

Market Feasibility Analysis

Peaks of Dawsonville
65 North 400 Center Lane
Dawsonville, Dawson County, Georgia 30534

Prepared For

Ms. D'Anne Hilsmier
Landbridge Development, LLC
Peaks of Dawsonville, L.P. (developer)
7000 Peachtree Dunwoody Road, Suite 4-100
Atlanta, Georgia 30328

Effective Date

June 23, 2020

Job Reference Number

20-370 CR



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

Table Of Contents

- A. Executive Summary
 - B. Project Description
 - C. Site Description and Evaluation
 - D. Primary Market Area Delineation
 - E. Community Demographic Data
 - F. Economic Trends
 - G. Project-Specific Demand Analysis
 - H. Rental Housing Analysis (Supply)
 - I. Absorption & Stabilization Rates
 - J. Interviews
 - K. Conclusions & Recommendations
 - L. Signed Statement
 - M. Market Study Representation
 - N. Qualifications
- Addendum A – Field Survey of Conventional Rentals
 - Addendum B – Comparable Property Profiles
 - Addendum C – Market Analyst Certification Checklist
 - Addendum D – Methodologies, Disclaimers & Sources
 - Addendum E – Achievable Market Rent Analysis

Section A – Executive Summary

This report evaluates the market feasibility of the Peaks of Dawsonville rental community to be developed utilizing financing from the 4% Tax-Exempt Bond program in Dawsonville, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, assuming it is developed and operated as detailed in this report.

1. Project Description:

The subject project involves the new construction of the 80-unit Peaks of Dawsonville rental community on an approximate 17.92-acre site located at 65 North 400 Center Lane in Dawsonville, Georgia. The project will be developed using 4% Tax-Exempt Bond financing and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). It is also anticipated that eight (8) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by February 2022. Additional details regarding the proposed project are as follows and included in *Section B* of this report.

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
3	One-Br.	1.0	Garden	832	50%	\$630	\$105	\$735	\$747
9	One-Br.	1.0	Garden	832	60%	\$775	\$105	\$880	\$897
8	Two-Br.	2.0	Garden	919	50%	\$755	\$129	\$884	\$897
32	Two-Br.	2.0	Garden	919	60%	\$930	\$129	\$1,059	\$1,077
6	Three-Br.	2.0	Garden	1,163	50%	\$860	\$163	\$1,023	\$1,036
22	Three-Br.	2.0	Garden	1,163	60%	\$1,015	\$163	\$1,178	\$1,243
80	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2019)

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave, washer/dryer appliances, ceiling fan, carpet and VCT flooring, window blinds, central air conditioning, patio/balcony and exterior storage closets. Community amenities will include on-site management, a clubhouse, wellness center, playground, picnic area, common area patio, and community garden. Overall, the amenity package offered at the property is considered appropriate for and marketable to the targeted tenant population and will be competitive with those offered among the comparable projects in the market and region.

2. Site Description/Evaluation:

The subject site is situated within a mixed-use and good quality area of Dawsonville. The subject property is expected to fit well with and benefit from the well-maintained surrounding land uses. The subject site is clearly visible and easily accessible from North 400 Center Lane, a lightly traveled roadway bordering the site to the east and providing direct access to and from State Route 53 south of the site. Due to the location of existing surrounding structures to the east and south, promotional signage is recommended along State Route 53 south of the subject site. This will help enhance awareness of the property, particularly during its initial lease-up period. Most area services are located within 1.0 mile of the site and are easily accessible due to the subject's proximity to State Route 53 and U.S. Highway 19. Based on the preceding factors, the proposed subject site location is considered conducive to affordable multifamily rental product such as that proposed and is expected to have a positive impact on the subject's overall marketability.

3. Market Area Definition:

The Primary Market Area (PMA) includes the municipalities, or portions, of Dawsonville, Chestatee, Coal Mountain, and Silver City, as well as some surrounding unincorporated portions of Dawson and Forsyth counties. The boundaries of the Site PMA include State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west. The boundaries of the Site PMA are generally within 7.9 miles of the subject site. A map illustrating these boundaries is included on page *D-3* of this report.

4. Community Demographic Data:

Demographic trends within the Dawsonville Site PMA are projected to be positive between 2020 and 2022, both in terms of total population and households. Household growth is projected to occur among all age cohorts, with the greatest growth projected for the 35 to 44 age cohort during this time period. The Dawsonville market is predominantly owner-occupied households, as renter households comprise less than 20.0% of the overall household base. However, the number of renter households is projected to increase slightly between 2020 and 2022 and more than 2,100 renter households are projected for the Site PMA in 2022. Approximately 28.0% of all renter households are projected to earn between \$20,000 and \$50,000 in 2022. While there is a small share of renter households in the market, this is driven by the general lack of rental product currently offered in the market as evident by our Field Survey of Conventional Rentals. As rental product such as the subject site is developed, the share of renter households in the Site PMA is likely to increase. Typically, suburban markets such as the Dawsonville area are comprised of approximately one-third (30% to 35%) renter households. Based on the preceding factors, a good base of potential support for

affordable rental product such as that proposed for the subject site exists within the Site PMA. Additional demographic data is included in *Section E* of this report.

Also note that based on 2014-2018 American Community Survey (ACS) data, 21.6% of the vacant housing units in the Site PMA are classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Additionally, Dawson County has a foreclosure rate of 0.02%, similar to the state of Georgia foreclosure rate (0.01%), based on information obtained from RealtyTrac.com. Based on our Field Survey of Conventional Rentals within the Dawsonville Site PMA, the established rental properties are operating at strong occupancy levels and some maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. Based on the preceding analysis, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability. This is especially true when considering the limited availability of general-occupancy LIHTC product in the Dawsonville market.

5. Economic Data:

The labor force within the Dawsonville Site PMA is largely comprised of industries which typically offer lower wage paying positions conducive to affordable housing alternatives such as that proposed for the subject site. Specifically, nearly half (43.3%) of the local labor force is comprised within the Retail and Food Service & Accommodation industries. The Dawsonville area is likely heavily influenced by these aforementioned industry segments, both of which have been significantly impacted by the COVID-19 pandemic.

The Dawson County economy was improving and performing at a high level over much of the past decade in terms of total employment growth and unemployment rate trends. However, the impact of the COVID-19 pandemic has resulted in a decline in total employment and elevated unemployment rates within the county through April of 2020. Most notably, the monthly unemployment rate reported for the county in April of 2020 is 12.0%, more than eight full percentage points higher than that reported in March of 2020. Based on the preceding factors and considering the ongoing COVID-19 pandemic, we expect employment growth will be nominal and that the county will continue to experience elevated unemployment rates for the foreseeable future. This is likely to result in increased demand for affordable housing alternatives within the Dawson County area. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$25,200 to \$43,050)	60% AMHI (\$30,171 to \$51,660)	Overall (\$25,200 to \$51,660)
Net Demand	168	137	202
Proposed Units / Net Demand	17 / 168	63 / 137	80 / 202
Capture Rate	= 10.1%	= 46.0%	= 39.6%

Per GDCA guidelines, capture rates below 35.0% for projects in rural markets are considered acceptable. Although the proposed project's overall capture rate of 39.6% is slightly above 35.0%, it is considered achievable within the Dawsonville Site PMA. This is especially true, given the limited supply of existing comparable LIHTC product and high occupancy rates and waiting lists maintained among existing properties in the market.

It is also important to understand that the preceding demand methodology considers demand from new renter household growth, a metric which is projected to be negative within the targeted income band for the subject property between 2020 and 2022. However, this is likely primarily attributed to the general lack of affordable rental alternatives, and rental product in general, within the Dawsonville Site PMA which essentially forces existing lower-income residents to seek affordable housing alternatives outside the Dawsonville Site PMA. The addition of a new affordable rental alternative such as the subject project is expected to help slow the projected decline among lower income renter households within the subject market. This will effectively result in an increased base of potential support for the subject property. In fact, when only considering support from existing renter households which are currently rent overburdened and/or living in substandard housing, the subject's overall capture rate is 31.1%, below the 35.0% level typically considered acceptable by GDCA.

Additionally, Census data indicates that while a notable share of Dawson County residents commute outside the county for daytime employment, more than 6,000 people employed within the county commute from outside the county for daytime employment. As the Dawsonville Site PMA is comprised of a large share of jobs typically offering lower wage positions (i.e. service industry and retail jobs), it is likely that some commuters from outside the county earn wages conducive to the proposed subject property and would consider relocating to a new affordable rental alternative within the Dawsonville Site PMA to be nearer their place of employment. This will also expand the overall base of support for the subject property and further supports the subject capture rates detailed in the preceding table.

Lastly, the one existing general-occupancy LIHTC property in the Dawsonville Site PMA (Farmington Woods) is similar in size (72 units) to the subject property and reports gross rents which are very similar to those proposed for the subject property. Notably, this property is currently 100.0% occupied with a waiting list of 20-households. This is further evidence that sufficient support exists within the Dawsonville market for a property such as that proposed for the subject site.

Applying the shares of demand detailed in *Section G* to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (35%)	50%	3	59	0	59	5.1%
One-Bedroom (35%)	60%	9	48	0	48	18.8%
One-Bedroom	Total	12	107	0	107	11.2%
Two-Bedroom (40%)	50%	8	67	0	67	11.9%
Two-Bedroom (40%)	60%	32	55	0	55	58.2%
Two-Bedroom	Total	40	122	0	122	32.8%
Three-Bedroom (25%)	50%	6	42	0	42	14.3%
Three-Bedroom (25%)	60%	22	34	0	34	64.7%
Three-Bedroom	Total	28	76	0	76	36.8%

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

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

With the exception of the three-bedroom units at 60% of AMHI, the subject’s capture rates by bedroom type and AMHI level are below GDCA typically acceptable thresholds. Although slightly higher than the typically acceptable 60.0% GDCA level, the subject’s three-bedroom 60% AMHI capture rate of 64.7% is considered acceptable within the Dawsonville Site PMA. This is attributed to the factors previously discussed in detail following the subject’s overall capture rate calculation earlier in this section.

Detailed demand calculations are provided in *Section G* of this report.

7. Competitive Rental Analysis

The proposed subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA we identified and surveyed two non-subsidized LIHTC properties, though only one (Farmington Woods) is general-occupancy. This property has been included in our comparable analysis and is expected to be directly competitive with the proposed subject project.

Given the limited supply of general-occupancy LIHTC product in the Site PMA, we also identified and surveyed two additional properties outside the Site PMA that offer unit types and target a population similar to the proposed subject project. Due to their location, these properties are not considered competitive with the subject project but will offer a good additional base of comparison.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Dawsonville	2022	80	-	-	-	Families; 50% & 60% AMHI & Section 811
5	Farmington Woods	2014	72	100.0%	5.8 Miles	20 HH	Families; 50% & 60% AMHI
904	Highland Trace	2017	79	100.0%	14.2 Miles	None	Families; 50% & 60% AMHI
908	Willows of Cumming	1996	156	100.0%	15.0 Miles	40 HH	Families; 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

HH - Households

The three LIHTC projects have a combined occupancy rate of 100.0% and two of the three properties surveyed, one of which is located within the Dawsonville Site PMA, maintain waiting lists. These are clear indications of strong and pent-up demand for general-occupancy LIHTC product within the market and surrounding region.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Dawsonville	\$735/50% (3) \$880/60% (9)	\$884/50% (8) \$1,059/60% (32)	\$1,023/50% (6) \$1,178/60% (22)	-
5	Farmington Woods	\$763/50% (3/0) \$878/60% (9/0)	\$893/50% (4/0) \$1,023/60% (32/0)	\$1,028/50% (4/0) \$1,138/60% (20/0)	None
904	Highland Trace	\$558/50% (4/0) \$668/60% (12/0)	\$673/50% (8/0) \$778/60% (31/0)	\$803/50% (4/0) \$888/60% (20/0)	None
908	Willows of Cumming	\$858/60% (16/0)	\$1,032/60% (116/0)	\$1,194/60% (24/0)	None

900 Series Map IDs are located outside the Site PMA

The subject’s proposed gross Tax Credit rents are competitive with those reported for similar unit types among the comparable LIHTC projects surveyed in the market and region. This is particularly true in comparison to the one property located in the Site PMA, Farmington Woods.

Comparable/Competitive Tax Credit Summary

A limited supply of general-occupancy LIHTC product is offered within the Dawsonville Site PMA as only one such property was surveyed. This property, Farmington Woods, is 100.0% occupied and maintains a waiting list of 20-households for its next available unit. The subject project will help alleviate a portion of the pent-up demand in the Dawsonville market. The subject’s proposed gross Tax Credit rents are competitive with those reported among the comparable LIHTC projects surveyed in the market and region, including the one property located in the Dawsonville Site PMA. The subject development will also be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Overall, the subject project is considered marketable and will represent a value to low-income households within the Dawsonville Site PMA. An in-depth comparable analysis is included in *Section H* of this report.

Average Market Rent

The following table illustrates the weighted average *collected* rents of the comparable *in-market market-rate* projects by bedroom type, *for units similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable Market-Rate Units*		
One-Br.	Two-Br.	Three-Br.
\$1,190	\$1,391	\$1,535

*As identified in *Addendum E*

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$1,190	- \$630 (50%)	\$560	/ \$630 (50%)	88.9%
		- \$775 (60%)	\$415	/ \$775 (60%)	53.5%
Two-Br.	\$1,391	- \$755 (50%)	\$636	/ \$755 (50%)	84.2%
		- \$930 (60%)	\$461	/ \$930 (60%)	49.6%
Three-Br.	\$1,535	- \$860 (50%)	\$675	/ \$860 (50%)	78.5%
		- \$1,015 (60%)	\$520	/ \$1,015 (60%)	51.2%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 49.6% to 88.9%, depending upon unit type, as compared to the weighted average collected rents of the comparable *in-market market-rate* projects as identified in *Addendum E*. Please note, however, that these are weighted averages

of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 80 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately nine months of opening. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings. This includes changes to market conditions within/near the Dawsonville Site PMA, particularly due to the COVID-19 pandemic. The findings/conclusions of this report assume market conditions remain favorable for continued economic/housing development within the subject market. Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable product in this market. We have no recommendations to the subject project at this time.

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

Development Name:	Peaks of Dawsonville	Total # Units: 80
Location:	65 North 400 Center Lane, Dawsonville, GA 30534 (Dawson County)	# LIHTC Units: 80
PMA Boundary:	State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west.	
	Farthest Boundary Distance to Subject: 7.9 miles	

RENTAL HOUSING STOCK (found on page H-2 & Add. A-3)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	968	79	91.8%
Market-Rate Housing	3	840	79	90.6%
Assisted/Subsidized Housing not to include LIHTC	0	-	-	-
LIHTC	2	128	0	100.0%
Stabilized Comps	3*	307	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

*Includes out-of-market comps due to limited comparable supply within the Dawsonville Site PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
3	One-Br.	1.0	832	\$630 (50%)	\$1,190	\$1.47	88.9%	\$1,207	\$1.51
9	One-Br.	1.0	832	\$775 (60%)	\$1,190	\$1.47	53.5%	\$1,207	\$1.51
8	Two-Br.	2.0	919	\$755 (50%)	\$1,391	\$1.11	84.2%	\$1,465	\$1.28
32	Two-Br.	2.0	919	\$930 (60%)	\$1,391	\$1.11	49.6%	\$1,465	\$1.28
6	Three-Br.	2.0	1,163	\$860 (50%)	\$1,535	\$1.15	78.5%	\$1,695	\$1.22
22	Three-Br.	2.0	1,163	\$1,015 (60%)	\$1,535	\$1.15	51.2%	\$1,695	\$1.22

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate	-	10.1%	46.0%	-	-	39.6%

Section B - Project Description

Project Name:	Peaks of Dawsonville
Location:	65 North 400 Center Lane, Dawsonville, Georgia 30534 (Dawson County)
Census Tract:	9702.01
Target Market:	Family
Construction Type:	New Construction
Funding Source:	4% Tax-Exempt Bond

The subject project involves the new construction of the 80-unit Peaks of Dawsonville rental community on an approximate 17.92-acre site located at 65 North 400 Center Lane in Dawsonville, Georgia. The project will be developed using 4% Tax-Exempt Bond financing and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). It is also anticipated that eight (8) units will operate with a project-based Section 811 subsidy. These units will target disabled households and allow tenants to pay up to 30% of their income towards rent. Specific units have yet to be set aside for this anticipated subsidy. The proposed project is expected to be complete by February 2022. Additional details of the subject project are as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
3	One-Br.	1.0	Garden	832	50%	\$630	\$105	\$735	\$747
9	One-Br.	1.0	Garden	832	60%	\$775	\$105	\$880	\$897
8	Two-Br.	2.0	Garden	919	50%	\$755	\$129	\$884	\$897
32	Two-Br.	2.0	Garden	919	60%	\$930	\$129	\$1,059	\$1,077
6	Three-Br.	2.0	Garden	1,163	50%	\$860	\$163	\$1,023	\$1,036
22	Three-Br.	2.0	Garden	1,163	60%	\$1,015	\$163	\$1,178	\$1,243
80	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2019)

Building/Site Information	
Residential Buildings:	Five (5) two-story buildings
Building Style:	Walk-up
Community Space:	Stand-alone building
Acres:	17.92

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	February 2021
Begin Preleasing:	December 2021
Construction End:	February 2022

Unit Amenities		
• Electric Range	• Microwave	• Carpet/Composite Flooring
• Refrigerator w/Icemaker	• Washer/Dryer Appliances	• Window Blinds
• Garbage Disposal	• Exterior Storage Closet	• Central Air Conditioning
• Dishwasher	• Patio/Balcony	• Ceiling Fan

Community Amenities		
• On-Site Management	• Clubhouse	• Common Patio
• Community Garden	• Gazebo	• Community Room with Kitchen
• Pavilion	• Health Screenings	• Picnic Area with Grills
• Playground		• Wellness Center
• Surface Parking Lot (164 Spaces)		

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

FLOOR AND SITE PLAN REVIEW:

Floor and site plans were not provided for the subject project for review at the time this report was prepared. Information provided at the time of this analysis, however, indicates that the subject property will include one- through three-bedroom garden-style units located within five (5) two-story walk-up style buildings. The subject units will range in size from 832 to 1,163 square feet, with the two-bedroom and three-bedroom units including two (2.0) bathrooms and the one-bedroom units offering one (1.0) bathroom. Each unit will come well-equipped in terms of unit amenities and will feature a full kitchen appliance package and dedicated laundry area with in-unit washer/dryer appliances, as well as a patio/balcony area with an exterior storage closet.

