

PROFESSIONAL MARKET STUDY
FOR THE BROADVIEW COVE APARTMENTS
A PROPOSED LIHTC ELDERLY DEVELOPMENT

LOCATED IN:
BLUE RIDGE, FANNIN COUNTY, GA

I

PREPARED FOR:
BROADVIEW COVE, L.P.

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JUNE 2013

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SECTION A
EXECUTIVE SUMMARY

1. Project Description:

. Brief description of project location including address and/or position relative to the closest cross-street.

. The site of the proposed elderly LIHTC apartment development is located off Industrial Park Drive, approximately .3 miles north of US 76 and 2.5 miles north of Downtown Blue Ridge.

. Construction and occupancy types.

. The proposed new construction project design will comprise 2 three-story buildings connected by an elevator. The project will include a separate building comprising a manager's office, and community space. The project will provide 97-parking spaces.

The proposed *Occupancy Type* is **Housing for Older Persons** (age 55+).

. Unit mix including bedrooms, bathrooms, square footage, income targeting rents, utility allowance.

Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	6	Na	762
2BR/2b	54	Na	1,078
Total	60		

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), and 80% at 60% AMI. Rent excludes all utilities, yet will include trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	2	\$310	\$125	\$435
2BR/2b	10	\$362	\$159	\$521

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	4	\$318	\$125	\$443
2BR/2b	44	\$365	\$159	\$524

*Provided by applicant, based upon GA-DCA Northern Region Utility Allowances.

. Any additional subsidies available including project based rental assistance (PBRA).

- . The proposed LIHTC development will not include any additional deep subsidy rental assistance, including PBRA. The proposed LIHTC development will accept deep subsidy Section 8 vouchers.

. Brief description of proposed amenities and how they compare to existing properties.

- . Overall, the subject will be competitive to very competitive with most the existing program assisted and market rate apartment properties in the market regarding the proposed unit and development amenity package. A complete kitchen amenity package is proposed and the overall development amenity package includes two central laundries, a community room, and outdoor amenities.

2. Site Description/Evaluation:

. A brief description of physical features of the site and adjacent parcels. In addition, a brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).

- . The approximately 10-acre, polygon shaped tract is relatively flat, mostly cleared, and appears to drain well. At present, there are no physical structures on the tract. The site is considered to be very marketable and buildable. However, this assessment is subject to both environmental and engineering studies. All public utility services are available to the tract and excess capacity exists.
- . The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: vacant land use, with

nearby commercial and multi-family use.

- Directly north of the tract is vacant land. Directly south of the tract are a small commercial/retail property known as the Appalachian Home Center, and the Brooks Summit (USDA-RD) Apartments. Brooks Summit was built in 1996, and is in good condition. An Ingles Grocery/Pharmacy is located about .5 miles south of the site. Directly east of the tract is vacant land. US 76 is about .3 miles east of the tract. Directly west of the tract is vacant land.

• ***A discussion of site access and visibility.***

- Access to the site is available off Industrial Park Drive via a short connector. Industrial Park Drive is a low density connector, linking the site to US Highway 76. It is a lightly traveled road, with a speed limit of 35 miles per hour. Also, the location of the site off Industrial Park Drive does not present problems of egress and ingress to the site.
- The site in relation to the subject and the surrounding roads is very agreeable to signage. There are no negative visibility issues in relation to the site.

• ***Any significant positive or negative aspects of the subject site.***

- Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to: services, trade, the post office, and an Ingles grocery/pharmacy	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

• ***A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc...***

- Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities within Blue Ridge can be accessed within a 5-minute drive. At the time of the market study, there was no significant infrastructure development underway within the vicinity

of the site.

- **An overall conclusion of the site's appropriateness for the proposed development.**
- The site location is considered to be marketable. In the opinion of the analyst the proposed site location offers attributes that will enhance the rent-up process of the proposed LIHTC elderly development.

