

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

**EAST
ORCHARD
ELDERLY**

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: EAST ORCHARD ELDERLY

110 Nancy Drive
Hartwell, Hart County, Georgia 30643

Effective Date: October 29, 2020
Report Date: November 10, 2020

Prepared for:
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Valdosta, GA 31601

Prepared by:
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November 10, 2020

Mr. Steve Johnson
TISHCO Development, LLC
314 N Patterson Street
Valdosta, GA 31601

Re: Application Market Study for East Orchard Elderly, located in Hartwell, Hart County, Georgia

Dear Mr. Johnson:

At your request, Novogradac Consulting LLP performed a study of the multifamily rental market in the Hartwell, Hart County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of the LIHTC rehabilitation of East Orchard Elderly (Subject), an existing 24-unit senior (55+) USDA Rural Development (RD) property. The Subject offers 24 revenue generating one-bedroom units. Following renovation using the LIHTC program, all of the units at the property will be restricted to households earning 60 percent of the Area Median Income (AMI), or less. Further, all of the units will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent, not to exceed maximum allowable levels. It should be noted that we previously completed an application market study on the Subject in October 2019. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

Novogradac Consulting LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA).

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of

the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report is completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

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

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

- Clients and market participants throughout the country report April through October collections that were better than expected for all types of multifamily properties. According to a report from the National Multifamily Housing Council, October 2020 rent collections were only down by 2.4 percentage points year over-year from October 2019. According to Apartment List's housing payment survey, 69 percent of renters made an on-time rent payment in the first week of October, the third straight month showing minor improvement and the highest on-time payment rate since April. Although one-in-three renters did not pay their rent in the first week of the month, the majority of these missed payments are made up with late payments by the end of the month. A significant change in the market is not yet discernible and we continue to be relatively optimistic about the market's ability to weather the current economic storm.
- Based upon various conversations with market participants and published articles and webinars many believe that multi-family real estate will be impacted but significantly less so than other sectors. Further, the impact is expected be shorter lived. Many view multi-family as a safer haven during this period of uncertainty.
- Novogradac maintains a proprietary database of operating results from our surveys of affordable and market rate properties. The database was implemented in 2005 and contains over 100,000 individual properties. The national occupancy rate for two-bedroom, 60 percent LIHTC properties dipped slightly during the Great Recession, but began a rebound after 2009. In 2008, the occupancy rate was at 96.3 percent and it dropped less than one percentage point during the slowdown, dropping to 95.4 percent in 2009 before beginning a gradual increase that slowed between 2016 and 2018 but continued through 2019. We do not suggest this prior recession will be the same as the current economic situation but this data supports the point made above and illustrates the resilience in the affordable housing sector.
- States are starting to plan the reopening over the next several weeks to a month. As of May 5, Georgia has loosened stay at home restrictions with the exception of those 65 and older and other

STEVE JOHNSON
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NOVEMBER 9, 2020

at-risk individuals and has allowed many non-essential businesses to re-open. That should open various job segments creating more stability and demand.

- The Subject will likely avoid impact as it is affordable housing, which is somewhat insulated from economic drop. Additionally, construction on the Subject is not anticipated to be completed until May 2022, which is considered outside of the primary window from the pandemic.

Of note, despite the challenges in interviewing property managers in-person due to the office restrictions related to COVID-19, we were able to personally interview all of the comparables utilized in this report over the phone. Eight of the nine surveyed property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.

The contact at Hamptons Apartments stated collections have not been negatively impacted by COVID-19 and arrangements have been made with the small number of tenants that may have gotten behind on rent payments due to furloughs or job losses, additionally, foot traffic has decreased by 25 percent.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,
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A. TABLE OF CONTENTS

TABLE OF CONTENTS

A. Table of Contents	1
B. Executive Summary	3
Executive Summary.....	4
C. Project Description	10
Project Description.....	11
D. Site Evaluation	15
E. Market Area	27
Primary Market Area	28
F. Community Demographic Data	30
Community Demographic Data	31
G. Employment Trends	37
H. Project-Specific Affordability and Demand Analysis	49
I. Existing Competitive Rental Environment	62
J. Absorption and Stabilization Rates	80
Absorption and Stabilization Rates.....	81
K. Interviews	82
L. Conclusions and Recommendations	84
Conclusions	85
M. Signed Statement Requirements	89
Photographs of Subject and Neighborhood	95

Addendum

B. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

East Orchard Elderly is an existing senior (55+) property located at 110 Nancy Drive in Hartwell, Hart County, Georgia 30643, which consists of five, one-story, residential buildings and one community building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent	2020 HUD Fair Market Rents
@60% (Rural Rental Assistance Program - RRAP)							
1BR / 1BA	650	24	\$700	\$107	\$807	\$700	\$506
		24					

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

The Subject’s proposed contract rents are set above the 2020 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior to slightly inferior property amenities. The Subject will offer pull cords and exterior storage, which many comparables lack and are amenities that seniors desire. However, the Subject will not offer a business center, community room, exercise facility, or playground, which is offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place.

2. Site Description/Evaluation

The Subject site is located on the south side of Nancy Drive. The Subject site has good visibility and accessibility from Nancy Drive. Surrounding uses consist of commercial, single-family uses, and multifamily developments, as well as vacant land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 25 out of 100. Crime indices in the Subject’s area are below the SMA and the nation. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, most of which are within 1.0 mile of the Subject site.

3. Market Area Definition

The PMA is defined by the South Carolina state border to the north, the Franklin and Stephens County line and Augusta Road to the west, Mineral Springs Road, Martin Luther King Jr Boulevard, and Ruckersville Road to the south and Ruckersville Road, Anderson Highway, and the South Carolina state border to the east. This area includes portions of the Cities of Hartwell, Elberton, Bowman, Lavonia, Royston, Bowersville, and Gumlog. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

- North: 10 miles
- East: 12 miles
- South: 19 miles
- West: 17 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. Many property managers indicated that a significant portion

of their tenants come from within the Hart County area though some come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 19 miles. The SMA is defined as Hart, Elbert, Madison, Franklin, and Stephens Counties in Georgia, and Anderson County in South Carolina. The SMA encompasses 2,123 square miles.

4. Community Demographic Data

The senior population in the PMA increased by 1.9 percent between 2010 and 2019, compared to the 2.8 percent increase in the regional SMA and 3.0 percent increase across the overall nation. The percentage of senior households in the PMA grew at a rate of 1.9 percent per year between 2010 and 2019, which was less than the SMA and the nation during the same time period. Over the next five years, the senior household growth in the PMA and SMA is expected to continue though it will lag the national household growth. The current population of the PMA is 14,705 and is expected to be 15,329 in 2022. The current number of senior households in the PMA is 8,727 and is expected to be 9,033 in 2022. Renter households are concentrated in the lowest income cohorts, with 63.3 percent of renters in the PMA earning less than \$29,999 annually. The Subject's LIHTC units, with subsidy, will target tenants earning between \$0 and \$29,880. Absent subsidy, the Subject would target tenants earning between \$16,260 and \$29,880. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to RealtyTrac statistics, one in every 13,947 housing units nationwide was in some stage of foreclosure as of September 2020. Georgia experienced one foreclosure in every 10,302 housing units. RealtyTrac did not provide foreclosure data for the City of Hartwell and Hart County. However, the Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

5. Economic Data

Employment in the PMA is concentrated in the manufacturing, retail/trade, and healthcare/social assistance industries, which collectively comprise 49.2 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. This has been evident during the COVID-19 pandemic. The manufacturing industry has experienced a negative impact on demand, production, and revenues over the past several months. Many manufacturing jobs are on-site and cannot be carried out remotely. Additionally, slowed economic activity as a result of the shutdown has reduced demand for industrial products in the United States and globally. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, agriculture/forestry/fishing/hunting, and construction industries. Conversely, the PMA is underrepresented in the professional/scientific/technical services, accommodation/food services, and finance/insurance industries.

Prior to the national recession, average employment growth in the SMA generally trailed the nation. Annual job growth in the SMA lagged the nation in all but one year between 2002 and 2007. The effects of the recession were particularly pronounced in the SMA, which suffered a 10.6 percent contraction in employment growth (2008-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, three years after the overall nation. Due to the COVID-19 pandemic, employment totals in the 12-month period prior to August 2020 saw a decrease of 1.5 percent, compared to a decrease of 6.7 percent experienced by the nation over the same length of time. Employment growth is expected to be limited in the coming months as a

result of the COVID-19 pandemic. Georgia has begun to re-open its restaurants, gyms, and other indoor venues as of April 2020, however, return to full economic potential is unlikely while the global health crisis continues.

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

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$0	\$29,880	24	345	0	345	7.0%	\$700
1BR @60% (Absent Subsidy)	\$16,260	\$29,880	24	145	0	145	16.6%	\$700

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. According to Georgia DCA, all subsidized units are considered leasable; thus, the capture rate in the absent subsidy scenario is moot. Therefore, we believe there is adequate demand for the Subject.

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 960 units.

The availability of LIHTC data is considered limited. We included the only two unsubsidized LIHTC properties within the PMA, Chandler Trace and Juniper Court, and two family LIHTC properties from outside the PMA. The LIHTC and mixed-income comparables are located between 0.3 and 26.3 miles of the Subject. Fern Point Apartments and Heather Highlands are located 26.3 and 13.4 miles from the Subject in Toccoa and Royston, respectively. These locations are similar to the Subject with respect to median rents. These are considered reasonable proxies as they are among the most proximate non-subsidized LIHTC comparables that offer a similar unit mix as the Subject and agreed to participate in our survey. The comparables were built between 2009 and 2020.

The availability of market rate data is considered limited. We were unable to identify any market rate rental properties within the PMA that offer one-bedroom units. We include five conventional properties, one of which targets seniors, in our analysis of the competitive market between 18.7 and 20.3 miles from the Subject in Anderson, South Carolina and Elberton, Georgia. Anderson is slightly superior to the Subject with respect to median rents and Elberton is slightly inferior in terms of median rent. These are considered reasonable proxies as they are among the most proximate non-subsidized conventional comparables that offer a similar unit mix as the Subject and agreed to participate in our survey. These comparables were built or renovated between 2003 and 2019. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types.

Of note, despite the challenges in interviewing property managers in-person due to the office restrictions related to COVID-19, we were able to personally interview all of the comparables utilized in this report over the phone. Eight of the nine surveyed property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.

The contact at Hamptons Apartments stated collections have not been negatively impacted by COVID-19 and arrangements have been made with the small number of tenants that may have gotten behind on rent payments due to furloughs or job losses, additionally, foot traffic has decreased by 25 percent.

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @60%	\$435	\$375	\$1,051	\$696	60%

The Subject’s proposed 60 percent AMI rents, absent rental subsidies, are below the average of the surveyed comparables.

Shadow Creek Apartments is achieving the highest one-bedroom unrestricted rents in the market. The Subject will be inferior to Shadow Creek Apartments as a market-rate property upon completion of renovations. Shadow Creek Apartments was built in 1999, underwent renovations in 2019, and exhibits good condition, which is similar to the anticipated good condition of the Subject upon completion of renovations. Shadow Creek Apartments is located 20.3 miles from the Subject and offers a slightly superior location. Shadow Creek Apartments offers superior property amenities as it offers a business center, community room, playground, and swimming pool, which the Subject will not offer. This property offers slightly superior in-unit amenities when compared to the Subject as it offers fireplaces, vaulted ceilings, and walk-in closets, which the Subject will not offer, though it lacks pull cords and exterior storage, which the proposed Subject will offer and are amenities that seniors desire. This property offers slightly superior unit sizes in comparison to the Subject. The lowest one-bedroom unrestricted rents at Shadow Creek Apartments are approximately 112 percent higher than the Subject’s one-bedroom rents at 60 percent AMI, absent rental assistance.

8. Absorption/Stabilization Estimate

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

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Chandler Trace	LIHTC/Market	Senior	2020	52	26
Heather Highlands	LIHTC	Family	2013	40	10
Juniper Court	LIHTC/Market	Family	2009	52	10

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Chandler Trace is a senior LIHTC development located 1.1 miles from the Subject site in Hartwell. This property opened in January 2020 and experienced an absorption rate of 26 units per month. Heather Highlands is a LIHTC development located 13.4 miles from the Subject site in Royston, Georgia. This property opened in October 2013 and experienced an absorption rate of ten units per month. Juniper Court is a mixed-income property located 0.3 miles from the Subject site in Hartwell, Georgia. This property also demonstrated an absorption rate of ten units per month. All three properties are fully-occupied and maintain waiting lists that range from 30 to 75 households in length. This indicates there is strong demand for affordable housing in the area. Post-renovations, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 25 units per month, for an absorption period of one month if it were hypothetically vacant. We placed most weight on Chandler Trace as it is the most recently constructed and the only senior comparable reporting absorption data.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. There are no vacancies among the LIHTC comparables. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior to slightly inferior property amenities. The Subject will offer pull cords and exterior storage, which many comparables lack and are amenities that seniors desire. However, the Subject will not offer a business center, community room, exercise facility, or playground, which is offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered slightly inferior to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject’s strong current performance, its anticipated good condition upon completion of renovations, and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well.

EAST ORCHARD ELDERLY – HARTWELL, GEORGIA – MARKET STUDY

Summary Table: (must be completed by the analyst and included in the executive summary)										
Development Name:		East Orchard Elderly - As Proposed						Total # Units:		24
Location:		110 Nancy Drive Hartwell, GA 30643						# LIHTC Units:		24
PMA Boundary: North: South Carolina state border; South: Mineral Springs Road, Martin Luther King Jr Boulevard, and Ruckersville Road; East: Ruckersville Road, Anderson Highway, and the South Carolina state border; West: Franklin and Stephens County line and Augusta Road Farthest Boundary Distance to Subject: 19 miles										
Rental Housing Stock (found on page 61)										
Type	# Properties*	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	16	739	4	99.5%						
Market-Rate Housing	2	73	4	94.5%						
Assisted/Subsidized Housing not to include LIHTC	11	578	0	100.0%						
LIHTC	3	88	0	100.0%						
Stabilized Comps	16	739	4	99.5%						
Properties in Construction & Lease Up	0	0	N/Ap	N/Ap						
*Only includes properties in PMA										
Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent		
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent**	Per Unit	Per SF	Advantage	Per Unit	Per SF	
24	1BR at 60% AMI	1	650	\$435	\$696	\$1.07	60%	\$1,051	\$1.31	
Capture Rates (found on page 59)										
Targeted Population				@60%	@60% Absent Subsidy	-	-	-	-	
Capture Rate:				7.0%	16.7%	-	-	-	-	

*Includes LIHTC and unrestricted (when applicable)

**Achievable LIHTC rents assuming no rental assistance

C. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject is located at 110 Nancy Drive in Hartwell, Hart County, Georgia 30643.
- 2. Construction Type:** The Subject consists of five, one-story, residential buildings and one community building. The Subject will be a rehabilitation of an existing property.
- 3. Occupancy Type:** Housing for Older Persons ages 55 and older.
- 4. Special Population Target:** None.
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

EAST ORCHARD ELDERLY – HARTWELL, GEORGIA – MARKET STUDY

East Orchard Elderly - As Proposed												
Location	110 Nancy Drive Hartwell, GA 30643 Hart County											
Units	24											
Vacant Units	1											
Vacancy Rate	4.2%											
Type	One-story (age-restricted)											
Year Built / Renovated	1990 / n/a											
Market												
Program	@60% (Rural Rental Assistance Program - RRAP)					Leasing Pace	n/a					
Annual Turnover Rate	n/a					Change in Rent (Past Year)	n/a					
Units/Month Absorbed	n/a					Concession	n/a					
Section 8 Tenants	n/a											
Utilities												
A/C	not included – central					Other Electric	not included					
Cooking	not included – electric					Water	included					
Water Heat	not included – electric					Sewer	included					
Heat	not included – electric					Trash Collection	included					
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	One-story	24	650	\$700	\$0	@60% (RRAP)	n/a	1	4.2%	n/a	
Amenities												
In-Unit	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Exterior Storage Ceiling Fan Microwave Oven Pull Cords Refrigerator Washer/Dryer hookup					Security	none					
Property	Central Laundry Off-Street Parking On-Site Management Recreation Areas					Premium	none					
Services	none					Other	Gazebo					

This is an existing age-restricted (55 and older) USDA property proposed for renovations with LIHTC. Renovations are proposed to begin in November 2021 and be completed in May 2022. Post renovations, all units at the property will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent, not to exceed maximum allowable LIHTC levels. The proposed utility allowance is \$107 for the one-bedroom units.

10. Scope of Renovations:

The Subject is existing and will be renovated. Hard costs of renovations are expected to be \$1,116,288 or \$46,512 per unit. The scope of renovations is detailed as follows:

- New microwaves
- New dishwashers
- New central laundry facility
- Addition of handicap accessible entrances
- Addition of site fencing
- Replacement of Mail Kiosk
- Replacement of exterior signs
- Replacement of curbs, gutters, and sidewalks
- Replacement of existing brick point-up
- Replacement of stair stringers, metal decking, handrails, and structural steel
- Replacement of framing, sheathing, and decking
- Replacement of STUCCO siding
- Installation of new vinyl windows
- Replacement of weather stripping
- Replacement of site lighting with LED lighting
- Repaving of the parking lot
- Replacement of the roof
- Replacement of the curtain wall
- Replacement of windows
- Replacement of solid core wood doors in all units
- Painting and patching of interior drywall
- Replacement of carpeting
- Replacement of plumbing
- Replacement of air conditioning units
- Replacement of interior hollow-core doors
- Replacement of flooring
- Replacement of electrical systems
- Replacement of ovens in all units
- Replacement of refrigerators in all units
- Replacement of kitchen countertops in all units
- Refinishing of kitchen cabinet doors and drawers
- Replacement of bathroom fixtures

Current Rents:

According to information provided by the client, the current rents for all revenue generating units at the Subject are based on 30 percent of resident incomes, as the Subject operates as a Rental Rural Assistance development.

Current Occupancy:

The Subject is currently 95.8 percent occupied, as of the rent roll dated October 29, 2020. The vacant unit is being processed from the waiting list, which consists of two households. The Subject currently operates as a subsidized property. Following renovations, all units will continue to operate with a subsidy through the Rental

Rural Assistance Program (RRAP).

Current Tenant Income:

Most of the current tenants at the Subject have incomes that would be too low to income-qualify for the Subject without its current subsidy.

11. Placed in Service Date:

The Subject was originally built in 1990. Renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are scheduled to begin in November 2021 and be completed in May 2022.