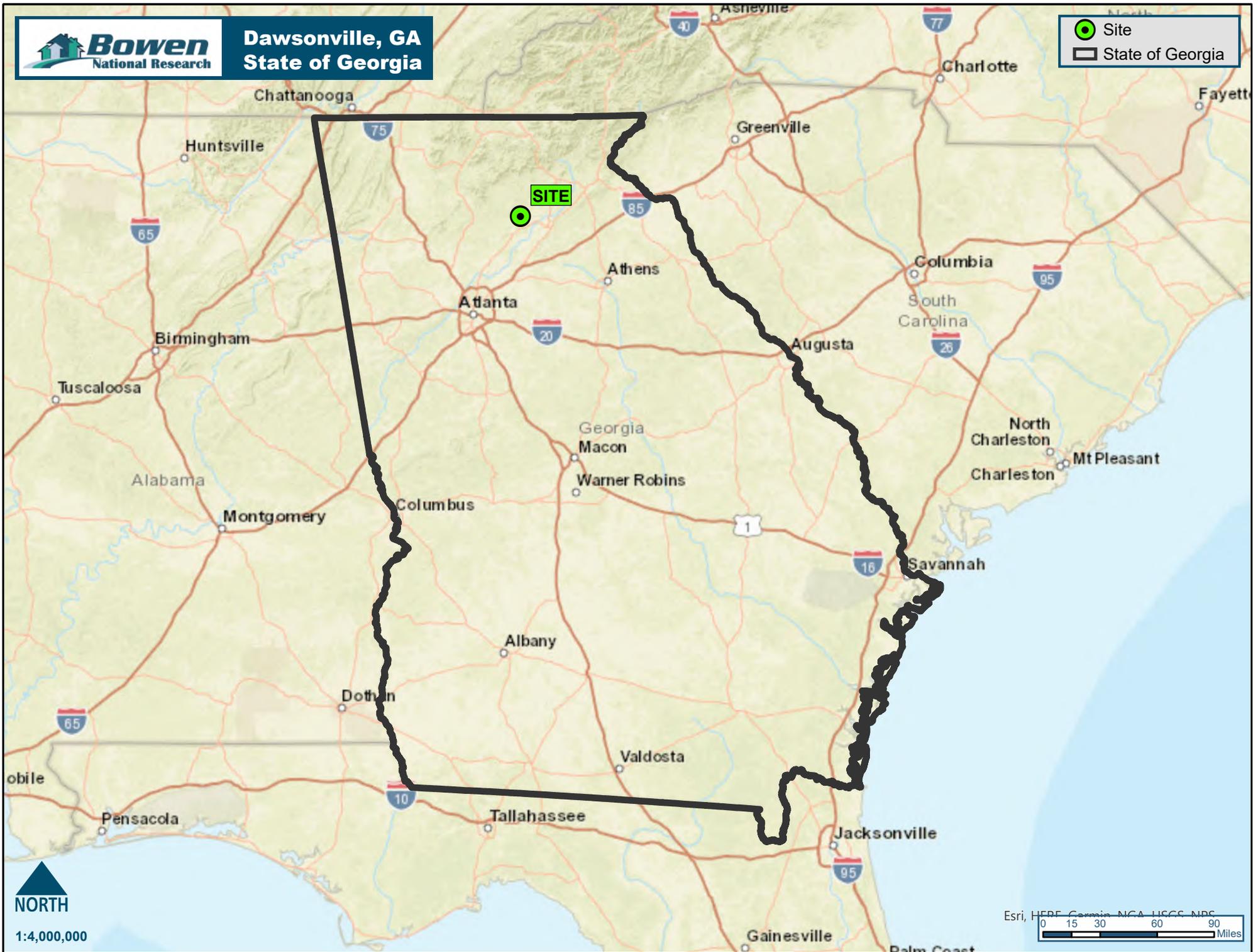
In addition to the subject’s residential units, the property will feature an array of community amenities integrated throughout the property. These will include but not be limited to on-site management, a clubhouse/community space, playground, wellness center, and community garden. This will further enhance marketability of the subject project. Overall, the property appears to be marketable in terms of overall design. Nonetheless, an in-depth comparable/competitive analysis is included in *Section H* to better determine the competitive position and overall marketability of the subject project within the Dawsonville market.

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



Dawsonville, GA State of Georgia

● Site
▭ State of Georgia



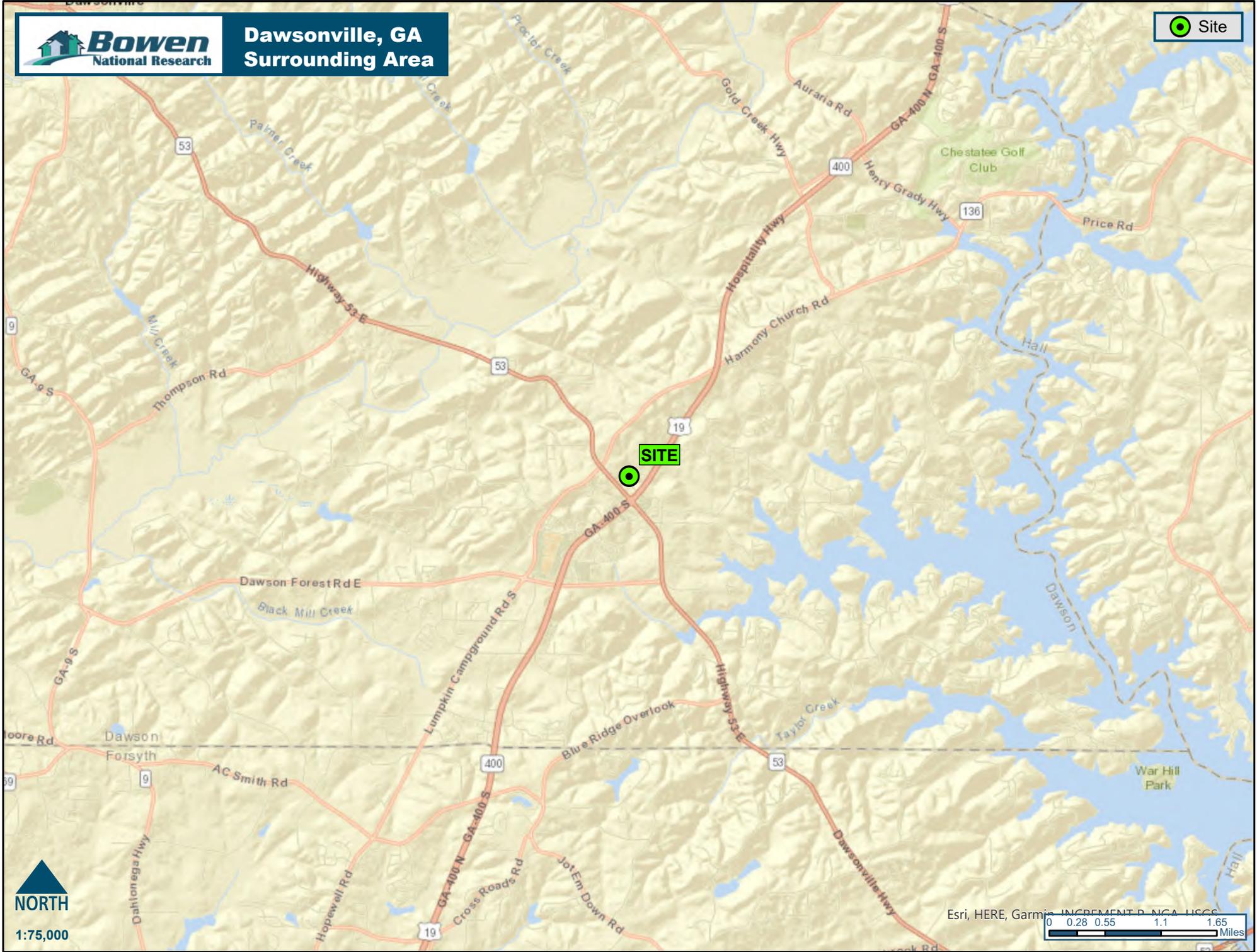
NORTH
1:4,000,000





Dawsonville, GA Surrounding Area

Site



1:75,000

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



Dawsonville, GA Site Neighborhood

Legend
Site Area



NORTH
1:4,000

0 0.02 0.04 0.08 0.12 Miles

Section C – Site Description And Evaluation

1. LOCATION

The proposed subject site consists of vacant land situated at the corner of 400 North Center Lane and Prestige Lane in the southeastern portion of Dawsonville, Georgia. Situated in Dawson County, Dawsonville is approximately 49.0 miles northeast of Atlanta, Georgia. Sidney McCrary, an employee of Bowen National Research, inspected the proposed subject site and area apartments during the week of June 8, 2020.

2. SURROUNDING LAND USES

The proposed subject site is located within a partially developed area of Dawsonville, Georgia. Surrounding land uses include local businesses, area community services, undeveloped land and single-family homes. Adjacent land uses are detailed as follows:

North -	Vacant land defines the northern subject site boundary followed by a movie theatre. Extending farther north is primarily undeveloped land and single-family homes.
East -	Prestige Lane followed by a Super 8 motel define the eastern site boundary. Continuing east is U.S. Highway 19 and extending farther is primarily undeveloped land and single-family homes.
South -	A gas station, restaurants and a CVS border the subject site to the south followed by U.S. Highway 53. Extending farther south/southeast is commercial development and undeveloped land.
West -	Undeveloped land defines the western site border followed by U.S. Highway 53. Extending farther west is a variety of local businesses and primarily commercial development including the Dawson 400 Shopping Center.

The commercial and residential structures surrounding the subject site were observed to be in satisfactory to good condition. These generally well-maintained structures should contribute to the overall marketability of the proposed subject development. Overall, the subject property fits well with the surrounding land uses and they should contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

According to site plans provided at the time of this report, the proposed subject site will maintain frontage along North 400 Center Lane as well as Prestige Lane, both lightly traveled, two-lane roadways with clear lines of site in each direction. Visibility of the subject site is partially obstructed, however, due to the surrounding area services to the east and south, Thus, promotional (if not permanent) signage is recommended along the more heavily traveled surrounding arterials such as U.S. Highway 19 to the east and/or State Route 53 to the south. This will help enhance awareness of the subject property, particularly during its initial lease-up period.

Site plans provided at the time of this report indicate that the subject property will be provided two separate vehicular entrance points. The first of these points of entrance will be located on the eastern edge of the property along North 400 Center Lane while the second access point will be provided on the southwest side of the property and will essentially provide access from State Route 53 south of the site. Traffic patterns were observed to be light along North 400 Center Lane and moderate along State Route 53. North 400 Center Lane also provides direct access to State Route 53, an arterial roadway providing direct access to U.S. Highway 19 south of the site. Considering the light vehicular traffic patterns within the immediate site area and the subject's proximity to various arterial roadways, access to the subject site is considered good. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

4. SITE PHOTOGRAPHS

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

Peaks of Dawsonville (Site)



View of site from the north



View of site from the northeast



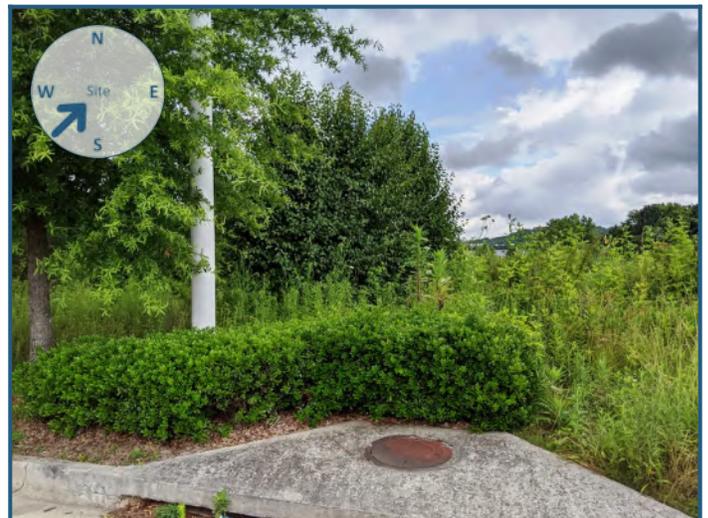
View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Peaks of Dawsonville (Site)



View of site from the west



View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site

Peaks of Dawsonville (Site)



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: South West view of North Center Lane



Streetscape: North East view of North Center Lane

Peaks of Dawsonville (Site)



Streetscape: South East view of Prestige Lane



Streetscape: North West view of Prestige Lane

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

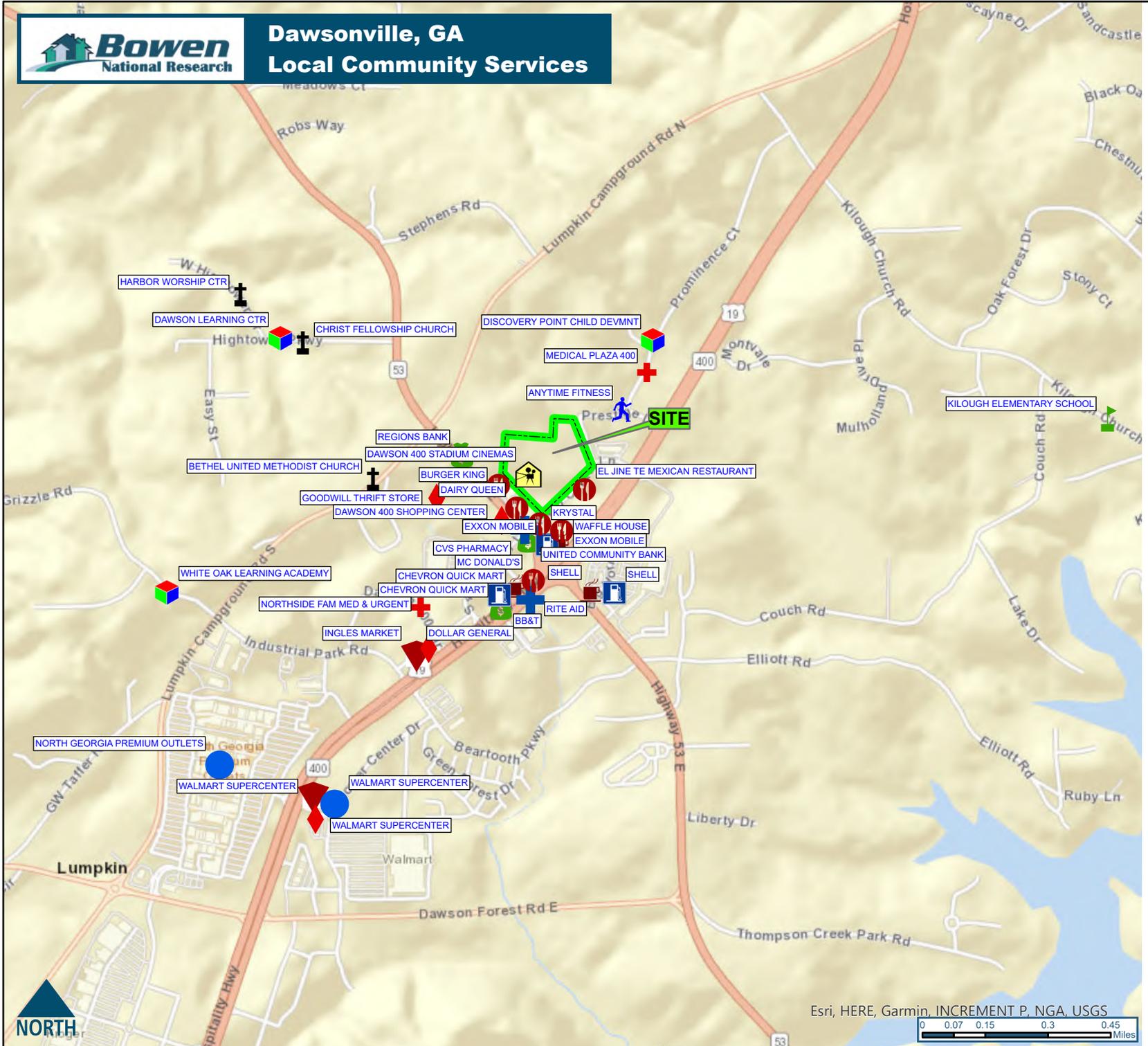
The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 53	0.2 South
	U.S. Highway 19	0.2 South
Public Bus Stop	Dawson Transit	On-Demand
Major Employers/ Employment Centers	Walmart Supercenter	1.2 Southwest
	Chestatee Regional Hospital	13.4 Northeast
Convenience Store	EXXON Mobile	0.1 South
	Chevron Quick Mart	0.2 Southwest
	Shell	0.2 Southeast
Grocery	Ingles Market	0.4 Southwest
	Walmart Super Center	1.2 Southwest
	Kroger	1.7 Southwest
Discount Department Store	Dollar General	0.3 Southwest
Shopping Center/Mall	Dawson 400 Shopping Center	0.2 Southwest
	Walmart Supercenter	1.2 Southwest
Schools: Elementary Middle/Junior High High	Kilough Elementary School Dawson County Middle School Dawson County High School	1.6 East 5.0 West 5.7 Northwest
Hospital	Medical Plaza 400	0.4 Northeast
	Northside Family Medicine & Urgent Care	0.6 Southwest
	Chestatee Regional Hospital	13.4 Northeast
Police	Dawson County Sheriff	6.9 Northwest
Fire	Dawson Fire Department	6.6 Northwest
Post Office	U.S. Post Office	7.0 Northwest
Bank	United Community Bank	0.1 Southwest
	BB&T	0.2 Southwest
	Regions Bank	0.2 West
Recreational Facilities	Dawson 400 Cinema	0.2 Northwest
	Anytime Fitness	0.2 Northeast
Senior Center	Dawson County Senior Citizens	9.5 Northwest
Gas Station	EXXON Mobile	0.1 South
	Chevron Quick Mart	0.2 Southwest
	Shell	0.2 Southeast
Pharmacy	CVS Pharmacy	0.1 Southwest
	Rite Aid	0.6 South
	Rite Aid	2.3 East
Restaurant	Dairy Queen	0.1 Southwest
	El Jine Te Mexican Restaurant	0.1 East
	McDonald's	0.2 South
Day Care	Dawson Learning Center	0.7 Northwest
	Discovery Point Child Development	0.4 Northeast
	White Oak Learning Academy	0.9 West
Library	Dawson County Library	6.3 Northwest
Church	Bethel United Methodist	0.5 West
	Christ Fellowship Church	0.7 Northwest
	Harbor Worship Center	0.8 Northwest

The proposed subject site is located within proximity of numerous area services, many of which are located within 1.0 mile of the subject site, as illustrated in the preceding table. These nearby services are easily accessible from the subject site given the subject's proximity to arterial roadways such as State Route 53 and U.S. Highway 19 which provide access throughout the immediate site area. It is also of note that while most basic community services are located within a short drive of the subject site, many are also accessible via on demand public transportation through Dawson Transit, available Monday through Saturday at a nominal cost to residents of Dawson County. This should enhance marketability of the proposed subject development within the Dawsonville market.

