeting seniors 55+. Construction is set to begin July 2021 and be completed July 2022. Utility allowances for the one and two-bedroom units are \$95 and \$121, respectively. The subject property will also offer a community garden and health and wellness room.												

- 9. Scope of Renovations:** The Subject will be new construction.
- 10. Placed in Service Date:** Construction on the Subject is expected to begin in July 2021 and be completed in July 2022.
- Conclusion:** The Subject will be an excellent-quality brick and fiber cement siding two-story apartment complex, superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

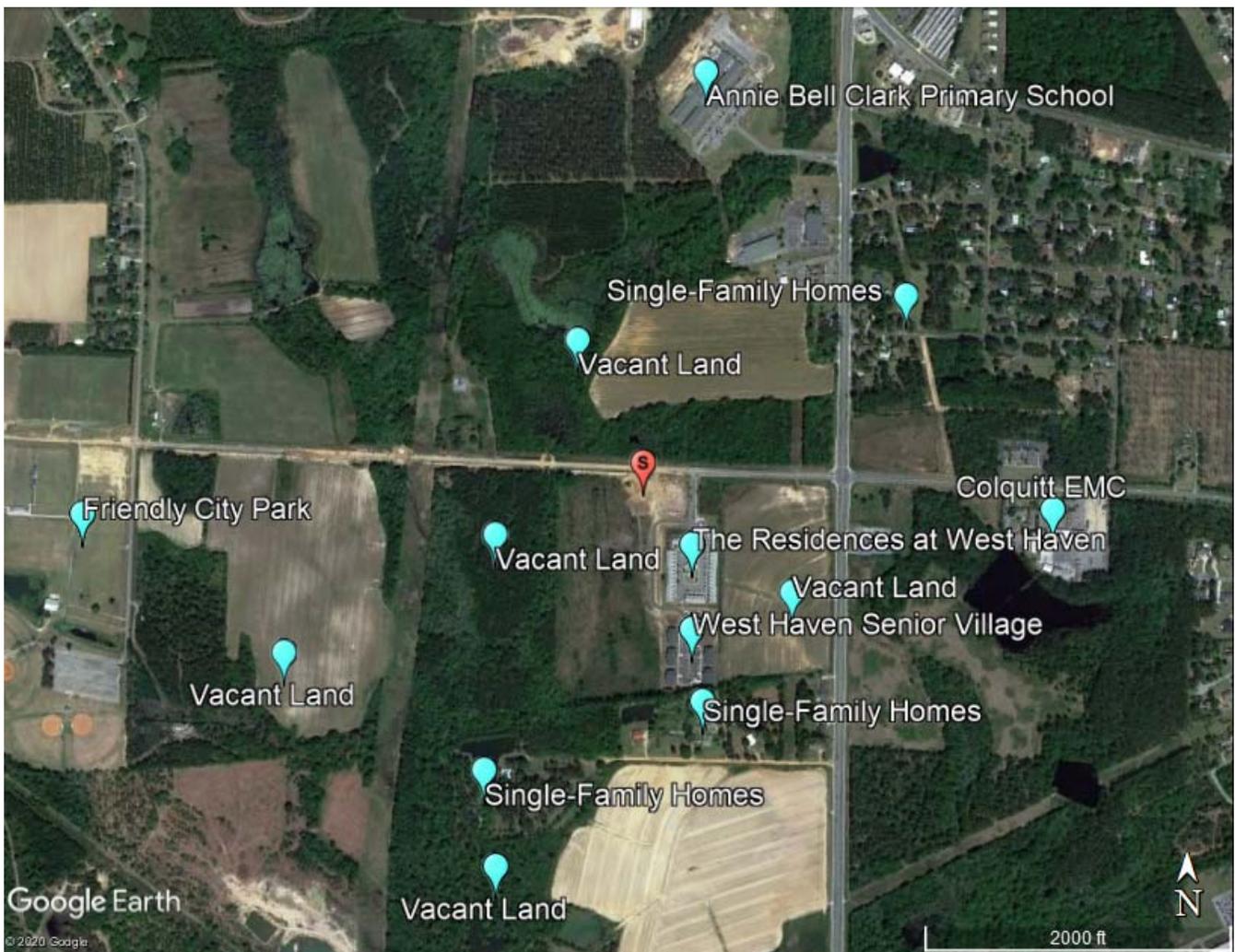
## **D.SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on May 4, 2020.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along EB Hamilton Drive.

**Visibility/Views:** The Subject will be located on the south side of EB Hamilton Drive. Visibility of the site will be good from EB Hamilton Drive. Views from the site will be good and initially will include vacant land, single-family homes in average condition, and two LIHTC developments, The Residences at West Haven and West Haven Senior Village I, which have been included as comparables in this report.

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



Source: Google Earth, April 2020.

The Subject site is located along the south side of EB Hamilton

Drive. The Subject site is currently vacant land. North of the Subject site is vacant land. To the east of the Subject site are two LIHTC developments, The Residences at West Haven and West Haven Senior Village I, which have been included as comparables in this report. South of the Subject site are single-family homes in average to good condition. West of the Subject site is vacant land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of one out of 100, which is inferior to similar to the comparable properties. Of note, two of the surveyed LIHTC comparables, The Residences At West Haven and West Haven Senior Village I, are located adjacent to the Subject and have the same Walkscores. These developments are fully-occupied and maintain waiting lists of 100 and 15 households, respectively, indicating the limited walkability does not negatively affect their performance. 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 1.3 miles of the Subject site.

**Positive/Negative Attributes of Site:**

The Subject’s proximity to retail and other locational amenities, including a park, Walmart Supercenter, and other commercial uses as well as its surrounding uses, which are in average to good condition, are considered positive attributes. Further, the Subject is located approximately 1.1 miles west of Interstate 75, which provide the Subject access to numerous employment centers in the area.

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

The Subject is located within 2.8 miles of all locational amenities, most of which are within 1.3 mile.

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

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



View west along EB Hamilton Drive



View east along EB Hamilton Drive



View of Subject Site



View of Subject Site



View of Subject Site



View of Subject Site



Primary school in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Park in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



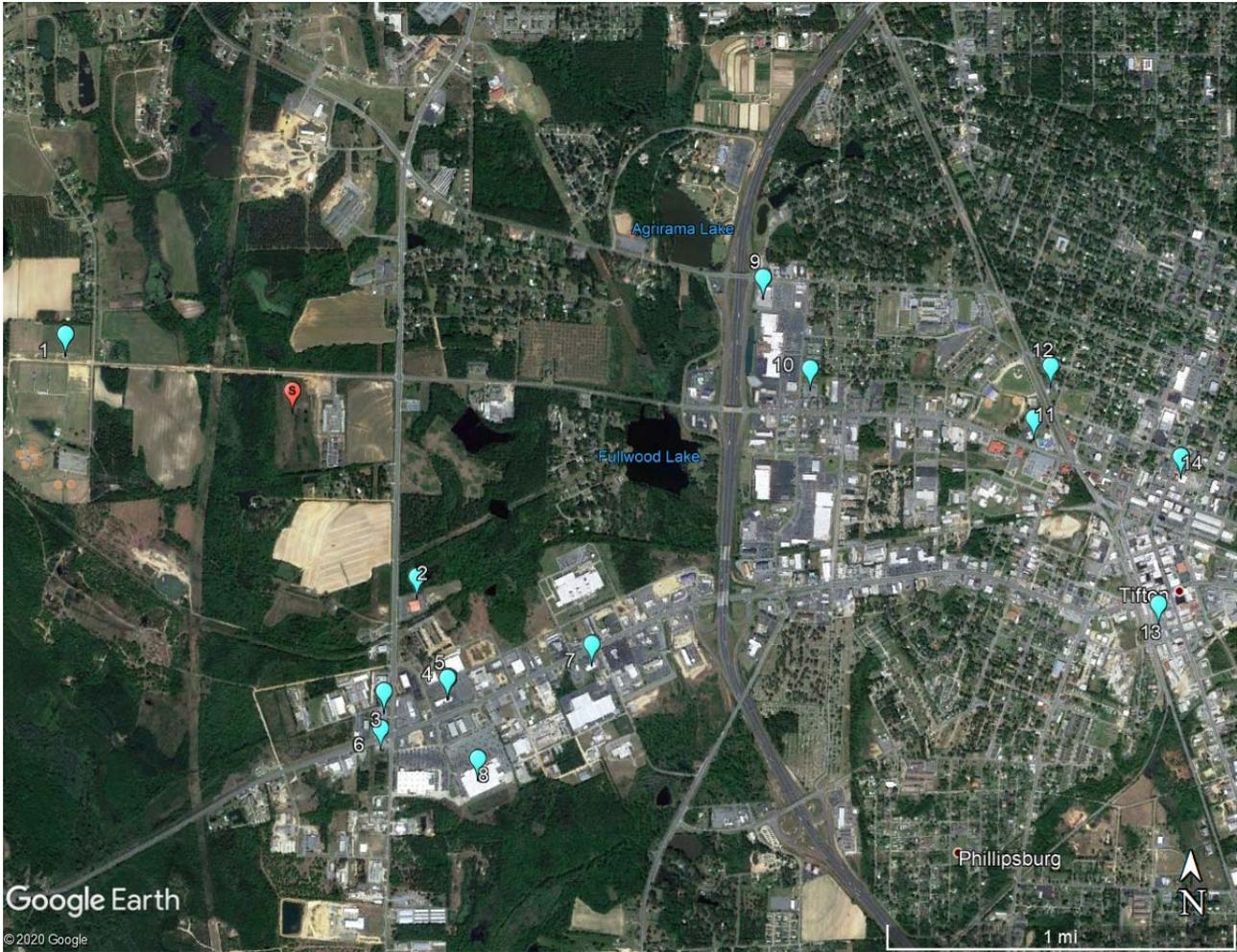
Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

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



Source: Google Earth, April 2020.

**LOCATIONAL AMENITIES**

Map #	Service or Amenity	Distance from Subject (Crow)
1	Friendly City Park	0.5 miles
2	Tift Area YMCA	0.8 miles
3	Dollar General	1.0 miles
4	Dogwood Pharmacy	1.1 miles
5	The UPS Store	1.1 miles
6	EZ Mart	1.1 miles
7	Quick Care Medical Clinic	1.3 miles
8	Walmart Supercenter	1.3 miles
9	Publix	1.6 miles
10	BB&T Bank	1.7 miles
11	Leroy Rogers Senior Center	2.3 miles
12	City of Tifton Fire Department	2.4 miles
13	City of Tifton Police Department	2.8 miles
14	Tifton-Tift County Public Library	2.8 miles

**6. Description of Land Uses**

The Subject site is located along the south side of EB Hamilton Drive. The Subject site is currently vacant land. North of the Subject site is vacant land. Farther north is vacant land, scattered commercial uses, and Annie Belle Clark Primary School. To the east of the Subject site are two LIHTC developments, The Residences at West Haven and West Haven Senior Village I, which have been included as comparables in this report. Farther east is vacant land, commercial uses located along King Road, and single-family homes in average to good condition. South of the Subject site are single-family homes in average to good condition. Farther south is vacant land and numerous commercial uses located along Highway 82. West of the Subject site is vacant land. Farther west is vacant land and Friendly City Park. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of one out of 100, which is inferior to similar to the comparable properties. Of note, two of the surveyed LIHTC comparables, The Residences At West Haven and West Haven Senior Village I, are located adjacent to the Subject and have the same Walkscores. These developments are fully-occupied and maintain waiting lists of 100 and 15 households, respectively, indicating the limited walkability does not negatively affect their performance. 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 1.3 miles 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	Tifton, GA Micropolitan Statistical Area
<b>Total Crime*</b>	<b>107</b>	<b>146</b>
<b>Personal Crime*</b>	<b>104</b>	<b>139</b>
Murder	82	110
Rape	99	118
Robbery	78	115
Assault	119	153
<b>Property Crime*</b>	<b>108</b>	<b>147</b>
Burglary	120	155
Larceny	110	153
Motor Vehicle Theft	57	72

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

\*Unweighted aggregations

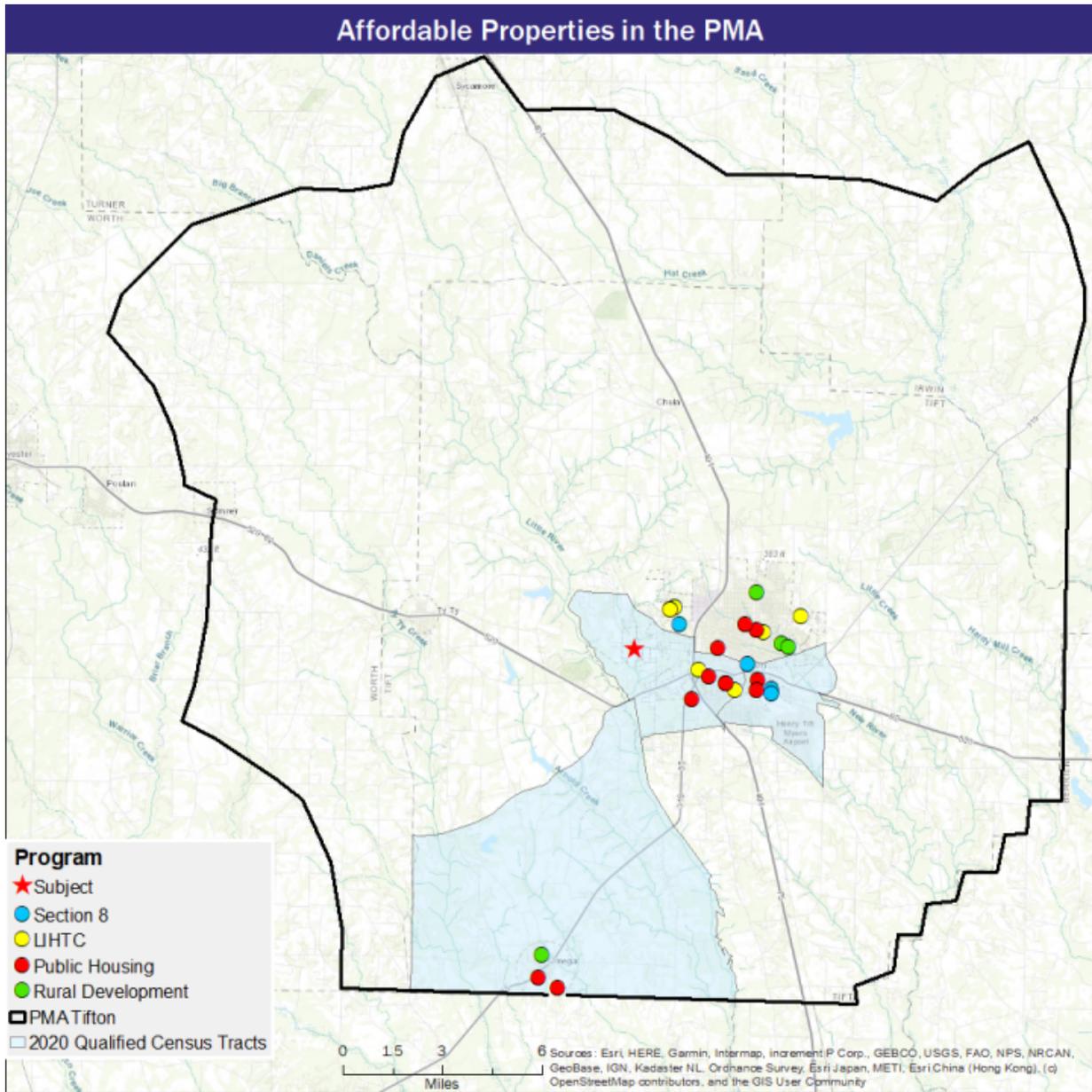
The total crime indices in the PMA are below that of the SMA and slightly above the nation. The Subject will offer limited access as a security feature. The majority of the comparable properties do not offer any form of security features. Thus, it appears the Subject’s

security features are market oriented and offer a competitive advantage over many of the surveyed comparable properties.

**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
<b>Magnolia Villas</b>	<b>LIHTC</b>	<b>Tifton</b>	<b>Senior</b>	<b>44</b>	-	<b>Star</b>
Magnolia Place	LIHTC	Tifton	Family	37	3.7 miles	Yellow
The Groves	LIHTC	Tifton	Family	96	1.4 miles	
The Groves Place	LIHTC	Tifton	Senior	56	1.4 miles	
The Residences At West Haven	LIHTC	Tifton	Family	48	0.3 miles	
Tiffany Square	LIHTC	Tifton	Family	46	3.3 miles	
Harbor Pointe	LIHTC/Market	Tifton	Senior	56	4.3 miles	
Tifton Estates	LIHTC/Market	Tifton	Family	34	2.7 miles	
West Haven Senior Village I	LIHTC/Market	Tifton	Senior	40	0.3 miles	
Westbury Place	LIHTC	Tifton	Family	84	1.7 miles	
Bellview Circle	Public Housing	Tifton	Family	41	3.0 miles	
Ed Powell Homes	Public Housing	Omega	Family	18	8.4 miles	
Elderly Village 1	Public Housing	Tifton	Senior	16	3.1 miles	
Elderly Village 2	Public Housing	Tifton	Senior	52	2.8 miles	
Golden Homes (Dixie)	Public Housing	Tifton	Family	40	1.9 miles	
Hill Homes	Public Housing	Tifton	Family	17	2.4 miles	
J.M. Deas Homes	Public Housing	Tifton	Family	N/A	2.5 miles	
Maple Street	Public Housing	Tifton	Family	51	3.1 miles	
Nichols/Peterson	Public Housing	Tifton	Family	54	1.8 miles	
Old Omega Road	Public Housing	Tifton	Family	47	2.0 miles	
William Johnson Homes	Public Housing	Omega	Family	6	9.0 miles	
Meadow Crossing	Rural Development	Omega	Family	37	8.2 miles	
Meadowood Apartments	Rural Development	Tifton	Family	80	3.4 miles	
Wildwood Apartments	Rural Development	Tifton	Family	88	3.8 miles	
Village Square	Rural Development	Tifton	Family	40	3.8 miles	
Brookfield Mews Apartments	Section 8	Tifton	Family	120	3.6 miles	
Options For Living East One	Section 8	Tifton	Family	5	1.3 miles	
Tift Tower	Section 8	Tifton	Senior	85	2.9 miles	
Azalea Trace Apartments	Section 8	Tifton	Family	17	3.7 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 will be accessible from EB Hamilton Drive, a two-lane, lightly trafficked road that provides access to Interstate 75 approximately 1.1 mile east of the Subject site and downtown Tifton approximately 2.5 miles east. Interstate 75 is a major thoroughfare and provides access to Macon, Georgia approximately 90 miles north of the Subject site and to Atlanta, Georgia approximately 165 miles north of the Subject site. Interstate 75 also provides access to Valdosta, Georgia approximately 50 miles south of the Subject site

and Gainesville, Florida approximately 145 miles south of the Subject site. Overall, access and visibility are considered good.

