
Part I - Introduction

Property Assessment
Liberty Gardens Townhomes
88 LIHTC Apartments
675 Sixth Avenue
Columbus, Georgia

Prepared as of

May 28, 2020

Prepared for

Dewayne Richardson
Liberty Garden Restoration, LLC
701 13th Street
Phenix City, Alabama 36867

Prepared by

Southeastern Consulting Group
Real Estate Appraisers and Market Analysts
William F. Cantrell, MAI, CCIM

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June 17, 2020

Dewayne Richardson
Liberty Garden Restoration, LLC
701 13th Street
Phenix City, Alabama 36867

Re: Market Study / Property Assessment
Liberty Gardens Townhomes
88 LIHTC Apartments
675 Sixth Avenue
Columbus, Georgia 31901

Dear Mr. Richardson:

As requested, SCG has inspected the property in order to prepare a market / property assessment the above captioned property. The purpose of the study has been to estimate the current market potential of the subject property property as of May 28, 2020. Submitted herewith is the report which contains the pertinent data, analyses, and opinions upon which the final recommendations are predicated. Certifications and Qualifications of the Analysts are also contained therein. Specific reference is made to the Assumptions and Limiting Conditions, and the Purpose and Date of Study sections of the report, as these report sections set forth presumptions that may limit or qualify the expressed opinions. Southeastern Consulting Group (SCG) has completed the market study / assessment of the above-referenced project. The market study represents results of SCG's findings compiled on May 28, 2020. The report is to be used for due diligence purposes to assist Georgia Department of Community Affairs in the analysis of the subject project. Incorporated within this study is a review of the market demand for rental communities in the project's market area. During the assessment, along with other procedures, SCG reviewed the economic and demographic characteristics of the project's market area and the status of other rental communities in the area as they relate to the subject property project. Based on this review, the market area was defined and future demand for the project was forecast. Supply characteristics were reviewed in the next section with existing, under construction and planned units identified, surveyed and cataloged. Product differentiation was identified including design, amenities and target markets.

Market Study / Property Assessment
Liberty Gardens Townhomes Apartments
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Page Two

The project analysis defined Liberty Gardens Townhomes's market position and product differentiation. **The primary market (PMA) for the subject property is defined as the South Columbus area due to the local competition in the area.** SCG has forecast absorption at 7 units per month or a release-up of 12 months with a stabilized occupancy rate of **93%**. No effort was made to determine the possible effect on the assessment of present or future Federal, State or local legislation relating to zoning, environmental, or ecological matters or interpretations thereof. The terms of this engagement are such that SCG has no obligation to update or revise this assessment or the forecasted results in the event of any material invalidation of the assumptions, estimates or other bases such as changes in legislation affecting rental communities which may occur subsequent to this assessment.

Unit Mix, Rental Structure and Breakdown				
Unit Quantity and Type	Size (SF)	Max LIHTC Rents	Current Rents	Market Rents
29 - 2 BR, 2.0 BA, GDN, 50%	911	\$595	\$450	\$500
43 - 2 BR, 2.0 BA, GDN, 60%	911	\$735	\$550	\$600
6 - 3 BR, 2.0 BA, GDN, 50%	1,025	\$685	\$520	\$625
10 - 3 BR, 2.0 BA, GDN, 60%	1,025	\$847	\$675	\$725
Totals / Averages (88 total units)	932	\$698.18	\$529.20	\$582.95

All findings are included in the appropriate sections. However, if you have any questions or if SCG can be of further assistance, please contact us.

Respectfully submitted,

SOUTHEASTERN CONSULTING GROUP

William F. Cantrell, MAI, CCIM
President

Assumptions and Limiting Conditions

The property assessment expressed herein is predicated upon certain general and specific conditions and assumptions, which may or may not have any effect upon the value of the appraised property. These are included below and on the following pages. Acceptance of, and / or use of, this appraisal report constitutes acceptance of the following conditions.

1. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable. Normal mortgage loan encumbrances and utility easements are considered to exist. The legal description in the Addenda of this report is assumed to be correct.
2. The analysts assume no liability for structural features not visible on ordinary careful inspection, nor is any responsibility assumed for sub-surface or foundation conditions. Information regarding the location or existence of public utilities has been obtained through a verbal inquiry to the appropriate utility, or has been ascertained from visual evidence. No warranty has been made regarding the exact location or capabilities of public utility systems.
3. Certain information used in this market assessment has been furnished by others. The sources and the information are considered to be reliable, but cannot be guaranteed. The analysts are not obligated to give testimony of any kind nor appear in any court as a result of having completed this appraisal, unless arrangements to that effect were made prior to the initiation of the appraisal assignment.
4. The market assessment expressed herein assumes competent and aggressive management and / or marketing of the subject property. The contents of the study are for limited private use only. If this report becomes the property of any party other than the addressee or the person who has paid the fee connected herewith, permission must be obtained from the original addressee for reproduction or additional copies, and additional fees will be charged for any further consultation, reappraisal, or review of the property. Southeastern Consulting Group has no responsibility to any party other than the addressee. It has been assumed that the client or representative thereof, if soliciting funds for this project, has furnished to the user of this report complete plans, specifications, survey, and photographs of the land and improvements.

Assumptions and Limiting Conditions (continued)

5. This study was obtained from Southeastern Consulting Group, or related companies and / or its individuals, and consists of "trade secrets and commercial or financial information" which are privileged and confidential. Notify the Analyst(s) signing the report or an officer of Southeastern Consulting Group of any request to reproduce this appraisal in whole or part.
6. Disclosure of the contents of this report are governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of the appraisal and / or the report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute, Southeastern Consulting Group, or to the MAI, CCIM or SRA designations) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.
7. Opinions contained herein are estimates and there are no guarantees, either written or implied, that the property would sell for the expressed estimate of value. The property history has been provided by conversations with various individuals involved with the chain of title, and if available, various documents such as contracts, deeds, leases, and closing statements. Southeastern Consulting Group has not performed a title search, nor does Southeastern Consulting Group warrant that the history, as presented herein, is completely accurate since Southeastern Consulting Group has relied upon the information of others. Any person or entity contemplating an interest in the subject property should rely solely upon a title search and opinion prepared by a qualified attorney-at-law.
8. This study in no way imply a warranty of the structural integrity of any improvements (or street improvements). Unless otherwise noted herein, working order of the mechanical equipment is assumed; however, the appraisers in no way warrant the adequacy, design, and sufficiency of mechanical features. The analysts presumes that the improvements, either existing or to be built, meet or will meet the fire safety requirements of all applicable state and local building codes. It is assumed that a certificate of occupancy and acceptance will be issued by the State Fire Marshal and the local supervisory building inspector.

Assumptions and Limiting Conditions (continued)

9. In this study assignment, the existence of potentially hazardous material used in the construction or maintenance of the subject property improvements, such as the presence of urea formaldehyde foam insulation and / or existence of toxic waste, which may or may not be present on the property, has not been considered. The analysts are not qualified to detect such substances and recommend that the client retain an expert in this field. No termite inspection has been made, nor is a termite report available to the appraisers. It is assumed that there is no termite infestation and that a termite bond supplementing annual inspections is in effect.
10. It is strongly recommended that the reader rely upon authorized copies only of this report. Authorized copies are printed on white paper, with the letter of transmittal printed on gray stationery bearing the "Classic Crest" watermark, a navy and maroon letterhead, and original signatures in blue ink. Any copy that does not have the above features is unauthorized and could have been altered. Any reader who is uncertain of the authenticity of this report should contact Southeastern Consulting Group.
11. Liability of the firm and employees is limited to the fee collected for preparation of the study. There is no accountability or liability to any third party. The fee for this appraisal is for the service rendered and not for the time spent on the physical report. Acceptance of, and / or use of, this report constitutes acceptance of the above conditions.
13. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The analysts have not made a specific compliance survey and analysis of this property to determine whether or not it will be in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property will not be in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since there was no direct evidence relating to this issue, the analysts did not consider possible non-compliance with the requirements of the ADA in estimating the value of the property.

Coronavirus / Covid-19 Pandemic

This market assessment / study is being prepared during the Coronavirus / Covid - 19 Pandemic and the full effects on the country and the state have not been foreseen and not factored into the analysis. **Clearly the effects of the Covid-19 Pandemic will not be positive.**

Identification of the Property

The property which has been reported herein is the Liberty Gardens Townhomes LIHTC Apartments, which are located at 675 Sixth Avenue, Columbus, Muscogee County, Georgia 31901. The property includes 88 LIHTC restricted apartment units situated on a 6.26-acre site (legal description). Refer to the legal description which is included in the Addenda (Exhibit A) and the survey and site plan of the property in the Site Data section of this report.

Intended Use and User

This appraisal is intended to be utilized by the DCA to approve tax credits for the property.

Architectural Data

The survey and plans were prepared by William H. Hogencamp, dated June 3, 1994. The Market Assessment assumes that Liberty Gardens Townhome was constructed in accordance with the outlined plans with quality materials in a timely and workmanlike manner. The Market Assessment is also subject to the Physical Needs Assessment prepared by Capital Real Estate Consultants dated June 8, 2020. A copy of the Physical Needs Assessment is retained in SCG's Work Files.

Coronavirus / Covid-19 Pandemic

This market assessment / study is being prepared during the Coronavirus / Covid - 19 Pandemic and the full effects on the country and the state have not been foreseen and not factored into the analysis. **Clearly the effects of the Covid-19 Pandemic will not be positive.**

Scope of the Study / Property Assessment

This Market Study / Property Assessment examines aspects of the current and anticipated future trends in the downtown apartment (for-rent) market of Columbus, Georgia. Market-specific data was included when available. The study examines the historical, current and forecasted population, household and housing growth trends of the area. This data is utilized to estimate the current and forecasted future demand for rental housing. The report also examines the character of households in the area, including renter households and affordability. This study identifies opportunities on the basis of demand and supply within specific market segments and evaluated market characteristics, project configuration and service offerings in light of these market findings. The research for the assessment and report was completed in May 2020. The existing competitive environment in which the development would need to compete is also examined in the assessment. This includes a review and analysis of the development character of the rental product including features, prices and absorption rates. Several competing apartment developments were surveyed and inventoried to ascertain the depth and character of the Columbus market. The comparables were selected for the study based upon (A) proximity, (B) target market, and (C) year of construction. The report concludes with a summary of major findings, reviews the development parameters and forecasts the market's reactions to the subject property rental units. The key steps in the report are summarized as follows:

(1) The Subject site was physically inspected on May 28, 2020. Photographs of the site were made on May 28, 2020. The on-site management personnel were also interviewed. Liberty Gardens Restoration will be the management company for Liberty Gardens Townhomes. Liberty Gardens Restoration will be part of the ownership partners for Liberty Gardens Townhomes.

(2) Liberty Gardens Townhomes's location characteristics are reviewed and general support services identified. Surrounding land uses and trends are identified.

(3) Liberty Gardens Townhomes's unit mix and rental structure are studied and compared to the newer rental properties in the Columbus market area. The proposed unit and project amenities are also analyzed. The closest market properties are reviewed along with other Columbus tax credit properties.

(4) Based upon the analysis SCG then defines the Primary Market Area (PMA) and the secondary market area. The rental comparables are then selected from the Primary Market Area (PMA) based upon age, condition and proximity. The rental comparables that are selected are based upon similarities in age and condition, proximity and properties that would compete for the same residents as the subject property.

Scope of the Study / Property Assessment (continued)

(5) The analysis of the Columbus rent comparables and area tax credit developments rental structure and operational performance assist SCG in ascertaining the strength and depth of the local multifamily market. Published research reports are studied to assist in the analysis.

(6) SCG utilizes the researched market and property information to prepare a rental analysis to estimate current unit market rent. SCG also prepares an absorption analysis of the PMA and the anticipated Liberty Gardens Townhomes unit absorption. The stabilized PMA occupancy level is also estimated. The overall health and condition of the multifamily market is reviewed based upon SCG's Market research.

(7) Final review of the basic research and information available through public records and public agencies is completed. Analysis of available demographic on the applicable primary and secondary market areas. The final implication of this information on Liberty Gardens Townhomes is summarized.

It is noted that the market study is comprehensive and statistical in nature and relies to a great extent on data from secondary sources. The resulting findings are based on certain specifically stated assumptions and should not be construed as a statement of universal fact. Further, representations and warranties of any kind or character are neither expressed nor implied, since such assumptions and forecasts are based on the occurrence of uncertain future events.

Project Analysis - Site Data

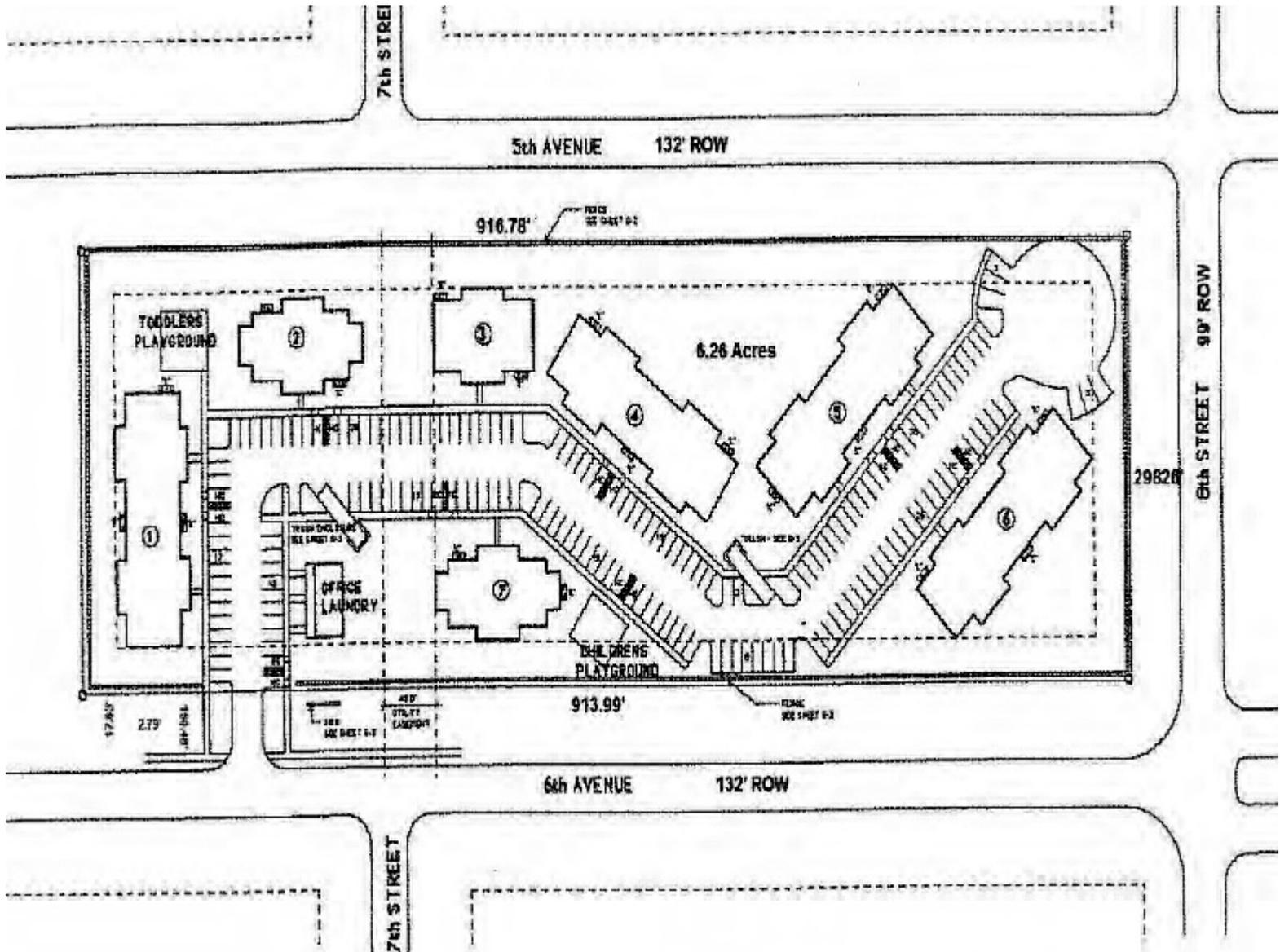
The irregular-shaped site contains a total area of 6.26 acres or 272,686 square feet. The site is located at 675 Sixth Avenue, Columbus, Muscogee County, Georgia 31901. Refer to the site plan which are included on the following page.