Conclusion:

The Subject will consist of five good-quality brick siding one-story, residential buildings and one community building, comparable to most of the inventory in the area. As a renovated development, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

D.SITE EVALUATION

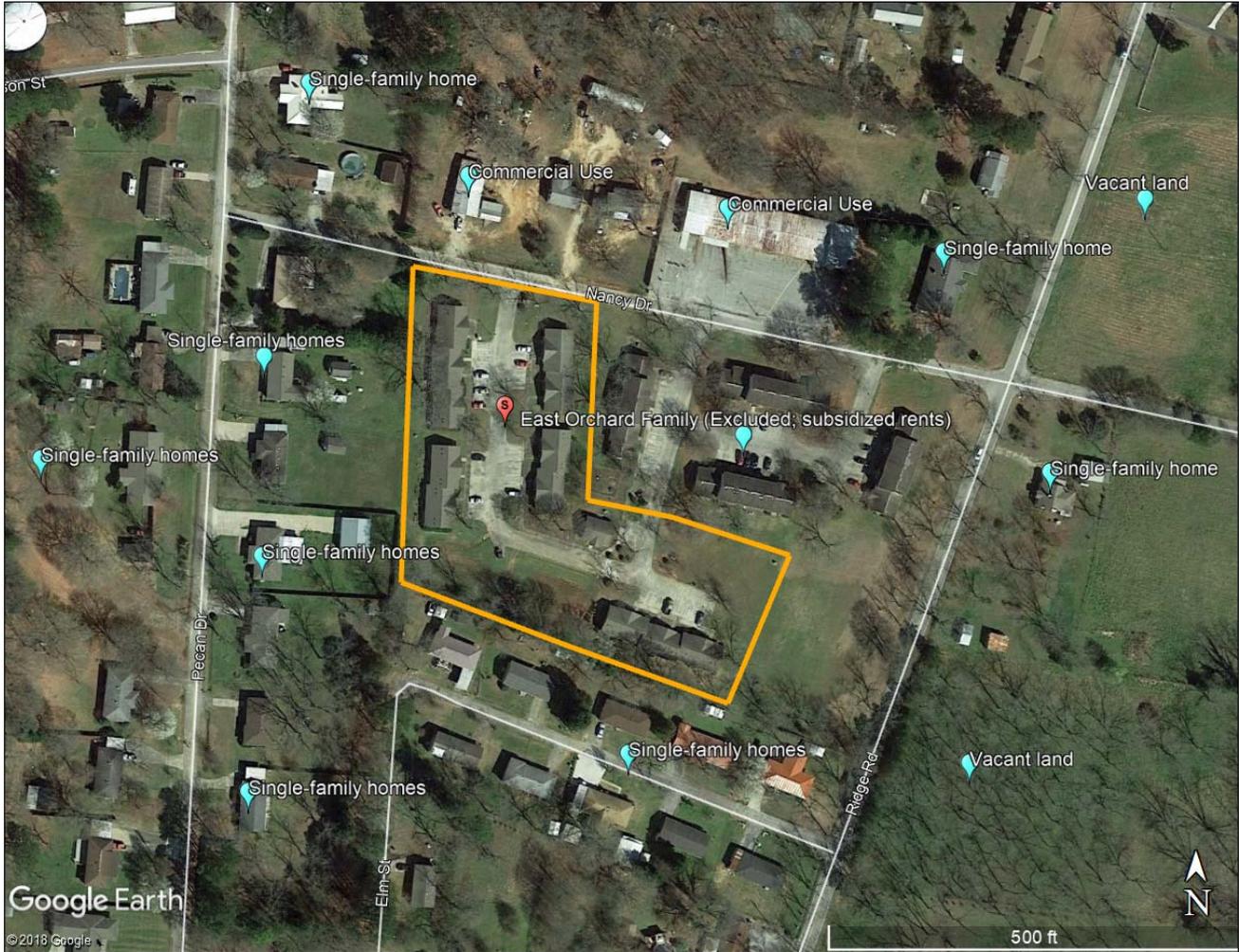
1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on October 29, 2020.

2. **Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along the south side of Nancy Drive.

Visibility/Views: The Subject has good visibility along the south side of Nancy Drive. Views consist of commercial uses and single-family homes in average condition to the north, a single-family home in average condition and East Orchard Family, the Subject’s sister property, to the east, and single-family homes in average condition to the south and west. It should be noted that the Subject’s sister property, East Orchard Family, has been excluded as a comparable for the purposes of this report as it offers subsidized rents.

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



Source: Google Earth, November 2020.

The Subject site is located on the south side of Nancy Drive.

Adjacent north of the Subject site are commercial uses and single-family homes in average condition. Farther north are single-family homes in average condition and vacant land. Adjacent east of the Subject site is a single-family home in average condition and East Orchard Family, the Subject's sister property. This property has been excluded as a comparable for the purposes of this report as it offers subsidized rents. Farther east are single-family homes in average condition and Juniper Court Apartments, a mixed-income senior property included as a comparable for the purposes of this report. Adjacent south and west of the Subject site are single-family homes in average condition. Farther south are single-family homes in average condition and commercial uses concentrated along E Franklin Street. Farther west are single-family homes in average condition. There are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by Walkscore with a rating of 25 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, most of which are within 1.0 mile of the Subject site.

Positive/Negative Attributes of Site:

The Subject's proximity to retail and other locational amenities, including a supermarket and senior center, as well as its surrounding uses, which are in average condition, are considered positive attributes.

3. Physical Proximity to Locational Amenities:

The Subject is located within 1.2 miles of all locational amenities, and most are within 1.0 mile.

4. Pictures of Site and Adjacent Uses:

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



View of Subject



View of Subject



View west on Nancy Drive



View east on Nancy Drive



Office at Subject property



Community room at Subject property



Typical bedroom at Subject property



Typical bathroom at Subject property



Typical kitchen at Subject property



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Medical use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



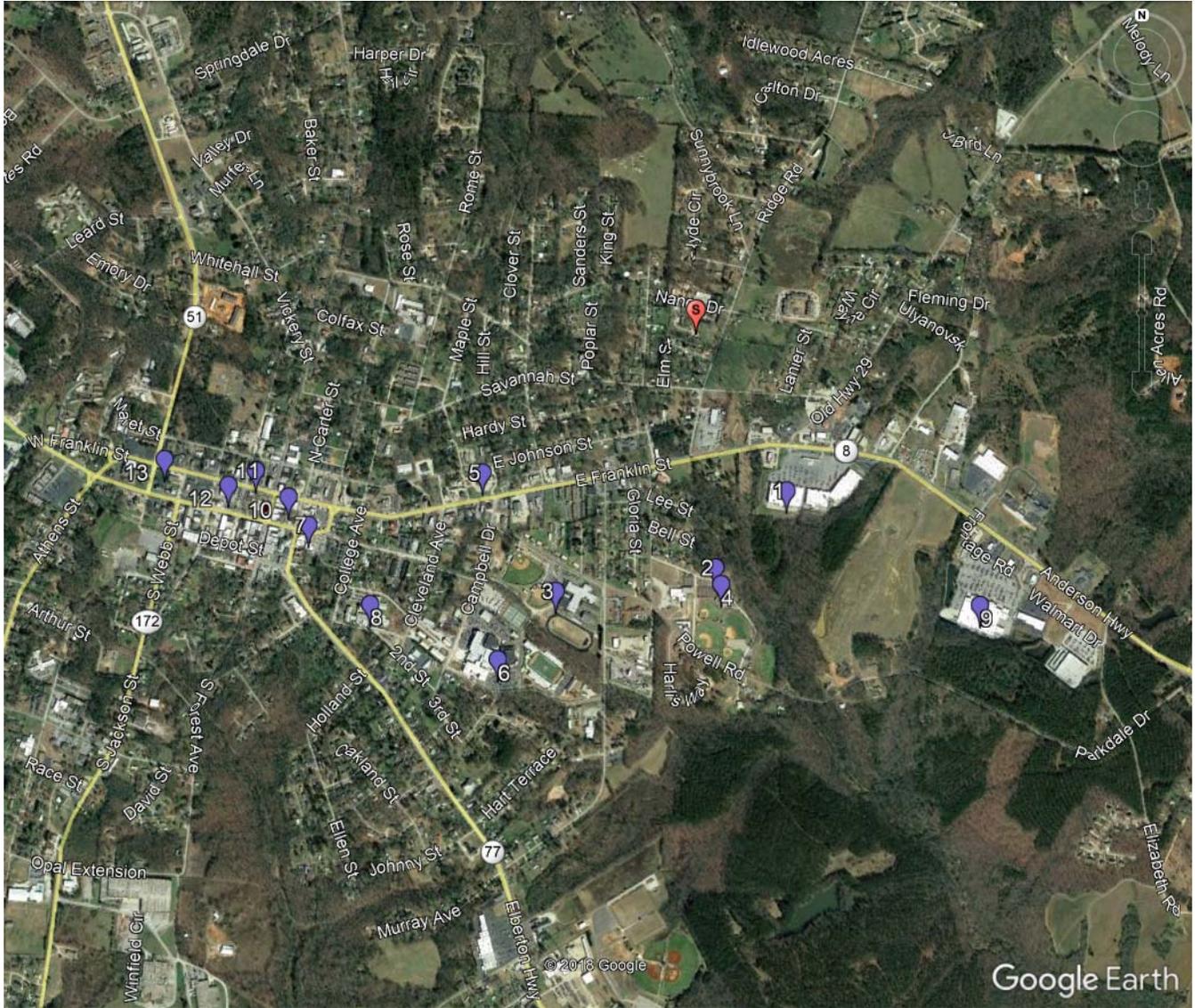
Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

5. Proximity to Locational Amenities:

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



Source: Google Earth, November 2020.

LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject (Crow)
1	Ingles	0.4 miles
2	Hart Senior Center	0.5 miles
3	Hart County Middle School	0.6 miles
4	Hart County Park	0.6 miles
5	Northeast Georgia Bank	0.6 miles
6	Hart County High School	0.8 miles
7	Hartwell Fire Department	0.9 miles
8	Hartwell Elementary School	0.9 miles
9	Walmart	0.9 miles
10	Hartwell Police Department	1.0 miles
11	U.S. Post Office	1.0 miles
12	CVS	1.1 miles
13	Reddy Urgent Care	1.2 miles

6. Description of Land Uses

The Subject site is located on the south side of Nancy Drive. Adjacent north of the Subject site are commercial uses and single-family homes in average condition. Farther north are single-family homes in average condition and vacant land. Adjacent east of the Subject site is a single-family home in average condition and East Orchard Family, the Subject’s sister property. This property has been excluded as a comparable for the purposes of this report as it offers subsidized rents. Farther east are single-family homes in average condition and Juniper Court Apartments, a mixed-income senior property included as a comparable for the purposes of this report. Adjacent south and west of the Subject site are single-family homes in average condition. Farther south are single-family homes in average condition and commercial uses concentrated along E Franklin Street. Farther west are single-family homes in average condition. There are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 25 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, most of which are within 1.0 mile of the Subject site.

7. Crime:

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

2019 CRIME INDICES

	PMA	SMA
Total Crime*	78	108
Personal Crime*	68	113
Murder	80	112
Rape	76	100
Robbery	25	53
Assault	89	144
Property Crime*	79	107
Burglary	96	125
Larceny	78	105
Motor Vehicle Theft	43	79

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

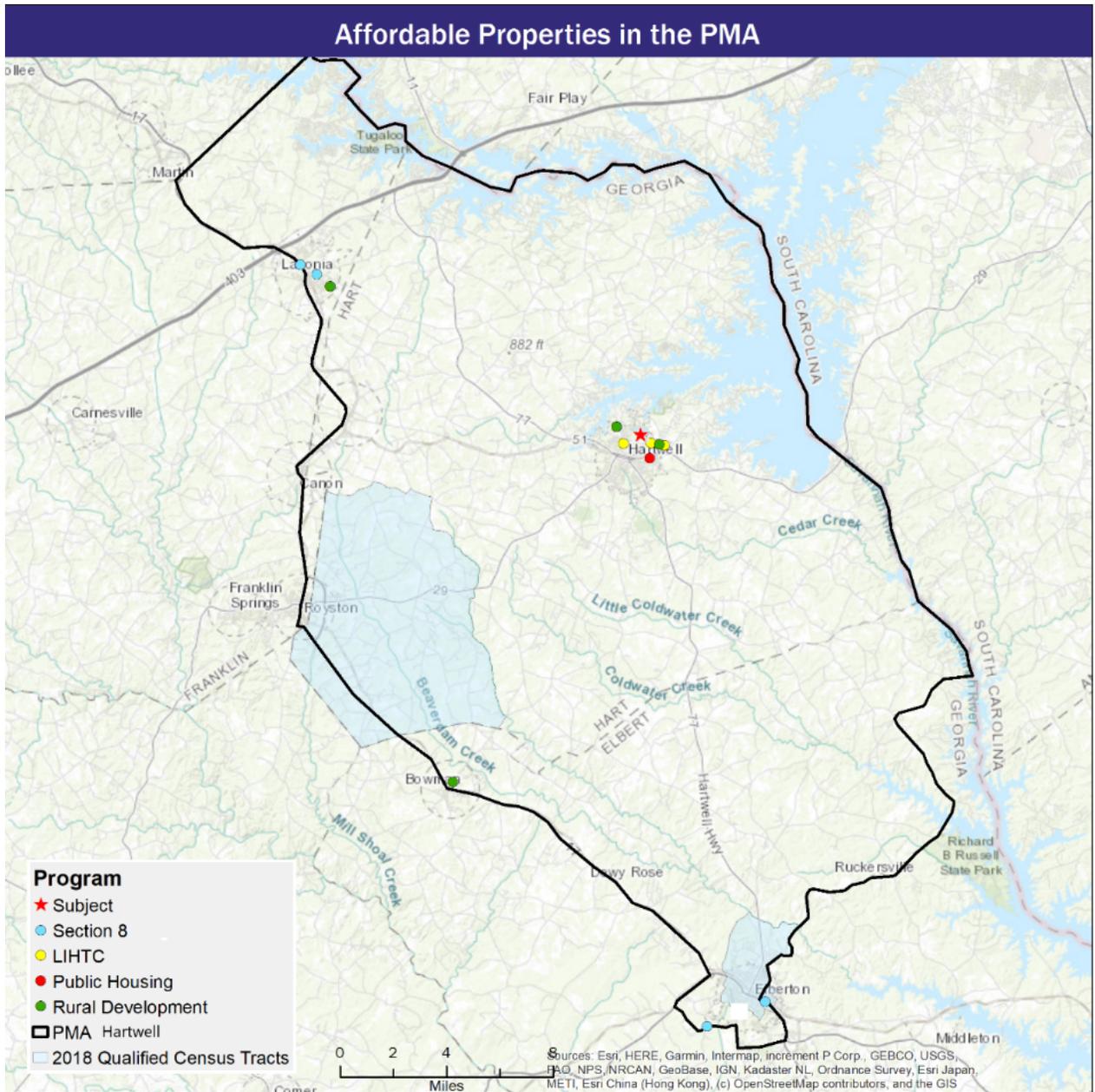
*Unweighted aggregations

Total crime indices in the PMA are below the surrounding SMA. The PMA features crime indices below the overall nation, while the SMA features crime indices slightly above the overall nation. The Subject does not offer any security features. Of the nine comparables, five do not offer any security features and are similar to the Subject. The comparables that do not offer security features demonstrate a weighted vacancy of 0.2 percent. Further, the Subject has historically performed well. Thus, the Subject offers generally similar security features to the comparable properties, which are performing well. The Subject’s security features appear to be market-oriented.

8. Existing Assisted Rental Housing Property Map: The following map and list identifies all assisted rental housing properties in the PMA.

AFFORDABLE PROPERTIES IN THE PMA

	Program	Location	Tenancy	# of Units	Distance from Subject	Map Color
East Orchard Elderly	Rural Development	Hartwell	Senior	24	-	Star
Havenwood Elberton	LIHTC	Elberton	Senior	50	17.8 miles	Yellow
Chandler Trace	LIHTC/Market	Hartwell	Senior	52	1.1 miles	
Juniper Court	LIHTC/Market	Hartwell	Senior	36	0.3 miles	
West Franklin Place	Public Housing	Hartwell	Family	180	0.5 miles	
Wood Lake Apts Bayrock Corp	Rural Development	Hartwell	Family	16	0.7 miles	Red
East Orchard Family	Rural Development	Hartwell	Family	26	0.1 miles	
Woodlake I and II	Rural Development	Hartwell	Family	30	1.4 miles	Green
Lavonia Village	Rural Development	Lavonia	Family	24	11.2 miles	
Willow Lane Apts	Rural Development	Bowman	Family	18	12.3 miles	
Sunny Brook Apartments	Section 8	Elberton	Family	130	18.2 miles	Blue
Lavonia Gardens	Section 8	Lavonia	Family	24	11.0 miles	
Lavonia Housing	Section 8	Lavonia	Family	101	12.4 miles	
Elberta Homes	Section 8	Elberton	Family	185	17.6 miles	
Ridgewood Hills Townhouse	Section 8	Lavonia	Family	24	11.7 miles	



9. Road, Infrastructure or Proposed Improvements:

We did not witness any road, infrastructure or proposed improvements during our field work.

10. Access, Ingress-Egress and Visibility of Site:

The Subject site can be accessed from Nancy Drive, which is a lightly trafficked two-lane street that traverses east/west and connects to Ridge Road approximately 0.1 miles to the east of the Subject. Ridge Road provides access to Highway 29 approximately 0.4 miles to the south. Highway 29 provides access to Athens, GA approximately 40 miles southwest of the Subject as well as Anderson, SC and Greenville, SC approximately 20 and 45 miles to the northeast, respectively. Additionally, Interstate 85 is located

approximately 15 miles northwest of the Subject. Overall, access and visibility are considered average.

11. Conclusion:

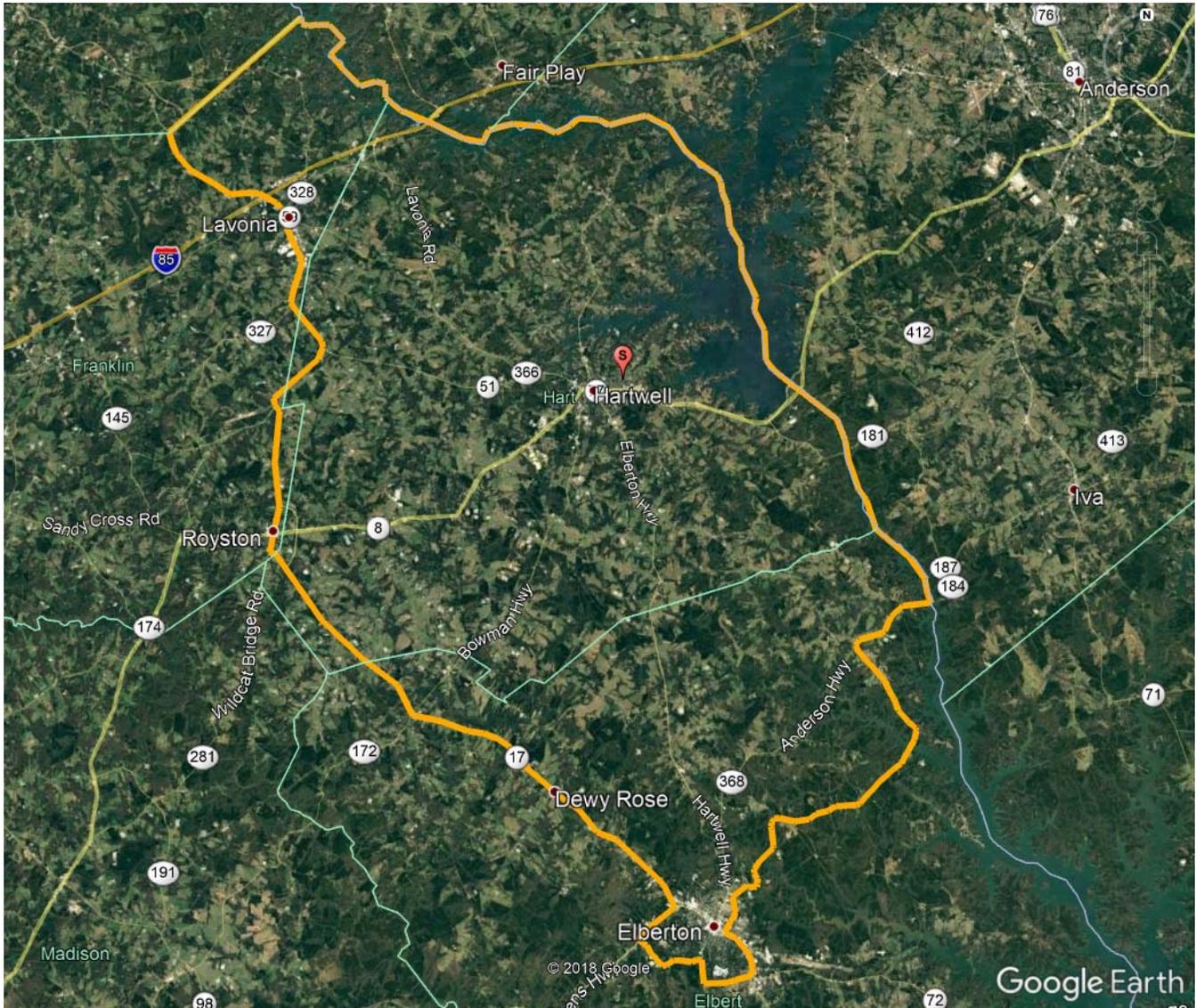
The Subject site is located on the south side of Nancy Drive. The Subject site has good visibility and accessibility from Nancy Drive. Surrounding uses consist of commercial, single-family uses, and multifamily developments, as well as vacant land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 25 out of 100. Crime indices in the Subject’s area are below the SMA and the nation. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average condition and the site has good proximity to locational amenities, most of which are within 1.0 mile of the Subject site.

E. MARKET AREA

PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

Primary Market Area Map



Source: Google Earth, September 2019.

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Secondary Market Area (SMA) are areas of growth or contraction.

