

# Market Feasibility Analysis

Elm Street Apartments  
120 Gordon Street and 100 Morgan Valley Road  
Rockmart, Polk County, Georgia 30153

*Prepared For*

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*Effective Date*

April 17, 2020

*Job Reference Number*

20-211 JW



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## Section A – Executive Summary

This report evaluates the market feasibility of the Elm Street Apartments to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Rockmart, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is developed and operated as proposed in this report.

### 1. Project Description:

Elm Street Apartments involves the adaptive reuse of a vacant school building and the new construction of residential buildings located at 120 Gordon Street and 100 Morgan Valley Road in Rockmart, into a 46-unit apartment community. Elm Street Apartments will be developed utilizing funding from the LIHTC program and will target lower-income family (general-occupancy) households earning up to 50%, 60% and 70% of Area Median Household Income (AMHI). Additionally, 41 of the 46 units will operate with Project-Based Voucher (PBV) assistance, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed project is expected to be complete sometime in 2023. Additional details regarding the proposed project are included in Section B of this report.

### 2. Site Description/Evaluation:

The proposed subject sites are situated within primarily established areas in the western portion of Rockmart. Surrounding land uses primarily include residential and commercial development, which are generally considered to be in fair to good condition. The intended use of the subject sites is consistent with the surrounding land uses and should contribute to their marketability. Access to the sites is considered good, as they are within proximity of U.S. Highway 278, as well as State Routes 101 and 113. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street, a moderately traveled arterial within the immediate area, and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. The subject sites are located within proximity of most basic community services, including grocery, discount shopping, pharmacies, gas stations/convenience stores, restaurants, banks and employment opportunities. Overall, the location of the subject sites and their convenient accessibility and proximity to area community services are considered conducive for affordable housing development within the Rockmart market.

### **3. Market Area Definition:**

The Rockmart Site Primary Market Area (PMA) includes all or portions of Rockmart, Aragon, Cedartown, Taylorsville and Braswell, as well as the surrounding unincorporated areas of Polk County. Specifically, the boundaries of the Site PMA include the Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west. A map illustrating these boundaries is included on page D-2 of this report.

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

The population base and households within the Rockmart Site PMA experienced positive growth between 2000 and 2010. These trends have been generally stable since 2010 and are projected to remain relatively stable through 2023. Regardless, the market will continue to have a good base of age-appropriate support, as over 69% of all households within the market will be under the age of 65 in 2023. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project. Additional demographic data is included in Section E of this report.

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

According to a representative with the Development Authority of Polk County and based on data provided by the U.S. Department of Labor: Bureau of Labor Statistics, Polk County continues to experience economic growth. Since 2010, the employment base within the county has increased by over 1,460 jobs, or 8.9%, and the unemployment rate has decreased to a low of 3.8% through January 2020. This is a decline of over eight percentage points from its peak of 12.0% reported in 2010. While these trends would indicate that the Polk County economy is poised for continued growth, the current economic data illustrated within this section does not take into account the COVID-19 pandemic that is having a negative impact on the economy nationwide. It is likely that many businesses within the area have ceased operations, causing a rise in unemployment during this time. Several of the businesses that are likely impacted include those within the Retail Trade and Accommodation & Food Services sectors, which comprise over 23% of Site PMA's labor force and provide lower wage paying positions. The subject site will provide a good quality housing option in an economy where lower-wage employees are most vulnerable. Additional economic data is included in Section F of this report.

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

Per GDCA guidelines, projects in rural markets with an overall capture rate of 35% or below are considered acceptable. As such, the project’s overall capture rates of 3.1% as proposed with the subsidy and 6.6% in the unlikely event the subsidy was not offered are considered achievable, demonstrating that a deep base of support will exist for the subject project within the Rockmart Site PMA. Capture rates by targeted income level and bedroom type are included in Section G of this report.

## 7. Competitive Rental Analysis

We identified three family (general-occupancy) rental communities within the market that offer non-subsidized LIHTC units; however, we were only able to survey one of these projects at the time this report was issued. Known details of the two LIHTC projects we were unable to survey are summarized below:

- Park Place Apartments is located at 800 Park Place Circle in Rockmart. This project offers 60 one-, two- and three-bedroom units, 48 of which target households with incomes up to 50% and 60% of AMHI. The remaining 12 units are market-rate.
- Vinings at Oxford is located at 800 Blance Road in Cedartown. This project offers 62 one-, two- and three-bedroom units targeting households earning up to 50% and 60% of AMHI.

Note that, based on historical data obtained by Bowen National Research, both of the aforementioned affordable properties we were unable to survey were 100.0% occupied in March 2019. The one LIHTC community we were able to survey, Evergreen Village (Map ID 6), targets households with incomes up to 50% and 60% of AMHI and, as such, is considered comparable to the subject project. Given the limited amount of general-occupancy LIHTC product surveyed within the market, we identified and surveyed one additional rental community outside of the market, but within the region in Cartersville that offers non-subsidized LIHTC units for this comparability analysis. It should be noted that this project outside of the market is not considered competitive with the subject development, as it derives demographic support from a different geographical area. The two comparable LIHTC projects surveyed and the subject project are summarized as follows:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	<b>Elm Street Apartments</b>	<b>2023</b>	<b>46</b>	-	-	-	<b>Families; 50%, 60% and 70% AMHI &amp; PBV</b>
6	Evergreen Village	2000 / 2020	41 + 15*	100.0%	14.1 Miles	55 HH	Families; 50% & 60% AMHI
902	Somerset Club Apts.	2004	120**	95.0%	30.4 Miles	None	Families; 60% AMHI

OCC. – Occupancy

HH - Households

\*Units under renovation

\*\*Tax Credit units only

Map ID 902 is located outside the Site PMA

The two LIHTC projects have a combined occupancy rate of 96.3%, a good rate for rental housing. In fact, the one comparable non-subsidized LIHTC project surveyed in the *market* is 100.0% occupied with a waiting list. This illustrates that pent-up demand likely exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
		\$548/50% (5)	\$681*/50% (7)	\$787*/50% (5)	
		\$572-\$574/60% (6)	\$694-\$746/60% (9)	\$911/60% (8)	\$1,054*/60% (1)
Site	Elm Street Apartments	\$572/70% (1)	\$694/70% (2)	\$982/70% (1)	\$1,141/70% (1)
6	Evergreen Village	\$462/50% (5+3**/0)	\$547/50% (7+3**/0)	\$625/50% (7+3**/0)	
		\$467/60% (6+2**/0)	\$584/60% (8+2**/0)	\$645/60% (8+2**/0)	-
902	Somerset Club Apts.	\$934/60% (30/3)	\$1,118/60% (54/0)	\$1,292/60% (36/3)	-

\*2019 maximum allowable LIHTC gross rent

\*\*Units under renovation

Map ID 902 is located outside the Site PMA

The proposed/programmatic subject gross LIHTC rents, ranging from \$548 to \$1,141, will be some of the highest LIHTC rents targeting similar income levels within the market and region. However, considering the strong occupancy levels maintained at the comparable LIHTC projects, it is likely that these developments could charge higher rents without having an adverse impact on their marketability. In addition, the subject project will be the newest LIHTC project in the market, offering generally larger unit sizes (square feet) and a superior amenities package, which will further enable the development to charge significant rent premiums. Lastly, as indicated in our demand analysis earlier in Section G of this report, a good base of demographic support will exist within the market to support the proposed rent structure at the subject project. For the reasons detailed above, it is believed that the proposed rent structure at the site is appropriately positioned to be marketable within the Rockmart Site PMA. Regardless, as proposed, the subject project will offer a subsidy on 41 of the 46 units, which will require tenants to pay up to 30% of their gross adjusted income towards housing costs. Therefore, the subject project will represent a substantial value to low-income renters.

Also note that the subject project will be the only LIHTC project to offer units set aside at 70% of AMHI and four-bedroom units. As such, the development will provide an affordable rental housing alternative to larger low-income family households that are currently underserved within the market. This will position the subject at a market advantage.

### Comparable Tax Credit Summary

Based on our analysis of unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the proposed development will be marketable. While the proposed subject LIHTC rents will be the highest LIHTC rents within the market, its newness, generally larger unit sizes and superior amenities package will enable it to charge higher rents. Additionally, given the fact that the one LIHTC project surveyed in the market is 100.0% occupied and maintains a waiting list, higher rents are likely attainable within the Rockmart Site PMA. Nonetheless, as proposed, the subject project will offer a subsidy on 41 of the 46 units and will represent a substantial value to low-income renters. This has been considered in our absorption projections.

An in-depth analysis of the Rockmart rental housing market is included in Section H of this report.

### **8. Absorption/Stabilization Estimates**

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2023 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2023.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market and region, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Rockmart Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 46 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in approximately four months of opening. This absorption period is based on an average monthly absorption rate of approximately 11 units per month. These absorption assumptions assume that the project will offer PBV on all 41 of the 46 units. In the unlikely event the subject project did not offer a subsidy, it will likely experience an extended absorption period of approximately seven to nine months, based on an absorption rate of approximately five to six units per month.

These absorption projections assume a 2023 opening date. An earlier or later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining the absorption projection for the project and that this absorption projection may vary depending upon the amount of Voucher support the subject development ultimately receives in this unlikely scenario.

## **9. Overall Conclusion:**

Based on the findings reported in our market study, it is our opinion that a market exists for the 46 LIHTC units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Rockmart rental housing market is performing at a very strong occupancy rate of 99.5%, as a result of only three vacant units. In fact, all but one of the affordable rental developments surveyed in the market are fully occupied, illustrating that pent-up demand exists for additional low-income rental housing. The subject development will be able to accommodate a portion of this unmet demand. It should also be noted that the subject development will be the only LIHTC project within the market to offer units set aside at 70% of AMHI and four-bedroom units. This will position the subject development at a market advantage, as it will provide an affordable rental housing alternative to low-income larger family households that are currently underserved within the Rockmart Site PMA.

While the proposed/programmatic subject rents will be the highest LIHTC rents targeting similar income levels within the market, its newness, larger unit sizes and amenities offered will enable it to charge higher rents within the Rockmart Site PMA. This is further supported by the fact that the one general-occupancy LIHTC development surveyed within the market is 100.0% occupied and maintains a waiting list of up to 55 households for the next available unit, demonstrating that this project could likely charge higher rents without having an adverse impact on its occupancy level. Nonetheless, it should be reiterated that 41 of the 46 subject units will offer a subsidy, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject project will represent a substantial value to low-income renters within the market.

Assuming the subject project operates without a subsidy, the overall required capture rate for the subject development is 6.6%. This is below GDCA's capture rate threshold of 35% for developments located within rural markets and is considered achievable. This demonstrates that a deep base of potential income-appropriate renter household support exists for the subject project within the Rockmart Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Rockmart Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

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

Development Name:	Elm Street Apartments	Total # Units:	46
Location:	120 Gordon St. & 100 Morgan Valley Rd., Rockmart, GA 30153	# LIHTC Units:	46
PMA Boundary:	Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west.		
	Farthest Boundary Distance to Subject:		12.9 miles

**RENTAL HOUSING STOCK (found on page H-1, 2 & 6)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	562 + 15*	3	99.5%
Market-Rate Housing	4	87	2	97.7%
Assisted/Subsidized Housing not to include LIHTC	7	269	1	99.6%
<b>LIHTC</b>	4	206 + 15*	0	100.0%
Stabilized Comps	1	41 + 15*	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

\*Units under renovation

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
5	One	1.0	650	\$488	\$966	\$1.49	98.0%	\$1,138	\$1.72
2	One	1.0	650	\$488	\$966	\$1.49	98.0%	\$1,138	\$1.72
4	One	2.0	650	\$491	\$966	\$1.49	96.7%	\$1,375	\$1.31
1	One	2.0	650	\$488	\$966	\$1.49	98.0%	\$1,375	\$1.31
7	Two	2.0	1,093	\$588*	\$1,155	\$1.05	96.4%	\$1,375	\$1.31
1	Two	2.0	1,093	\$601	\$1,155	\$1.05	92.2%	\$1,578	\$1.16
8	Two	2.0	1,093	\$653	\$1,155	\$1.05	76.9%	\$1,578	\$1.16
2	Two	2.0	1,093	\$601	\$1,155	\$1.05	92.2%	\$1,578	\$1.16
5	Three	2.0	1,349	\$687*	\$1,495	\$1.11	117.6%	\$1,578	\$1.16
8	Three	2.0	1,349	\$801	\$1,495	\$1.11	86.6%	\$1,119	\$0.77
1	Three	2.0	1,349	\$882	\$1,495	\$1.11	41.0%	\$1,119	\$0.77
1	Four	2.0	1,638	\$941*	\$1,119	\$0.68	18.9%	\$1,119	\$0.77
1	Four	2.0	1,638	\$1,028	\$1,119	\$0.68	8.9%	\$1,119	\$0.77

\*Units will operate with a Project-Based Voucher (PBV); Rents are reflective of the maximum allowable LIHTC gross rents minus tenant-paid utilities

**CAPTURE RATES (found on page G-5)**

Targeted Population	PBV	50%	60%	70%	Overall as Proposed	Overall LIHTC-Only
Capture Rate	3.1%	4.7%	4.7%	0.8%	3.1%	6.6%

## Section B - Project Description

Project Name:	<b>Elm Street Apartments</b>
Location:	120 Gordon Street and 100 Morgan Valley Road, Rockmart, Georgia 30153 (Polk County)
Census Tract:	106.00
Target Market:	Family
Construction Type:	New Construction & Adaptive Reuse
Funding Source:	LIHTC

The subject project involves the adaptive reuse of a vacant school building and the new construction of residential buildings located at 120 Gordon Street and 100 Morgan Valley Road in Rockmart, Georgia into a 46-unit apartment community to be known as Elm Street Apartments. Elm Street Apartments will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and will target lower-income family (general-occupancy) households earning up to 50%, 60% and 70% of Area Median Household Income (AMHI). Additionally, 41 of the 46 units will operate with Project-Based Voucher (PBV) assistance, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed project is expected to be complete sometime in 2023. Additional details of the subject project are as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
5	One-Br.	1.0	Garden	650	50%	\$488	\$60	\$548	\$568
2	One-Br.	1.0	Garden	650	60% PBV	\$488	\$84	\$572	\$681
4	One-Br.	1.0	Garden	650	60%/PBV	\$491	\$83	\$574	\$681
1	One-Br.	1.0	Garden	650	70%/PBV	\$488	\$84	\$572	\$795
7	Two-Br.	2.0	Garden	1,093	50%/PBV	\$601	\$93	\$694	\$681
1	Two-Br.	2.0	Garden	1,093	60%/PBV	\$601	\$93	\$694	\$817
8	Two-Br.	2.0	Garden	1,093	60%/PBV	\$653	\$93	\$746	\$817
2	Two-Br.	2.0	Garden	1,093	70%/PBV	\$601	\$93	\$694	\$953
5	Three-Br.	2.0	Townhomes	1,349	50%/PBV	\$882	\$100	\$982	\$787
8	Three-Br.	2.0	Townhomes	1,349	60%/PBV	\$801	\$110	\$911	\$945
1	Three-Br.	2.0	Townhomes	1,349	70%/PBV	\$882	\$100	\$982	\$1,102
1	Four-Br.	2.0	Townhomes	1,638	60%/PBV	\$1,028	\$113	\$1,141	\$1,054
1	Four-Br.	2.0	Townhomes	1,638	70%/PBV	\$1,028	\$113	\$1,141	\$1,230
46	Total								

Source: Northwest Georgia Housing Authority

AMHI – Area Median Household Income (2019 National Nonmetropolitan Median Income)

PBV – Project-Based Voucher

*Note that some of the proposed subject gross rents for the units are above the maximum allowable LIHTC gross rents for the national nonmetropolitan area. In the unlikely event the subsidy was not offered, these rents will need to be lowered to or below the maximum allowable LIHTC gross rents. Note that the lower of the proposed rents or the maximum allowable LIHTC rents for these specific subject units have been utilized throughout the remainder of this report.*

Building/Site Information	
Residential Buildings:	One- & two-story buildings
Building Style:	Walk-up
Community Space:	Integrated throughout
Acres:	Not Available

Construction Timeline	
Original Year Built:	1940/1974 (Existing Structures)
Construction Start:	January 2022
Begin Preleasing:	June 2022
Construction End:	January 2023

Unit Amenities		
• Electric Range	• Dishwasher	• Central Air Conditioning
• Refrigerator	• Microwave	• Tile Flooring
• Garbage Disposal	• Washer/Dryer Hookups	• Window Blinds

Community Amenities		
• On-Site Management	• Community Room	• Laundry Center
• Fitness Center	• Fenced Community Garden	• Covered Picnic Area
• Computer Center	• Library	• Swimming Pool
• Basketball Court	• Playground	• Resident Programs/Services
• Surface Parking Lot (113 Spaces)		

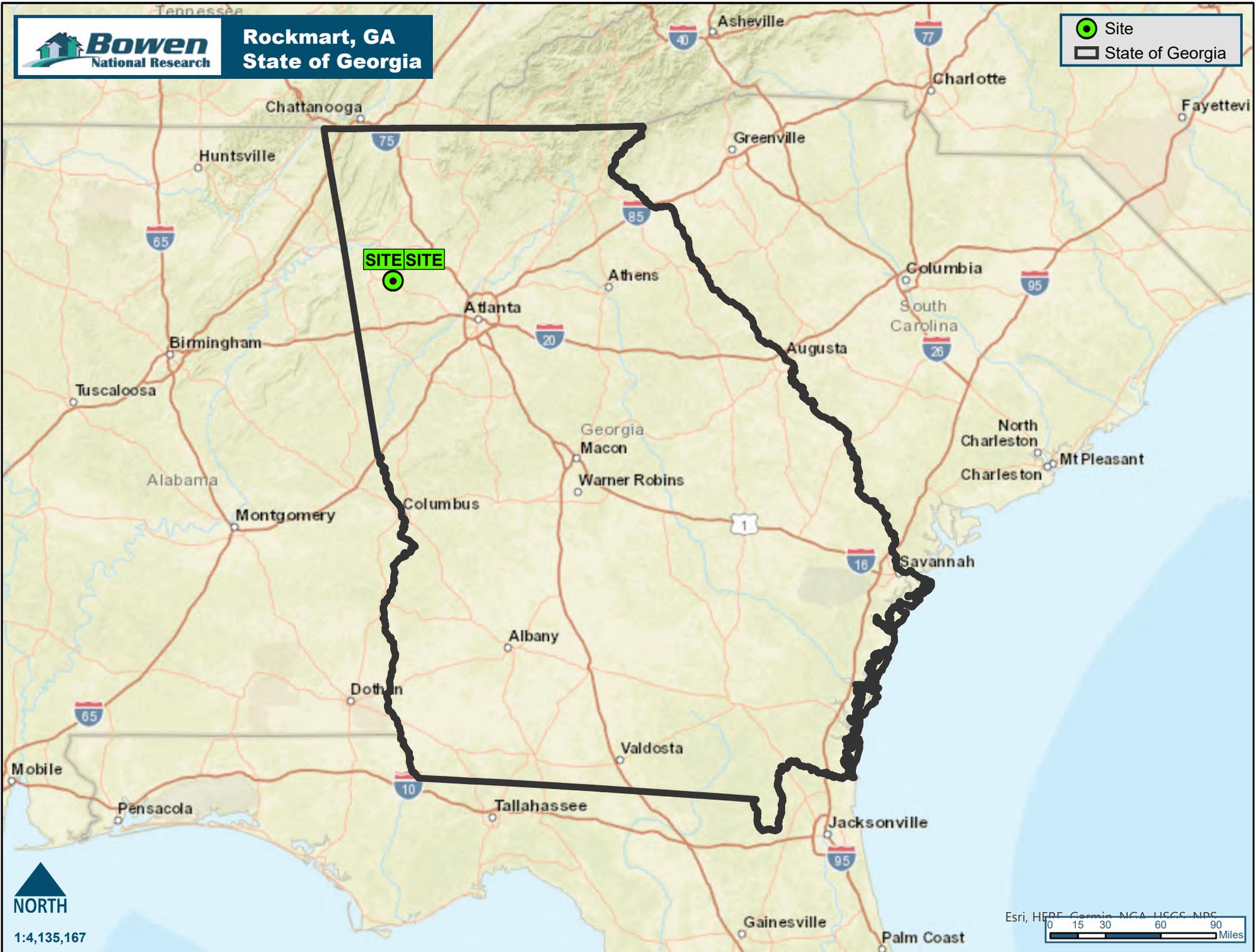
Utility Responsibility							
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Landlord	Landlord	Landlord
Source	Electric	Electric	Electric				