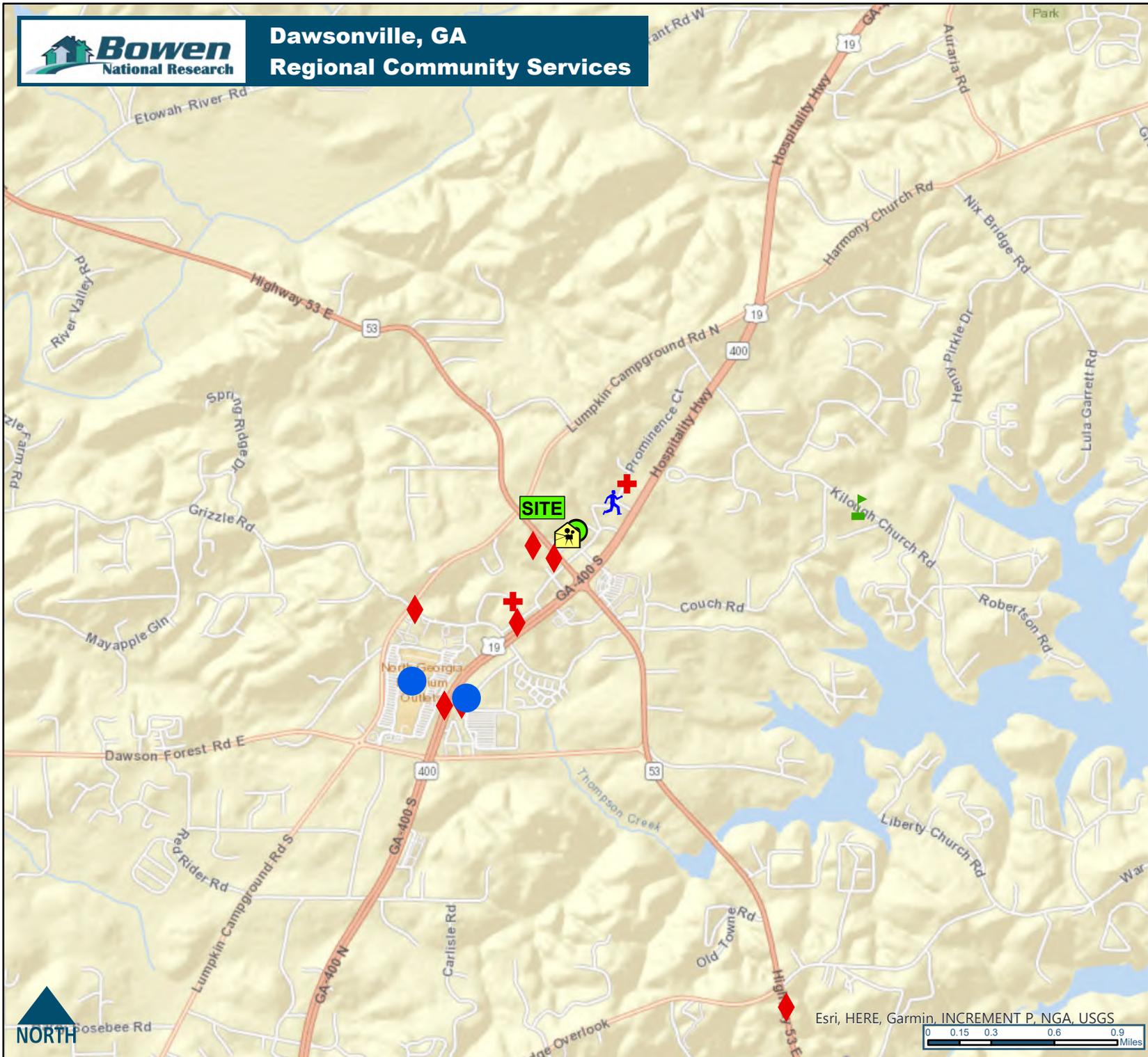
The subject site is within the Dawson County School District and all applicable attendance schools are located within 5.7 miles of the subject site. Public safety services are provided by the Dawson County Sheriff and the Dawson Fire Department which are located within 6.9 miles of the site. Chestatee Regional Hospital is the nearest major hospital and is within 13.4 miles of the subject site. However, multiple general medical practices/services are located within 1.0 mile of the site.

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



- Legend**
- Site Area
 - Bank
 - Child Care
 - Church
 - Cinema
 - Convenience Store
 - Elementary School
 - Fitness Center
 - Gas
 - Grocery
 - Medical Center
 - Pharmacy
 - Restaurant
 - Shopping
 - Employer 1000-5000
- Shopping Center**
- Gross Leasable Area**
- < 500,000 sq. ft.
 - < 1,000,000 sq. ft.
 - < 3,200,000 sq. ft.





Legend

- Site
- Cinema
- Elementary School
- Fitness Center
- Medical Center
- Shopping
- Employer 1000-5000

**Shopping Center
Gross Leasable Area**

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



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



1:40,000

6. CRIME ISSUES

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

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

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

Total crime risk for the Site ZIP Code is 112, with an overall personal crime index of 62 and a property crime index of 120. Total crime risk for Dawson County is 116, with indexes for personal and property crime of 67 and 123, respectively.

	Crime Risk Index	
	Site Zip Code	Dawson County
Total Crime	112	116
Personal Crime	62	67
Murder	60	72
Rape	96	100
Robbery	38	44
Assault	67	71
Property Crime	120	123
Burglary	110	115
Larceny	124	128
Motor Vehicle Theft	102	106

Source: Applied Geographic Solutions

The crime risk index for the Site ZIP Code (112) is slightly lower than that reported for Dawson County as a whole (116) and is very similar to the national average of 100. This is a good indication that there is likely a low perception of crime within the Dawsonville market. Crime is not expected to be a factor which negatively impacts marketability of the subject project.

A map illustrating crime risk is on the following page.



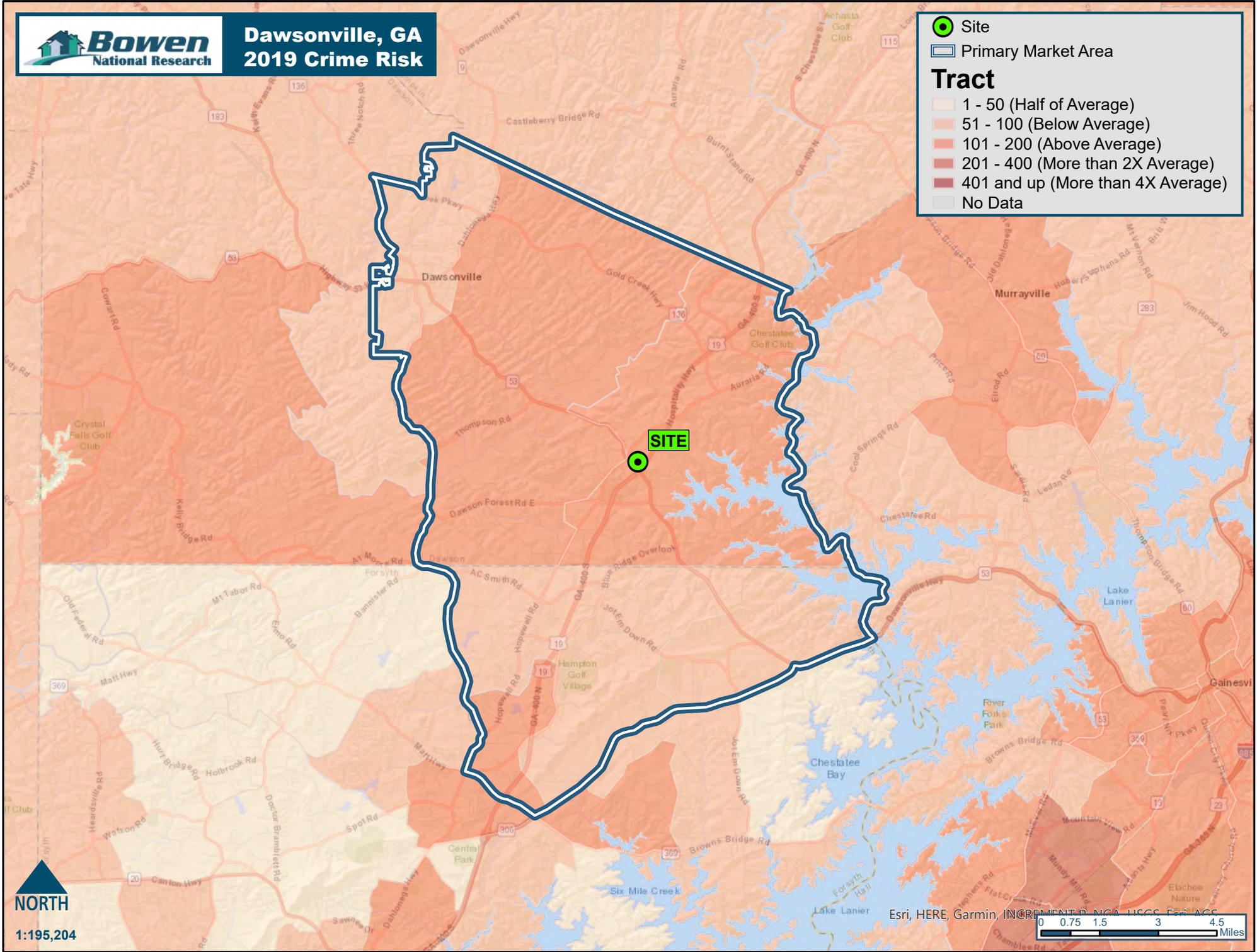
Dawsonville, GA 2019 Crime Risk

Site

Primary Market Area

Tract

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



NORTH
1:195,204

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

7. OVERALL SITE EVALUATION

The subject site is situated within a mixed-use and good quality area of Dawsonville. The subject property is expected to fit well with and benefit from the well-maintained surrounding land uses. The subject site is clearly visible and easily accessible from North 400 Center Lane, a lightly traveled roadway bordering the site to the east and providing direct access to and from State Route 53 south of the site. Due to the location of existing surrounding structures to the east and south, promotional signage is recommended along State Route 53 south of the subject site. This will help enhance awareness of the property, particularly during its initial lease-up period. Most area services are located within 1.0 mile of the site and are easily accessible due to the subject's proximity to State Route 53 and U.S. Highway 19. Based on the preceding factors, the proposed subject site location is considered conducive to affordable multifamily rental product such as that proposed and is expected to have a positive impact on the subject's overall marketability.

8. MAP OF LOW-INCOME RENTAL HOUSING

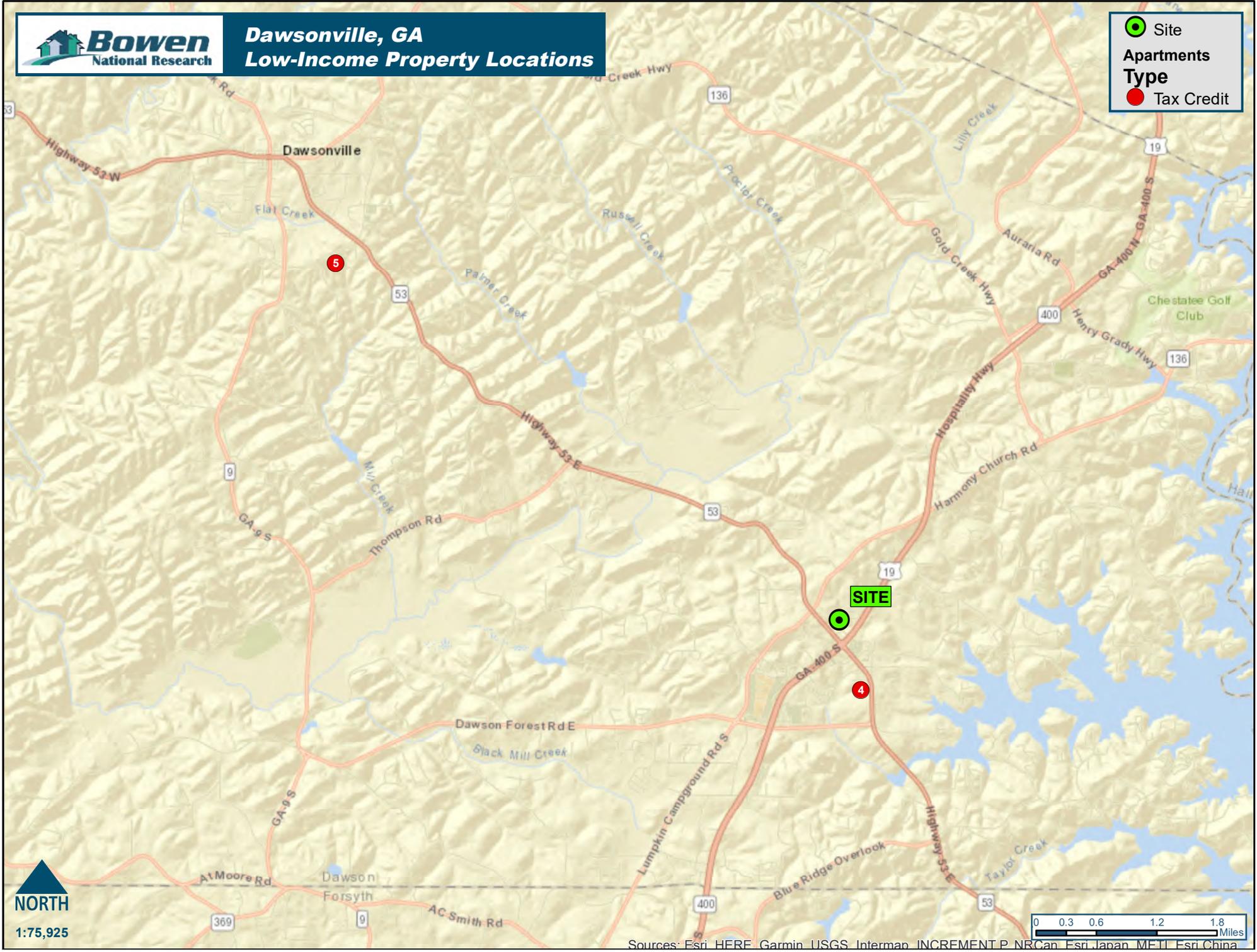
A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.



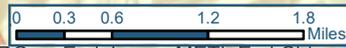
Dawsonville, GA Low-Income Property Locations

Site
Apartments
Type

- Site
- Tax Credit



NORTH
1:75,925



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

Section D – Primary Market Area Delineation

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

The Primary Market Area (PMA) includes the municipalities, or portions, of Dawsonville, Chestatee, Coal Mountain, and Silver City, as well as some surrounding unincorporated portions of Dawson and Forsyth counties. The boundaries of the Site PMA include State Route 9, the Dawsonville city limits, and Dawson County boundary to the north; the Dawson County boundary and Lake Lanier to the east; State Route 306 and State Route 369 to the south; and State Route 9 and the Dawsonville city limits to the west.

The following are summaries of interviews conducted with various area sources that helped to confirm the boundaries of the Site PMA:

- Veronica Bruce is the Property Manager for Farmington Creek Apartments, an age-restricted Tax Credit community located within the Dawsonville Site PMA. Ms. Bruce stated that her tenants are from within Dawson County with some support also deriving from Forsyth County. Ms. Bruce confirmed the Dawsonville Site PMA.
- Valarie Cowart is a Leasing Specialist at Dawson Forest, a market-rate community located within the Dawsonville Site PMA. Ms. Cowart stated that she notices that most of the tenants she gets are moving from within Dawson County with the majority coming from Dawsonville. However, she has also received support from the Forsyth County and Cumming areas south of the Dawsonville Site PMA.
- Barbara Tolson is the Property Manager for Farmington Woods, a general-occupancy Tax Credit property within the Dawsonville Site PMA. Ms. Tolson was in agreement with the PMA utilized for the proposed subject site, adding that it encompasses the area where she feels most of her tenants are coming from.