The PMA is defined by the South Carolina state border to the north, the Franklin and Stephens County line and Augusta Road to the west, Mineral Springs Road, Martin Luther King Jr Boulevard, and Ruckersville

Road to the south and Ruckersville Road, Anderson Highway, and the South Carolina state border to the east. This area includes portions of the Cities of Hartwell, Elberton, Bowman, Lavonia, Royston, Bowersville, and Gumlog. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 10 miles

East: 12 miles

South: 19 miles

West: 17 miles

The PMA is defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from within the Hart County area though some come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 19 miles. The SMA (Secondary Market Area) is defined as Hart, Elbert, Madison, Franklin, and Stephens Counties in Georgia, and Anderson County in South Carolina. The SMA encompasses 2,123 square miles.

F. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and SMA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and SMA.

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within the population in the SMA, the PMA and nationally from 2000 through 2024.

Total Population

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

POPULATION						
Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	39,964	-	282,862	-	281,250,431	-
2010	39,562	-0.1%	308,884	0.9%	308,745,538	1.0%
2019	40,679	0.3%	332,623	0.8%	332,417,793	0.8%
Projected Mkt Entry						
May 2022	41,025	0.3%	339,722	0.8%	339,824,018	0.8%
2024	41,289	0.3%	345,151	0.8%	345,487,602	0.8%

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

SENIOR POPULATION, 55+						
Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	10,125	-	67,381	-	59,213,944	-
2010	12,516	2.4%	88,681	3.2%	76,750,713	3.0%
2019	14,705	1.9%	111,348	2.8%	97,974,761	3.0%
Projected Mkt Entry						
May 2022	15,329	1.5%	117,533	2.0%	102,562,420	1.7%
2024	15,807	1.5%	122,262	2.0%	106,070,630	1.7%

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

Historical senior population growth in the PMA trailed the SMA and the nation between 2000 and 2010. Senior population growth in the PMA slowed between 2010 and 2019, and grew by less than the SMA and the nation. According to ESRI demographic projections, annualized PMA growth will increase slightly to 1.5 percent through 2024, which is below the SMA and the overall nation. Overall, we believe that senior population growth in the PMA and SMA is a positive indication of demand for the Subject's units.

Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2019	Projected Mkt Entry May 2022	2024
0-4	2,559	2,503	2,306	2,291	2,280
5-9	2,787	2,401	2,432	2,390	2,358
10-14	2,935	2,485	2,442	2,511	2,564
15-19	2,678	2,551	2,134	2,298	2,423
20-24	2,253	2,183	2,019	1,915	1,836
25-29	2,477	2,133	2,513	2,187	1,937
30-34	2,708	2,105	2,456	2,413	2,380
35-39	2,972	2,344	2,351	2,429	2,489
40-44	3,028	2,550	2,156	2,279	2,373
45-49	2,754	2,872	2,477	2,363	2,275
50-54	2,682	2,919	2,688	2,621	2,569
55-59	2,201	2,720	2,945	2,838	2,757
60-64	1,961	2,749	2,992	3,057	3,106
65-69	1,823	2,233	2,814	2,931	3,021
70-74	1,454	1,714	2,354	2,474	2,565
75-79	1,221	1,397	1,643	1,888	2,075
80-84	766	902	1,002	1,144	1,252
85+	699	801	955	998	1,031
Total	39,958	39,562	40,679	41,026	41,291

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

POPULATION BY AGE GROUP

Age Cohort	SMA				
	2000	2010	2019	Projected Mkt Entry May 2022	2024
0-4	18,652	19,560	19,010	19,126	19,214
5-9	19,864	19,905	20,020	20,047	20,068
10-14	20,286	20,935	20,340	21,029	21,555
15-19	18,912	21,004	19,417	20,362	21,084
20-24	16,632	17,988	18,404	17,776	17,296
25-29	18,295	17,063	20,835	19,042	17,671
30-34	19,616	17,678	20,340	20,668	20,918
35-39	21,796	19,633	19,978	20,784	21,400
40-44	21,825	20,695	19,513	20,285	20,876
45-49	20,202	22,891	21,297	20,833	20,479
50-54	19,391	22,851	22,121	22,238	22,328
55-59	15,883	20,738	24,173	23,508	22,999
60-64	13,040	19,866	23,438	24,312	24,981
65-69	11,370	15,612	21,051	22,336	23,318
70-74	9,764	11,880	17,272	18,463	19,374
75-79	8,127	8,947	11,580	13,571	15,093
80-84	5,143	6,170	7,101	8,200	9,040
85+	4,054	5,468	6,733	7,143	7,457
Total	282,852	308,884	332,623	339,722	345,151

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

The largest age cohorts in the PMA are between 60 to 64 and 55 and 59 which indicates the presence of seniors.

Number of Elderly and Non-Elderly

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

Year	NUMBER OF ELDERLY AND NON-ELDERLY			Total Population	SMA	
	Total	PMA Non-Elderly	Elderly (55+)		Non-Elderly	Elderly (55+)
2000	39,964	29,839	10,125	282,862	215,481	67,381
2010	39,562	27,046	12,516	308,884	220,203	88,681
2019	40,679	25,974	14,705	332,623	221,275	111,348
Projected Mkt Entry May 2022	41,025	25,695	15,329	339,722	222,190	117,533
2024	41,289	25,482	15,807	345,151	222,889	122,262

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

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

2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, (e) Housing for Older Persons Households 55+, within the population in the SMA, the PMA and nationally from 2000 through 2024.

Total Number of Households and Average Household Size

The following tables illustrate the total number of households and average household size within the PMA, SMA and nation from 2000 through 2024.

Year	HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+					
	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	6,592	-	42,775	-	36,436,106	-
2010	7,416	1.3%	52,736	2.3%	45,892,723	2.6%
2019	8,727	1.9%	64,589	2.4%	56,080,840	2.4%
Projected Mkt Entry May 2022	9,033	1.2%	67,944	1.8%	59,190,054	2.0%
2024	9,267	1.2%	70,510	1.8%	61,567,688	2.0%

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

Year	AVERAGE HOUSEHOLD SIZE					
	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.53	-	2.51	-	2.59	-
2010	2.43	-0.4%	2.50	0.0%	2.58	-0.1%
2019	2.43	0.0%	2.52	0.1%	2.59	0.1%
Projected Mkt Entry May 2022	2.43	0.0%	2.52	0.0%	2.60	0.1%
2024	2.43	0.0%	2.52	0.0%	2.60	0.1%

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

Historical senior household growth in the PMA trailed the SMA between 2000 and 2010. Both areas experienced household growth below the overall nation during the same time period. Household growth in the PMA remained relatively stable between 2010 and 2019, and grew by slightly less than the SMA. According to ESRI demographic projections, annualized PMA growth is expected to slow to 1.2 percent through 2023, which is below the SMA and the overall nation. The average household size in the PMA is

smaller than the national average at 2.43 persons in 2019. According to ESRI demographic projections, household sizes in the PMA will remain stable along with the SMA and the nation through 2024.

Households by Tenure

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,118	78.4%	3,341	21.6%
2019	11,740	71.7%	4,625	28.3%
Projected Mkt Entry May 2022	11,907	72.1%	4,611	27.9%
2024	12,034	72.3%	4,601	27.7%

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	5,642	85.6%	950	14.4%
2019	6,763	77.5%	1,964	22.5%
Projected Mkt Entry May 2022	7,024	77.8%	2,009	22.2%
2024	7,223	77.9%	2,044	22.1%

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

As the table illustrates, senior households within the PMA reside mostly in owner-occupied residences. Nationally, approximately 85 percent of the senior population resides in owner-occupied housing units, and 15 percent resides in renter-occupied housing units. Therefore, there is a higher percentage of senior renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years, however, the number of senior renter-occupied units is projected to increase.

Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry May 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	354	18.0%	351	17.4%	348	17.0%
\$10,000-19,999	600	30.5%	581	28.9%	567	27.7%
\$20,000-29,999	291	14.8%	292	14.5%	293	14.3%
\$30,000-39,999	109	5.5%	108	5.4%	108	5.3%
\$40,000-49,999	121	6.2%	126	6.2%	129	6.3%
\$50,000-59,999	66	3.4%	68	3.4%	70	3.4%
\$60,000-74,999	79	4.0%	78	3.9%	77	3.8%
\$75,000-99,999	93	4.7%	100	5.0%	106	5.2%
\$100,000-124,999	67	3.4%	74	3.7%	79	3.9%
\$125,000-149,999	58	3.0%	71	3.5%	81	4.0%
\$150,000-199,999	94	4.8%	116	5.8%	133	6.5%
\$200,000+	32	1.6%	44	2.2%	53	2.6%
Total	1,964	100.0%	2,009	100.0%	2,044	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - SMA, 55+

Income Cohort	2019		Projected Mkt Entry May 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,986	14.7%	2,001	14.2%	2,013	13.9%
\$10,000-19,999	3,808	28.3%	3,816	27.1%	3,822	26.3%
\$20,000-29,999	2,322	17.2%	2,389	17.0%	2,441	16.8%
\$30,000-39,999	1,308	9.7%	1,351	9.6%	1,383	9.5%
\$40,000-49,999	959	7.1%	1,025	7.3%	1,075	7.4%
\$50,000-59,999	577	4.3%	620	4.4%	652	4.5%
\$60,000-74,999	542	4.0%	585	4.2%	618	4.3%
\$75,000-99,999	642	4.8%	692	4.9%	730	5.0%
\$100,000-124,999	467	3.5%	523	3.7%	565	3.9%
\$125,000-149,999	316	2.3%	381	2.7%	430	3.0%
\$150,000-199,999	336	2.5%	410	2.9%	467	3.2%
\$200,000+	216	1.6%	281	2.0%	330	2.3%
Total	13,479	100.0%	14,072	100.0%	14,526	100.0%

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

The Subject will target tenants earning between \$0 and \$29,880. Absent subsidy, the Subject would target tenants earning between \$16,260 and \$29,880. As the table above depicts, approximately 63.3 percent of senior renter households in the PMA are earning incomes between \$0 and \$29,999, which is greater than the 60.2 percent of senior renter households in the SMA in 2019. For the projected market entry date of May 2020, these percentages are projected to slightly decrease to 60.8 percent and 58.3 percent for the PMA and SMA, respectively.

Renter Households by Number of Persons in the Household

The following table illustrates household size for all senior households in 2019, 2022 and 2024. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+

Household Size	2019		Projected Mkt Entry May 2022		2024	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	1,212	61.7%	1,244	61.9%	1,268	62.0%
2 Persons	529	26.9%	544	27.1%	555	27.2%
3 Persons	109	5.5%	110	5.5%	110	5.4%
4 Persons	58	3.0%	58	2.9%	58	2.8%
5+ Persons	56	2.9%	54	2.7%	53	2.6%
Total Households	1,964	100%	2,009	100%	2,044	100%

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

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

Conclusion

The senior population in the PMA increased by 1.9 percent between 2010 and 2019, compared to the 2.8 percent increase in the regional SMA and 3.0 percent increase across the overall nation. The percentage of senior households in the PMA grew at a rate of 1.9 percent per year between 2010 and 2019, which was less than the SMA and the nation during the same time period. Over the next five years, the senior household growth in the PMA and SMA is expected to continue though it will lag the national household growth. The current population of the PMA is 14,705 and is expected to be 15,329 in 2022. The current number of senior households in the PMA is 8,727 and is expected to be 9,033 in 2022. Renter households are concentrated in the lowest income cohorts, with 63.3 percent of renters in the PMA earning less than \$29,999 annually. The Subject’s LIHTC units, with subsidy, will target tenants earning between \$0 and \$29,880. Absent subsidy, the Subject would target tenants earning between \$16,260 and \$29,880. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

G. EMPLOYMENT TRENDS

Employment Trends

The PMA is economically reliant on the manufacturing, retail trade, and healthcare/social assistance industries. Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, three years after the overall nation. Due to the COVID-19 pandemic, employment totals in the 12-month period prior to August 2020 saw a decrease of 1.5 percent, compared to a decrease of 6.7 percent experienced by the nation over the same length of time.

1. Covered Employment

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

COVERED EMPLOYMENT
Hart County, Georgia

Year	Total Employment	% Change
2005	10,174	-
2006	10,239	0.6%
2007	10,132	-1.1%
2008	9,764	-3.8%
2009	9,051	-7.9%
2010	9,697	6.7%
2011	9,898	2.0%
2012	9,709	-1.9%
2013	9,533	-1.8%
2014	9,580	0.5%
2015	9,730	1.5%
2016	10,423	6.6%
2017	10,755	3.1%
2018	11,258	4.5%
2019 YTD Average	11,354	5.3%
Feb-18	11,112	-
Feb-19	11,262	1.3%

Source: U.S. Bureau of Labor Statistics
YTD as of Mar 2019

As illustrated in the table above, Hart County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2007. Employment growth rebounded and Hart County exhibited employment growth in 2010 and 2011. After a slight decrease in 2012 and 2013, Hart County has experienced employment growth every year. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject’s units. Additionally, it is important to note that the above data is dated and does not reflect the impact from the COVID-19 pandemic, which is discussed and analyzed in further detail following in this section.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Hart County as of 2018. Note that the data below is the most recent data available.

TOTAL JOBS BY INDUSTRY
Hart County, Georgia - Q2 2018

	Number	Percent
Total, all industries	5,648	-
Goods-producing	2,442	-
Natural resources and mining	99	1.8%
Construction	262	4.6%
Manufacturing	2,081	36.8%
Service-providing	3,206	-
Trade, transportation, and utilities	1,219	21.6%
Information	0	0.0%
Financial activities	158	2.8%
Professional and business services	588	10.4%
Education and health services	413	7.3%
Leisure and hospitality	695	12.3%
Other services	62	1.1%
Unclassified	0	0.0%

Source: Bureau of Labor Statistics, 2019

Manufacturing is the largest industry in Hart County, followed by trade, transportation and education and leisure and hospitality. It should be noted that trade and transportation and manufacturing are particularly vulnerable in economic downturns. The following table illustrates employment by industry for the PMA as of 2019 (most recent year available).

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	3,987	24.9%	16,057,876	10.0%
Retail Trade	1,985	12.4%	17,127,172	10.7%
Healthcare/Social Assistance	1,913	11.9%	22,612,482	14.1%
Educational Services	1,348	8.4%	14,565,802	9.1%
Construction	1,062	6.6%	11,245,975	7.0%
Accommodation/Food Services	1,052	6.6%	11,738,765	7.3%
Public Administration	799	5.0%	7,828,907	4.9%
Transportation/Warehousing	703	4.4%	7,876,848	4.9%
Other Services	600	3.7%	8,141,078	5.1%
Agric/Forestry/Fishing/Hunting	580	3.6%	1,915,709	1.2%
Admin/Support/Waste Mgmt Svcs	420	2.6%	6,106,184	3.8%
Prof/Scientific/Tech Services	363	2.3%	11,744,228	7.3%
Wholesale Trade	297	1.9%	4,183,931	2.6%
Finance/Insurance	274	1.7%	7,377,311	4.6%
Information	166	1.0%	3,157,650	2.0%
Utilities	150	0.9%	1,276,400	0.8%
Real Estate/Rental/Leasing	131	0.8%	3,204,043	2.0%
Mining	107	0.7%	819,151	0.5%
Arts/Entertainment/Recreation	62	0.4%	3,332,132	2.1%
Mgmt of Companies/Enterprises	16	0.1%	237,307	0.1%
Total Employment	16,015	100.0%	160,548,951	100.0%

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

Employment in the PMA is concentrated in the manufacturing, retail/trade, and healthcare/social assistance industries, which collectively comprise 49.2 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. This has been evident during the COVID-19 pandemic. The manufacturing industry has experienced a negative impact on demand, production, and revenues over the past several months. Many manufacturing jobs are on-site and cannot be carried out remotely. Additionally, slowed economic activity as a result of the shutdown has reduced demand for industrial products in the United States and globally. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, agriculture/forestry/fishing/hunting, and construction industries. Conversely, the PMA is underrepresented in the professional/scientific/technical services, accommodation/food services, and finance/insurance industries.

3. Major Employers

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

**MAJOR EMPLOYERS
HART COUNTY, GEORGIA**

#	Employer Name	Industry	# Of Employees
1	Tenneco Inc	Manufacturing	500 to 999
2	Pharmacy Tech Industries	Healthcare	250 to 499
3	Royston LLC	Manufacturing	250 to 499
4	Fun Spot Trampolines	Manufacturing	100 to 249
5	Ingles Market	Retail	100 to 249
6	Whitworth Detention Center	Public Administration	100 to 249
7	Ritz Instrument Transformers	Manufacturing	100 to 249
8	Hart EMC	Utilities	100 to 249
9	Hart County Middle School	Education	100 to 249
10	North Hart Elementary School	Education	100 to 249

Source: Georgia Department of Labor, November 2020

The largest employers in the county are concentrated in the manufacturing, healthcare, and retail industries. The large share of employment in manufacturing is notable as this industry is historically volatile, and prone to contraction during recessionary periods. However, the county also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods.

Expansions/Contractions

We reviewed publications by the Georgia Department of Economic Development WARN (Worker Adjustment and Retraining Notification Act) notices since 2015. There has been one announced layoff within Hart County since 2015, as of September 2019. Tenneco announced the closing of its Hartwell plant in May 2019, effecting 564 employees. While these job losses are significant, there have been 620 jobs created through existing company expansions as detail below since 2016.

We contacted the Hart County Industrial Building Authority (IBA), to inquire about recent business expansions or contractions in the region. The following lists recent announced employment increases according to the Hart County IBA:

- On September 27, 2017, Nestle Purina announced that it was investing \$320 million in Hart County to build a manufacturing and distribution facility. The company plans to hire 240 full time workers through 2022.
- On April 27, 2017, Lake Foods announced a 130-job expansion in Hart County. The company invested \$8 million to double their workforce. Their 62,000 square foot facility is located in Hart County’s Industrial Park.
- In September 2016, Ritz Instrument Transformers announced plans to create 50 new jobs and invest \$8 million in Hart County through 2021.
- In January 2016, LINDE+WIEMANN announced 200 new jobs and a \$35 million investment in Hart County to expand its automotive parts manufacturing plant in the area.

Manufacturing Sector Trends

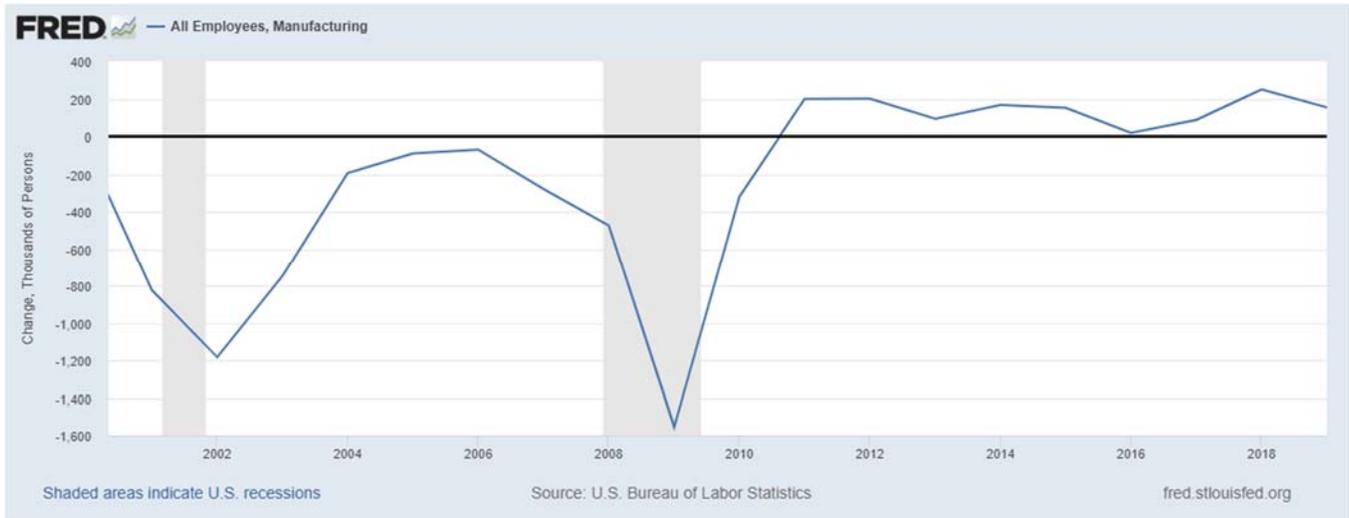
In recent years, manufacturing in the U.S. has grown at a faster rate than the overall economy, a rarity with respect to recent declines in national manufacturing. Unfortunately, U.S. manufacturing has struggled with the onset of globalization and increased foreign manufacturing. Prior to the rapid expansion and refinement of technological capabilities in the late 1990s and the accelerated pace of globalization that accompanied it, foreign countries enjoyed a comparative advantage in manufacturing by leveraging their low labor costs. However, as global markets have become more integrated over time, the foreign labor cost advantage has

minimized significantly. Furthermore, the U.S. enjoys relatively low costs of capital, raw materials, and transportation.