#### **11. Conclusion:**

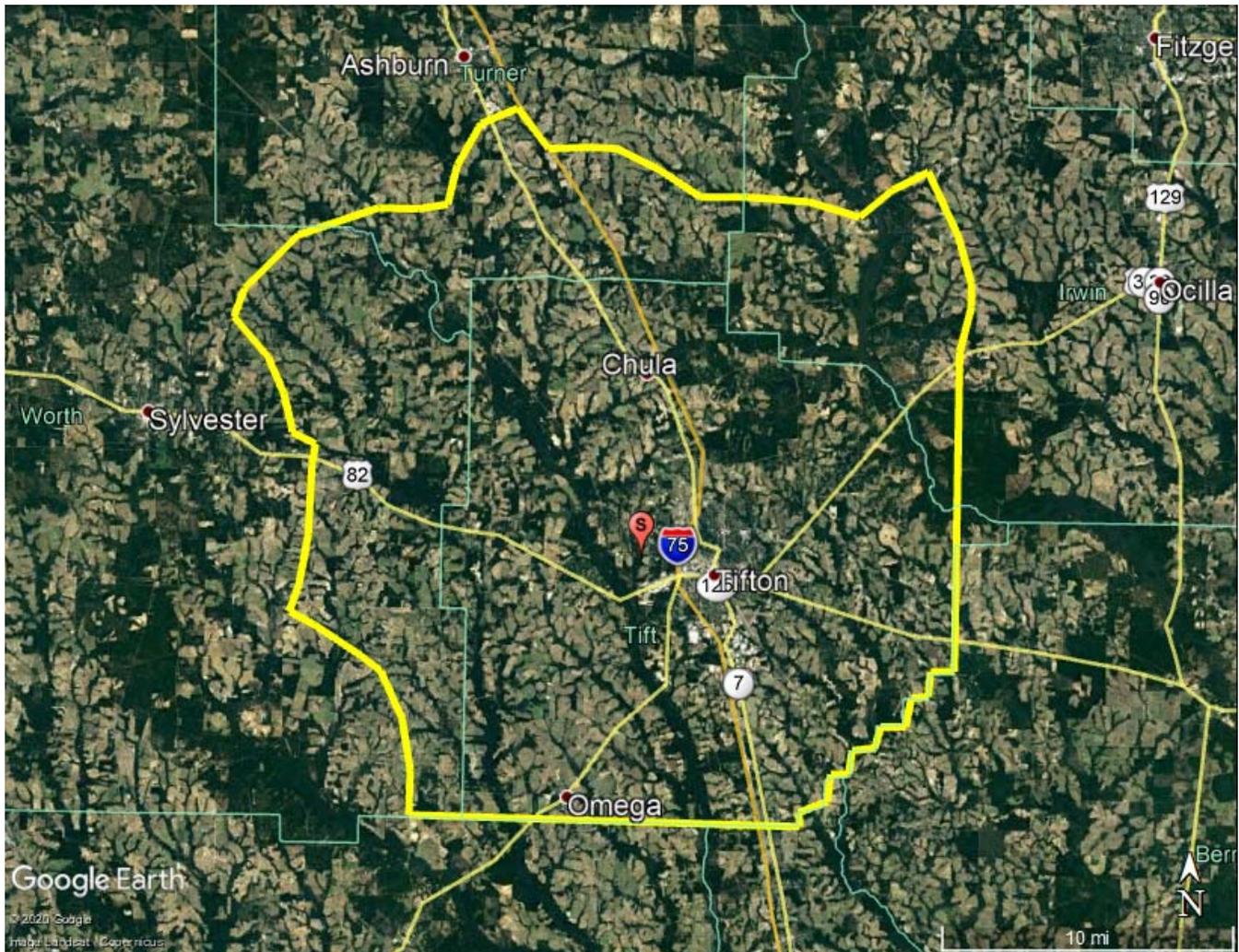
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## **E. MARKET AREA**

## 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, April 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 SMA are areas of growth or contraction.

The PMA is defined by Highway 32, Coverdale Highway, and Georgia Highway 112 to the north, the Tift County line to the east and south, and Georgia Highway 256 and Shingler Sumner Road to the west. This area includes Tift County as well as portions of Worth, Irwin, and Turner Counties. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 15.6 miles  
East: 11.0 miles  
South: 9.2 miles  
West: 16.0 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 Tifton as well as other areas of Tift County and surrounding counties. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16.0 miles. The SMA is defined as Tift, Worth, Turner, Irwin, Berrien, Cook and Colquitt Counties.

# **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 SMA 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 SMA. The Subject's anticipated completion is in July 2022, therefore we have utilized July 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, Population by Age Group, and Number of Elderly and Non-Elderly and 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.

POPULATION						
Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	47,693	-	166,469	-	281,250,431	-
2010	44,372	-0.7%	162,261	-0.3%	308,745,538	1.0%
2019	46,152	0.4%	166,655	0.3%	332,417,793	0.8%
Projected Mkt Entry						
July 2022	46,582	0.3%	167,269	0.1%	340,259,678	0.8%
2024	46,868	0.3%	167,679	0.1%	345,487,602	0.8%

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

SENIOR POPULATION, 55+						
Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	9,691	-	35,667	-	59,213,944	-
2010	10,696	1.0%	40,880	1.5%	76,750,713	3.0%
2019	12,927	2.3%	48,214	1.9%	97,974,761	3.0%
Projected Mkt Entry						
July 2022	13,416	1.3%	49,996	1.2%	102,832,282	1.7%
2024	13,742	1.3%	51,184	1.2%	106,070,630	1.7%

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

Between 2010 and 2019 there was approximately 2.3 percent annual senior growth in the PMA, which outpaced the SMA but lagged the national senior population growth. Over the next five years, the senior population growth in the PMA and SMA is projected to increase at a 1.3 and 1.2 percent annual rate, respectively, which lags the national projections. Overall, we believe that senior 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.

**POPULATION BY AGE GROUP**

Age Cohort	PMA				
	2000	2010	2019	Projected Mkt Entry July 2022	2024
0-4	3,679	3,229	3,093	3,068	3,052
5-9	3,653	3,169	3,075	3,070	3,067
10-14	3,763	3,153	3,042	3,093	3,127
15-19	4,057	3,694	3,437	3,500	3,542
20-24	3,547	3,368	3,201	3,156	3,126
25-29	3,285	2,739	3,262	3,001	2,827
30-34	3,259	2,869	3,082	3,053	3,034
35-39	3,408	2,786	2,846	2,924	2,976
40-44	3,465	2,743	2,743	2,815	2,863
45-49	3,134	2,946	2,744	2,749	2,752
50-54	2,753	2,980	2,701	2,737	2,761
55-59	2,312	2,658	2,883	2,761	2,680
60-64	1,808	2,320	2,758	2,798	2,824
65-69	1,560	1,802	2,402	2,512	2,585
70-74	1,453	1,402	1,920	2,047	2,132
75-79	1,139	1,039	1,328	1,526	1,658
80-84	752	764	830	934	1,004
85+	667	711	806	838	859
<b>Total</b>	<b>47,694</b>	<b>44,372</b>	<b>46,153</b>	<b>46,583</b>	<b>46,869</b>

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

**POPULATION BY AGE GROUP**

Age Cohort	SMA				
	2000	2010	2019	Projected Mkt Entry July 2022	2024
0-4	12,235	12,011	11,326	11,187	11,095
5-9	12,639	11,720	11,374	11,252	11,171
10-14	13,448	11,602	11,129	11,370	11,530
15-19	13,387	12,196	10,735	11,098	11,340
20-24	10,797	10,908	10,252	9,912	9,685
25-29	10,810	10,092	11,807	10,505	9,637
30-34	11,142	9,945	11,152	10,995	10,891
35-39	12,251	10,241	10,431	10,678	10,843
40-44	12,295	10,606	9,841	10,197	10,434
45-49	11,356	11,189	10,208	9,934	9,752
50-54	10,450	10,871	10,186	10,145	10,117
55-59	8,473	9,883	10,743	10,351	10,090
60-64	6,884	9,007	10,225	10,448	10,596
65-69	5,825	7,237	9,171	9,501	9,721
70-74	5,101	5,446	7,303	7,686	7,941
75-79	4,087	3,946	4,906	5,604	6,070
80-84	2,919	2,759	3,000	3,427	3,711
85+	2,378	2,602	2,866	2,979	3,055
<b>Total</b>	<b>166,477</b>	<b>162,261</b>	<b>166,655</b>	<b>167,269</b>	<b>167,679</b>

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

The largest age cohorts in the PMA are between 15 and 19 and 25 and 29, which indicates the presence of families. However, as illustrated earlier in this report, senior population growth in the PMA is projected to increase by 1.3 percent annually over the next five years. Further, most age cohorts 55 and older are expected to increase significantly through market entry and 2024.

## Number of Elderly and Non-Elderly

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

Year	PMA			SMA		
	Total	Non-Elderly	Elderly (55+)	Total	Non-Elderly	Elderly (55+)
2000	47,693	38,002	9,691	166,469	130,802	35,667
2010	44,372	33,676	10,696	162,261	121,381	40,880
2019	46,152	33,225	12,927	166,655	118,441	48,214
Projected Mkt Entry	46,582	33,166	13,416	167,269	117,273	49,996
July 2022						
2024	46,868	33,126	13,742	167,679	116,495	51,184

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

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

## 2. Household Trends

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

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	6,081	-	22,868	-	36,436,106	-
2010	6,753	1.1%	24,546	0.7%	45,892,723	2.6%
2019	7,544	1.3%	29,114	2.0%	56,080,840	2.4%
Projected Mkt Entry	7,809	1.2%	30,172	1.2%	59,372,949	2.0%
July 2022						
2024	7,985	1.2%	30,877	1.2%	61,567,688	2.0%

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

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.66	-	2.68	-	2.59	-
2010	2.57	-0.4%	2.62	-0.2%	2.58	-0.1%
2019	2.58	0.1%	2.64	0.1%	2.59	0.1%
Projected Mkt Entry	2.59	0.0%	2.64	0.0%	2.60	0.1%
July 2022						
2024	2.59	0.0%	2.64	0.0%	2.60	0.1%

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

Senior household growth in the PMA grew at a rate of 1.3 percent per year between 2010 and 2019, which lagged the SMA and nation during the same time period. Over the next five years, the senior household growth in the PMA and SMA is expected to increase at 1.2 percent, which will lag the national senior

household growth. The average household size in the PMA is similar to the national average at 2.58 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	11,824	68.3%	5,485	31.7%
2019	9,951	57.9%	7,221	42.1%
Projected Mkt Entry	10,143	58.5%	7,190	41.5%
July 2022				
2024	10,271	58.9%	7,169	41.1%

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

PMA TENURE PATTERNS OF SENIORS 55+				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	4,830	79.4%	1,251	20.6%
2019	5,450	72.2%	2,094	27.8%
Projected Mkt Entry	5,692	72.9%	2,116	27.1%
July 2022				
2024	5,854	73.3%	2,131	26.7%

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

As the table illustrates, senior households within the PMA reside mostly in 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 smaller percentage of senior renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years, although the number of senior renter households is projected to increase. This bodes well for the Subject’s proposed units.

### Household Income

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

## RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry July 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	530	25.3%	523	24.7%	518	24.3%
\$10,000-19,999	523	25.0%	519	24.5%	516	24.2%
\$20,000-29,999	115	5.5%	117	5.5%	119	5.6%
\$30,000-39,999	270	12.9%	270	12.8%	270	12.7%
\$40,000-49,999	123	5.9%	134	6.4%	142	6.7%
\$50,000-59,999	93	4.4%	89	4.2%	86	4.0%
\$60,000-74,999	105	5.0%	105	5.0%	105	4.9%
\$75,000-99,999	107	5.1%	103	4.9%	101	4.7%
\$100,000-124,999	58	2.8%	60	2.9%	62	2.9%
\$125,000-149,999	61	2.9%	69	3.3%	75	3.5%
\$150,000-199,999	38	1.8%	46	2.2%	52	2.4%
\$200,000+	71	3.4%	79	3.8%	85	4.0%
<b>Total</b>	<b>2,094</b>	<b>100.0%</b>	<b>2,116</b>	<b>100.0%</b>	<b>2,131</b>	<b>100.0%</b>

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

## RENTER HOUSEHOLD INCOME DISTRIBUTION - SMA, 55+

Income Cohort	2019		Projected Mkt Entry July 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,443	19.6%	1,439	19.3%	1,436	19.0%
\$10,000-19,999	2,313	31.4%	2,336	31.3%	2,351	31.2%
\$20,000-29,999	905	12.3%	919	12.3%	928	12.3%
\$30,000-39,999	760	10.3%	765	10.2%	769	10.2%
\$40,000-49,999	430	5.8%	446	6.0%	457	6.1%
\$50,000-59,999	301	4.1%	306	4.1%	309	4.1%
\$60,000-74,999	383	5.2%	384	5.1%	385	5.1%
\$75,000-99,999	284	3.9%	292	3.9%	298	4.0%
\$100,000-124,999	197	2.7%	197	2.6%	197	2.6%
\$125,000-149,999	138	1.9%	145	1.9%	149	2.0%
\$150,000-199,999	100	1.4%	113	1.5%	122	1.6%
\$200,000+	111	1.5%	130	1.7%	143	1.9%
<b>Total</b>	<b>7,365</b>	<b>100.0%</b>	<b>7,472</b>	<b>100.0%</b>	<b>7,544</b>	<b>100.0%</b>

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

The Subject will target tenants earning between \$15,600 and \$29,100. As the table above depicts, approximately 30.5 percent of senior renter households in the PMA are earning incomes between \$10,000 and \$29,999, which is less than the 43.7 percent of renter households in the SMA in 2019. For the projected market entry date of July 2022, these percentages are projected to slightly decrease to 30.0 percent and 43.6 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, 55+

Household Size	2019		Projected Mkt Entry July 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	1,267	60.5%	1,287	60.8%	1,301	61.1%
2 Persons	501	23.9%	502	23.7%	502	23.6%
3 Persons	98	4.7%	97	4.6%	97	4.6%
4 Persons	170	8.1%	170	8.0%	170	8.0%
5+ Persons	58	2.8%	60	2.8%	61	2.9%
<b>Total Households</b>	<b>2,094</b>	<b>100%</b>	<b>2,116</b>	<b>100%</b>	<b>2,131</b>	<b>100%</b>

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

The majority of senior renter households in the PMA are one to two person households.

### Conclusion

Between 2010 and 2019 there was approximately 2.3 percent annual senior population growth in the PMA, which outpaced the SMA but lagged the national senior population growth. Over the next five years, the senior population growth in the PMA and SMA is projected to increase at a 1.3 and 1.2 percent annual rate, respectively, which lags the national projections. The current senior population of the PMA is 12,927 and is expected to be 13,416 in 2022. The current number of senior households in the PMA is 7,544 and is expected to be 7,809 in 2022. Renter households are concentrated in the lowest income cohorts, with 30.5 percent of renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$15,600 and \$29,100. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **G. EMPLOYMENT TRENDS**

## Employment Trends

Employment in the PMA and Tift County is concentrated in industries relating to trade, transportation, and utilities, as well as leisure and hospitality. Employment levels in the PMA and Tift County decreased during the national recession, but have since rebounded and are approaching pre-recession highs.

### 1. Covered Employment

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

COVERED EMPLOYMENT		
Tift County, Georgia		
Year	Total Employment	% Change
2008	17,720	-
2009	16,808	-5.4%
2010	16,537	-1.6%
2011	16,652	0.7%
2012	17,226	3.3%
2013	17,106	-0.7%
2014	16,876	-1.4%
2015	17,178	1.8%
2016	17,558	2.2%
2017	18,246	3.8%
2018	18,561	1.7%
2019 YTD Average	18,867	3.3%
Dec-18	18,471	-
Dec-19	19,203	3.8%

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

YTD as of March 2019

As illustrated in the table above, Tift County experienced a weakening economy during the national recession. Employment growth rebounded and Tift County exhibited employment growth in all but two years since 2011. Tift County has experienced strong employment growth from 2015 through December of 2019. Total employment in Tift County increased 3.8 percent from December 2018 to December 2019, and is at a post-recessionary record. However, it is important to note that the above data is dated and does not reflect the impact from the COVID-19 pandemic, which is discussed and analyzed in further detail following in this section.