Site Characteristics	
Street address and ZIP code	675 Sixth Avenue, Columbus, Muscogee County, Georgia 31901
Land area	6.26 acres or 272,686 SF
Frontage on Three City Streets	(1) 913.99 on Sixth Avenue, (2) 298.26 on Eight Street & (3) 913.99 on Sixth Avenue all frontage at street grade
Access to property	One Paved double drives from East Sixth Street
Parking Spaces / Ratio	183 Parking spaces / 2.08 spaces per rental unit
Land to Building Ratio	Land to 1.0 building Ratio 3.33 / to 1.00
Land Use Density	14.06 dwelling units per acre

Topographically, the site is level and consistent with surrounding uses. Ingress / egress is provided by one double-lane paved drives. The subject site is considered to possess good overall physical utility for multi-family residential development. Utilities available to the Liberty Gardens Townhomes site are summarized in the table below. Site fronts on three city streets with curb, gutters, side walks and street lights.

Public Utilities Available To Site		
Utility	Vendor	Paid By
Potable Cold Water	City of Columbus	Complex
Sanitary Sewer	City of Columbus	Complex
Natural Gas (laundry only)	Various	Complex
Electricity	Georgia Power	Tenant
Cable Television	Various	Tenant

Site Plan



Zoning

Liberty Gardens Townhome is zoned RMF2 by the Planning Department. Permitted uses include high density multi-family dwellings. Density is approved at 16.5 units per acre. Liberty Gardens Townhomes appear to meet the requirements and are considered a legal conforming use.

Description of Improvements

Liberty Gardens Townhome site is improved with 88 residential garden units in two story wood frame building. Related site improvements include asphalt paving, concrete walkways, landscaping, and exterior lighting. Improvements are of average quality construction and finish, with functional utility considered average. The appraisal assumes that all proposed repairs and construction is complete. The subject is in average current condition and will be in good condition after repairs and renovations are complete based upon the Physical Needs Assessment Report (PNA) . In addition, the grounds are adequately maintained and landscaped.

Improvement Summary	
Number of Units	88 Rental Apartment Units
Number of Buildings	Two Story Rental Building
Total Area (NRA)	81,992 Sq. Ft. NRA
Average Unit Size / NRA	932 Sq. Ft. NRA
Total Area (GBA)	83,192 Sq. Ft. GBA (Including Community Center)
Number of Stories / Construction	Two Levels / Frame
Year Built / Actual Age / Condition	1995 / 25 years old / Average / Will be Good
Effective Age / Economic Life as-is	20 / 65 years (total) Current
Effective Age / Economic Life after	5 / 65 years (total) After renovations
Development Density	14.06 du / acre (Very Low Density)
Parking Spaces / Ratio Per Unit	183 Parking spaces (2.08 / du)
Amenities & Community Building	Picnic area with grill, laundry and two playgrounds

The description of Improvements is from the field inspection on **May 28, 2020**. Refer to the floor plans on the following pages.

The Physical Needs Assessment (PNA) Report sets forth the proposed repairs and renovation that predicate the as renovated prospective value. A copy of the PNA is retained in the SCG Work File.

Description of Improvements (continued)

Unit Mix, Rental Structure and Breakdown				
Unit Quantity and Type	Size (SF)	Max LIHTC Rents	Current Rents	Market Rents
29 - 2 BR, 2.0 BA, GDN, 50%	911	\$595	\$450	\$500
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10 - 3 BR, 2.0 BA, GDN, 60%	1,025	\$847	\$675	\$725
Totals / Averages (88 total units)	932	\$698.18	\$529.20	\$582.95

General construction features, both planned and presumed, are summarized as follows:

- Foundation** Continuous poured concrete foundation.

- Structural** Wood 2" x 4" wall framing studs. Ceilings have wood framing covered with gypsum board, with a textured finish. Wood frame construction.

- Exteriors** Exteriors are now vinyl with hardi-plank and stacked stone to be installed.

- Fenestration** Windows are thermo-pane in aluminum frames with half screens. Exterior entry doors are solid core insulated metal. Interior doors are hollow core painted wood. Exterior doors have dead bolts and peepholes. Doors and windows to be replaced as needed.

- Interior Finish** Painted sheetrock walls and 9' ceilings and crown molding with carpet flooring in living areas. Bathrooms have ceramic tile flooring with fiberglass around fiberglass tubs. New floor covering to be installed.

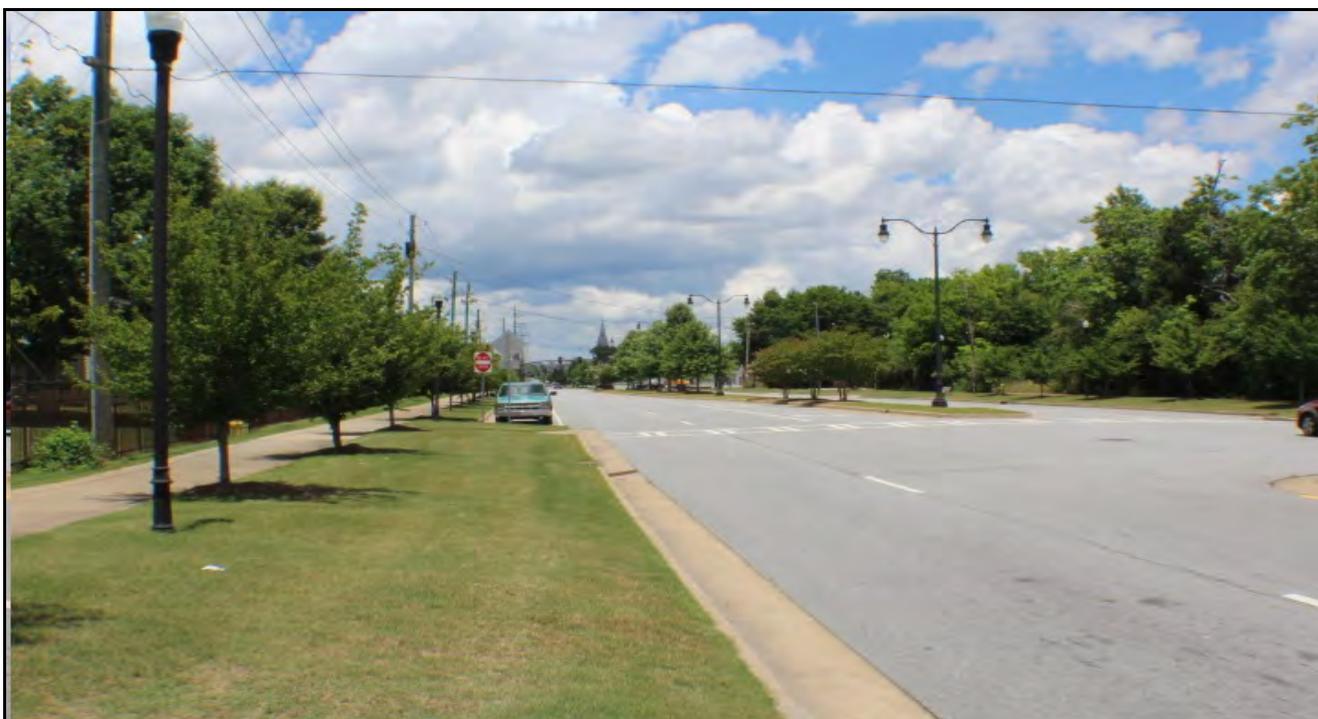
- Roofs** Pitched wood truss roof with asphalt shingles. New roof to be installed.

- Kitchens** Solid wood cabinets with formica tops and backsplashes and double well stainless steel sink. New appliances include electric stove with vented lighted hood, frost-free refrigerator with ice-maker, microwave, disposal and dishwasher. New cabinets and appliances.

Description of Improvements (continued)

HVAC	All units have individual electric heat and electric air conditioning. New HVAC Systems to be installed.
Baths	Full baths include water closet, tub / shower, and lavatory. Vanities are laminated lavatory in laminated or wood cabinet with wall-mounted mirrors. Tub / shower have a ceramic tile enclosure.
Plumbing	Copper supply lines, PVC waste lines assumed. Hot water is provided by individual electric water heaters. New water heaters.
Electrical	Adequate electrical service and typical complement of electrical outlets / switches in each unit.
Laundry	All units have washer and dryer connections.
Paving/Walks	Concrete walkways, asphalt surfaced drives and concrete parking and curbing, 183 parking spaces / 2.08 spaces per dwelling unit.
Landscaping	Typical shrubbery and planter trees along building peripheries. Grounds maintenance and landscaping is good.
Life Safety	Each unit has a smoke detector with a fire extinguisher. All units are also sprinklered.
Miscellaneous	Property signage at street frontage, minimal security lighting along building peripheries, lighted parking areas. New signage at entry. All units are accessed off breezeways.
Remarks	The property possess average overall market appeal, and the improvements are in average condition. The appraisal assumes the community will be repaired and renovated as per the scope of work in accordance with the plans and specifications in a timely and workmanlike manner with quality materials. Liberty Gardens will be in good condition after renovations.

Photographs of Liberty Gardens Townhome



(1) Signage (2) Frontage on Sixth Avenue

Photographs of Liberty Gardens Townhome (continued)



(3) & (4) Elevations

Photographs of Liberty Gardens Townhome (continued)



(5) Community Center and (6) Playground

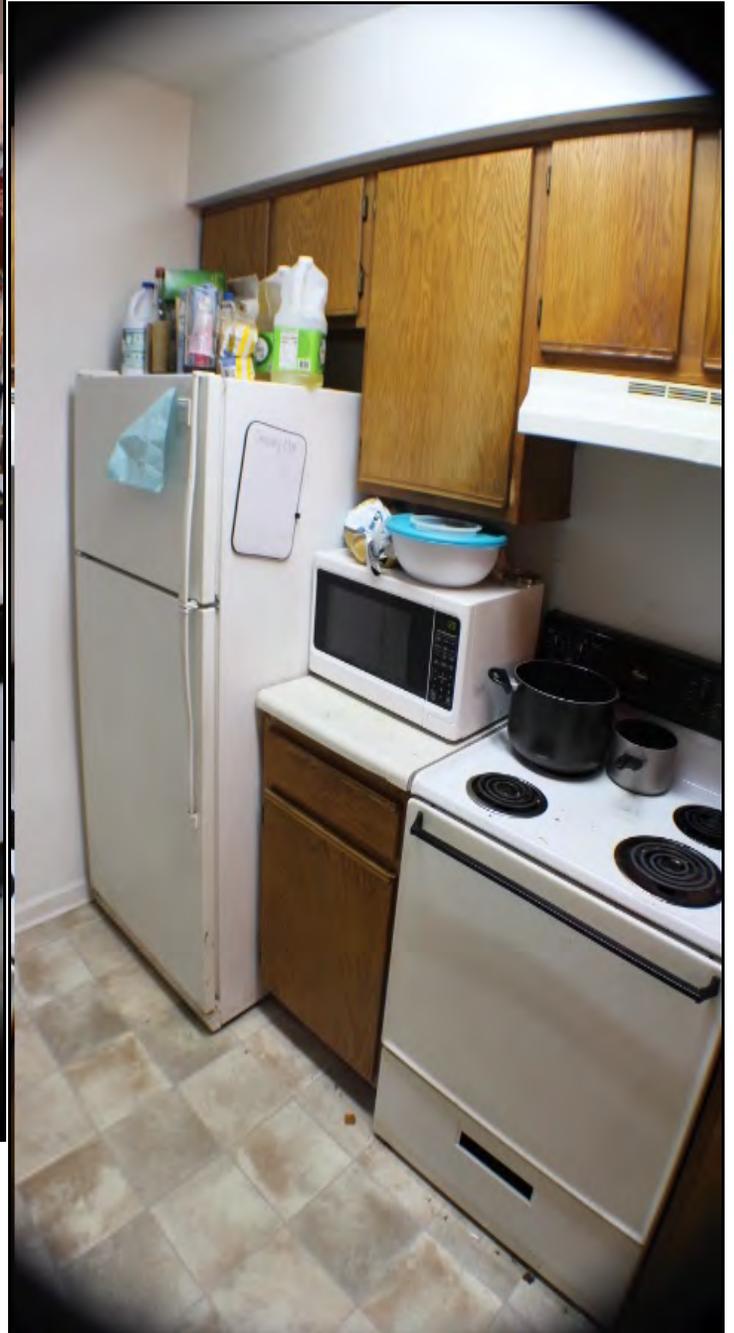
Photographs of Liberty Gardens Townhome (continued)