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



# Rockmart, GA State of Georgia

● Site  
▭ State of Georgia



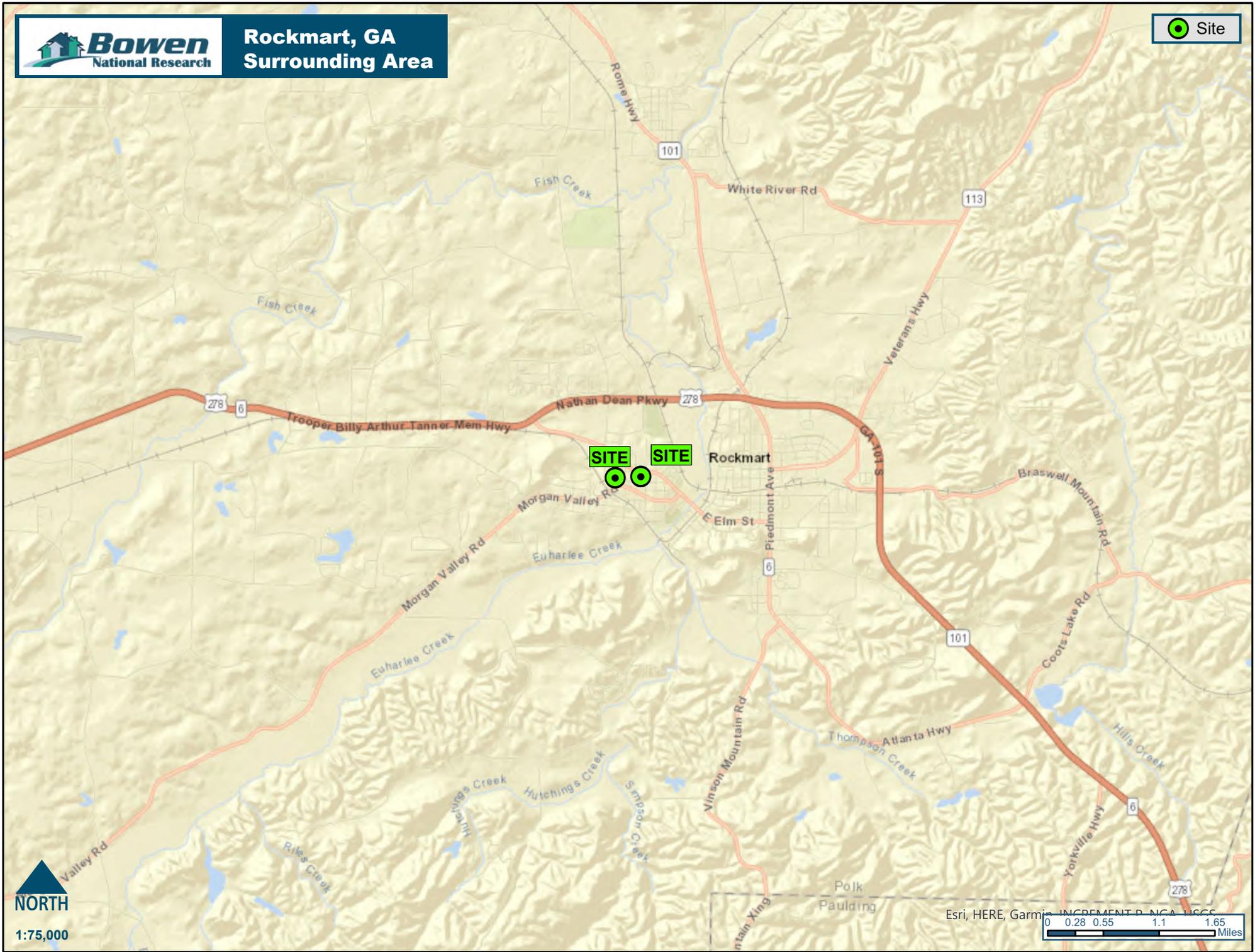
1:4,135,167

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



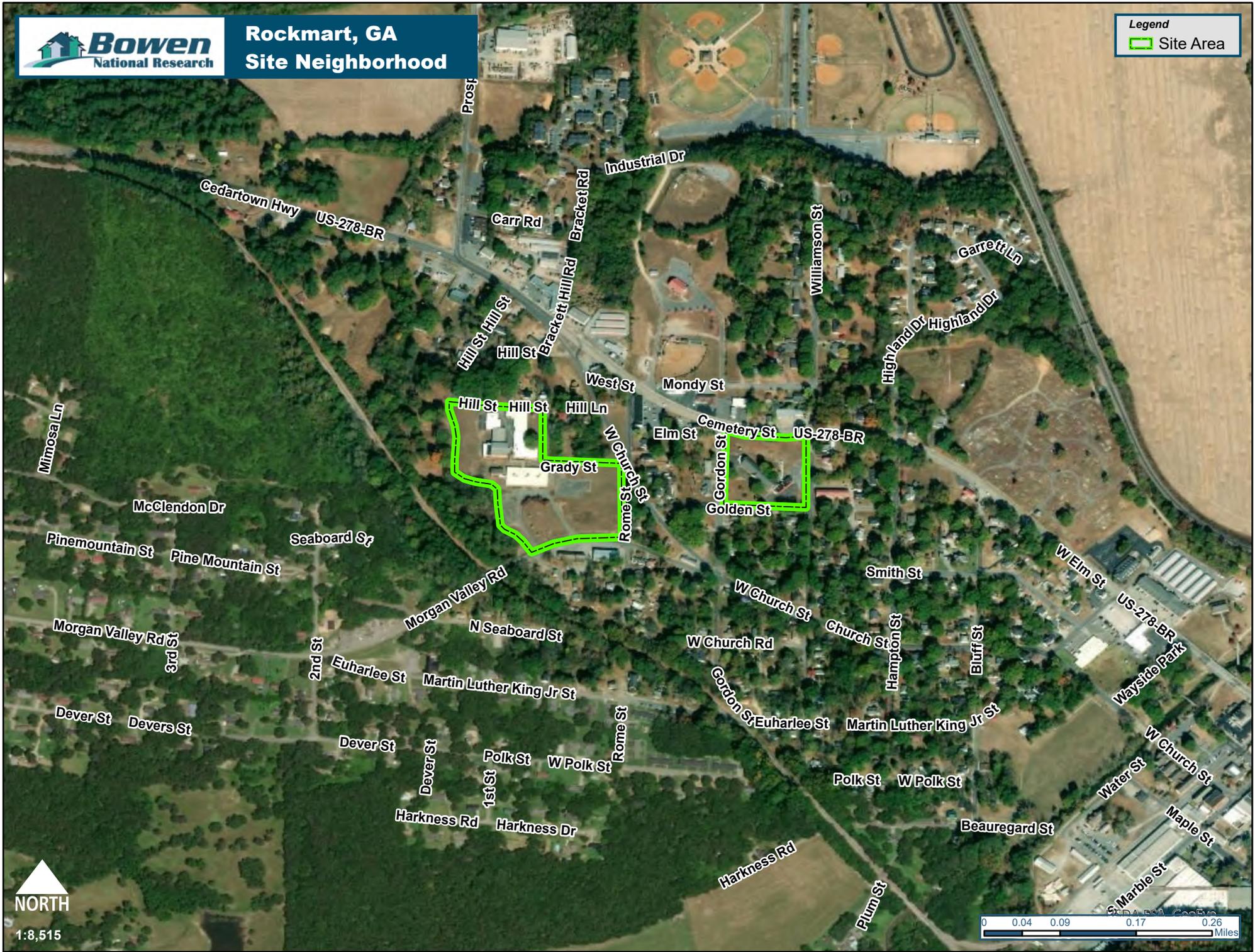
# Rockmart, GA Surrounding Area

Site



**NORTH**  
1:75,000

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



## Section C – Site Description and Evaluation

### 1. LOCATION

The subject sites currently consist of two vacant school buildings and undeveloped land located at 120 Gordon Street (Euharlee School) and 100 Morgan Valley Road (Elm Street School), in the western portion of Rockmart, Georgia. Note that Elm Street School will be razed during the development process. Situated in Polk County, Rockmart is approximately 47.0 miles northwest of Atlanta, Georgia. Greg Piduch, an employee of Bowen National Research, inspected the subject sites and area apartments during the week of March 16, 2020.

### 2. SURROUNDING LAND USES

The subject sites are located within primarily established areas of Rockmart. Surrounding land uses include single-family homes, multifamily homes, a cemetery, local businesses, area community services and undeveloped land. Adjacent land uses are detailed as follows:

<b>North -</b>	Hill Street borders the Elm Street School site to the north and continuing north are single-family homes, local businesses and area services. West Elm Street borders the Euharlee School site to the north and continuing north are local businesses, residential development, baseball fields and undeveloped land.
<b>East -</b>	Undeveloped land and single-family homes border the Elm Street School site to the east and continuing east are local services and single-family homes, followed by the Euharlee School site. Williamson Street borders the Euharlee School site to the east and continuing are multi- and single-family homes, local businesses and a cemetery.
<b>South -</b>	Morgan Valley Road defines the southern boundary of the Elm Street School site and continuing south are commercial development, single-family homes and undeveloped land. Golden Street defines the southern boundary of the Euharlee School site, followed by single-family homes and additional residential development.
<b>West -</b>	A cemetery and undeveloped land border the Elm Street School site to the west and continuing west are undeveloped land and residential development. Gordon Street borders the Euharlee School site to the west, followed by residential development and the Elm Street School site.

The subject sites are within an established, primarily residential area of Rockmart. The commercial and residential structures surrounding the subject sites were generally observed to range from satisfactory to good condition. Overall, the subject properties are consistent with the surrounding land uses, which will contribute to their marketability.

### **3. VISIBILITY AND ACCESS**

The Elm Street School site maintains frontage along Morgan Valley Road, a two-lane, light to moderately traveled residential roadway bordering the site to the south, as well as Rome Street and West Church Street to the east and Hill Street to the north, all three of which are lightly traveled, two-lane residential roadways. The Euharlee School site maintains frontage along West Elm Street, a moderately traveled, four-lane roadway to the north, as well as Gordon Street, Golden Street and Williamson Street to the west, south and east, respectively, all three of which are lightly traveled, two-lane residential roadways. Ingress and egress are considered convenient, with clear lines of sight in all directions of travel. The Euharlee School site and the Elm Street School site both have easy access to U.S. Highway 278, the closest arterial roadway providing access throughout Rockmart and surrounding areas located within 1.2 miles. In addition, the subject sites have easy access to State Routes 101 and 113, both major arterial roadways in the area located approximately 2.0 miles from the proposed subject sites. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

### **4. SITE PHOTOGRAPHS**

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

Euharlee School



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Euharlee School



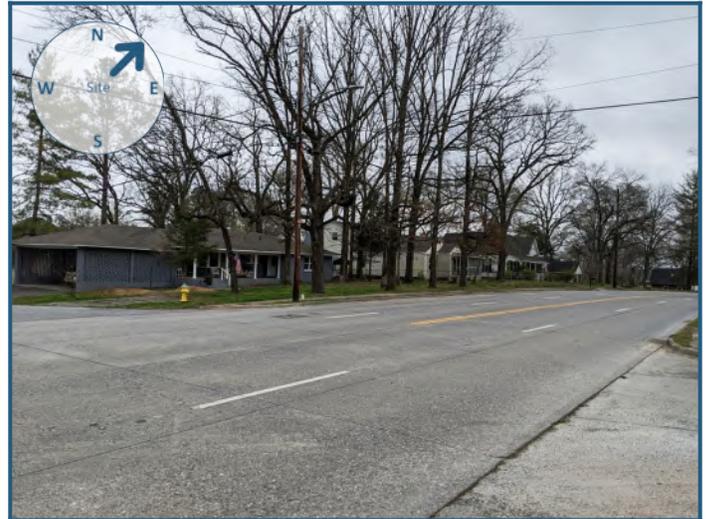
View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site

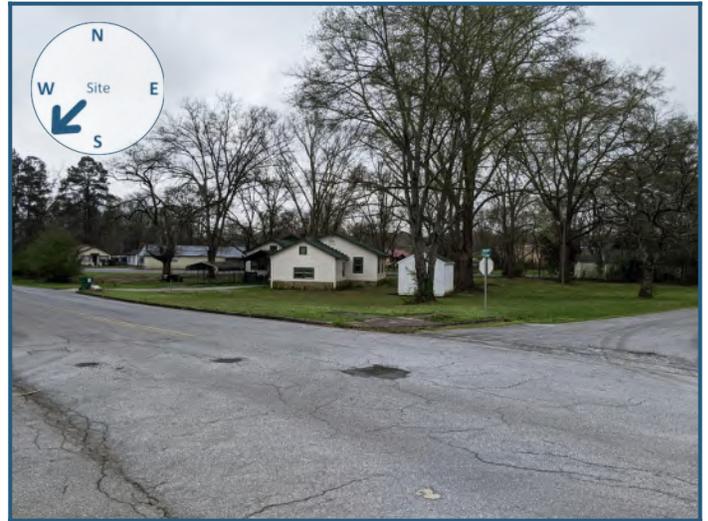


Southeast view from site

Euharlee School



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of Gordon Street



Streetscape: South view of Gordon Street

Euharlee School



Streetscape: North view of Williamson Street



Streetscape: South view of Williamson Street



Streetscape: East view of West Elm Street



Streetscape: West view of West Elm Street



Streetscape: East view of Golden Street



Streetscape: West view of Golden Street

Elm Street School



View of site from the north



View of site from the northeast



View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Elm Street School



View of site from the west



View of site from the northwest



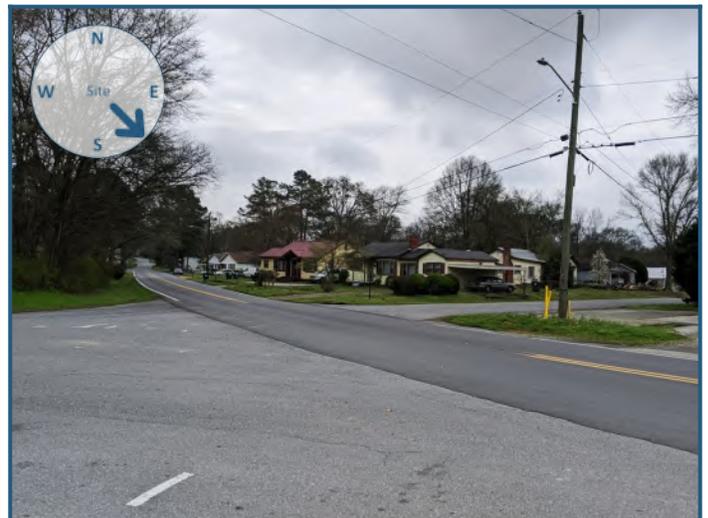
North view from site



Northeast view from site



East view from site



Southeast view from site

Elm Street School



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of unnamed road west of site



Streetscape: South view of unnamed road west of site

Elm Street School



Streetscape: Northwest view of West Church Street



Streetscape: Southeast view of West Church Street



Streetscape: East view of Hill Street



Streetscape: West view of Hill Street



Streetscape: East view of Grady Street



Streetscape: West view of Grady Street

Elm Street School



Blighted home northeast of site

## 5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 278 State Route 101 State Route 113	1.2 North 2.0 West 2.0 West
Major Employers/ Employment Centers	Tip Top Poultry Murata Electronics Distribution Meggitt Polymers and Composites Walmart Supercenter	0.8 North 0.9 North 2.0 East 2.9 Northeast
Convenience Store	Marathon Sunoco	0.2 Northeast 0.2 Northeast
Grocery	Ingles Market Triangle Foods Walmart Supercenter	1.9 East 2.2 Northeast 2.9 Northeast
Discount Department Store	Second Time Around Thrift Store Family Dollar Dollar Tree	1.5 East 1.8 East 2.1 Northeast
Shopping Center/Mall	Walmart Supercenter	2.9 Northeast
Schools: Elementary Middle/Junior High High	Polk School District Van Wert Elementary School Rockmart Middle School Rockmart High School	2.1 Southeast 4.0 Northeast 3.5 Northeast
Medical Center/Hospital	Floyd Primary Care - Rockmart Polk Medical Center	2.4 Northeast 8.6 West
Police	Rockmart Police Department	1.7 East
Fire	Rockmart Fire Department	1.8 East
Post Office	U.S. Post Office	0.9 East
Bank	Southcrest Bank Suntrust Bank Family Savings Credit Union	0.9 East 1.3 East 2.5 Northeast
Recreational Facilities	Nathan Dean Sports Complex Body Vision Anytime Fitness	0.6 North 1.0 East 2.9 Northeast
Gas Station	Marathon Sunoco	0.2 Northeast 0.2 Northeast
Pharmacy	Rite Aid Rockmart Pharmacy Smith Lockwood Pharmacy	1.3 Northeast 1.7 East 2.1 Northeast
Restaurant	Sidekicks Hometown Pizza Knucklehead Café	0.7 North 0.8 Southeast 0.8 East
Day Care	Creative Kids Learning Center Tallatoona Rockmart Head Start	1.7 Northeast 1.7 Southeast
Library	Rockmart City Public Library	0.8 East
Church	Zion Hill First Baptist Church Morning Star Baptist Church	0.5 South 0.9 West
Park	Nathan Dean Park	0.6 North
Community Center	Rockmart Community Center	1.7 East

The proposed subject site is located within proximity of numerous area community services, most of which are located within 2.0 miles, as illustrated in the preceding table. This includes the nearest gas stations, pharmacies, grocery stores, daycare centers, banks and major area employers.

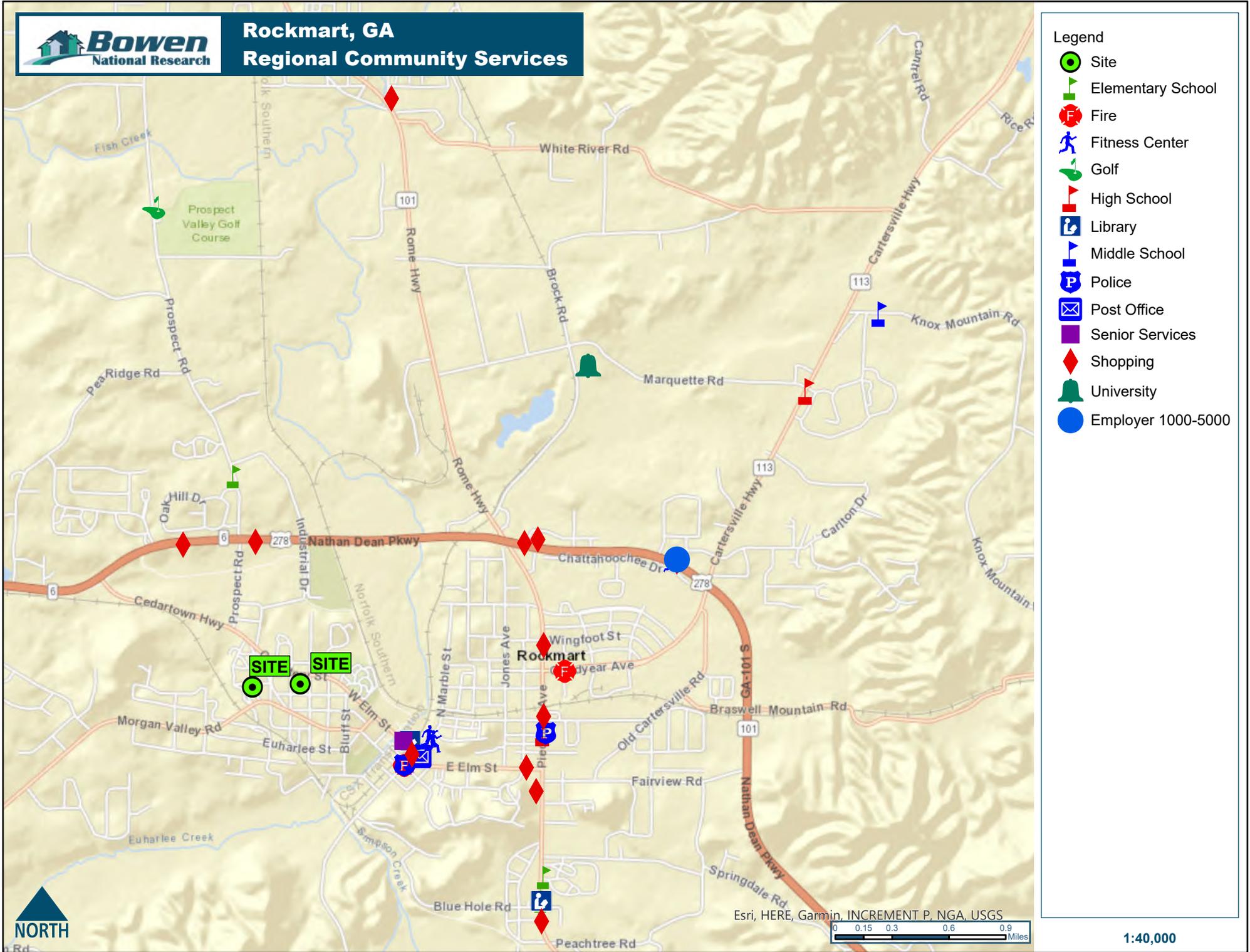
The Polk School District serves the subject sites, with all applicable attendance schools located within 4.0 miles. The Rockmart Police Department and the Rockmart Fire Department serve the subject sites and are located within 1.7 and 1.8 miles, respectively. The Polk Medical Center is the nearest major hospital and is located within 8.6 miles of the subject sites; however, Floyd Primary Care - Rockmart is located within 2.4 miles.