## 2. Total Jobs by Industry

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

<b>TOTAL JOBS BY INDUSTRY</b>		
<b>Tift County, Georgia - Q2 2018</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total, all industries</b>	<b>14,387</b>	<b>-</b>
Goods-producing	2,497	-
Natural resources and mining	608	4.2%
Construction	549	3.8%
Manufacturing	1,340	9.3%
Service-providing	11,890	-
Trade, transportation, and utilities	4,978	34.6%
Information	150	1.0%
Financial activities	634	4.4%
Professional and business services	1,537	10.7%
Education and health services	1,592	11.1%
Leisure and hospitality	2,635	18.3%
Other services	345	2.4%
Unclassified	19	0.1%

Source: Bureau of Labor Statistics, 2020

Trade, transportation, and utilities is the largest industry in Tift County, followed by leisure and hospitality. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. 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
Healthcare/Social Assistance	2,937	14.7%	22,612,482	14.1%
Retail Trade	2,688	13.4%	17,127,172	10.7%
Educational Services	1,932	9.7%	14,565,802	9.1%
Accommodation/Food Services	1,741	8.7%	11,738,765	7.3%
Construction	1,678	8.4%	11,245,975	7.0%
Manufacturing	1,620	8.1%	16,057,876	10.0%
Transportation/Warehousing	1,303	6.5%	7,876,848	4.9%
Public Administration	1,176	5.9%	7,828,907	4.9%
Agric/Forestry/Fishing/Hunting	852	4.3%	1,915,709	1.2%
Other Services	776	3.9%	8,141,078	5.1%
Admin/Support/Waste Mgmt Svcs	748	3.7%	6,106,184	3.8%
Prof/Scientific/Tech Services	692	3.5%	11,744,228	7.3%
Wholesale Trade	587	2.9%	4,183,931	2.6%
Finance/Insurance	486	2.4%	7,377,311	4.6%
Arts/Entertainment/Recreation	231	1.2%	3,332,132	2.1%
Information	205	1.0%	3,157,650	2.0%
Utilities	195	1.0%	1,276,400	0.8%
Real Estate/Rental/Leasing	128	0.6%	3,204,043	2.0%
Mgmt of Companies/Enterprises	17	0.1%	237,307	0.1%
Mining	7	0.0%	819,151	0.5%
<b>Total Employment</b>	<b>19,999</b>	<b>100.0%</b>	<b>160,548,951</b>	<b>100.0%</b>

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

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 37.8 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. 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 agriculture/forestry/fishing/hunting, retail trade, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and manufacturing industries. The overconcentration of retail trade and accommodation/food services employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the healthcare/social assistance sector should provide stability to the area workforce.

### 3. Major Employers

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

**MAJOR EMPLOYERS**  
**TIFT COUNTY, GA**

#	Employer Name	Industry	# Of Employees
1	Target Distribution Center	Retail Trade	500-999
2	Lewis Taylor Farms Inc.	Agric/Forestry/Fishing/Hunting	500-999
3	Walmart Supercenter	Retail Trade	500-999
4	Heatcraft Refrigeration Products	Manufacturing	500-999
5	Coastal Plain Experiment Station	Agric/Forestry/Fishing/Hunting	250-499
6	University of Georgia Tifton Campus	Educational Services	250-499
7	Abraham Baldwin Agricultural College	Educational Services	250-499
8	Tift County Board of Commissioners	Public Administration	250-499
9	Orgill Tifton Distribution Center	Manufacturing	100-249
10	Patrick Farms	Agric/Forestry/Fishing/Hunting	100-249

Source: Georgia Department of Labor, retrieved April 2020.

Major employers in the region include companies in the retail trade, agriculture/forestry/fishing/hunting, manufacturing, and educational services and public administration industries. While healthcare and education are historically stable industries, manufacturing and retail trade are historically unstable, especially during times of recession and during the current pandemic. However, many of the retail trade jobs are with Target and Walmart, which have performed well during the current pandemic.

#### Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 1, 2017 in Tift County according to the Georgia Department of Labor.

**WARN LISTINGS**  
**TIFT COUNTY, GA - 2017-2020 YTD**

Company	Industry	Employees Affected	Layoff Date
Merchants Foodservice	Accommodation/Food Services	72	6/30/2018
Sodexo	Manufacturing	71	5/31/2018
<b>Total</b>		<b>143</b>	

Source: Georgia Department of Labor, retrieved April 2020.

As illustrated in the above table, there have been 143 employees in the area impacted by layoffs or closures since 2017. Despite these job losses, employment growth in the area has continued.

We attempted to speak with the Tift County Development Authority; however, as of the date of this report our calls and emails have not been returned. In 2018, we contacted the Tifton-Tift County Chamber of Commerce and spoke with Mr. Chris Beckam about business expansion and contraction in the Tifton area. We also conducted internet research regarding investment and business expansion in the region.

- According to an April 2020 article by Georgia Trend Magazine, Coca-Cola Bottling Co. United – the second-largest privately held Coca-Cola bottler in North America – announced plans in fall 2019 to build a new sales and distribution center in Tifton, creating 200 jobs and investing \$60 million. The 456,000 square foot facility opened on January 31, 2020.
- American Textile, a bedding manufacturing company, opened a warehousing and distribution facility in Tifton in March 2018 adding an estimated 400 jobs.

- In 2018, Piedmont National Corporation, the Southeast’s largest independent full-line distributor of high-quality packaging products, machinery solutions, and facility supplies, broke ground on a 62,000 square-foot distribution facility at the industrial park in Tifton creating an estimated 30 jobs.
- Chrysler-Lincoln-Dodge-Jeep-Ram opened a new dealership in early 2018 on the west side of Tifton. The dealership created approximately 22 new jobs in the area.

As illustrated, there have been recent additions in the manufacturing and retail industries since 2018. The Tifton area has seen an addition of approximately 650 jobs, which helps to counteract the 143 layoffs in the county since 2017.

#### 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)**

	SMA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2003	68,953	-	-5.7%	137,736,000	-	-11.6%
2004	68,989	0.1%	-5.7%	139,252,000	1.1%	-10.6%
2005	70,724	2.5%	-3.3%	141,730,000	1.8%	-9.0%
2006	73,137	3.4%	0.0%	144,427,000	1.9%	-7.3%
2007	71,135	-2.7%	-2.7%	146,047,000	1.1%	-6.2%
2008	69,787	-1.9%	-4.6%	145,363,000	-0.5%	-6.7%
2009	65,198	-6.6%	-10.9%	139,878,000	-3.8%	-10.2%
2010	64,376	-1.3%	-12.0%	139,064,000	-0.6%	-10.7%
2011	64,308	-0.1%	-12.1%	139,869,000	0.6%	-10.2%
2012	65,087	1.2%	-11.0%	142,469,000	1.9%	-8.5%
2013	63,566	-2.3%	-13.1%	143,929,000	1.0%	-7.6%
2014	62,706	-1.4%	-14.3%	146,305,000	1.7%	-6.1%
2015	63,176	0.8%	-13.6%	148,833,000	1.7%	-4.4%
2016	65,918	4.3%	-9.9%	151,436,000	1.7%	-2.8%
2017	68,542	4.0%	-6.3%	153,337,000	1.3%	-1.6%
2018	68,350	-0.3%	-6.5%	155,761,000	1.6%	0.0%
2019 YTD Average*	69,426	1.6%	-	157,538,083	1.1%	-
Dec-2018	68,794	-	-	156,481,000	-	-
Dec-2019	69,512	1.0%	-	158,504,000	1.3%	-

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

## UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	SMA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2003	4.9%	-	0.8%	6.0%	-	2.1%
2004	4.7%	-0.2%	0.6%	5.5%	-0.5%	1.6%
2005	5.3%	0.6%	1.2%	5.1%	-0.5%	1.2%
2006	4.8%	-0.5%	0.7%	4.6%	-0.5%	0.7%
2007	5.1%	0.3%	1.1%	4.6%	0.0%	0.7%
2008	7.0%	1.9%	2.9%	5.8%	1.2%	1.9%
2009	11.1%	4.1%	7.1%	9.3%	3.5%	5.4%
2010	11.8%	0.6%	7.7%	9.6%	0.3%	5.7%
2011	11.4%	-0.4%	7.3%	9.0%	-0.7%	5.1%
2012	9.8%	-1.6%	5.7%	8.1%	-0.9%	4.2%
2013	9.0%	-0.9%	4.9%	7.4%	-0.7%	3.5%
2014	7.9%	-1.0%	3.8%	6.2%	-1.2%	2.3%
2015	6.6%	-1.4%	2.5%	5.3%	-0.9%	1.4%
2016	5.6%	-0.9%	1.6%	4.9%	-0.4%	1.0%
2017	4.8%	-0.9%	0.7%	4.4%	-0.5%	0.4%
2018	4.1%	-0.7%	0.0%	3.9%	-0.4%	0.0%
2019 YTD Average*	3.5%	-0.6%	-	3.7%	-0.2%	-
Dec-2018	3.9%	-	-	3.7%	-	-
Dec-2019	3.2%	-0.7%	-	3.4%	-0.3%	-

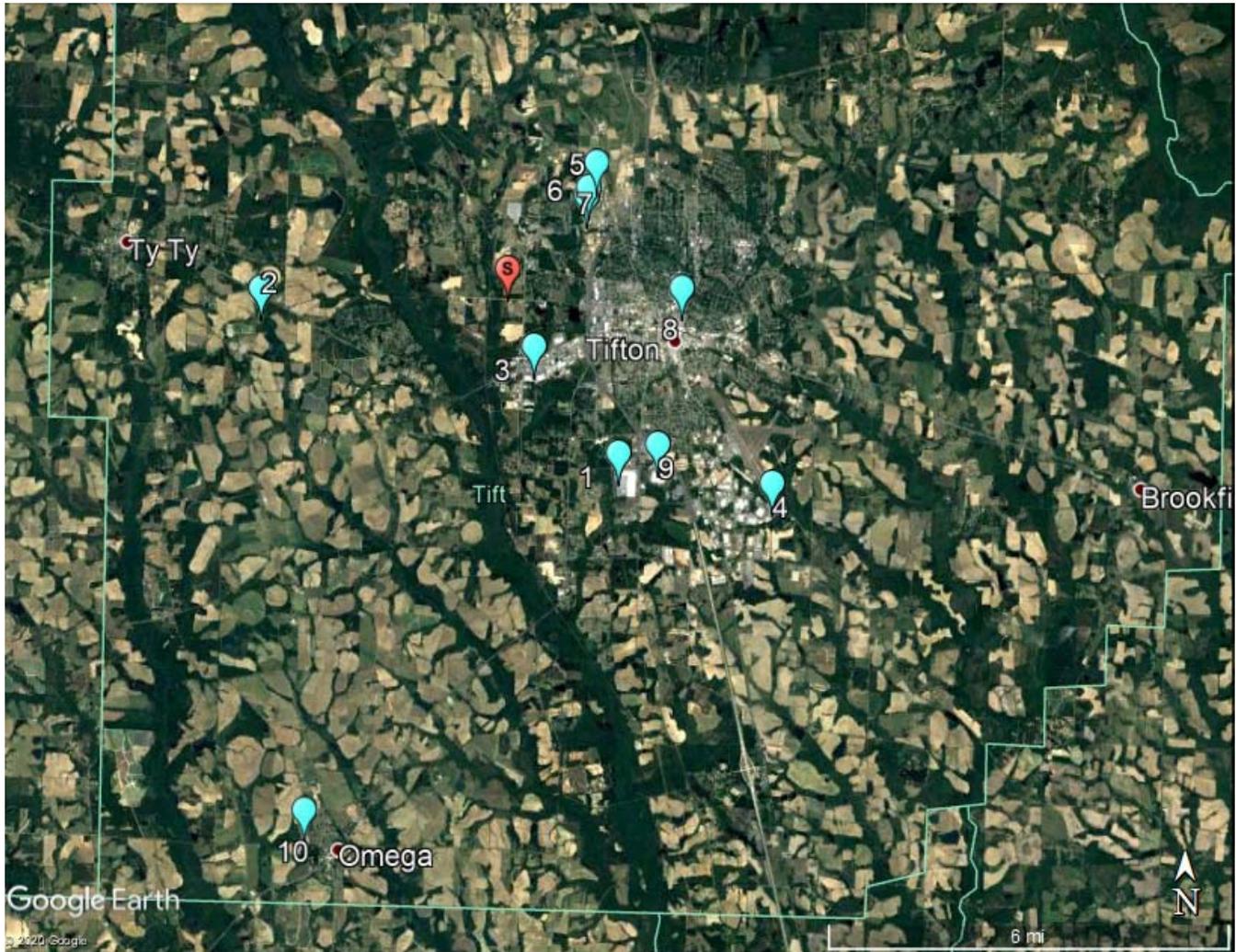
Source: U.S. Bureau of Labor Statistics, May 2020

Prior to the national recession, average employment growth in the SMA generally trailed the nation. Annual job growth in the SMA lagged the nation in all but two years between 2003 and 2007. The effects of the recession were particularly pronounced in the SMA, which experienced a 12.6 percent contraction in employment growth (2007-2011), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Since 2012, average employment growth in the SMA trailed the nation in all but two years. As of December 2019, total employment in the SMA is at a post-recessionary record, and increasing at an annualized rate of 1.0 percent, compared to 1.3 percent across the overall nation. However, due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time. Given that total employment in the SMA is at a post-recessionary record and local employment growth has been strong through the end of 2019, the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic.

The SMA experienced a higher average unemployment rate relative to the overall nation during the years preceding the recession. The effects of the recession were more pronounced in the SMA, which experienced a 6.9 percentage point increase in unemployment, compared to only a 5.0 percentage point increase across the overall nation. Since 2012, the SMA generally experienced a higher unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the SMA is 3.2 percent, slightly lower than the current national unemployment rate of 3.4 percent. Based on the employment and unemployment trends in the SMA, it appears that the SMA was slower to recover from the most recent national recession than the nation as a whole. However, recent trends in employment growth and unemployment decline indicate that the economy in the SMA is now recovering and beginning to expand. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature any increase in unemployment will be for the SMA.

### 5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, April 2020.

#### MAJOR EMPLOYERS TIFT COUNTY, GA

#	Employer Name	Industry	# Of Employees
1	Target Distribution Center	Retail Trade	500-999
2	Lewis Taylor Farms Inc.	Agric/Forestry/Fishing/Hunting	500-999
3	Walmart Supercenter	Retail Trade	500-999
4	Heatcraft Refrigeration Products	Manufacturing	500-999
5	Coastal Plain Experiment Station	Agric/Forestry/Fishing/Hunting	250-499
6	University of Georgia Tifton Campus	Educational Services	250-499
7	Abraham Baldwin Agricultural College	Educational Services	250-499
8	Tift County Board of Commissioners	Public Administration	250-499
9	Orgill Tifton Distribution Center	Manufacturing	100-249
10	Patrick Farms	Agric/Forestry/Fishing/Hunting	100-249

Source: Georgia Department of Labor, retrieved April 2020.

## 6. Conclusion

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 37.8 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. 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 agriculture/forestry/fishing/hunting, retail trade, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and manufacturing industries. The overconcentration of retail trade and accommodation/food services employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the healthcare/social assistance sector should provide stability to the area workforce.

Since 2012, average employment growth in the SMA trailed the nation in all but two years. As of December 2019, total employment in the SMA is at a post-recessionary record, and increasing at an annualized rate of 1.0 percent, compared to 1.3 percent across the overall nation. Since 2012, the SMA generally experienced a higher unemployment rate compared to the overall nation. However, due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time. Given that total employment in the SMA is at a post-recessionary record and local employment growth has been strong through the end of 2019, the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. According to the most recent labor statistics, the unemployment rate in the SMA is 3.2 percent, slightly lower than the current national unemployment rate of 3.4 percent. Overall, these recent trends in employment growth and unemployment decline indicate that the economy in the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature any increase in unemployment will be for the SMA.

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

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

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

### 1. Income Restrictions

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

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

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

### 2. Affordability

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

**55+ INCOME LIMITS**

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@50%		@60%	
1BR	\$15,600	\$24,250	\$17,250	\$29,100
2BR	\$19,680	\$24,250	\$20,130	\$29,100

### 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.

### **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. According to Georgia Department of Community Affairs LIHTC allocation lists, there have been no developments allocated within the Subject’s PMA since 2017.