(7) Washer / Dryer & (8) Water Heater

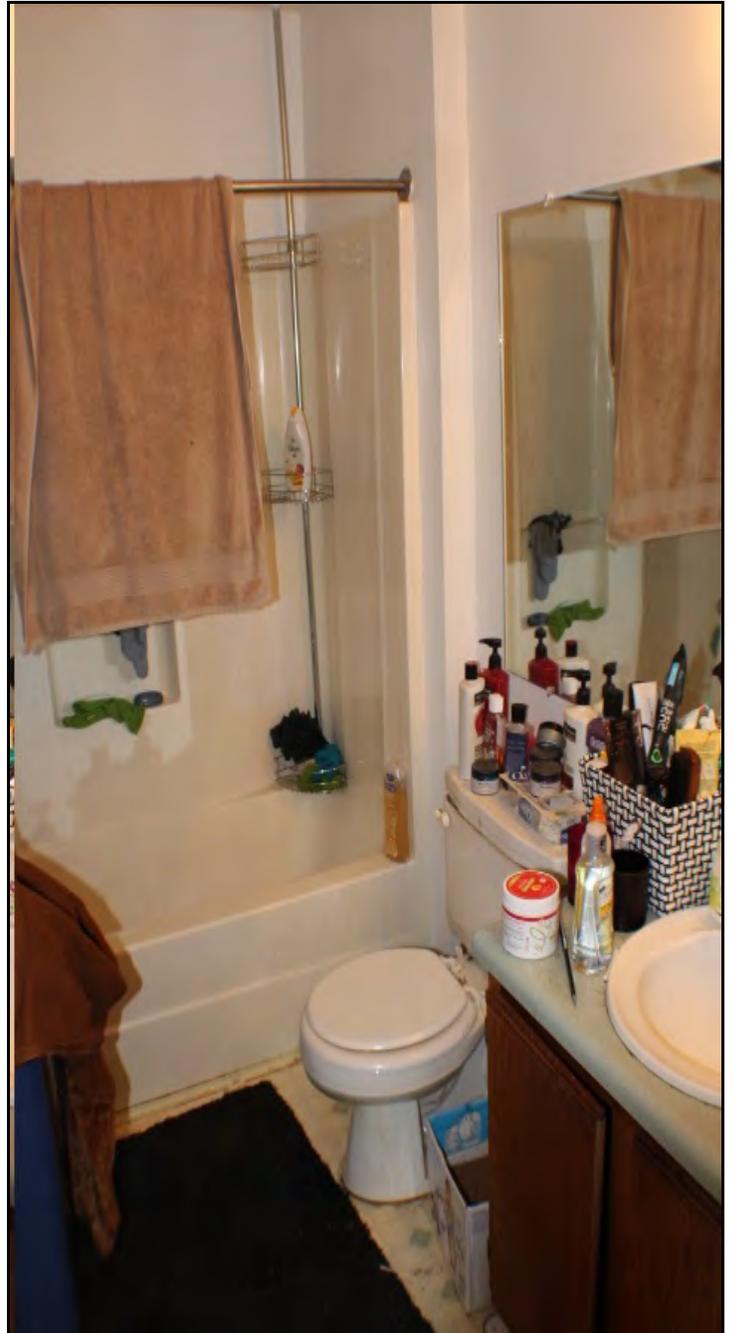


Photographs of Liberty Gardens Townhome



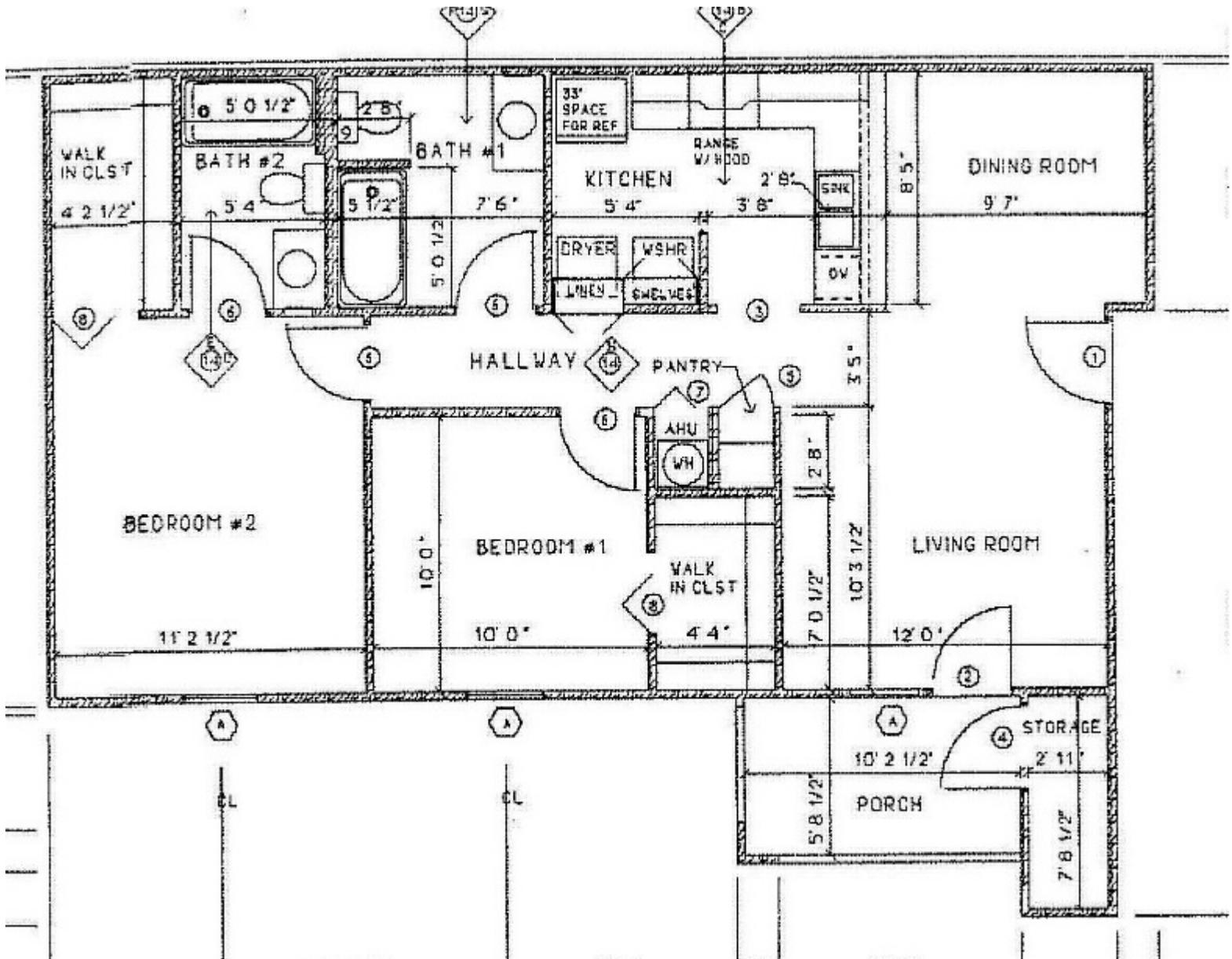
(7) & (8) Kitchen Finishes

Photographs of Liberty Gardens Townhome



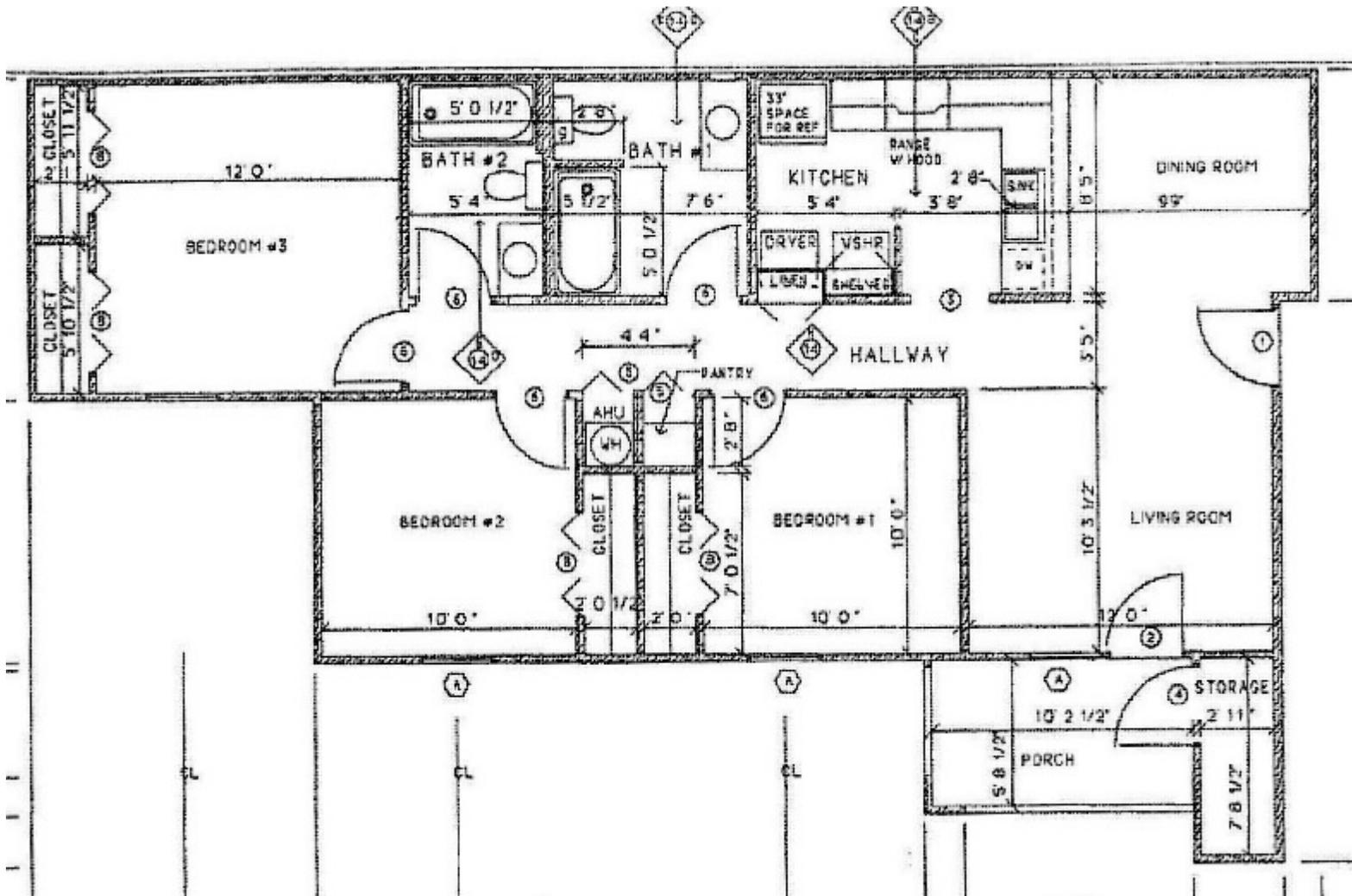
(9) & (10) Bathroom Finishes

Floor Plans



Two Bedrooms 911 Square Feet

Floor Plans (continued)



Three Bedrooms 1,025 Square Feet

Columbus / Muscogee County Overview

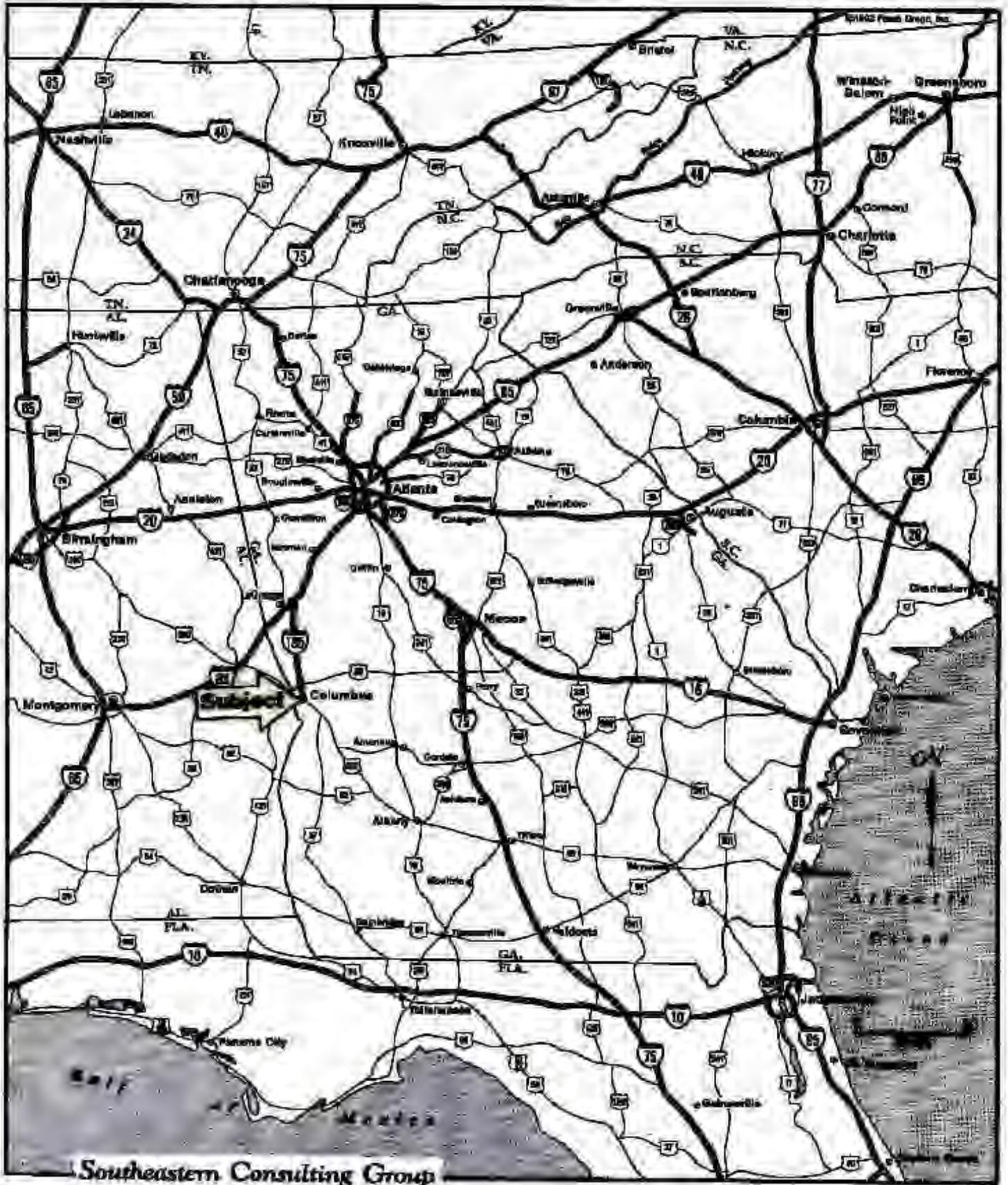
This section contains a brief description of the Columbus / Muscogee County area as a real estate environment, including such support services as the economy, geographic location, schools, shopping, medical services, transportation and recreation, among others. These demand factors dimension the scale and character of growth in the market area. The first step in estimating the highest and best use of the subject property is an examination of these social, economic, governmental and environmental forces affecting property value in the Columbus / Muscogee County area. In the following discussion, SCG has attempted to present sufficient data to familiarize readers with the Columbus / Muscogee County areas.