We recognize that the subject project will likely receive some support from areas outside the Site PMA. However, this potential base of support is anticipated to be minimal. Areas north and west of the Site PMA are generally rural, less populated and/or comprised of low shares of renter households, which will result in minimal support from these areas. Potential out-of-market support for the subject project is more likely to originate from areas east and south of the Site PMA, as these areas are more

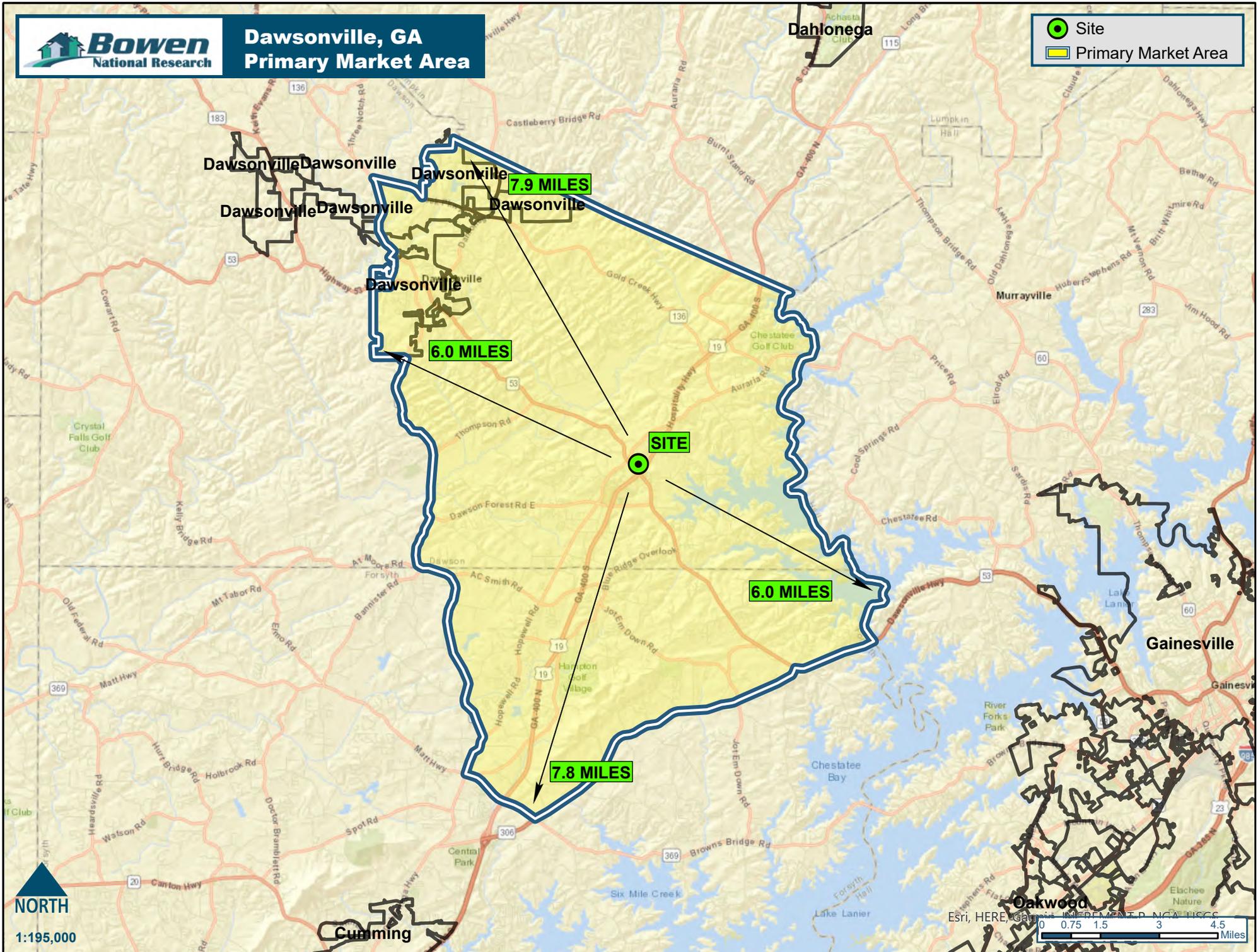
developed and thus more densely populated than areas north and west of the Site PMA. These areas are, however, generally comprised of higher-income households as compared to areas within the Site PMA. These areas are also more developed and thus offer a larger variety of services, housing alternatives, and employment opportunities as compared to areas comprised within the Site PMA. Lake Lanier also serves as a natural boundary to the east of the Dawsonville market and limits access to and from areas farther east such as the Gainesville area. Areas south of the Site PMA are closer to the Alpharetta and Greater Atlanta area(s) as compared to the generally more rural areas comprised within the Site PMA. Areas outside the Site PMA are also generally beyond a 15-minute drive from the subject site. Due to the preceding factors, we expect minimal support from areas outside the Site PMA and that the subject project will derive the majority of its support from within the Site PMA boundaries.

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



Dawsonville, GA Primary Market Area

- Site
- Primary Market Area



Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2020 (estimated) and 2022 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2022 (Projected)
Population	17,283	28,005	36,307	38,259
Population Change	-	10,722	8,302	1,952
Percent Change	-	62.0%	29.6%	5.4%

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

The Dawsonville Site PMA population base increased by 10,722 between 2000 and 2010. This represents a 62.0% increase over the 2000 population, or an annual rate of 4.9%. Between 2010 and 2020, the population increased by 8,302, or 29.6%. It is projected that the population will increase by 1,952, or 5.4%, between 2020 and 2022.

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

Population by Age	2010 (Census)		2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,977	28.5%	9,461	26.1%	9,954	26.0%	494	5.2%
20 to 24	1,599	5.7%	1,820	5.0%	1,843	4.8%	24	1.3%
25 to 34	3,491	12.5%	4,724	13.0%	4,825	12.6%	101	2.1%
35 to 44	4,411	15.8%	5,042	13.9%	5,468	14.3%	426	8.4%
45 to 54	4,121	14.7%	4,991	13.7%	5,090	13.3%	99	2.0%
55 to 64	3,370	12.0%	4,650	12.8%	4,853	12.7%	204	4.4%
65 to 74	2,012	7.2%	3,540	9.7%	3,771	9.9%	231	6.5%
75 & Over	1,024	3.7%	2,080	5.7%	2,454	6.4%	374	18.0%
Total	28,005	100.0%	36,307	100.0%	38,259	100.0%	1,952	5.4%

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

As the preceding table illustrates, nearly 54% of the population is expected to be between 25 and 64 years old in 2020. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2020 (Estimated)	2022 (Projected)
Households	6,390	10,067	13,047	13,728
Household Change	-	3,677	2,980	682
Percent Change	-	57.5%	29.6%	5.2%
Household Size	2.70	2.78	2.77	2.78

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

Within the Dawsonville Site PMA, households increased by 3,677 (57.5%) between 2000 and 2010. Between 2010 and 2020, households increased by 2,980 or 29.6%. By 2022, there will be 13,728 households, an increase of 682 households, or 5.2% over 2020 levels. This is an increase of approximately 341 households annually over the next two years.

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

Households by Age	2010 (Census)		2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	310	3.1%	349	2.7%	360	2.6%	12	3.3%
25 to 34	1,452	14.4%	1,915	14.7%	1,946	14.2%	32	1.7%
35 to 44	2,250	22.4%	2,497	19.1%	2,690	19.6%	194	7.8%
45 to 54	2,230	22.2%	2,586	19.8%	2,619	19.1%	34	1.3%
55 to 64	1,899	18.9%	2,462	18.9%	2,549	18.6%	87	3.5%
65 to 74	1,262	12.5%	2,007	15.4%	2,122	15.5%	115	5.7%
75 to 84	551	5.5%	1,027	7.9%	1,202	8.8%	174	17.0%
85 & Over	113	1.1%	204	1.6%	239	1.7%	35	17.0%
Total	10,067	100.0%	13,047	100.0%	13,728	100.0%	682	5.2%

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

Household growth is projected among all age cohorts between 2020 and 2022, a good indication demand for both family- and senior-oriented housing alternatives will increase during this time period. Notably, the 35 to 44 age cohort will experience the greatest household growth during this time period, in terms of total households.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,167	81.1%	10,905	83.6%	11,549	84.1%
Renter-Occupied	1,900	18.9%	2,141	16.4%	2,179	15.9%
Total	10,067	100.0%	13,046	100.0%	13,728	100.0%

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

In 2020, homeowners occupied 83.6% of all occupied housing units, while the remaining 16.4% were occupied by renters. The share of renters is relatively low and indicates that this market is predominantly comprised of owner-occupied households. Nonetheless, the number of renter households is projected to increase slightly between 2020 and 2022 and more than 2,100 renter households will exist in 2022.

The household sizes by tenure within the Site PMA, based on the 2020 estimates and 2022 projections, were distributed as follows:

Persons Per Renter Household	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	752	35.1%	767	35.2%	15	1.9%
2 Persons	585	27.3%	595	27.3%	10	1.8%
3 Persons	400	18.7%	412	18.9%	12	3.1%
4 Persons	209	9.8%	209	9.6%	0	-0.2%
5 Persons+	195	9.1%	196	9.0%	1	0.7%
Total	2,141	100.0%	2,179	100.0%	38	1.8%

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

Persons Per Owner Household	2020 (Estimated)		2022 (Projected)		Change 2020-2022	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,536	23.2%	2,686	23.2%	150	5.9%
2 Persons	5,152	47.2%	5,471	47.4%	319	6.2%
3 Persons	1,473	13.5%	1,550	13.4%	76	5.2%
4 Persons	1,093	10.0%	1,151	10.0%	58	5.3%
5 Persons+	652	6.0%	694	6.0%	42	6.5%
Total	10,906	100.0%	11,551	100.0%	646	5.9%

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

The one- through three-bedroom units proposed for the subject site will allow the property to accommodate up to five-person households. As such, the subject project will appeal to a wide range of household sizes which will contribute to the subject's overall marketability within the Dawsonville Site PMA.

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

Household Income	2010 (Census)		2020 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	619	6.1%	486	3.7%	457	3.3%
\$10,000 to \$19,999	903	9.0%	765	5.9%	757	5.5%
\$20,000 to \$29,999	985	9.8%	840	6.4%	821	6.0%
\$30,000 to \$39,999	978	9.7%	926	7.1%	919	6.7%
\$40,000 to \$49,999	1,074	10.7%	903	6.9%	883	6.4%
\$50,000 to \$59,999	945	9.4%	1,053	8.1%	1,050	7.7%
\$60,000 to \$74,999	1,307	13.0%	1,512	11.6%	1,521	11.1%
\$75,000 to \$99,999	1,334	13.3%	1,939	14.9%	1,994	14.5%
\$100,000 to \$124,999	736	7.3%	1,661	12.7%	1,820	13.3%
\$125,000 to \$149,999	420	4.2%	885	6.8%	1,048	7.6%
\$150,000 to \$199,999	431	4.3%	1,156	8.9%	1,381	10.1%
\$200,000 & Over	335	3.3%	921	7.1%	1,080	7.9%
Total	10,067	100.0%	13,047	100.0%	13,730	100.0%
Median Income	\$55,021		\$75,508		\$80,733	

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

In 2010, the median household income was \$55,021. This increased by 37.2% to \$75,508 in 2020. By 2022, it is projected that the median household income will be \$80,733, an increase of 6.9% over 2020.

The following tables illustrate renter household income by household size for 2010, 2020 and 2022 for the Dawsonville Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	89	64	37	29	27	245
\$10,000 to \$19,999	127	83	48	38	35	331
\$20,000 to \$29,999	110	80	46	36	33	305
\$30,000 to \$39,999	78	65	37	30	27	237
\$40,000 to \$49,999	70	64	37	29	27	226
\$50,000 to \$59,999	47	42	24	19	18	150
\$60,000 to \$74,999	63	59	34	27	25	208
\$75,000 to \$99,999	36	34	19	15	14	119
\$100,000 to \$124,999	14	13	7	6	5	46
\$125,000 to \$149,999	8	7	4	3	3	26
\$150,000 to \$199,999	1	1	1	1	0	4
\$200,000 & Over	1	1	1	0	0	3
Total	645	513	294	234	214	1,900

Source: ESRI; Urban Decision Group

Renter Households	2020 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	80	55	38	20	18	212
\$10,000 to \$19,999	133	69	47	25	23	298
\$20,000 to \$29,999	91	70	48	25	23	259
\$30,000 to \$39,999	81	64	44	23	21	232
\$40,000 to \$49,999	60	54	37	19	18	187
\$50,000 to \$59,999	51	44	30	16	15	156
\$60,000 to \$74,999	73	63	43	23	21	224
\$75,000 to \$99,999	68	61	42	22	20	213
\$100,000 to \$124,999	33	31	21	11	10	106
\$125,000 to \$149,999	18	16	11	6	5	56
\$150,000 to \$199,999	35	32	22	11	10	110
\$200,000 & Over	29	24	17	9	8	87
Total	752	585	400	209	195	2,141

Source: ESRI; Urban Decision Group

Renter Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	73	49	34	17	16	191
\$10,000 to \$19,999	128	64	44	22	21	279
\$20,000 to \$29,999	82	63	43	22	21	231
\$30,000 to \$39,999	74	58	40	20	19	211
\$40,000 to \$49,999	55	49	34	17	16	170
\$50,000 to \$59,999	44	39	27	14	13	135
\$60,000 to \$74,999	64	55	38	20	18	196
\$75,000 to \$99,999	65	59	41	21	19	205
\$100,000 to \$124,999	31	30	20	10	10	101
\$125,000 to \$149,999	18	17	11	6	5	58
\$150,000 to \$199,999	74	65	45	22	21	227
\$200,000 & Over	59	50	35	17	16	176
Total	767	595	412	209	196	2,179

Source: ESRI; Urban Decision Group

Demographic Summary

Demographic trends within the Dawsonville Site PMA are projected to be positive between 2020 and 2022, both in terms of total population and households. Household growth is projected to occur among all age cohorts, with the greatest growth projected for the 35 to 44 age cohort during this time period. The Dawsonville market is predominantly owner-occupied households, as renter households comprise less than 20.0% of the overall household base. However, the number of renter households is projected to increase slightly between 2020 and 2022 and more than 2,100 renter households are projected for the Site PMA in 2022. Approximately 28.0% of all renter households are projected to earn between \$20,000 and \$50,000 in 2022. While there is a small share of renter households in the market, this is driven by the general lack of rental product currently offered in the market as evident by our Field Survey of Conventional Rentals. As rental product such as the subject site is developed, the share of renter households in the Site PMA is likely to increase. Typically, suburban markets such as the Dawsonville area are comprised of approximately one-third (30%

to 35%) renter households. Based on the preceding factors, a good base of potential support for affordable rental product such as that proposed for the subject site exists within the Site PMA.

Section F – Economic Trends

1. LABOR FORCE PROFILE

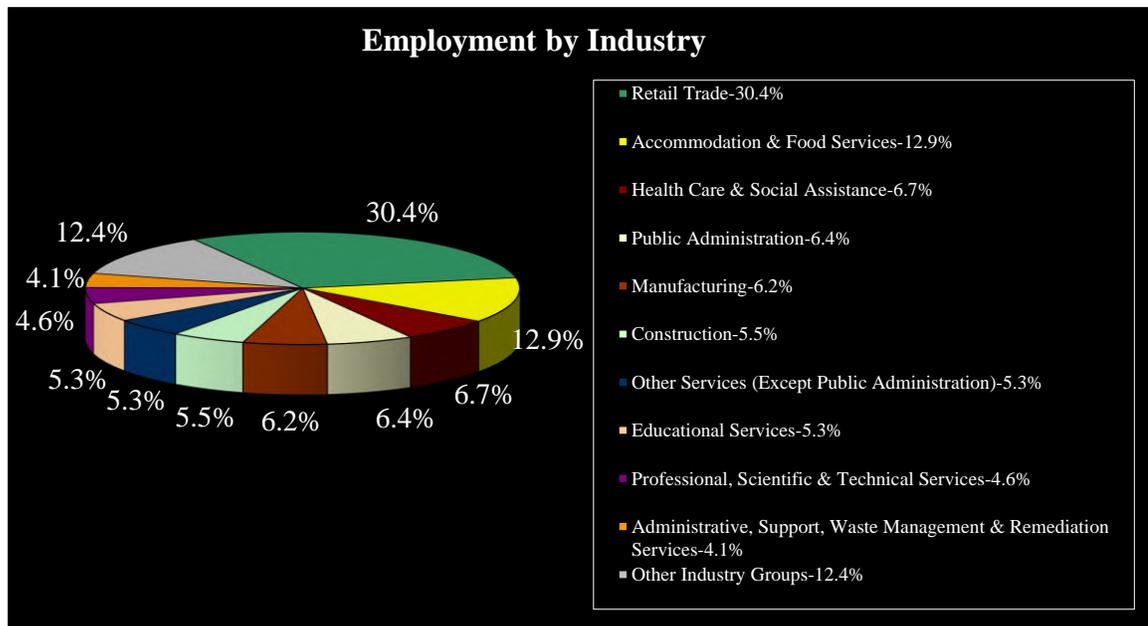
The labor force within the Dawsonville Site PMA is based primarily in two sectors. Retail Trade (which comprises 30.4%) and Accommodation & Food Services comprise over 43% of the Site PMA labor force. Employment in the Dawsonville Site PMA, as of 2020, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.5%	34	0.3%	4.9
Mining	0	0.0%	0	0.0%	0.0
Utilities	3	0.2%	28	0.2%	9.3
Construction	116	8.7%	617	5.5%	5.3
Manufacturing	40	3.0%	699	6.2%	17.5
Wholesale Trade	29	2.2%	259	2.3%	8.9
Retail Trade	281	21.1%	3,411	30.4%	12.1
Transportation & Warehousing	15	1.1%	177	1.6%	11.8
Information	19	1.4%	168	1.5%	8.8
Finance & Insurance	49	3.7%	250	2.2%	5.1
Real Estate & Rental & Leasing	77	5.8%	210	1.9%	2.7
Professional, Scientific & Technical Services	93	7.0%	520	4.6%	5.6
Management of Companies & Enterprises	1	0.1%	2	0.0%	2.0
Administrative, Support, Waste Management & Remediation Services	69	5.2%	456	4.1%	6.6
Educational Services	28	2.1%	592	5.3%	21.1
Health Care & Social Assistance	87	6.5%	755	6.7%	8.7
Arts, Entertainment & Recreation	32	2.4%	236	2.1%	7.4
Accommodation & Food Services	84	6.3%	1,452	12.9%	17.3
Other Services (Except Public Administration)	163	12.3%	598	5.3%	3.7
Public Administration	62	4.7%	723	6.4%	11.7
Nonclassifiable	74	5.6%	31	0.3%	0.4
Total	1,329	100.0%	11,218	100.0%	8.4

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table

Typical Wage by Occupation Type		
Occupation Type	Atlanta-Sandy Springs-Roswell MSA	Georgia
Management Occupations	\$125,800	\$116,740
Business and Financial Occupations	\$77,730	\$74,280
Computer and Mathematical Occupations	\$90,930	\$88,550
Architecture and Engineering Occupations	\$85,510	\$83,500
Community and Social Service Occupations	\$52,350	\$48,540
Art, Design, Entertainment and Sports Medicine Occupations	\$59,420	\$56,780
Healthcare Practitioners and Technical Occupations	\$81,780	\$77,470
Healthcare Support Occupations	\$32,180	\$30,880
Protective Service Occupations	\$41,260	\$39,900
Food Preparation and Serving Related Occupations	\$23,270	\$22,600
Building and Grounds Cleaning and Maintenance Occupations	\$28,370	\$27,240
Personal Care and Service Occupations	\$29,590	\$28,200
Sales and Related Occupations	\$42,750	\$39,160
Office and Administrative Support Occupations	\$40,300	\$38,260
Construction and Extraction Occupations	\$46,230	\$43,690
Installation, Maintenance and Repair Occupations	\$50,010	\$47,530
Production Occupations	\$36,870	\$35,690
Transportation and Moving Occupations	\$36,500	\$35,260

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

Most annual blue-collar salaries range from \$23,270 to \$59,420 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$92,350. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have slightly higher typical wages than the state of Georgia's typical wages. Nonetheless, the proposed project will generally target households with incomes between \$25,000 and \$50,000. As such, the area employment base appears to have a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. **MAJOR EMPLOYERS**

The ten largest employers within the Dawson County area are summarized in the following table:

Employer Name	Business Type	Total Employed
Walmart Supercenter	Department Store	250-499
Gold Creek Foods, LLC	Produce Wholesaler	100-249
Home Depot	Home Improvement	100-249
Kroger	Grocer	100-249
Publix	Grocer	100-249
Dawson County Schools	Education	100-249
Dawson County Sheriff Office	Law Enforcement	100-249
Amicalola Falls State Park	State Park	100-249
Premier Surplus	Recycling Center	50-99
Mesh Engineering	Machining Manufacturer	50-99

Source: Georgia Department of Labor, March 2019

Despite multiple attempts, a response was not received from area economic development representatives. The following, however, are summaries of some recent/notable economic development activity/announcements within the Dawson County area, based on extensive online research:

- Olive Garden held a grand opening of a new restaurant in Dawsonville in November 2019.
- Planet Fitness opened a new location in a portion of commercial building vacated by a grocery store in Dawsonville.
- Launch trampoline park was scheduled to open a new location in Dawsonville in summer 2020. The opening was delayed, however, due to the COVID-19 pandemic.
- A Holiday Inn Express opened in Dawsonville in 2019.