3. Market Area Definition:

- **A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property.**
- The PMA for the proposed LIHTC multi-family elderly development consists of the following 2010 census tracts in Fannin, Gilmer, and Union Counties:
 - 501 - 505 in Fannin County,
 - 801 & 802 in Gilmer County, and
 - 1.01, 2.01 & 2.04 in Union County.
- Blue Ridge is the largest city within the PMA, with a 2010 population of 1,290. Also included within the PMA are three other incorporate places: McCaysville (population 1,056), Cherry Log (population 119, and Morganton (population 303).
- Based upon physical geography the PMA appears to be overly large. Much of the southern and western portions of Fannin County are sparsely populated. In addition, much of the northern portion of Gilmer County is sparsely populated as is the majority of the southern portion of Union County. The rural areas in these counties comprise portions of the Chattahoochee National Forest and the Cohutta Wilderness Area.
- With regard to the location of an independent living elderly apartment complex, without deep subsidy rental assistance, Blue Ridge, and to a much lesser degree McCaysville would be the most logical choice as a location of a LIHTC elderly complex in the PMA.
- The demand methodology in this market study excluded a Secondary Market Area factor.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	GA/TN & GA/NC state lines	7.5 miles
East	Blairsville, US Hwy, Nottely Lake	17 miles
South	Ellijay/East Ellijay, US 76, & SR 52	13.5 - 20 miles

Direction	Boundary	Distance from Subject
North	GA/TN & GA/NC state lines	7.5 miles
West	Murray County	12 - 18 miles

4. Community Demographic Data:

- **Current and projected household and population counts for the primary market area. For senior reports, data should be presented for both overall and senior households and populations/households.**

- Total population and household gains over the next several years, (2010-2015) are forecasted for the PMA at a modest rate of growth, represented by a rate of change approximating +.20% per year. In the PMA, in 2010, the total population count was 41,995 versus 42,035 in 2015.
- Population gains over the next several years, (2010-2015) are forecasted for the PMA for the 55 and over age group continuing at a very significant rate of increase, with a forecasted rate of growth approximating +1.5% per year. In the PMA, in 2010, for population age 55 and over, the count was 16,761 versus 18,029 in 2015. In the PMA, in 2010, for households age 55 and over, the count was 10,196 versus 11,028 in 2015.

- **Households by tenure including any trends in rental rates.**

- The 2013 to 2015 tenure trend revealed an increase in both owner-occupied and renter-occupied tenure in the PMA for households age 55 and over. The tenure trend (on a percentage basis) currently favors renter households.

- **Households by income level.**

- It is projected that in 2015, approximately **10.5%** of the elderly owner-occupied households age 55+ in the PMA were in the subject property 50% AMI LIHTC target income group of \$12,840 to \$18,250.
- It is projected that in 2015, approximately **15%** of the elderly renter-occupied households age 55+ in the PMA were in the subject property 50% AMI LIHTC target income group of \$12,840 to \$18,250.
- It is projected that in 2015, approximately **16%** of the elderly owner-occupied households age 55+ in the PMA were in the subject property 60% AMI LIHTC target income group of \$13,650 to \$21,900.
- It is projected that in 2015, approximately **20%** of the

elderly renter-occupied households age 55+ in the PMA were in the subject property 60% AMI LIHTC target income group of \$13,650 to \$21,900.

- ***Impact of foreclosed, abandoned and vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development should be discussed.***
- The foreclosure problem is still very much evident Nationwide, Statewide, as well as in Fannin County. ForeclosureListings.com is a nationwide data base with approximately 680,000 listings (53% foreclosures, 6% short sales, 39% auctions, and 11% brokers listings). As of 5/16/13, there were 131 listings. The majority of the listings were for high value resales. Ten of the foreclosure listings were for properties with values of over \$1 million or very near \$1 million.
- In the Blue Ridge PMA the relationship between the local area foreclosure market and existing LIHTC supply is not crystal clear. The primary reason for this assessment is due to the fact that no LIHTC elderly supply currently exists within the PMA. However, there is one USDA-RD elderly property located within the Blue Ridge PMA. At the time of the survey, Riverwood was 100% occupied and maintained a waiting list.
- Note: Recent anecdotal news information points to the fact that the majority of the foreclosed properties were occupied by first time buyers or move-up buyers, of which the majority were younger households, still in the job market, (at the time) versus elderly homeowners. The recent recession and current slow recovery magnified the foreclosure problem and negatively impacted young to middle age homeowners more so than the elderly.
- With regard to the elderly desiring to sell a home in a market with many foreclosed properties they have the upper hand in terms of pricing power. Many purchased their homes decades ago at far lower prices than today and many own homes outright. Also, many transfer home ownership rights to heirs versus selling outright.

5. Economic Data:

- ***Trends in employment for the county and/or region. Employment should be based on the number of jobs in the county (i.e., covered employment).***
- Between 2005 and 2009, the average decrease in employment was approximately -5 workers or approximately -0.05% per year. The rate of employment loss between 2009 and 2010, was moderate at -.35%, representing a net loss of almost 35 workers. The rate of employment loss between 2011 and 2012, was more significant at around -1.2%, representing a net loss of almost 120 workers.