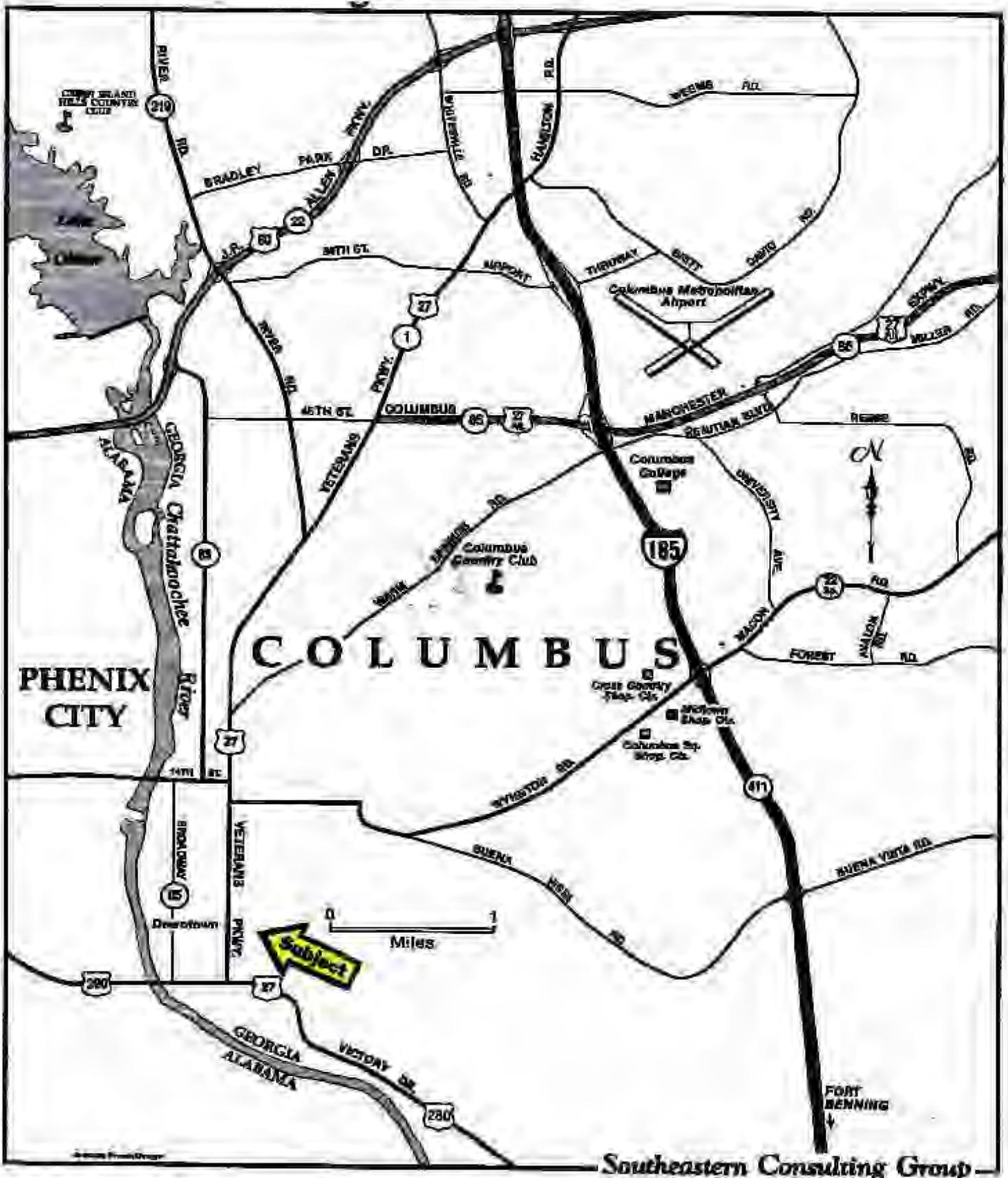
Location & Transportation

Liberty Gardens Townhomes are located in Columbus, Muscogee County, Georgia, in the western section of Georgia. The City of Columbus is the only city in Muscogee County, Georgia which is within the Columbus Metropolitan Statistical Area. Fort Benning makes up the remainder of the population of Muscogee County. The Columbus MSA consists of one county in Alabama (Russell County) and four counties in Georgia (Chattahoochee, Harris, Marion and Muscogee). The city of Columbus is 109 miles southwest of the metropolitan Atlanta area and 100 miles west of Macon. The western boundary is the Chattahoochee River with Phenix City, Alabama just across the river. Columbus is about 75 miles east of Montgomery. The area is linked to Interstate 85 by way of Interstate 185 and is linked in an east / west direction by the north bypass connecting US 270 / 431 in Alabama to Interstate 185 and east to US 27 and Highway 820. South Georgia Parkway, a 251 mile four- lane highway, connects Columbus with the Georgia coast. This links Brunswick, Albany and Columbus with I-95 along the coast and I-75 through central Georgia. A regional location map is introduced on the following page, which illustrates the location of Columbus in regard to the Southeastern United States. A metropolitan map follows the regional map and illustrates the subject's location within the market area.

The City of Columbus is the primary center of commerce, employment, industry and government for the surrounding area. Columbus is uniquely situated in that it is almost equal distance from Atlanta and Macon (in Georgia) and Montgomery and Dothan (in Alabama). Furthermore, Ft. Benning, the second largest military installation in the country, is located approximately eight miles south of the CBD of Columbus. In 1971, the Muscogee County government merged with the City of Columbus to become the consolidated government of Columbus, Georgia.







Southeastern Consulting Group

Utilities

Electrical service for the Columbus area is provided by Georgia Power, along with Sumter EMC, depending on the area. United Cities Gas Company supplies natural gas to the community. Columbus is in the middle Chattahoochee watershed area with water provided locally through Columbus Water Works. BellSouth, as well as, numerous cellular providers, provide telephone service in the area. Charter Communications and Knology Broadband, among others, provide internet access. Columbus is also in the Atlanta LATA (Local Access and Transport Area), which is useful for businesses who use Intra LATA Watts to communicate with Atlanta. Utilities in the area are in adequate supply to allow for continued growth and development.

Transportation

Columbus is linked to Interstate 85 by way of Interstate 185 and is linked in an east / west direction by the north bypass connecting US 270 / 431 in Alabama to Interstate 185 and east to US 27 and Highway 820. South Georgia Parkway, a 251 mile four-lane highway, connects Columbus with the Georgia coast. The local airport, Columbus Metropolitan, handles in excess of 50,000 take-offs and landings each year. The airport covers 630 acres and has two runways totaling over 7,000 feet and provides private, corporate and commercial air service. Daily commercial flights are available out of Columbus Metropolitan through Delta Connection / ASA. Rail service in Columbus is provided by Georgia Southwestern Railroad, Norfolk Southern and CSX. There are numerous local motor freight terminals in four counties currently using the Columbus highway network. The Columbus public transit system, METRA, is an inter-city bus service that transports local travelers throughout Muscogee County. There is a barge facility in Columbus on the Chattahoochee River. The Georgia Ports Authority in Savannah operates the system which provides a link to the Gulf of Mexico. Transportation systems in the area are considered adequate and typical of this section of Georgia.

Medical

The main hospital in the Columbus area is The Medical Center, part of the Columbus Regional Healthcare System, is a 417-bed acute care facility offering a variety of medical services including many not found anywhere else in the region (i.e., trauma and pediatric intensive care). Other hospitals in the area include St. Francis Hospital, specializing in open heart surgery; Doctor's Hospital, a local diabetes treatment center; Houston Sports Medicine Hospital, specializing in sports related injuries, surgery and medicine; Martin Armory Hospital for military personnel and dependents; Phoenix Medical Park, an acute general care hospital; and Bradley Center a private substance abuse and psychiatric hospital. Medical support in the area is good.

Recreation

Through eighteen recreation facilities, the Columbus Parks and Recreation department offers a variety of organized sports activities for all ages. Facilities for grilling and picnicking are also available at many of the rec centers. The Cultural Arts Center offers art and pottery classes as well as other workshops of interest to the community. The local hockey team, the Cottonmouths, play in the Columbus Civic Center. Fantasy in Lights is an annual Christmas-time event that takes place in nearby Callaway Gardens.

Education

The Muscogee County school district consists of 35 elementary, 12 middle, and 8 high schools, including two magnet elementary and two magnet middle schools. Higher education is available through Columbus State University, Columbus Technical School, Chattahoochee Valley Community College, along with Troy University with campuses located in nearby Phenix City and Ft. Benning. Georgia Military College is also located in Columbus. Educational offerings are considered good.

Social Considerations

Demand for residential property is a direct function of population change. Table 1, below, illustrates population growth for Muscogee County, the Columbus MSA and the State of Georgia since 2000. Population growth in the local area is averaging less than 1.0% per year, whereas the state of Georgia is growing at around 1.1% annually. The City of Columbus' population is the same as the county since it is the only city in Muscogee County and is a consolidated government. Ft. Benning makes up the rest of the county's population.

Table 1 - Population Trends and Projections					
Year	Muscogee County	Phenix City	Columbus MSA	State of Georgia	% Annual Increase
2010	189,885	32,549	294,865	9,687,653	-----
2019	192,312	36,857	305,871	10,655,025	1.11%
2024	194,763	38,716	313,290	11,253,742	1.12%
2019-2024	0.25%	0.99%	0.48%		
Source: ESRI Online					

Population by Age and Education Level

Table 2 (below) illustrates the age group distribution within the market area: Muscogee County, Augusta MSA, and the State of Georgia. Muscogee County is inhabited by residents slightly older in age to residents in the State. Muscogee County had a median age of 33.6 years in 2010 which increased to 35.3 years by 2019, which is consistent with the growth in age of Columbus SMA and the State. The State of Georgia has an overall higher rate of high school graduates, as well as college degree holders. A total of 61.0% of the Muscogee County’s residents are at least high school graduates and 16.7% of them are college graduates.

Table 2 - Age and Education Trends			
Category	Muscogee County	Columbus MSA	State of Georgia
Median Age - 2010	33.6	34.5	35.3
2019	35.3	36.2	36.8
2024	36.2	37.2	37.5
% H.S. Graduate	61.0%	62.2%	87.5%
% Bachelor Degree	16.7%	15.6%	19.2%
Age Distribution 2019	192,312	203,884	
0-4	6.8%	6.7%	6.6%
5-9	6.7%	6.6%	6.8%
10-14	6.5%	6.5%	6.9%
15-24	13.8%	13.5%	14.0%
25-34	15.8%	15.1%	14.0%
35-44	12.5%	12.3%	13.4%
45-54	11.3%	11.7%	13.5%
55-64	11.9%	12.4%	12.0%
65-74	8.5%	9.1%	7.9%
75-84	4.3%	4.3%	3.5%
85+	1.8%	1.7%	1.3%
18+	76.3%	76.5%	
Source: ESRI Online			

Household Formation

In conjunction with the annual population growth, the number of households in the city, county and State has also risen. Table 3 illustrates the household growth trends for Augusta MSA, Muscogee County, and the State of Georgia. The number of households in Muscogee County grew from 8,833 in 2010 to 9,223 in 2019. The number of households grew in the Augusta MSA grew from 188,052 (2000) to 215,526 (2010) to 237,924 in 2019. Single-family residential median home value for 2019 is the highest in the State of Georgia at \$191,818, while Augusta MSA and Muscogee County are lower at \$114,668 and \$168,113. The percentage of county residents who are homeowners is 40.3%, which is Columbus MSA (45.4%) and the State (56.4%).

Table 3 - Household Inventory Characteristics			
Category	Muscogee County	Augusta MSA	State of Georgia
Number of Households			
2000	69,919	103,967	
2010	74,081	113,239	3,585,584
2019	75,668	118,219	3,937,153
2024	76,791	121,204	4,155,781
Value of Specified Owner Occupied Units			
2019			
% Less than \$50,000	4.9%	7.0%	11.0%
% \$50,000 to \$99,999	17.5%	18.0%	18.1%
% \$100,000 to \$149,999	22.4%	18.8%	17.4%
% \$150,000 to \$199,999	18.1%	16.9%	15.0%
% \$200,000 or more	37.1%	34.2%	38.5%
Median Home Value - 2019	\$164,519	\$167,981	\$191,818
Median Home Value - 2024	\$183,749	\$190,312	\$225,541
Occupancy (%) Owners 2019	40.3%	45.4%	56.4%
Occupancy (%) Renters 2019	48.8%	42.2%	32.2%
Source: ESRI Online			

Household Incomes

The average household income for Muscogee County was \$37,951 as of 2019, and is expected to increase to \$43,344 in 2024. The Columbus MSA’s average household income was \$51,829 as of 2019 and is projected to increase to \$57,994 by 2024. The State of Georgia has the highest household income at \$81,206 and is projected to continue to have the highest by 2024 at \$92,799. The per capita income for Muscogee County is currently \$18,680, lower than the State level of \$30,100. The unemployment rate in Muscogee County in April 2020 was 13.5%, while the State of Georgia had an April 2020 rate of 11.9%. The current US unemployment rate in 14.7% which is a 70 year high. The labor participation rate is almost unchanged again. The Tax Cuts from last year are not reaching below high earners and the Economy has started to slow. The 128 month expansion ended in February marking the start of the Current Recession. Compounding the problem is the Covid-19 Virus which is sweeping the world The Fed is cutting interest rates to zero in an attempt to brace up the economy and try to deal with the Trump Chinese Tariff War and the Virus Outbreak. The Chinese are the largest holder of US Debt and are starting to give the country a lesson in Money Management. The Fed is trying to brace up the bond markets. White House sources are estimating that as many as forty million Americans have lost their jobs over the past four months.

Table 4 - Household Characteristics

Category	Muscogee County	Columbus MSA	Georgia
2019 Distribution of Households by Income			
% Less than \$15,000	21.1%	12.9%	14.1%
% \$15,000 to \$24,999	12.3%	11.9%	11.1%
% \$25,000 to \$34,999	12.8%	10.3%	10.5%
% \$35,000 to \$49,999	14.7%	12.8%	13.9%
% \$50,000 to \$74,999	14.8%	19.3%	17.6%
% \$75,000 to \$99,999	16.9%	12.1%	12.1%
% \$100,000 to \$149,999	11.3%	12.5%	11.9%
% \$150,000 to \$199,999	7.6%	5.2%	4.4%
% \$200,000 or more	3.1%	3.0%	4.4%
Average Household Income 2019	\$37,951	\$51,829	\$81,206
Average Household Income 2024	\$43,344	\$57,994	\$92,799
Per Capita Income 2019	\$18,680	\$21,255	\$30,100
Average Household Size 2019	2.69	2.58	2.64
Average Family Size - 2010	3.20	3.06	3.17
Average Family Size - 2019	3.21	3.08	3.20
Average Family Size - 2024	3.21	3.08	3.23

Source: ESRI Online

Household Incomes

Reference is made to the following Table 5 for the Top Employers.