- In September 2019, the Dawson County Planning Commission approved a proposed development of 518-acres near Georgia Highway 400 and Lumpkin Campground Road. The development previously known as Etowah Village was renamed Lumpkin Campground Road LLC. The project is a mixed-use development to be comprised of retail and office space, a hotel, convention center and residential units including 770 multifamily units, 254 single-family homes, 350 assisted living and independent living units for seniors, parks and a new fire station.
- In November 2019 Hellman-Chang located its manufacturing business to Dawsonville. The luxury furniture maker is headquartered in Brooklyn, New York but moved its manufacturing business to a 32,000 square-foot factory with financing assistance from the City of Dawsonville.

Infrastructure Projects

Georgia Department of Transportation is developing a plan for extension of Perimeter Road in Dawson County to remove commercial truck traffic from the downtown Dawsonville area and improve east-west commercial traffic routes. As of June 2019, a new route has not been determined.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on June 10, 2020 and according to the Georgia Department of Labor there has been one WARN notice reported for Dawsonville over the past 18 months. Below is a table summarizing this notice.

WARN Notices			
Company	Location	Jobs	Effective Date
Coral Hospitality-GA LLC	Dawsonville	59	3/24/2020

As the preceding illustrates, the one WARN Notice reported for the area impacted jobs within the Hospitality industry and occurred in March of 2020. It is likely that these layoffs are a direct result of COVID-19, which impacted many service industry businesses throughout the country.

3. EMPLOYMENT TRENDS

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

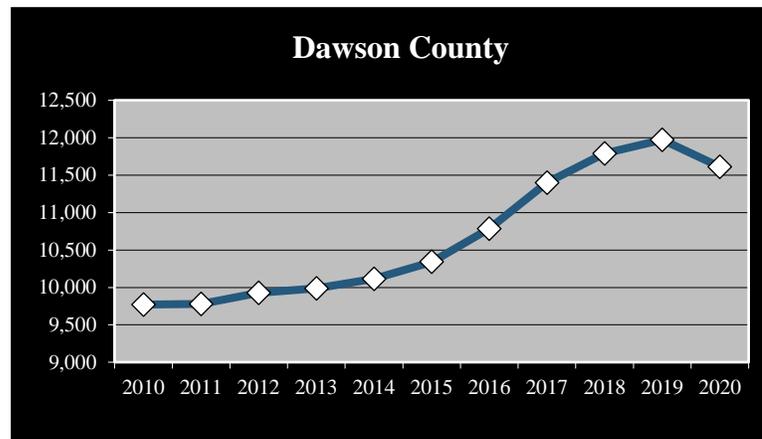
Excluding 2020, the employment base has increased by 15.8% over the past five years in Dawson County, more than the Georgia state increase of 10.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Dawson County, the state of Georgia and the United States.

Year	Total Employment					
	Dawson County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	9,771	-	4,202,052	-	140,469,139	-
2011	9,779	0.1%	4,263,305	1.5%	141,791,255	0.9%
2012	9,928	1.5%	4,348,083	2.0%	143,621,634	1.3%
2013	9,986	0.6%	4,366,374	0.4%	145,017,562	1.0%
2014	10,113	1.3%	4,403,433	0.8%	147,313,048	1.6%
2015	10,340	2.2%	4,482,922	1.8%	149,500,941	1.5%
2016	10,784	4.3%	4,649,755	3.7%	151,887,366	1.6%
2017	11,399	5.7%	4,812,097	3.5%	154,160,937	1.5%
2018	11,789	3.4%	4,880,038	1.4%	156,081,212	1.2%
2019	11,971	1.5%	4,935,310	1.1%	158,102,439	1.3%
2020*	11,612	-3.0%	4,799,037	-2.8%	151,821,562	-4.0%

Source: Department of Labor; Bureau of Labor Statistics

*Through April



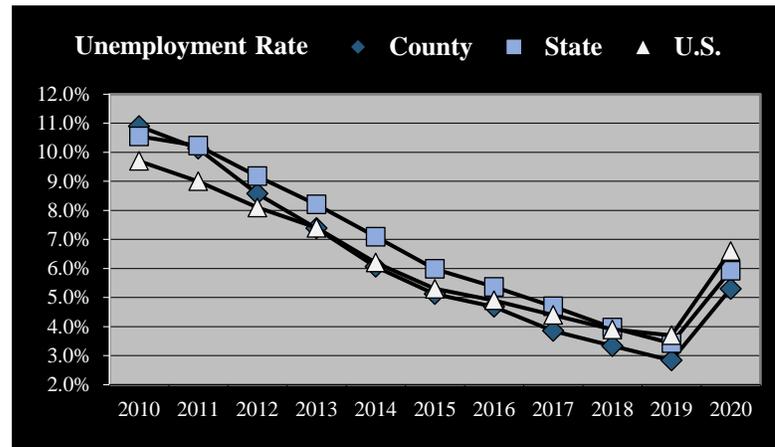
As the preceding illustrates, the Dawson County employment base steadily increased by at least 1.3% each of the past six years and by a total of 1,985 jobs, or 19.9%, during this time period. However, similar to state and nationwide trends, the employment base within the county has declined since the end of 2019. Specifically, a total of 359 jobs have been lost through April of 2020, reflective of a 3.0% decline. This is reflective of the impact of COVID-19.

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

Year	Unemployment Rate		
	Dawson County	Georgia	United States
2010	10.9%	10.6%	9.7%
2011	10.1%	10.2%	9.0%
2012	8.6%	9.2%	8.1%
2013	7.4%	8.2%	7.4%
2014	6.1%	7.1%	6.2%
2015	5.1%	6.0%	5.3%
2016	4.7%	5.4%	4.9%
2017	3.9%	4.7%	4.4%
2018	3.3%	4.0%	3.9%
2019	2.8%	3.4%	3.7%
2020*	5.3%	5.9%	6.6%

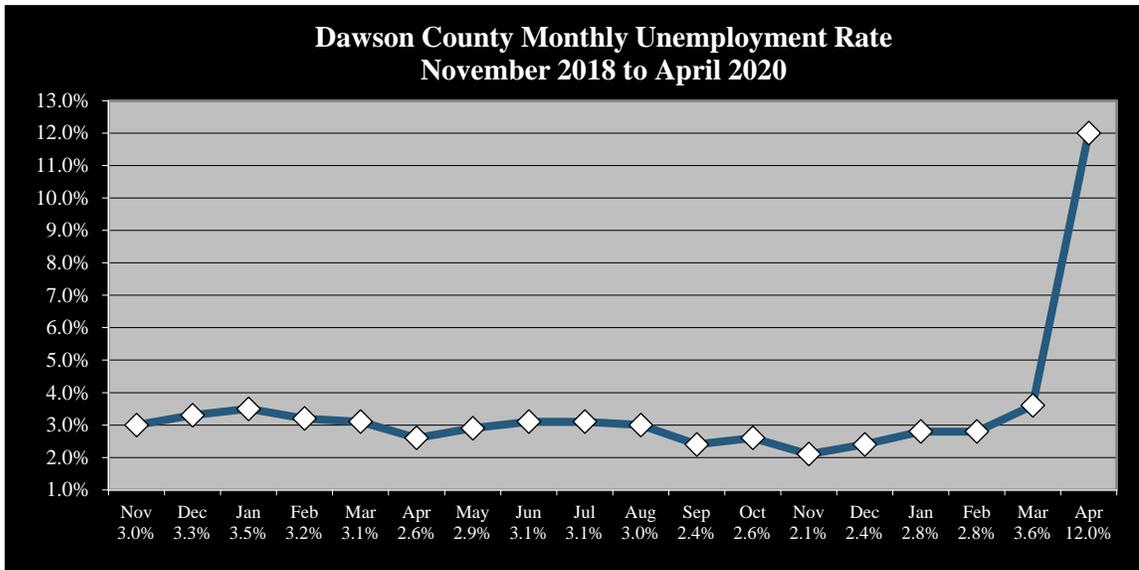
Source: Department of Labor, Bureau of Labor Statistics

*Through April



The unemployment rate in Dawson County declined each of the past nine years and by a total of more than eight full percentage points. The unemployment rate within the county has also been consistently below both statewide and nationwide unemployment rates since 2014. However, the unemployment rate has increased by more than two full percentage points to begin 2020, as the overall unemployment rate within the county is 5.3% through April of 2020. Similar to the decline in total employment, the elevated unemployment rate is reflective of the impact of the COVID-19 pandemic.

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



The monthly unemployment rate within the county held steady at/around 3.0% over much of the past 18-month period. However, in April of 2020, the monthly unemployment rate spiked by more than eight full percentage points to a rate of 12.0%. This is a result of the COVID-19 pandemic which began to impact many businesses in terms of layoffs/closures in March of 2020.

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

In-Place Employment Dawson County			
Year	Employment	Change	Percent Change
2009	7,232	-	-
2010	7,295	63	0.9%
2011	7,425	130	1.8%
2012	7,673	248	3.3%
2013	7,586	-87	-1.1%
2014	7,475	-111	-1.5%
2015	7,851	376	5.0%
2016	8,315	464	5.9%
2017	9,035	720	8.7%
2018	9,275	240	2.7%
2019	9,416	141	1.5%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2019, the most recent year that year-end figures are available, indicates in-place employment in Dawson County to be 78.7% of the total Dawson County employment. This means that Dawson County has a good share of employed persons leaving the county for daytime employment as well as those who both live and work in the county.

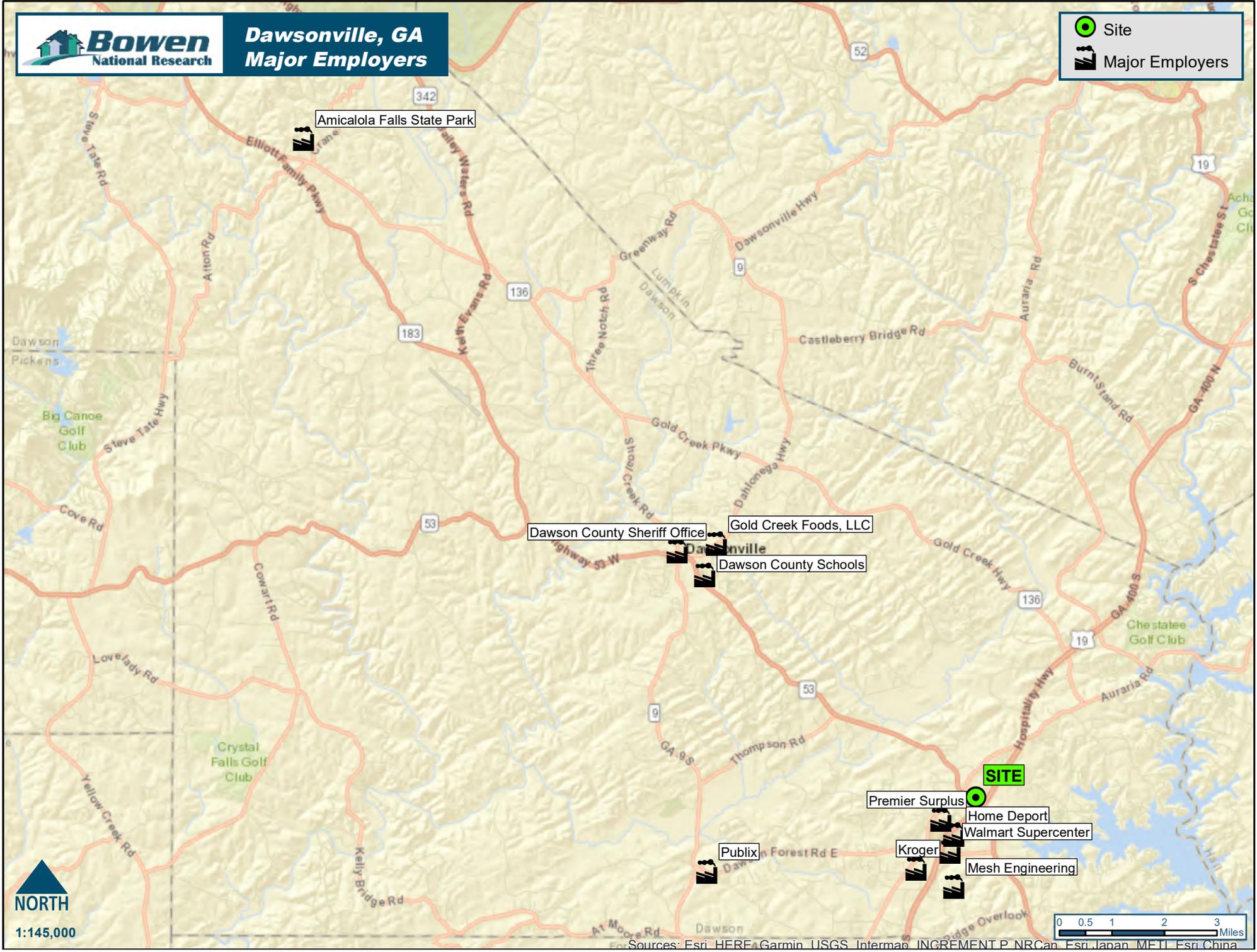
4. **ECONOMIC FORECAST**

The labor force within the Dawsonville Site PMA is largely comprised of industries which typically offer lower wage paying positions conducive to affordable housing alternatives such as that proposed for the subject site. Specifically, nearly half (43.3%) of the local labor force is comprised within the Retail and Food Service & Accommodation industries. The Dawsonville area is likely heavily influenced by these aforementioned industry segments, both of which have been significantly impacted by the COVID-19 pandemic.

The Dawson County economy was improving and performing at a high level over much of the past decade in terms of total employment growth and unemployment rate trends. However, the impact of the COVID-19 pandemic has resulted in a decline in total employment and elevated unemployment rates within the county through April of 2020. Most notably, the monthly unemployment rate reported for the county in April of 2020 is 12.0%, more than eight full percentage points higher than that reported in March of 2020. Based on the preceding factors and considering the ongoing COVID-19 pandemic, we expect employment growth will be nominal and that the county will continue to experience elevated unemployment rates for the foreseeable future. This is likely to result in increased demand for affordable housing alternatives within the Dawson County area.

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

-  Site
-  Major Employers




NORTH
1:145,000



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

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area, which has a median four-person household income of \$79,700 for 2019. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$27,900	\$33,480
Two-Person	\$31,900	\$38,280
Three-Person	\$35,900	\$43,080
Four-Person	\$39,850	\$47,820
Five-Person	\$43,050	\$51,660

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$51,660**.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$735 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$8,820. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$25,200**.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 50% and 60% of AMHI is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 50% Of AMHI)	\$25,200	\$43,050
Tax Credit (Limited to 60% Of AMHI)	\$30,171	\$51,660
Tax Credit (Overall)	\$25,200	\$51,660

2. **METHODOLOGY**

Demand

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

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

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent.*

Based on Table B25074 of the American Community Survey (ACS) 2014-2018 5-year estimates, approximately 32.7% to 42.4% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing.*

Based on Table B25016 of the American Community Survey (ACS) 2014-2018 5-year estimates, 7.8% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.

- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

Not applicable; subject property will not be age-restricted.

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

Net Demand

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

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

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

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$25,200 to \$43,050)	60% AMHI (\$30,171 to \$51,660)	Overall (\$25,200 to \$51,660)
Demand from New Households (Age- And Income-Appropriate)	374 - 414 = -40	400 - 442 = -42	515 - 570 = -55
+			
Demand from Existing Households (Rent Overburdened)	414 X 42.4% = 176	442 X 32.7% = 145	570 X 37.3% = 213
+			
Demand from Existing Households (Renters in Substandard Housing)	414 X 7.8% = 32	442 X 7.8% = 34	570 X 7.8% = 44
=			
Demand Subtotal	168	137	202
+			
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A
=			
Total Demand	168	137	202
-			
Supply (Directly Comparable Units Built and/or Funded Since 2018)	0	0	0
=			
Net Demand	168	137	202
Proposed Units / Net Demand	17 / 168	63 / 137	80 / 202
Capture Rate	= 10.1%	= 46.0%	= 39.6%

N/A – Not Applicable

Per GDCA guidelines, capture rates below 35.0% for projects in rural markets are considered acceptable. Although the proposed project's overall capture rate of 39.6% is slightly above 35.0%, it is considered achievable within the Dawsonville Site PMA. This is especially true, given the limited supply of existing comparable LIHTC product and high occupancy rates and waiting lists maintained among existing properties in the market.