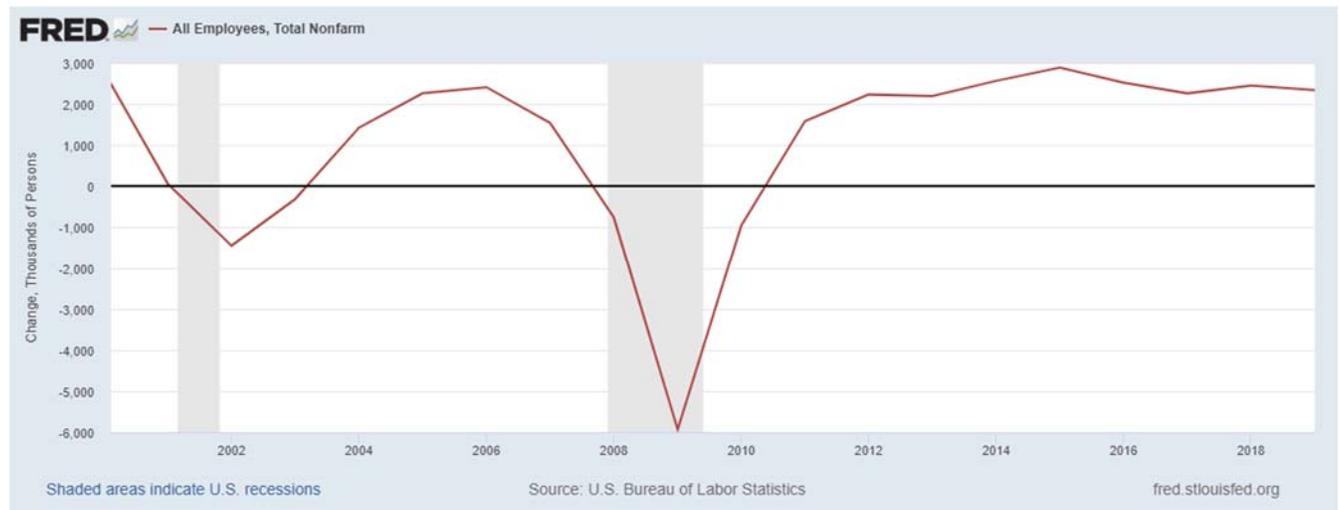
U.S. manufacturing output growth is expected to increase modestly through 2021. The Manufacturers Alliance for Productivity and Innovation (MAPI), a non-profit organization that produces research and projections for the manufacturing industry, publishes periodic economic forecasts. According to their March 2018 publication, U.S. manufacturing is expected to grow at an average of 2.8 percent through 2021.

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

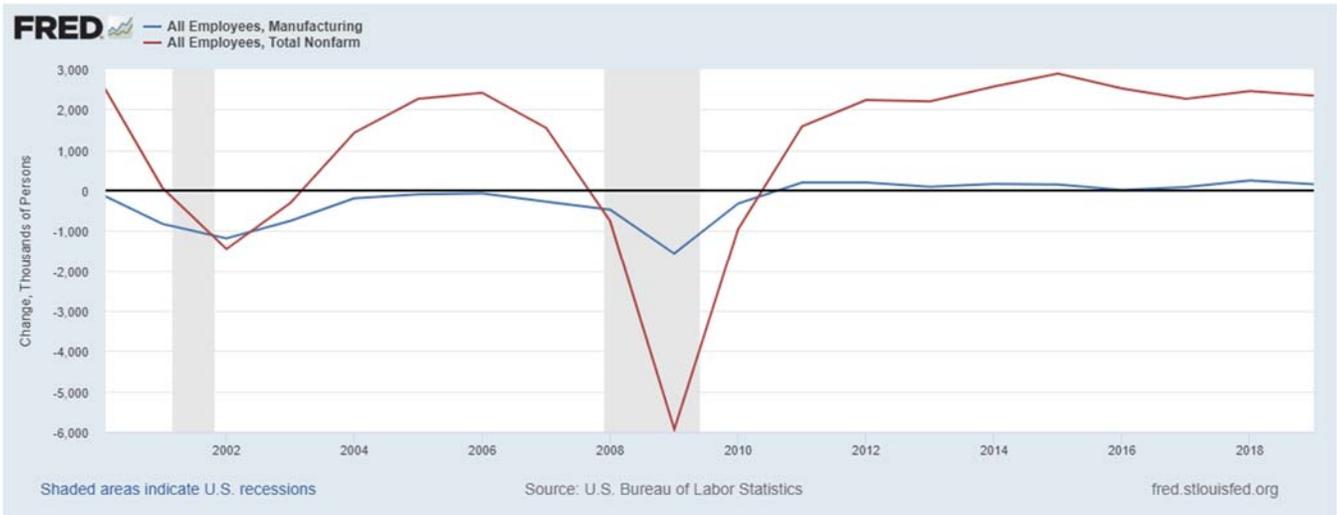
The following graphs details total employment trends in both manufacturing and all industries (non-farm) in the nation since 2000.



Source: Federal Reserve Bank of St. Louis, 1/2020.
 Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.



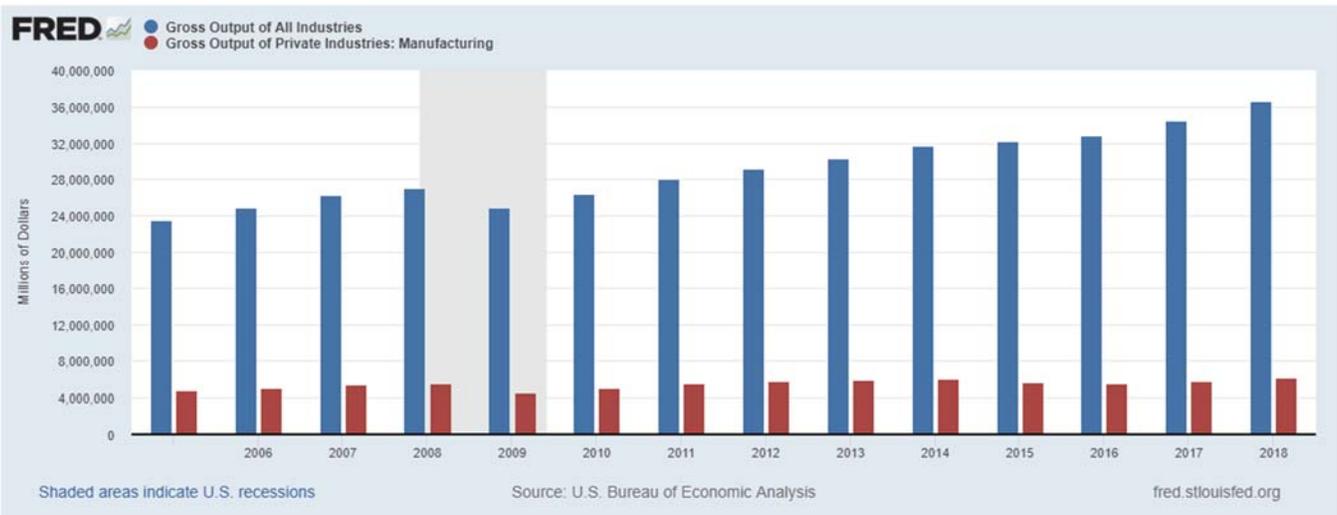
Source: Federal Reserve Bank of St. Louis, 1/2020.
 Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.



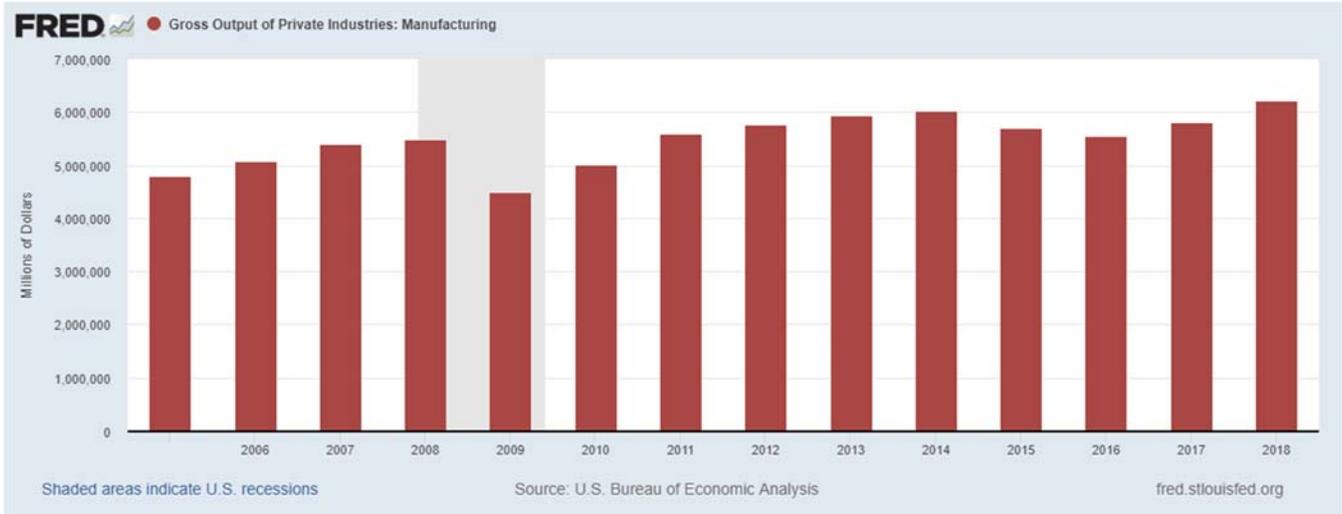
Source: Federal Reserve Bank of St. Louis, 1/2020.
 Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

Total employment in the manufacturing sector, as well as the overall non-farm industry sector, declined from 2007 to 2009. Due to the most recent recession, all non-farm industries in the nation, including manufacturing, experienced significant loss. Since the most recent recession, total employment in non-farm industries has steady increased, though the manufacturing sector has experienced a slower recovery than other non-farm industries.

The following charts illustrate U.S. manufacturing gross output compared to that across all industries since 2005.



Source: Federal Reserve Bank of St. Louis, 1/2020.
 Note: Shaded area indicates U.S. recessions.



Source: Federal Reserve Bank of St. Louis, 1/2020.
Note: Shaded area indicates U.S. recessions.

As illustrated by the previous graphs, manufacturing constitutes approximately 17 percent of the gross output of all private industries and experienced five years of consistent growth starting in 2009. Manufacturing output also surpassed pre-recessionary output levels in 2011, three years following the most recent national recession. However, manufacturing output decreased for both 2015 and 2016.

While the rebound in manufacturing output is noteworthy, this has not necessarily turned into job creation for the national economy. Since the most recent recession, job creation in the manufacturing sector continues to lag the overall economy. According to a November 18, 2016 article published by the *MIT Technology Review*, automation in the manufacturing sector has curtailed employment growth- a trend that is likely to continue through the coming years. As illustrated in the following graph, national employment in the manufacturing sector has been steadily declining since the 1980s, while production has increased. Overall, we believe it is reasonable to assume that the Hartwell area, similar to the rest of the nation, will continue to be negatively impacted by automation in the manufacturing sector, leading to a continued decline in manufacturing employment.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2004 to August 2020.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	SMA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2004	133,355	-	-4.8%	139,252,000	-	-11.6%
2005	134,001	0.5%	-4.4%	141,730,000	1.8%	-10.0%
2006	136,014	1.5%	-2.9%	144,427,000	1.9%	-8.3%
2007	137,624	1.2%	-1.8%	146,047,000	1.1%	-7.3%
2008	136,723	-0.7%	-2.4%	145,363,000	-0.5%	-7.7%
2009	128,694	-5.9%	-8.1%	139,878,000	-3.8%	-11.2%
2010	123,563	-4.0%	-11.8%	139,064,000	-0.6%	-11.7%
2011	125,103	1.2%	-10.7%	139,869,000	0.6%	-11.2%
2012	126,137	0.8%	-10.0%	142,469,000	1.9%	-9.6%
2013	127,508	1.1%	-9.0%	143,929,000	1.0%	-8.6%
2014	129,039	1.2%	-7.9%	146,305,000	1.7%	-7.1%
2015	131,190	1.7%	-6.4%	148,833,000	1.7%	-5.5%
2016	134,614	2.6%	-3.9%	151,436,000	1.7%	-3.9%
2017	137,140	1.9%	-2.1%	153,337,000	1.3%	-2.7%
2018	139,254	1.5%	-0.6%	155,761,000	1.6%	-1.1%
2019	140,105	0.6%	0.0%	157,538,000	1.1%	0.0%
2020 YTD Average*	136,268	-2.7%	-	147,032,000	-6.7%	-
Aug-2019	139,418	-	-	157,816,000	-	-
Aug-2020	137,388	-1.5%	-	147,224,000	-6.7%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	SMA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2004	6.3%	-	3.4%	5.5%	-	1.9%
2005	6.7%	0.4%	3.7%	5.1%	-0.5%	1.4%
2006	6.1%	-0.6%	3.1%	4.6%	-0.5%	1.0%
2007	5.4%	-0.7%	2.5%	4.6%	0.0%	1.0%
2008	6.8%	1.4%	3.8%	5.8%	1.2%	2.1%
2009	11.6%	4.8%	8.6%	9.3%	3.5%	5.6%
2010	11.8%	0.2%	8.8%	9.6%	0.3%	6.0%
2011	11.0%	-0.8%	8.0%	9.0%	-0.7%	5.3%
2012	9.5%	-1.5%	6.5%	8.1%	-0.9%	4.4%
2013	7.9%	-1.6%	4.9%	7.4%	-0.7%	3.7%
2014	6.6%	-1.3%	3.6%	6.2%	-1.2%	2.5%
2015	5.7%	-0.8%	2.8%	5.3%	-0.9%	1.6%
2016	4.9%	-0.8%	2.0%	4.9%	-0.4%	1.2%
2017	4.2%	-0.7%	1.3%	4.4%	-0.5%	0.7%
2018	3.5%	-0.7%	0.6%	3.9%	-0.4%	0.2%
2019	3.0%	-0.6%	0.0%	3.7%	-0.2%	0.0%
2020 YTD Average*	6.7%	3.7%	-	8.6%	5.0%	-
Aug-2019	3.1%	-	-	3.8%	-	-
Aug-2020	5.5%	2.4%	-	8.5%	4.7%	-

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

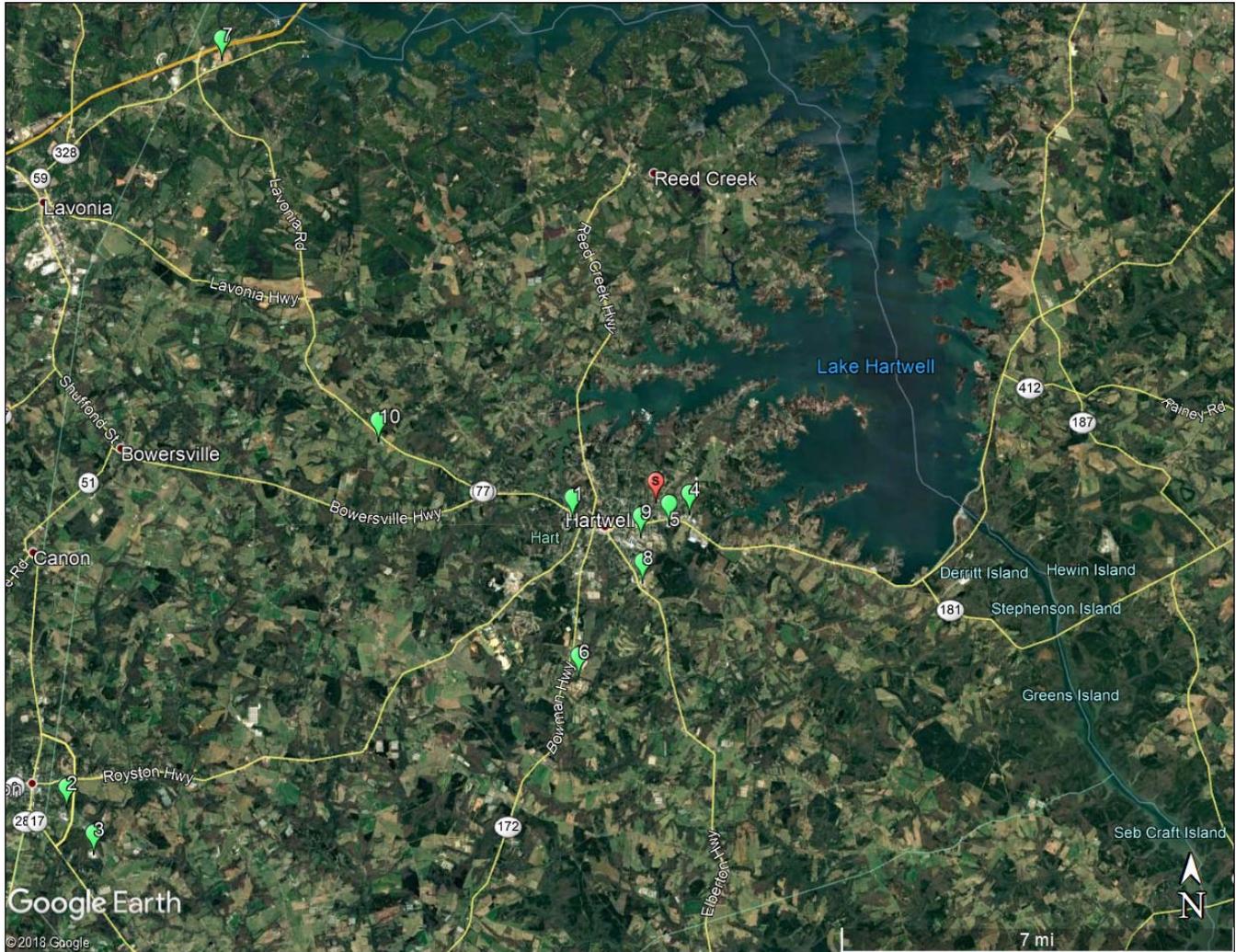
Prior to the national recession, average employment growth in the SMA generally trailed the nation. Annual job growth in the SMA lagged the nation in all but one year between 2002 and 2007. The effects of the recession were particularly pronounced in the SMA, which suffered a 10.6 percent contraction in

employment growth (2008-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, three years after the overall nation. Due to the COVID-19 pandemic, employment totals in the 12-month period prior to August 2020 saw a decrease of 1.5 percent, compared to a decrease of 6.7 percent experienced by the nation over the same length of time. Employment growth is expected to be limited in the coming months as a result of the COVID-19 pandemic. Georgia has begun to re-open its restaurants, gyms, and other indoor venues as of April 2020, however, return to full economic potential is unlikely while the global health crisis continues.

The SMA experienced a higher average unemployment rate relative to the overall nation during the years preceding the recession. The effects of the recession were more pronounced in the SMA, which experienced a 6.4 percentage point increase in unemployment, compared to only a 5.0 percentage point increase across the overall nation. Since 2012, the SMA generally experienced a higher unemployment rate compared to the overall nation. As a result of the COVID-19 pandemic and stay-at-home orders, record national unemployment claims began in March 2020 and will likely continue in the near future. We anticipate the unemployment rate in the MSA will remain elevated in the coming months.

5. Map of Site and Major Employment Concentrations

The following map and table detail the largest employers in Hart County, Georgia.



Source: Google Earth, November 2020.