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





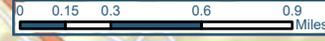
# Rockmart, GA Regional Community Services



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



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



1:40,000

## 6. CRIME ISSUES

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

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

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

Total crime risk for the site's ZIP Code is 60, with an overall personal crime index of 22 and a property crime index of 65. Total crime risk for Polk County is 121, with indexes for personal and property crime of 87 and 126, respectively.

	Crime Risk Index	
	Site ZIP Code	Polk County
<b>Total Crime</b>	<b>60</b>	<b>121</b>
<b>Personal Crime</b>	<b>22</b>	<b>87</b>
Murder	19	93
Rape	67	82
Robbery	15	71
Assault	18	95
<b>Property Crime</b>	<b>65</b>	<b>126</b>
Burglary	45	164
Larceny	77	121
Motor Vehicle Theft	22	73

Source: Applied Geographic Solutions

The crime risk index within the site's ZIP Code (60) is well below both those of Polk County (121) and the nation (100). As such, the perception of crime, or lack thereof, will have a positive impact on the subject's marketability.

A map illustrating crime risk is on the following page.



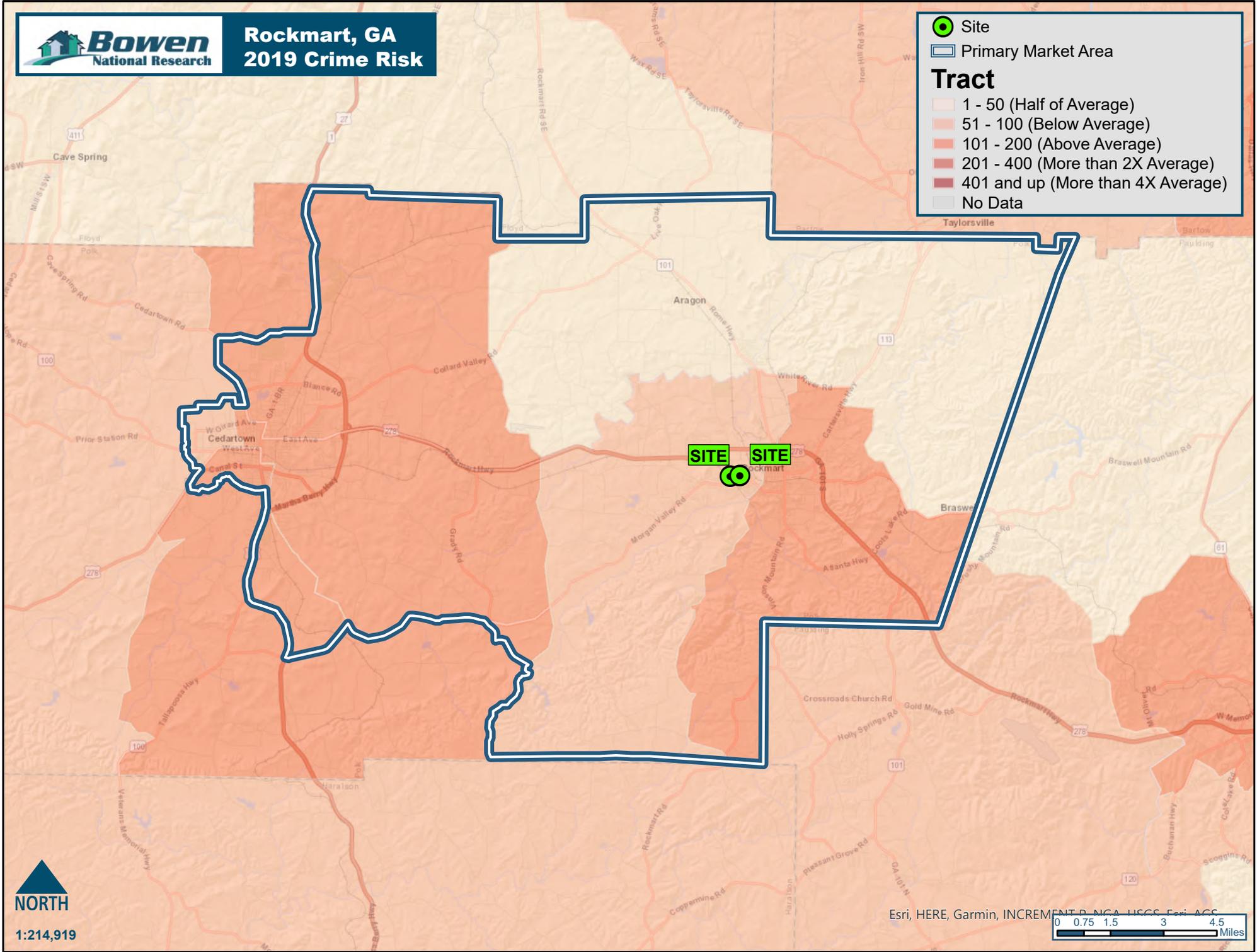
# Rockmart, GA 2019 Crime Risk

Site

Primary Market Area

**Tract**

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



NORTH  
1:214,919

Esri, HERE, Garmin, INCREMENT P, NCA, USGS, Esri, ACS  
 0 0.75 1.5 3 4.5 Miles

## **7. OVERALL SITE EVALUATION**

The proposed subject sites are situated within primarily established areas in the western portion of Rockmart. Surrounding land uses primarily include residential and commercial development, which are generally considered to be in fair to good condition. The intended use of the subject sites is consistent with the surrounding land uses and should contribute to their marketability. Access to the sites is considered good, as they are within proximity of U.S. Highway 278, as well as State Routes 101 and 113. Visibility of the Euharlee School site is considered good, as it is adjacent to West Elm Street, a moderately traveled arterial within the immediate area, and is clearly visible by motorists. However, visibility of the Elm Street School is obstructed from arterial roadways and promotional signage is recommended throughout all areas of the market area to increase the subject's awareness during the initial lease-up period. The subject sites are located within proximity of most basic community services, including grocery, discount shopping, pharmacies, gas stations/convenience stores, restaurants, banks and employment opportunities. Overall, the location of the subject sites and their convenient accessibility and proximity to area community services are considered conducive for affordable housing development within the Rockmart market.

## **8. MAP OF LOW-INCOME RENTAL HOUSING**

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

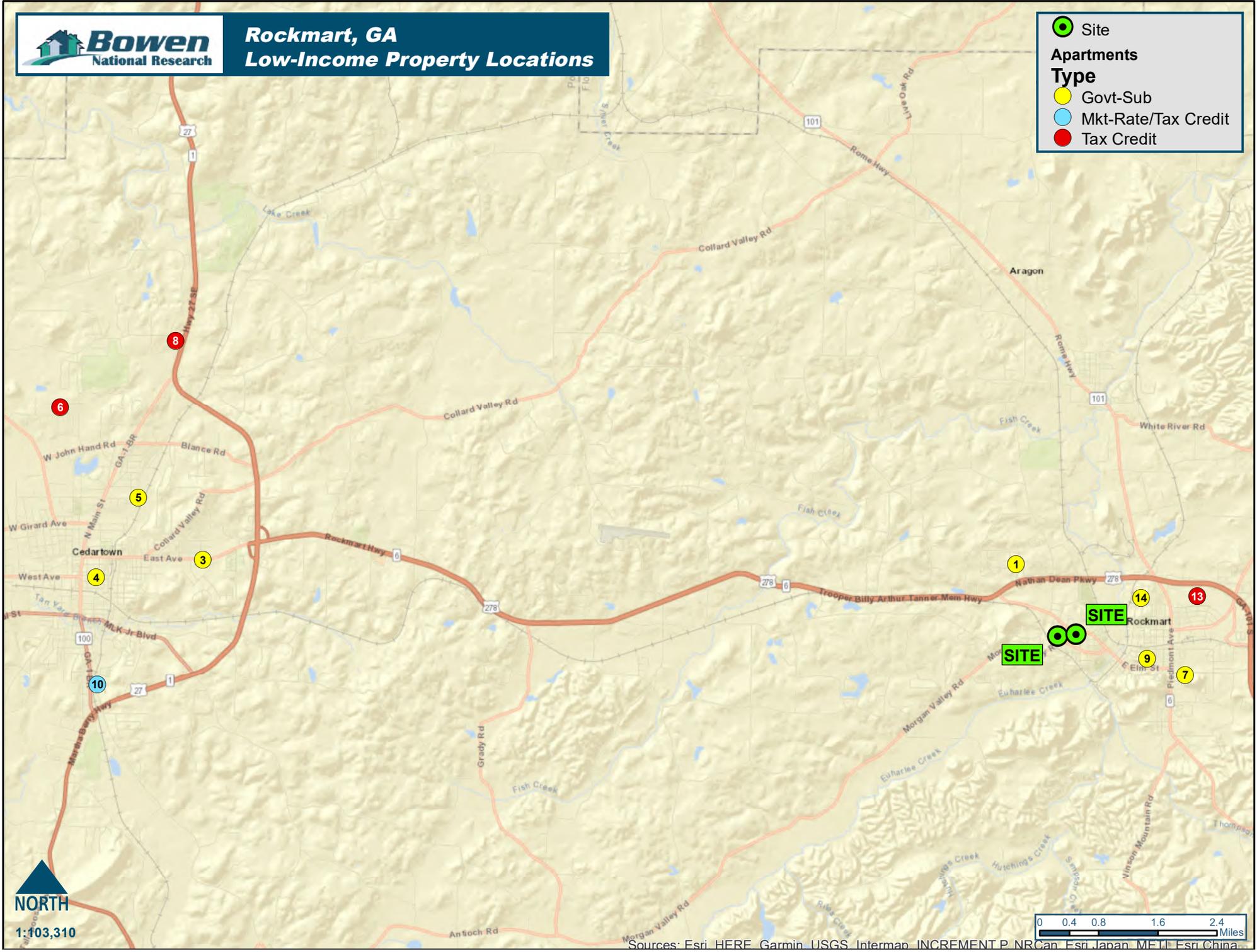


# Rockmart, GA Low-Income Property Locations

**Site**  
 Site

**Apartments Type**

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



**NORTH**  
 1:103,310



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

## Section D – Primary Market Area Delineation

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

The Rockmart Site PMA includes all or portions of Rockmart, Aragon, Cedartown, Taylorsville and Braswell, as well as the surrounding unincorporated areas of Polk County. Specifically, the boundaries of the Site PMA include the Polk County line to the north and east; the Polk County line, Hightower Road, Hightower Falls Road, Antioch Road and Youngs Farm Road to the south; and U.S. Highway 27, Cherokee Road and the Cedartown city limits to the west.

Layne Sanders, Property Manager of Evergreen Village (Map ID 6), a Tax Credit community in Cedartown, stated that most support for her property derives from Cedartown and Rockmart and expects a new affordable development within Rockmart to experience similar trends. Thus, confirming the Site PMA. Ms. Sanders added that she does not know of a single property in the area that has a vacancy and agreed that new housing would help satisfy the demand from local families, as well as seniors that are retiring and downsizing.

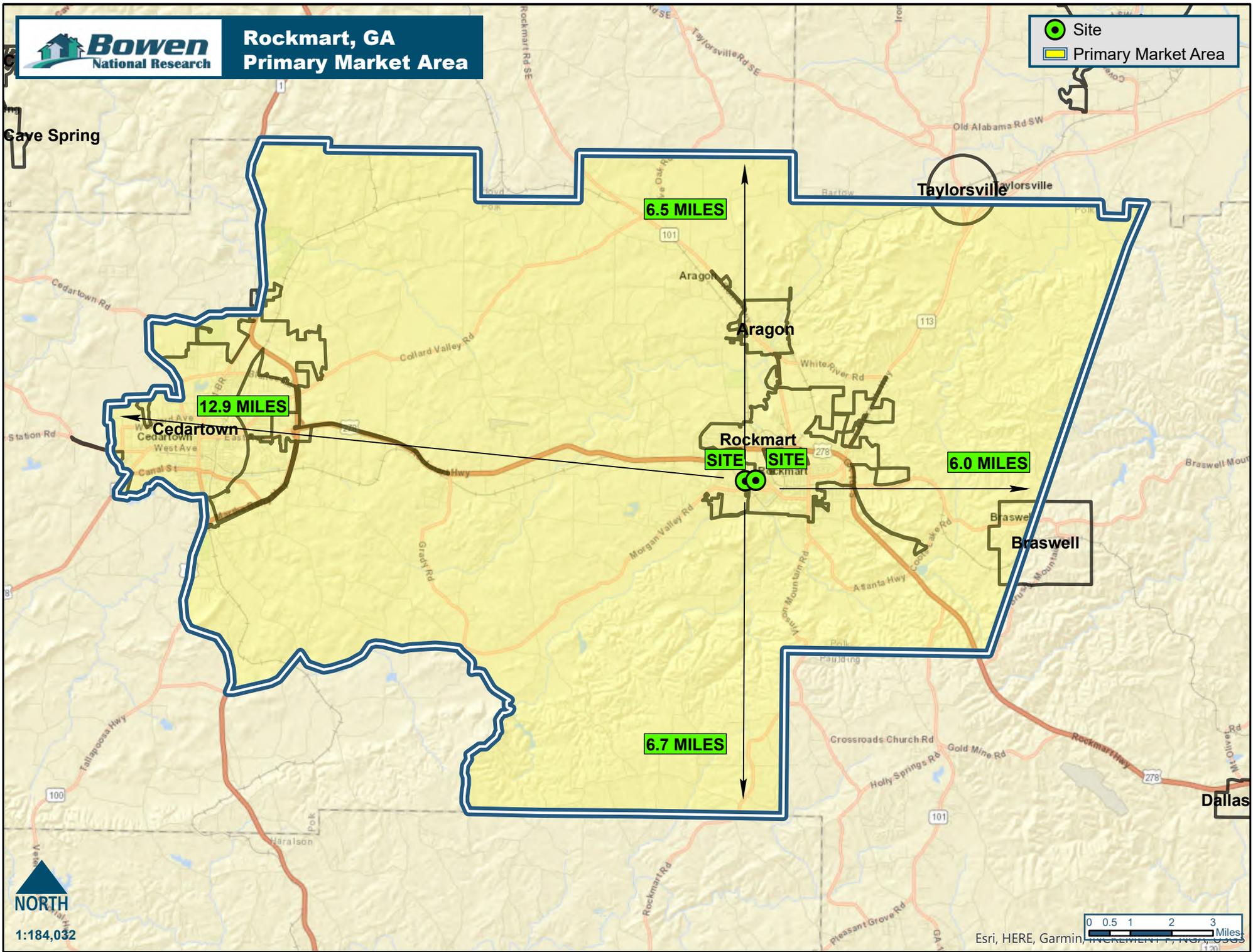
A modest portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered a secondary market area in this report.

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

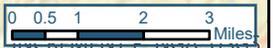


# Rockmart, GA Primary Market Area

● Site  
▭ Primary Market Area



**NORTH**  
1:184,032



## Section E – Community Demographic Data

### 1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2020 (estimated) and 2023 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Population	31,503	34,343	35,857	36,206
Population Change	-	2,840	1,514	350
Percent Change	-	9.0%	4.4%	1.0%

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

The Rockmart Site PMA population base increased by 2,840 between 2000 and 2010. This represents a 9.0% increase from the 2000 population, or an annual rate of 0.9%. Since 2010, the market's population base has been generally stable. This trend is expected to remain relatively stable through 2023.

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

Population by Age	2010 (Census)		2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	10,018	29.2%	9,885	27.6%	10,130	28.0%	244	2.5%
20 to 24	2,227	6.5%	2,018	5.6%	1,974	5.5%	-43	-2.1%
25 to 34	4,394	12.8%	4,726	13.2%	4,371	12.1%	-356	-7.5%
35 to 44	4,380	12.8%	4,458	12.4%	4,662	12.9%	204	4.6%
45 to 54	4,742	13.8%	4,331	12.1%	4,289	11.8%	-42	-1.0%
55 to 64	3,905	11.4%	4,481	12.5%	4,439	12.3%	-42	-0.9%
65 to 74	2,657	7.7%	3,443	9.6%	3,571	9.9%	127	3.7%
75 & Over	2,020	5.9%	2,514	7.0%	2,771	7.7%	257	10.2%
Total	34,343	100.0%	35,857	100.0%	36,206	100.0%	350	1.0%

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

As the preceding table illustrates, over 50% of the population is expected to be between 25 and 64 years old in 2020. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

## 2. HOUSEHOLD TRENDS

Household trends within the Rockmart Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2023 (Projected)
Households	11,579	12,497	12,951	13,076
Household Change	-	918	454	125
Percent Change	-	7.9%	3.6%	1.0%
Household Size	2.72	2.75	2.73	2.73

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

Within the Rockmart Site PMA, households increased by 918 (7.9%) between 2000 and 2010. Similar to the population base, the market's households have been generally stable since 2010. This trend is anticipated to remain relatively stable through 2023.

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

Households by Age	2010 (Census)		2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	541	4.3%	497	3.8%	505	3.9%	7	1.4%
25 to 34	1,766	14.1%	1,866	14.4%	1,727	13.2%	-140	-7.5%
35 to 44	2,168	17.3%	2,097	16.2%	2,185	16.7%	88	4.2%
45 to 54	2,559	20.5%	2,195	16.9%	2,167	16.6%	-28	-1.3%
55 to 64	2,317	18.5%	2,481	19.2%	2,445	18.7%	-36	-1.5%
65 to 74	1,769	14.2%	2,172	16.8%	2,242	17.1%	70	3.2%
75 to 84	1,038	8.3%	1,342	10.4%	1,476	11.3%	134	10.0%
85 & Over	339	2.7%	300	2.3%	330	2.5%	30	10.0%
Total	12,497	100.0%	12,951	100.0%	13,076	100.0%	125	1.0%

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

Between 2020 and 2023, the greatest growth among household age groups is projected to be among those between the ages of 65 and 84, increasing by 204, or 5.8%. This projected growth among senior households indicates that there will be an increasing need for housing for seniors in the market. However, over 69% of all households are projected to be under the age of 65 in 2023. This demonstrates that a larger number of age-appropriate households will be present within the Site PMA to support the subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2020 (Estimated)		2023 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,271	66.2%	7,485	57.8%	7,628	58.3%
Renter-Occupied	4,226	33.8%	5,465	42.2%	5,448	41.7%
Total	12,497	100.0%	12,950	100.0%	13,076	100.0%

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

In 2020, homeowners occupied 57.8% of all occupied housing units, while the remaining 42.2% were occupied by renters. The share of renters is considered relatively high for a rural market, such as the Rockmart Site PMA, and the 5,465 renter households estimated in 2020 represent a good base of potential support for the subject sites.

The household sizes by tenure within the Site PMA, based on the 2020 estimates and 2023 projections, were distributed as follows:

Persons Per Renter Household	2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,782	32.6%	1,767	32.4%	-15	-0.8%
2 Persons	1,486	27.2%	1,503	27.6%	17	1.1%
3 Persons	985	18.0%	993	18.2%	8	0.8%
4 Persons	615	11.2%	588	10.8%	-27	-4.4%
5 Persons+	597	10.9%	597	11.0%	0	-0.1%
<b>Total</b>	<b>5,465</b>	<b>100.0%</b>	<b>5,448</b>	<b>100.0%</b>	<b>-17</b>	<b>-0.3%</b>

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

Persons Per Owner Household	2020 (Estimated)		2023 (Projected)		Change 2020-2023	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,564	20.9%	1,581	20.7%	17	1.1%
2 Persons	2,859	38.2%	2,919	38.3%	60	2.1%
3 Persons	1,337	17.9%	1,363	17.9%	26	2.0%
4 Persons	988	13.2%	1,010	13.2%	22	2.2%
5 Persons+	736	9.8%	755	9.9%	19	2.5%
<b>Total</b>	<b>7,485</b>	<b>100.0%</b>	<b>7,628</b>	<b>100.0%</b>	<b>143</b>	<b>1.9%</b>

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

The subject site will offer one-, two-, three- and four-bedroom units, which will generally target up to six-person households. Therefore, the subject site will be able to accommodate nearly all renter households within the Site PMA, based on size.