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

**ADDITIONS TO SUPPLY**

Unit Type	50% AMI	60% AMI	Overall
1BR	0	0	0
2BR	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Rehab Developments and PBRA**

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

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

**Capture Rates**

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA**

Income Cohort	2019		Projected Mkt Entry July 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,779	24.6%	1,728	24.0%	1,694	23.6%
\$10,000-19,999	1,403	19.4%	1,360	18.9%	1,332	18.6%
\$20,000-29,999	692	9.6%	691	9.6%	691	9.6%
\$30,000-39,999	1,100	15.2%	1,058	14.7%	1,030	14.4%
\$40,000-49,999	622	8.6%	670	9.3%	702	9.8%
\$50,000-59,999	311	4.3%	313	4.4%	315	4.4%
\$60,000-74,999	340	4.7%	340	4.7%	340	4.7%
\$75,000-99,999	440	6.1%	442	6.1%	443	6.2%
\$100,000-124,999	139	1.9%	149	2.1%	155	2.2%
\$125,000-149,999	102	1.4%	112	1.6%	118	1.6%
\$150,000-199,999	109	1.5%	118	1.6%	124	1.7%
\$200,000+	184	2.5%	209	2.9%	225	3.1%
<b>Total</b>	<b>7,221</b>	<b>100.0%</b>	<b>7,190</b>	<b>100.0%</b>	<b>7,169</b>	<b>100.0%</b>

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry July 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	530	25.3%	523	24.7%	518	24.3%
\$10,000-19,999	523	25.0%	519	24.5%	516	24.2%
\$20,000-29,999	115	5.5%	117	5.5%	119	5.6%
\$30,000-39,999	270	12.9%	270	12.8%	270	12.7%
\$40,000-49,999	123	5.9%	134	6.4%	142	6.7%
\$50,000-59,999	93	4.4%	89	4.2%	86	4.0%
\$60,000-74,999	105	5.0%	105	5.0%	105	4.9%
\$75,000-99,999	107	5.1%	103	4.9%	101	4.7%
\$100,000-124,999	58	2.8%	60	2.9%	62	2.9%
\$125,000-149,999	61	2.9%	69	3.3%	75	3.5%
\$150,000-199,999	38	1.8%	46	2.2%	52	2.4%
\$200,000+	71	3.4%	79	3.8%	85	4.0%
<b>Total</b>	<b>2,094</b>	<b>100.0%</b>	<b>2,116</b>	<b>100.0%</b>	<b>2,131</b>	<b>100.0%</b>

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

**50% AMI**

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

Minimum Income Limit	\$15,600		Maximum Income Limit	\$24,250	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket
	in Households PMA 2019 to Prj Mrkt Entry July 2022				
\$0-9,999	-7	-32.4%	\$0	0.0%	0
\$10,000-19,999	-4	-18.9%	\$4,399	44.0%	-2
\$20,000-29,999	2	10.8%	\$4,250	42.5%	1
\$30,000-39,999	0	0.0%	\$0	0.0%	0
\$40,000-49,999	11	51.4%	\$0	0.0%	0
\$50,000-59,999	-4	-18.9%	\$0	0.0%	0
\$60,000-74,999	0	0.0%	\$0	0.0%	0
\$75,000-99,999	-4	-16.2%	\$0	0.0%	0
\$100,000-124,999	2	10.8%	\$0	0.0%	0
\$125,000-149,999	8	37.8%	\$0	0.0%	0
\$150,000-199,999	8	37.8%	\$0	0.0%	0
\$200,000+	8	37.8%	\$0	0.0%	0
<b>Total</b>	<b>22</b>	<b>100.0%</b>		<b>-3.7%</b>	<b>-1</b>

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

Minimum Income Limit	\$15,600		Maximum Income Limit	\$24,250	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	530			
\$10,000-19,999	523	25.0%	\$4,399	44.0%	230
\$20,000-29,999	115	5.5%	\$4,250	42.5%	49
\$30,000-39,999	270	12.9%	\$0	0.0%	0
\$40,000-49,999	123	5.9%	\$0	0.0%	0
\$50,000-59,999	93	4.4%	\$0	0.0%	0
\$60,000-74,999	105	5.0%	\$0	0.0%	0
\$75,000-99,999	107	5.1%	\$0	0.0%	0
\$100,000-124,999	58	2.8%	\$0	0.0%	0
\$125,000-149,999	61	2.9%	\$0	0.0%	0
\$150,000-199,999	38	1.8%	\$0	0.0%	0
\$200,000+	71	3.4%	\$0	0.0%	0
<b>Total</b>	<b>2,094</b>	<b>100.0%</b>		<b>13.3%</b>	<b>279</b>

**ASSUMPTIONS - @50%**

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

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

Income Target Population	@50%
New Renter Households PMA	22
Percent Income Qualified	-3.7%
<b>New Renter Income Qualified Households</b>	<b>-1</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@50%
Total Existing Demand	2,094
Income Qualified	13.3%
Income Qualified Renter Households	279
Percent Rent Overburdened Prj Mrkt Entry July 2022	56.1%
<b>Rent Overburdened Households</b>	<b>157</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	279
Percent Living in Substandard Housing	2.7%
<b>Households Living in Substandard Housing</b>	<b>8</b>

**Senior Households Converting from Homeownership**

Income Target Population	@50%
Total Senior Homeowners	5,692
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>3</b>

**Total Demand**

Total Demand from Existing Households	167
Total New Demand	-1
<b>Total Demand (New Plus Existing Households)</b>	<b>166</b>

Demand from Seniors Who Convert from Homeownership	3
Percent of Total Demand From Homeownership Conversion	1.7%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.8%	101
Two Persons	23.7%	39
Three Persons	4.6%	8
Four Persons	8.0%	13
Five Persons	2.8%	5
<b>Total</b>	<b>100.0%</b>	<b>166</b>

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

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	51
Of two-person households in 1BR units	20%	8
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	51
Of two-person households in 2BR units	80%	31
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	4
Of four-person households in 3BR units	50%	7
Of five-person households in 3BR units	50%	2
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	50%	4
Of four-person households in 4BR units	50%	7
Of five-person households in 4BR units	50%	2
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>166</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	58	-	0	=	58
2 BR	82	-	0	=	82
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>140</b>		<b>0</b>		<b>140</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	3	/	58	=	5.1%
2 BR	8	/	82	=	9.8%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>11</b>		<b>140</b>		<b>7.8%</b>

**60% AMI**

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

Minimum Income Limit		\$17,250		Maximum Income Limit		\$29,100	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2019 to Prj Mrkt	Entry July 2022					
\$0-9,999	-7	-32.4%	\$0	0.0%	0		
\$10,000-19,999	-4	-18.9%	\$2,749	27.5%	-1		
\$20,000-29,999	2	10.8%	\$9,100	91.0%	2		
\$30,000-39,999	0	0.0%	\$0	0.0%	0		
\$40,000-49,999	11	51.4%	\$0	0.0%	0		
\$50,000-59,999	-4	-18.9%	\$0	0.0%	0		
\$60,000-74,999	0	0.0%	\$0	0.0%	0		
\$75,000-99,999	-4	-16.2%	\$0	0.0%	0		
\$100,000-124,999	2	10.8%	\$0	0.0%	0		
\$125,000-149,999	8	37.8%	\$0	0.0%	0		
\$150,000-199,999	8	37.8%	\$0	0.0%	0		
\$200,000+	8	37.8%	\$0	0.0%	0		
<b>Total</b>	<b>22</b>	<b>100.0%</b>		<b>4.6%</b>	<b>1</b>		

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

Minimum Income Limit		\$17,250		Maximum Income Limit		\$29,100	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	530	25.3%	\$0	0.0%	0		
\$10,000-19,999	523	25.0%	\$2,749	27.5%	144		
\$20,000-29,999	115	5.5%	\$9,100	91.0%	105		
\$30,000-39,999	270	12.9%	\$0	0.0%	0		
\$40,000-49,999	123	5.9%	\$0	0.0%	0		
\$50,000-59,999	93	4.4%	\$0	0.0%	0		
\$60,000-74,999	105	5.0%	\$0	0.0%	0		
\$75,000-99,999	107	5.1%	\$0	0.0%	0		
\$100,000-124,999	58	2.8%	\$0	0.0%	0		
\$125,000-149,999	61	2.9%	\$0	0.0%	0		
\$150,000-199,999	38	1.8%	\$0	0.0%	0		
\$200,000+	71	3.4%	\$0	0.0%	0		
<b>Total</b>	<b>2,094</b>	<b>100.0%</b>		<b>11.9%</b>	<b>248</b>		

**ASSUMPTIONS - @60%**

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

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

Income Target Population	@60%
New Renter Households PMA	22
Percent Income Qualified	4.6%
<b>New Renter Income Qualified Households</b>	<b>1</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@60%
Total Existing Demand	2,094
Income Qualified	11.9%
Income Qualified Renter Households	248
Percent Rent Overburdened Prj Mrkt Entry July 2022	56.1%
<b>Rent Overburdened Households</b>	<b>139</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	248
Percent Living in Substandard Housing	2.7%
<b>Households Living in Substandard Housing</b>	<b>7</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60%
Total Senior Homeowners	5,692
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>3</b>

**Total Demand**

Total Demand from Existing Households	149
Total New Demand	1
<b>Total Demand (New Plus Existing Households)</b>	<b>150</b>

Demand from Seniors Who Convert from Homeownership	3
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.8%	91
Two Persons	23.7%	36
Three Persons	4.6%	7
Four Persons	8.0%	12
Five Persons	2.8%	4
<b>Total</b>	<b>100.0%</b>	<b>150</b>

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

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	46
Of two-person households in 1BR units	20%	7
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	46
Of two-person households in 2BR units	80%	28
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	3
Of four-person households in 3BR units	50%	6
Of five-person households in 3BR units	50%	2
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	50%	3
Of four-person households in 4BR units	50%	6
Of five-person households in 4BR units	50%	2
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>150</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	53	-	0	=	53
2 BR	74	-	0	=	74
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>127</b>		<b>0</b>		<b>127</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	9	/	53	=	17.1%
2 BR	24	/	74	=	32.4%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>33</b>		<b>127</b>		<b>26.0%</b>

**Overall**

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

Minimum Income Limit		\$15,600		Maximum Income Limit		\$29,100	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2019 to Prj Mrkt	Entry July 2022					
\$0-9,999	-7	-32.4%	\$0	0.0%	0		
\$10,000-19,999	-4	-18.9%	\$4,399	44.0%	-2		
\$20,000-29,999	2	10.8%	\$9,100	91.0%	2		
\$30,000-39,999	0	0.0%	\$0	0.0%	0		
\$40,000-49,999	11	51.4%	\$0	0.0%	0		
\$50,000-59,999	-4	-18.9%	\$0	0.0%	0		
\$60,000-74,999	0	0.0%	\$0	0.0%	0		
\$75,000-99,999	-4	-16.2%	\$0	0.0%	0		
\$100,000-124,999	2	10.8%	\$0	0.0%	0		
\$125,000-149,999	8	37.8%	\$0	0.0%	0		
\$150,000-199,999	8	37.8%	\$0	0.0%	0		
\$200,000+	8	37.8%	\$0	0.0%	0		
<b>Total</b>	<b>22</b>	<b>100.0%</b>		<b>1.5%</b>	<b>0</b>		

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

Minimum Income Limit		\$15,600		Maximum Income Limit		\$29,100	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	530	25.3%	\$0	0.0%	0		
\$10,000-19,999	523	25.0%	\$4,399	44.0%	230		
\$20,000-29,999	115	5.5%	\$9,100	91.0%	105		
\$30,000-39,999	270	12.9%	\$0	0.0%	0		
\$40,000-49,999	123	5.9%	\$0	0.0%	0		
\$50,000-59,999	93	4.4%	\$0	0.0%	0		
\$60,000-74,999	105	5.0%	\$0	0.0%	0		
\$75,000-99,999	107	5.1%	\$0	0.0%	0		
\$100,000-124,999	58	2.8%	\$0	0.0%	0		
\$125,000-149,999	61	2.9%	\$0	0.0%	0		
\$150,000-199,999	38	1.8%	\$0	0.0%	0		
\$200,000+	71	3.4%	\$0	0.0%	0		
<b>Total</b>	<b>2,094</b>	<b>100.0%</b>		<b>16.0%</b>	<b>335</b>		

**ASSUMPTIONS - Overall**

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

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

Income Target Population	Overall
New Renter Households PMA	22
Percent Income Qualified	1.5%
<b>New Renter Income Qualified Households</b>	<b>0</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	Overall
Total Existing Demand	2,094
Income Qualified	16.0%
Income Qualified Renter Households	335
Percent Rent Overburdened Prj Mrkt Entry July 2022	56.1%
<b>Rent Overburdened Households</b>	<b>188</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	335
Percent Living in Substandard Housing	2.7%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall
Total Senior Homeowners	5,692
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>3</b>

**Total Demand**

Total Demand from Existing Households	200
Total New Demand	0
<b>Total Demand (New Plus Existing Households)</b>	<b>200</b>

Demand from Seniors Who Convert from Homeownership	3
Percent of Total Demand From Homeownership Conversion	1.4%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.8%	122
Two Persons	23.7%	47
Three Persons	4.6%	9
Four Persons	8.0%	16
Five Persons	2.8%	6
<b>Total</b>	<b>100.0%</b>	<b>200</b>

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

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	50%	61
Of two-person households in 1BR units	20%	9
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	61
Of two-person households in 2BR units	80%	38
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	5
Of four-person households in 3BR units	50%	8
Of five-person households in 3BR units	50%	3
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	50%	5
Of four-person households in 4BR units	50%	8
Of five-person households in 4BR units	50%	3
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>200</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	70	-	0	=	70
2 BR	99	-	0	=	99
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>169</b>		<b>0</b>		<b>169</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	12	/	70	=	17.1%
2 BR	32	/	99	=	32.4%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>44</b>		<b>169</b>		<b>26.0%</b>

## CAPTURE RATE ANALYSIS CHART

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

- The number of senior households in the PMA is expected to increase 1.2 percent between 2019 and 2022.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

**DEMAND AND NET DEMAND**

DCA Conclusion Tables (Senior)	HH at @50% AMI (\$15,600 to \$24,250)	HH at @60% AMI (\$17,250 to \$29,100)	All Tax Credit Households
Demand from New Households (age and income appropriate)	-1	1	0
<b>PLUS</b>	<b>+</b>	<b>+</b>	<b>+</b>
Demand from Existing Renter Households - Substandard Housing	8	7	9
<b>PLUS</b>	<b>+</b>	<b>+</b>	<b>+</b>
Demand from Existing Renter Housholds - Rent Overburdened Households	157	139	188
Sub Total	163	147	197
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where	3	3	3
<b>Equals Total Demand</b>	<b>166</b>	<b>150</b>	<b>200</b>
<b>Less</b>	<b>-</b>	<b>-</b>	<b>-</b>
Competitive New Supply	0	0	0
<b>Equals Net Demand</b>	<b>166</b>	<b>150</b>	<b>200</b>

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @50%	\$15,600	\$24,250	3	58	0	58	5.1%	\$474	\$348	\$765	\$425
1BR @60%	\$17,250	\$29,100	9	53	0	53	17.1%	\$547	\$400	\$765	\$480
1BR Overall	\$15,600	\$29,100	12	70	0	70	17.1%	-	-	-	-
2BR @50%	\$19,680	\$24,250	8	82	0	82	9.8%	\$599	\$363	\$915	\$535
2BR @60%	\$20,130	\$29,100	24	74	0	74	32.4%	\$657	\$490	\$915	\$550
2BR Overall	\$19,680	\$29,100	32	99	0	99	32.4%	-	-	-	-
@50% Overall	\$15,600	\$24,250	11	140	0	140	7.8%	-	-	-	-
@60% Overall	\$17,250	\$29,100	33	127	0	127	26.0%	-	-	-	-
Overall	\$15,600	\$29,100	44	169	0	169	26.0%	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI capture rates range from 5.1 to 9.8 percent, with an overall capture rate of 7.8 percent. The Subject’s 60 percent AMI capture rates range from 17.1 to 32.4 percent, with an overall capture rate of 26.0 percent. The overall capture rate for the project’s 50 and 60 percent units is 26.0 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA thresholds.

# **I. EXISTING COMPETITIVE RENTAL ENVIRONMENT**

## Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent structure. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 412 units.

The availability of LIHTC data is considered good. We included two LIHTC and two mixed-income comparables in our analysis. Three of the four LIHTC and mixed-income properties target seniors, and all are located within the PMA, between 0.3 and 4.3 miles of the Subject. The comparables were built between 2003 and 2017.

The availability of market rate data is considered good. The Subject is located in Tifton and there are several market rate properties in the area. We include five conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 1.1 and 4.4 miles from the Subject site. These comparables were built or renovated between 1969 and 2014. It should be noted that we are aware of Casey’s Court Luxury Apartments, an under construction development located approximately 0.8 mile southeast of the Subject site. However, we were unable to reach a contact with the property to conduct an interview. Further, we visited the leasing office upon our inspection to conduct an in-person interview; however, our attempt was unsuccessful. According to online research, two-bedroom unit sizes range 990 square feet and three-bedroom unit sizes are 1,260 square feet. It should be noted that one-bedroom unit sizes were unavailable. One-bedroom asking rents are currently \$775, two-bedroom asking rents reportedly are \$901, and three-bedroom rents are \$1,076. 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. Of note, despite the challenges in interviewing property managers in-person due to the office restrictions related to COVID-19, we were able to personally interview all of the comparables utilized in this report over the phone. The property managers interviewed noted no significant leasing issues due to the COVID-19 pandemic.