MAJOR EMPLOYERS HART COUNTY, GEORGIA

#	Employer Name	Industry	# Of Employees
1	Tenneco Inc	Manufacturing	500 to 999
2	Pharmacy Tech Industries	Healthcare	250 to 499
3	Royston LLC	Manufacturing	250 to 499
4	Fun Spot Trampolines	Manufacturing	100 to 249
5	Ingles Market	Retail	100 to 249
6	Whitworth Detention Center	Public Administration	100 to 249
7	Ritz Instrument Transformers	Manufacturing	100 to 249
8	Hart EMC	Utilities	100 to 249
9	Hart County Middle School	Education	100 to 249
10	North Hart Elementary School	Education	100 to 249

Source: Georgia Department of Labor, November 2020

6. Conclusion

Employment in the PMA is concentrated in the manufacturing, retail/trade, and healthcare/social assistance industries, which collectively comprise 49.2 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. This has been evident during the COVID-19 pandemic. The manufacturing industry has experienced a negative impact on demand, production, and revenues over the past several months. Many manufacturing jobs are on-site and cannot be carried out remotely. Additionally, slowed economic activity as a result of the shutdown has reduced demand for industrial products in the United States and globally. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, agriculture/forestry/fishing/hunting, and construction industries. Conversely, the PMA is underrepresented in the professional/scientific/technical services, accommodation/food services, and finance/insurance industries.

Prior to the national recession, average employment growth in the SMA generally trailed the nation. Annual job growth in the SMA lagged the nation in all but one year between 2002 and 2007. The effects of the recession were particularly pronounced in the SMA, which suffered a 10.6 percent contraction in employment growth (2008-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, three years after the overall nation. Due to the COVID-19 pandemic, employment totals in the 12-month period prior to August 2020 saw a decrease of 1.5 percent, compared to a decrease of 6.7 percent experienced by the nation over the same length of time. Employment growth is expected to be limited in the coming months as a result of the COVID-19 pandemic. Georgia has begun to re-open its restaurants, gyms, and other indoor venues as of April 2020, however, return to full economic potential is unlikely while the global health crisis continues.

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

H. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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

1. Income Restrictions

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

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

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

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

2. Affordability

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis. We conducted a demand analysis for the Subject assuming both a subsidy and absent a subsidy. In the absent subsidy scenario, the minimum income limit was based on the achievable LIHTC rents for the Subject’s subsidized units.

55+ INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60% (PBRA)	
1BR	\$0	\$29,880

55+ INCOME LIMITS - ABSENT SUBSIDY

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$16,260	\$29,880

3. Demand

The demand for the Subject will be derived from three sources: new households, existing households and elderly homeowners likely to convert to rentership. These calculations are illustrated in the following tables.

Demand from New Households

The number of new households entering the market is the first level of demand calculated. We utilized 2022, the anticipated date of market entry, as the base year for the analysis. Therefore, 2019 household population estimates are inflated to 2022 by interpolation of the difference between 2019 estimates and 2024 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2022. This number takes the overall growth from 2019 to 2022 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

Demand from Existing Households

Demand for existing households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using ACS data based on appropriate income levels.

The second source is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

Demand from Elderly Homeowners likely to Convert to Rentership

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we lower demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

3d. Other

Per the 2020 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we do not account for leakage from outside the PMA boundaries in our demand analysis.

DCA does not consider household turnover to be a source of market demand. Therefore, we do not account for household turnover in our demand analysis.

We calculated all of our capture rates based on household size. DCA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to considered larger household sizes. Our capture rates incorporate household size adjustments for all of the Subject's units.

Net Demand

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2017 to the present.

Additions to Supply

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we deduct the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that were funded, are under construction, or are in properties that have not yet reached stabilized occupancy
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or are in properties that have not yet reached stabilized occupancy. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

COMPETITIVE SUPPLY 2017 - PRESENT

Property Name	Program	Location	Tenancy	Status	# of Competitive Units
Chandler Trace	LIHTC/Market	Hartwell	Senior	Proposed	0

- Chandler Trace was awarded tax credits in 2017 for the development of 44 LIHTC and eight market rate units targeting seniors. Construction was completed in January 2020 and the property was fully-occupied by the end of February for a two-month absorption period. As such, we have not deducted any units at this property in our demand analysis.

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

ADDITIONS TO SUPPLY 2017

Unit Type	60% AMI
1BR	0
Total	0

Rehab Developments and PBRA

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

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

Capture Rates

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income

distribution through the projected market entry date of 2022 are illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2019		Projected Mkt Entry May 2022		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	354	18.0%	351	17.4%	348	17.0%
\$10,000-19,999	600	30.5%	581	28.9%	567	27.7%
\$20,000-29,999	291	14.8%	292	14.5%	293	14.3%
\$30,000-39,999	109	5.5%	108	5.4%	108	5.3%
\$40,000-49,999	121	6.2%	126	6.2%	129	6.3%
\$50,000-59,999	66	3.4%	68	3.4%	70	3.4%
\$60,000-74,999	79	4.0%	78	3.9%	77	3.8%
\$75,000-99,999	93	4.7%	100	5.0%	106	5.2%
\$100,000-	67	3.4%	74	3.7%	79	3.9%
\$125,000-	58	3.0%	71	3.5%	81	4.0%
\$150,000-	94	4.8%	116	5.8%	133	6.5%
\$200,000+	32	1.6%	44	2.2%	53	2.6%
Total	1,964	100.0%	2,009	100.0%	2,044	100.0%

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

60% AMI (As Proposed)

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$0		Maximum Income Limit		\$29,880	
Income Category	New Renter Households - Total Change in Households PMA 2020 to Prj Mrkt Entry May 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-2	-7.5%	\$9,999	100.0%	-2		
\$10,000-19,999	-12	-41.3%	\$9,999	100.0%	-12		
\$20,000-29,999	1	2.5%	\$9,880	98.8%	1		
\$30,000-39,999	0	-1.2%	\$0	0.0%	0		
\$40,000-49,999	3	10.0%	\$0	0.0%	0		
\$50,000-59,999	1	5.0%	\$0	0.0%	0		
\$60,000-74,999	-1	-2.5%	\$0	0.0%	0		
\$75,000-99,999	5	16.3%	\$0	0.0%	0		
\$100,000-124,999	4	15.0%	\$0	0.0%	0		
\$125,000-149,999	8	28.8%	\$0	0.0%	0		
\$150,000-199,999	14	48.7%	\$0	0.0%	0		
\$200,000+	8	26.3%	\$0	0.0%	0		
Total	29	100.0%		-46.3%	-14		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%

Minimum Income Limit		\$0		Maximum Income Limit		\$29,880	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	354	18.0%	\$9,999	100.0%	354		
\$10,000-19,999	600	30.5%	\$9,999	100.0%	600		
\$20,000-29,999	291	14.8%	\$9,880	98.8%	288		
\$30,000-39,999	109	5.5%	\$0	0.0%	0		
\$40,000-49,999	121	6.2%	\$0	0.0%	0		
\$50,000-59,999	66	3.4%	\$0	0.0%	0		
\$60,000-74,999	79	4.0%	\$0	0.0%	0		
\$75,000-99,999	93	4.7%	\$0	0.0%	0		
\$100,000-124,999	67	3.4%	\$0	0.0%	0		
\$125,000-149,999	58	3.0%	\$0	0.0%	0		
\$150,000-199,999	94	4.8%	\$0	0.0%	0		
\$200,000+	32	1.6%	\$0	0.0%	0		
Total	1,964	100.0%		63.2%	1,242		

ASSUMPTIONS - @60%

Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Rural		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	50%	50%	
4	0%	0%	0%	50%	50%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2020 to May 2022

Income Target Population	@60%
New Renter Households PMA	29
Percent Income Qualified	-46.3%
New Renter Income Qualified Households	-14

Demand from Existing Households 2020

Demand from Rent Overburdened Households

Income Target Population	@60%
Total Existing Demand	1,964
Income Qualified	63.2%
Income Qualified Renter Households	1,242
Percent Rent Overburdened Prj Mrkt Entry May 2022	44.3%
Rent Overburdened Households	550

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,242
Percent Living in Substandard Housing	1.9%
Households Living in Substandard Housing	23

Senior Households Converting from Homeownership

Income Target Population	@60%
Total Senior Homeowners	6,932
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households	578
Total New Demand	-14
Total Demand (New Plus Existing Households)	564

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.8%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	61.8%	349
Two Persons	27.0%	152
Three Persons	5.5%	31
Four Persons	2.9%	16
Five Persons	2.8%	16
Total	100.0%	564

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	314
Of two-person households in 1BR units	20%	30
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	35
Of two-person households in 2BR units	80%	122
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	15
Of four-person households in 3BR units	50%	8
Of five-person households in 3BR units	50%	8
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	50%	15
Of four-person households in 4BR units	50%	8
Of five-person households in 4BR units	50%	8
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		564

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	345	-	0	=	345
2 BR	-	-	-	=	-
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	345		0		345

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	24	/	345	=	7.0%
2 BR	-	/	-	=	-
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	24		345		7.0%

60% AMI (Absent Subsidy)

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60% Absent Subsidy

Minimum Income Limit		\$16,260		Maximum Income Limit		\$29,880	
Income Category	New Renter Households - Total Change in Households PMA 2020 to Prj Mrkt Entry May 2022		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-2	-7.5%	\$0	0.0%	0		
\$10,000-19,999	-12	-41.3%	\$3,739	37.4%	-5		
\$20,000-29,999	1	2.5%	\$9,880	98.8%	1		
\$30,000-39,999	0	-1.2%	\$0	0.0%	0		
\$40,000-49,999	3	10.0%	\$0	0.0%	0		
\$50,000-59,999	1	5.0%	\$0	0.0%	0		
\$60,000-74,999	-1	-2.5%	\$0	0.0%	0		
\$75,000-99,999	5	16.3%	\$0	0.0%	0		
\$100,000-124,999	4	15.0%	\$0	0.0%	0		
\$125,000-149,999	8	28.8%	\$0	0.0%	0		
\$150,000-199,999	14	48.7%	\$0	0.0%	0		
\$200,000+	8	26.3%	\$0	0.0%	0		
Total	29	100.0%		-13.0%	-4		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60% Absent Subsidy

Minimum Income Limit		\$16,260		Maximum Income Limit		\$29,880	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	354	18.0%	\$0	0.0%	0		
\$10,000-19,999	600	30.5%	\$3,739	37.4%	224		
\$20,000-29,999	291	14.8%	\$9,880	98.8%	288		
\$30,000-39,999	109	5.5%	\$0	0.0%	0		
\$40,000-49,999	121	6.2%	\$0	0.0%	0		
\$50,000-59,999	66	3.4%	\$0	0.0%	0		
\$60,000-74,999	79	4.0%	\$0	0.0%	0		
\$75,000-99,999	93	4.7%	\$0	0.0%	0		
\$100,000-124,999	67	3.4%	\$0	0.0%	0		
\$125,000-149,999	58	3.0%	\$0	0.0%	0		
\$150,000-199,999	94	4.8%	\$0	0.0%	0		
\$200,000+	32	1.6%	\$0	0.0%	0		
Total	1,964	100.0%		26.1%	512		

ASSUMPTIONS - @60% Absent Subsidy

Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Rural		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	50%	50%	
4	0%	0%	0%	50%	50%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2020 to May 2022

Income Target Population	@60% Absent Subsidy
New Renter Households PMA	29
Percent Income Qualified	-13.0%
New Renter Income Qualified Households	-4

Demand from Existing Households 2020

Demand from Rent Overburdened Households

Income Target Population	@60% Absent Subsidy
Total Existing Demand	1,964
Income Qualified	26.1%
Income Qualified Renter Households	512
Percent Rent Overburdened Prj Mrkt Entry May 2022	44.3%
Rent Overburdened Households	227

Demand from Living in Substandard Housing

Income Qualified Renter Households	512
Percent Living in Substandard Housing	1.9%
Households Living in Substandard Housing	10

Senior Households Converting from Homeownership

Income Target Population	@60% Absent Subsidy
Total Senior Homeowners	6,932
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households	241
Total New Demand	-4
Total Demand (New Plus Existing Households)	237

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	2.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	61.8%	147
Two Persons	27.0%	64
Three Persons	5.5%	13
Four Persons	2.9%	7
Five Persons	2.8%	7
Total	100.0%	237

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	132
Of two-person households in 1BR units	20%	13
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	15
Of two-person households in 2BR units	80%	51
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	7
Of four-person households in 3BR units	50%	3
Of five-person households in 3BR units	50%	3
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	50%	7
Of four-person households in 4BR units	50%	3
Of five-person households in 4BR units	50%	3
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		237

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	145	-	0	=	145
2 BR	-	-	-	=	-
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	145		0		145

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	24	/	145	=	16.6%
2 BR	-	/	-	=	-
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	24		145		16.6%

4. Capture Rate Analysis Chart

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

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

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

DEMAND AND NET DEMAND

DCA Conclusion Tables (Senior)	HH at @60% AMI (\$0 to \$29,880)	HH at @60% AMI Absent Subsidy (\$16,260 to \$29,880)
Demand from New Households (age and income appropriate)	-14	-4
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	23	10
PLUS	+	+
Demand from Existing Renter Households - Rent Overburdened Households	550	227
Sub Total	560	233
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	5	5
Equals Total Demand	564	237
Less	-	-
Competitive New Supply	0	0
Equals Net Demand	564	237

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR @60%	\$0	\$29,880	24	345	0	345	7.0%	\$696	\$375	\$1,051	\$700
1BR @60% (Absent Subsidy)	\$16,260	\$29,880	24	145	0	145	16.6%	\$696	\$375	\$1,051	\$700

The overall capture rate at the Subject, with subsidy, is 7.0 percent. The overall capture rate at the Subject, absent subsidy, is 16.6 percent. All capture rates are within DCA thresholds. According to Georgia DCA, all subsidized units are considered leasable; thus, the capture rate in the absent subsidy scenario is moot. Therefore, we believe there is adequate demand for the Subject.

I. EXISTING COMPETITIVE RENTAL ENVIRONMENT

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 960 units.

The availability of LIHTC data is considered limited. We included the only two unsubsidized LIHTC properties within the PMA, Chandler Trace and Juniper Court, and two family LIHTC properties from outside the PMA. The LIHTC and mixed-income comparables are located between 0.3 and 26.3 miles of the Subject. Fern Point Apartments and Heather Highlands are located 26.3 and 13.4 miles from the Subject in Toccoa and Royston, respectively. These locations are similar to the Subject with respect to median rents. These are considered reasonable proxies as they are among the most proximate non-subsidized LIHTC comparables that offer a similar unit mix as the Subject and agreed to participate in our survey. The comparables were built between 2009 and 2020.

The availability of market rate data is considered limited. We were unable to identify any market rate rental properties within the PMA that offer one-bedroom units. We include five conventional properties, one of which targets seniors, in our analysis of the competitive market between 18.7 and 20.3 miles from the Subject in Anderson, South Carolina and Elberton, Georgia. Anderson is slightly superior to the Subject with respect to median rents and Elberton is slightly inferior in terms of median rent. These are considered reasonable proxies as they are among the most proximate non-subsidized conventional comparables that offer a similar unit mix as the Subject and agreed to participate in our survey. These comparables were built or renovated between 2003 and 2019. Overall, we believe the market rate properties used in our analysis are the most comparable. Other market rate properties are excluded based on proximity and unit types.

Of note, despite the challenges in interviewing property managers in-person due to the office restrictions related to COVID-19, we were able to personally interview all of the comparables utilized in this report over the phone. Eight of the nine surveyed property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.

The contact at Hamptons Apartments stated collections have not been negatively impacted by COVID-19 and arrangements have been made with the small number of tenants that may have gotten behind on rent payments due to furloughs or job losses, additionally, foot traffic has decreased by 25 percent.

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

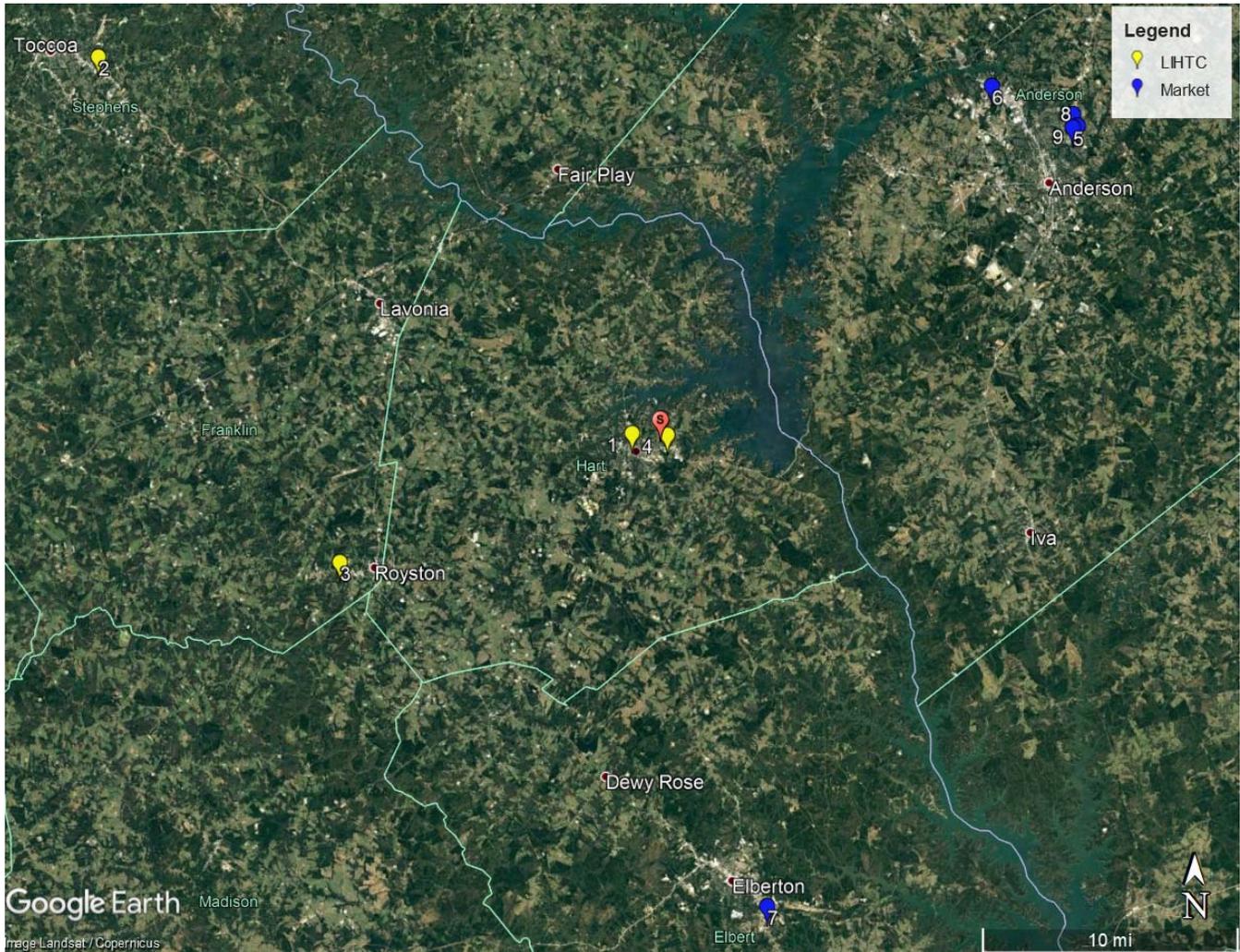
Excluded Properties

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

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Havenwood Elberton	LIHTC	Elberton	Senior	50	Proposed
West Franklin Place	Public Housing	Hartwell	Family	180	Subsidized
Wood Lake Apts Bayrock Corp	Rural Development	Hartwell	Family	16	Subsidized
East Orchard Family	Rural Development	Hartwell	Family	26	Subsidized
Woodlake I and II	Rural Development	Hartwell	Family	30	Subsidized
Lavonia Village	Rural Development	Lavonia	Family	24	Subsidized
Willow Lane Apts	Rural Development	Bowman	Family	18	Subsidized
Sunny Brook Apartments	Section 8	Elberton	Family	130	Subsidized
Lavonia Gardens	Section 8	Lavonia	Family	24	Subsidized
Lavonia Housing	Section 8	Lavonia	Family	101	Subsidized
Elberta Homes	Section 8	Elberton	Family	185	Subsidized
Ridgewood Hills Townhouse	Section 8	Lavonia	Family	24	Subsidized
466 N Leard St	Market	Hartwell	Family	51	Dissimilar design and unit mix
Maret St Duplexes	Market	Hartwell	Family	22	Dissimilar unit mix

1. Comparable Rental Property Map



Source: Google Earth, November 2020.