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

Household Income	2010 (Census)		2020 (Estimated)		2023 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,360	10.9%	852	6.6%	786	6.0%
\$10,000 to \$19,999	1,983	15.9%	1,539	11.9%	1,448	11.1%
\$20,000 to \$29,999	1,732	13.9%	1,560	12.0%	1,463	11.2%
\$30,000 to \$39,999	1,787	14.3%	1,879	14.5%	1,871	14.3%
\$40,000 to \$49,999	1,618	12.9%	1,241	9.6%	1,257	9.6%
\$50,000 to \$59,999	1,121	9.0%	1,045	8.1%	1,052	8.0%
\$60,000 to \$74,999	1,176	9.4%	1,434	11.1%	1,503	11.5%
\$75,000 to \$99,999	850	6.8%	1,571	12.1%	1,671	12.8%
\$100,000 to \$124,999	468	3.7%	968	7.5%	1,065	8.1%
\$125,000 to \$149,999	217	1.7%	384	3.0%	421	3.2%
\$150,000 to \$199,999	68	0.5%	208	1.6%	246	1.9%
\$200,000 & Over	117	0.9%	268	2.1%	294	2.2%
<b>Total</b>	<b>12,497</b>	<b>100.0%</b>	<b>12,950</b>	<b>100.0%</b>	<b>13,076</b>	<b>100.0%</b>
<b>Median Income</b>	<b>\$36,567</b>		<b>\$45,196</b>		<b>\$47,718</b>	

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

In 2010, the median household income was \$36,567. This increased by 23.6% to \$45,196 in 2020. By 2023, it is projected that the median household income will be \$47,718, an increase of 5.6% from 2020.

The following tables illustrate renter household income by household size for 2010, 2020 and 2023 for the Rockmart Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	271	178	121	117	86	773
\$10,000 to \$19,999	383	213	145	139	103	984
\$20,000 to \$29,999	241	156	106	102	76	681
\$30,000 to \$39,999	180	144	98	94	70	586
\$40,000 to \$49,999	126	122	83	80	59	470
\$50,000 to \$59,999	68	65	44	43	32	251
\$60,000 to \$74,999	68	69	47	45	34	263
\$75,000 to \$99,999	40	42	28	27	20	158
\$100,000 to \$124,999	9	10	7	6	5	36
\$125,000 to \$149,999	4	4	3	3	2	17
\$150,000 to \$199,999	1	1	1	0	0	3
\$200,000 & Over	1	1	1	1	1	5
Total	1,393	1,004	684	658	487	4,226

Source: ESRI; Urban Decision Group

Renter Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	218	168	112	70	68	636
\$10,000 to \$19,999	398	249	165	103	100	1,015
\$20,000 to \$29,999	314	214	142	89	86	845
\$30,000 to \$39,999	295	255	169	106	103	927
\$40,000 to \$49,999	192	166	110	69	67	603
\$50,000 to \$59,999	95	103	68	42	41	349
\$60,000 to \$74,999	126	143	95	59	57	479
\$75,000 to \$99,999	84	108	72	45	44	353
\$100,000 to \$124,999	29	40	26	16	16	128
\$125,000 to \$149,999	12	16	10	6	6	51
\$150,000 to \$199,999	8	11	7	4	4	35
\$200,000 & Over	10	14	9	6	6	44
Total	1,782	1,486	985	615	597	5,465

Source: ESRI; Urban Decision Group

Renter Households	2023 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	199	161	106	63	64	593
\$10,000 to \$19,999	368	242	160	95	96	960
\$20,000 to \$29,999	292	205	136	80	82	795
\$30,000 to \$39,999	297	262	173	102	104	937
\$40,000 to \$49,999	212	174	115	68	69	638
\$50,000 to \$59,999	99	103	68	40	41	352
\$60,000 to \$74,999	138	149	98	58	59	502
\$75,000 to \$99,999	85	107	71	42	43	348
\$100,000 to \$124,999	33	45	30	18	18	144
\$125,000 to \$149,999	14	17	12	7	7	57
\$150,000 to \$199,999	14	17	11	7	7	56
\$200,000 & Over	15	21	14	8	8	67
Total	1,767	1,503	993	588	597	5,448

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

### Demographic Summary

The population base and households within the Rockmart Site PMA experienced positive growth between 2000 and 2010. These trends have been generally stable since 2010 and are projected to remain relatively stable through 2023. Regardless, the market will continue to have a good base of age-appropriate support, as over 69% of all households within the market will be under the age of 65 in 2023. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project.

## Section F – Economic Trends

### 1. LABOR FORCE PROFILE

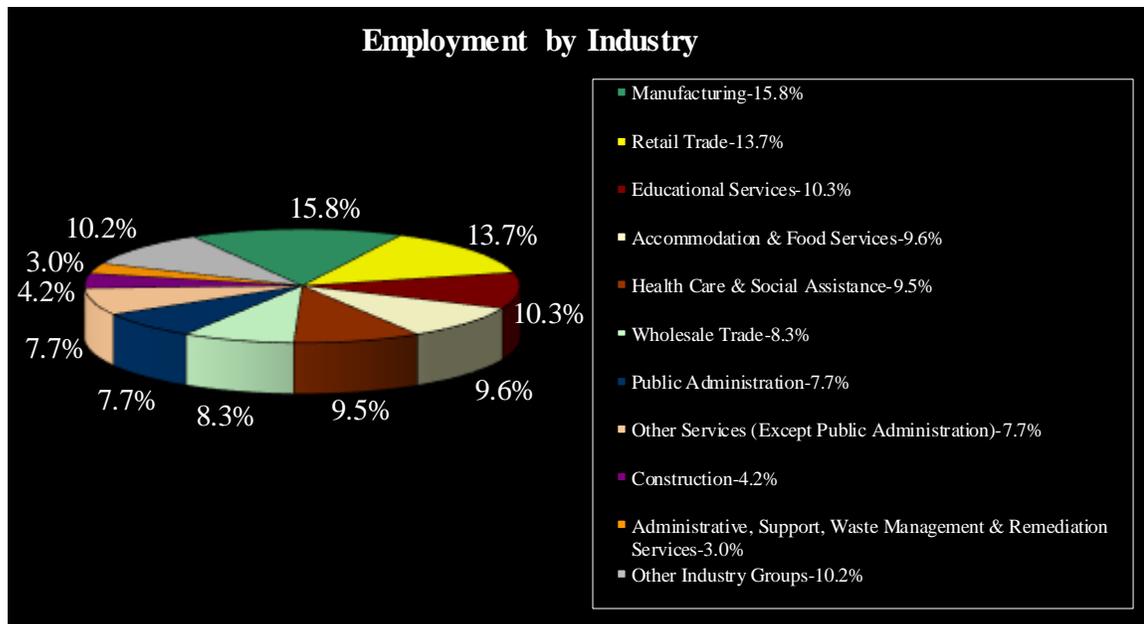
The labor force within the Rockmart Site PMA is based primarily in three sectors. Manufacturing (which comprises 15.8%), Retail Trade and Educational Services comprise nearly 40% of the Site PMA labor force. Employment in the Rockmart Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.7%	48	0.4%	6.9
Mining	0	0.0%	3	0.0%	0.0
Utilities	6	0.6%	55	0.5%	9.2
Construction	62	6.5%	454	4.2%	7.3
Manufacturing	29	3.0%	1,720	15.8%	59.3
Wholesale Trade	23	2.4%	905	8.3%	39.3
Retail Trade	157	16.5%	1,494	13.7%	9.5
Transportation & Warehousing	23	2.4%	253	2.3%	11.0
Information	14	1.5%	71	0.7%	5.1
Finance & Insurance	64	6.7%	225	2.1%	3.5
Real Estate & Rental & Leasing	55	5.8%	180	1.7%	3.3
Professional, Scientific & Technical Services	47	4.9%	159	1.5%	3.4
Management of Companies & Enterprises	2	0.2%	4	0.0%	2.0
Administrative, Support, Waste Management & Remediation Services	27	2.8%	324	3.0%	12.0
Educational Services	25	2.6%	1,118	10.3%	44.7
Health Care & Social Assistance	53	5.6%	1,030	9.5%	19.4
Arts, Entertainment & Recreation	19	2.0%	97	0.9%	5.1
Accommodation & Food Services	82	8.6%	1,049	9.6%	12.8
Other Services (Except Public Administration)	158	16.6%	834	7.7%	5.3
Public Administration	72	7.6%	837	7.7%	11.6
Nonclassifiable	28	2.9%	15	0.1%	0.5
<b>Total</b>	<b>953</b>	<b>100.0%</b>	<b>10,875</b>	<b>100.0%</b>	<b>11.4</b>

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the North Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	North Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$89,900	\$116,740
Business and Financial Occupations	\$59,220	\$74,280
Computer and Mathematical Occupations	\$65,240	\$88,550
Architecture and Engineering Occupations	\$67,860	\$83,500
Community and Social Service Occupations	\$46,490	\$48,540
Art, Design, Entertainment and Sports Medicine Occupations	\$39,670	\$56,780
Healthcare Practitioners and Technical Occupations	\$65,120	\$77,470
Healthcare Support Occupations	\$27,250	\$30,880
Protective Service Occupations	\$36,560	\$39,900
Food Preparation and Serving Related Occupations	\$22,210	\$22,600
Building and Grounds Cleaning and Maintenance Occupations	\$26,910	\$27,240
Personal Care and Service Occupations	\$25,820	\$28,200
Sales and Related Occupations	\$31,270	\$39,160
Office and Administrative Support Occupations	\$34,520	\$38,260
Construction and Extraction Occupations	\$38,220	\$43,690
Installation, Maintenance and Repair Occupations	\$41,910	\$47,530
Production Occupations	\$33,590	\$35,690
Transportation and Moving Occupations	\$31,230	\$35,260

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

Most annual blue-collar salaries range from \$22,210 to \$46,490 within the North Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$69,468. It is important to note that most occupational types within the North Georgia Nonmetropolitan Area have lower typical wages than the State of Georgia's typical wages. As such, the area employment base has a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

## 2. MAJOR EMPLOYERS

The ten largest employers within Polk County comprise a total of 3,935 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Meggitt Polymers & Composites	Aircraft Fuel Tanks	1,166
Tip Top Poultry, Inc.	Poultry Processing	840
HON Company	Manufacture Office Furniture	650
Jefferson Southern Corporation	Automotive Structural Auto Parts	300
Polk County Public Service Company, Inc.	Government	200
AT&T Mobility Services, LLC	Technology	181
Angelica Textile Services	Industrial Laundry	180
Eby-Brown Company, LLC	Wholesale Grocer	142
Advance Storage Products	Manufacturer	141
AGRO Merchants	Food Safety/Cold Storage	135
	Total	3,935

Source: Development Authority of Polk County (2019)

According to a representative with the Development Authority of Polk County, the Polk County economy is booming and feels the economy will continue to grow due to low taxes, cost of living and the cost of doing business. But there is a severe housing shortage due to the fact that several persons are commuting to the area to work. Recently, a business expansion opportunity that would have created 150 jobs did not occur due to the lack of housing. Currently, there are negotiations going on that would create about 275 jobs over the next two years but with the housing situation, that may also fall through. In the past one to two years, many manufacturers in Rockmart and Cedartown have expanded resulting in hundreds of new jobs and 200 to 250 new jobs are expected in the new year or two. The following are summaries of notable economic developments within the area:

- In 2019, the International Union of Operating Engineers Local 926 began construction at their new location in at Cedartown's North Business Park. The company is investing \$1.4 million in heavy equipment for pipeline training, excavation training, and train on the use of cranes. The company will be creating a new state-of-the-art training facility that will include mechanics, classrooms, and a simulator room.

- Cedarstream completed its expansion in Cedartown in 2019 and invested \$4.5 million in a new 40,000 square-foot building at the Cedartown North Industrial Park. The company prints custom orders on any type of material.
- Polk County Public Schools broke ground in December 2019 on a new high school in Davenport. The new school is expected to open in August 2021 and will accommodate 2,500 students.
- The Rockmart High School finished an expansion project in 2019 that has allowed additional classroom space for students and a new \$1.2 million Agricultural Facility.
- In 2019, the city of Cedartown received a grant totaling \$328,000 from the Appalachian Regional Commission that will be used for site work on 240 acres located within Cedartown North Industrial Park.
- The Polk County Water Authority completed the new Mulco-Ammons Springs Water Treatment Facility in 2019. The project, which serves 8,000 customers daily, runs along Youngs Farm Road off Highway 27 North from Ammos Spring to Mulco Spring in Antioch.

WARN (layoff notices):

WARN Notices were reviewed in March 2020 and according to the Georgia Department of Labor, there have been no WARN notices reported for Polk County over the past 18 months.

**3. EMPLOYMENT TRENDS**

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

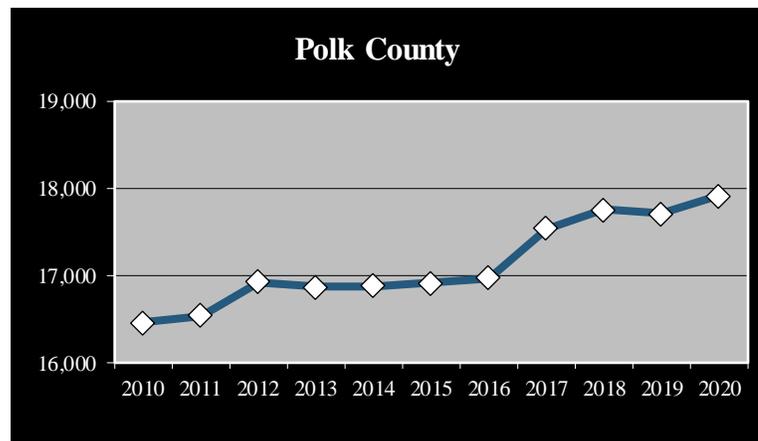
Excluding 2020, the employment base has increased by 4.7% over the past five years in Polk County, less than the Georgia state increase of 10.1%. Total employment reflects the number of employed persons who live within the county.

The table on the following page illustrates the total employment base for Polk County, the state of Georgia and the United States.

Year	Total Employment					
	Polk County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	16,444	-	4,202,052	-	140,469,139	-
2011	16,532	0.5%	4,263,305	1.5%	141,791,255	0.9%
2012	16,917	2.3%	4,348,083	2.0%	143,621,634	1.3%
2013	16,860	-0.3%	4,366,374	0.4%	145,017,562	1.0%
2014	16,867	0.0%	4,403,433	0.8%	147,313,048	1.6%
2015	16,901	0.2%	4,482,922	1.8%	149,500,941	1.5%
2016	16,965	0.4%	4,649,755	3.7%	151,887,366	1.6%
2017	17,524	3.3%	4,812,097	3.5%	154,160,937	1.5%
2018	17,746	1.3%	4,880,038	1.4%	156,081,212	1.2%
2019	17,701	-0.3%	4,935,310	1.1%	158,102,439	1.3%
2020*	17,905	1.2%	4,992,364	1.2%	157,927,470	-0.1%

Source: Department of Labor; Bureau of Labor Statistics

\*Through January



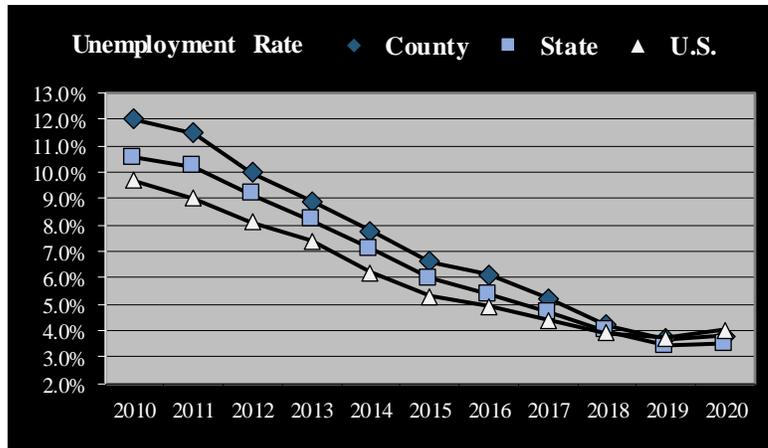
Since 2010, the Polk County employment base increased by 1,461 jobs, or 8.9%, through January 2020.

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

Year	Unemployment Rate		
	Polk County	Georgia	United States
2010	12.0%	10.6%	9.7%
2011	11.5%	10.2%	9.0%
2012	10.0%	9.2%	8.1%
2013	8.9%	8.2%	7.4%
2014	7.8%	7.1%	6.2%
2015	6.6%	6.0%	5.3%
2016	6.1%	5.4%	4.9%
2017	5.2%	4.7%	4.4%
2018	4.2%	4.0%	3.9%
2019	3.7%	3.4%	3.7%
2020*	3.8%	3.5%	4.0%

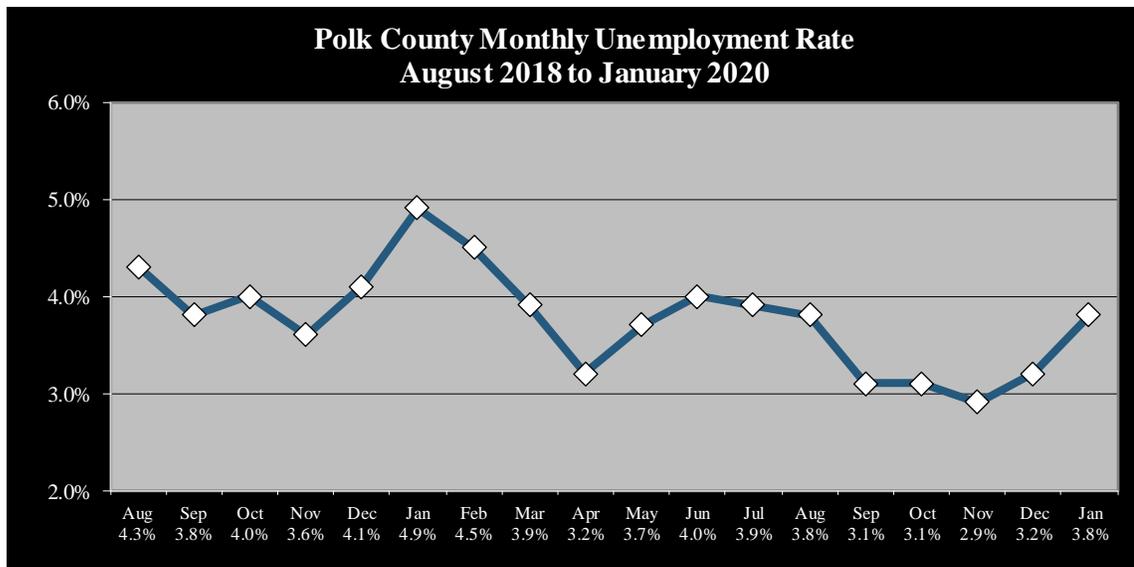
Source: Department of Labor; Bureau of Labor Statistics

\*Through January



Since 2010, the unemployment rate within the county has decreased by over eight percentage points and is averaging 3.8% through January 2020.

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



The unemployment rate in Polk County within the preceding 18-month period has generally fluctuated between 3.0% and 4.0%.

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

In-Place Employment Polk County			
Year	Employment	Change	Percent Change
2009	11,166	-	-
2010	10,811	-355	-3.2%
2011	10,817	6	0.1%
2012	10,937	120	1.1%
2013	11,059	122	1.1%
2014	11,141	82	0.7%
2015	11,203	62	0.6%
2016	10,874	-329	-2.9%
2017	11,047	173	1.6%
2018	11,216	169	1.5%
2019*	11,338	122	1.1%

Source: Department of Labor, Bureau of Labor Statistics  
 \*Through September

Data for 2018, the most recent year that year-end figures are available, indicates in-place employment in Polk County to be 63.2% of the total Polk County employment. This means that Polk County has a high share of employed persons leaving the county for daytime employment. However, residents within rural markets are typically accustomed to extensive commute times to their place of employment. Additionally, the majority of the major employers within the county are located within Rockmart. As such, there are various employment opportunities nearby that potential residents of the subject site can choose.