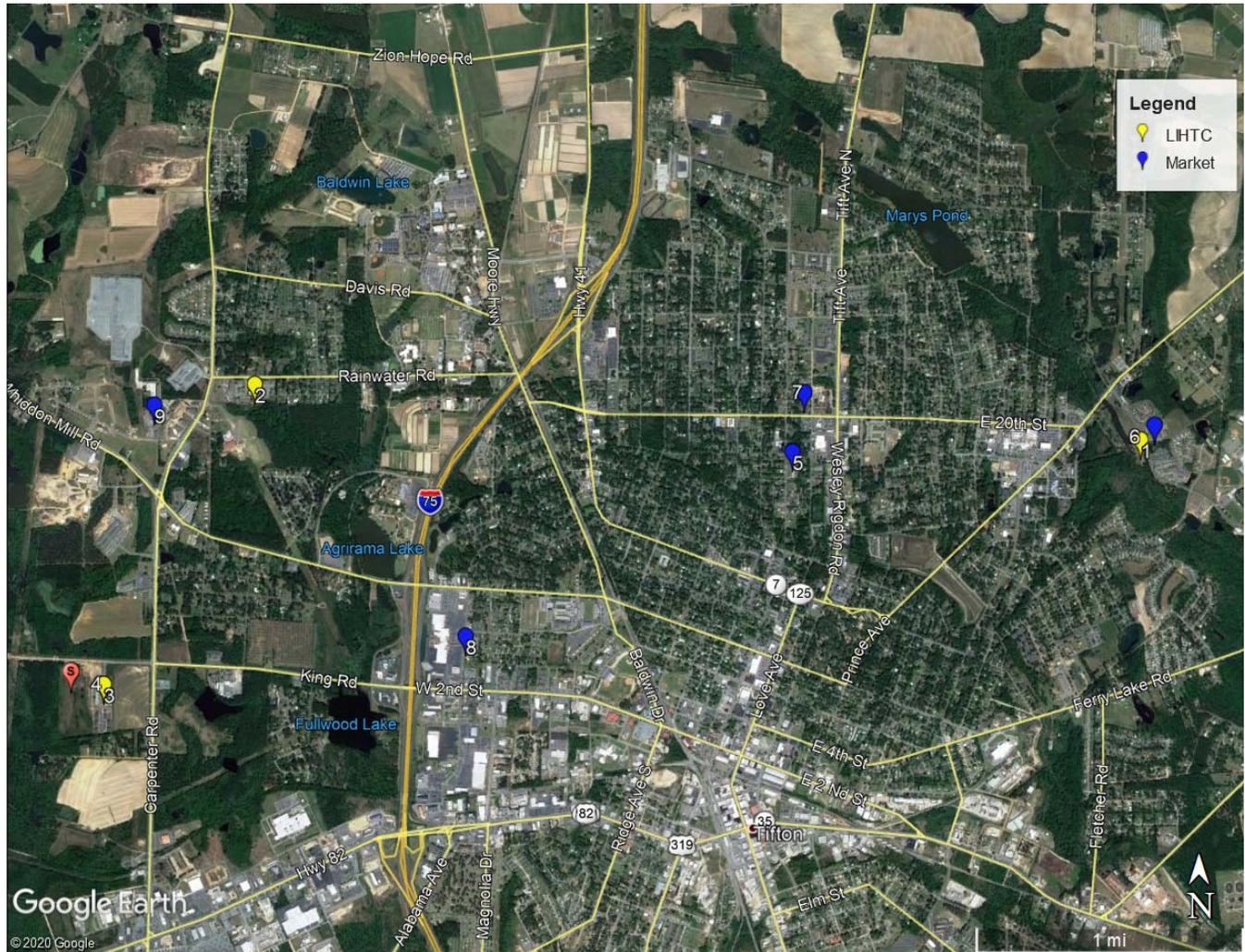
A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the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

### Excluded Properties

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

EXCLUDED PROPERTIES					
Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Magnolia Villas	LIHTC	Tifton	Senior	44	-
Magnolia Place	LIHTC	Tifton	Family	37	Inferior condition
The Groves	LIHTC	Tifton	Family	96	More comparable properties
Tiffany Square	LIHTC	Tifton	Family	46	More comparable properties
Tifton Estates	LIHTC/Market	Tifton	Family	34	Dissimilar unit mix
Westbury Place	LIHTC	Tifton	Family	84	Inferior condition
Bellview Circle	Public Housing	Tifton	Family	41	Subsidized
Ed Powell Homes	Public Housing	Omega	Family	18	Subsidized
Elderly Village 1	Public Housing	Tifton	Senior	16	Subsidized
Elderly Village 2	Public Housing	Tifton	Senior	52	Subsidized
Golden Homes (Dixie)	Public Housing	Tifton	Family	40	Subsidized
Hill Homes	Public Housing	Tifton	Family	17	Subsidized
J.M. Deas Homes	Public Housing	Tifton	Family	N/A	Subsidized
Maple Street	Public Housing	Tifton	Family	51	Subsidized
Nichols/Peterson	Public Housing	Tifton	Family	54	Subsidized
Old Omega Road	Public Housing	Tifton	Family	47	Subsidized
William Johnson Homes	Public Housing	Omega	Family	6	Subsidized
Meadow Crossing	Rural Development	Omega	Family	37	Subsidized
Meadowwood Apartments	Rural Development	Tifton	Family	80	Subsidized
Wildwood Apartments	Rural Development	Tifton	Family	88	Subsidized
Village Square	Rural Development	Tifton	Family	40	Subsidized
Brookfield Mews Apartments	Section 8	Tifton	Family	120	Subsidized
Options For Living East One	Section 8	Tifton	Family	5	Subsidized
Tift Tower	Section 8	Tifton	Senior	85	Subsidized
Azalea Trace Apartments	Section 8	Tifton	Family	17	Subsidized
The Gardens of Tifton	Market	Tifton	Family	32	Inferior condition
Fullwood Point Apartments	Market	Tifton	Family	32	More comparable properties
AM Sun	Market	Tifton	Family	130	More comparable properties
Casey's Court	Market	Tifton	Family	80	Unable to contact
Pecan Central Apartments	Market	Tifton	Family	29	Inferior condition
Crescent Ridge Apartments	Market	Tifton	Family	40	More comparable properties
Sunnyside Apartments	Market	Tifton	Family	58	More comparable properties
Park Place Apartments	Market	Tifton	Family	60	More comparable properties
Mid-Town Estates	Market	Tifton	Family	36	Inferior condition

1. Comparable Rental Property Map



Source: Google Earth, April 2020.

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	Magnolia Villas	Tifton	LIHTC	Senior	-
1	Harbor Pointe	Tifton	LIHTC/Market	Senior	4.3 miles
2	The Groves Place	Tifton	LIHTC	Senior	1.4 miles
3	The Residences At West Haven	Tifton	LIHTC	Family	0.3 miles
4	West Haven Senior Village I	Tifton	LIHTC/Market	Senior	0.3 miles
5	Creekside Villas	Tifton	Market	Family	3.0 miles
6	Cypress Suites	Tifton	Market	Family	4.4 miles
7	Huntington Apartments	Tifton	Market	Family	3.1 miles
8	Regency Apartments	Tifton	Market	Family	1.7 miles
9	The Oaks At Carpenter	Tifton	Market	Family	1.1 miles

\*Located outside PMA

MAGNOLIA VILLAS – TIFTON, GEORGIA – MARKET STUDY

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

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Magnolia Villas EB Hamilton Drive Tifton, GA 31793 Tift County	-	Lowrise 2-stories 2022 / n/a Senior	@50%, @60%	1BR / 1BA	3	6.8%	780	@50%	\$425	No	N/A	N/A	N/A
					1BR / 1BA	9	20.5%	780	@60%	\$480	No	N/A	N/A	N/A
					2BR / 1BA	8	18.2%	1,038	@50%	\$535	No	N/A	N/A	N/A
					2BR / 1BA	24	54.6%	1,038	@60%	\$550	No	N/A	N/A	N/A
					44							N/A	N/A	
1	Harbor Pointe 88 Richards Drive Tifton, GA 31794 Tift County	4.3 miles	Lowrise 2-stories 2003 / n/a Senior	@50%, Market	1BR / 1BA	22	39.3%	765	@50%	\$370	No	Yes	0	0.0%
					1BR / 1BA	6	10.7%	765	Market	\$540	N/A	Yes	0	0.0%
					2BR / 1BA	22	39.3%	1,002	@50%	\$460	No	Yes	0	0.0%
					2BR / 1BA	6	10.7%	1,002	Market	\$595	N/A	Yes	0	0.0%
					56							0	0.0%	
2	The Groves Place 2826 Rainwater Road Tifton, GA 31793 Tift County	1.4 miles	Various 2-stories 2016 / n/a Senior	@50%, @60%	1BR / 1BA	7	12.5%	852	@50%	\$367	No	Yes	0	0.0%
					1BR / 1BA	2	3.6%	853	@50%	\$367	No	Yes	0	0.0%
					1BR / 1BA	5	8.9%	852	@60%	\$400	No	Yes	0	0.0%
					2BR / 2BA	9	16.1%	1,098	@50%	\$429	No	Yes	0	0.0%
					2BR / 2BA	32	57.1%	1,098	@60%	\$503	No	Yes	0	0.0%
					2BR / 2BA	1	1.8%	1,098	Non-Rental	\$0	N/A	N/A	0	0.0%
					56							0	0.0%	
3	The Residences At West Haven 2760 E.B. Hamilton Dr Tifton, GA 31793 Tift County	0.3 miles	Garden 2-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	1	2.1%	811	@50%	\$348	No	Yes	0	0.0%
					1BR / 1BA	3	6.3%	811	@60%	\$441	No	Yes	0	0.0%
					2BR / 2BA	5	10.4%	1,051	@50%	\$363	No	Yes	0	0.0%
					2BR / 2BA	19	39.6%	1,051	@60%	\$490	No	Yes	0	0.0%
					3BR / 2BA	4	8.3%	1,261	@50%	\$457	No	Yes	0	0.0%
					3BR / 2BA	16	33.3%	1,261	@60%	\$578	No	Yes	0	0.0%
					48							0	0.0%	
4	West Haven Senior Village I 2760 E.B. Hamilton Dr, Tifton, GA 31793 Tift County	0.3 miles	One-story 1-stories 2011 / n/a Senior	@30%, @50%, @60%, Market	2BR / 2BA	3	7.5%	975	@30%	\$206	No	Yes	0	0.0%
					2BR / 2BA	8	20.0%	975	@50%	\$455	No	Yes	0	0.0%
					2BR / 2BA	25	62.5%	975	@60%	\$540	No	Yes	0	0.0%
					2BR / 2BA	4	10.0%	975	Market	\$600	N/A	Yes	0	0.0%
						40								
5	Creekside Villas 1685 Central Ave Tifton, GA 31794 Tift County	3.0 miles	Various 2-stories 2014 / n/a Family	Market	1BR / 1BA	6	18.8%	645	Market	\$621	N/A	No	0	0.0%
					2BR / 1BA	2	6.3%	971	Market	\$731	N/A	No	0	0.0%
					2BR / 1.5BA	8	25.0%	1,154	Market	\$756	N/A	No	0	0.0%
					2BR / 2.5BA	8	25.0%	1,228	Market	\$796	N/A	No	0	0.0%
					3BR / 2BA	8	25.0%	1,393	Market	\$881	N/A	No	0	0.0%
	32											0	0.0%	
6	Cypress Suites 68 Richards Dr Tifton, GA 31794 Tift County	4.4 miles	Garden 2-stories 2008 / n/a Family	Market	1BR / 1BA	8	20.0%	768	Market	\$765	N/A	Yes	0	0.0%
					2BR / 2BA	16	40.0%	1,029	Market	\$915	N/A	Yes	0	0.0%
					3BR / 2BA	16	40.0%	1,297	Market	\$1,022	N/A	Yes	1	6.3%
						40								
7	Huntington Apartments 111 20th Street East Tifton, GA 31794 Tift County	3.1 miles	Various 2-stories 1983 / n/a Family	Market	1BR / 1BA	24	42.9%	700	Market	\$516	N/A	No	1	4.2%
					2BR / 1.5BA	32	57.1%	1,000	Market	\$576	N/A	No	1	3.1%
						56								
8	Regency Apartments 411 Virginia Ave Tifton, GA 31794 Tift County	1.7 miles	Garden 2-stories 1969 / n/a Family	Market	2BR / 1BA	32	66.7%	900	Market	\$576	N/A	No	2	6.3%
					3BR / 2BA	8	16.7%	1,200	Market	\$686	N/A	No	0	0.0%
					3BR / 2BA	8	16.7%	1,200	Market	\$656	N/A	No	1	12.5%
	48											3	6.3%	
9	The Oaks At Carpenter 101 Oak Forest Ln Tifton, GA 31793 Tift County	1.1 miles	Garden 2-stories 2008 / n/a Family	Market	2BR / 2BA	20	55.6%	1,050	Market	\$805	N/A	No	1	5.0%
					3BR / 2BA	16	44.4%	1,350	Market	\$930	N/A	No	0	0.0%
					36								1	2.8%

MAGNOLIA VILLAS – TIFTON, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.				
	Units Surveyed:	412	Weighted Occupancy:	98.3%
	Market Rate	212	Market Rate	96.7%
	Tax Credit	200	Tax Credit	100.0%
One Bedroom One Bath		Average	Two Bedroom Two Bath	
Property			Property	Average
RENT	Cypress Suites (Market)	\$765	Cypress Suites (Market)	\$915
	Creekside Villas (Market)	\$621	The Oaks At Carpenter (Market)	\$805
	Harbor Pointe (Market)	\$540	Creekside Villas (Market)(2.5BA)	\$796
	Huntington Apartments (Market)	\$516	Creekside Villas (Market)(1.5BA)	\$756
	<b>Magnolia Villas (@60%)</b>	<b>\$480</b>	Creekside Villas (Market)(1BA)	\$731
	The Residences At West Haven (@60%)	\$441	West Haven Senior Village I (Market)	\$600
	<b>Magnolia Villas (@50%)</b>	<b>\$425</b>	Harbor Pointe (Market)(1BA)	\$595
	The Groves Place (@60%)	\$400	Huntington Apartments (Market)(1.5BA)	\$576
	Harbor Pointe (@50%)	\$370	Regency Apartments (Market)(1BA)	\$576
	The Groves Place (@50%)	\$367	<b>Magnolia Villas (@60%)</b>	<b>\$550</b>
	The Groves Place (@50%)	\$367	West Haven Senior Village I (@60%)	\$540
	The Residences At West Haven (@50%)	\$348	The Groves Place (@60%)	\$503
			<b>Magnolia Villas (@50%)</b>	<b>\$535</b>
			The Residences At West Haven (@60%)	\$490
			Harbor Pointe (@50%)(1BA)	\$460
		West Haven Senior Village I (@50%)	\$455	
		The Groves Place (@50%)	\$429	
		The Residences At West Haven (@50%)	\$363	
		West Haven Senior Village I (@30%)	\$206	
SQUARE FOOTAGE	The Groves Place (@50%)	853	Creekside Villas (Market)(2.5BA)	1,228
	The Groves Place (@50%)	852	Creekside Villas (Market)(1.5BA)	1,154
	The Groves Place (@60%)	852	The Groves Place (Non-Rental)	1,098
	The Residences At West Haven (@60%)	811	The Groves Place (@60%)	1,098
	The Residences At West Haven (@50%)	811	The Groves Place (@50%)	1,098
	<b>Magnolia Villas (@60%)</b>	<b>780</b>	The Residences At West Haven (@60%)	1,051
	<b>Magnolia Villas (@50%)</b>	<b>780</b>	The Residences At West Haven (@50%)	1,051
	Cypress Suites (Market)	768	The Oaks At Carpenter (Market)	1,050
	Harbor Pointe (@50%)	765	<b>Magnolia Villas (@60%)</b>	<b>1,038</b>
	Harbor Pointe (Market)	765	<b>Magnolia Villas (@50%)</b>	<b>1,038</b>
	Huntington Apartments (Market)	700	Cypress Suites (Market)	1,029
	Creekside Villas (Market)	645	Harbor Pointe (@50%)(1BA)	1,002
			Harbor Pointe (Market)(1BA)	1,002
			Huntington Apartments (Market)(1.5BA)	1,000
			West Haven Senior Village I (@60%)	975
		West Haven Senior Village I (Market)	975	
		West Haven Senior Village I (@50%)	975	
		West Haven Senior Village I (@30%)	975	
		Creekside Villas (Market)(1BA)	971	
		Regency Apartments (Market)(1BA)	900	
RENT PER SQUARE FOOT	Cypress Suites (Market)	\$1.00	Cypress Suites (Market)	\$0.89
	Creekside Villas (Market)	\$0.96	The Oaks At Carpenter (Market)	\$0.77
	Huntington Apartments (Market)	\$0.74	Creekside Villas (Market)(1BA)	\$0.75
	Harbor Pointe (Market)	\$0.71	Creekside Villas (Market)(1.5BA)	\$0.66
	<b>Magnolia Villas (@60%)</b>	<b>\$0.62</b>	Creekside Villas (Market)(2.5BA)	\$0.65
	<b>Magnolia Villas (@50%)</b>	<b>\$0.54</b>	Regency Apartments (Market)(1BA)	\$0.64
	The Residences At West Haven (@60%)	\$0.54	West Haven Senior Village I (Market)	\$0.62
	Harbor Pointe (@50%)	\$0.48	Harbor Pointe (Market)(1BA)	\$0.59
	The Groves Place (@60%)	\$0.47	Huntington Apartments (Market)(1.5BA)	\$0.58
	The Groves Place (@50%)	\$0.43	West Haven Senior Village I (@60%)	\$0.55
	The Groves Place (@50%)	\$0.43	<b>Magnolia Villas (@60%)</b>	<b>\$0.53</b>
	The Residences At West Haven (@50%)	\$0.43	<b>Magnolia Villas (@50%)</b>	<b>\$0.52</b>
			West Haven Senior Village I (@50%)	\$0.47
			The Residences At West Haven (@60%)	\$0.47
			Harbor Pointe (@50%)(1BA)	\$0.46
		The Groves Place (@60%)	\$0.46	
		The Groves Place (@50%)	\$0.39	
		The Residences At West Haven (@50%)	\$0.35	
		West Haven Senior Village I (@30%)	\$0.21	
		The Groves Place (Non-Rental)	\$0.00	

# PROPERTY PROFILE REPORT

## Harbor Pointe

Effective Rent Date	4/17/2020
Location	88 Richards Drive Tifton, GA 31794 Tift County
Distance	4.3 miles
Units	56
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	3/01/2003
Last Unit Leased	3/01/2004
Major Competitors	The Groves, West Haven Senior
Tenant Characteristics	55+, Avg age is mid 70s. Majority from Tifton area.
Contact Name	Elizabeth @ Boyd Management
Phone	229.388.0736



### Market Information

Program	@50%, Market
Annual Turnover Rate	21%
Units/Month Absorbed	5
HCV Tenants	7%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	Increased four percent
Concession	None
Waiting List	Six 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	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	22	765	\$370	\$0	@50%	Yes	0	0.0%	no	None
1	1	Lowrise (2 stories)	6	765	\$540	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise (2 stories)	22	1,002	\$460	\$0	@50%	Yes	0	0.0%	no	None
2	1	Lowrise (2 stories)	6	1,002	\$595	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$370	\$0	\$370	\$0	\$370	1BR / 1BA	\$540	\$0	\$540	\$0	\$540
2BR / 1BA	\$460	\$0	\$460	\$0	\$460	2BR / 1BA	\$595	\$0	\$595	\$0	\$595

## Harbor Pointe, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpeting	Central A/C	Limited Access	
Dishwasher	Garbage Disposal		
Hand Rails	Oven		
Pull Cords	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Library
Elevators	Central Laundry		
Off-Street Parking	On-Site Management		

### Comments

The contact reported a high demand for affordable senior rental housing in the area.