COMPARABLE PROPERTIES

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
S	East Orchard Elderly - As Proposed	Hartwell	RRAP	Senior	-
1	Chandler Trace	Hartwell	LIHTC/Market	Senior	1.1 miles
2	Fern Point Apartments*	Toccoa	LIHTC	Family	26.3 miles
3	Heather Highlands*	Royston	LIHTC	Family	13.4 miles
4	Juniper Court	Hartwell	LIHTC/Market	Senior	0.3 miles
5	Ashton Park Apartments*	Anderson	Market	Family	20.0 miles
6	Hamptons Apartments*	Anderson	Market	Family	18.7 miles
7	Petersburg Village*	Elberton	Market	Senior	18.8 miles
8	Shadow Creek Apartments*	Anderson	Market	Family	20.3 miles
9	Tanglewood Apartments*	Anderson	Market	Family	20.2 miles

*Located outside PMA

EAST ORCHARD ELDERLY – HARTWELL, GEORGIA – MARKET STUDY

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

SUMMARY MATRIX														
Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	East Orchard Elderly - As Proposed 110 Nancy Drive Hartwell, GA 30643 Hart County	-	One-story 1-stories 1990 / n/a Senior	@60% (Rural Rental Assistance Program - RRAP)	1BR / 1BA	24	100.0%	650	@60% (RRAP)	\$700	N/A	N/A	1	4.2%
						<u>24</u>							0	0.0%
1	Chandler Trace Chandler Street And Emory Drive Hartwell, GA 30643 Hart County	1.1 miles	Lowrise 2-stories 2020 / n/a Senior	@50%, @60%, Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA	7 1 4 32 8	13.5% 1.9% 7.7% 61.5% 15.4%	775 775 1,114 1,114 1,114	@50% @60% @50% @60% Market	\$375 \$375 \$437 \$452 \$472	No No No No N/A	Yes Yes Yes Yes Yes	0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0%
						<u>52</u>							0	0.0%
2	Fern Point Apartments 280 Fern Point Drive Toccoa, GA 30577 Stephens County	26.3 miles	Garden 2-stories 2012 / n/a Family	@50%, @60%	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA	2 8 4 24 2 8	4.2% 16.7% 8.3% 50.0% 4.2% 16.7%	775 775 1,162 1,162 1,260 1,260	@50% @60% @50% @60% @50% @60%	\$470 \$520 \$522 \$617 \$595 \$710	No No No No No No	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
						<u>48</u>							0	0.0%
3	Heather Highlands 10 Ed Smith Way Royston, GA 30662 Franklin County	13.4 miles	Garden 2-stories 2015 / n/a Family	@50%, @60%	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA 3BR / 2BA	2 6 4 20 2 5 1	5.0% 15.0% 10.0% 50.0% 5.0% 12.5% 2.5%	850 850 1,100 1,100 1,250 1,250 1,250	@50% @60% @50% @60% @50% @60% Non-Rental	\$400 \$430 \$460 \$517 \$510 \$615 -	No No No No No No N/A	Yes Yes Yes Yes Yes Yes N/A	0 0 0 0 0 0 N/A	0.0% 0.0% 0.0% 0.0% 0.0% 0.0% N/A
						<u>40</u>							0	0.0%
4	Juniper Court 283 Nancy Drive Hartwell, GA 30643 Hart County	0.3 miles	Garden 2-stories 2009 / n/a Senior	@50%, @60%, Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA	9 5 10 12 10 6	17.3% 9.6% 19.2% 23.1% 19.2% 11.5%	762 762 762 1,060 1,060 1,060	@50% @60% Market @50% @60% Market	\$422 \$432 \$490 \$482 \$497 \$517	No No N/A Yes No N/A	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
						<u>52</u>							0	0.0%
5	Ashton Park Apartments 50 Braeburn Drive Anderson, SC 29621 Anderson County	20.0 miles	Garden 3-stories 2006 / n/a Family	Market	1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	54 54 54 54	25.0% 25.0% 25.0% 25.0%	850 1,085 1,188 1,450	Market Market Market Market	\$1,036 \$1,166 \$1,267 \$1,417	N/A N/A N/A N/A	No No No No	0 3 2 0	0.0% 5.6% 3.7% 0.0%
						<u>216</u>							5	2.3%
6	Hamptons Apartments 100 Hudson Circle Anderson, SC 29625 Anderson County	18.7 miles	Garden 3-stories 2003 / n/a Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	22 22 54 54 32	12.0% 12.0% 29.4% 29.4% 17.4%	679 821 807 1,029 1,434	Market Market Market Market Market	\$785 \$810 \$857 \$892 \$1,000	N/A N/A N/A N/A N/A	No No No No No	N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A
						<u>184</u>							1	0.5%
7	Petersburg Village 1056 Petersburg Road Elberton, GA 30635 Elbert County	18.8 miles	One-story 1-stories 2007 / n/a Senior	Market	1BR / 1BA 2BR / 2BA	4 4	50.0% 50.0%	1,396 1,697	Market Market	\$685 \$817	N/A N/A	Yes Yes	0 0	0.0% 0.0%
						<u>8</u>							0	0.0%
8	Shadow Creek Apartments 100 Shadow Creek Lane Anderson, SC 29621 Anderson County	20.3 miles	Garden 3-stories 1999 / 2019 Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA	N/A 36 N/A 132 N/A 24	N/A 18.8% N/A 68.8% N/A 12.5%	804 804 1,098 1,098 1,224 1,224	Market Market Market Market Market Market	\$1,051 \$921 \$1,145 \$1,015 \$1,333 \$1,213	N/A N/A N/A N/A N/A N/A	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	N/A 0.0% N/A 0.0% N/A 0.0%
						<u>192</u>							0	0.0%
9	Tanglewood Apartments 2418 Marchbanks Avenue Anderson, SC 29621 Anderson County	20.2 miles	Garden 2-stories 1976 / 2007 Family	Market	1BR / 1BA 2BR / 1.5BA 3BR / 2BA	40 112 16	23.8% 66.7% 9.5%	615 925 1,150	Market Market Market	\$818 \$955 \$1,100	N/A N/A N/A	No No No	0 0 0	0.0% 0.0% 0.0%
						<u>168</u>							0	0.0%

EAST ORCHARD ELDERLY – HARTWELL, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and		
	Units Surveyed:	960
	Market Rate	768
	Tax Credit	192
One Bedroom One Bath		
	Property	Average
RENT	Shadow Creek Apartments (Market)	\$1,051
	Ashton Park Apartments (Market)	\$1,036
	Shadow Creek Apartments (Market)	\$921
	Tanglewood Apartments (Market)	\$818
	Hamptons Apartments (Market)	\$810
	Hamptons Apartments (Market)	\$785
	East Orchard Elderly - As Proposed (@60%)	\$700
	Petersburg Village (Market)	\$685
	Fern Point Apartments (@60%)	\$520
	Juniper Court (Market)	\$490
	Fern Point Apartments (@50%)	\$470
	Juniper Court (@60%)	\$432
	Heather Highlands (@60%)	\$430
	Juniper Court (@50%)	\$422
	Heather Highlands (@50%)	\$400
SQUARE FOOTAGE	Chandler Trace (@50%)	\$375
	Chandler Trace (@60%)	\$375
	Petersburg Village (Market)	1,396
	Heather Highlands (@50%)	850
	Heather Highlands (@60%)	850
	Ashton Park Apartments (Market)	850
	Hamptons Apartments (Market)	821
	Shadow Creek Apartments (Market)	804
	Shadow Creek Apartments (Market)	804
	Chandler Trace (@60%)	775
	Fern Point Apartments (@50%)	775
	Chandler Trace (@50%)	775
	Fern Point Apartments (@60%)	775
	Juniper Court (Market)	762
	Juniper Court (@60%)	762
Juniper Court (@50%)	762	
Hamptons Apartments (Market)	679	
East Orchard Elderly - As Proposed (@60%)	650	
Tanglewood Apartments (Market)	615	
RENT PER SQUARE FOOT	Tanglewood Apartments (Market)	\$1.33
	Shadow Creek Apartments (Market)	\$1.31
	Ashton Park Apartments (Market)	\$1.22
	Hamptons Apartments (Market)	\$1.16
	Shadow Creek Apartments (Market)	\$1.15
	East Orchard Elderly - As Proposed (@60%)	\$1.08
	Hamptons Apartments (Market)	\$0.99
	Fern Point Apartments (@60%)	\$0.67
	Juniper Court (Market)	\$0.64
	Fern Point Apartments (@50%)	\$0.61
	Juniper Court (@60%)	\$0.57
	Juniper Court (@50%)	\$0.55
	Heather Highlands (@60%)	\$0.51
	Petersburg Village (Market)	\$0.49
	Chandler Trace (@50%)	\$0.48
Chandler Trace (@60%)	\$0.48	
Heather Highlands (@50%)	\$0.47	

PROPERTY PROFILE REPORT

Chandler Trace

Effective Rent Date	10/29/2020
Location	420 Chandler Street Hartwell, GA 30643 Hart County
Distance	1.1 miles
Units	52
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	1/01/2020
Last Unit Leased	2/28/2020
Major Competitors	Eagles Nest, Park Place
Tenant Characteristics	HFOP 55+
Contact Name	Property Manager
Phone	770-386-2921 ext. 2



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	N/A
Units/Month Absorbed	26
HCV Tenants	N/A
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	None
Waiting List	30 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	7	775	\$330	\$0	@50%	Yes	0	0.0%	no	None
1	1	Lowrise (2 stories)	1	775	\$330	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	4	1,114	\$385	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	32	1,114	\$400	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	8	1,114	\$420	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$330	\$0	\$330	\$45	\$375	1BR / 1BA	\$330	\$0	\$330	\$45	\$375
2BR / 2BA	\$385	\$0	\$385	\$52	\$437	2BR / 2BA	\$400	\$0	\$400	\$52	\$452
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
2BR / 2BA	\$420	\$0	\$420	\$52	\$472						

Chandler Trace, continued

Amenities

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

Comments

The property manager noted no negative impact on collections, occupancy, or phone traffic from the COVID-19 pandemic. The property opened in January 2020 and was fully-occupied by the end of February for a two-month absorption period. The contact reported demand for senior affordable housing in the area is strong.

Photos



PROPERTY PROFILE REPORT

Fern Point Apartments

Effective Rent Date	10/22/2020
Location	280 Fern Point Drive Toccoa, GA 30577 Stephens County
Distance	13.1 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Heather Highlands
Tenant Characteristics	Mostly families; 10 percent seniors
Contact Name	Anna
Phone	706-886-0349



Market Information

Program	@50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Yes; 20 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	775	\$425	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	8	775	\$475	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	4	1,162	\$470	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	24	1,162	\$565	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	2	1,260	\$530	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	8	1,260	\$645	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$425	\$0	\$425	\$45	\$470	1BR / 1BA	\$475	\$0	\$475	\$45	\$520
2BR / 2BA	\$470	\$0	\$470	\$52	\$522	2BR / 2BA	\$565	\$0	\$565	\$52	\$617
3BR / 2BA	\$530	\$0	\$530	\$65	\$595	3BR / 2BA	\$645	\$0	\$645	\$65	\$710

Fern Point Apartments, continued

Amenities

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

Comments

The property accepts Housing Choice Vouchers. However, at this time there are no tenants currently utilizing these vouchers. Management maintains a waiting list of approximately 20 households. The contact stated that she believes demand for rental housing in the area is very high, because she sees a lot of prospective tenants.

Photos



PROPERTY PROFILE REPORT

Heather Highlands

Effective Rent Date	10/27/2020
Location	10 Ed Smith Way Royston, GA 30662 Franklin County
Distance	26.3 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	10/01/2015
Leasing Began	10/01/2015
Last Unit Leased	2/01/2016
Major Competitors	None identified
Tenant Characteristics	Families from Royston; a few seniors
Contact Name	Whitleigh
Phone	762-847-7900



Market Information

Program	@50%, @60%, Non-Rental
Annual Turnover Rate	30%
Units/Month Absorbed	10
HCV Tenants	3%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased three to five percent
Concession	None
Waiting List	Yes; 60+ households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	850	\$355	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	6	850	\$385	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	4	1,100	\$408	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	20	1,100	\$465	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	2	1,250	\$445	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	5	1,250	\$550	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	1	1,250	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$355	\$0	\$355	\$45	\$400	1BR / 1BA	\$385	\$0	\$385	\$45	\$430
2BR / 2BA	\$408	\$0	\$408	\$52	\$460	2BR / 2BA	\$465	\$0	\$465	\$52	\$517
3BR / 2BA	\$445	\$0	\$445	\$65	\$510	3BR / 2BA	\$550	\$0	\$550	\$65	\$615
Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
3BR / 2BA	N/A	\$0	N/A	\$65	N/A						

Heather Highlands, continued

Amenities

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

Comments

The contact stated that there is strong demand in the area for affordable housing. During the COVID-19 pandemic, management reported no significant impact to traffic or occupancy, and a slight decrease in collections with one tenant being placed on a payment plan.

Photos



PROPERTY PROFILE REPORT

Juniper Court

Effective Rent Date	10/22/2020
Location	283 Nancy Drive Hartwell, GA 30643 Hart County
Distance	13.4 miles
Units	52
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted) (2 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	East Orchard Apartments
Tenant Characteristics	Single seniors and couples mostly from Elbert and Hart County
Contact Name	Melissa
Phone	706-376-2589



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	10
HCV Tenants	2%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None
Waiting List	75 households

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	9	762	\$377	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	5	762	\$387	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	10	762	\$445	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	12	1,060	\$430	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	10	1,060	\$445	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	6	1,060	\$465	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$377	\$0	\$377	\$45	\$422	1BR / 1BA	\$387	\$0	\$387	\$45	\$432
2BR / 2BA	\$430	\$0	\$430	\$52	\$482	2BR / 2BA	\$445	\$0	\$445	\$52	\$497
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$445	\$0	\$445	\$45	\$490						
2BR / 2BA	\$465	\$0	\$465	\$52	\$517						

Juniper Court, continued

Amenities

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

Comments

The contact reported strong demand for affordable housing in the area. She also stated that there were not many affordable options for seniors in the area. According to the contact, the property has not experienced a decrease in collections or occupancy as a result of the COVID-19 pandemic.

Photos



PROPERTY PROFILE REPORT

Ashton Park Apartments

Effective Rent Date	10/15/2020
Location	50 Braeburn Drive Anderson, SC 29621 Anderson County
Distance	0.3 miles
Units	216
Vacant Units	5
Vacancy Rate	2.3%
Type	Garden (3 stories)
Year Built/Renovated	2006 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Walden Oaks and Shadow Creek
Tenant Characteristics	Approximately 40 percent students, mix from the local area, some out of state
Contact Name	Tanya
Phone	(864) 367-0143



Market Information

Program	Market
Annual Turnover Rate	11%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Fluctuates daily
Concession	N/A
Waiting List	Yes; unknown length for two-bedroom units

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	54	850	\$991	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	54	1,085	\$1,114	\$0	Market	No	3	5.6%	N/A	None
2	2	Garden (3 stories)	54	1,188	\$1,215	\$0	Market	No	2	3.7%	N/A	None
3	2	Garden (3 stories)	54	1,450	\$1,352	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$991	\$0	\$991	\$45	\$1,036
2BR / 2BA	\$1,114 - \$1,215	\$0	\$1,114 - \$1,215	\$52	\$1,166 - \$1,267
3BR / 2BA	\$1,352	\$0	\$1,352	\$65	\$1,417

Ashton Park Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpeting	Central A/C		
Coat Closet	Ceiling Fan		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	Storage \$70/\$90
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$120.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Theatre		
Volleyball Court	Wi-Fi		

Comments

This property does not accept Housing Choice Vouchers. The property utilizes Yieldstar and rents change daily. The contact stated there has not been any issues caused by the COVID-19 pandemic or the ensuing economic downturn during the past three months, and that there is a demand for rental housing in the area. Garages rent for \$90, \$125, or \$135, depending on size.

Photos



PROPERTY PROFILE REPORT

Hamptons Apartments

Effective Rent Date	10/19/2020
Location	100 Hudson Circle Anderson, SC 29625 Anderson County
Distance	18.7 miles
Units	184
Vacant Units	1
Vacancy Rate	0.5%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Station 153
Tenant Characteristics	Mix of families, students, and 15% seniors
Contact Name	Donna
Phone	864-224-6811



Market Information

Program	Market
Annual Turnover Rate	52%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to within two weeks
Annual Chg. in Rent	Increased two percent since 1Q 2020
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	22	679	\$740	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	22	821	\$765	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	54	807	\$805	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	54	1,029	\$840	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	32	1,434	\$935	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$740 - \$765	\$0	\$740 - \$765	\$45	\$785 - \$810
2BR / 2BA	\$805 - \$840	\$0	\$805 - \$840	\$52	\$857 - \$892
3BR / 2BA	\$935	\$0	\$935	\$65	\$1,000

Hamptons Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Dishwasher	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Recreation Areas	Swimming Pool		
Theatre			

Comments

The contact reported typically higher turnover during the summer months but there have been several households that decided to renew leases due to the uncertainty of the current situation. She stated collections have not been negatively impacted by COVID-19 and arrangements have been made with the small number of tenants that may have gotten behind on rent payments due to furloughs or job losses, additionally, foot traffic has decreased by 25%.

Photos



PROPERTY PROFILE REPORT

Petersburg Village

Effective Rent Date	10/22/2020
Location	1056 Petersburg Road Elberton, GA 30635 Elbert County
Distance	18.8 miles
Units	8
Vacant Units	0
Vacancy Rate	0.0%
Type	One-story (age-restricted)
Year Built/Renovated	2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Magnolia Estate
Tenant Characteristics	Seniors 55+, mix of couples and singles mostly from Elbert and surrounding counties
Contact Name	Faye
Phone	706-283-8168



Market Information

Program	Market
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	One-bedroom stable, two-bedroom increased
Concession	None
Waiting List	Yes; 15 households as of April 2018

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	4	1,396	\$625	\$0	Market	Yes	0	0.0%	N/A	None
2	2	One-story	4	1,697	\$750	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$625	\$0	\$625	\$60	\$685
2BR / 2BA	\$750	\$0	\$750	\$67	\$817

Amenities

In-Unit	Security	Services
Balcony/Patio	Perimeter Fencing	None
Carpeting	Video Surveillance	
Coat Closet		
Ceiling Fan		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Garage	None	None
On-Site Management		

Comments

The property does not accept Housing Choice Vouchers. This property currently maintains a waiting list, however, the contact did not know the length of the waiting list. As of a survey from April 2018 there were 15 households on the waiting list. Each unit comes with an attached garage for no additional fee. The contact stated that there is high demand in the area for rental housing.

Photos



PROPERTY PROFILE REPORT

Shadow Creek Apartments

Effective Rent Date	10/19/2020
Location	100 Shadow Creek Lane Anderson, SC 29621 Anderson County
Distance	20.3 miles
Units	192
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1999 / 2019
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Tanglewood
Tenant Characteristics	Families, students, 5% seniors
Contact Name	Erica
Phone	864-224-8803



Market Information

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

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	804	\$1,006	\$0	Market	Yes	0	N/A	N/A	HIGH*
1	1	Garden (3 stories)	36	804	\$876	\$0	Market	Yes	0	0.0%	N/A	LOW*
2	2	Garden (3 stories)	N/A	1,098	\$1,093	\$0	Market	Yes	0	N/A	N/A	HIGH*
2	2	Garden (3 stories)	132	1,098	\$963	\$0	Market	Yes	0	0.0%	N/A	LOW*
3	2	Garden (3 stories)	N/A	1,224	\$1,268	\$0	Market	Yes	0	N/A	N/A	HIGH
3	2	Garden (3 stories)	24	1,224	\$1,148	\$0	Market	Yes	0	0.0%	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$876 - \$1,006	\$0	\$876 - \$1,006	\$45	\$921 - \$1,051
2BR / 2BA	\$963 - \$1,093	\$0	\$963 - \$1,093	\$52	\$1,015 - \$1,145
3BR / 2BA	\$1,148 - \$1,268	\$0	\$1,148 - \$1,268	\$65	\$1,213 - \$1,333

Shadow Creek Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Fireplace		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Vaulted Ceilings	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Garage(\$80.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Recreation Areas	Swimming Pool		

Comments

The contact stated an unknown number of units have been renovated as they become available. Upgraded units include new appliances, flooring, cabinets, fixtures, and counter tops. Renovated units are reflected in the higher pricing for the one and two-bedroom units. Washers/dryers are available to rent for \$45 per month. The contact noted no impact to collections, occupancy, or traffic during the COVID-19 pandemic. Additionally, the contact reported a strong demand for rental housing in the area.