Fort Benning Army Base	40,000 Employees	Military
TSYS	4,700 Employees	Financial Services
Muscogee County School District	4,300 Employees	Education
Aflac	3,800 Employees	Insurance
Columbus Consolidated Government	3,000 Employees	Government
Kia Motors / Manufacturing	3,000 Employees	Automobiles
Columbus Regional Health	2,800 Employees	Healthcare
St Francis Hospital	2,800 Employees	Healthcare
BlueCross BlueShield of Georgia	1,650 Employees	Insurance
Synovus	1,325 Employees	Financial Services
Pratt & Whitney	1,300 Employees	Aerospace

Overview Summary

Recent data from the US Labor Market has been largely negative with the national unemployment rate at the current 14.7% which is near a 70 year high. The National Economy started into a Recession in February ending 128 months of expansion. The Economy took another hit in March with the Covid 19 Shutdown with over forty million Americans losing their jobs. The Labor Force participation rate is calculated as the percentage of the non-institutional population age 16 plus that is either employed or unemployed and actively seeking employment. The US participation rate has been on a steady decline since 2000. Historically, the rate was consistently around 59% for several decades. In the mid 1988's the rate began a consistent 35 year rise to 67.3% in January 2000 where it leveled until the Great Recession in 2007. The labor participation rate has started to descend with the spike in baby boomers reaching retirement. The Great Recession was not the only factor but did have especially negative effects on people with no college education. In summary, Muscogee County and Columbus are now experiencing stability in population and economic development. The 2000 Muscogee County population has increased from 189,885 in 2000 to 192,312 in 2019 with a 2024 projection of 194,763. Gradual population growth, economic expansion, and new development in the area suggests that the general price level for real estate within the area will increase. Consequently, SCG feels that the Muscogee County area provides viable locational characteristics for most types of real estate development if competitively priced and well marketed. The outlook for the area in general, and real estate in particular, is relatively stable.

Neighborhood / Submarket Analysis

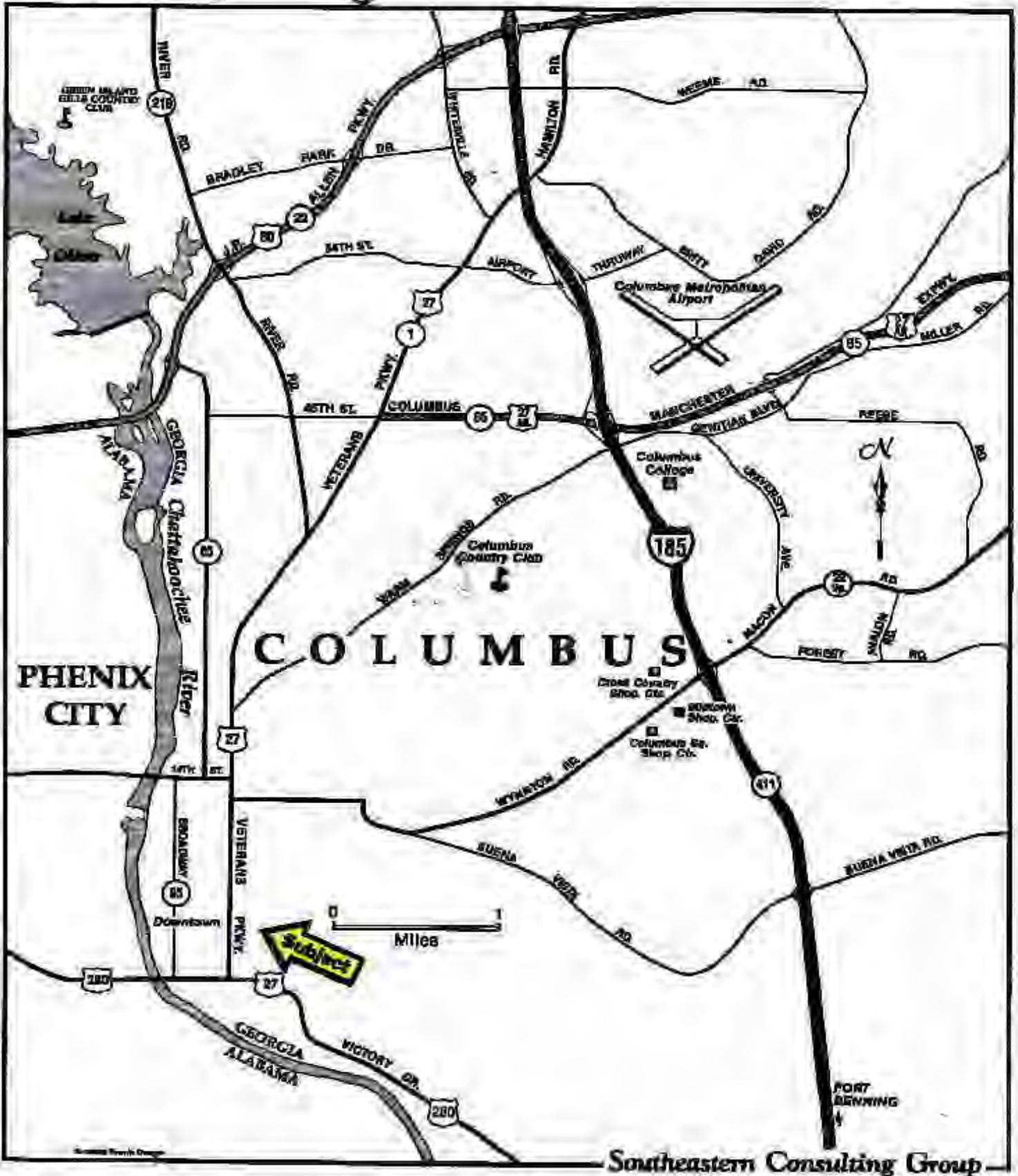
Real estate is an immobile asset greatly impacted by its surrounding environment, especially neighborhood. Within a community, there is a marked tendency toward the grouping of land uses. These areas devoted to these various uses are termed physical neighborhoods. Any property is an integral part of the neighborhood, with its value greatly affected by shifts or changes creating the environment. Neighborhood used in this context is further defined as follows:

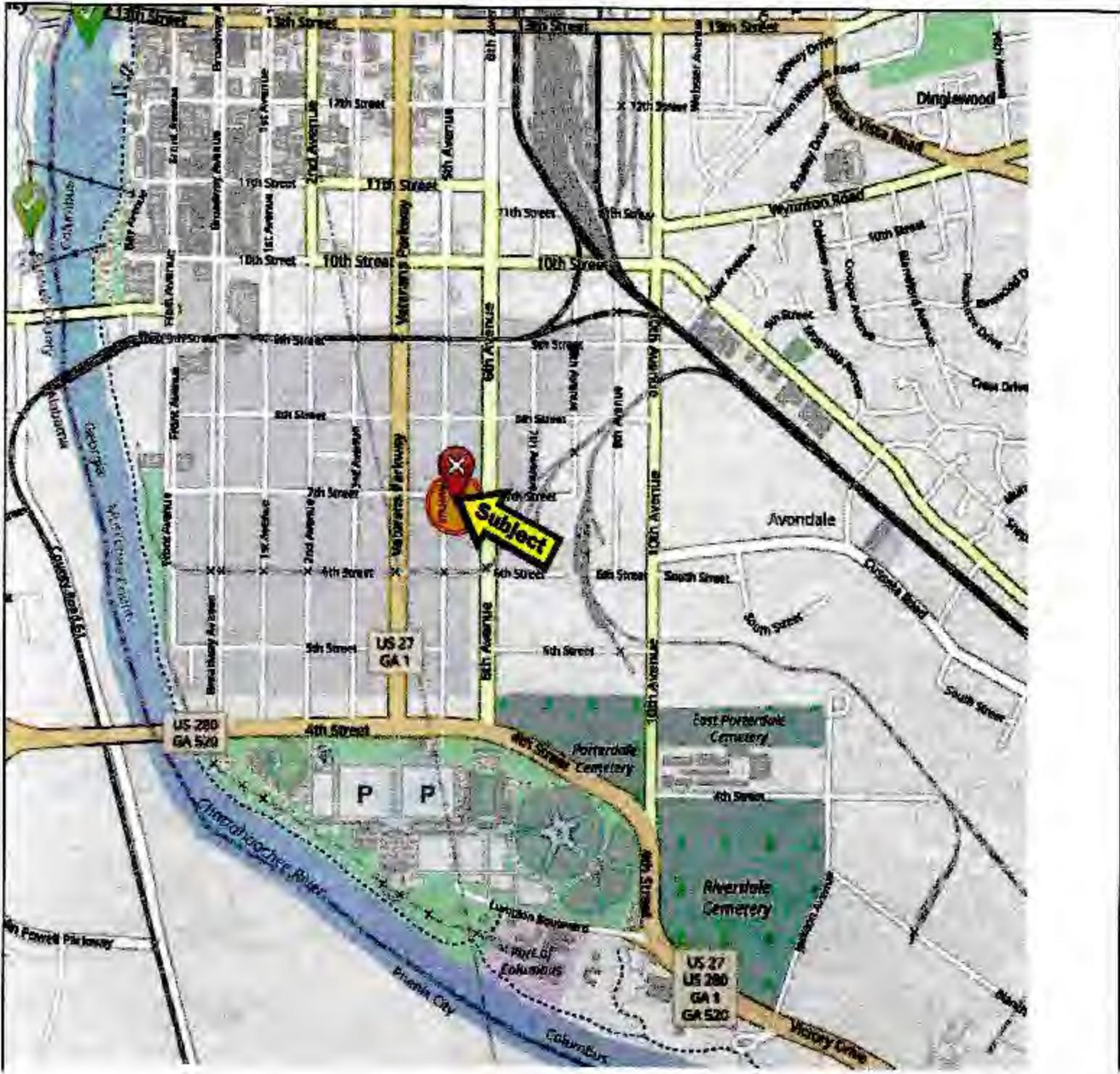
A portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest and a similarity of economic level or cultural background. Neighborhood boundaries may consist of well defined natural or man-made barriers or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants.

Liberty Gardens Townhome is located south of the Columbus CBD along Sixth Street. The neighborhood / submarket is defined by the Market Study as South Columbus (PMA Primary Market Area). Market Study identifies the boundaries as: 17th / 18th Street to the north. The Chattahoochee River / Alabama State Line on the West. The Fort Bragg boundary along US 27 / Victory Drive on the south and Interstate 185 to the east.

The Post Office, Police Station, Fire Station and Public Park are within a half mile of Liberty Gardens Townhome. The closest grocery stores are a Piggly Wiggly in Phenix City, with the Walmart Super Center on Victory Drive and a Rainbow Grocery on Old Seale Road. The Walgreens and CVS Pharmacy on Victory. Elementary Students at Liberty Gardens Townhome attend Davis Primary School, Eddy Middle and Jordan High Schools with public bus service at the Liberty Gardens Townhome entranceway. Community Rec Center and the Muscogee County Library are around a mile away. Public transportation in Muscogee County is provided on a per call basis by Muscogee Transit and by MERTA.

The Medical Center is fairly close by. Columbus Housing Authority operates a project just south of the Liberty Gardens Townhome site. Surrounding land uses include single family and multi family residential uses along a mix of light industrial and commercial uses. Liberty Gardens Townhome is a compatible use for the Neighborhood. Refer to the location map on the next page. Liberty Gardens Townhome and the Columbia Residential / Columbus Housing Authority are the only newer multifamily development in this area of Columbus.





Neighborhood / Submarket Analysis (continued)

The Census Building Permits for Muscogee County range from 581 to 752 single family houses per year with multi family permits from 128 to 640 with a total of 2,202 or 315 per year. Over time, tenure patterns reflect two key considerations related to the forecast of housing demand: (1) housing type preference and a household’s desire for owner or renter occupancy; and (2) changes in the household’s ability to pay for these preferences. Long-term trends in owner versus renter decisions help establish an appropriate and marketable split between owner and renter housing unit additions over the forecast period. The households by tenure for Muscogee County are illustrated in Table 7.

2019 Housing Units	Muscogee County	% of Total
Owner-Occupied	34,225	40.3%
Renter-Occupied	41,443	48.8%
Vacant Housing Units	9,257	10.9%
Total Housing Units (2019)	84,925	100.0%
Source: ESRI Online		

Demand for residential properties is generated by expansion of the population base and subsequent expansion of the household levels. An analysis is prepared whereby the housing units are separated into owner-occupied and tenant-occupied units. The housing demand is projected on a “for-tenant” basis, as illustrated by Table 8, below. The model forecasts demand for 148 apartment units per year in Muscogee County based upon historic population and household trends from *ESRI*.

Group	2019	% 2024	2024
Total Housing Units	84,925	100.0%	86,433
Owner-Occupied Units	34,225	40.3%	34,832
Tenant-Occupied Units	41,443	48.8%	42,179
2024 Tenant-Occupied Housing Units			42,179
Less: Current (2019) Tenant-Occupied Housing Units			41,443
Next Five-Year Rental Demand Forecast			736
Average Annual Tenant Demand 2019 - 2024			148
Source: ESRI Online			

Neighborhood / Submarket Analysis (continued)

The local rental properties that were located or identified in the market survey were included in the SCG Analysis. Table 9 below reflects a submarket occupancy rate of 96.99%. Many potential renters have chosen to purchase single-family homes or manufactured housing. The table reflects the occupancy information of nine comparable properties. The comparables reported an occupancy rate of 88.80% to 97% with an overall rate of 96.99%. The table below reflects the occupancy information of eight comparable properties and Liberty Gardens Townhome which is out performing the market. Liberty Gardens Townhome should maintain a stabilized occupancy level of around 95.0%. SCG has forecast frictional vacancy at 5% for an occupancy rate of 95.00%.

Map Code	Community Name	Total Units	Year Completed	Vacant Units	Occupancy Rate
1	Cross Creek	200	1969	2	99.00%
2	Serenity	212	1968	11	94.80%
3	Springfield Crossing	120	2001		
4	Milgen Village	95	1976	2	97.90%
5	Village at Holly Park	66	1987		
6	Reserve at Patriot Place	285	1967/1979	154	46.00%
7	Club Hill	184	1971/1981	3	91.12%
8	Heritage Place	80	1970s	9	88.80%
9	Lumpkin Park	192	2009	2	99.00%
S	Liberty Gardens	88	1995	2	97.73%
	Totals/Averages	1,434	---	29	96.99%

All local rental properties that were located or identified in the market survey were included in the SCG Analysis. Table 9, above, reflects a submarket occupancy rate of 96.99%. Many potential renters have chosen to purchase single-family homes or manufactured housing. It appears that Columbus should still be positively positioned if competitively priced. Table 9, reflects the occupancy information of nine comparable properties. Rental demand is projected by Table 8 on Page 27 over the next five years at 736 units or 148 units per year. The subject (Liberty Gardens Townhome) after repairs will be one of two recent vintage multi-family units been built in Muscogee County over the past several years which indicates an unmet pent up demand. This pent up demand bodes well for Liberty Gardens Townhome.