Photos



# PROPERTY PROFILE REPORT

## The Groves Place

Effective Rent Date	4/17/2020
Location	2826 Rainwater Road Tifton, GA 31793 Tift County
Distance	1.4 miles
Units	56
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (age-restricted) (2 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	West Haven Senior, Harbor Pointe
Tenant Characteristics	Seniors 55+
Contact Name	Becky
Phone	229-396-5599



### Market Information

Program	@50%, @60%, Non-Rental
Annual Turnover Rate	4%
Units/Month Absorbed	8
HCV Tenants	2%
Leasing Pace	2-3 weeks
Annual Chg. in Rent	Increased four percent
Concession	None
Waiting List	160 households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	7	852	\$367	\$0	@50%	Yes	0	0.0%	no	None
1	1	Lowrise (3 stories)	5	852	\$400	\$0	@60%	Yes	0	0.0%	no	None
1	1	One-story	2	853	\$367	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	9	1,098	\$429	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	32	1,098	\$503	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	1	1,098	\$0	\$0	Non-Rental	N/A	0	0.0%	N/A	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	\$367	\$0	\$367	\$0	\$367	1BR / 1BA	\$400	\$0	\$400	\$0	\$400
2BR / 2BA	\$429	\$0	\$429	\$0	\$429	2BR / 2BA	\$503	\$0	\$503	\$0	\$503
Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 2BA	N/A	\$0	N/A	\$0	N/A						

## The Groves Place, 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
Elevators	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area			

### Comments

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

Photos



# PROPERTY PROFILE REPORT

## The Residences At West Haven

Effective Rent Date	4/14/2020
Location	2760 E.B. Hamilton Dr, Tifton, GA 31793 Tift County
Distance	0.3 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2017 / N/A
Marketing Began	5/01/2017
Leasing Began	8/01/2017
Last Unit Leased	9/20/2017
Major Competitors	The Grove
Tenant Characteristics	Mixed-tenancy, five percent seniors
Contact Name	April
Phone	229-386-5590



### Market Information

Program	@50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	12
HCV Tenants	4%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased five percent
Concession	None
Waiting List	Yes, 100 households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	811	\$348	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	3	811	\$441	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	5	1,051	\$363	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	19	1,051	\$490	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,261	\$457	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	16	1,261	\$578	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$348	\$0	\$348	\$0	\$348	1BR / 1BA	\$441	\$0	\$441	\$0	\$441
2BR / 2BA	\$363	\$0	\$363	\$0	\$363	2BR / 2BA	\$490	\$0	\$490	\$0	\$490
3BR / 2BA	\$457	\$0	\$457	\$0	\$457	3BR / 2BA	\$578	\$0	\$578	\$0	\$578

## The Residences At West Haven, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Microwave	Oven		
Refrigerator	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		
Recreation Areas			

### Comments

The contact stated that maximum allowable rents could possibly be achievable in the market. Demand was reported to be strong for affordable housing in the area.

Photos



# PROPERTY PROFILE REPORT

## West Haven Senior Village I

Effective Rent Date	4/24/2020
Location	2760 E.B. Hamilton Dr, Tifton, GA 31793 Tift County
Distance	0.3 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	One-story (age-restricted)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	6/01/2011
Last Unit Leased	10/30/2011
Major Competitors	Harbor Pointe
Tenant Characteristics	Seniors 55+, mostly from Tift County. and surrounding counties.
Contact Name	Brian
Phone	229-382-2181



### Market Information

Program	@30%, @50%, @60%, Market
Annual Turnover Rate	13%
Units/Month Absorbed	8
HCV Tenants	8%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased two to three percent
Concession	None
Waiting List	15 households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	One-story	3	975	\$206	\$0	@30%	Yes	0	0.0%	no	None
2	2	One-story	8	975	\$455	\$0	@50%	Yes	0	0.0%	no	None
2	2	One-story	25	975	\$540	\$0	@60%	Yes	0	0.0%	no	None
2	2	One-story	4	975	\$600	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$206	\$0	\$206	\$0	\$206	2BR / 2BA	\$455	\$0	\$455	\$0	\$455
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$540	\$0	\$540	\$0	\$540	2BR / 2BA	\$600	\$0	\$600	\$0	\$600

## West Haven Senior Village I, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Dishwasher	Garbage Disposal		
Hand Rails	Microwave		
Oven	Pull Cords		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Walking path, garden, shuffle
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area			

### Comments

The property manager reported strong demand for affordable senior housing in the market. The property currently maintains a waiting list of 15 households.

Photos



# PROPERTY PROFILE REPORT

## Creekside Villas

Effective Rent Date	4/10/2020
Location	1685 Central Ave Tifton, GA 31794 Tift County
Distance	3 miles
Units	32
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (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	Singles, families, and 10% seniors from Tifton
Contact Name	Alyssa
Phone	229-386-9931



### Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
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
1	1	Garden (2 stories)	6	645	\$660	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	2	971	\$780	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	8	1,154	\$805	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse (2 stories)	8	1,228	\$845	\$0	Market	No	0	0.0%	N/A	None
3	2	Townhouse (2 stories)	8	1,393	\$940	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$660	\$0	\$660	-\$39	\$621
2BR / 1BA	\$780	\$0	\$780	-\$49	\$731
2BR / 1.5BA	\$805	\$0	\$805	-\$49	\$756
2BR / 2.5BA	\$845	\$0	\$845	-\$49	\$796
3BR / 2BA	\$940	\$0	\$940	-\$59	\$881

## Creekside Villas, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Cable/Satellite/Internet	Carpeting		
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Off-Street Parking		None	None

### Comments

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

Photos



# PROPERTY PROFILE REPORT

## Cypress Suites

Effective Rent Date	4/17/2020
Location	68 Richards Dr Tifton, GA 31794 Tift County
Distance	4.4 miles
Units	40
Vacant Units	1
Vacancy Rate	2.5%
Type	Garden (2 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	1/14/2008
Last Unit Leased	N/A
Major Competitors	Virginia Place, Cottage Creek
Tenant Characteristics	Predominately families, less than ten percent seniors
Contact Name	Mike
Phone	229-386-1846



### Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	7
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
Concession	None
Waiting List	Yes, five households

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	8	768	\$750	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	16	1,029	\$900	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	1,297	\$1,007	\$0	Market	Yes	1	6.2%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	\$15	\$765
2BR / 2BA	\$900	\$0	\$900	\$15	\$915
3BR / 2BA	\$1,007	\$0	\$1,007	\$15	\$1,022

## Cypress Suites, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpet/Hardwood	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Oven		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Off-Street Parking	Picnic Area	None	Gazebo
Playground			

### Comments

The contact reported the property typically stays fully occupied and reports strong demand for rental housing in Tifton.

Photos



# PROPERTY PROFILE REPORT

## Huntington Apartments

Effective Rent Date	3/11/2020
Location	111 20th Street East Tifton, GA 31794 Tift County
Distance	3.1 miles
Units	56
Vacant Units	2
Vacancy Rate	3.6%
Type	Various (2 stories)
Year Built/Renovated	1983 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Park Place
Tenant Characteristics	Majority are from the area, less than 10 percent are seniors
Contact Name	Gloria Findley
Phone	(229) 386-8425



### Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased- one week
Annual Chg. in Rent	Increased 5%-6%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	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	24	700	\$555	\$0	Market	No	1	4.2%	N/A	None
2	1.5	Townhouse (2 stories)	32	1,000	\$625	\$0	Market	No	1	3.1%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$555	\$0	\$555	-\$39	\$516
2BR / 1.5BA	\$625	\$0	\$625	-\$49	\$576

### Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Fireplace		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Tennis Court		

### Comments

The property does not accept Housing Choice Vouchers. The contact reported this property is typically between 95 to 100 percent occupied. Only the two-bedroom units have washer and dryer connections.

Photos



# PROPERTY PROFILE REPORT

## Regency Apartments

Effective Rent Date	4/20/2020
Location	411 Virginia Avenue Tifton, GA 31794 Tift County
Distance	1.7 miles
Units	48
Vacant Units	3
Vacancy Rate	6.2%
Type	Garden (2 stories)
Year Built/Renovated	1969 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Meadowwood Apartments, Amelia Apartments
Tenant Characteristics	Majority residents from Tifton
Contact Name	Pam
Phone	(229) 387-0800



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	One month
Annual Chg. in Rent	See comments
Concession	None
Waiting List	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	32	900	\$625	\$0	Market	No	2	6.2%	N/A	None
3	2	Garden (2 stories)	8	1,200	\$745	\$0	Market	No	0	0.0%	N/A	HIGH
3	2	Garden (2 stories)	8	1,200	\$715	\$0	Market	No	1	12.5%	N/A	LOW

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$625	\$0	\$625	-\$49	\$576
3BR / 2BA	\$715 - \$745	\$0	\$715 - \$745	-\$59	\$656 - \$686

## Regency Apartments, continued

### Amenities

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

### Comments

The more expensive three-bedroom units include a storage closet on the balcony/patio. Management reported a small increase in asking rents over the past year, but did not provide the exact amount asking rents increased.

Photos



# PROPERTY PROFILE REPORT

## The Oaks At Carpenter

Effective Rent Date	4/17/2020
Location	101 Oak Forest Ln Tifton, GA 31793 Tift County
Distance	1.1 miles
Units	36
Vacant Units	1
Vacancy Rate	2.8%
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	None identified
Tenant Characteristics	Varied tenancy from the local area, mostly families, few seniors
Contact Name	Carol
Phone	229-386-2066



### Market Information

Program	Market
Annual Turnover Rate	31%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- gas
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	2	Garden (2 stories)	20	1,050	\$805	\$0	Market	No	1	5.0%	N/A	None
3	2	Garden (2 stories)	16	1,350	\$930	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$805	\$0	\$805	\$0	\$805
3BR / 2BA	\$930	\$0	\$930	\$0	\$930

### Amenities

In-Unit	Security	Services
Balcony/Patio	Patrol	None
Carpeting		
Dishwasher		
Microwave		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Off-Street Parking	None	None

## Comments

The prices reflect units equipped with washer and dryer appliances. Units without are priced \$50 less for both the two and three-bedroom unit types. The contact reported strong demand for rental housing in the area.

Photos



## 2. Housing Choice Vouchers

We made multiple attempts to contact the Georgia Department of Community Affairs in order to determine the number Housing Choice Vouchers currently in use; however, as of the date of this report our calls and emails have not been returned. In 2017 we previously spoke with Anton Shaw, Director of Policy and Administration for DCA which administers Housing Choice Vouchers in the state of Georgia. Mr. Shaw stated that there were approximately 99 tenant-based vouchers issued to residents of Tift County. The waiting list for Housing Choice Vouchers is currently closed, and the DCA has not determined when it will reopen. There were 141 applicants on the waiting list at the time who listed Tift County as their county of preference. Mr. Shaw stated that demand for affordable housing is high in all of the DCA's jurisdictions. The following table illustrates voucher usage at the comparables.

### TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Harbor Pointe	LIHTC/ Market	Senior	7%
The Groves Place	LIHTC	Senior	2%
The Residences At West Haven	LIHTC	Family	4%
West Haven Senior Village I	LIHTC/ Market	Senior	8%
Creekside Villas	Market	Family	0%
Cypress Suites	Market	Family	0%
Huntington Apartments	Market	Family	0%
Regency Apartments	Market	Family	0%
The Oaks At Carpenter	Market	Family	0%

\*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from zero to eight percent. The LIHTC properties report a low reliance on tenants with vouchers. None of the market rate properties reported any usage of Housing Choice Vouchers. Thus, it appears that the Subject will not need to rely on voucher residents in order to maintain a high occupancy level. We believe the Subject would maintain a voucher usage of approximately ten percent or less upon completion.

## 3. Phased Developments

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

### Lease Up History

Information regarding the absorption periods of two of the surveyed comparable properties is illustrated in the following table.

### ABSORPTION

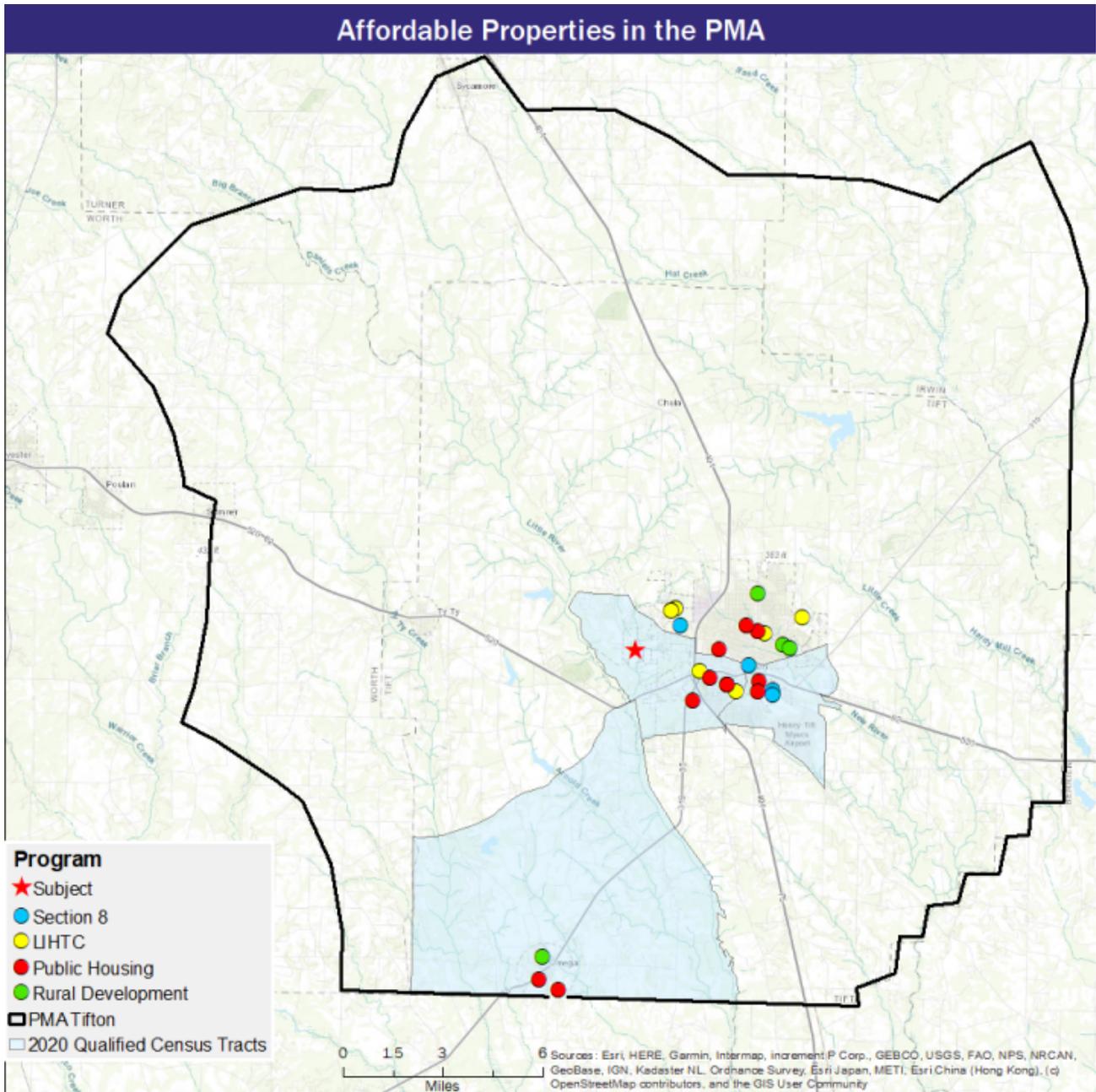
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Residences At West Haven	LIHTC	Family	2017	48	12
The Groves Place	LIHTC	Senior	2016	56	8

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. Overall, the comparables demonstrate absorption rates ranging from eight to 12 units per month, with an average of ten units per month. We have placed emphasis on the average presented in the comparable set. Based on the information above, we believe the Subject would be able to absorb approximately ten units per month, for an absorption period of approximately four to five months. It should be noted that construction on the Subject is not anticipated to be completed until July 2022, which is considered outside of the primary window from the COVID-19 pandemic.