Photos



PROPERTY PROFILE REPORT

Tanglewood Apartments

Effective Rent Date	10/15/2020
Location	2418 Marchbanks Avenue Anderson, SC 29621 Anderson County
Distance	20.2 miles
Units	168
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1976 / 2007
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Raintree, Ashton Park
Tenant Characteristics	Majority families; some graduate students and seniors from Greenville and Hartwell
Contact Name	Marie
Phone	(864) 226-5254



Market Information

Program	Market
Annual Turnover Rate	14%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	Increased one percent
Concession	None
Waiting List	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	40	615	\$758	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	112	925	\$888	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	1,150	\$1,020	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$758	\$0	\$758	\$60	\$818
2BR / 1.5BA	\$888	\$0	\$888	\$67	\$955
3BR / 2BA	\$1,020	\$0	\$1,020	\$80	\$1,100

Tanglewood Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Dishwasher	Exterior Storage		
Ceiling Fan	Garbage Disposal		
Hand Rails	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Car Wash	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Recreation Areas	Sport Court		
Swimming Pool	Tennis Court		
Volleyball Court			

Comments

The property is typically 96 to 100 percent occupied. The contact reported no impact to operations during the COVID-19 pandemic. The property does not accept Housing Choice Vouchers.

Photos



2. Housing Choice Vouchers

We spoke with Mary de la Vaux, Special Assistant at the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Hart County. Ms. de la Vaux stated that there are 12 families utilizing Housing Choice Vouchers in Hart County. According to the contact, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There is currently one household on the waiting list in Hart County. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Chandler Trace	LIHTC/ Market	Senior	N/A
Fern Point Apartments*	LIHTC	Family	0%
Heather Highlands*	LIHTC	Family	3%
Juniper Court	LIHTC/ Market	Senior	2%
Ashton Park Apartments*	Market	Family	0%
Hamptons Apartments*	Market	Family	N/A
Petersburg Village*	Market	Senior	N/A
Shadow Creek Apartments*	Market	Family	N/A
Tanglewood Apartments*	Market	Family	0%

*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from zero to three percent. The LIHTC properties report a low reliance on tenants with vouchers and the market rate properties do not accept vouchers. Thus, it appears that the Subject will not need to rely solely on voucher residents in order to maintain a high occupancy level. We believe the Subject would maintain voucher usage of less than ten percent were it to operate without a subsidy.

3. Phased Developments

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

Lease Up History

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

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Chandler Trace	LIHTC/Market	Senior	2020	52	26
Heather Highlands	LIHTC	Family	2013	40	10
Juniper Court	LIHTC/Market	Family	2009	52	10

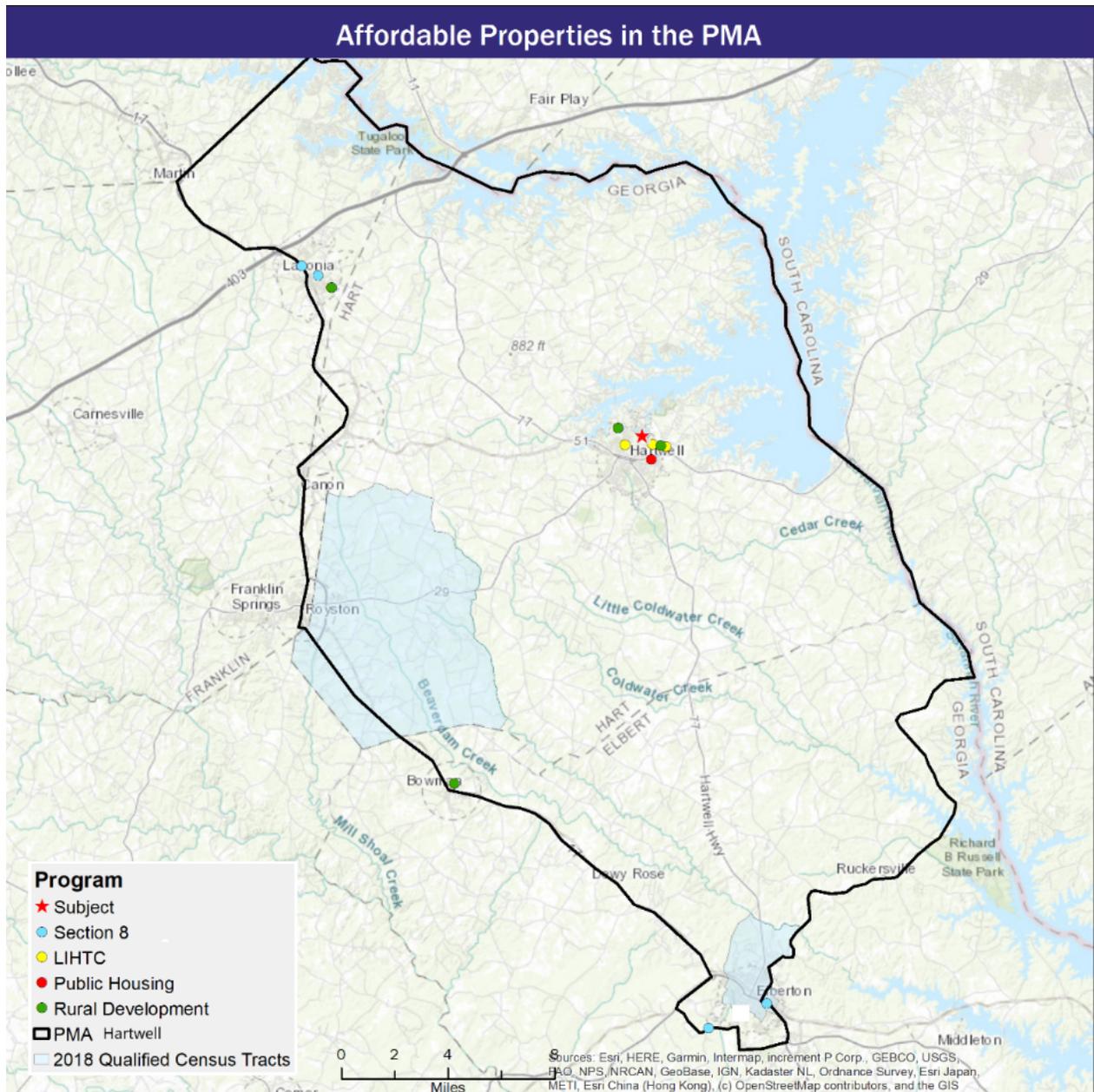
Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Chandler Trace is a senior LIHTC development located 1.1 miles from the Subject site in Hartwell. This property opened in January 2020 and experienced an absorption rate of 26 units per month. Heather Highlands is a LIHTC development located 13.4 miles from the Subject site in Royston, Georgia. This property opened in October 2013 and experienced an absorption rate of ten units per month. Juniper Court is a mixed-income property located 0.3 miles from the Subject site in Hartwell, Georgia. This property also demonstrated an absorption rate of ten units per month. All three properties are fully-occupied and maintain waiting lists that range from 30 to 75 households in length. This indicates there is strong demand for affordable housing in the area. Post-renovations, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 25 units per month, for an

absorption period of one month if it were hypothetically vacant. We placed most weight on Chandler Trace as it is the most recently constructed and the only senior comparable reporting absorption data.

4. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
East Orchard Elderly	Rural Development	Hartwell	Senior	24	100.0%	Star
Havenwood Elberton	LIHTC	Elberton	Senior	50	N/A	Yellow
Chandler Trace	LIHTC/Market	Hartwell	Senior	52	100.0%	
Juniper Court	LIHTC/Market	Hartwell	Senior	36	100.0%	Red
West Franklin Place	Public Housing	Hartwell	Family	180	N/A	Green
Wood Lake Apts Bayrock Corp	Rural Development	Hartwell	Family	16	100.0%	
East Orchard Family	Rural Development	Hartwell	Family	26	100.0%	
Woodlake I and II	Rural Development	Hartwell	Family	30	100.0%	
Lavonia Village	Rural Development	Lavonia	Family	24	100.0%	
Willow Lane Apts	Rural Development	Bowman	Family	18	100.0%	
Sunny Brook Apartments	Section 8	Elberton	Family	130	100.0%	
Lavonia Gardens	Section 8	Lavonia	Family	24	100.0%	Blue
Lavonia Housing	Section 8	Lavonia	Family	101	100.0%	
Elberta Homes	Section 8	Elberton	Family	185	100.0%	
Ridgewood Hills Townhouse	Section 8	Lavonia	Family	24	100.0%	



5. Amenities

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

EAST ORCHARD ELDERLY – HARTWELL, GEORGIA – MARKET STUDY

AMENITY MATRIX

Subject	Chandler Trace	Fern Point Apartments	Heather Highlands	Juniper Court	Ashton Park Apartments	Hamptons Apartments	Petersburg Village	Shadow Creek Apartments	Tanglewood Apartments	
Rent Structure	LIHTC	LIHTC/Market	LIHTC	LIHTC	LIHTC/Market	Market	Market	Market	Market	
Tenancy	Senior	Senior	Family	Family	Senior	Family	Family	Senior	Family	
Building										
Property Type	One-story	Lowrise	Garden	Garden	Garden	Garden	Garden	One-story	Garden	Garden
# of Stories	1-stories	2-stories	2-stories	2-stories	2-stories	3-stories	3-stories	1-stories	3-stories	2-stories
Year Built	1990	2020	2012	2015	2009	2006	2003	2007	1999	1976
Year Renovated	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2019	2007
Elevators	no	yes	no	no	no	no	no	no	no	no
Utility Structure										
Cooking	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	no	no	no	no	no	no	no
Sewer	yes	no	no	no	no	no	no	no	no	no
Trash	yes	yes	yes	yes	yes	yes	yes	no	yes	no
Accessibility										
Grab Bars	no	no	no	no	no	no	no	no	no	no
Hand Rails	no	no	no	no	no	no	no	no	no	yes
Pull Cords	yes	no	no	no	no	no	no	no	no	no
Unit Amenities										
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	no	yes	yes	no	yes	yes	yes
Coat Closet	yes	no	no	yes	yes	yes	no	yes	yes	no
Exterior Storage	yes	yes	no	no	no	no	no	no	no	yes
Fireplace	no	no	no	no	no	no	no	yes	yes	no
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes	no
Walk-In Closet	no	no	no	no	no	yes	no	no	yes	yes
Washer/Dryer	no	no	no	no	no	no	no	yes	no	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Kitchen										
Dishwasher	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	no	yes	no	yes	yes
Microwave	yes	yes	yes	yes	no	yes	no	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Community										
Business Center	no	yes	yes	no	yes	yes	no	no	yes	no
Community Room	no	yes	yes	yes	yes	yes	yes	no	yes	no
Central Laundry	yes	yes	yes	yes	yes	yes	no	no	yes	yes
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Recreation										
Exercise Facility	no	no	yes	yes	yes	yes	no	no	no	no
Playground	no	no	yes	yes	no	yes	no	no	yes	no
Swimming Pool	no	no	no	no	no	yes	yes	no	yes	yes
Picnic Area	no	yes	no	yes	yes	yes	no	no	yes	no
Sport Court	no	no	no	no	no	no	no	no	no	yes
Tennis Court	no	no	no	no	no	no	no	no	no	yes
Theatre	no	no	no	no	no	yes	yes	no	no	no
Recreational Area	yes	no	no	yes	yes	no	yes	no	yes	yes
Volleyball Court	no	no	no	no	no	yes	no	no	no	yes
WiFi	no	no	no	no	no	yes	no	no	no	no
Security										
In-Unit Alarm	no	no	no	no	no	yes	no	no	no	no
Intercom (Buzzer)	no	yes	no	no	no	no	no	no	no	no
Limited Access	no	yes	no	no	no	no	no	no	no	no
Patrol	no	no	no	no	yes	no	no	no	no	no
Perimeter Fencing	no	no	no	no	no	no	no	yes	no	no
Video Surveillance	no	no	no	no	no	no	no	yes	no	no
Parking										
Garage	no	no	no	no	no	yes	no	yes	yes	no
Garage Fee	\$0	\$0	\$0	\$0	\$0	\$120	\$0	\$0	\$80	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior to slightly inferior property amenities. The Subject will offer pull cords and exterior storage, which many comparables lack and are amenities that seniors desire. However, the Subject will not offer a business center, community room, exercise facility, or playground, which is offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place.

6. Comparable Tenancy

The Subject will target seniors aged 55 and older, similar to two of the comparables. The remaining comparable properties target families.

Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Chandler Trace	LIHTC/ Market	Senior	52	0	0.0%
Fern Point Apartments*	LIHTC	Family	48	0	0.0%
Heather Highlands*	LIHTC	Family	40	0	0.0%
Juniper Court	LIHTC/ Market	Senior	52	0	0.0%
Ashton Park Apartments*	Market	Family	216	5	2.3%
Hamptons Apartments*	Market	Family	184	1	0.5%
Petersburg Village*	Market	Senior	8	0	0.0%
Shadow Creek Apartments*	Market	Family	192	0	0.0%
Tanglewood Apartments*	Market	Family	168	0	0.0%
Total LIHTC			192	0	0.0%
Total Market Rate			768	6	0.8%
Overall Total			960	6	0.6%

*Located outside of the PMA

Overall vacancy in the market is very low at 0.6 percent and there are no vacancies among the LIHTC comparables. It should be noted none of the comparables noted any impact on vacancy due to the COVID-19 pandemic. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

Vacancy rates among the market-rate comparable properties range from zero to 2.3 percent, averaging 0.8 percent, which is considered very low. As a newly renovated property with subsidies in place for all units, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Given that the Subject is an existing property that is typically fully-occupied, we do not believe that the Subject will impact the performance of the existing affordable properties if allocated.

7. Properties Under Construction and Proposed

We spoke with Paul at the Hart County Building Permitting department regarding new and proposed development in Hart County. Additionally, we utilized the LIHTC allocation lists published by Georgia Department of Community Affairs and found no developments proposed for construction in the Subject's PMA.

8. Rental Advantage

The following table illustrates the Subject’s similarity to the comparable properties. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

SIMILARITY MATRIX

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Chandler Trace	LIHTC/Market	Senior	Slightly Superior	Slightly Inferior	Similar	Slightly Superior	Slightly Superior	10
2	Fern Point Apartments	LIHTC	Family	Superior	Slightly Inferior	Similar	Slightly Inferior	Slightly Superior	5
3	Heather Highlands	LIHTC	Family	Superior	Slightly Inferior	Similar	Similar	Slightly Superior	10
4	Juniper Court	LIHTC/Market	Senior	Slightly Superior	Slightly Inferior	Similar	Slightly Inferior	Slightly Superior	0
5	Ashton Park Apartments	Market	Family	Superior	Slightly Inferior	Slightly Superior	Slightly Inferior	Slightly Superior	10
6	Hamptons Apartments	Market	Family	Slightly Superior	Slightly Inferior	Slightly Superior	Slightly Inferior	Similar	0
7	Petersburg Village	Market	Senior	Similar	Slightly Superior	Slightly Superior	Slightly Inferior	Slightly Superior	10
8	Shadow Creek Apartments	Market	Family	Superior	Slightly Superior	Slightly Superior	Similar	Slightly Superior	25
9	Tanglewood Apartments	Market	Family	Superior	Similar	Slightly Superior	Slightly Inferior	Similar	10

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

The rental rates at the LIHTC properties are compared to the Subject’s proposed contract rents in the following tables.

LIHTC RENT COMPARISON @60%

Property Name	County	Tenancy	1BR	Rents at Max?
East Orchard Elderly - As Proposed	Hart	Senior	\$700*	No
2020 LIHTC Maximum Rent (Net)	Hart		\$593	
2020 LIHTC Maximum Rent (Net)	Franklin		\$508	
2020 LIHTC Maximum Rent (Net)	Stephens		\$545	
Chandler Trace	Hart	Senior	\$375	No
Fern Point Apartments	Stephens	Family	\$520	No
Heather Highlands	Franklin	Family	\$430	No
Juniper Court	Hart	Senior	\$432	No
Average			\$439	
Achievable LIHTC Rent			\$435	

*Proposed contract rents where tenants will pay 30 percent of their income towards rent, not to exceed LIHTC maximum allowable levels.

The Subject’s proposed 60 percent AMI contract rents are set above the 2020 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The LIHTC and mixed-income comparables were placed in service between 2009 and 2020. The AMI in Hart, Franklin, and Stephens County reached their respective peaks in 2020. Therefore, the comparables are held to 2020 LIHTC maximum allowable levels, similar to the proposed Subject.

None of the comparables report achieving rents at the maximum allowable levels for its one-bedroom units at 60 percent of AMI. Overall, the Subject will be slightly inferior to Chandler Trace and similar to Juniper Court.

Chandler Trace is a senior development located 1.1 miles from the Subject and offers a similar location. This property was constructed in 2020 and exhibits excellent condition, which is considered slightly superior to the anticipated good condition of the Subject upon completion of renovations. Chandler Trace offers slightly superior property amenities compared to the proposed Subject as it offers a business center and community room, which the proposed Subject will not offer. This property offers slightly inferior in-unit amenities as it lacks pull cords, which the proposed Subject will offer and is an amenity that seniors desire. Chandler Trace offers slightly superior unit sizes compared to the Subject. Overall, Chandler Trace is considered superior to the Subject. It should be noted that Chandler Trace opened in January 2020 and was fully-occupied within two months. Further, this property maintains a waiting list that consists of 30 households. These factors indicate higher rents are likely achievable.

Juniper Court is a senior development located 0.3 miles from the Subject and offers a similar location. This property was constructed in 2009 and exhibits average condition, which is considered slightly inferior to the anticipated good condition of the Subject upon completion of renovations. Juniper Court offers slightly superior property amenities compared to the proposed Subject as it offers a business center, community room, and exercise facility, which the proposed Subject will not offer. This property offers slightly inferior in-unit amenities as it lacks pull cords and exterior storage, which the proposed Subject will offer and are amenities that seniors desire. Juniper Court offers slightly superior unit sizes compared to the Subject. Overall, Juniper Court is considered similar to the Subject.

As previously noted, Chandler Trace opened in January 2020 and was fully-occupied within two months. Further, this property maintains a waiting list that consists of 30 households. These factors indicate higher rents are likely achievable. Overall, we believe the Subject can achieve rents similar to those at Juniper Court. As such, we believe that the Subject could achieve rents of **\$435** for its one-bedroom units at 60 percent AMI, absent rental assistance.

Analysis of “Market Rents”

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

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @60%	\$435	\$375	\$1,051	\$696	60%

The Subject’s proposed 60 percent AMI rents, absent rental subsidies, are below the average of the surveyed comparables.

Shadow Creek Apartments is achieving the highest one-bedroom unrestricted rents in the market. The Subject will be inferior to Shadow Creek Apartments as a market-rate property upon completion of renovations. Shadow Creek Apartments was built in 1999, underwent renovations in 2019, and exhibits good condition, which is similar to the anticipated good condition of the Subject upon completion of renovations. Shadow Creek Apartments is located 20.3 miles from the Subject and offers a slightly superior location. Shadow Creek Apartments offers superior property amenities as it offers a business center, community room, playground, and swimming pool, which the Subject will not offer. This property offers slightly superior in-unit amenities when compared to the Subject as it offers fireplaces, vaulted ceilings, and walk-in closets, which the Subject will not offer, though it lacks pull cords and exterior storage, which the proposed Subject will offer and are amenities that seniors desire. This property offers slightly superior unit sizes in comparison to the Subject. The lowest one-bedroom unrestricted rents at Shadow Creek Apartments are approximately 112 percent higher than the Subject’s one-bedroom rents at 60 percent AMI, absent rental assistance.

9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low to moderate for all bedroom types and AMI levels. If allocated, the Subject will be slightly inferior to similar to the majority of the existing LIHTC housing stock. There are no vacancies among the LIHTC comparables. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject will exhibit slightly inferior to slightly superior condition to all of the LIHTC comparables upon completion. Therefore, we believe there is adequate demand for the Subject as proposed.

One property was allocated in the Subject’s PMA since 2017. Chandler Trace was awarded tax credits in 2017 for the development of 44 LIHTC and eight market rate units targeting seniors. Construction was completed in January 2020 and the property was fully-occupied by the end of February for a two-month absorption period. We do not believe that the renovation of the Subject will impact the one newly allocated LIHTC property or the existing LIHTC properties that are in overall good condition and currently performing well. Further, the Subject is typically fully-occupied and, thus, will not be adding new units to the market.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,118	78.4%	3,341	21.6%
2019	11,740	71.7%	4,625	28.3%
Projected Mkt Entry May 2022	11,907	72.1%	4,611	27.9%
2024	12,034	72.3%	4,601	27.7%

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	5,642	85.6%	950	14.4%
2019	6,763	77.5%	1,964	22.5%
Projected Mkt Entry May 2022	7,024	77.8%	2,009	22.2%
2024	7,223	77.9%	2,044	22.1%

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

As the table illustrates, senior households within the PMA reside mostly in owner-occupied residences. Nationally, approximately 85 percent of the senior population resides in owner-occupied housing units, and 15 percent resides in renter-occupied housing units. Therefore, there is a higher percentage of senior renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years, however, the number of senior renter-occupied units is projected to increase.