Refer to Table 10 on the following page which reflects absorption levels at apartments in the Georgia area.

Neighborhood / Submarket Analysis (continued)

Table 10 - Monthly Unit Absorption

Community Name	Year Built	Units	Absorption
The Peaks at West Atlanta	2002	214	17.00
Renaissance at Park Place (Senior)	2002	100	14.00
Ashton Walk (Senior)	2005	150	5.625
Columbia Colony (Senior)	2000 - 2001	121	13.00
Gateway (Northside Drive) nka Envoy	2004	261	13.00
Village on the Green	2004	216	9.00
Vineyards of Browns Mill	2005 - 2006	210	11.81
Preserve at Cascade	2005	210	>10.00
Heights at Princeton Lakes	2007	350	23.80
Jordan Estates (LIHTC)	2005	50	23.00
Pecan Grove (Waynesboro LIHTC)	2006	40	10.00
Pecan Grove II (Waynesboro LIHTC)	2007	64	13.16
Benson Estates (Augusta Conventional)	2015	252	16.00
Walker Estates (Augusta Conventional)	2016	252	21.00
Ashleigh Place (Thomasville LIHTC)	2015	80	26.70
Pinewood Village (Pooler LIHTC)	2014	61	15.25
Sheppard Station (Pooler LIHTC)	2009	65	16.25
Newport (Statesboro LIHTC)	2015	34	8.4
Pine Trails (mixed income) (Waynesboro, LIHTC)	2018 - 2019	88	8.14
Grove at Oakmont (LIHTC) Waycross, GA	2017	88	20.00
Ware Hotel (Waycross) Senior LIHTC	1925 - 2014	61	9.00
Freedom Heights (Valdosta LIHTC)	2018 - 2019	88	11.00
Oxford Ridge Ph. II	2007	175	18.80
Creekside Vista	2007	208	18.00
Alta Coventry Station	2008	322	25.00
Mechanicsville Apartments	2007	174	15.82
Mechanicsville Senior	2006	155	12.92
Mechanicsville Station	2007	164	18.22
Mechanicsville Crossing	2007	164	18.22
Columbia Sylvan Hills	2009	190	15.95
Galleria Manor	2011	120	8.5
Columbia at MLK	2004	123	30.25
Avalon Park	2007 - 2008	311	17.0 to 18.0
Reserve at Decatur	2016	298	20.31
Antioch Manor	2005	120	24.00
Panola Gardens	2015	84	20.00
Point on Scott	2016	250	18.40
Magnolia Circle	2003	84	14.0
Retreat at Madison	2007	188	14.0
Antioch Villa & Gardens	2012	106	35.0
Columbia Senior Residences	2014	80	8.00

Source: Southeastern Consulting Group

Submarket / Neighborhood Summary

SCG obtained absorption data through direct contact with the property or through a third party source. Refer to Table Ten on the previous page. Ashleigh Place (Thomasville) leased up in three months in 2015 for an absorption rate of **26.7** units per month. Pinewood Village in Pooler leased in four months in 2014 for an absorption rate of **15.25** units. Sheppard Station, also in Pooler, leased in four months in 2009 for an absorption rate of **16.25**. Newport in Statesboro leased in four months in 2015 for an absorption rate of **8.4** units per month. Grace Landing and Laurel Pointe (both Senior LIHTC Projects in Statesboro) leased at between **9 to 12** units per month. The Grove at Oakmont leased 88 units in three months or **20** per month. Ware Hotel also in Waycross leased up at **9** units per month. Liberty Gardens Townhome started leasing in December 2018 and completed in June 2019 or about seven months. Liberty Gardens Townhome leased up in seven months or about **8.14** units per month. Pecan Grove was delivered in 2006-2007 with less competition and slightly higher absorption rates of 10.0 to 13.6 units per month. The lease up information indicates absorption of between **8.4** and **26.7** units per month. Pine Trails in Waynesboro leased up in 2018 and 2019 at **8.14** units per month which is at the low end of the range. Overall the area experienced steady but moderate growth due to the area having the existence of several tax credit deals. The local area will absorb the subject units after repairs and renovations at about **seven** units per month with about a one year releasing and renovation period.

Table 9 on page 31 reflects a submarket occupancy rate of 96.99%. Many potential renters have chosen to purchase single-family homes or manufactured housing. The table reflects the occupancy information of nine comparable properties. The comparables reported an occupancy rate of 88.80% to 97% with an overall rate of **96.99%**.

The Census Building Permits for Muscogee County range from 581 to 752 single family houses per year with multi family permits from 128 to 640 with a total of **2,202 or 315 per year**. Refer to Table 12 on page 34.

Rental demand is projected by Table 8 on Page 22 over the next five years at 736 units or **148** units per year. The subject (Liberty Gardens Townhome) after repairs will be one of two recent vintage multi-family units been built in Muscogee County over the past several years which indicates an unmet pent up demand. This pent up demand bodes well for Liberty Gardens Townhomes.

The Liberty Gardens Townhomes submarket should take about a year to stabilize.

Existing Inventory and Supply

New and Planned Unit Inventory

The entire MSA is building about a thousand units per year with only 315 multi family units or about 31.7% of the total. The demographics indicate that about 42.2% of the housing units are rentals in 2019 which indicates single family is out pacing market demand.

Table 11 - Area Building Permit Activity			
(Columbus MSA Building Permits)			
Year	Single Family	Multi Family Units	Totals
2013	752	287	1,039
2014	703	252	955
2015	604	640	1,244
2016	581	128	709
2017	669	248	917
2018	747	257	1,004
2019	697	390	1,087
Totals / Average	4,753 / 679	2,202 / 315	6,955 / 994

The rental comparable properties are selected based on location / proximity, physical characteristics, age & condition, amenities and consistency in rent. The selected complexes are the most similar to the subject property in location, target market, amenities, design and rental range. A detailed write up and photograph of each comparable property follows. The properties are reporting high occupancy levels with the SCG apartment survey showing an average occupancy rate of **96.99%**. The proposed renovated units are projected to be absorbed at **7.0** units per month during renovation / construction / pre leasing with stabilization within a year at **May 28, 2021**.

Amenities

Most of the new vintage local comparable properties have amenity packages superior to the basic amenities be offered at Liberty Gardens Townhomes. Most of the surveyed properties featured a laundry facility, swimming pools, security package, business center, community room, exercise facility, secure garage parking, wellness center and club room. Interior unit amenities are relatively similar to the subject after renovations with standard kitchen equipment and appliances. All comparables have washer and dryer connections with two & three bedroom units at Liberty Gardens Townhomes including the connections in the kitchens. A laundry is also provided for the residents.

The other similarities are (1) finish levels and grades of finish, (2) architectural detail, and (3) condition and appeal of the comparables to the renovated subject units. All of the comparables surveyed provide pest control and trash removal, but no other utilities were provided with Liberty Gardens Townhomes providing water & sewer. Electricity, telephone, and cable television at Liberty Gardens Townhomes is individually metered and tenant paid.

The amenity package at Liberty Gardens Townhomes includes a playground and picnic area. The subject property is oriented toward families with only two and three bedroom units. Consideration of an additional amenity for families should be considered such as a computer center of fitness center. The additional amenity would assist Liberty Gardens Townhomes in being more competitive with most of the included local conventional rent comparables.

LIHTC Restricted Rent Calculation

Most of the rent comparables are at least partially conventional apartments. Liberty Gardens Townhomes has restricted rental rates due to the tax credits, with the rent comparables included to establish the range of market level rents in the subject property market area. The rents at the lower end of the range are reflective of older properties that have limited amenity packages with the rents towards the upper end of the range generally being for newer complexes that have extensive amenity packages and tenant services. The subject property development is of similar construction to most of the older complexes in the area and will have better appeal after renovations and good overall market appeal. The rental rates at tax credit properties are established by statute and are based on family income. The maximum incomes and rents for each county in the metropolitan portion of a state are based on the 2020 median family income for that county. The maximum number of people for each bedroom is 1.5 persons with one person for studios. These totals are then phased into a formula which derives the maximum rent to be charged for a particular unit type. The utility allowance is calculated by Georgia Department of Community Affairs and then subtracted to arrive at the maximum allowable rent. The utility adjustment includes water, sewer and electricity being tenant paid. The calculations for the floor plans at Liberty Gardens Townhomes are shown in the chart below.

Maximum Allowable Restricted Rents		
Two-Bedroom Units (50% Income)		
\$28,050 x 30% Divided by 12 Months	=	\$701
Less Utility Allowance	-	\$106
Max Allowable LIHTC Two-Bedroom Rent (50%)	=	\$595
Two-Bedroom Units (60% Income)		
\$33,660 x 30% Divided by 12 Months	=	\$841
Less Utility Allowance	-	\$106
Max Allowable LIHTC Two-Bedroom Rent (88%)	=	\$735
Three-Bedroom Units (50% Income)		
\$32,400 x 30% Divided by 12 Months	=	\$810
Less Utility Allowance	-	\$125
Max Allowable LIHTC Three-Bedroom Rent (50%)	=	\$685
Three-Bedroom Units (60% Income)		
\$38,880 x 30% Divided by 12 Months	=	\$972
Less Utility Allowance	-	\$125
Max Allowable LIHTC Three-Bedroom Rent (88%)	=	\$847

LIHTC Restricted Rent Calculation (continued)

LIHTC Income Limits for 2020 (Based on 2020 MTSP Income Limits)

	Charts	60.00%	50.00%	60.00%	140.00%
1 Person	▲	34,740	28,960	34,740	48,636
2 Person	▲	39,720	33,100	39,720	55,808
3 Person	▲	44,700	37,250	44,700	62,580
4 Person	▲	49,620	41,350	49,620	69,468
5 Person	▲	53,640	44,700	53,640	75,096
6 Person	▲	57,600	48,000	57,600	80,640
7 Person	▲	61,560	51,300	61,560	86,184
8 Person	▲	65,520	54,600	65,520	91,728
9 Person	▲	69,480	57,900	69,480	97,272
10 Person	▲	73,440	61,200	73,440	102,816
11 Person	▲	77,400	64,500	77,400	108,360
12 Person	▲	81,360	67,800	81,360	113,904

LIHTC Rent Limits for 2020 (Based on 2020 MTSP/VLI Income Limits)

Bedrooms (People)	Charts	60.00%	50.00%	60.00%	FMR	HOME Low Rent	HOME High Rent
Efficiency (1.0)	▲	868	723	868	996	0	0
1 Bedroom (1.5)	▲	930	775	930	1,025	0	0
2 Bedrooms (3.0)	▲	1,117	831	1,117	1,167	0	0

LIHTC Rent Limits With Utility Allowance Reduction for 2020 (Based on 2020 MTSP/VLI Income Limits)

Bedrooms (People)	60.00%	50.00%	60.00%	U/A Entered by User
Efficiency (1.0)	786	641	786	82
1 Bedroom (1.5)	821	666	821	109
2 Bedrooms (3.0)	982	796	982	135

Implications and Summary of Findings

The local rental properties that were located or identified in the market survey were included in the SCG Analysis. Table 9 (page 31) reflects a submarket occupancy rate of **96.99%**. Many potential renters have chosen to purchase single-family homes or manufactured housing. The table reflects the occupancy information of nine comparable properties. The comparables reported an occupancy rate of 88.80% to 97% with an overall rate of 96.99%. Table 9 on page 31 reflects the occupancy information of eight comparable properties and Liberty Gardens Townhome which is out performing the market. Liberty Gardens Townhome should maintain a stabilized occupancy level of around **95.0%**. SCG has forecast frictional vacancy at 5% for an occupancy rate of 95.00%.

The 34 Georgia apartments in Table 10 Page 32 ranged from 8.00 to 30.25 units leased per month with an average lease up was 16.5 units per month with most of the properties between 10 to 20 per month. Liberty Gardens Townhomes will start releasing and marketing as renovations start and will be finished with repairs and renovations at about twelve months hence (5/28/21). The releasing and renovation / stabilization period will be from 5/28/20 to **5/28/21** or twelve months from now as construction is complete.

Table 14, reflects building activity over the past seven years. Liberty Gardens Townhomes's estimated market rent is within the range of the comparables on each unit type.

Unit Mix, Rental Structure and Breakdown				
Unit Quantity and Type	Size (SF)	Max LIHTC Rents	Current Rents	Market Rents
29 - 2 BR, 2.0 BA, GDN, 50%	911	\$595	\$450	\$500
43 - 2 BR, 2.0 BA, GDN, 60%	911	\$735	\$550	\$600
6 - 3 BR, 2.0 BA, GDN, 50%	1,025	\$685	\$520	\$625
10 - 3 BR, 2.0 BA, GDN, 60%	1,025	\$847	\$675	\$725
Totals / Averages (88 total units)	932	\$698.18	\$529.20	\$582.95

It is SCG's opinion that the Columbus Area will continue to experience some new growth. Further, based on the statistical data presented earlier in this section of the report, trends in Atlanta indicate continued growth over the next five-year period. Consequently, SCG feels that this area of Columbus provides viable locational characteristics for most types of well-priced and well-positioned real estate development. SCG utilized the most comparable properties in the area, based upon proximity to the subject property site and overall appeal. Most of these properties possessed similar amenities and features. The subject property's target market (families) will be an advantage and represents an untapped source of potential tenants.

Multi-Family Demand

Household Formations

There are few tax credit apartments in the PMA and none target teachers. As such, Liberty Gardens Townhomes would be expected to draw from the entire Primary Market Area (PMA). Household formations or new households is the first source / level of demand for apartments. SCG has utilized the most recent census numbers (2010) as the base year and the 2019 and 2024 projections to calculate future formations. The change in renter households is considered the gross potential demand for Liberty Gardens Townhomes. The gross renter demand is multiplied by the income eligibility to calculate annual income qualified demand.

Table 19- Household Inventory Characteristics - PMA					
Households			Avg. Household Size		
Year	Number	% Change	Year	Number	% Change
2000	69,819	---	2010	2.45	---
2010	74,081	6.10%	2010	3.08	0.26%
2019	75,668	2.14%	2017	3.09	0.00%
2024	76,791	1.49%	2022	3.09	0.00%

Source: STDB

Multi-Family Demand

Demand for residential properties is generated by expansion of the population base and subsequent expansion of the household levels. An analysis is prepared whereby the housing units are separated into owner-occupied and tenant-occupied units. The housing demand is projected on a “for-sale” and “for-tenant” basis, as illustrated by Table 20 below.