#### 4. ECONOMIC FORECAST

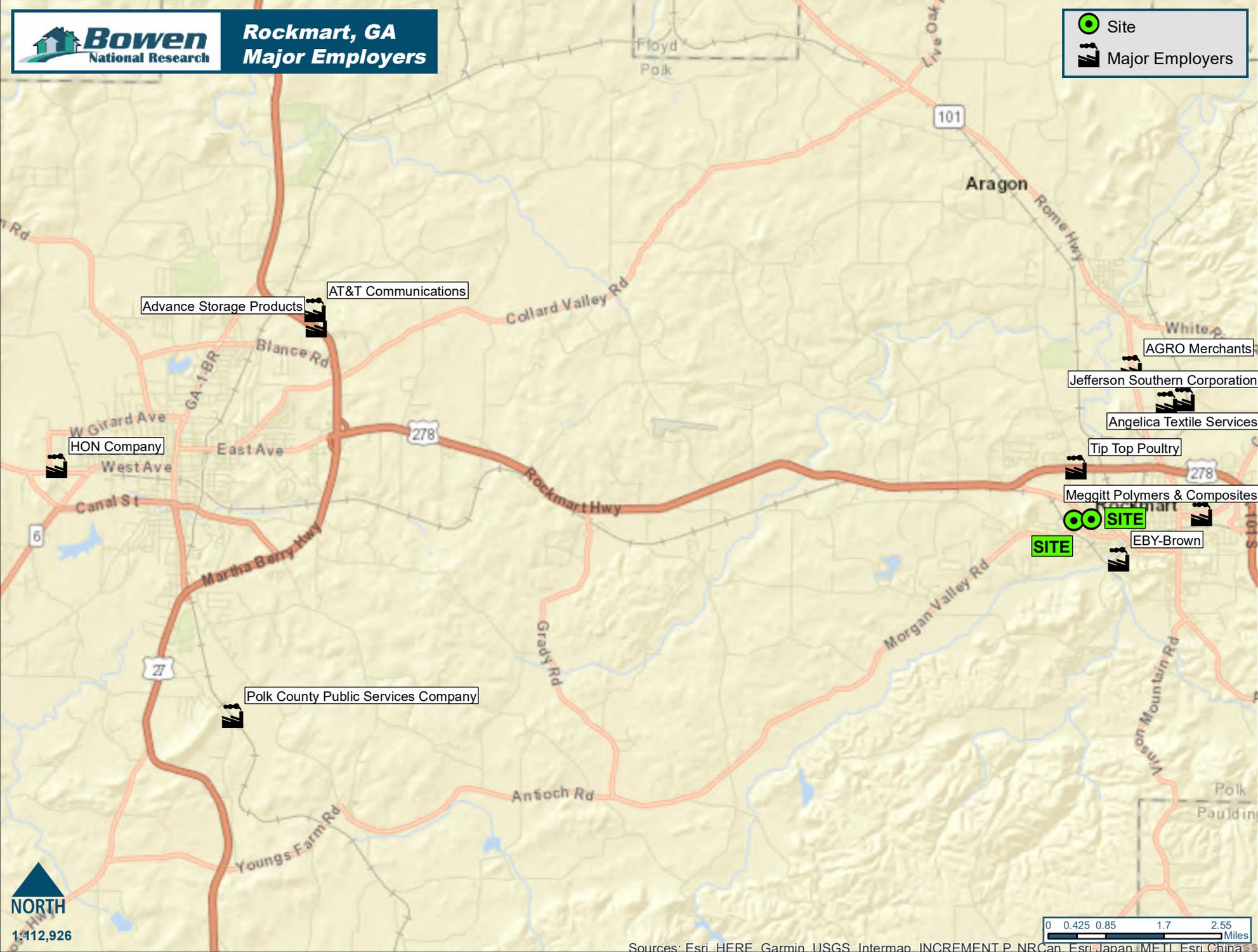
According to a representative with the Development Authority of Polk County and based on data provided by the U.S. Department of Labor: Bureau of Labor Statistics, Polk County continues to experience economic growth. Since 2010, the employment base within the county has increased by over 1,460 jobs, or 8.9%, and the unemployment rate has decreased to a low of 3.8% through January 2020. This is a decline of over eight percentage points from its peak of 12.0% reported in 2010. While these trends would indicate that the Polk County economy is poised for continued growth, the current economic data illustrated within this section does not take into account the COVID-19 pandemic that is having a negative impact on the economy nationwide. It is likely that many businesses within the area have ceased operations, causing a rise in unemployment during this time. Several of the businesses that are likely impacted include those within the Retail Trade and Accommodation & Food Services sectors, which comprise over 23% of Site PMA's labor force and provide lower wage paying positions. The subject site will provide a good quality housing option in an economy where lower-wage employees are most vulnerable.

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



# Rockmart, GA Major Employers

- Site
- Major Employers



**NORTH**  
1:112,926



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

## Section G – Project-Specific Demand Analysis

### 1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is in Polk County, a nonmetropolitan statistical area, which has a four-person median household income of \$53,400 for 2019. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$60,600 in 2019. The subject property will be restricted to households with incomes up to 50%, 60% and 70% of AMHI. The following table summarizes the maximum allowable income by household size at various levels of AMHI:

Household Size	Maximum Allowable Income		
	50%	60%	70%
One-Person	\$21,200	\$25,440	\$29,680
Two-Person	\$24,250	\$29,100	\$33,950
Three-Person	\$27,250	\$32,700	\$38,150
Four-Person	\$30,300	\$36,360	\$42,420
Five-Person	\$32,700	\$39,240	\$45,780
Six-Person	\$35,150	\$42,180	\$49,210

#### a. Maximum Income Limits

The largest proposed units (four-bedroom) at the subject site are expected to house up to six-person households. As such, the maximum allowable income at the subject site is **\$49,210**.

#### b. Minimum Income Requirements

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

The proposed Low-Income Housing Tax Credit (LIHTC) units will have a lowest gross rent of \$548. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,576. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$18,789**.

Since the subject project will offer Project-Based Vouchers (PBV) on 41 of the 46 units, it will serve households with little to no income. As such, we have also conducted a capture rate analysis that considers the project to operate with a subsidy.

**c. Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate ranges required to live at the subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate with a subsidy on all units and exclusively under the Tax Credit program separately.

Unit Type	Income Range	
	Minimum	Maximum
<b>As Proposed w/PBV</b>		
PBV (Limited up to 50% of AMHI)	\$0	\$35,150
<b>LIHTC-Only</b>		
Tax Credit (Limited to 50% of AMHI)	\$18,789	\$32,700
Tax Credit (Limited to 60% of AMHI)	\$19,611	\$42,180
Tax Credit (Limited to 70% of AMHI)	\$19,611	\$49,210

**2. METHODOLOGY**

**Demand**

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

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

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2013-2017 5-year estimates, approximately 20.1% to 48.0% (depending upon targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2013-2017 5-year estimates, 6.3% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

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

### **Net Demand**

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

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

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

The table on the following page is a summary of our demand calculations. Note that we have provided a capture rate calculation for the project as proposed with the subsidy, as well as in the unlikely scenario the subsidy was not offered.

Demand Component	As Proposed w/PBV (\$0-\$35,150)	LIHTC-Only			
		50% AMHI (\$18,789-\$32,700)	60% AMHI (\$19,611-\$42,180)	70% AMHI (\$19,611-\$49,210)	Overall (\$18,789-\$49,210)
Demand from New Households (Income-Appropriate)	2,830 - 2,974 = -144	1,164 - 1,218 = -54	1,909 - 1,943 = -34	2,357 - 2,367 = -10	2,436 - 2,451 = -15
+					
Demand from Existing Households (Rent Overburdened)	2,974 X 48.0% = 1,427	1,218 X 28.1% = 342	1,943 X 21.6% = 420	2,367 X 20.1% = 477	2,451 X 23.0% = 562
+					
Demand from Existing Households (Renters in Substandard Housing)	2,974 X 6.3% = 187	1,218 X 6.3% = 77	1,943 X 6.3% = 122	2,367 X 6.3% = 149	2,451 X 6.3% = 154
=					
Demand Subtotal	1,470	365	508	616	701
+					
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A	N/A	N/A
=					
Total Demand	1,470	365	508	616	701
-					
Supply (Directly Comparable Units Built and/or Funded Since 2018)	0	0	0	0	0
=					
Net Demand	1,470	365	508	616	701
Proposed Units / Net Demand	46 / 1,470	17 / 365	24 / 508	5 / 616	46 / 701
Capture Rate	= 3.1%	= 4.7%	= 4.7%	= 0.8%	= 6.6%

N/A – Not Applicable

Per GDCA guidelines, projects in rural markets with an overall capture rate of 35% or below are considered acceptable. As such, the project's overall capture rates of 3.1% as proposed with the subsidy and 6.6% in the unlikely event the subsidy was not offered are considered achievable, demonstrating that a deep base of support will exist for the subject project within the Rockmart Site PMA.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	30.0%
Two-Bedroom	45.0%
Three-Bedroom	15.0%
Four-Bedroom	10.0%
Total	100.0%

Applying these shares to the income-qualified renter households, yields demand and capture rates for the subject units as proposed with the subsidy, as well as in the unlikely event the subsidy was lost by bedroom type and AMHI level in the tables on the following page.

As Proposed with PBV

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand	Supply*	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (30%)	50%	12	441	0	441	2.7%	1 Month	\$966	\$450-\$1,138	\$488-\$491
Two-Bedroom (45%)	50%	18	662	0	662	2.7%	< 2 Months	\$1,155	\$675-\$1,375	\$588-\$653
Three-Bedroom (15%)	50%	14	221	0	221	6.3%	< 2 Months	\$1,495	\$1,309-\$1,578	\$687-\$882
Four-Bedroom (10%)	50%	2	146	0	146	1.4%	< 1 Month	\$1,119	\$1,119	\$941-\$1,028

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

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

LIHTC-Only

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (30%)	50%	5	110	0	110	4.5%	1 Month	\$966	\$450-\$1,138	\$488
	60%	6	152	0	152	3.9%	1 Month	\$966	\$450-\$1,138	\$488-\$491
	70%	1	185	0	185	0.5%	< 1 Month	\$966	\$450-\$1,138	\$488
<b>One-Bedroom</b>	<b>Total</b>	<b>12</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>5.7%</b>	<b>2 Months</b>	<b>\$966</b>	<b>\$450-\$1,138</b>	<b>\$488-\$491</b>
Two-Bedroom (45%)	50%	7	164	0	164	4.3%	1 Month	\$1,155	\$675-\$1,375	\$588
	60%	9	229	0	229	3.9%	< 2 Months	\$1,155	\$675-\$1,375	\$601-\$653
	70%	2	277	0	277	0.7%	1 Month	\$1,155	\$675-\$1,375	\$601
<b>Two-Bedroom</b>	<b>Total</b>	<b>18</b>	<b>315</b>	<b>0</b>	<b>315</b>	<b>5.7%</b>	<b>3 Months</b>	<b>\$1,155</b>	<b>\$675-\$1,375</b>	<b>\$588-\$653</b>
Three-Bedroom (15%)	50%	5	55	0	55	9.1%	< 1 Month	\$1,495	\$1,309-\$1,578	\$687
	60%	8	76	0	76	10.5%	< 2 Months	\$1,495	\$1,309-\$1,578	\$801
	70%	1	92	0	92	1.1%	< 1 Month	\$1,495	\$1,309-\$1,578	\$882
<b>Three-Bedroom</b>	<b>Total</b>	<b>14</b>	<b>105</b>	<b>0</b>	<b>105</b>	<b>13.3%</b>	<b>2 Months</b>	<b>\$1,495</b>	<b>\$1,309-\$1,578</b>	<b>\$687-\$882</b>
Four-Bedroom (10%)	60%	1	51	0	51	2.0%	< 1 Month	\$1,119	\$1,119	\$941
	70%	1	62	0	62	1.6%	< 1 Month	\$1,119	\$1,119	\$1028
<b>Four-Bedroom</b>	<b>Total</b>	<b>2</b>	<b>71</b>	<b>0</b>	<b>71</b>	<b>2.8%</b>	<b>&lt; 1 Month</b>	<b>\$1,119</b>	<b>\$1,119</b>	<b>\$941-\$1,028</b>

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

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

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

Regardless if the project operated as proposed with the subsidy or as a non-subsidized LIHTC community, the subject's capture rates by bedroom type and targeted income level range do not exceed 13.3%. These demonstrates that a good base of demographic support will exist for each bedroom type offered at the subject site.

## Section H – Rental Housing Analysis (Supply)

### 1. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2020 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	12,497	89.0%	12,951	90.0%
Owner-Occupied	8,271	66.2%	7,485	57.8%
Renter-Occupied	4,226	33.8%	5,465	42.2%
Vacant	1,540	11.0%	1,437	10.0%
Total	14,037	100.0%	14,388	100.0%

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

Based on a 2020 update of the 2010 Census, of the 14,388 total housing units in the market, 10.0% were vacant. In 2020, it was estimated that homeowners occupied 57.8% of all occupied housing units, while the remaining 42.2% were occupied by renters. The share of renters is considered relatively high for a rural market, such as the Rockmart Site PMA, and the 5,465 renter households estimated in 2020 represent a good base of potential support for the subject site.

#### Conventional Apartments

We identified and personally surveyed 14 conventional housing projects containing a total of 562 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.5% (a result of only three vacant units), a very strong rate for rental housing. The following table summarizes the surveyed rental projects, broken out by project type:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	3	76	2	97.4%
Market-rate/Tax Credit	1	52	0	100.0%
Tax Credit	3	165	0	100.0%
Government-Subsidized	7	269	1	99.6%
Total	14	562	3	99.5%

Each rental housing segment surveyed are operating at strong occupancy levels, as none have an occupancy rate lower than 97.4%. In fact, nearly all rental properties surveyed are 100.0% occupied, illustrating that pent-up demand exists for additional rental housing within the Rockmart Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

In addition to the four properties surveyed that offer Low-Income Housing Tax Credit (LIHTC) units, we identified four other properties that offer LIHTC units within the market that we were unable to survey at the time this report was issued, despite multiple attempts to contact management. Known details of these projects are summarized as follows:

- Oakview Apartments is located at 100 Creek Bank Road in Aragon. This project offers 24 one- and two-bedroom units targeting households earning up to 60% of Area Median Household Income (AMHI). This property also operates under the Rural Development Section 515 (RD 515) program, with 10 units receiving Rental Assistance (RA).
- Park Place Apartments is located at 800 Park Place Circle in Rockmart. This project offers 60 one-, two- and three-bedroom units, 48 of which target households with incomes up to 50% and 60% of AMHI. The remaining 12 units are market-rate.
- Tower Village is located at 43 Tower Circle in Rockmart. This project offers 42 one- and two-bedroom units targeting households earning up to 60% of AMHI. This property also operates under the RD 515 program, with no RA.
- Vinings at Oxford is located at 800 Blance Road in Cedartown. This project offers 62 one-, two- and three-bedroom units targeting households earning up to 50% and 60% of AMHI.

Note that, based on historical data obtained by Bowen National Research, all of the aforementioned affordable properties we were unable to survey were 100.0% occupied in March 2019.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	10	11.5%	0	0.0%	\$568
Two-Bedroom	1.0	59	67.8%	1	1.7%	\$1,013
Two-Bedroom	1.5	12	13.8%	1	8.3%	\$908
Two-Bedroom	2.0	6	6.9%	0	0.0%	\$983
<b>Total Market-Rate</b>		<b>87</b>	<b>100.0%</b>	<b>2</b>	<b>2.3%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	48	23.3%	0	0.0%	\$500
Two-Bedroom	1.0	31	15.0%	0	0.0%	\$601
Two-Bedroom	2.0	112	54.4%	0	0.0%	\$570
Three-Bedroom	2.0	15	7.3%	0	0.0%	\$645
<b>Total Tax Credit</b>		<b>206</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	-

As the preceding table illustrates, the median gross Tax Credit rents are below the corresponding median gross market-rate rents. As such, Tax Credit product likely represents a good value to low-income households within the area. This is further evidenced by the low combined vacancy rate of 0.0% of all non-subsidized Tax Credit units surveyed within the Rockmart Site PMA.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
B	3	47	4.3%
C+	1	40	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	60	0.0%
B	3	146	0.0%

Regardless of quality, vacancies are generally nonexistent among the non-subsidized rental properties surveyed. This illustrates that there is no correlation between quality and vacancy levels within the Rockmart Site PMA.

**2. SUMMARY OF ASSISTED PROJECTS**

We identified and surveyed a total of 11 developments that offer government-subsidized and/or Tax Credit units within the Rockmart Site PMA. These projects were surveyed in March 2020 and are summarized in the table on the following page.

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Calloway Apts.	RD 515	1980	24	100.0%	\$498 - \$655 (8)	\$543 - \$694 (16)	-	-
3	Cedar Heights	SEC 202 & 8	1997	53	100.0%	\$606 (53)	-	-	-
4	Cedartown Commons	RD 515	1982	12	91.7%	\$559 - \$754 (4)	\$623 - \$868 (8)	-	-
5	Cedarwood Village	RD 515	1982	44	100.0%	\$499 - \$614 (38)	\$538 - \$713 (6)	-	-
6	Evergreen Village	TAX	2000 / 2020	41 + 15*	100.0%	\$462 - \$467 (11)	\$547 - \$584 (15)	\$625 - \$645 (15)	-
7	Fairview Apts.	RD 515	1986	32	100.0%	\$473 - \$619 (12)	\$543 - \$718 (20)	-	-
8	Hummingbird Pointe	TAX	2011	64	100.0%	\$513 - \$533 (8)	\$588 - \$608 (56)	-	-
9	Jackson Square I & II	P.H.	2010	16	100.0%	\$480 (10)	\$627 (4)	\$829 (2)	-
10	Kirkwood Trails	TAX	2003	41**	100.0%	\$500 - \$530 (25)	\$601 - \$635 (16)	-	-
13	Ramsey Run	TAX	2014	60	100.0%	\$470 (4)	\$552 (56)	-	-
14	Westview Homes	P.H.	1955 / 2008	88	100.0%	\$411 (17)	\$538 (36)	\$678 (28)	\$777 (7)
<b>Total</b>				<b>475</b>	<b>99.8%</b>				

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

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

P.H. - Public Housing

RD - Rural Development

\*Units under renovation

\*\*Market-rate units not included

The overall occupancy is 99.8% for these projects, which is the result of only one vacant unit. Given that all but one of the aforementioned developments are 100.0% occupied, illustrates that pent-up demand exists for additional affordable rental housing within the market. This will bode well for the demand of the subject units.

### Housing Choice Voucher Holders

The following table illustrates the number of units occupied by Voucher holders at the non-subsidized communities that offer Tax Credit units surveyed within the market:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
6	Evergreen Village	41 + 15*	3	7.3%
8	Hummingbird Pointe	64	16	25.0%
10	Kirkwood Trails	41**	11	26.8%
13	Ramsey Run	60	2	3.3%
Total		206	32	15.5%

\*Units under renovation (not included in total)

\*\*Tax Credit units only

Approximately 32 of the 206 total units at the non-subsidized developments that offer Tax Credit units surveyed within the market are occupied by Voucher holders. This comprises 15.5% of these units and indicates that over 84% of the units offered at these projects are occupied by tenants which are not currently receiving rental assistance. This illustrates that Tax Credit developments within the Rockmart Site PMA are not heavily relying on Voucher support.

If the rents do not exceed the payment standards established by the local/regional housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Georgia Department of Community Affairs (GDCA), the payment standards for Polk County, as well as the proposed/programmatic subject gross LIHTC rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$609	\$548 (50%)
		\$572-\$574 (60%)
		\$572 (70%)
Two-Bedroom	\$803	\$681* (50%)
		\$694-\$746 (60%)
		\$694 (70%)
Three-Bedroom	\$1,039	\$787* (50%)
		\$911 (60%)
Four-Bedroom	\$1,087	\$1,054* (60%)
		\$1,141 (70%)

\*2019 maximum allowable LIHTC gross rent

As the preceding table illustrates, nearly all of the proposed/programmatic gross subject LIHTC rents are below the corresponding payment standards set by GDCA for Polk County. As such, those who hold Housing Choice Vouchers will likely respond to the subject project. This will likely increase the base of income-appropriate renter households within the Rockmart Site PMA for the subject development and has been considered in our absorption estimates in *Section I* of this report.

### 3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are no rental housing projects planned within the Site PMA.

#### Building Permit Data

The following table illustrates single-family and multifamily building permits issued within Polk County for the past ten years (where data is available).

Housing Unit Building Permits for Polk County:										
Permits	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Multifamily Permits	0	64	0	10	60	0	0	0	0	0
Single-Family Permits	46	30	22	20	14	10	32	106	61	105
Total Units	46	94	22	30	74	10	32	106	61	105

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

As the preceding table illustrates, there have been a minimal number of multifamily building permits issued within Polk County in the past ten years, which is not considered unusual within rural markets. Given that the combined occupancy rate of the rental projects identified and surveyed in the market is 99.5% (as a result of only three vacant units) and based on the limited number of multifamily building permits issued, it is likely that there is greater demand for additional rental housing units within the Site PMA.