Historical Vacancy

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

HISTORICAL VACANCY

Property Name	Program	Total Units	2016	2018	2018	2019	2019	2020	2020	2020
			Q1	Q2	Q4	Q2	Q3	Q1	Q2	Q4
Chandler Trace	LIHTC/ Market	52	N/A	0.0%						
Fern Point Apartments	LIHTC	48	N/A	0.0%	N/A	4.2%	2.1%	N/A	N/A	0.0%
Heather Highlands	LIHTC	40	N/A	0.0%	5.0%	2.5%	0.0%	N/A	N/A	0.0%
Juniper Court	LIHTC/ Market	52	N/A	0.0%	N/A	1.9%	0.0%	N/A	N/A	0.0%
Ashton Park Apartments	Market	216	6.0%	2.8%	4.6%	6.0%	5.6%	6.5%	6.9%	2.3%
Hamptons Apartments	Market	184	N/A	3.8%	N/A	4.9%	0.5%	N/A	2.2%	0.5%
Petersburg Village	Market	8	N/A	0.0%	N/A	0.0%	0.0%	N/A	N/A	0.0%
Shadow Creek Apartments	Market	192	N/A	1.6%	0.5%	4.2%	5.2%	N/A	N/A	0.0%
Tanglewood Apartments	Market	168	1.8%	0.0%	1.2%	N/A	4.2%	4.2%	N/A	0.0%

The historical vacancy rates at all of the comparable properties for several quarters in the past four years are illustrated in the previous table. In general, the comparable properties experienced slightly decreasing vacancy from 2016 through the second quarter of 2020. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low vacancy rates and the presence of waiting lists at all of the LIHTC properties, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH

Property Name	Rent Structure	Tenancy	Rent Growth
Chandler Trace	LIHTC/ Market	Senior	N/Ap
Fern Point Apartments*	LIHTC	Family	None
Heather Highlands*	LIHTC	Family	Increased three to five percent
Juniper Court	LIHTC/ Market	Senior	None
Ashton Park Apartments*	Market	Family	Fluctuates daily
Hamptons Apartments*	Market	Family	Increased two percent since 1Q 2020
Petersburg Village*	Market	Senior	One-bedroom stable, two-bedroom increased 1.3%
Shadow Creek Apartments*	Market	Family	Increased three percent
Tanglewood Apartments*	Market	Family	Increased one percent

*Located outside of the PMA

One of the LIHTC properties, Heather Highlands, reported rent growth over the past year. The market rate properties also reported rent growth. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property. However, with rental assistance in place at the Subject, rent increases at the property should not directly impact residents, as they will continue to pay just 30 percent of their income toward rent, not to exceed LIHTC maximum allowable levels.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 13,947 housing units nationwide was in some stage of foreclosure as of September 2020. Georgia experienced one foreclosure in every 10,302 housing units. *RealtyTrac* did not provide foreclosure data for the City of Hartwell and Hart County. However, the Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

12. Effect of Subject on Other Affordable Units in Market

As previously noted, there are no LIHTC developments currently proposed or under construction in the PMA. The generally low vacancy rates among both the affordable and market rate properties illustrates a strong demand for the addition of affordable housing within the market. As the Subject is an existing, typically fully-occupied, subsidized property, it is not considered an addition to the amount of affordable housing in the market. There are no vacancies among the LIHTC comparables. The need for quality rental housing is further illustrated by the high occupancy rates of the other subsidized properties in the area. In summary, the performance of the comparable LIHTC properties and that fact the Subject is an existing, typically fully-occupied, subsidized property, all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. There are no vacancies among the LIHTC comparables. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior to slightly inferior property amenities. The Subject will offer pull cords and exterior storage, which many comparables lack and are amenities that seniors desire. However, the Subject will not offer a business center, community room, exercise facility, or playground, which is offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered slightly inferior to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject’s strong current performance, its anticipated good condition upon completion of renovations, and

the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well.

J. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

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

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Chandler Trace	LIHTC/Market	Senior	2020	52	26
Heather Highlands	LIHTC	Family	2013	40	10
Juniper Court	LIHTC/Market	Family	2009	52	10

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Chandler Trace is a senior LIHTC development located 1.1 miles from the Subject site in Hartwell. This property opened in January 2020 and experienced an absorption rate of 26 units per month. Heather Highlands is a LIHTC development located 13.4 miles from the Subject site in Royston, Georgia. This property opened in October 2013 and experienced an absorption rate of ten units per month. Juniper Court is a mixed-income property located 0.3 miles from the Subject site in Hartwell, Georgia. This property also demonstrated an absorption rate of ten units per month. All three properties are fully-occupied and maintain waiting lists that range from 30 to 75 households in length. This indicates there is strong demand for affordable housing in the area. Post-renovations, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 25 units per month, for an absorption period of one month if it were hypothetically vacant. We placed most weight on Chandler Trace as it is the most recently constructed and the only senior comparable reporting absorption data.

K. INTERVIEWS

Georgia Department of Community Affairs

We spoke with Mary de la Vaux, Special Assistant at the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Hart County. Ms. de la Vaux stated that there are 12 families utilizing Housing Choice Vouchers in Hart County. According to the contact, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There is currently one household on the waiting list in Hart County. The payment standards for Hart County are listed below.

PAYMENT STANDARDS

Unit Type	Payment Standard
One-Bedroom	\$531

Source: Georgia Department of Community Affairs, effective January 2020

The Subject's proposed LIHTC rents (absent subsidies) are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers would not pay out of pocket for rent. However, the Subject's proposed LIHTC units benefit from a RRAP contract; as such, tenants will not need to utilize vouchers.

Planning

We spoke with Paul at the Hart County Building Permitting department regarding new and proposed development in Hart County. Additionally, we utilized the LIHTC allocation lists published by Georgia Department of Community Affairs and found no developments proposed for construction in the Subject's PMA.

Hart County IBA

We contacted the Hart County Industrial Building Authority (IBA), to inquire about recent business expansions or contractions in the region. The following lists recent announced employment increases according to the Hart County IBA:

- On September 27, 2017, Nestle Purina announced that it was investing \$320 million in Hart County to build a manufacturing and distribution facility. The company plans to hire 240 full time workers through 2022.
- On April 27, 2017, Lake Foods announced a 130-job expansion in Hart County. The company invested \$8 million to double their workforce. Their 62,000 square foot facility is located in Hart County's Industrial Park.
- In September 2016, Ritz Instrument Transformers announced plans to create 50 new jobs and invest \$8 million in Hart County through 2021.
- In January 2016, LINDE+WIEMANN announced 200 new jobs and a \$35 million investment in Hart County to expand its automotive parts manufacturing plant in the area.

L. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The senior population in the PMA increased by 1.9 percent between 2010 and 2019, compared to the 2.8 percent increase in the regional SMA and 3.0 percent increase across the overall nation. The percentage of senior households in the PMA grew at a rate of 1.9 percent per year between 2010 and 2019, which was less than the SMA and the nation during the same time period. Over the next five years, the senior household growth in the PMA and SMA is expected to continue though it will lag the national household growth. The current population of the PMA is 14,705 and is expected to be 15,329 in 2022. The current number of senior households in the PMA is 8,727 and is expected to be 9,033 in 2022. Renter households are concentrated in the lowest income cohorts, with 63.3 percent of renters in the PMA earning less than \$29,999 annually. The Subject's LIHTC units, with subsidy, will target tenants earning between \$0 and \$29,880. Absent subsidy, the Subject would target tenants earning between \$16,260 and \$29,880. Overall, the projected growth in the senior population and households along with the high concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

Employment Trends

Employment in the PMA is concentrated in the manufacturing, retail/trade, and healthcare/social assistance industries, which collectively comprise 49.2 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. This has been evident during the COVID-19 pandemic. The manufacturing industry has experienced a negative impact on demand, production, and revenues over the past several months. Many manufacturing jobs are on-site and cannot be carried out remotely. Additionally, slowed economic activity as a result of the shutdown has reduced demand for industrial products in the United States and globally. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, agriculture/forestry/fishing/hunting, and construction industries. Conversely, the PMA is underrepresented in the professional/scientific/technical services, accommodation/food services, and finance/insurance industries.

Prior to the national recession, average employment growth in the SMA generally trailed the nation. Annual job growth in the SMA lagged the nation in all but one year between 2002 and 2007. The effects of the recession were particularly pronounced in the SMA, which suffered a 10.6 percent contraction in employment growth (2008-2010), well above the 4.9 percent contraction reported by the nation as a whole (2007-2010). Employment in the SMA recovered and surpassed pre-recessionary levels in 2018, three years after the overall nation. Due to the COVID-19 pandemic, employment totals in the 12-month period prior to August 2020 saw a decrease of 1.5 percent, compared to a decrease of 6.7 percent experienced by the nation over the same length of time. Employment growth is expected to be limited in the coming months as a result of the COVID-19 pandemic. Georgia has begun to re-open its restaurants, gyms, and other indoor venues as of April 2020, however, return to full economic potential is unlikely while the global health crisis continues.

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

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

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR @60%	\$0	\$29,880	24	345	0	345	7.0%	\$700
1BR @60% (Absent Subsidy)	\$16,260	\$29,880	24	145	0	145	16.6%	\$700

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. According to Georgia DCA, all subsidized units are considered leasable; thus, the capture rate in the absent subsidy scenario is moot. Therefore, we believe there is adequate demand for the Subject.

Absorption

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

ABSORPTION

Property Name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Chandler Trace	LIHTC/Market	Senior	2020	52	26
Heather Highlands	LIHTC	Family	2013	40	10
Juniper Court	LIHTC/Market	Family	2009	52	10

Per DCA guidelines, we calculate the absorption to 93 percent occupancy. Chandler Trace is a senior LIHTC development located 1.1 miles from the Subject site in Hartwell. This property opened in January 2020 and experienced an absorption rate of 26 units per month. Heather Highlands is a LIHTC development located 13.4 miles from the Subject site in Royston, Georgia. This property opened in October 2013 and experienced an absorption rate of ten units per month. Juniper Court is a mixed-income property located 0.3 miles from the Subject site in Hartwell, Georgia. This property also demonstrated an absorption rate of ten units per month. All three properties are fully-occupied and maintain waiting lists that range from 30 to 75 households in length. This indicates there is strong demand for affordable housing in the area. Post-renovations, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 25 units per month, for an absorption period of one month if it were hypothetically vacant. We placed most weight on Chandler Trace as it is the most recently constructed and the only senior comparable reporting absorption data.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Chandler Trace	LIHTC/ Market	Senior	52	0	0.0%
Fern Point Apartments*	LIHTC	Family	48	0	0.0%
Heather Highlands*	LIHTC	Family	40	0	0.0%
Juniper Court	LIHTC/ Market	Senior	52	0	0.0%
Ashton Park Apartments*	Market	Family	216	5	2.3%
Hamptons Apartments*	Market	Family	184	1	0.5%
Petersburg Village*	Market	Senior	8	0	0.0%
Shadow Creek Apartments*	Market	Family	192	0	0.0%
Tanglewood Apartments*	Market	Family	168	0	0.0%
Total LIHTC			192	0	0.0%
Total Market Rate			768	6	0.8%
Overall Total			960	6	0.6%

*Located outside of the PMA

Overall vacancy in the market is very low at 0.6 percent and there are no vacancies among the LIHTC comparables. It should be noted none of the comparables noted any impact on vacancy due to the COVID-19 pandemic. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area.

Vacancy rates among the market-rate comparable properties range from zero to 2.3 percent, averaging 0.8 percent, which is considered very low. As a newly renovated property with subsidies in place for all units, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Given that the Subject is an existing property that is typically fully-occupied, we do not believe that the Subject will impact the performance of the existing affordable properties if allocated.

Strengths of the Subject

Upon completion of renovations, the Subject will be in good condition and will be considered slightly inferior to slightly superior in terms of condition to the majority of the comparable properties. As the demand analysis indicated, there is adequate demand for the Subject based on our calculations for the 60 percent AMI units with or without a subsidy in place. Further, the Subject is typically fully-occupied. Additionally, qualifying tenants will pay only 30 percent of their household income on rent. The majority of current tenants are anticipated to income-qualify for the Subject post-renovation. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. There are no vacancies among the LIHTC comparables. Further, all of the LIHTC properties report waiting lists, ranging from 20 to 75 households in length. The current performance of the LIHTC and mixed-income comparables indicates strong demand for affordable housing in the area. The Subject will offer slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior to slightly inferior property amenities. The Subject will offer pull cords and exterior storage, which many comparables lack and are amenities that seniors desire. However, the Subject will not offer a business center, community room, exercise facility, or playground, which is offered at several of the comparable developments. Overall, we believe that the proposed amenities will allow the Subject to

effectively compete in the market, given the subsidies in place. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered slightly inferior to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject's strong current performance, its anticipated good condition upon completion of renovations, and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well.

Recommendations

We recommend the Subject as proposed.

M. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) made a physical inspection of the market area and the Subject property and that information has been used in the full study of the need and demand for the proposed units. The report is written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

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



H. Blair Kincer, MAI
Partner
Novogradac Consulting LLP

November 10, 2020



Brian Neukam
Manager
Novogradac Consulting LLP

November 10, 2020



Travis Jorgenson
Analyst
Novogradac Consulting LLP

November 10, 2020

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst,

firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

ADDENDUM B
Subject and Neighborhood Photographs

PHOTOGRAPHS OF SUBJECT AND NEIGHBORHOOD



View of Subject



View of Subject



View west on Nancy Drive



View east on Nancy Drive



Office at Subject property



Community room at Subject property



Typical bedroom at Subject property



Typical bathroom at Subject property



Typical kitchen at Subject property



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Medical use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood



Single-family home in Subject's neighborhood

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. GA12288 – District of Columbia
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. CGA.0020047 – State of Rhode Island
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as

if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No.329471

State of North Carolina Certified General Appraiser No. 8284

State of South Carolina Certified General Appraiser No. 7493

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, December 2016-present

Novogradac & Company LLP, Senior Real Estate Analyst, September 2015- December 2016

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

REAL ESTATE ASSIGNMENTS

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Travis Jorgenson

I. Education

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

II. Professional Experience

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

III. Research Assignments

A representative sample of work on various types of projects:

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

ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	East Orchard Elderly - As Proposed 110 Nancy Drive Hartwell, GA 30643 Hart County	-	One-story 1-stories 1990 / n/a Senior	@60% (Rural Rental Assistance Program - RRAP)	1BR / 1BA	24	100.0%	650	@60% (RRAP)	\$700	N/A	N/A	1	4.2%
						<u>24</u>							<u>1</u>	<u>4.2%</u>
1	Chandler Trace Chandler Street And Emory Drive Hartwell, GA 30643 Hart County	1.1 miles	Lowrise 2-stories 2020 / n/a Senior	@50%, @60%, Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA	7 1 4 32 8	13.5% 1.9% 7.7% 61.5% 15.4%	775 775 1,114 1,114 1,114	@50% @60% @50% @60% Market	\$375 \$375 \$437 \$452 \$472	No No No No N/A	Yes Yes Yes Yes Yes	0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0%
						<u>52</u>							<u>0</u>	<u>0.0%</u>
2	Fern Point Apartments 280 Fern Point Drive Toccoa, GA 30577 Stephens County	26.3 miles	Garden 2-stories 2012 / n/a Family	@50%, @60%	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA	2 8 4 24 2 8	4.2% 16.7% 8.3% 50.0% 4.2% 16.7%	775 775 1,162 1,162 1,260 1,260	@50% @60% @50% @60% @50% @60%	\$470 \$520 \$522 \$617 \$595 \$710	No No No No No No	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
						<u>48</u>							<u>0</u>	<u>0.0%</u>
3	Heather Highlands 10 Ed Smith Way Royston, GA 30662 Franklin County	13.4 miles	Garden 2-stories 2015 / n/a Family	@50%, @60%	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA 3BR / 2BA	2 6 4 20 2 5 1	5.0% 15.0% 10.0% 50.0% 5.0% 12.5% 2.5%	850 850 1,100 1,100 1,250 1,250 1,250	@50% @60% @50% @60% @50% @60% Non-Rental	\$400 \$430 \$460 \$517 \$510 \$615 -	No No No No No No N/A	Yes Yes Yes Yes Yes Yes N/A	0 0 0 0 0 0 N/A	0.0% 0.0% 0.0% 0.0% 0.0% 0.0% N/A
						<u>40</u>							<u>0</u>	<u>0.0%</u>
4	Juniper Court 283 Nancy Drive Hartwell, GA 30643 Hart County	0.3 miles	Garden 2-stories 2009 / n/a Senior	@50%, @60%, Market	1BR / 1BA 1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 2BR / 2BA	9 5 10 12 10 6	17.3% 9.6% 19.2% 23.1% 19.2% 11.5%	762 762 762 1,060 1,060 1,060	@50% @60% Market @50% @60% Market	\$422 \$432 \$490 \$482 \$497 \$517	No No N/A No No N/A	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
						<u>52</u>							<u>0</u>	<u>0.0%</u>
5	Ashton Park Apartments 50 Braeburn Drive Anderson, SC 29621 Anderson County	20.0 miles	Garden 3-stories 2006 / n/a Family	Market	1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	54 54 54 54	25.0% 25.0% 25.0% 25.0%	850 1,085 1,188 1,450	Market Market Market Market	\$1,036 \$1,166 \$1,267 \$1,417	N/A N/A N/A N/A	No No No No	0 3 2 0	0.0% 5.6% 3.7% 0.0%
						<u>216</u>							<u>5</u>	<u>2.3%</u>
6	Hamptons Apartments 100 Hudson Circle Anderson, SC 29625 Anderson County	18.7 miles	Garden 3-stories 2003 / n/a Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA	22 22 54 54 32	12.0% 12.0% 29.4% 29.4% 17.4%	679 821 807 1,029 1,434	Market Market Market Market Market	\$785 \$810 \$857 \$892 \$1,000	N/A N/A N/A N/A N/A	No No No No No	N/A N/A N/A N/A N/A	N/A N/A N/A N/A N/A
						<u>184</u>							<u>1</u>	<u>0.5%</u>
7	Petersburg Village 1056 Petersburg Road Elberton, GA 30635 Elbert County	18.8 miles	One-story 1-stories 2007 / n/a Senior	Market	1BR / 1BA 2BR / 2BA	4 4	50.0% 50.0%	1,396 1,697	Market Market	\$685 \$817	N/A N/A	Yes Yes	0 0	0.0% 0.0%
						<u>8</u>							<u>0</u>	<u>0.0%</u>
8	Shadow Creek Apartments 100 Shadow Creek Lane Anderson, SC 29621 Anderson County	20.3 miles	Garden 3-stories 1999 / 2019 Family	Market	1BR / 1BA 1BR / 1BA 2BR / 2BA 2BR / 2BA 3BR / 2BA 3BR / 2BA	N/A 36 N/A 132 N/A 24	N/A 18.8% N/A 68.8% N/A 12.5%	804 804 1,098 1,098 1,224 1,224	Market Market Market Market Market Market	\$1,051 \$921 \$1,145 \$1,015 \$1,333 \$1,213	N/A N/A N/A N/A N/A N/A	Yes Yes Yes Yes Yes Yes	0 0 0 0 0 0	N/A N/A N/A 0.0% N/A 0.0%
						<u>192</u>							<u>0</u>	<u>0.0%</u>
9	Tanglewood Apartments 2418 Marchbanks Avenue Anderson, SC 29621 Anderson County	20.2 miles	Garden 2-stories 1976 / 2007 Family	Market	1BR / 1BA 2BR / 1.5BA 3BR / 2BA	40 112 16	23.8% 66.7% 9.5%	615 925 1,150	Market Market Market	\$818 \$955 \$1,100	N/A N/A N/A	No No No	0 0 0	0.0% 0.0% 0.0%
						<u>168</u>							<u>0</u>	<u>0.0%</u>