Table 20 - Housing Profile - Muscogee County			
Group	2019	% 2024	2024
Total Housing Units	84,925	100.0%	86,433
Owner-Occupied Units	34,225	40.3%	34,832
Tenant-Occupied Units	41,443	48.8%	42,179
2024 Tenant-Occupied Housing Units			42,179
Less: Current (2019) Tenant-Occupied Housing Units			41,443
Next Five-Year Rental Demand Forecast			736
Average Annual Tenant Demand 2019 - 2024			148

Source: ESRI Online

Multi-Family Demand (continued)

Table 21 - Housing Profile - MSA			
Group	2019	% 2019	2024
Total Housing Units	134,929	100.00%	138,713
Owner-Occupied Units	61,258	45.40%	62,976
Tenant-Occupied Units	56,940	42.20%	58,537
2024 Occupied Housing Units (Rental)			58,537
Less: Current (2019) Occupied Housing Units			56,940
Next Five-Year Demand Forecast			1,597
Average Annual Renter Demand 2019 - 2024			319

Based upon this test, it would appear that over the long run this model is fairly accurate and consistent. Using the information provided in the chart on the previous page, the PMA reflects annual demand from population growth at **148** units. Potential market segmentation and absorption can be projected using the income ranges and a variable rate or percentage of income attributable to renters. Market segmentation analysis identifies demand in all price ranges for renter occupied units. No condo conversions were located. It is SCG's opinion that a condo shadow market does not exist in the PMA.

Concessions - have disappeared as reflected by the market survey. None of the properties reported concessions.

Demand - Substandard Housing - is based upon households with over 1.01 occupants per room. Information is obtained from US Census Data Table B25016. The substandard housing total also includes households lacking complete plumbing facilities. Based upon the subject property's Primary Market the 72,924 rental units in the PMA times a factor of 0.60% will equal **428** rental units.

Rent Overburdened Demand - is defined as households paying 35% or more for rent. Information is taken from US Census Data in Table B25070. The 37,866 rental units in the PMA times a 39.15% factor equals **14,825** existing overburdened rental units in the PMA. The range in rents at the subject property from around \$450 to \$725 per month will appeal to a wide range of overburdened tenants.

Primary Demand for Liberty Gardens Townhomes is from overburden.

Multi-Family Demand (continued)

Unit Turnover Demand - is not included in the SCG analysis. SCG has also **not** included leakage from outside the PMA or demand from the secondary market area. Guidelines restrict the leakage to 15% of the existing demand from qualified households in the both Market Areas. This calculation is as follows: DMA Demand times 15% leakage. SCG has concluded that the PMA is surrounded by apartment markets on all sides and that any leakage would be offset by the reverse into the PMA. The total demand is summarized as follows:

Table 22 - PMA - Renter Household Demand		
Demand from New Households		148
Demand from Existing Households Substandard Housing More than 1.01 occupants per room or lack of plumbing	72,924 X 0.60%	438
Demand from Existing Renter Households Rent Overburden Households paying 35% or more for rent	37,866 X 39.15%	14,825
Secondary Market Demand - Leakage at 15%		N / A
Equals Total Demand		15,411
Less New Inventory		0
Net Demand PMA		15,411

The PMA net qualified demand of 15,411 unit demand without pulling from existing property turnover. The absence of any additional tax credit competition indicates that Liberty Gardens Townhomes should out perform this forecast. The 88 units at Liberty Gardens Townhomes should re lease up within twelve months. Based upon the over burden demand some pent up demand should exist.

Based upon the historical vacancy and occupancy levels, the overall market should be stabilized at about 95% or about 5% frictional vacancy. An additional 2% is included for vacancy, credit and collection to equate to an overall total factor of 7% or 93% occupancy.

Penetration Rate - The percentage of age and income qualified renter households in the Primary Market Area (PMA) that live in all existing and proposed properties that must be captured to achieve the stabilized occupancy. **The penetration rate in the Primary Market Area (Table 23, next page) is calculated at 0.58%.**

Multi-Family Demand (continued)

Table 23 - Penetration Rate PMA		
Projected Income Qualified Households		15,263
Subject property and Competitive Subset		88
Penetration Rate		0.58%

Capture Rate - The percentage of age, size and income qualified renter households in the Primary Market Area (PMA) that the property must capture to achieve the stabilized level of occupancy. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the Primary Market Area. Refer to Table 24, below. **The Capture Rate is 0.58% in the PMA.**

Table 24 - Capture Rate PMA		
Projected Income Qualified Renter Households		15,1263
Number of Units - Subject property		880
Capture Rate		0.58%

The Capture & Penetration Rates are low with the primary demand coming from Rent Over Burden.

Multi-Family Demand (continued)

Table 25 - Georgia Monthly Unit Absorption			
Community Name	Year Built	Units	Absorption Rate
The Peaks at West Atlanta (Atlanta)	2002	214	17.00
Renaissance at Park Place (Senior)	2002	100	14.00
Ashton Walk (Senior) College Park	2005	150	5.625
Columbia Colony (Senior) Atlanta	2000 - 2001	121	13.00
Gateway (Northside Drive) nka Envoy	2004	261	13.00
Village on the Green Atlanta	2004	216	9.00
Vineyards of Browns Mill Atlanta	2005 - 2006	210	11.81
Preserve at Cascade Atlanta	2005	210	>10.00
Heights at Princeton Lakes Atlanta	2007	350	23.80
Oxford Ridge Ph. II (Atlanta)	2007	175	18.80
Creekside Vista	2007	208	18.00
Alta Coventry Station	2008	322	25.00
Mechanicsville Apartments (Atlanta)	2007	174	15.82
Mechanicsville Senior (Atlanta)	2006	155	12.92
Mechanicsville Station (Atlanta)	2007	164	18.22
Mechanicsville Crossing (Atlanta)	2007	164	18.22
Columbia Sylvan Hills (Atlanta)	2009	190	15.95
Galleria Manor (Marietta)	2011	120	8.5
Columbia at MLK	2004	123	30.25
Avalon Park	2007 - 2008	311	17.0 to 18.0
Reserve at Decatur (Decatur)	2016	298	20.31
Antioch Manor (Decatur)	2005	120	24.00
Panola Gardens (Decatur)	2015	84	20.00
Point on Scott (Decatur)	2016	250	18.40
Magnolia Circle	2003	84	14.0
Retreat at Madison	2007	160	14.0
Freedom Heights (Valdosta)	2018 - 2019	88	11.0
The George & The Leonard (Atlanta)	2017	215	8.5
Glenwood at Grant Park (Atlanta)	2016	216	12.71
Local on 14 th (Atlanta)	2016	360	22.75
Benson Estates (Augusta)	2015	252	16
Walker Estates (Augusta)	2016	252	21
Antioch Villa & Gardens	2012	106	35.0
Columbia Senior Residences	2014	80	8.00

Implications and Summary of Findings

The 34 Georgia apartments in Table 22 on the previous page, ranged from 8.00 to 30.25 units leased per month with an average lease up was 16.5 units per month with most of the properties between 10 to 20 per month. Liberty Gardens Townhomes will start re leasing and marketing over the next twelve months during renovations. The property will be able to re lease about 7 units per month. The stabilization / construction period will be from **5/28/20 to 5/28/21**. The date of stabilization will be May 28, 2021.

It is noted that substantial new construction has occurred over the past ten years which has met pent up demand for new high end product. There appears to be a substantial pent up demand for affordable housing which will be met by Liberty Gardens Townhomes. The rental levels are summarized in Table 28, below.

Unit Mix, Rental Structure and Breakdown				
Unit Quantity and Type	Size (SF)	Max LIHTC Rents	Current Rents	Market Rents
29 - 2 BR, 2.0 BA, GDN, 50%	911	\$595	\$450	\$500
43 - 2 BR, 2.0 BA, GDN, 60%	911	\$735	\$550	\$600
6 - 3 BR, 2.0 BA, GDN, 50%	1,025	\$685	\$520	\$625
10 - 3 BR, 2.0 BA, GDN, 60%	1,025	\$847	\$675	\$725
Totals / Averages (88 total units)	932	\$698.18	\$529.20	\$582.95

Of the current competing properties in the market, most are not offering concessions. Liberty Gardens Townhomes will not have to expect to run concessions on the units that will be substantially below market rent.

Rent Comparable Number 1



Cross Creek Apartments
 3911 Steam Mill Road
 Columbus, Muscogee County, Georgia 31906

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
76 - 1 BR, 1.0 Bath, Garden	770	\$515-\$535	\$0.67-\$0.70
104 - 2 BR, 1.5 Bath, Garden	980	\$615-\$685	\$0.63-\$0.70
20 - 3 BR, 2.0 Bath, Garden	1,148	\$755	\$0.66

Year Built 1969 **Occupancy Rate** 99% (2 Vacant Units)
Units 200 **Management** Synchron
Source Casandra **Phone Number** 706-689-5150
Type of Utilities Furnished Cold Water, Sewer, Trash & Exterminating

Rent Comparable Number 1 (continued)

Amenities Laundry, Media Center, Tennis Courts & Swimming Pool.

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove. Washer / dryer connections in all units.

Premiums / Charges None Reported by Management

Concessions None Reported by Management

Remarks Two story Brick Veneer & T-1-11 Siding.

Amenities and Features					
Activity Director		Dry Cleaners		Playground	
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment		Saunas	
Balconies / Patios		Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Tennis Courts	X
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community	X	Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 2



Serenity Apartments wka Holly Hills Apartments
 251 Oakley Drive
 Columbus, Muscogee County, Georgia 31906

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
Efficiency	380	\$450	\$1.18
1 BR, 1.0 Bath, Garden	630	\$700	\$1.11
1 BR, 1.0 Bath, Garden	690	\$700	\$1.01
1 BR, 1.0 Bath, Garden	690	\$700	\$1.01
1 BR, 1.0 Bath, Garden	690	\$700	\$1.01
2 BR, 1.0 Bath, Garden	890	\$725	\$0.81
2 BR, 2.0 Bath, Garden	815	\$775	\$0.95
2 BR, 1.5 Bath, Townhouse	1,240	\$800	\$0.89
2 BR, 1.5 Bath, Townhouse	1,240	\$825	\$0.65
3 BR, 2.0 Bath, Garden	1,266	\$850	\$0.67
3 BR, 1.5 Bath, Townhouse	1,880	\$850	\$0.53
3 BR, 2.5 Bath, Townhouse	1,880	\$1,000	\$0.63

Rent Comparable Number 3



Springfield Crossing Apartments
 3320 Lumpkin Road
 Columbus, Muscogee County, Georgia 31903

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
4 - 2 BR, 2.0 Bath, Garden (50%)	947		
88 - 2 BR, 2.0 Bath, Garden (88%)	947		
16 - 2 BR, 2.0 Bath, Garden Market)	947		
63 - 3 BR, 2.0 Bath, Garden (50%)	1,012		
63 - 3 BR, 2.0 Bath, Garden (88%)	1,012		
63 - 3 BR, 2.0 Bath, Garden (Market)	1,012		

Year Built	2001	Occupancy Rate	% (Vacant Units)
Units	120	Management	Community
Source	Leasing Agent	Phone Number	706-689-7717

Rent Comparable Number 3 (continued)

Type of Utilities All Electric

Utilities Furnished Cold Water, sewer, Trash & Exterminating

Amenities Swimming Pool, Laundry, Exercise

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove. Washer / dryer connections in all units.

Premiums / Charges None

Concessions None

Remarks Mixed Income Property.

Amenities and Features					
Activity Director		Dry Cleaners		Playground	X
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment	X	Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community		Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	
Covered Parking		Picnic / Grilling Area		W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 4



Milgen Village Apartments
 5800 Milgen Road
 Columbus, Muscogee County, Georgia 31907

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
1 BR, 1.0 Bath, Garden	720	\$672 **	\$0.93
2 BR, 2.0 Bath, Garden	1,000	\$763 **	\$0.76

**** Base Rents with premiums for unit features and upgrades**

Year Built	1976	Occupancy Rate	97.9% (2 Vacant Units)
Units	95	Management	Thayer
Source	Leasing Agent Alysia	Phone Number	706-940-7075
Type of Utilities	All Electric		
Utilities Furnished	Cold Water, sewer, Trash & Exterminating		

Rent Comparable Number 4 (continued)

Amenities Swimming Pool, Laundry, Exercise

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove. Washer / dryer connections in all units.

Premiums / Charges Unit Upgrades

Concessions None

Remarks Two Story Frame.

Amenities and Features					
Activity Director		Dry Cleaners		Playground	X
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment	X	Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Screened Porches	X
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community		Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 5



The Village at Holly Park wka Holly Park Apartments
5500 Saint Marys Road
Columbus, Muscogee County, Georgia 31907

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
20 - Efficiency	288	\$527	\$1.82

Rent Comparable Number 5 (continued)

Utilities Furnished	Trash and Exterminating
Amenities	Laundry, Picnic Area, Swimming Pool and Fitness Center
Kitchen Equipment	Frost-free refrigerator with ice-maker, disposal and stove. Washer / dryer connections in all one & two bedroom units.
Premiums / Charges	None
Concessions	None
Remarks	Cardinal Modular units.

Amenities and Features					
Activity Director		Dry Cleaners		Playground	X
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment		Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities		Storage	
Clubhouse / Community		Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 6



Residence at Patriot Place wka Willow Creek Apartments
 3700 Buena Vista Road
 Columbus, Muscogee County, Georgia 31906

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
112 - 1 BR, 1.0 Bath, Gar	644-797	\$580-\$700	\$0.90-\$0.88
8 - 2 BR, 1.0 Bath, Gar	720	\$625	\$0.86
84 - 2 BR, 1.5 Bath, Gar	920	\$650	\$0.71
73 - 2 BR, 1.5 Bath, Gar	1,073	\$700	\$0.65
8 - 3 BR, 2.5 Bath, Gar	1,446	\$870	\$0.88

Year Built	1969 / 1979	Occupancy Rate	46% (154 Vacant Units) Property being Renovated
Units	285	Management	Hammond Residential Group
Source	Leasing Agent Janielle / Ebony	Phone Number	706-751-8825 706-751-8825

Rent Comparable Number 6 (continued)

Type of Utilities Electric

Utilities Furnished Trash & Exterminating

Amenities Laundry and Community Center

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove.
 Washer / dryer connections in all units.

Premiums / Charges None

Concessions \$300 move in special during renovations.