It is also important to understand that the preceding demand methodology considers demand from new renter household growth, a metric which is projected to be negative within the targeted income band for the subject property between 2020 and 2022. However, this is likely primarily attributed to the general lack of affordable rental alternatives, and rental product in general, within the Dawsonville Site PMA which essentially forces existing lower-income residents to seek affordable housing alternatives outside the Dawsonville Site PMA. The addition of a new affordable rental alternative such as the subject project is expected to help slow the projected decline among lower income renter households within the subject market. This will effectively result in an increased base of potential support for the subject property. In fact, when only considering support from existing renter households which are currently rent overburdened and/or living in substandard housing, the subject's overall capture rate is 31.1%, below the 35.0% level typically considered acceptable by GDCA.

Additionally, Census data indicates that while a notable share of Dawson County residents commute outside the county for daytime employment, more than 6,000 people employed within the county commute from outside the county for daytime employment. As the Dawsonville Site PMA is comprised of a large share of jobs typically offering lower wage positions (i.e. service industry and retail jobs), it is likely that some commuters from outside the county earn wages conducive to the proposed subject property and would consider relocating to a new affordable rental alternative within the Dawsonville Site PMA to be nearer their place of employment. This will also expand the overall base of support for the subject property and further supports the subject capture rates detailed in the preceding table.

Lastly, the one existing general-occupancy LIHTC property in the Dawsonville Site PMA (Farmington Woods) is similar in size (72 units) to the subject property and reports gross rents which are very similar to those proposed for the subject property. Notably, this property is currently 100.0% occupied with a waiting list of 20-households. This is further evidence that sufficient support exists within the Dawsonville market for a property such as that proposed for the subject site.

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	35.0%
Two-Bedroom	40.0%
Three-Bedroom	25.0%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (35%)	50%	3	59	0	59	5.1%	1 Month	\$1,190	\$1,165-\$1,178	\$630
One-Bedroom (35%)	60%	9	48	0	48	18.8%	2 Months	\$1,190	\$1,165-\$1,178	\$775
One-Bedroom	Total	12	107	0	107	11.2%	2 Months	\$1,190	\$1,165-\$1,178	-
Two-Bedroom (40%)	50%	8	67	0	67	11.9%	2 Months	\$1,391	\$1,174-\$1,465	\$755
Two-Bedroom (40%)	60%	32	55	0	55	58.2%	7 Months	\$1,391	\$1,174-\$1,465	\$930
Two-Bedroom	Total	40	122	0	122	32.8%	9 Months	\$1,391	\$1,174-\$1,465	-
Three-Bedroom (25%)	50%	6	42	0	42	14.3%	1 Month	\$1,535	\$1,447-\$1,695	\$860
Three-Bedroom (25%)	60%	22	34	0	34	64.7%	5 Months	\$1,535	\$1,447-\$1,695	\$1,015
Three-Bedroom	Total	28	76	0	76	36.8%	5 Months	\$1,535	\$1,447-\$1,695	-

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

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

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

With the exception of the three-bedroom units at 60% of AMHI, the subject’s capture rates by bedroom type and AMHI level are below GDCA typically acceptable thresholds. Although slightly higher than the typically acceptable 60.0% GDCA level, the subject’s three-bedroom 60% AMHI capture rate of 64.7% is considered acceptable within the Dawsonville Site PMA. This is attributed to the factors previously discussed in detail following the subject’s overall capture rate calculation earlier in this section.

Supplemental Special Needs Demand Estimates

As detailed throughout this report, the subject project will offer eight (8) units that will also operate with a HUD Section 811 subsidy and target disabled households. As a single person/household could be classified as having multiple disabilities, we have conservatively only considered physically disabled households for this analysis in order to eliminate double counting. Within the Dawsonville Site PMA, there are a total of 1,711 persons with an ambulatory (physical) disability, based on 2014-2018 American Community Survey (ACS) 5-Year Estimates-Table S1810.

Income data for the special needs population is difficult to obtain given the transient nature, instability of work history, and/or physical illness of this special needs population. However, the subject units will be restricted to households earning up to 60% of Area Median Household Income (AMHI) as detailed in *Section III*. Considering the income levels targeted and unit types offered, the subject’s disabled units could potentially accommodate households earning up to \$51,660. The minimum income requirement for the special needs units will effectively be \$0 as the subsidy will allow the property to accommodate households earning little to no income.

The following table summarizes the subject’s special needs capture rate based on the preceding factors:

	Disabled Capture Rate
Physically Disabled Households	1,711
x Site PMA Renter Share	x 15.9%
x Income Qualified Share	x 50.7%
= Total Qualified Households	= 138
Proposed Units / Qualified Households	8 / 138
= Capture Rate	= 5.8%

Utilizing this methodology, the subject’s capture rate of 5.8% for the special needs units is considered low and indicative of a deep base of potential support for these proposed unit types.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

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

Housing Status	2010 (Census)		2020 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	10,067	86.7%	13,047	88.2%
Owner-Occupied	8,167	81.1%	10,905	83.6%
Renter-Occupied	1,900	18.9%	2,141	16.4%
Vacant	1,540	13.3%	1,754	11.8%
Total	11,607	100.0%	14,800	100.0%

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

Based on a 2020 update of the 2010 Census, of the 14,800 total housing units in the market, 11.8% were vacant. It is important to understand, however, that the number of vacant housing units reflected in the preceding table includes abandoned, dilapidated, and/or for-sale housing units, as well as housing unit utilized solely for seasonal/recreational purposes.

The following table illustrates the status of vacant units within the Site PMA

Vacant Units	Number	Percent
For Rent	94	4.4%
For-Sale Only	144	6.7%
Renter/Sold, Not Occ.	127	5.9%
Seasonal or Recreational	1,309	61.3%
Other Vacant	462	21.6%
Total	2,136	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, of the 1,771 vacant units in the Site PMA, nearly 83.0% are classified as “Seasonal or Recreational”, or “Other Vacant”. Further, only 4.4% are classified as “For Rent”. This is a good indication that the vacant housing units included in the table earlier on this page are not reflective of the long-term rental housing market within the Site PMA. Regardless, we have conducted a survey of conventional rentals to better determine the strength of the long-term rental market within the Site PMA.

The Dawsonville Site PMA is somewhat rural and thus offers a relatively limited supply of conventional rental product, as evident by the fact that we identified and surveyed just five conventional rental housing projects containing a total of 968 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	3	840	79	90.6%
Tax Credit	2	128	0	100.0%
Total	5	968	79	91.8%

While the overall occupancy rate of the five properties surveyed is 91.8%, it is of note that 76 (96.2%) of the 79 vacant units are concentrated at two properties and all vacant units reported are concentrated among market-rate properties. The two non-subsidized Tax Credit properties surveyed are both 100.0% occupied.

The vacancies reported among the market-rate properties are primarily concentrated at the Crossings of Dawsonville and Falls at Forsyth properties. Based on information obtained during our survey, the vacancies at Crossings of Dawsonville are primarily attributed to this property still being within its initial lease-up period. Falls at Forsyth indicated that its vacancies are attributed to the impact of COVID-19 which has resulted in some move outs and slower traffic/leasing at this property during the months of March and April.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	249	29.6%	3	1.2%	\$1,335
Two-Bedroom	2.0	485	57.7%	67	13.8%	\$1,600
Three-Bedroom	2.0	106	12.6%	9	8.5%	\$1,671
Total Market-Rate		840	100.0%	79	9.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	40	31.3%	0	0.0%	\$863
Two-Bedroom	2.0	64	50.0%	0	0.0%	\$998
Three-Bedroom	2.0	24	18.8%	0	0.0%	\$1,138
Total Tax Credit		128	100.0%	0	0.0%	-

The market-rate units are 90.6% occupied and the non-subsidized Tax Credit units are 100.0% occupied. As the non-subsidized Tax Credit properties surveyed offer a variety of unit types, all of which are 100.0% occupied, it is clear that such product is in strong demand among households of all sizes within the Dawsonville Site PMA. Also note the median gross Tax Credit rents reported in the preceding table as they are significantly lower than the median gross rents reported for similar unrestricted market-rate product. These lower rents, along with the 100.0% occupancy rate, are clear indications of the value non-subsidized Tax Credit product represents within this market.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	572	13.3%
A-	1	268	1.1%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	56	0.0%
B	1	72	0.0%

Non-subsidized Tax Credit product surveyed in the Dawsonville Site PMA is of good to excellent condition. The subject property is expected to be of similar condition upon completion which will contribute to its marketability within the Dawsonville market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of just two federally subsidized and/or Tax Credit apartment developments in the Dawsonville Site PMA, both of which are non-subsidized Tax Credit properties. These projects were surveyed in June of 2020 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occupancy	Gross Rent (Unit Mix)		
						One-Br.	Two-Br.	Three-Br.
4	Farmington Creek Apts.	TAX	2016	56	100.0%	\$753 - \$863 (28)	\$883 - \$973 (28)	-
5	Farmington Woods	TAX	2014	72	100.0%	\$763 - \$878 (12)	\$893 - \$1,023 (36)	\$1,028 - \$1,138 (24)
Total				128	100.0%			

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

As detailed in the preceding table and discussed earlier in this report, the two Tax Credit properties surveyed are both 100.0% occupied and both maintain waiting lists for their next available units. These are clear indications that such product is in high demand and is limited in supply within the Site PMA. The proposed subject project will help to alleviate a portion of this pent-up demand, particularly when considering that only one of the two properties surveyed (Farmington Woods) is general-occupancy such as the subject project.

Housing Choice Voucher Holders

The following table identifies the comparable Tax Credit properties that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
5	Farmington Woods	72	5	6.9%
904	Highland Trace	79	N/A	-
908	Willows of Cumming	156	8	5.1%
Total		228	13	5.7%

900 Series Map IDs are located outside the Site PMA
 N/A – Number not available (units not included in total)

As the preceding table illustrates, there are a total of approximately 13 voucher holders residing at the comparable properties for which this information was available. This comprises 5.7% of the 228 total non-subsidized LIHTC units offered among these properties. This is a low share of voucher support and is a good indication that non-subsidized general-occupancy Tax Credit properties in the market and region do not rely heavily on support from voucher holders. This is also a good indication that the gross rents at these properties are achievable and will serve as accurate benchmarks with which to compare the subject property.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$1,076	\$735 (50%)
		\$880 (60%)
Two-Bedroom	\$1,225	\$884 (50%)
		\$1,059 (60%)
Three-Bedroom	\$1,563	\$1,023 (50%)
		\$1,178 (60%)

As the preceding table illustrates, the proposed gross rents are below the payment standards for Dawson County. As such, those who hold Housing Choice Vouchers will likely respond to the subject development. This will increase the base of income-appropriate renter households within the Dawsonville Site PMA for the subject project and has been considered in our absorption estimates in Section I – *Absorption & Stabilization* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are four rental housing projects currently in the development pipeline within the Dawsonville Site PMA. The known details of these developments are summarized as follows:

- Silverleaf Townhomes to be located at 280 Maple Street in Dawsonville is a planned 30- to 40-unit market-rate rental development by Mostafa Elahy. The property is zoned residential and the developer is requesting zoning variances from the planning commission. Estimated completion and further details were unavailable at the time of this report.
- Riley Place located on Riley Circle in Dawsonville is an under construction 199-unit townhome development by Riley Place LLC. The townhomes are within an existing development and were originally to be for-sale but a new developer plans to lease the market-rate units.
- Penler Apartments located at 4754 Dawson Forest Road East in Dawsonville is an under construction 240-unit, market-rate development by Penler. The one-, two- and three-bedroom units along with amenities including swimming pool, dog park and fitness center are expected to be complete in the first quarter of 2021.
- Manor Lake is a senior development to be located on land near the intersection of Georgia Highway 400 and Beartooth Parkway in Dawsonville. There are 28 independent living market-rate units planned in addition to memory care and assisted living units. Estimated completion was unknown.

As the preceding projects will all operate as market-rate and/or target seniors, they are not expected to be directly competitive with the proposed subject property.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Dawsonville and Dawson County for the past ten years:

Housing Unit Building Permits for Dawsonville, GA:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	0	0	72	0	0	0	0	0	0	0
Single-Family Permits	2	1	1	11	16	51	71	129	67	80
Total Units	2	1	73	11	16	51	71	129	67	80

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

Housing Unit Building Permits for Dawson County:										
Permits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multifamily Permits	0	0	72	0	56	0	220	0	0	0
Single-Family Permits	35	37	35	84	121	173	272	310	446	386
Total Units	35	37	107	84	177	173	492	310	446	386

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

The majority of the multifamily building permits issued within the area over this ten-year period were issued within Dawson County, with most of these being issued in 2016. It is important to understand, however, that the preceding is not an exhaustive list of building permit activity within the area, as evidenced by the fact that more than 200 market-rate units have been added to the Dawsonville/Dawson County market in 2019 through there have been no multifamily building permits reported for the county since 2016.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA we identified and surveyed two non-subsidized LIHTC properties, though only one (Farmington Woods) is general-occupancy. This property has been included in our comparable analysis and is expected to be directly competitive with the proposed subject project.

Given the limited supply of general-occupancy LIHTC product in the Site PMA, we also identified and surveyed two additional properties outside the Site PMA that offer unit types and target a population similar to the proposed subject project. Due to their location, these properties are not considered competitive with the subject project but will offer a good additional base of comparison.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Dawsonville	2022	80	-	-	-	Families; 50% & 60% AMHI & Section 811
5	Farmington Woods	2014	72	100.0%	5.8 Miles	20 HH	Families; 50% & 60% AMHI
904	Highland Trace	2017	79	100.0%	14.2 Miles	None	Families; 50% & 60% AMHI
908	Willows of Cumming	1996	156	100.0%	15.0 Miles	40 HH	Families; 60% AMHI

900 Series Map IDs are located outside the Site PMA
 OCC. – Occupancy
 HH - Households

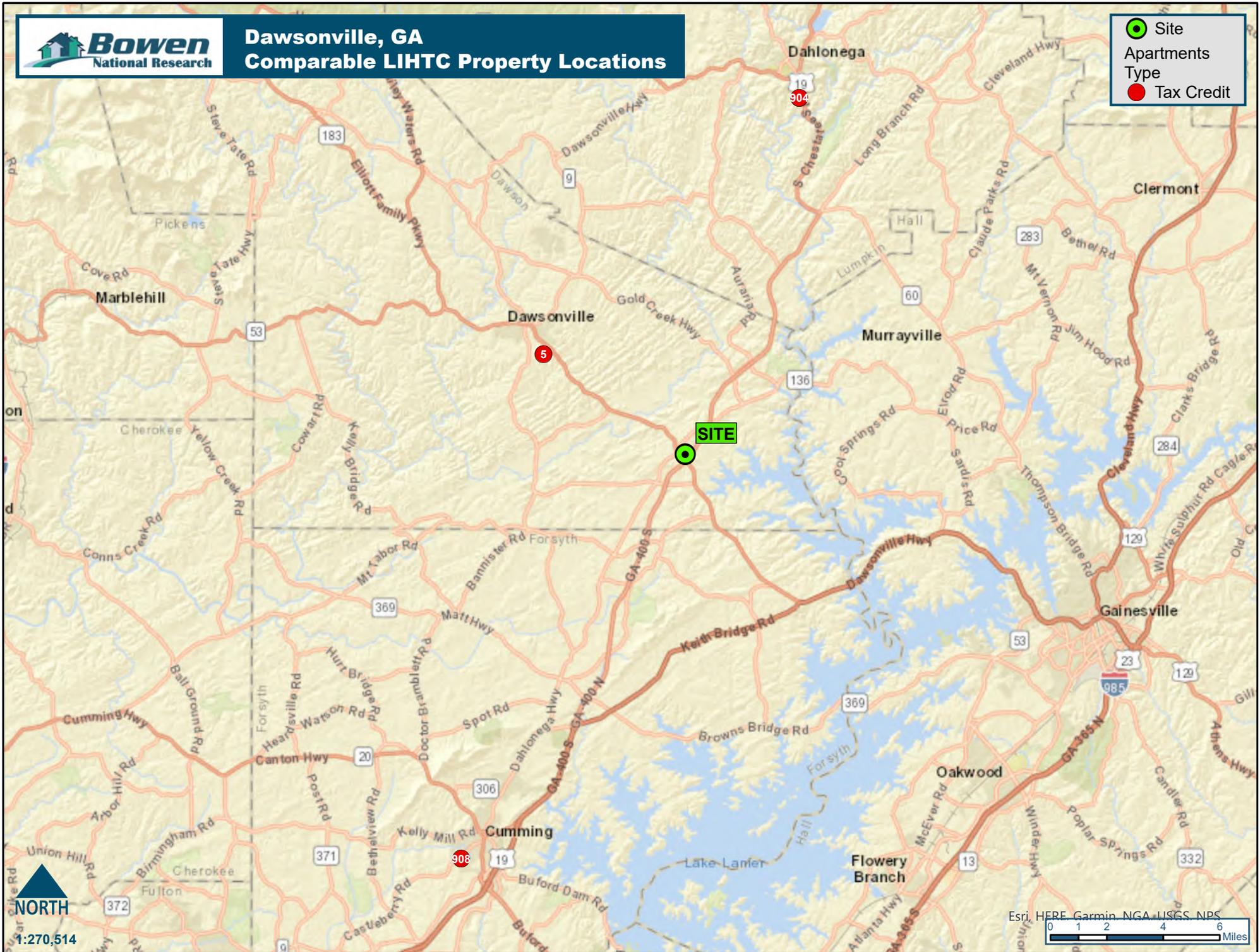
The three LIHTC projects have a combined occupancy rate of 100.0% and two of the three properties surveyed, one of which is located within the Dawsonville Site PMA, maintain waiting lists. These are clear indications of strong and pent-up demand for general-occupancy LIHTC product within the market and surrounding region.