#### 4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified and surveyed one family (general-occupancy) non-subsidized LIHTC rental property within the market. This project, Evergreen Village (Map ID 6), targets households with incomes up to 50% and 60% of AMHI and, as such, is considered comparable to the subject project. Given the limited amount of general-occupancy LIHTC product surveyed within the market, we identified and surveyed one additional rental community outside of the market, but within the region in Cartersville that offers non-subsidized LIHTC units for this comparability analysis. It should be noted that this project outside of the market is not considered competitive with the subject development, as it derives demographic support from a different geographical area. The two comparable LIHTC projects surveyed and the subject project are summarized as follows:

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Elm Street Apartments	2023	46	-	-	-	Families; 50%, 60% & 70% AMHI & PBV
6	Evergreen Village	2000 / 2020	41 + 15*	100.0%	14.1 Miles	55 HH	Families; 50% & 60% AMHI
902	Somersset Club Apts.	2004	120**	95.0%	30.4 Miles	None	Families; 60% AMHI

OCC. – Occupancy

HH - Households

\*Units under renovation

\*\*Tax Credit units only

Map ID 902 is located outside the Site PMA

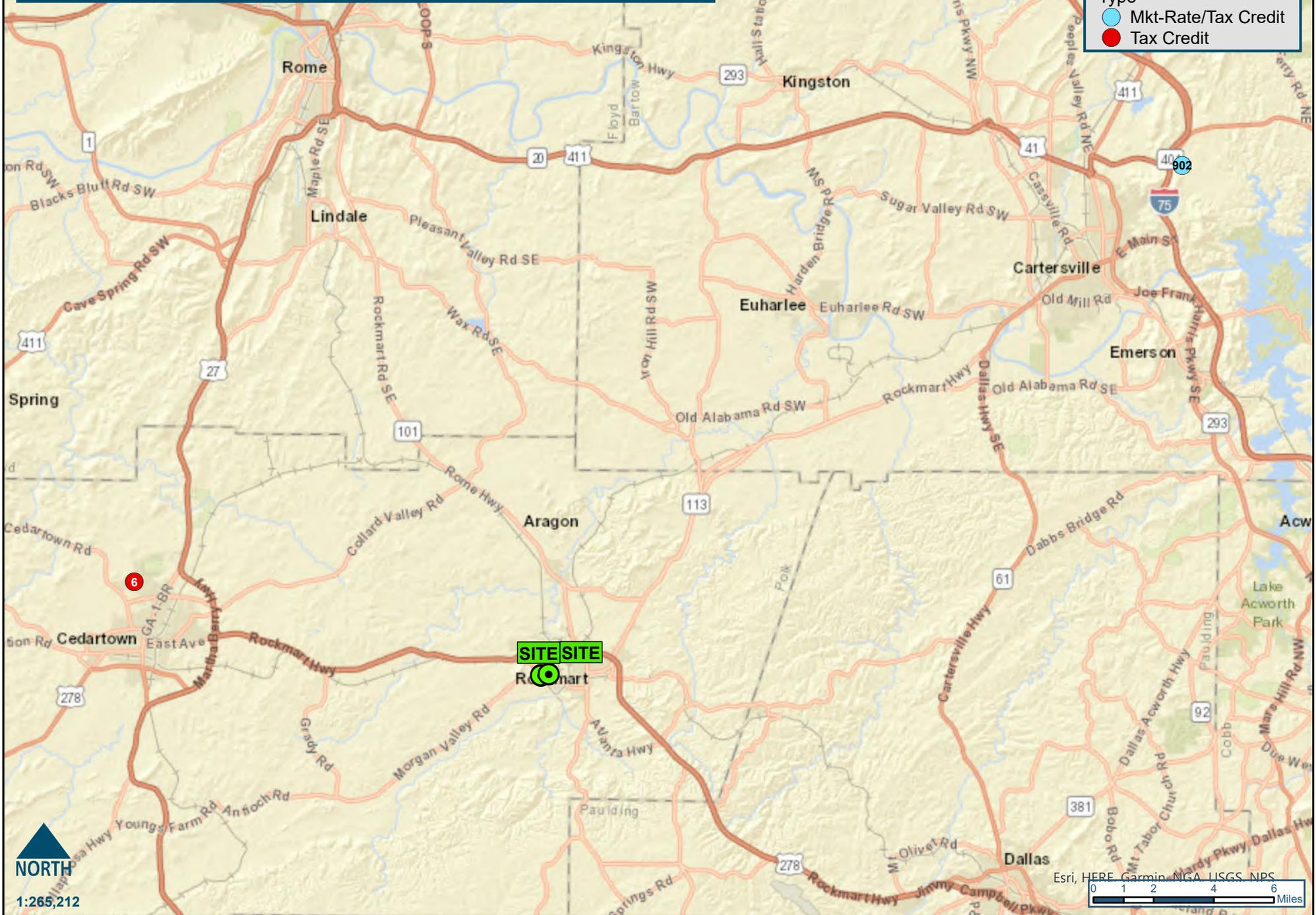
The two LIHTC projects have a combined occupancy rate of 96.3%, a good rate for rental housing. In fact, the one comparable non-subsidized LIHTC project surveyed in the *market* is 100.0% occupied with a waiting list. This illustrates that pent-up demand likely exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

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



# Rockmart, GA Comparable LIHTC Property Locations

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



**SITE SITE**



6

**NORTH**  
1:265,212

Esri, HERE, Garmin, NGA, USGS, NPS  
0 1 2 4 6 Miles

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
		\$548/50% (5)	\$681*/50% (7)	\$787*/50% (5)	
		\$572-\$574/60% (6)	\$694-\$746/60% (9)	\$911/60% (8)	\$1,054*/60% (1)
<b>Site</b>	<b>Elm Street Apartments</b>	<b>\$572/70% (1)</b>	<b>\$694/70% (2)</b>	<b>\$982/70% (1)</b>	<b>\$1,141/70% (1)</b>
6	Evergreen Village	\$462/50% (5+3**/0)	\$547/50% (7+3**/0)	\$625/50% (7+3**/0)	-
902	Somerset Club Apts.	\$467/60% (6+2**/0)	\$584/60% (8+2**/0)	\$645/60% (8+2**/0)	-
		\$934/60% (30/3)	\$1,118/60% (54/0)	\$1,292/60% (36/3)	-

\*2019 maximum allowable LIHTC gross rent

\*\*Units under renovation

Map ID 902 is located outside the Site PMA

The proposed/programmatic subject gross LIHTC rents, ranging from \$548 to \$1,141, will be some of the highest LIHTC rents targeting similar income levels within the market and region. However, considering the strong occupancy levels maintained at the comparable LIHTC projects, it is likely that these developments could charge higher rents without having an adverse impact on their marketability. In addition, the subject project will be the newest LIHTC project in the market, offering generally larger unit sizes (square feet) and a superior amenities package (as illustrated later in this section), which will further enable the development to charge significant rent premiums. Lastly, as indicated in our demand analysis earlier in Section G of this report, a good base of demographic support will exist within the market to support the proposed rent structure at the subject project. For the reasons detailed above, it is believed that the proposed rent structure at the site is appropriately positioned to be marketable within the Rockmart Site PMA. Regardless, as proposed, the subject project will offer a subsidy on 41 of the 46 units, which will require tenants to pay up to 30% of their gross adjusted income towards housing costs. Therefore, the subject project will represent a substantial value to low-income renters.

Also note that the subject project will be the only LIHTC project to offer units set aside at 70% of AMHI and four-bedroom units. As such, the development will provide an affordable rental housing alternative to low-income family households that are currently underserved within the market. This will position the subject at a market advantage.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC units by bedroom type and targeted income level:

Weighted Average Collected Rent of Comparable LIHTC Units (AMHI)		
One-Br.	Two-Br.	Three-Br.
\$394 (50%)	\$451 (50%)	\$517 (50%)
\$751 (60%)	\$918 (60%)	\$1,013 (60%)

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

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$394 (50%)	- \$488 (50%)	-\$94	/ \$488 (50%)	-19.3%
	\$751 (60%)	- \$488 (60%)	\$263	/ \$488 (60%)	53.9%
		- \$491 (60%)	\$260	/ \$491 (60%)	53.0%
	N/A	- \$488 (70%)	N/A	/ \$488 (70%)	N/A
Two-Br.	\$451 (50%)	- \$588* (50%)	-\$137	/ \$588* (50%)	-23.3%
	\$918 (60%)	- \$601 (60%)	\$317	/ \$601 (60%)	50.7%
		- \$653 (60%)	\$265	/ \$653 (60%)	40.6%
	N/A	- \$601 (70%)	N/A	/ \$601 (70%)	N/A
Three-Br.	\$517 (50%)	- \$687* (50%)	-\$170	/ \$687* (50%)	-24.7%
	\$1,013 (60%)	- \$801 (60%)	\$212	/ \$801 (60%)	26.5%
		N/A	- \$882 (70%)	N/A	/ \$882 (70%)
Four-Br.	N/A	- \$941* (60%)	N/A	/ \$941* (60%)	N/A
		- \$1,028 (70%)		/ \$1,028 (70%)	

\*Maximum allowable gross rent minus tenant-paid utilities

N/A – Not Available; no comparable four-bedroom LIHTC units identified within the market or immediate region

As the preceding table illustrates, the proposed/programmatic collected LIHTC subject rents set aside at 50% of AMHI represent no rent advantage, whereas the proposed/programmatic rents set aside at 60% of AMHI represent at least a 26.5% rent advantage. Nonetheless, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. As such, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject project's collected/programmatic rents are available in Addendum E of this report.

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

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Elm Street Apartments</b>	<b>650</b>	<b>1,093</b>	<b>1,349</b>	<b>1,638</b>
6	Evergreen Village	756	915	1,136	-
902	Somerset Club Apts.	864	1,200	1,300	-

Map ID 902 is located outside the Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Elm Street Apartments</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
6	Evergreen Village	1.0	1.0	2.0	-
902	Somerset Club Apts.	1.0	2.0	2.0	-

Map ID 902 is located outside the Site PMA

The subject development will offer generally larger unit sizes (square feet) when compared to the one LIHTC project surveyed within the market. This will position the subject at a competitive advantage and will enable it to charge higher rents. The two full bathrooms to be provided in the two-, three- and four-bedroom units will be appealing to the targeted demographic.

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

Tax Credit Unit Amenities by Map ID				
	Site**	6	902	
Appliances	Dishwasher	X	X	X
	Disposal	X	X	X
	Icemaker			X
	Microwave	X		
	Range	X	X	X
	Refrigerator	X	X	X
	No Appliances			
Unit Amenities	AC-Central	X	X	X
	AC-Other			
	Balcony		X	
	Deck / Patio		X	
	Basement			
	Ceiling Fan		X	X
	Controlled Access			
	E-Call System			
	Fireplace			
	Furnished			
	Security System			
	Sunroom			
	W/D Hookup	X	X	X
	W/D			O
	Walk-In Closet			
Window Treatments	X	X	X	
Flooring	Carpet			X
	Ceramic Tile	X		X
	Composite (VCT)(LVT)			
	Hardwood			
	Finished Concrete			
	Vinyl			
Upgraded	Wood Laminate / Plank		X	
	Premium Appliances			
	Premium Countertops			
	Premium Cabinetry			
	Premium Fixtures			
	High Ceilings			
	Vaulted Ceilings			
	Crown Molding			
Oversized Windows				
Parking	Attached Garage			
	Detached Garage			
	Surface Lot	X	X	X
	Carport			
	Property Parking Garage			
	Podium Parking			
No Provided Parking				

\*\* Proposed Site(s): 100 Morgan Valley Rd

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

\* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	6	902
Bike Racks / Storage			
Business Center *	X		X
Car Care *			X
Common Patio			
Community Garden	X		
Community Space			
Activity / Craft Room			
Chapel			
Clubhouse			
Conference Room			
Community Kitchen			
Community Room	X		X
Dining Room - Private			
Dining Room - Public			
Rooftop Lounge			
Study Lounge			
TV Lounge			
Concierge Service *			
Convenience Amenities *			
Courtyard			
Covered Outdoor Area *		X	
Elevator			
Laundry Room	X	X	X
Meals			
On-Site Management	X	X	X
Pet Care *			
Recreation			
Basketball	X	X	
Bocce Ball			
Firepit			
Fitness Center	X		X
Grill		X	X
Game Room - Billiards			
Hiking - Walking Trail			
Hot Tub			
Library	X		
Media Room / Theater			
Picnic Table / Area	X	X	X
Playground	X	X	X
Putting Green			
Racquetball			
Shuffleboard			
Sports Court			
Swimming Pool - Indoor			
Swimming Pool - Outdoor	X		X
Tennis			
Volleyball			X
Security			
CCTV			
Courtesy Officer			
Gated Community			X
Gated Parking			
Police Substation			
Social Services *	X		
Storage - Extra		X	
Water Feature			
WiFi			

\*\* Proposed Site(s): 100 Morgan Valley Rd

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

\* Details in Comparable Property Profile Report

The subject project will offer an amenities package considered generally superior to those offered at the comparable LIHTC projects within the market and region. In terms of unit amenities, the subject project will be the only LIHTC project among the surveyed properties to include a microwave. Regarding project amenities, the subject project will be the only LIHTC project in the *market* to offer a swimming pool, community room, fitness center, computer center, community garden and library. The inclusion of the aforementioned amenities will position the subject project at a competitive advantage and will further enable it to charge rent premiums.

Comparable Tax Credit Summary

Based on our analysis of unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the proposed development will be marketable. While the proposed subject LIHTC rents will be the highest LIHTC rents within the market, its newness, generally larger unit sizes and superior amenities package will enable it to charge higher rents. Additionally, given the fact that the one LIHTC project surveyed in the market is 100.0% occupied and maintains a waiting list, higher rents are likely attainable within the Rockmart Site PMA. Nonetheless, as proposed, the subject project will offer a subsidy on 41 of the 46 units and will represent a substantial value to low-income renters. This has been considered in our absorption projections.

Comparable Housing Impact

The anticipated occupancy rates of the existing comparable general-occupancy Tax Credit developments in the market during the first year of occupancy at the subject project are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2023
6	Evergreen Village	100.0%	95.0%+
-	Vinings at Oxford	100.0%*	95.0%+
-	Park Place Apts.	100.0%*	95.0%+

\*As of March 2019

The subject project is not expected to have a negative impact on the three existing general-occupancy Tax Credit projects within the Site PMA. The one Tax Credit project surveyed is 100.0% occupied and maintains a waiting list of up to 55 households for the next available unit. While we were unable to survey Vinings at Oxford and Park Place Apartments at the time this report was issued, both of these projects were 100.0% occupied in March 2019. Based on waiting list information from the one LIHTC project we were able to survey, it is believed that all LIHTC projects in the market are fully occupied. Given the lack of availability for affordable units in the market, we expect the three Tax Credit projects to operate at or above 95.0% once the proposed subject units are built. Overall, we believe there is sufficient demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on the Tax Credit projects within the market if the proposed subject project is developed.

One-page profiles of the comparable Tax Credit properties are included in Addendum B of this report.

**5. SINGLE-FAMILY HOME IMPACT**

According to ESRI, the median home value within the Site PMA was \$120,221. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$120,221 home is \$723, including estimated taxes and insurance.

<b>Buy Versus Rent Analysis</b>	
Median Home Price - ESRI	\$120,221
Mortgaged Value = 95% of Median Home Price	\$114,210
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$579
Estimated Taxes and Insurance*	\$145
Estimated Monthly Mortgage Payment	\$723

\*Estimated at 25% of principal and interest

In comparison, the majority of the proposed collected rents for the subject property are all subsidized where residents pay up to 30% of their adjusted gross income towards housing costs. As such, residents are unlikely to be able to afford the monthly payments required to own a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

## Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2023 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2023.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market and region, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Rockmart Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 46 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in approximately four months of opening. This absorption period is based on an average monthly absorption rate of approximately 11 units per month. These absorption assumptions assume that the project will offer Project-Based Vouchers (PBV) on 41 of the 46 units. In the unlikely event the subject project did not offer a subsidy, it will likely experience an extended absorption period of approximately seven to nine months, based on an absorption rate of approximately five to six units per month.

These absorption projections assume a 2023 opening date. An earlier or later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining the absorption projection for the project and that this absorption projection may vary depending upon the amount of Voucher support the subject development ultimately receives in this unlikely scenario.

## Section J – Interviews

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

- Mike Cheeks, Building Inspector for the Community Development Department of the city of Rockmart, feels there is a need for more affordable housing for families in Rockmart. Mr. Cheeks stated that more people are moving to the area and do not always have good paying jobs. People need affordable housing so they can raise a family and not be absent because they have to work two jobs to keep a roof over their head.
- Layne Sanders, Property Manager at Evergreen Village (Map ID 6), a Tax Credit property in Cedartown, strongly agreed that there is a need for more affordable housing in the Rockmart and Cedartown areas. Ms. Sanders said that baby boomers are beginning to retire and downsize to have less housekeeping responsibility, while families are always looking for newer, more affordable options and currently there is nothing available to relocate to. Therefore, Ms. Sanders believes the proposed developments are an excellent idea and would be filled. She knows of several other properties nearby that have waiting lists, and one that she used to manage that consistently held a 30 to 40 household waiting list.
- Nadia Roper, Property Manager of Westview Homes (Map ID 14), a government-subsidized community in Rockmart, stated that her community is 100.0% occupied and maintains a waiting list of up to 12 months for the next available unit and feels there is a tremendous need for affordable housing in the Rockmart area.

## Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 46 Low-Income Housing Tax Credit (LIHTC) units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Rockmart rental housing market is performing at a very strong occupancy rate of 99.5%, as a result of only three vacant units. In fact, all but one of the affordable rental developments surveyed in the market are fully occupied, illustrating that pent-up demand exists for additional low-income rental housing. The subject development will be able to accommodate a portion of this unmet demand. It should also be noted that the subject development will be the only LIHTC project within the market to offer units set aside at 70% of AMHI and four-bedroom units. This will position the subject development at a market advantage, as it will provide an affordable rental housing alternative to low-income family households that are currently underserved within the Rockmart Site PMA.

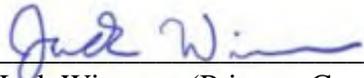
While the proposed/programmatic subject rents will be the highest LIHTC rents targeting similar income levels within the market, its newness, larger unit sizes and amenities offered will enable it to charge higher rents within the Rockmart Site PMA. This is further supported by the fact that the one general-occupancy LIHTC development surveyed within the market is 100.0% occupied and maintains a waiting list of up to 55 households for the next available unit, demonstrating that this project could likely charge higher rents without having an adverse impact on its occupancy level. Nonetheless, it should be reiterated that 41 of the 46 subject units will offer a subsidy, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject project will represent a substantial value to low-income renters within the market.

Assuming the subject project operates without a subsidy, the overall required capture rate for the subject development is 6.6%. This is below GDCA's capture rate threshold of 35% for developments located within rural markets and is considered achievable. This demonstrates that a deep base of potential income-appropriate renter household support exists for the subject project within the Rockmart Site PMA.