Remarks Two story frame complex

Amenities and Features					
Activity Director		Dry Cleaners		Playground	
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment	X	Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Tennis Courts	X
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community		Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 7



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Apartments
 2840 Warm Springs Road
 Columbus, Muscogee County, Georgia 31909

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
1 BR, 1.0 BA, GDN	689-897	\$725	\$1.05
2 BR, 1.0 BA, GDN	1,022	\$700	\$0.69
2 BR, 1.5 BA, GDN	1,375	\$875	\$0.64
3 BR, 2.0 BA, GDN	1,312	\$880	\$0.67
3 BR, 1.5 BA, GDN	1,365	\$925	\$0.68

Year Built	1971 / 1981	Occupancy Rate	91.12% (3 Vacant Units)
Units	184	Management	Woodruff
Source	Manager	Phone Number	706-327-4545
Type of Utilities	All Electric		

Rent Comparable Number 7 (continued)

Utilities Furnished Water, sewer, Trash & Exterminating.

Amenities Laundry, picnic area and Clubhouse

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove.
 Washer / dryer connections in some units.

Premiums / Charges None

Concessions None currently leasing

Remarks Two story brick

Amenities and Features					
Activity Director		Dry Cleaners		Playground	X
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment		Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community	X	Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Computer Labs UC	X	Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Rent Comparable Number 8



Heritage Place Apartments
 510 Broadway
 Columbus, Muscogee County, Georgia 31901

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
1 BR, 1.0 BA, GDN	550	\$600	\$1.09
1 BR, 1.0 BA, GDN	650	\$650	\$1.00
2 BR, 1.0 BA, GDN	988	\$800	\$0.81

Year Built 1970s **Occupancy Rate** 88..8% (9 Vacant Units)

Units 80 **Management** WND

Source Manager Amanda **Phone Number** 706-596-8111

Type of Utilities All Electric

Utilities Furnished Water, Sewer, Trash & Exterminating.

Rent Comparable Number 8 (continued)

Amenities Laundry, picnic area and Clubhouse

Kitchen Equipment Frost-free refrigerator with ice-maker, dishwasher and stove.
 Washer / dryer connections in all units.

Premiums / Charges None

Concessions None

Remarks Two & Three Story

Amenities and Features					
Activity Director		Dry Cleaners		Playground	
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment		Saunas	
Balconies / Patios	X	Furnished (Optional)		Security System	
Business Center		Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community		Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Computer Labs UC		Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	

Date of Survey: May 28, 2020

Rent Comparable Number 9



Lumpkin Park Apartments
 3351 North Lumpkin Road
 Columbus, Muscogee County, Georgia 31903

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
2 BR, 2.0 Bath, Garden	1,157	\$665	\$0.57
3 BR, 2.0 Bath, Garden	1,384	\$764	\$0.55

Year Built	2009	Occupancy Rate	99% (2 Vacant Units)
Units	192	Management	SPM Property Management
Source	Leasing Agent Tiffany	Phone Number	706-507-7666
Type of Utilities	All Electric		
Utilities Furnished	Trash & Exterminating		

Rent Comparable Number 9 (continued)

Amenities Swimming Pool, Business Fitness Center, Community Center and Business Center

Kitchen Equipment Frost-free refrigerator with ice-maker, disposal, microwave dishwasher and stove. Washer / dryer in units.

Premiums / Charges None

Concessions None / no specials

Remarks Attractive property

Amenities and Features					
Activity Director		Dry Cleaners		Playground	X
After School Program		Fireplaces		Recycling Center	
Alarms		Fitness Equipment	X	Saunas	
Balconies / Patios		Furnished (Optional)		Security System	
Business Center	X	Garages		Social Activities	
Cable / Wifi (Ten. Paid)		Housekeeping		Special Services	
Car Wash Facility		Jacuzzi / Spa		Sports Courts	
Ceiling Fans	X	Laundry Facilities	X	Storage	
Clubhouse / Community	X	Meals		Swimming Pool	X
Controlled Access		Microwave		Transportation	
Corporate Suites		Pet Park		Window Treatments	X
Covered Parking		Picnic / Grilling Area	X	W / D Connections	X

Date of Survey: May 28, 2020

Exhibit A - Certification of Analyst

The analyst hereby certifies that:

1. 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. SCG has no undisclosed interest in the property, the subject property of the report, either past, present, or contemplated. SCG has no present or prospective interest or bias with respect to the subject property matter of this appraisal report or the parties involved. SCG's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
2. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. As of the date of this report, William F. Cantrell has completed the requirements of the continuing education program of the Appraisal Institute. William F. Cantrell is currently certified through December 31, 2023. The use of this report is subject property to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The employment and compensation of the analysts for rendering the opinions expressed herein are not contingent upon the values expressed, nor upon any other factor, other than the preparation and delivery of this report for the predetermined fee. This report has been made in conformity with and is subject property to the requirements of the Code of Ethics and Standards of Professional Conduct of the Appraisal Institute. SCG's reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and FIRREA Guidelines. William F. Cantrell has not previously worked on this project in any capacity.
3. The market study was not rendered on the basis of a requested minimum result, a specific result, or approval of a loan. The analysts have previously studied similar properties to comply with the competency provisions. A personal inspection of the property which is the subject property of this report was made by William F. Cantrell on **May 28, 2020**.
4. No one provided significant professional assistance to the persons signing this report. All significant contributions to the opinions and conclusions expressed in the appraisal report were made by the undersigned. To the best of SCG's knowledge and belief, the statements of fact contained within this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct; also, this report sets forth all limiting conditions and assumptions affecting the analyses, opinions, and conclusions contained within this report.
5. The principal analysts, William F. Cantrell holds appropriate State of Georgia certifications allowing the performance of real estate market studies in connection with federally related transactions. William F. Cantrell is currently a Georgia Real Estate Appraiser Board Certified Appraiser #C000095. This license was issued April 24, 1991, and will renew on August 31, 2020. .



William F. Cantrell, MAI, CCIM
Company President
GA Certification 000095

Exhibit B - Legal Description

Exhibit C - Glossary / Terminology

ACLF (adult congregate living facility) - An arrangement offering housing and support services but no skilled or intermediate nursing care.

ALF - Assisted living facility

Absorption Period - The period of time necessary for a newly constructed or renovated property to achieve the Stabilized Level of Occupancy. The Absorption Period begins when the on-site leasing commences and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. Assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to commence should accompany all absorption estimates.

Absorption Rate - The average number of net units rented each month during the Absorption Period.

Acceptable Rent Burden - The rent-to-gross-income ratio used to qualify tenants for both income restricted and non-income restricted units. The Acceptable Rent Burden varies depending on the requirements of funding sources, government funding sources, target markets and local conditions.

Affordable Housing - Housing where the tenant household pays no more than 30 percent of annual income on Gross Rent.

All-inclusive (extensive) contract - An upfront entry fee and monthly charges that remain the same regardless of the resident's level of care.

Amenity - Tangible or intangible benefits offered to a tenant at no fee, typically on-site recreational facilities or planned programs, services and activities.

Annual Demand - The total estimated demand present in the market in any one year.

Area Median Income (AMI) - One hundred percent of the gross median household income for a specific metropolitan statistical area, county or non-metropolitan area established annually by HUD.

Assisted Housing - Housing where the monthly costs to the tenants are subsidized by federal, state or other programs.

Exhibit C - Glossary / Terminology (continued)

Assisted Living - A special combination of housing, supportive services, personalized assistance and health care designed to respond to the individual needs of those who need help with ADLs and instrumental ADLs (IADLs). Support services are available 24 hours a day. Assisted living beds are designed for frail seniors who need assistance with ADLs but who do not require continuous skilled nursing care. Such beds can also be located in a separate wing or floor of a congregate residence or in a free standing assisted living building. They typically have more stringent licensing requirements than congregate or independent living units.

Attached Housing - Two or more dwelling units connected with party walls (e.g. townhouses or flats).

Basic Rent - The minimum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223 (d)(3) Below Market Interest Rate Program. The Basic Rent is calculated on the rent as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

Below Market Interest Rate Program (BMIR) - Program targeted to renters with income not exceeding 80 percent of area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract to subsidize the market interest rate to a below market rate. Interest rates are typically subsidized to effective rates of one percent to three percent.

CCRC (continuing care retirement community) - A living arrangement that provides for or arranges for the provision of housing and health related services for an older person under and agreement effective for the life of the person or for a specified period greater than one year.

Capture Rate - The percentage of age, size and income qualified renter households in the Primary Market Area that the property must capture to achieve the Stabilized Level of Occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the Primary Market Area. Refer to Penetration Rate for rate for the entire market area.

Exhibit C - Glossary / Terminology (continued)

Census Tract - A small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

Central Business District (CBD) - The downtown center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

Community Development Corporation (CDC) - Entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

Comparable Property - A property that is representative of the rental housing choices of the subject property's Primary Market Area and that is similar in construction, size, amenities or age. These Comparables and Competitives are generally used to derive market rent.

Competitive Property - A property that is comparable to the subject property and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

Concession - Discount given to a prospective tenant to induce the tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for specified lease term or for free amenities or unit amenities which are normally charged separately (i.e. washer / dryer, fireplaces, sunrooms, parking).

Condominium - A form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

Congregate Housing - Designed for seniors who pay for some congregate services (housekeeping, transportation, meals, for example) as part of a monthly fee or rental rate and who require little, if any, assistance with ADLs. Residents of congregate living / independent living units may or may not receive some home health care services provided by in house staff or an outside agency. Some congregate housing communities also include a designated assisted living component.

Exhibit C - Glossary / Terminology (continued)

Contract Rent

1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenants, to the owner, inclusive of all terms of the lease (HUD & RD).
2. The monthly rent agreed to between a tenant and a landlord (Census).

Demand - The total number of households in a defined market area that would potentially move into proposed new or renovated housing units. These households must be of the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include households growth; turnover, those living in substandard conditions, rent overburdened households and demolished housing units. Demand is project specific.

Difficult Development Area (DDA) - An area designated by HUD as an area that has high construction, land and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130 percent of eligible basis for the purpose of calculating the Tax Credit allocation.

Detached Housing - A freestanding dwelling unit, typically single-family, situated on its own lot.

DMA - is short for Designated Market Area. Nielsen Media Research uses this term to help it generate Nielsen ratings for television stations across the country.

Effective Rents - Contract Rent less concessions.

Entrance Fee - An upfront fee designed to cover the development costs or to retire construction debt associated with a unit, or possibly to build up reserves for future medical or other variable expenditures.

Extremely Low Income - Person or household with income below 30 percent of Area Median Income adjusted for household size.

Fair Market Rent (FMR) - The estimates established by HUD of the Gross Rents (Contract Rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific country or metropolitan statistical area. HUD generally sets FMR so that 40 percent of the rental units have rents below the FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50th percentile of rents.

Exhibit C - Glossary / Terminology (continued)

Garden Apartments - Apartments in low-rise buildings (typically two to four stories) that feature low density, ample open-space around the buildings and on-site parking.

Gross Rent - The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

High-Rise - A residential building having more than ten stories.

Household - One or more people who occupy a housing unit as their place of residence.

Household Trends - Changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.g. at marriage or separation) and in average household size.

Housing Unit - House, apartment, mobile home or group of rooms used as a separate living quarters by a single household.

Housing Choice Voucher (Section 8 Program) - Federal rent subsidy program under Section 8 of the U.S. Housing Act which issues rent vouchers to eligible households to use in the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and the tenant's contribution of 30 percent of adjusted income (or 10 percent of gross income, whichever is greater). In cases where 30 percent of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying their share of the rent each month.

Housing Finance Agency (HFA) - State or local agencies responsible for financing housing and administering Assisted Housing programs.

HUD Section 8 Program - Federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the Contract Rent and a specified percentage of tenants adjusted income. The contract between HUD and the apartment complex is referred to as a HAP (Housing Assistance Payment) Contract.

Exhibit D - Qualifications of William F. Cantrell

President, Southeastern Consulting Group, a real estate appraisal and market analysis firm, with offices in Atlanta, Georgia. Forty seven years of real estate experience in the appraisal and consultation of a variety of investment grade property types on a national basis. Typical properties include retail, residential, office, industrial, hotels / motels, special purpose properties, and preservation easements. Also participated as a general partner in real estate ventures involving commercial and multi-family residential properties in North Carolina, Georgia, and Tennessee.

Professional Affiliations

MAI, Practicing Lifetime Member of the **Appraisal Institute**, MAI Certificate #6264, **SRA**, Senior Residential Appraiser / RM Certificate #1296. Past member of the **Society of Real Estate Appraisers (SRPA-Senior Real Property Appraiser)**, Chapter Vice President (1979-1980), Chapter President (1980-1981). **Georgia State Certified General Appraiser** Number C000095. General Certified Real Estate Appraiser also in Alabama, Mississippi, South Carolina, Louisiana, North Carolina and Tennessee.

CCIM, Certified Commercial Investment Member, Commercial Investment Real Estate Institute. **Institute Affiliate** member of the Atlanta Commercial Board of Realtors. **Licensed Real Estate Broker** in the States of Georgia and North Carolina. Member of the Atlanta Apartment Association, the Georgia Apartment Association and the National Apartment Association.

Educational Background

Bachelor of Science Degree (BS), Real Estate and Finance (1968-1972), **University of Tennessee**, Knoxville, Tennessee. **Graduate School**, City Planning and Real Estate (1976-1977), **University of Tennessee**, Knoxville, Tennessee.

American Institute of Real Estate Appraisers (now the **Appraisal Institute**), Course IA Appraisal Principles (now Courses 110 and 120), Course IB Capitalization Theory and Techniques (now Courses 310 and 510), Course II Case Studies and Report Writing (now Courses 540 and 550), Course VI, Computer Assisted Investment Analysis (now Course E-6), Standards of Professional Practice (now Courses 410 and 420), Course 10, Market Analysis (now Course 520), Course 710, Condemnation Appraising.

Institute of Real Estate Management (IREM) Course 400, Management of Investment Real Estate, and Course 101 Apartment Site Management. **Commercial Investment Real Estate Institute**, Course 101, Financial Analysis for Commercial Real Estate, Course 201, Market Analysis for Commercial Real Estate, and Course 301, Decision Analysis for Commercial Investment Real Estate.

Assignments Completed in

North Carolina, Tennessee, Kentucky, South Carolina, Georgia, Florida, West Virginia, Maryland, Alabama, Kansas, Missouri, California, Texas, Indiana, District of Columbia, Connecticut, Ohio, Oklahoma, Colorado, Louisiana, Mississippi, Arkansas, Virginia and Massachusetts.

Professional Contributions

Contributing author published in (A) **The Real Estate Appraiser and Analyst** professional journal and (B) **Right of Way** magazine. Taught appraisal courses in the state community college system. Served on state, regional, and national committees of various appraisal organizations. Served as National Co-Vice Chairman Appraisal Institute Non-residential Demonstration Appraisal Report Subcommittee and Board of Examiners Appraisal Reports.