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



Dawsonville, GA Comparable LIHTC Property Locations

- Site
- Apartments
- Type
- Tax Credit



NORTH

1:270,514

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

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Dawsonville	\$735/50% (3) \$880/60% (9)	\$884/50% (8) \$1,059/60% (32)	\$1,023/50% (6) \$1,178/60% (22)	-
5	Farmington Woods	\$763/50% (3/0) \$878/60% (9/0)	\$893/50% (4/0) \$1,023/60% (32/0)	\$1,028/50% (4/0) \$1,138/60% (20/0)	None
904	Highland Trace	\$558/50% (4/0) \$668/60% (12/0)	\$673/50% (8/0) \$778/60% (31/0)	\$803/50% (4/0) \$888/60% (20/0)	None
908	Willows of Cumming	\$858/60% (16/0)	\$1,032/60% (116/0)	\$1,194/60% (24/0)	None

900 Series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents are competitive with those reported for similar unit types among the comparable LIHTC projects surveyed in the market and region. This is particularly true in comparison to the one property located in the Site PMA, Farmington Woods.

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

Weighted Average Collected Rent of Comparable LIHTC Units (AMHI)		
One-Br.	Two-Br.	Three-Br.
\$650 (50%)	\$755 (50%)	\$855 (50%)
\$765 (60%)	\$885 (60%)	\$965 (60%)

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

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$650 (50%)	- \$630 (50%)	\$20	/ \$630 (50%)	3.2%
	\$765 (60%)	- \$775 (60%)	-\$10	/ \$775 (60%)	-1.3%
Two-Br.	\$755 (50%)	- \$755 (50%)	\$0	/ \$755 (50%)	0.0%
	\$885 (60%)	- \$930 (60%)	-\$45	/ \$930 (60%)	-4.8%
Three-Br.	\$855 (50%)	- \$860 (50%)	-\$5	/ \$860 (50%)	-0.6%
	\$965 (60%)	- \$1,015 (60%)	-\$50	/ \$1,015 (60%)	-4.9%

As the preceding table illustrates, the majority of the proposed collected rents represent little to no rent advantage. However, it should be noted that this analysis is reflective of the collected rent and does not account for utility responsibilities and/or other features of the subject project, including the subject's newness, which will enable it to charge higher rents. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents is included in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	832	919	1,163
5	Farmington Woods	740	1,150	1,250
904	Highland Trace	820	1,054	1,218
908	Willows of Cumming	708	929	1,169

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	1.0	2.0	2.0
5	Farmington Woods	1.0	2.0	2.0
904	Highland Trace	1.0	2.0	2.0
908	Willows of Cumming	1.0	2.0	2.0

900 Series Map IDs are located outside the Site PMA

The subject project will be competitive with existing LIHTC product in the market and surrounding region in terms of both unit size (square feet) and number of bathrooms offered.

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

Tax Credit Unit Amenities by Map ID					
	Site**	5	904	908	
Appliances	Dishwasher	X	X	X	X
	Disposal	X	X	X	X
	Icemaker	X	X		X
	Microwave	X	X		
	Range	X	X	X	X
	Refrigerator	X	X	X	X
	No Appliances				
Unit Amenities	AC-Central	X	X	X	X
	AC-Other				
	Balcony	X	X		
	Deck / Patio	X	X		X
	Basement				
	Ceiling Fan	X	X	X	X
	Controlled Access				
	E-Call System				
	Fireplace				
	Furnished				
	Security System				
	Sunroom				
	W/D Hookup		X		X
	W/D	X		X	
	Walk-In Closet				
	Window Treatments	X	X	X	X
Flooring	Carpet	X	X		X
	Ceramic Tile				
	Composite (VCT)(LVT)	X			
	Hardwood			X	
	Finished Concrete				
	Vinyl				X
	Wood Laminate / Plank				
Upgraded	Premium Appliances				
	Premium Countertops				
	Premium Cabinetry				
	Premium Fixtures				
	High Ceilings				
	Vaulted Ceilings				
	Crown Molding				
	Oversized Windows				
Parking	Attached Garage				
	Detached Garage				
	Surface Lot	X	X	X	X
	Carport				
	Property Parking Garage				
	Podium Parking				
	No Provided Parking				

** Proposed Site(s): Peaks of Dawsonville

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

* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	5	904	908
Bike Racks / Storage				
Business Center *		X	X	
Car Care *				
Common Patio	X			
Community Garden	X			
Community Space				
Activity / Craft Room				
Chapel				
Clubhouse	X		X	X
Conference Room				
Community Kitchen	X			
Community Room	X	X		
Dining Room - Private				
Dining Room - Public				
Rooftop Lounge				
Study Lounge				
TV Lounge				
Concierge Service *		X		
Convenience Amenities *				
Courtyard				
Covered Outdoor Area *	X			
Elevator				
Laundry Room		X		X
Meals				
On-Site Management	X	X	X	X
Pet Care *				
Recreation				
Basketball				
Bocce Ball				
Firepit				
Fitness Center				X
Grill	X			
Game Room - Billiards				
Hiking - Walking Trail				
Hot Tub				
Library				
Media Room / Theater				
Picnic Table / Area	X	X	X	
Playground	X	X	X	X
Putting Green				
Racquetball				
Shuffleboard				
Sports Court				
Swimming Pool - Indoor				
Swimming Pool - Outdoor		X		X
Tennis				
Volleyball				
Security				
CCTV				
Courtesy Officer				
Gated Community				
Gated Parking				
Police Substation				
Social Services *	X			
Storage - Extra	X			X
Water Feature				
WiFi				

** Proposed Site(s): Peaks of Dawsonville

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

* Details in Comparable Property Profile Report

The amenity package proposed for the subject site is considered competitive and marketable, both in terms of unit and project amenities, as detailed in the preceding tables. The subject project does not appear to lack any key amenities that would adversely impact its marketability within the Dawsonville market, particularly when considering the newness of the subject property and the relatively low proposed gross rents.

Comparable/Competitive Tax Credit Summary

A limited supply of general-occupancy LIHTC product is offered within the Dawsonville Site PMA as only one such property was surveyed. This property, Farmington Woods, is 100.0% occupied and maintains a waiting list of 20-households for its next available unit. The subject project will help alleviate a portion of the pent-up demand in the Dawsonville market. The subject’s proposed gross Tax Credit rents are competitive with those reported among the comparable LIHTC projects surveyed in the market and region, including the one property located in the Dawsonville Site PMA. The subject development will also be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Overall, the subject project is considered marketable and will represent a value to low-income households within the Dawsonville Site PMA.

Competitive Housing Impact

The anticipated occupancy rate of the one existing comparable/competitive Tax Credit development *located in the Site PMA* following completion of the subject project is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2022
3	Farmington Woods	100.0%	95.0% +

As detailed throughout this section of the report, the one existing comparable/competitive LIHTC property within the Site PMA is currently 100.0% occupied and maintains a waiting list for its next available unit. Based on this high occupancy rate and considering the general lack of family-oriented LIHTC product, we do not expect the subject development to have any adverse impact on future occupancy rates at this aforementioned property.

One-page profiles of the Comparable/Competitive Tax Credit properties are included in *Addendum B* of this report.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$256,063. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$256,063 home is \$1,541, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$256,063
Mortgaged Value = 95% of Median Home Price	\$243,260
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,233
Estimated Taxes and Insurance*	\$308
Estimated Monthly Mortgage Payment	\$1,541

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$630 to \$1,015 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$526 greater than the cost of renting at the subject project. Considering the significantly higher cost of homeownership in this market, we do not anticipate any competitive overlap between the subject project and the homebuyer market.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2022 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2022.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists maintained among the existing comparable LIHTC properties in the market and region, as well as the limited supply of existing comparable LIHTC product in the Dawsonville Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate, achievable market rents.

Based on our analysis, it is our opinion that the 80 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately nine months of opening. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

These absorption projections assume a February 2022 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Section J – Interviews

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

- Robbie Irvin, Planning Director for the City of Dawsonville stated that there is a great need for affordable rental housing. Most of the new developments have been single-family homes which are not financially manageable for many residents. A well-designed multifamily development would be a good addition to the city though Mr. Irvin cautions that these projects are difficult to get through planning commission and city council reviews because previous developments have had a negative impact on traffic and school population.
- Veronica Bruce is the Property Manager for Farmington Creek, an age-restricted Tax Credit community located within the Site PMA. Ms. Bruce stated that there is a need for more affordable housing due to the increased cost of living. Ms. Bruce feels that the senior population is in the most need for housing because of the lack of property dedicated to seniors. Ms. Bruce also stated that her waiting list continues to grow and more affordable housing would receive immediate support.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 80 units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes in the project's site, rent, amenities or opening date may alter these findings.

The subject site location is considered conducive to affordable multifamily rental product and is within a good quality area which will contribute to the project's overall marketability. The subject site is also located within proximity of most basic area services and various arterial roadways which will also enhance the subject's overall marketability.

A very limited supply of general-occupancy (family) LIHTC product is offered within the Dawsonville Site PMA, as only one such property was identified and surveyed. This property, Farmington Woods, is 100.0% occupied with a waiting list, as is the one additional age-restricted LIHTC property surveyed in the Site PMA. Specifically, the waiting lists maintained among the two existing LIHTC properties in the Site PMA range from 20-households at Farmington Woods to one-year at the age-restricted Farmington Creek Apartments property. These are clear indications of pent-up demand for non-subsidized LIHTC product in this market. The subject project will help to alleviate a portion of this pent-up demand. The subject property will also be competitive in terms of overall design and amenities offered, particularly when considering the competitive position of the subject's proposed rents.

The subject's overall capture rate is 39.6%, which is slightly above 35.0%, the typically acceptable level per GDCA guidelines. However, when considering the very limited supply of affordable rental product within the Dawsonville Site PMA, the pent-up demand for LIHTC product, and the value the subject property will represent compared to traditional market-rate product, higher than typical capture rates are considered achievable within the Dawsonville Site PMA. Based on the preceding factors, as well as additional metrics detailed in *Section G*, the subject's capture rates are considered acceptable and achievable within the Dawsonville market.

Overall, the subject project is considered marketable as proposed and is not expected to have any adverse impact on future occupancy rates among existing comparable/competitive LIHTC product in this market. We have no recommendations to the subject project at this time.

Section L - Signed Statement

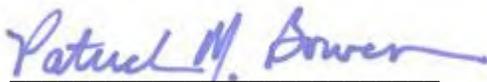
I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any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



Craig Rupert (Primary Contact)
Market Analyst
craigr@bowennational.com
Date: June 23, 2020



Sidney McCrary
Market Analyst
sidneym@bowennational.com
Date: June 23, 2020



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: June 23, 2020

Section M – Market Study Representation

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

Section N - Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

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

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

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

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

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

Research Staff

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

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

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

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

ADDENDUM A:

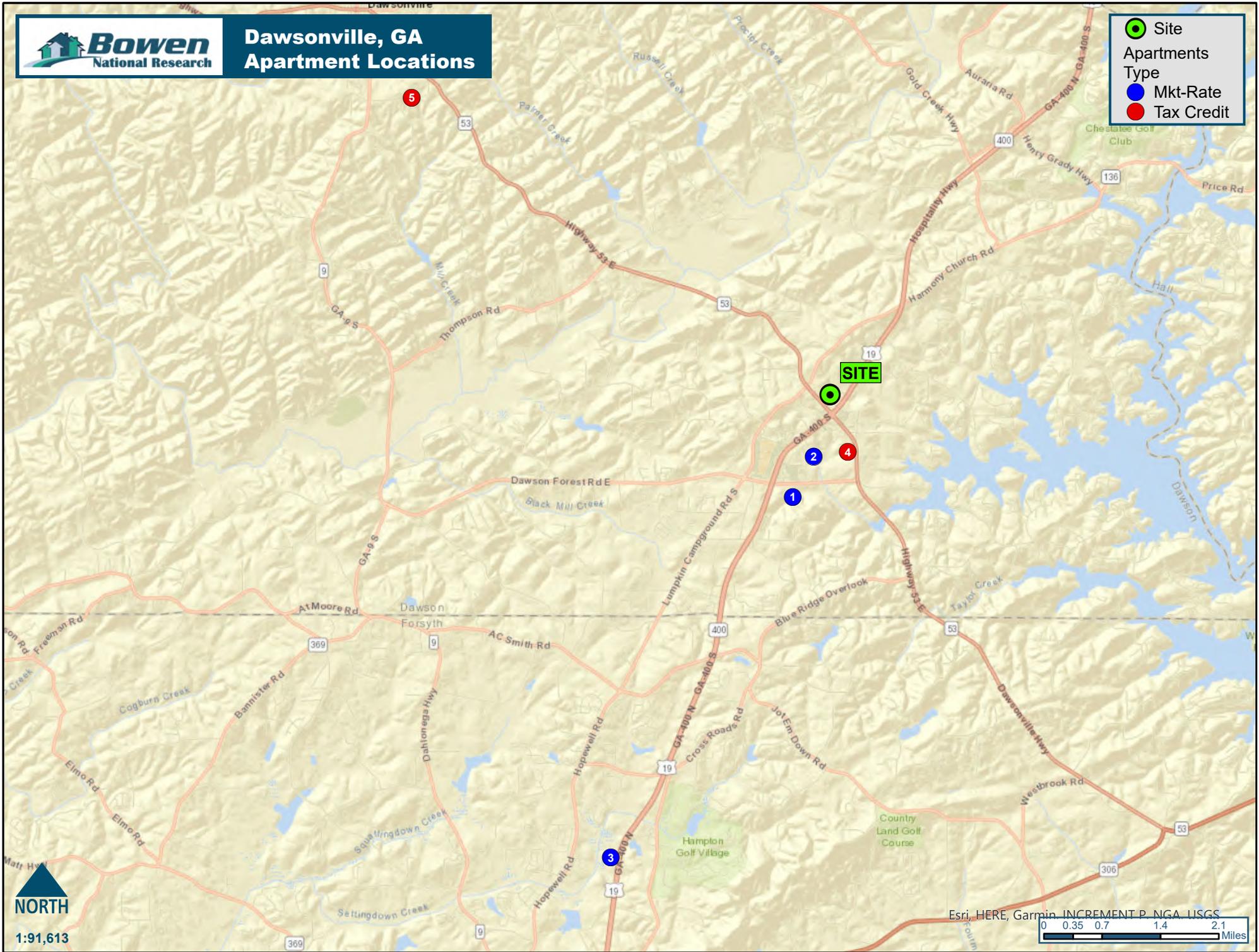
FIELD SURVEY OF
CONVENTIONAL RENTALS



Dawsonville, GA Apartment Locations

Legend:

- Site (Green circle)
- Apartment Type (Blue circle)
- Mkt-Rate (Blue circle)
- Tax Credit (Red circle)



1:91,613



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Crossings of Dawsonville	MRR	A	2019	216	37	82.9%	2.0
✓ 2	Dawson Forest	MRR	A-	1998	268	3	98.9%	3.1
✓ 3	Falls at Forsyth	MRR	A	2018	356	39	89.0%	5.9
◆ 4	Farmington Creek Apts.	TAX	A	2016	56	0	100.0%	2.9
✓ 5	Farmington Woods	TAX	B	2014	72	0	100.0%	5.8
✓ 901	Columns at Pilgrim Mill	MRR	B	2007	238	4	98.3%	10.8
✓ 902	Evergreen at Aubrey's Landing	MRR	A	2000	184	2	98.9%	16.2
✓ 904	Highland Trace	TAX	A	2017	79	0	100.0%	14.2
✓ 908	Willows of Cumming	TAX	B	1996	156	0	100.0%	15.0

*Drive distance in miles

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



1	Crossings of Dawsonville 117 Dawson Ave, Dawsonville, GA 30534	Contact: Kathy (In Person) Phone: (470) 239-1679
	 <p>Total Units: 216 UC: 0 Occupancy: 82.9% Stories: 4 Year Built: 2019 BR: 1, 2, 3 Vacant Units: 37 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: Does not accept HCV; Preleasing 1/2019, opened 4/2019, final 194 units opened 10/2019, in lease-up</p>	



2	Dawson Forest 100 Green Forest Dr, Dawsonville, GA 30534	Contact: Rico (In Person) Phone: (706) 216-4292
	 <p>Total Units: 268 UC: 0 Occupancy: 98.9% Stories: 2,3 Year Built: 1998 BR: 1, 2, 3 Vacant Units: 3 Waitlist: Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: Does not accept HCV</p>	



3	Falls at Forsyth 5310 Falls Dr, Cumming, GA 30028	Contact: Marley (In Person) Phone: (404) 467-8558
	 <p>Total Units: 356 UC: 0 Occupancy: 89.0% Stories: 2,3 Year Built: 2018 BR: 1, 2 Vacant Units: 39 Waitlist: Target Population: Family AR Year: Rent Special: One month's rent is free Yr Renovated: Notes: Does not accept HCV; Preleasing 3/2018, opened 8/2018; Vacancies attributed to COVID-19</p>	



4	Farmington Creek Apts. 35 Harvest Cir, Dawsonville, GA 30534	Contact: Veronica (In Person) Phone: (706) 265-0046
	 <p>Total Units: 56 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: 12 mos; Target Population: Senior 55+ AR Year: Rent Special: Yr Renovated: Notes: Tax Credit; HCV (2 units)</p>	



5	Farmington Woods 2201 Perimeter Rd, Dawsonville, GA 30534	Contact: Barbara (In Person) Phone: (706) 265-3021
	 <p>Total Units: 72 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2014 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 20 HH; Target Population: Family AR Year: Rent Special: Yr Renovated: Notes: Tax Credit; HCV (5 units)</p>	

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



901	Columns at Pilgrim Mill 2090 Columns Dr, Cumming, GA 30041	Contact: Allison Phone: (770) 886-0500	(In Person)
		Total Units: 238 UC: 0 Occupancy: 98.3% Stories: 2,3,4 BR: 1, 2, 3 Vacant Units: 4 Waitlist: Target Population: Family Rent Special: Notes: Does not accept HCV; Rent range based on floorplan & location	Year Built: 2007 AR Year: Yr Renovated:



902	Evergreen at Aubrey's Landing 3305 Hutchinson Rd, Cumming, GA 30040	Contact: Nelda Phone: (678) 658-2666	(In Person)
		Total Units: 184 UC: 0 Occupancy: 98.9% Stories: 2,3 BR: 1, 2, 3 Vacant Units: 2 Waitlist: Target Population: Family Rent Special: Two weeks of free rent Notes: Does not accept HCV; Higher rent for renovated unit	Year Built: 2000 AR Year: Yr Renovated:



904	Highland Trace 14 Adair Cir, Dahlonega, GA 30533	Contact: Jamie Phone: (706) 867-0416	(In Person)
		Total Units: 79 UC: 0 Occupancy: 100.0% Stories: 2,3,4 BR: 1, 2, 3 Vacant Units: 0 Waitlist: Target Population: Family Rent Special: Notes: Tax Credit; Accepts HCV	Year Built: 2017 AR Year: Yr Renovated:



908	Willows of Cumming 225 Nancy Ln, Cumming, GA 30040	Contact: Maria Phone: (770) 886-0230	(In Person)
		Total Units: 156 UC: 0 Occupancy: 100.0% Stories: 2,3 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 40 HH; Target Population: Family Rent Special: Notes: Tax Credit; HCV (8 units)	Year Built: 1996 AR Year: Yr Renovated:

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

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

Monthly Dollar Allowances

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

* Estimated- not from source

ADDENDUM B:

COMPARABLE
PROPERTY PROFILES

1 Crossings of Dawsonville 2.0 miles to site



Address: 117 Dawson Ave, Dawsonville, GA 30534
 Phone: (470) 239-1679 Contact: Kathy (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 216 Year Built: 2019
 Vacant Units: 37 *AR Year:
 Occupancy: 82.9% Yr Renovated:
 Turnover: Stories: 4
 Waitlist:
 Rent Special:

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



Notes: Does not accept HCV; Preleasing 1/2019, opened 4/2019, final 194 units opened 10/2019, in lease-up

Features And Utilities

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

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

Property Amenities: Business Center (Computer); Car Care (Car Wash, Charging Stations); Clubhouse; Cafe / Coffee Bar; Laundry Room; Dog Park, Dog Wash, Pet Stations; Recreation Areas (Firepit, Fitness Center, Grill, Media Room / Theater, Outdoor Swimming Pool)

Parking Type: Surface Lot; Parking Garage

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	60	0	829	\$1.41	\$1,165	0%
2	2	G	130	29	1,146	\$1.28	\$1,465	0%
3	2	G	26	8	1,384	\$1.22	\$1,695	0%

* Adaptive Reuse

2 Dawson Forest 3.1 miles to site



Address: 100 Green Forest Dr, Dawsonville, GA 30534
 Phone: (706) 216-4292 Contact: Rico (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 268 Year Built: 1998
 Vacant Units: 3 *AR Year:
 Occupancy: 98.9% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist:
 Rent Special:

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

Notes: Does not accept HCV



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; Security System; W/D Hookup; Window Treatments; Flooring (Hardwood); Premium Appliances

Property Amenities: Car Care (Car Wash); Clubhouse; Dog Park; Recreation Areas (Fitness Center, Outdoor Swimming Pool); Extra Storage

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	28	2	778	\$1.51	\$1,178	0%
2	2	G	160	0	1,109 - 1,144	\$1.06 - \$1.11	\$1,174 - \$1,274	0%
3	2	G	80	1	1,378	\$1.08	\$1,483	0%

* Adaptive Reuse

3 Falls at Forsyth 5.9 miles to site



Address: 5310 Falls Dr, Cumming, GA 30028
 Phone: (404) 467-8558 Contact: Marley (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 356 Year Built: 2018 Ratings
 Vacant Units: 39 *AR Year: Quality: A
 Occupancy: 89.0% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2,3 Access/Visibility: A/A
 Waitlist:
 Rent Special: One month's rent is free

Notes: Does not accept HCV; Preleasing 3/2018, opened 8/2018; Vacancies attributed to COVID-19



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: Community Room; On-Site Management; Dog Park; Recreation Areas (Bocce Ball, Fitness Center, Media Room / Theater, Picnic Table / Area, Outdoor Swimming Pool); Gated Community; Extra Storage

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	104	1	735	\$1.64	\$1,207	0%
1	1	T	57	0	972	\$1.45	\$1,410	0%
2	2	G	140	26	1,325	\$1.09	\$1,447	0%
2	2	T	55	12	1,296	\$1.25	\$1,620	0%

* Adaptive Reuse

5 Farmington Woods 5.8 miles to site



Address: 2201 Perimeter Rd, Dawsonville, GA 30534
 Phone: (706) 265-3021 Contact: Barbara (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 2014
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 20 HH;
 Rent Special:

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

Notes: Tax Credit; HCV (5 units)



Features And Utilities

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

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

Property Amenities: Business Center (Computer); Community Room; Concierge Services (Package Receiving); Laundry Room; On-Site Management; Recreation Areas (Picnic Table / Area, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	740	\$0.88	\$650	50%
1	1	G	9	0	740	\$1.03	\$765	60%
2	2	G	4	0	1,150	\$0.66	\$755	50%
2	2	G	32	0	1,150	\$0.77	\$885	60%
3	2	G	4	0	1,250	\$0.68	\$855	50%
3	2	G	20	0	1,250	\$0.77	\$965	60%

* Adaptive Reuse

901 Columns at Pilgrim Mill 10.8 miles to site



Address: 2090 Columns Dr, Cumming, GA 30041
 Phone: (770) 886-0500 Contact: Allison (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 238 Year Built: 2007 Ratings
 Vacant Units: 4 *AR Year: Quality: B
 Occupancy: 98.3% Yr Renovated: Neighborhood: B
 Turnover: Stories: 2,3,4 Access/Visibility: A/A
 Waitlist:
 Rent Special:

Notes: Does not accept HCV; Rent range based on floorplan & location



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Balcony; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet)

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

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	28	1	798	\$1.37	\$1,090	0%
1	1	G	43	1	943	\$1.18 - \$1.26	\$1,115 - \$1,185	0%
2	2	G	143	2	1,226 - 1,273	\$1.04 - \$1.01	\$1,270 - \$1,290	0%
3	2	G	24	0	1,461	\$0.88 - \$0.94	\$1,280 - \$1,370	0%

* Adaptive Reuse

902 Evergreen at Aubrey's Landing 16.2 miles to site



Address: 3305 Hutchinson Rd, Cumming, GA 30040
 Phone: (678) 658-2666 Contact: Nelda (In Person)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 184 Year Built: 2000
 Vacant Units: 2 *AR Year:
 Occupancy: 98.9% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist:
 Rent Special: Two weeks of free rent

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

Notes: Does not accept HCV; Higher rent for renovated unit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	74	1	1,075	\$1.10 - \$1.19	\$1,180 - \$1,280	0%
2	2	G	92	1	1,301	\$1.03 - \$1.12	\$1,345 - \$1,455	0%
3	2	G	18	0	1,579	\$0.95 - \$1.02	\$1,505 - \$1,605	0%

* Adaptive Reuse

904 Highland Trace 14.2 miles to site



Address: 14 Adair Cir, Dahlonega, GA 30533
 Phone: (706) 867-0416 Contact: Jamie (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 79 Year Built: 2017
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3,4
 Waitlist:
 Rent Special:

Ratings
 Quality: A
 Neighborhood: B
 Access/Visibility: B/C

Notes: Tax Credit; Accepts HCV



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; W/D; Window Treatments; Flooring (Hardwood)

Property Amenities: Business Center (Computer); Clubhouse; On-Site Management; Recreation Areas (Picnic Table / Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	820	\$0.52	\$430	50%
1	1	G	12	0	820	\$0.66	\$540	60%
2	2	G	8	0	1,054	\$0.49	\$520	50%
2	2	G	31	0	1,054	\$0.59	\$625	60%
3	2	G	4	0	1,218	\$0.50	\$615	50%
3	2	G	20	0	1,218	\$0.57	\$700	60%

* Adaptive Reuse

908 Willows of Cumming 15.0 miles to site



Address: 225 Nancy Ln, Cumming, GA 30040
 Phone: (770) 886-0230 Contact: Maria (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 156 Year Built: 1996
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: 40 HH;
 Rent Special:

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

Notes: Tax Credit; HCV (8 units)



Features And Utilities

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

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

Property Amenities: Clubhouse; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Playground, Outdoor Swimming Pool); Extra Storage

Parking Type: Surface Lot

Unit Configuration

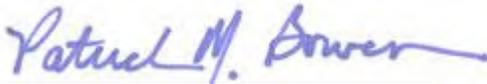
Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	16	0	708	\$1.12	\$790	60%
2	2	G	116	0	929	\$1.02	\$946	60%
3	2	G	24	0	1,169	\$0.93	\$1,086	60%

* Adaptive Reuse

Addendum C – NCHMA Member Certification & Checklist

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

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



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: June 23, 2020



Craig Rupert (Primary Contact)
Market Analyst
craigr@bowennational.com
Date: June 23, 2020

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

Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Dawsonville, Georgia by Peaks of Dawsonville, L.P. (developer).

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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

4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Peaks of Dawsonville	2022	80	-	12 (-)	40 (-)	28 (-)
1	Crossings of Dawsonville	2019	216	82.9%	60 (100.0%)	130 (77.7%)	26 (69.2%)
2	Dawson Forest	1998	268	98.9%	28 (92.9%)	160 (100.0%)	80 (98.8%)
3	Falls at Forsyth	2018	356	89.0%	161 (99.4%)	195 (80.5%)	-
901	Columns at Pilgrim Mill	2007	238	98.3%	71 (97.2%)	143 (98.6%)	24 (100.0%)
902	Evergreen at Aubrey's Landing	2000	184	98.9%	74 (98.6%)	92 (98.9%)	18 (100.0%)

Occ. – Occupancy

900 Series Map IDs are located outside the Site PMA

The five selected market-rate projects have a combined total of 1,262 units with an overall occupancy rate of 93.3%. While two of the properties surveyed in the Dawsonville Site PMA report occupancy rates below 90.0%, these are attributed to units still in lease-up and the impact of the COVID-19 pandemic. Nonetheless, as these are two of the newest market-rate properties in the area and have generally been well-received, they have been included in our analysis and will provide a good benchmark with which to compare the subject property.

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



Dawsonville, GA Comparable Market-rate Property Locations

- Site
- Apartments
- Mkt-Rate



Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Columns at Pilgrim Mill		Evergreen at Aubrey's Landing	
65 North 400 Center Lane		117 Dawson Ave		100 Green Forest Dr		5310 Falls Dr		2090 Columns Dr		3305 Hutchinson Rd	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA		Cumming, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,165		\$1,178		\$1,207		\$1,090		\$1,280	
2	Date Surveyed	Jun-20		Jun-20		Jun-20		Jun-20		Jun-20	
3	Rent Concessions	None		None		Yes (\$101)		None		Yes (\$49)	
4	Occupancy for Unit Type	100%		93%		99%		96%		99%	
5	Effective Rent & Rent/ sq. ft	\$1,165	1.41	\$1,178	1.51	\$1,106	1.50	\$1,090	1.37	\$1,231	1.15
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		WU/2,3		WU/2,3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2022	\$3	1998	\$24	2018	\$4	2007	\$15	2000	\$22
8	Condition/Street Appeal	E		E		E		G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	832	\$1	778	\$19	735	\$34	798	\$12	1075	(\$85)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		N	\$15	C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU/L	\$25	HU	\$25
19	Floor Coverings	C/V		W		C/V		C		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		Y	(\$3)	N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Features	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F	(\$12)	P/F/S/MT	(\$18)	P/F	(\$12)	P/F	(\$12)
29	Computer/Business Center	N	(\$3)	N		N		Y	(\$3)	Y	(\$3)
30	Picnic Area/Grills	Y		N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N		N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg		
40	# Adjustments B to D	6	2	8	2	4	2	6	3	3	4
41	Sum Adjustments B to D	\$42	(\$18)	\$89	(\$15)	\$46	(\$23)	\$87	(\$20)	\$52	(\$105)
42	Sum Utility Adjustments			\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$24	\$60	\$89	\$119	\$38	\$84	\$82	\$122	(\$38)	\$172
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,189		\$1,267		\$1,144		\$1,172		\$1,193	
45	Adj Rent/Last rent		102%		108%		103%		108%		97%
46	Estimated Market Rent	\$1,190		\$1.43 ←		Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Columns at Pilgrim Mill		Evergreen at Aubrey's Landing	
65 North 400 Center Lane		117 Dawson Ave		100 Green Forest Dr		5310 Falls Dr		2090 Columns Dr		3305 Hutchinson Rd	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA		Cumming, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,465		\$1,174		\$1,447		\$1,270		\$1,455	
2	Date Surveyed	Jun-20		Jun-20		Jun-20		Jun-20		Jun-20	
3	Rent Concessions	None		None		Yes (\$121)		None		Yes (\$56)	
4	Occupancy for Unit Type	78%		100%		81%		99%		99%	
5	Effective Rent & Rent/ sq. ft	\$1,465	1.28	\$1,174	1.06	\$1,326	1.00	\$1,270	1.04	\$1,399	1.08
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/4		WU/2,3		WU/2,3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2022	\$3	2019	\$3	1998	\$24	2018	\$4	2007	\$15
8	Condition/Street Appeal	E		E		E		G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	919	(\$63)	1146	(\$63)	1109	(\$53)	1325	(\$113)	1226	(\$86)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		N	\$15	C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU/L	\$25	HU	\$25	W/D	\$25	HU/L	\$25
19	Floor Coverings	C/V		C/L		W		C/V		C	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		Y	(\$3)	N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y	\$5	Y		Y	
26	Security Features	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F/MT	(\$15)	P/F	(\$12)	P/F/S/MT	(\$18)	P/F	(\$12)
29	Computer/Business Center	N	(\$3)	Y	(\$3)	N		N	(\$3)	Y	(\$3)
30	Picnic Area/Grills	Y		Y		N	\$3	Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	3	7	3	3	3	5	4	3	4
41	Sum Adjustments B to D	\$41	(\$81)	\$70	(\$68)	\$12	(\$136)	\$75	(\$106)	\$52	(\$127)
42	Sum Utility Adjustments			\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$40)	\$122	\$17	\$153	(\$109)	\$163	(\$16)	\$196	(\$60)	\$194
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,425		\$1,191		\$1,217		\$1,254		\$1,339	
45	Adj Rent/Last rent		97%		101%		92%		99%		96%
46	Estimated Market Rent	\$1,270	\$1.38 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Dawsonville		Crossings of Dawsonville		Dawson Forest		Falls at Forsyth		Columns at Pilgrim Mill		Evergreen at Aubrey's Landing	
65 North 400 Center Lane		117 Dawson Ave		100 Green Forest Dr		5310 Falls Dr		2090 Columns Dr		3305 Hutchinson Rd	
Dawsonville, GA		Dawsonville, GA		Dawsonville, GA		Cumming, GA		Cumming, GA		Cumming, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,695		\$1,483		\$1,447		\$1,325		\$1,605	
2	Date Surveyed	Jun-20		Jun-20		Jun-20		Jun-20		Jun-20	
3	Rent Concessions	None		None		Yes (\$121)		None		None	
4	Occupancy for Unit Type	69%		99%		81%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,695	1.22	\$1,483	1.08	\$1,326	1.00	\$1,325	0.91	\$1,605	1.02
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/2,3		WU/2,3		WU/2,3,4		WU/2,3	
7	Yr. Built/Yr. Renovated	2022	\$3	1998	\$24	2018	\$4	2007	\$15	2000	\$22
8	Condition/Street Appeal	E		E		E		G	\$15	E	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		2	\$50	3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1163	(\$59)	1378	(\$57)	1325	(\$43)	1461	(\$79)	1579	(\$110)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		N	\$15	C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		N/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU/L	\$25	W/D		HU/L	\$25	HU	\$25
19	Floor Coverings	C/V		C/L		W		C		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N	(\$3)	N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	Y/Y	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Features	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Community Space	Y		Y		Y		Y		Y	
28	Pool/Recreation Areas	G	(\$15)	P/F/MT	(\$12)	P/F/S/MT	(\$18)	P/F	(\$12)	P/F	(\$12)
29	Computer/Business Center	N	(\$3)	Y		N		Y	(\$3)	Y	(\$3)
30	Picnic Area/Grills	Y		Y	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	3	7	3	4	3	5	4	3	4
41	Sum Adjustments B to D	\$41	(\$77)	\$70	(\$72)	\$62	(\$66)	\$75	(\$99)	\$52	(\$130)
42	Sum Utility Adjustments			\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$36)	\$118	\$13	\$157	\$11	\$143	(\$9)	\$189	(\$63)	\$197
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,659		\$1,496		\$1,337		\$1,316		\$1,542	
45	Adj Rent/Last rent		98%		101%		101%		99%		96%
46	Estimated Market Rent	\$1,480	\$1.27 ←	Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$1,190 for a one-bedroom unit, \$1,270 for a two-bedroom unit and \$1,480 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$630	\$1,190	47.1%
One-Br.	60%	\$775	\$1,190	34.9%
Two-Br.	50%	\$755	\$1,270	40.6%
Two-Br.	60%	\$930	\$1,270	26.8%
Three-Br.	50%	\$860	\$1,480	41.9%
Three-Br.	60%	\$1,015	\$1,480	31.4%

The proposed collected rents represent market rent advantages ranging from 26.8% to 47.1%, depending on bedroom type and targeted income level. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will represent a value and have a sufficient flow of tenants within the market. As such, the proposed rents should represent significant values for the local market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
3. Two of the selected properties are offering rent concessions for their available units. The values of these concessions have been prorated over a 12-month period and applied as a negative adjustment which is reflected in effective rent (Line 5) for these properties.

7. The subject property is expected to be complete in 2022. The selected properties were built between 1998 and 2019. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider having an inferior quality to the subject development.
10. Two of the selected properties are located outside of the Site PMA due to the limited supply of conventional comparable market-rate product in the Dawsonville market. These properties are, however, located in the nearby Cumming area south of the Site PMA, portions of which are located in the Site PMA. Due to the proximity of these properties to the subject market and the similarity of the markets in which these properties are located compared to the subject property, out of market adjustments were not warranted and have not been applied in the preceding Rent Comparability Grids.
11. One of the selected properties does not offer three-bedroom units. Thus, we have utilized the next most comparable floor plan (two-bedroom) as a comparable for the subject's three-bedroom units. A positive adjustment of \$50 has been applied to account for the additional defined bedroom within the subject's three-bedroom units.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package similar to the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a project amenities package which is generally considered inferior to those offered among the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property, as needed. The utility adjustments were based on the local housing authority's utility cost estimates.