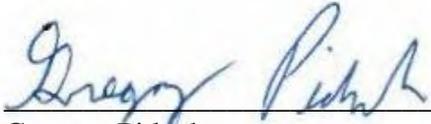
Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Rockmart Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

## Section L - Signed Statement

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



Jack Wiseman (Primary Contact)  
Market Analyst  
[jackw@bowennational.com](mailto:jackw@bowennational.com)  
Date: April 17, 2020



Gregory Piduch  
Market Analyst  
[gregp@bowennational.com](mailto:gregp@bowennational.com)  
Date: April 17, 2020



Patrick M. Bowen  
President/Market Analyst  
Bowen National Research  
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Pickerington, OH 43147  
(614) 833-9300  
[patrickb@bowennational.com](mailto:patrickb@bowennational.com)  
Date: April 17, 2020

## Section M – Market Study Representation

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

## Section N - Qualifications

### The Company

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

### Company Leadership

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

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

### Market Analysts

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

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

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

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

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

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

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

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

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

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

### **Research Staff**

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

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

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

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

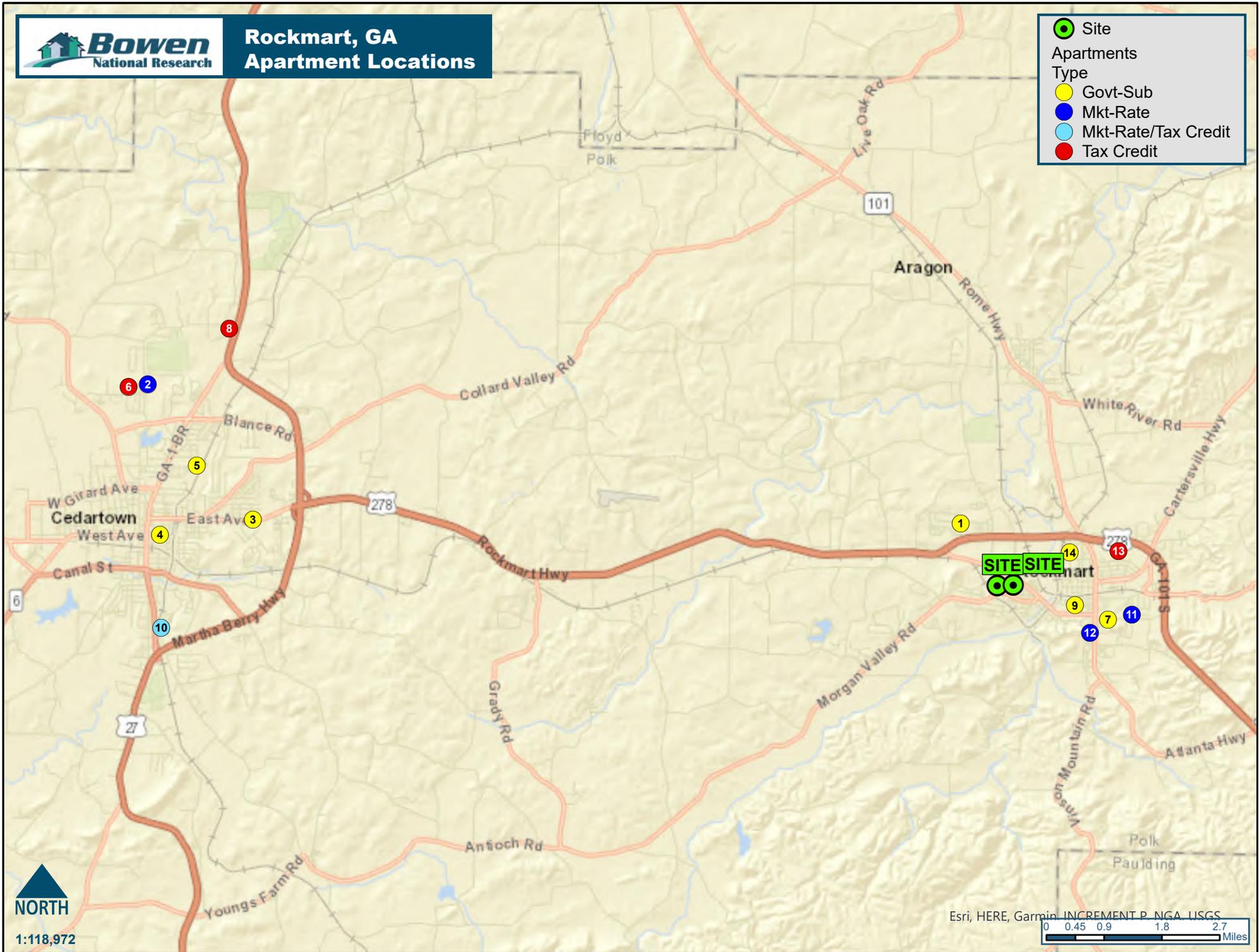
ADDENDUM A:

FIELD SURVEY OF  
CONVENTIONAL RENTALS



# Rockmart, GA Apartment Locations

● Site  
● Apartments Type  
● Govt-Sub  
● Mkt-Rate  
● Mkt-Rate/Tax Credit  
● Tax Credit



1:118,972

Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
0 0.45 0.9 1.8 2.7 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Calloway Apts.	GSS	B-	1980	24	0	100.0%	1.5
◆ 2	Cedar Chase	MRR	B	1984	28	2	92.9%	14.0
◆ 3	Cedar Heights	GSS	B	1997	53	0	100.0%	10.4
◆ 4	Cedartown Commons	GSS	C	1982	12	1	91.7%	11.8
◆ 5	Cedarwood Village	GSS	B-	1982	44	0	100.0%	12.8
✓ 6	Evergreen Village	TAX	B	2000	41	0	100.0%	14.1
7	Fairview Apts.	GSS	C	1986	32	0	100.0%	1.8
◆ 8	Hummingbird Pointe	TAX	B	2011	64	0	100.0%	12.6
9	Jackson Square I & II	GSS	A-	2010	16	0	100.0%	1.3
◆ 10	Kirkwood Trails	MRT	B	2003	52	0	100.0%	13.1
✓ 11	Morgan Station	MRR	B	1987	8	0	100.0%	2.1
✓ 12	Overlook Apts.	MRR	C+	2004	40	0	100.0%	1.8
◆ 13	Ramsey Run	TAX	A-	2014	60	0	100.0%	2.6
14	Westview Homes	GSS	C-	1955	88	0	100.0%	1.8
✓ 901	Avonlea Highlands	MRR	A	2002	228	1	99.6%	22.8
✓ 902	Somerset Club Apts.	MRT	B+	2004	192	6	96.9%	30.4
✓ 903	Stone Mill Apts.	MRR	A-	2001	176	17	90.3%	30.6

\*Drive distance in miles

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

<b>1</b>	<b>Calloway Apts.</b> 325 Calloway Ct, Rockmart, GA 30153	Contact: Debbie Phone: (678) 685-6077	(In Person)
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1980 BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, has RA (10 units); HCV (5 units)		
<b>2</b>	<b>Cedar Chase</b> 76 Evergreen Ln, Cedartown, GA 30125	Contact: Kent Phone: (770) 891-0911	(In Person)
	Total Units: 28 UC: 0 Occupancy: 92.9% Stories: 1,2 Year Built: 1984 BR: 1, 2 Vacant Units: 2 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV		
<b>3</b>	<b>Cedar Heights</b> 1244 Rockmart Hwy, Cedartown, GA 30125	Contact: Patty Phone: (770) 748-7020	(In Person)
	Total Units: 53 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 1997 BR: 1 Vacant Units: 0 Waitlist: 18 HH; AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: HUD Section 8; HUD Section 202		
<b>4</b>	<b>Cedartown Commons</b> 336 Herbert St, Cedartown, GA 30125	Contact: April Phone: (770) 748-8919	(In Person)
	Total Units: 12 UC: 0 Occupancy: 91.7% Stories: 1,2 Year Built: 1982 BR: 1, 2 Vacant Units: 1 Waitlist: 2-br: 1 household AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, has RA (10 units); HCV (2 units)		
<b>5</b>	<b>Cedarwood Village</b> 599 E Jule Peek Ave, Cedartown, GA 30125	Contact: April Phone: (404) 748-8919	(In Person)
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1982 BR: 1, 2 Vacant Units: 0 Waitlist: 15 HH; AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: Notes: RD 515, has RA (43 units)		

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



6	<b>Evergreen Village</b> 110 Evergreen Ln, Cedartown, GA 30125	Contact: Layne (In Person) Phone: (770) 749-9333
		
Total Units: 41 UC: 15 Occupancy: 100.0% Stories: 2 Year Built: 2000 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 55 HH; AR Year: Target Population: Family Yr Renovated: 2020 Rent Special: Notes: Tax Credit; HCV (3 units); 15 additional units UC, expect completion summer 2020		

7	<b>Fairview Apts.</b> 840 Fairview Rd, Rockmart, GA 30153	Contact: Debbie (In Person) Phone: (678) 685-6077
		
Total Units: 32 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1986 BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, no RA; HCV (7 units)		



8	<b>Hummingbird Pointe</b> 51 Cherokee Rd, Cedartown, GA 30125	Contact: Carol (In Person) Phone: (770) 748-0720
		
Total Units: 64 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2011 BR: 1, 2 Vacant Units: 0 Waitlist: 25 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (16 units); HOME Funds (8 units)		

9	<b>Jackson Square I &amp; II</b> 430-460 Jackson St, Rockmart, GA 30153	Contact: Nadia (In Person) Phone: (706) 846-5717
		
Total Units: 16 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 12 mos; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Public Housing		



10	<b>Kirkwood Trails</b> 133 Cason Rd, Cedartown, GA 30125	Contact: Laurie Ann (In Person) Phone: (770) 749-9403
		
Total Units: 52 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2003 BR: 1, 2 Vacant Units: 0 Waitlist: 80 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Market-rate (11 units); Tax Credit (41 units); HCV (11 units)		

✓ Comparable Property ◆ Senior Restricted ■ (MRR) Market-Rate ■ (MRT) Market-Rate & Tax Credit ■ (MRG) Market-Rate & Govt Subsidized ■ (MIN) Market-Rate & Income Restricted (not LIHTC)	■ (MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized ■ (TAX) Tax Credit ■ (TGS) Tax Credit & Govt Subsidized ■ (TIN) Tax Credit & Income Restricted (not LIHTC) ■ (TMG) Tax Credit, Market-Rate & Govt Subsidized	■ (TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized ■ (INR) Income Restricted (not LIHTC) ■ (ING) Income Restricted (not LIHTC) & Govt Subsidized ■ (GSS) Govt Subsidized ■ (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
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<b>11</b>	<b>Morgan Station</b> 102 Morgan St, Rockmart, GA 30153	Contact: Glenn Phone: (770) 715-3425	(In Person)
		Total Units: 8 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1987 BR: 1, 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: 2012 Rent Special: Notes: Does not accept HCV	



<b>12</b>	<b>Overlook Apts.</b> 252 Newcomb St, Rockmart, GA 30153	Contact: Glenn Phone: (770) 715-3425	(In Person)
		Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 2004 BR: 2 Vacant Units: 0 Waitlist: 30 HH; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV	



<b>13</b>	<b>Ramsey Run</b> Ramsey Ln, Rockmart, GA 30153	Contact: Layne Phone: (770) 684-7772	(In Person)
		Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 2 w/Elevator Year Built: 2014 BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (2 units)	

<b>14</b>	<b>Westview Homes</b> 811 Forrest ct, Rockmart, GA 30153	Contact: Nadia Phone: (770) 664-6541	(In Person)
		Total Units: 88 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1955 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 12 mos; AR Year: Target Population: Family Yr Renovated: 2008 Rent Special: Notes: Public Housing; Part of Booker T. Washington & Easview Homes	



<b>901</b>	<b>Avonlea Highlands</b> 950 E Main St, Cartersville, GA 30121	Contact: Sarah Phone: (770) 387-0900	(In Person)
		Total Units: 228 UC: 0 Occupancy: 99.6% Stories: 3,4 Year Built: 2002 BR: 1, 2, 3 Vacant Units: 1 Waitlist: AR Year: Target Population: Family Yr Renovated: 2020 Rent Special: Notes: Does not accept HCV; Rents change daily	

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



<b>902</b>	<b>Somerset Club Apts.</b> 91 Somerset Club Dr, Cartersville, GA 30121	Contact: Ayana (In Person) Phone: (678) 721-3090
	Total Units: 192    UC: 0    Occupancy: 96.9%    Stories: 2,3    Year Built: 2004 BR: 1, 2, 3, 4    Vacant Units: 6    Waitlist: Target Population: Family    AR Year: Rent Special:    Yr Renovated: Notes: Market-rate (72 units); Tax Credit (120 units); HCV (19 units); Rents change daily	



<b>903</b>	<b>Stone Mill Apts.</b> 50 Stone Mill Dr SE, Cartersville, GA 30121	Contact: Jody (In Person) Phone: (770) 382-0087
	Total Units: 176    UC: 0    Occupancy: 90.3%    Stories: 2,3    Year Built: 2001 BR: 1, 2, 3    Vacant Units: 17    Waitlist: 1-br: 2 households    AR Year: Target Population: Family    Yr Renovated: Rent Special: Notes: Does not accept HCV; Rents change daily	

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

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

Monthly Dollar Allowances

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

\* Estimated- not from source

ADDENDUM B:

COMPARABLE  
PROPERTY PROFILES

**2 Cedar Chase** 14.0 miles to site



Address: 76 Evergreen Ln, Cedartown, GA 30125  
 Phone: (770) 891-0911      Contact: Kent (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 28      Year Built: 1984  
 Vacant Units: 2      \*AR Year:  
 Occupancy: 92.9%      Yr Renovated:  
 Turnover:      Stories: 1,2  
 Waitlist:  
 Rent Special:

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

Notes: Does not accept HCV



**Features And Utilities**

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Ceramic Tile); Premium Countertops

Property Amenities:

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	T	2	0	500	\$1.00	\$500	0%
2	1	T	8	1	900	\$0.81	\$725	0%
2	1.5	T	12	1	950	\$0.79	\$750	0%
2	2	T	6	0	1,150	\$0.72	\$825	0%

\* Adaptive Reuse

**6 Evergreen Village** 14.1 miles to site



Address: 110 Evergreen Ln, Cedartown, GA 30125  
 Phone: (770) 749-9333      Contact: Layne (In Person)  
 Property Type: Tax Credit  
 Target Population: Family  
 Total Units: 41      Year Built: 2000  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated: 2020  
 Turnover:      Stories: 2  
 Waitlist: 55 HH;  
 Rent Special:

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

Notes: Tax Credit; HCV (3 units); 15 additional units UC, expect completion summer 2020



**Features And Utilities**

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

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

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

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	5	0	756	\$0.52	\$394	50%
1	1	G	6	0	756	\$0.53	\$399	60%
2	1	G	7	0	915	\$0.50	\$461	50%
2	1	G	8	0	915	\$0.54	\$498	60%
3	2	G	7	0	1,136	\$0.46	\$517	50%
3	2	G	8	0	1,136	\$0.47	\$537	60%

\* Adaptive Reuse

**11 Morgan Station** 2.1 miles to site



Address: 102 Morgan St, Rockmart, GA 30153  
 Phone: (770) 715-3425      Contact: Glenn (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 8      Year Built: 1987  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated: 2012  
 Turnover:      Stories: 2  
 Waitlist:  
 Rent Special:

Ratings  
 Quality: B  
 Neighborhood: C  
 Access/Visibility:

Notes: Does not accept HCV



**Features And Utilities**

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

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

Property Amenities:

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	800	\$0.56	\$450	0%
2	1	T	7	0	1,020	\$0.66	\$675	0%

\* Adaptive Reuse

**12** **Overlook Apts.** 1.8 miles to site



Address: 252 Newcomb St, Rockmart, GA 30153  
 Phone: (770) 715-3425      Contact: Glenn (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 40      Year Built: 2004  
 Vacant Units: 0      \*AR Year:  
 Occupancy: 100.0%      Yr Renovated:  
 Turnover:      Stories: 1  
 Waitlist: 30 HH;  
 Rent Special:

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

Notes: Does not accept HCV



**Features And Utilities**

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

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

Property Amenities: Recreation Areas (Picnic Table / Area)

Parking Type: Attached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1	G	40	0	1,000	\$0.88	\$875	0%

\* Adaptive Reuse

**901 Avonlea Highlands** 22.8 miles to site



Address: 950 E Main St, Cartersville, GA 30121  
 Phone: (770) 387-0900      Contact: Sarah (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 228      Year Built: 2002      Ratings  
 Vacant Units: 1      \*AR Year:      Quality: A  
 Occupancy: 99.6%      Yr Renovated: 2020      Neighborhood: B+  
 Turnover:      Stories: 3,4      Access/Visibility: B+/B+  
 Waitlist:  
 Rent Special:



Notes: Does not accept HCV; Rents change daily

**Features And Utilities**

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; Sunroom; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Wood Laminate / Plank); Premium Appliances; Premium Countertops; High Ceilings

Property Amenities: Business Center (Computer, Copy); Car Care (Car Vacuum, Car Wash); Clubhouse, TV Lounge; Laundry Room; On-Site Management; Recreation Areas (Firepit, Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool, Tennis); CCTV, Gated Community; Extra Storage

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	54	0	660 - 912	\$1.72 - \$1.37	\$1,138 - \$1,252	0%
2	2	G	138	0	1,048 - 1,337	\$1.31 - \$1.13	\$1,375 - \$1,510	0%
3	2	G	36	1	1,366 - 1,439	\$1.16	\$1,578 - \$1,675	0%

\* Adaptive Reuse

**902** Somerset Club Apts. 30.4 miles to site



Address: 91 Somerset Club Dr, Cartersville, GA 30121  
 Phone: (678) 721-3090      Contact: Ayana (In Person)  
 Property Type: Market Rate, Tax Credit  
 Target Population: Family  
 Total Units: 192      Year Built: 2004      Ratings  
 Vacant Units: 6      \*AR Year:      Quality: B+  
 Occupancy: 96.9%      Yr Renovated:      Neighborhood: B  
 Turnover:      Stories: 2,3      Access/Visibility: B/C+  
 Waitlist:  
 Rent Special:



Notes: Market-rate (72 units); Tax Credit (120 units); HCV (19 units); Rents change daily

**Features And Utilities**

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

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Ceramic Tile)

Property Amenities: Business Center (Computer); Car Care (Car Vacuum, Car Wash); Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grill, Picnic Table / Area, Playground, Outdoor Swimming Pool, Volleyball); Gated Community

Parking Type: Surface Lot

**Unit Configuration**

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	20	0	864	\$0.99	\$852	0%
1	1	G	30	3	864	\$0.95	\$821	60%
2	2	G	40	0	1,200	\$0.82	\$980	0%
2	2	G	54	0	1,200	\$0.82	\$980	60%
3	2	G	36	3	1,300	\$0.86	\$1,119	60%
4	3	G	12	0	1,460	\$0.77	\$1,119	0%

\* Adaptive Reuse

**903 Stone Mill Apts.** 30.6 miles to site



Address: 50 Stone Mill Dr SE, Cartersville, GA 30121  
 Phone: (770) 382-0087      Contact: Jody (In Person)  
 Property Type: Market Rate  
 Target Population: Family  
 Total Units: 176      Year Built: 2001  
 Vacant Units: 17      \*AR Year:  
 Occupancy: 90.3%      Yr Renovated:  
 Turnover:      Stories: 2,3  
 Waitlist: 1-br: 2 households  
 Rent Special:

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

Notes: Does not accept HCV; Rents change daily



**Features And Utilities**

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

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

Property Amenities: Car Care (Car Wash); Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area, Playground, Outdoor Swimming Pool); Gated Community

Parking Type: Detached Garage; Surface Lot

**Unit Configuration**

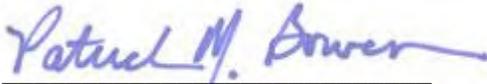
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	68	0	774 - 828	\$1.14 - \$1.09	\$884 - \$904	0%
2	2	G	92	15	1,084	\$1.01	\$1,099	0%
3	2	G	16	2	1,277	\$1.03	\$1,309	0%

\* Adaptive Reuse

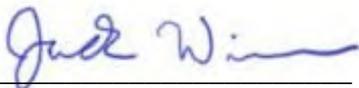
## Addendum C – NCHMA Member Certification & Checklist

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

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



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

## Market Study Index

### A. INTRODUCTION

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

### B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

### C. CHECKLIST

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

**CHECKLIST (Continued)**

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

**CHECKLIST (Continued)**

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

## Addendum D – Methodologies, Disclaimers & Sources

### 1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Rockmart, Georgia by Elm Street Apartment Limited Partnership (owner).