**Competitive Project Map**

**COMPETITIVE PROJECTS**

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
<b>Magnolia Villas</b>	<b>LIHTC</b>	<b>Tifton</b>	<b>Senior</b>	<b>44</b>	<b>-</b>	<b>Star</b>
Magnolia Place	LIHTC	Tifton	Family	37	94.6%	Yellow
The Groves	LIHTC	Tifton	Family	96	100.0%	
The Groves Place	LIHTC	Tifton	Senior	56	100.0%	
The Residences At West Haven	LIHTC	Tifton	Family	48	100.0%	
Tiffany Square	LIHTC	Tifton	Family	46	100.0%	
Harbor Pointe	LIHTC/Market	Tifton	Senior	56	100.0%	
Tifton Estates	LIHTC/Market	Tifton	Family	34	100.0%	
West Haven Senior Village I	LIHTC/Market	Tifton	Senior	40	100.0%	
Westbury Place	LIHTC	Tifton	Family	84	100.0%	
Bellview Circle	Public Housing	Tifton	Family	41	100.0%	
Ed Powell Homes	Public Housing	Omega	Family	18	100.0%	
Elderly Village 1	Public Housing	Tifton	Senior	16	100.0%	
Elderly Village 2	Public Housing	Tifton	Senior	52	100.0%	
Golden Homes (Dixie)	Public Housing	Tifton	Family	40	100.0%	
Hill Homes	Public Housing	Tifton	Family	17	100.0%	
J.M. Deas Homes	Public Housing	Tifton	Family	N/A	N/A	
Maple Street	Public Housing	Tifton	Family	51	100.0%	
Nichols/Peterson	Public Housing	Tifton	Family	54	100.0%	
Old Omega Road	Public Housing	Tifton	Family	47	100.0%	
William Johnson Homes	Public Housing	Omega	Family	6	100.0%	
Meadow Crossing	Rural Development	Omega	Family	37	100.0%	
Meadowwood Apartments	Rural Development	Tifton	Family	80	87.5%	
Wildwood Apartments	Rural Development	Tifton	Family	88	100.0%	
Village Square	Rural Development	Tifton	Family	40	97.5%	
Brookfield Mews Apartments	Section 8	Tifton	Family	120	99.2%	
Options For Living East One	Section 8	Tifton	Family	5	100.0%	
Tift Tower	Section 8	Tifton	Senior	85	97.6%	
Azalea Trace Apartments	Section 8	Tifton	Family	17	100.0%	



#### 4. Amenities

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

MAGNOLIA VILLAS – TIFTON, GEORGIA – MARKET STUDY

AMENITY MATRIX

Subject	Harbor Pointe	The Groves Place	The Residences At West Haven	West Haven Senior Village I	Creekside Villas	Cypress Suites	Huntington Apartments	Regency Apartments	The Oaks At Carpenter	
<b>Rent Structure</b>	LIHTC	LIHTC/Market	LIHTC	LIHTC	LIHTC/Market	Market	Market	Market	Market	
<b>Tenancy</b>	Senior	Senior	Senior	Family	Senior	Family	Family	Family	Family	
<b>Building</b>										
<b>Property Type</b>	Lowrise	Lowrise	Various	Garden	One-story	Various	Garden	Various	Garden	Garden
<b># of Stories</b>	2-stories	2-stories	2-stories	2-stories	1-stories	2-stories	2-stories	2-stories	2-stories	2-stories
<b>Year Built</b>	2022	2003	2016	2017	2011	2014	2008	1983	1969	2008
<b>Year Renovated</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Elevators</b>	yes	yes	yes	no	no	no	no	no	no	no
<b>Utility Structure</b>										
<b>Cooking</b>	no	no	no	no	no	no	no	no	no	no
<b>Water Heat</b>	no	no	no	no	no	no	no	no	no	no
<b>Heat</b>	no	no	no	no	no	no	no	no	no	no
<b>Other Electric</b>	no	no	no	no	no	no	no	no	no	no
<b>Water</b>	no	no	no	no	no	yes	no	yes	yes	no
<b>Sewer</b>	no	no	no	no	no	yes	no	yes	yes	no
<b>Trash</b>	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
<b>Accessibility</b>										
<b>Hand Rails</b>	yes	yes	no	no	yes	no	no	no	no	no
<b>Pull Cords</b>	no	yes	no	no	yes	no	no	no	no	no
<b>Unit Amenities</b>										
<b>Balcony/Patio</b>	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
<b>Blinds</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Cable/Satellite</b>	no	no	no	no	no	yes	no	no	no	no
<b>Carpeting</b>	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
<b>Hardwood</b>	no	no	no	no	no	no	yes	no	no	no
<b>Central A/C</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Ceiling Fan</b>	yes	no	yes	yes	no	yes	yes	no	yes	yes
<b>Coat Closet</b>	yes	no	yes	yes	no	yes	yes	yes	yes	no
<b>Exterior Storage</b>	no	no	yes	no	no	no	no	no	no	no
<b>Fireplace</b>	no	no	no	no	no	no	no	yes	no	no
<b>Walk-In Closet</b>	no	no	no	no	no	no	no	yes	yes	no
<b>Washer/Dryer</b>	yes	no	no	no	no	no	no	no	no	yes
<b>W/D Hookup</b>	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Kitchen</b>										
<b>Dishwasher</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Disposal</b>	yes	yes	yes	yes	yes	no	no	no	yes	no
<b>Microwave</b>	yes	no	yes	yes	yes	no	no	no	no	yes
<b>Oven</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Refrigerator</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>										
<b>Business Center</b>	yes	yes	yes	yes	yes	no	no	no	no	no
<b>Community Room</b>	yes	yes	yes	yes	yes	no	no	no	no	no
<b>Central Laundry</b>	no	yes	yes	yes	yes	no	no	yes	yes	no
<b>On-Site Mgmt</b>	yes	yes	yes	yes	yes	no	no	yes	yes	no
<b>Recreation</b>										
<b>Exercise Facility</b>	yes	no	no	yes	yes	no	no	no	no	no
<b>Playground</b>	no	no	no	yes	no	no	yes	no	no	no
<b>Swimming Pool</b>	no	no	no	no	no	no	no	yes	yes	no
<b>Picnic Area</b>	yes	no	yes	yes	yes	no	yes	no	no	no
<b>Tennis Court</b>	no	no	no	no	no	no	no	yes	no	no
<b>Recreational Area</b>	no	no	no	yes	no	no	no	no	yes	no
<b>WiFi</b>	yes	no	no	no	no	no	no	no	no	no
<b>Adult Education</b>	yes	no	no	no	no	no	no	no	no	no
<b>Security</b>										
<b>Intercom (Buzzer)</b>	no	yes	no	no	no	no	no	no	no	no
<b>Limited Access</b>	yes	yes	no	no	no	no	no	no	no	no
<b>Patrol</b>	no	no	no	no	no	no	no	no	no	yes
<b>Perimeter Fencing</b>	no	no	no	no	yes	no	no	no	no	no
<b>Parking</b>										
<b>Off-Street Parking</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and slightly inferior to superior property amenities. The Subject will offer hand rails, in-unit washers and dryers, a business center, community room, and exercise facility, which many of the comparables will lack. However, the Subject will not offer a playground or swimming pool which is 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.

## 5. Comparable Tenancy

The Subject will target seniors age 55 and older, similar to three of the comparables. The remaining comparables target family households.

### Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Harbor Pointe	LIHTC/ Market	Senior	56	0	0.0%
The Groves Place	LIHTC	Senior	56	0	0.0%
The Residences At West Haven	LIHTC	Family	48	0	0.0%
West Haven Senior Village I	LIHTC/ Market	Senior	40	0	0.0%
Creekside Villas	Market	Family	32	0	0.0%
Cypress Suites	Market	Family	40	1	2.5%
Huntington Apartments	Market	Family	56	2	3.6%
Regency Apartments	Market	Family	48	3	6.2%
The Oaks At Carpenter	Market	Family	36	1	2.8%
<b>Total LIHTC</b>			<b>200</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>212</b>	<b>7</b>	<b>3.3%</b>
<b>Overall Total</b>			<b>412</b>	<b>7</b>	<b>1.7%</b>

Overall vacancy in the market is very low at 1.7 percent. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from zero to 6.2 percent, averaging 3.3 percent, which is considered low. Regency Apartments reported a slightly elevated vacancy rate. It should be noted that the vacancy rate is skewed upward by the low number of units at this property. The low vacancy rates among the remaining market rate comparable properties indicates that there is demand for rental housing in the Subject's PMA. 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.

## 6. Properties Under Construction and Proposed

We conducted 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 is one multifamily development currently planned, proposed, or under construction in the Subject's PMA.

### Casey's Court Luxury Apartments

- Location: 1665 S Carpenter Rd, Tifton, GA
- Owner: Casey's Court, LLC
- Total number of units: 80 units
- Unit configuration: One, two and three bedroom units
- Rent structure: Market rate
- Estimated market entry: 2020

g. Relevant information: We were unable to reach a contact with the property to conduct an interview

## 7. 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	Harbor Pointe	LIHTC/ Market	Senior	Slightly Inferior	Inferior	Similar	Inferior	Similar	-25
2	The Groves Place	LIHTC	Senior	Slightly Inferior	Inferior	Similar	Similar	Similar	-15
3	The Residences At West Haven	LIHTC	Family	Slightly Superior	Inferior	Similar	Similar	Similar	-5
4	West Haven Senior Village I	LIHTC/ Market	Senior	Similar	Inferior	Similar	Inferior	Similar	-20
5	Creekside Villas	Market	Family	Inferior	Inferior	Similar	Slightly Inferior	Slightly Superior	-20
6	Cypress Suites	Market	Family	Inferior	Inferior	Similar	Inferior	Similar	-30
7	Huntington Apartments	Market	Family	Slightly Inferior	Inferior	Similar	Inferior	Similar	-25
8	Regency Apartments	Market	Family	Slightly Inferior	Inferior	Similar	Inferior	Similar	-25
9	The Oaks At Carpenter	Market	Family	Inferior	Slightly Inferior	Similar	Inferior	Similar	-25

\*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 Tift 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	Tenancy	1BR	2BR	Rents at Max?
<b>Magnolia Villas</b>	<b>Senior</b>	<b>\$425</b>	<b>\$535</b>	<b>No</b>
<b>2019 LIHTC National Non-Metro Maximum Rent (Net)</b>		<b>\$473</b>	<b>\$560</b>	
Harbor Pointe	Senior	\$370	\$460	No
The Groves Place	Senior	\$367	\$429	No
The Residences At West Haven	Family	\$348	\$363	No
West Haven Senior Village I	Senior	-	\$455	No
<b>Average</b>		<b>\$362</b>	<b>\$427</b>	

**LIHTC RENT COMPARISON @60%**

Property Name	Tenancy	1BR	2BR	Rents at Max?
<b>Magnolia Villas</b>	<b>Senior</b>	<b>\$480</b>	<b>\$550</b>	<b>No</b>
<b>2019 LIHTC National Non-Metro Maximum Rent (Net)</b>		<b>\$586</b>	<b>\$696</b>	
The Groves Place	Senior	\$400	\$503	No
The Residences At West Haven	Family	\$441	\$490	No
West Haven Senior Village I	Senior	-	\$540	No
<b>Average</b>		<b>\$421</b>	<b>\$511</b>	

The Subject property will be 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 Tift County reached its peak in 2018 and experienced a slight decrease in 2019. All of the comparable LIHTC

properties are located in Tift County and were built between 2003 and 2017. 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. None of the comparables reported achieving maximum allowable rents for their one and two-bedroom units at 50 and 60 percent AMI.

Harbor Pointe is located 4.3 miles from the Subject in Tifton and offers a similar location. This property was constructed in 2003 and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject. Harbor Pointe offers slightly inferior property amenities compared to the Subject as it lacks an exercise facility, which the Subject will offer. This property is inferior to the Subject in terms of in-unit amenities as it lacks in-unit washers and dryers, which the Subject will offer. Harbor Pointe offers similar unit sizes compared to the Subject. Overall, Harbor Pointe is considered inferior to the proposed Subject.

West Haven Senior Village I is located 0.3 miles from the Subject and offers a similar location. This property was constructed in 2011 and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject. West Haven Senior Village I offers similar property amenities compared to the Subject and inferior in-unit amenities as it lacks in-unit washers and dryers, which the Subject will offer. West Haven Senior Village I offers similar unit sizes compared to the Subject. Overall, West Haven Senior Village I is considered inferior to the proposed Subject.

The Groves Place is located 1.4 miles from the Subject and offers a similar location. This property was constructed in 2016 and exhibits excellent condition, which is considered similar to the anticipated excellent condition of the Subject. The Groves Place offers slightly inferior property amenities compared to the Subject as it lacks an exercise facility, which the Subject will offer. This property is inferior to the Subject in terms of in-unit amenities as it lacks in-unit washers and dryers, which the Subject will offer, though it does offer exterior storage, which the Subject will not offer. The Groves Place offers similar unit sizes compared to the Subject. Overall, The Groves Place is considered inferior to the proposed Subject.

Overall, we believe the Subject can achieve rents above those currently achieved at Harbor Pointe, West Haven Senior Village I, and The Groves Place. Further, these properties are fully-occupied and maintain waiting lists ranging from six to 160 households in length, indicating higher rents are likely achievable. Therefore, we believe the Subject's proposed rents are achievable as proposed.

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

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

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

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 50%	\$425	\$348	\$765	\$474	11%
2BR @ 50%	\$535	\$363	\$915	\$599	12%
1BR @ 60%	\$480	\$400	\$765	\$547	14%
2BR @ 60%	\$550	\$490	\$915	\$657	19%

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

Cypress Suites is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be superior to Cypress Suites as a market rate property. Cypress Suites was built in 2008 and exhibits average condition, which is inferior to the anticipated excellent condition of the Subject upon completion. Cypress Suites is located 4.4 miles from the Subject site and offers a similar location. Cypress Suites offers inferior in-unit amenities compared to the Subject as it lacks in-unit washers and dryers, which the Subject will offer. This property offers inferior property amenities in comparison to the Subject as it does not offer a business center, community room, on-site management, or an exercise facility, which the Subject will offer. Cypress Suites offers similar unit sizes to the Subject. The one and two-bedroom rents at Cypress Suites are approximately 59 and 66 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. LIHTC Competition – DCA Funded Properties within the PMA**

Capture rates for the Subject are considered low to moderate for all bedroom types and AMI levels. All of the Subject’s capture rates are within Georgia DCA thresholds. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area.

According to Georgia Department of Community Affairs LIHTC allocation lists, there have been no developments allocated within the Subject’s PMA since 2017. 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 existing LIHTC properties that are in overall average condition and currently performing well.

**9. 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	11,824	68.3%	5,485	31.7%
2019	9,951	57.9%	7,221	42.1%
Projected Mkt Entry July 2022	10,143	58.5%	7,190	41.5%
2024	10,271	58.9%	7,169	41.1%

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	4,830	79.4%	1,251	20.6%
2019	5,450	72.2%	2,094	27.8%
Projected Mkt Entry July 2022	5,692	72.9%	2,116	27.1%
2024	5,854	73.3%	2,131	26.7%

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

As the table illustrates, senior households within the PMA reside mostly in 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 smaller percentage of senior renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years, although the number of senior renter households is projected to increase. This bodes well for the Subject’s proposed units.

**Historical Vacancy**

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

HISTORICAL VACANCY									
Comparable Property	Type	Total Units	2017 Q1	2018 Q1	2018 Q2	2018 Q4	2019 Q4	2020 Q1	2020 Q2
Magnolia Villas	LIHTC	44	N/A						
Harbor Pointe	LIHTC/ Market	56	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
The Groves Place	LIHTC	56	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
The Residences At West Haven	LIHTC	48	N/A	N/A	0.0%	2.1%	0.0%	N/A	0.0%
West Haven Senior Village I	LIHTC/ Market	40	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
Creekside Villas	Market	32	0.0%	0.0%	N/A	0.0%	0.0%	N/A	0.0%
Cypress Suites	Market	40	2.5%	7.5%	2.5%	0.0%	2.5%	2.5%	2.5%
Huntington Apartments	Market	56	N/A	N/A	N/A	1.8%	N/A	3.6%	N/A
Regency Apartments	Market	48	6.2%	N/A	N/A	6.2%	N/A	N/A	6.2%
The Oaks At Carpenter	Market	36	5.6%	8.3%	N/A	N/A	16.7%	N/A	2.8%

The historical vacancy rates at all of the comparable properties for several quarters in the past three years are illustrated in the previous table. In general, the comparable properties experienced very low vacancy from 2017 through 2020. Regency Apartments reported a slightly elevated vacancy rate. It should be noted that the vacancy rate is skewed upward by the low number of units at this property. We believe that the current performance of the LIHTC comparable properties, as well as their historically low vacancy rates, 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
Harbor Pointe	LIHTC/ Market	Senior	Increased four percent
The Groves Place	LIHTC	Senior	Increased four percent
The Residences At West Haven	LIHTC	Family	Increased five percent
West Haven Senior Village I	LIHTC/ Market	Senior	Increased two to three percent
Creekside Villas	Market	Family	Increased two percent
Cypress Suites	Market	Family	None
Huntington Apartments	Market	Family	Increased five to six percent
Regency Apartments	Market	Family	Increased unknown amount
The Oaks At Carpenter	Market	Family	Increased three percent

The LIHTC properties report growth of up to five percent in the past year. The market rate properties reported in some instances rent growth. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

### 10. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 2,893 housing units nationwide was in some stage of foreclosure as of March 2020. The City of Tifton is experiencing a foreclosure rate of one in every 7,454 homes, while Tift County is experiencing foreclosure rate of one in every 4,118 homes and Georgia experienced one foreclosure in every 2,210 housing units. Overall, Tifton is experiencing a lower foreclosure rate than Tift County, the state of Georgia, and the overall nation, 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.

### 11. Effect of Subject on Other Affordable Units in Market

According to Georgia Department of Community Affairs LIHTC allocation lists, there have been no developments allocated within the Subject's PMA since 2017. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area. 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. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and slightly inferior to superior property amenities. The Subject will offer hand rails, in-unit washers and dryers, a business center, community room, and exercise facility, which many of the comparables will lack. However, the Subject will not offer a playground or swimming pool which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be 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

Information regarding the absorption periods of two of the surveyed comparable properties is illustrated in the following table.

### ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Residences At West Haven	LIHTC	Family	2017	48	12
The Groves Place	LIHTC	Senior	2016	56	8

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. Overall, the comparables demonstrate absorption rates ranging from eight to 12 units per month, with an average of ten units per month. We have placed emphasis on the average presented in the comparable set. Based on the information above, we believe the Subject would be able to absorb approximately ten units per month, for an absorption period of approximately four to five months. It should be noted that construction on the Subject is not anticipated to be completed until July 2022, which is considered outside of the primary window from the COVID-19 pandemic.

# **K. INTERVIEWS**

### Georgia Department of Community Affairs

We made multiple attempts to contact the Georgia Department of Community Affairs in order to determine the number Housing Choice Vouchers currently in use; however, as of the date of this report our calls and emails have not been returned. In 2017 we previously spoke with Anton Shaw, Director of Policy and Administration for DCA which administers Housing Choice Vouchers in the state of Georgia. Mr. Shaw stated that there were approximately 99 tenant-based vouchers issued to residents of Tift County. The waiting list for Housing Choice Vouchers is currently closed, and the DCA has not determined when it will reopen. There were 141 applicants on the waiting list at the time who listed Tift County as their county of preference. Mr. Shaw stated that demand for affordable housing is high in all of the DCA's jurisdictions. The payment standards for Tift County are listed below.

#### PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$568
Two-Bedroom	\$716

Source: Georgia Department of Community Affairs, effective January 2020

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

### Planning

We made numerous attempts to contact the city of Tifton Planning and Zoning Department. However, as of the date of this report, our calls and emails have not been returned. Therefore, we conducted 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 is one multifamily development currently planned, proposed, or under construction in the Subject's PMA.

Casey's Court Luxury Apartments is an under construction development located approximately 0.8 mile southeast of the Subject site. However, we were unable to reach a contact with the property to conduct an interview. Further, we visited the leasing office upon our inspection to conduct an in-person interview; however, our attempt was unsuccessful. According to online research, two-bedroom unit sizes range 990 square feet and three-bedroom unit sizes are 1,260 square feet. It should be noted that one-bedroom unit sizes were unavailable. One-bedroom asking rents are currently \$775, two-bedroom asking rents reportedly are \$901, and three-bedroom rents are \$1,076.

### Tift County Development Authority

We attempted to speak with the Tift County Development Authority; however, as of the date of this report our calls and emails have not been returned. In 2018, we contacted the Tifton-Tift County Chamber of Commerce and spoke with Mr. Chris Beckam about business expansion and contraction in the Tifton area. We also conducted internet research regarding investment and business expansion in the region.

- According to an April 2020 article by Georgia Trend Magazine, Coca-Cola Bottling Co. United – the second-largest privately held Coca-Cola bottler in North America – announced plans in fall 2019 to build a new sales and distribution center in Tifton, creating 200 jobs and investing \$60 million. The 456,000 square foot facility opened on January 31, 2020.
- American Textile, a bedding manufacturing company, opened a warehousing and distribution facility in Tifton in March 2018 adding an estimated 400 jobs.
- In 2018, Piedmont National Corporation, the Southeast's largest independent full-line distributor of high-quality packaging products, machinery solutions, and facility supplies, broke ground on a 62,000 square-foot distribution facility at the industrial park in Tifton creating an estimated 30 jobs.

- Chrysler-Lincoln-Dodge-Jeep-Ram opened a new dealership in early 2018 on the west side of Tifton. The dealership created approximately 22 new jobs in the area.

As illustrated, there have been recent additions in the manufacturing and retail industries since 2018. The Tifton area has seen an addition of approximately 650 jobs, which helps to counteract the 143 layoffs in the county since 2017.

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

## **L. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

Between 2010 and 2019 there was approximately 2.3 percent annual senior population growth in the PMA, which outpaced the SMA but lagged the national senior population growth. Over the next five years, the senior population growth in the PMA and SMA is projected to increase at a 1.3 and 1.2 percent annual rate, respectively, which lags the national projections. The current senior population of the PMA is 12,927 and is expected to be 13,416 in 2022. The current number of senior households in the PMA is 7,544 and is expected to be 7,809 in 2022. Renter households are concentrated in the lowest income cohorts, with 30.5 percent of renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target tenants earning between \$15,600 and \$29,100. Therefore, the Subject should be well-positioned to service this market. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in the healthcare/social assistance, retail trade, and educational services industries, which collectively comprise 37.8 percent of local employment. The large share of PMA employment in retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. 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 agriculture/forestry/fishing/hunting, retail trade, and transportation/warehousing industries. Conversely, the PMA is underrepresented in the professional/scientific/technology services, finance/insurance, and manufacturing industries. The overconcentration of retail trade and accommodation/food services employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation overall. However, the significant employment in the healthcare/social assistance sector should provide stability to the area workforce.

Since 2012, average employment growth in the SMA trailed the nation in all but two years. As of December 2019, total employment in the SMA is at a post-recessionary record, and increasing at an annualized rate of 1.0 percent, compared to 1.3 percent across the overall nation. Since 2012, the SMA generally experienced a higher unemployment rate compared to the overall nation. However, due to the sudden impact of the COVID-19 pandemic, it is likely that the regional economy has been significantly affected and the near-term employment growth is unclear at this time. Given that total employment in the SMA is at a post-recessionary record and local employment growth has been strong through the end of 2019, the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. According to the most recent labor statistics, the unemployment rate in the SMA is 3.2 percent, slightly lower than the current national unemployment rate of 3.4 percent. Overall, these recent trends in employment growth and unemployment decline indicate that the economy in the SMA was in an expansionary phase prior to the onset of the economic challenges presented by the COVID-19 pandemic. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units. However, again due to the COVID-19 pandemic, it is unclear how severely the regional economy has been affected and how temporary in nature any increase in unemployment will be for the SMA.

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

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

### Capture Rates

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @50%	\$15,600	\$24,250	3	58	0	58	5.1%	\$425
1BR @60%	\$17,250	\$29,100	9	53	0	53	17.1%	\$480
1BR Overall	\$15,600	\$29,100	12	70	0	70	17.1%	-
2BR @50%	\$19,680	\$24,250	8	82	0	82	9.8%	\$535
2BR @60%	\$20,130	\$29,100	24	74	0	74	32.4%	\$550
2BR Overall	\$19,680	\$29,100	32	99	0	99	32.4%	-
@50% Overall	\$15,600	\$24,250	11	140	0	140	7.8%	-
@60% Overall	\$17,250	\$29,100	33	127	0	127	26.0%	-
Overall	\$15,600	\$29,100	44	169	0	169	26.0%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not considered demand from outside the PMA or standard rental household turnover.

### Absorption

Information regarding the absorption periods of two of the surveyed comparable properties is illustrated in the following table.

**ABSORPTION**

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Residences At West Haven	LIHTC	Family	2017	48	12
The Groves Place	LIHTC	Senior	2016	56	8

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. Overall, the comparables demonstrate absorption rates ranging from eight to 12 units per month, with an average of ten units per month. We have placed emphasis on the average presented in the comparable set. Based on the information above, we believe the Subject would be able to absorb approximately ten units per month, for an absorption period of approximately four to five months. It should be noted that construction on the Subject is not anticipated to be completed until July 2022, which is considered outside of the primary window from the COVID-19 pandemic.

### Vacancy Trends

The following table illustrates the vacancy rates in the market.

## OVERALL VACANCY

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Harbor Pointe	LIHTC/ Market	Senior	56	0	0.0%
The Groves Place	LIHTC	Senior	56	0	0.0%
The Residences At West Haven	LIHTC	Family	48	0	0.0%
West Haven Senior Village I	LIHTC/ Market	Senior	40	0	0.0%
Creekside Villas	Market	Family	32	0	0.0%
Cypress Suites	Market	Family	40	1	2.5%
Huntington Apartments	Market	Family	56	2	3.6%
Regency Apartments	Market	Family	48	3	6.2%
The Oaks At Carpenter	Market	Family	36	1	2.8%
<b>Total LIHTC</b>			<b>200</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>212</b>	<b>7</b>	<b>3.3%</b>
<b>Overall Total</b>			<b>412</b>	<b>7</b>	<b>1.7%</b>

Overall vacancy in the market is very low at 1.7 percent. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area.

The vacancy rates among the market rate comparable properties range from zero to 6.2 percent, averaging 3.3 percent, which is considered low. Regency Apartments reported a slightly elevated vacancy rate. It should be noted that the vacancy rate is skewed upward by the low number of units at this property. The low vacancy rates among the remaining market rate comparable properties indicates that there is demand for rental housing in the Subject's PMA. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

### Strengths of the Subject

The Subject will be the newest LIHTC development in the PMA upon completion. The Subject will exhibit excellent condition upon completion, which is similar to superior to the existing LIHTC housing stock in the PMA. The Subject will offer competitive amenity packages, which will include hand rails, in-unit washers and dryers, a business center, community room, and 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. There are no vacant units among the LIHTC and mixed-income properties. Further, all of the LIHTC comparables maintain waiting lists, ranging from six to 160 households in length. The low vacancy rates and presence of waiting lists at these properties indicates there is an unmet demand for affordable housing in the area. The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market rate comparable properties and slightly inferior to superior property amenities. The Subject will offer hand rails, in-unit washers and dryers, a business center, community room, and exercise facility, which many of the comparables will lack. However, the Subject will not offer a playground or swimming pool which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be 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.

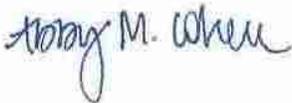
DCA may rely on the representation made in the market study. The document is assignable to other lenders.



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H. Blair Kincer, MAI  
Partner  
Novogradac Consulting LLP

June 11, 2020



Abby M. Cohen  
Partner  
[Abby.Cohen@novoco.com](mailto:Abby.Cohen@novoco.com)

June 11, 2020



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Brian Neukam  
Manager  
Novogradac Consulting LLP

June 11, 2020



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Travis Jorgenson  
Analyst  
Novogradac Consulting LLP

June 11, 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 west along EB Hamilton Drive



View east along EB Hamilton Drive



View of Subject Site



View of Subject Site



View of Subject Site



View of Subject Site



Primary school in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Park in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

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

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

### II. Licensing and Professional Affiliation

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

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut  
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. CGA.0020047 – State of Rhode Island  
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  
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

### III. Professional Experience

**Partner**, Novogradac & Company LLP  
**Vice President**, 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 IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed 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

#### **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

## Travis Jorgenson

### I. Education

Georgia Institute of Technology- Atlanta, GA  
Bachelors of Business Administration and Management, General Management

### II. Professional Experience

Analyst, Novogradac & Company LLP, December 2018 – Present  
Junior Analyst, Novogradac & Company LLP, July 2017 – December 2018  
Claims Analyst, Zelis Healthcare, May 2017 - July 2017  
Automotive Research Intern, Hearst Autos, October 2016-May 2017

### III. Research Assignments

A representative sample of work on various types of projects:

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

**ADDENDUM D**  
**Summary Matrix**

**SUMMARY MATRIX**

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Magnolia Villas EB Hamilton Drive Tifton, GA 31793 Tift County	-	Lowrise 2-stories 2022 / n/a Senior	@50%, @60%	1BR / 1BA	3	6.8%	780	@50%	\$425	No	N/A	N/A	N/A
					1BR / 1BA	9	20.5%	780	@60%	\$480	No	N/A	N/A	N/A
					2BR / 1BA	8	18.2%	1,038	@50%	\$535	No	N/A	N/A	N/A
					2BR / 1BA	24	54.6%	1,038	@60%	\$550	No	N/A	N/A	N/A
					<u>44</u>							N/A	N/A	
1	Harbor Pointe 88 Richards Drive Tifton, GA 31794 Tift County	4.3 miles	Lowrise 2-stories 2003 / n/a Senior	@50%, Market	1BR / 1BA	22	39.3%	765	@50%	\$370	No	Yes	0	0.0%
					1BR / 1BA	6	10.7%	765	Market	\$540	N/A	Yes	0	0.0%
					2BR / 1BA	22	39.3%	1,002	@50%	\$460	No	Yes	0	0.0%
					2BR / 1BA	6	10.7%	1,002	Market	\$595	N/A	Yes	0	0.0%
					<u>56</u>							0	0.0%	
2	The Groves Place 2826 Rainwater Road Tifton, GA 31793 Tift County	1.4 miles	Various 2-stories 2016 / n/a Senior	@50%, @60%	1BR / 1BA	7	12.5%	852	@50%	\$367	No	Yes	0	0.0%
					1BR / 1BA	2	3.6%	853	@50%	\$367	No	Yes	0	0.0%
					1BR / 1BA	5	8.9%	852	@60%	\$400	No	Yes	0	0.0%
					2BR / 2BA	9	16.1%	1,098	@50%	\$429	No	Yes	0	0.0%
					2BR / 2BA	32	57.1%	1,098	@60%	\$503	No	Yes	0	0.0%
					2BR / 2BA	1	1.8%	1,098	Non-Rental	\$0	N/A	N/A	0	0.0%
					<u>56</u>							0	0.0%	
3	The Residences At West Haven 2760 E.B. Hamilton Dr Tifton, GA 31793 Tift County	0.3 miles	Garden 2-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	1	2.1%	811	@50%	\$348	No	Yes	0	0.0%
					1BR / 1BA	3	6.3%	811	@60%	\$441	No	Yes	0	0.0%
					2BR / 2BA	5	10.4%	1,051	@50%	\$363	No	Yes	0	0.0%
					2BR / 2BA	19	39.6%	1,051	@60%	\$490	No	Yes	0	0.0%
					3BR / 2BA	4	8.3%	1,261	@50%	\$457	No	Yes	0	0.0%
					3BR / 2BA	16	33.3%	1,261	@60%	\$578	No	Yes	0	0.0%
					<u>48</u>							0	0.0%	
4	West Haven Senior Village I 2760 E.B. Hamilton Dr, Tifton, GA 31793 Tift County	0.3 miles	One-story 1-stories 2011 / n/a Senior	@30%, @50%, @60%, Market	2BR / 2BA	3	7.5%	975	@30%	\$206	No	Yes	0	0.0%
					2BR / 2BA	8	20.0%	975	@50%	\$455	No	Yes	0	0.0%
					2BR / 2BA	25	62.5%	975	@60%	\$540	No	Yes	0	0.0%
					2BR / 2BA	4	10.0%	975	Market	\$600	N/A	Yes	0	0.0%
						<u>40</u>								
5	Creeside Villas 1685 Central Ave Tifton, GA 31794 Tift County	3.0 miles	Various 2-stories 2014 / n/a Family	Market	1BR / 1BA	6	18.8%	645	Market	\$621	N/A	No	0	0.0%
					2BR / 1BA	2	6.3%	971	Market	\$731	N/A	No	0	0.0%
					2BR / 1.5BA	8	25.0%	1,154	Market	\$756	N/A	No	0	0.0%
					2BR / 2.5BA	8	25.0%	1,228	Market	\$796	N/A	No	0	0.0%
					3BR / 2BA	8	25.0%	1,393	Market	\$881	N/A	No	0	0.0%
	<u>32</u>											0	0.0%	
6	Cypress Suites 68 Richards Dr Tifton, GA 31794 Tift County	4.4 miles	Garden 2-stories 2008 / n/a Family	Market	1BR / 1BA	8	20.0%	768	Market	\$765	N/A	Yes	0	0.0%
					2BR / 2BA	16	40.0%	1,029	Market	\$915	N/A	Yes	0	0.0%
					3BR / 2BA	16	40.0%	1,297	Market	\$1,022	N/A	Yes	1	6.3%
						<u>40</u>								
7	Huntington Apartments 111 20th Street East Tifton, GA 31794 Tift County	3.1 miles	Various 2-stories 1983 / n/a Family	Market	1BR / 1BA	24	42.9%	700	Market	\$516	N/A	No	1	4.2%
					2BR / 1.5BA	32	57.1%	1,000	Market	\$576	N/A	No	1	3.1%
						<u>56</u>								
8	Regency Apartments 411 Virginia Ave Tifton, GA 31794 Tift County	1.7 miles	Garden 2-stories 1969 / n/a Family	Market	2BR / 1BA	32	66.7%	900	Market	\$576	N/A	No	2	6.3%
					3BR / 2BA	8	16.7%	1,200	Market	\$686	N/A	No	0	0.0%
					3BR / 2BA	8	16.7%	1,200	Market	\$656	N/A	No	1	12.5%
	<u>48</u>											3	6.3%	
9	The Oaks At Carpenter 101 Oak Forest Ln Tifton, GA 31793 Tift County	1.1 miles	Garden 2-stories 2008 / n/a Family	Market	2BR / 2BA	20	55.6%	1,050	Market	\$805	N/A	No	1	5.0%
					3BR / 2BA	16	44.4%	1,350	Market	\$930	N/A	No	0	0.0%
					<u>36</u>								1	2.8%