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

### 2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

### **3. REPORT LIMITATIONS**

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

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

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

### **4. SOURCES**

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

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

## Addendum E – Achievable Market Rent Analysis

### A. INTRODUCTION

We identified six properties that offer market-rate units within and near the Rockmart Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject developments. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject developments and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
<b>Site</b>	<b>Elm Street Apartments</b>	<b>2023</b>	<b>46</b>	<b>-</b>	<b>12</b> <b>(-)</b>	<b>18</b> <b>(-)</b>	<b>14</b> <b>(-)</b>	<b>2</b> <b>(-)</b>
2	Cedar Chase	1984	28	92.9%	2 (100.0%)	26 (92.3%)	-	-
11	Morgan Station	1987 / 2012	8	100.0%	1 (100.0%)	7 (100.0%)	-	-
12	Overlook Apts.	2004	40	100.0%	-	40 (100.0%)	-	-
901	Avonlea Highlands	2002 / 2020	228	99.6%	54 (100.0%)	138 (100.0%)	36 (97.2%)	-
902	Somerset Club Apts.	2004	72*	100.0%	20 (100.0%)	40 (100.0%)	-	12 (100.0%)
903	Stone Mill Apts.	2001	176	90.3%	68 (100.0%)	92 (83.7%)	16 (87.5%)	-

Occ. – Occupancy

\*Market-rate units only

900 series Map IDs are located outside Site PMA

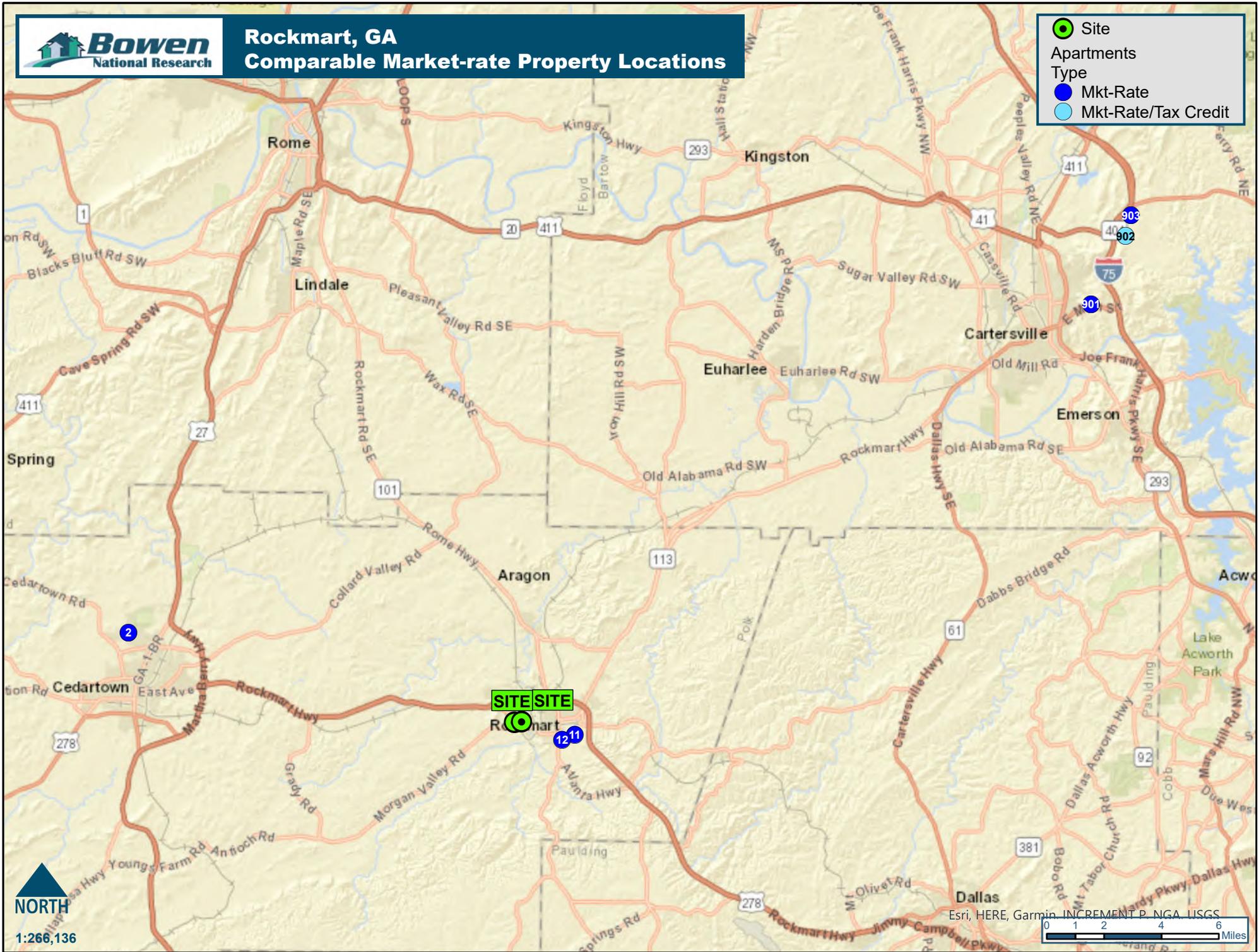
The six selected market-rate projects have a combined total of 552 units with an overall occupancy rate of 96.4%, a good rate for rental housing. This illustrates that these projects have been well received within the market and region and will serve as accurate benchmarks with which to compare the subject project

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among the selected properties and the proposed subject developments. A map of the comparable market-rate properties relative to the subject site is also included on the following page.



# Rockmart, GA Comparable Market-rate Property Locations

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



NORTH  
1:266,136

Esri, HERE, Garmin, INCREMENT P, NGA, USGS  
0 1 2 4 6 Miles

**Rent Comparability Grid**

Unit Type → **ONE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Elm Street Apartments 120 Gordon Street and 100 Morgan Valley Road Rockmart, GA		Cedar Chase 76 Evergreen Ln Cedartown, GA		Morgan Station 102 Morgan St Rockmart, GA		Avonlea Highlands 950 E Main St Cartersville, GA		Somerset Club Apts. 91 Somerset Club Dr Cartersville, GA		Stone Mill Apts. 50 Stone Mill Dr SE Cartersville, GA	
<b>Data on Subject</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1 \$ Last Rent / Restricted?		\$500		\$450		\$1,138		\$852		\$884	
2 Date Surveyed		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		100%		100%		100%	
5 Effective Rent & Rent/ sq. ft		\$500	1.00	\$450	0.56	\$1,138	1.72	\$852	0.99	\$884	1.14
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6 Structure / Stories	WU/1,2	TH/1,2		WU/2		WU/3,4		WU/2,3		WU/2,3	
7 Yr. Built/Yr. Renovated	2023	1984	\$39	1987/2012	\$23	2002/2020	\$12	2004	\$19	2001	\$22
8 Condition/Street Appeal	E	G	\$15	G	\$15	E		G	\$15	E	
9 Neighborhood	G	G		F	\$10	G		G		G	
10 Same Market?		Yes		Yes		No	(\$285)	No	(\$213)	No	(\$221)
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11 # Bedrooms	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	650	500	\$40	800	(\$40)	660	(\$3)	864	(\$57)	774	(\$33)
14 Patio/Balcony	N	Y	(\$5)	N		Y	(\$5)	N		Y	(\$5)
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	N/N	\$15	N/Y	\$5	Y/Y		N/Y	\$5	N/Y	\$5
18 Washer/Dryer	HU/L	N	\$15	HU	\$5	HU/L		HU/L		HU/L	
19 Floor Coverings	T	C/T		C/V		C/L		C/T		C	
20 Window Treatments	Y	Y		Y		Y		Y		Y	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	Y	N	\$5	N	\$5	Y		Y		Y	
23 Ceiling Fan/Storage	N/N	Y/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)	Y/N	(\$5)
<b>D Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24 Parking ( \$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	N	\$5	N	\$5	Y		Y		Y	
26 Security Features	N	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27 Community Space	Y	N	\$5	N	\$5	Y		Y		Y	
28 Pool/Recreation Areas	P/F/S/L/G	N	\$24	N	\$24	P/F/T	\$6	P/F/S	\$6	P/F	\$9
29 Computer/Business Center	Y	N	\$3	N	\$3	Y		Y		N	\$3
30 Picnic Area/Grills	Y	N	\$3	N	\$3	Y		Y		Y	
31 Playground	Y	N	\$3	N	\$3	Y		Y		Y	
32 Social Services	Y	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	Y/Y	N/N	\$45	N/N	\$45	N/N	\$45	N/N	\$45	Y/Y	
39 Trash/Recycling	Y/N	N/N	\$15	Y/N		N/N	\$15	Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40 # Adjustments B to D		13	2	13	2	3	5	5	4	5	5
41 Sum Adjustments B to D		\$182	(\$10)	\$116	(\$45)	\$28	(\$308)	\$55	(\$280)	\$49	(\$269)
42 Sum Utility Adjustments		\$60		\$45		\$60		\$45			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43 Net/ Gross Adjmts B to E		\$232	\$252	\$116	\$206	(\$220)	\$396	(\$180)	\$380	(\$220)	\$318
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44 Adjusted Rent (5+ 43)		\$732		\$566		\$918		\$672		\$664	
45 Adj Rent/Last rent			146%		126%		81%		79%		75%
46 Estimated Market Rent	\$710	\$1.09									

← Estimated Market Rent/ Sq. Ft

**Rent Comparability Grid**

Unit Type →

**TWO-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Elm Street Apartments 120 Gordon Street and 100 Morgan Valley Road		Cedar Chase 76 Evergreen Ln Cedartown, GA		Morgan Station 102 Morgan St Rockmart, GA		Overlook Apts. 252 Newcomb St Rockmart, GA		Avonlea Highlands 950 E Main St Cartersville, GA		Stone Mill Apts. 50 Stone Mill Dr SE Cartersville, GA	
<b>Data on</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>		<b>Subject</b>	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1 \$ Last Rent / Restricted?		\$750		\$675		\$875		\$1,375		\$1,099	
2 Date Surveyed		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		92%		100%		100%		100%		84%	
5 Effective Rent & Rent/ sq. ft		\$750	0.79	\$675	0.66	\$875	0.88	\$1,375	1.31	\$1,099	1.01
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6 Structure / Stories	WU/1,2	TH/1,2		TH/2		R/1		WU/3,4		WU/2,3	
7 Yr. Built/Yr. Renovated	2023	1984	\$39	1987/2012	\$23	2004	\$19	2002/2020	\$12	2001	\$22
8 Condition/Street Appeal	E	G	\$15	G	\$15	F	\$30	E		E	
9 Neighborhood	G	G		F	\$10	F	\$10	G		G	
10 Same Market?		Yes		Yes		Yes		No	(\$344)	No	(\$275)
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11 # Bedrooms	2	2		2		2		2		2	
12 # Baths	2	1.5	\$15	1	\$30	1	\$30	2		2	
13 Unit Interior Sq. Ft.	1093	950	\$33	1020	\$17	1000	\$22	1048	\$11	1084	\$2
14 Patio/Balcony	N	Y	(\$5)	N		Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	N/N	\$15	N/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5
18 Washer/Dryer	HU/L	HU	\$5	HU	\$5	HU	\$5	HU/L		HU/L	
19 Floor Coverings	T	C/T		C/V		C/V		C/L		C	
20 Window Treatments	Y	Y		Y		Y		Y		Y	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	Y	N	\$5	N	\$5	N	\$5	Y		Y	
23 Ceiling Fan/Storage	N/N	Y/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24 Parking ( \$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		A-GAR	(\$50)	LOT/\$0		LOT/\$0	
25 On-Site Management	Y	N	\$5	N	\$5	N	\$5	Y		Y	
26 Security Features	N	N		N		N		Y	(\$5)	Y	(\$5)
27 Community Space	Y	N	\$5	N	\$5	N	\$5	Y		Y	
28 Pool/Recreation Areas	P/F/S/L/G	N	\$24	N	\$24	N	\$24	P/F/T	\$6	P/F	\$9
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	Y		N	\$3
30 Picnic Area/Grills	Y	N	\$3	N	\$3	Y		Y		Y	
31 Playground	Y	N	\$3	N	\$3	N	\$3	Y		Y	
32 Social Services	Y	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	Y/Y	N/N	\$52	N/N	\$52	N/N	\$52	N/N	\$52	Y/Y	
39 Trash/Recycling	Y/N	N/N	\$15	Y/N		Y/N		N/N	\$15	Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40 # Adjustments B to D		14	2	15	1	14	3	4	4	6	4
41 Sum Adjustments B to D		\$180	(\$10)	\$163	(\$5)	\$176	(\$60)	\$39	(\$364)	\$51	(\$290)
42 Sum Utility Adjustments		\$67		\$52		\$52		\$67			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43 Net/ Gross Adjmts B to E		\$237	\$257	\$210	\$220	\$168	\$288	(\$258)	\$470	(\$239)	\$341
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44 Adjusted Rent (5+ 43)		\$987		\$885		\$1,043		\$1,117		\$860	
45 Adj Rent/Last rent			132%		131%		119%		81%		78%
46 Estimated Market Rent	\$975	\$0.89									

← Estimated Market Rent/ Sq. Ft

**Rent Comparability Grid**

Unit Type → **THREE-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Elm Street Apartments 120 Gordon Street and 100 Morgan Valley Road		Cedar Chase 76 Evergreen Ln		Morgan Station 102 Morgan St		Overlook Apts. 252 Newcomb St		Avonlea Highlands 950 E Main St		Stone Mill Apts. 50 Stone Mill Dr SE	
Rockmart, GA		Cedartown, GA		Rockmart, GA		Rockmart, GA		Cartersville, GA		Cartersville, GA	
<b>Subject</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
<b>A. Rents Charged</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>		<b>\$ Adj</b>	
1	\$ Last Rent / Restricted?	\$825		\$675		\$875		\$1,578		\$1,309	
2	Date Surveyed	Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		97%		88%	
5	Effective Rent & Rent/ sq. ft	\$825	0.72	\$675	0.66	\$875	0.88	\$1,578	1.16	\$1,309	1.03
<b>B. Design, Location, Condition</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
6	Structure / Stories	TH/2		TH/2		R/1		WU/3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2023		1984	\$39	1987/2012	\$23	2004	\$19	2002/2020	\$12
8	Condition/Street Appeal	E		G	\$15	F	\$30	E		E	
9	Neighborhood	G		G		F	\$10	G		G	
10	Same Market?			Yes		Yes		No	(\$395)	No	(\$327)
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
11	# Bedrooms	3		2	\$50	2	\$50	2	\$50	3	
12	# Baths	2		2		1	\$30	1	\$30	2	
13	Unit Interior Sq. Ft.	1349		1150	\$45	1020	\$74	1000	\$79	1366	(\$4)
14	Patio/Balcony	N		Y	(\$5)	N		Y	(\$5)	Y	(\$5)
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L		HU	\$5	HU	\$5	HU	\$5	HU/L	
19	Floor Coverings	T		C/T		C/V		C/V		C/L	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		N	\$5	N	\$5	N	\$5	Y	
23	Ceiling Fan/Storage	N/N		Y/N	(\$5)	Y/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)
<b>D. Site Equipment/ Amenities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		A-GAR	(\$50)	LOT/\$0	
25	On-Site Management	Y		N	\$5	N	\$5	N	\$5	Y	
26	Security Features	N		N		N		Y	(\$5)	Y	(\$5)
27	Community Space	Y		N	\$5	N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	P/F/S/L/G		N	\$24	N	\$24	N	\$24	P/F/T	\$6
29	Computer/Business Center	Y		N	\$3	N	\$3	N	\$3	Y	
30	Picnic Area/Grills	Y		N	\$3	N	\$3	Y		Y	
31	Playground	Y		N	\$3	N	\$3	N	\$3	Y	
32	Social Services	Y		N	\$10	N	\$10	N	\$10	N	\$10
<b>E. Utilities</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>		<b>Data</b>	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	Y/Y		N/N	\$65	N/N	\$65	N/N	\$65	N/N	\$65
39	Trash/Recycling	Y/N		N/N	\$15	Y/N		N/N	\$15	Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>		<b>Neg</b>		<b>Pos</b>		<b>Neg</b>		<b>Pos</b>	
40	# Adjustments B to D	14	2	16	1	15	3	3	5	6	4
41	Sum Adjustments B to D	\$217	(\$10)	\$270	(\$5)	\$283	(\$60)	\$28	(\$419)	\$65	(\$342)
42	Sum Utility Adjustments	\$80		\$65		\$65		\$80			
		<b>Net</b>		<b>Gross</b>		<b>Net</b>		<b>Gross</b>		<b>Net</b>	
43	Net/ Gross Adjmts B to E	\$287	\$307	\$330	\$340	\$288	\$408	(\$311)	\$527	(\$277)	\$407
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$1,112		\$1,005		\$1,163		\$1,267		\$1,032	
45	Adj Rent/Last rent		135%		149%		133%		80%		79%
46	Estimated Market Rent	\$1,100		\$0.82		← Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type → **FOUR-BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Elm Street Apartments 120 Gordon Street and 100 Morgan Valley Road Rockmart, GA		Cedar Chase 76 Evergreen Ln Cedartown, GA		Overlook Apts. 252 Newcomb St Rockmart, GA		Avonlea Highlands 950 E Main St Cartersville, GA		Somerset Club Apts. 91 Somerset Club Dr Cartersville, GA		Stone Mill Apts. 50 Stone Mill Dr SE Cartersville, GA	
<b>Data on Subject</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>		<b>Data \$ Adj</b>	
<b>A. Rents Charged</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1 \$ Last Rent / Restricted?		\$825		\$875		\$1,675		\$1,119		\$1,309	
2 Date Surveyed		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		97%		100%		88%	
5 Effective Rent & Rent/ sq. ft		\$825	0.72	\$875	0.88	\$1,675	1.16	\$1,119	0.77	\$1,309	1.03
<b>B. Design, Location, Condition</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6 Structure / Stories	TH/2	TH/1,2		R/1		WU/3,4		WU/2,3		WU/2,3	
7 Yr. Built/Yr. Renovated	2023	1984	\$39	2004	\$19	2002/2020	\$12	2004	\$19	2001	\$22
8 Condition/Street Appeal	E	G	\$15	F	\$30	E		G	\$15	E	
9 Neighborhood	G	G		F	\$10	G		G		G	
10 Same Market?		Yes		Yes		No	(\$419)	No	(\$280)	No	(\$327)
<b>C. Unit Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11 # Bedrooms	4	2	\$100	2	\$100	3	\$50	4		3	\$50
12 # Baths	2	2		1	\$30	2		3	(\$30)	2	
13 Unit Interior Sq. Ft.	1638	1150	\$112	1000	\$146	1439	\$46	1460	\$41	1277	\$83
14 Patio/Balcony	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	N		Y	(\$5)
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5	N/Y	\$5
18 Washer/Dryer	HU/L	HU	\$5	HU	\$5	HU/L		HU/L		HU/L	
19 Floor Coverings	T	C/T		C/V		C/L		C/T		C	
20 Window Treatments	Y	Y		Y		Y		Y		Y	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	Y	N	\$5	N	\$5	Y		Y		Y	
23 Ceiling Fan/Storage	N/N	Y/N	(\$5)	Y/N	(\$5)	Y/Y	(\$10)	Y/N	(\$5)	Y/N	(\$5)
<b>D Site Equipment/ Amenities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24 Parking ( \$ Fee)	LOT/\$0	LOT/\$0		A-GAR	(\$50)	LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	N	\$5	N	\$5	Y		Y		Y	
26 Security Features	N	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27 Community Space	Y	N	\$5	N	\$5	Y		Y		Y	
28 Pool/Recreation Areas	P/F/S/L/G	N	\$24	N	\$24	P/F/T	\$6	P/F/S	\$6	P/F	\$9
29 Computer/Business Center	Y	N	\$3	N	\$3	Y		Y		N	\$3
30 Picnic Area/Grills	Y	N	\$3	Y		Y		Y		Y	
31 Playground	Y	N	\$3	N	\$3	Y		Y		Y	
32 Social Services	Y	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
<b>E. Utilities</b>		<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	Y/Y	N/N	\$78	N/N	\$78	N/N	\$78	N/N	\$78	Y/Y	
39 Trash/Recycling	Y/N	N/N	\$15	Y/N		N/N	\$15	Y/N		Y/N	
<b>F. Adjustments Recap</b>		<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40 # Adjustments B to D		14	2	15	3	5	4	6	4	7	4
41 Sum Adjustments B to D		\$334	(\$10)	\$400	(\$60)	\$124	(\$439)	\$96	(\$320)	\$182	(\$342)
42 Sum Utility Adjustments		\$93		\$78		\$93		\$78			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43 Net/ Gross Adjmts B to E		\$417	\$437	\$418	\$538	(\$222)	\$656	(\$146)	\$494	(\$160)	\$524
<b>G. Adjusted &amp; Market Rents</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44 Adjusted Rent (5+ 43)		\$1,242		\$1,293		\$1,453		\$973		\$1,149	
45 Adj Rent/Last rent			151%		148%		87%		87%		88%
46 Estimated Market Rent	\$1,195	\$0.73	← Estimated Market Rent/ Sq. Ft								

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$710 for a one-bedroom unit, \$975 for a two-bedroom unit, \$1,100 for a three-bedroom unit and \$1,195 for a four-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed/Programmatic Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$488-\$491 (50%/60%/70%)	\$710	30.8%-31.3%
Two-Bedroom	\$588* (50%)	\$975	39.7%
	\$601-\$653 (60%/70%)		33.0%-38.4%
Three-Bedroom	\$687* (50%)	\$1,100	37.5%
	\$801 (60%)		27.2%
	\$882 (70%)		19.8%
Four-Bedroom	\$941* (60%)	\$1,195	21.3%
	\$967 (70%)		19.1%

\*Maximum allowable gross LIHTC rent minus the cost of tenant-paid utilities

The proposed/programmatic collected rents represent market rent advantages ranging from 19.1% to 39.7%, depending on bedroom type and targeted income level. Typically, Tax Credit rents are set at or near 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. As such, the proposed/programmatic rents should represent good values for the local market.

**B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
7. The proposed subject project is anticipated to be completed in 2023. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have a quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality to the subject development.

9. Two of the selected properties are located in less desirable neighborhoods than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.
10. Three of the selected properties are located outside of the Rockmart Site PMA in Cartersville. The Cartersville market is significantly larger than Rockmart in terms of population, community services and apartment selections. Given the differences in markets, the rents that are achievable in Cartersville will not directly translate to the Rockmart market. Therefore, we have adjusted each collected rent at the three comparable projects located in Cartersville by approximately 25.0% to account for this market difference.
11. We have made adjustments for the differences in the number of bedrooms offered at the selected market-rate projects due to the fact that not all of the selected properties offer three- or four-bedroom units. A conservative adjustment of \$50 per bedroom was used to reflect this difference.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally similar to those offered at the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a comprehensive project amenities package. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.