- The losses in covered employment in Fannin County between 2009 and the 3rd Quarter of 2012 have been comparable to CLF employment losses.
- ***Employment by sector for the county and/or region.***
 - The top four employment sectors in the County are: manufacturing, trade, government and service. The forecast for 2013, is for the trade and service sectors to stabilize.
- ***Unemployment trends for the county and/or region for the past 5 years.***
 - Monthly unemployment rates in 2010 and 2011 were among the highest exhibited in over 10-years in Fannin County. Monthly unemployment rates remained high in 2012, ranging between 8.7% and 10.9%, with an overall average of 9.6%. These rates of unemployment for the local economy are reflective of Fannin County participating in the last State, National, and Global recession and the subsequent period of slow to very slow recovery growth. The last recession was severe. The National forecast for 2013 (at present) is for the unemployment rate to approximate 7% to 7.5%, in the later portion of the year. Typically, during the last three years, the overall unemployment rate in Fannin County has been, on average, .5% greater than the state average unemployment rate, and 1% to 1.5% greater than the national average. The annual unemployment rate in 2013 in Fannin County is forecasted to remain high, in the vicinity of 8% to 8.5%, but improving on a relative year to year basis.
- ***A brief discussion of any recent or planned major employment contractions or expansions.***
 - Fannin County's economy is service oriented, with service providers accounting for roughly 86% of private sector jobs and nearly 70% of all at-place employment. In common with many counties in Georgia, a high ratio of jobs are in the Health Care and Social Assistance sector, but employment in both the Retail and Accommodation and Food Services sectors is increasing.
 - Tourism is also an important part of Fannin County's economy. The County is strategically located at the southern extent of the Blue Ridge Mountains, and is often referred to as the 'gateway' to the Blue Ridge. The proximity to Atlanta has further strengthened the tourism base, and allowed the County to become a second home destination as well as a vacation destination.
 - There are a few small manufacturing firms in Fannin County, but this remains a minor part of the economy. Most are small firms with fewer than 10 employees, but includes some textile products and wood products (including sawmills). While there have been no

expansions in recent years, nether have jobs been lost. The WARN list published by the Georgia Department of Labor lists no closings or downsizings (layoffs) over the past five years.

- **An overall conclusion regarding the stability of the county's overall economic environment. This conclusion should include an opinion if the current economic environment will negatively impact the demand for additional or renovated rental housing.**
- Overall, the 2013 economic forecast for Fannin County is for a stable economy. Presently, the Blue Ridge economy is presently participating in an on-going battle for growth, new employment prospects and the retention of existing businesses.
- The Fannin County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the good location of the site, with good proximity to several employment nodes, the proposed subject development will very likely attract potential elderly renters from those sectors of the workforce who are in need of affordable housing, a reasonable commute to work, and still participating in the local labor market.

6. Project-Specific Affordability and Demand Analysis:

- **Number of renter households income qualified for the proposed development given the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households.**
- The forecasted number of age and income qualified renter households for the proposed LIHTC elderly development is 365.
- **Overall estimate of demand based on DCA's demand methodology.**
- The overall forecasted number of income qualified renter households for the proposed LIHTC elderly development taking into consideration like-kind competitive supply introduced into the market since 2011 is 365.
- **Capture Rates including: Overall, LIHTC, by AMI.**

Proposed Project Capture Rate All Units	16.4%
Proposed Project Capture Rate LIHTC Units	16.4%
Proposed Project Capture Rate LIHTC Units @ 50% AMI	8.4%
Proposed Project Capture Rate LIHTC Units @ 60% AMI	21.6%
Proposed Project Capture Rate Market Rate Units	Na

- ***A conclusion regarding the achievability of the above Capture Rates.***

- The above capture rates are well below the GA-DCA thresholds. They are considered to be a reliable quantitative indicator of market support for the proposed subject development.

7. Competitive Rental Analysis:

- ***An analysis of the competitive properties in the PMA.***

- At the time of the survey, the overall estimated vacancy rate at the program assisted apartment properties was 2.1% versus 2.5% last year.
- One USDA-RD Section 515 elderly development, Riverwood is located in Blue Ridge. At the time of the survey, the property was 100% occupied and reported to be maintaining a waiting list with four applicants. The property manager reported a typical occupancy rate of 99%+.
- All of the existing program assisted properties in Blue Ridge and Fannin County have a basic amenity package. For example, most have: a stove, refrigerator, mini-blinds, carpet, central laundry, wall sleeve or central a/c and an on-site management office. When compared to the subject property, the local USDA-Rd complexes are at a non competitive position regarding marketing of product based on amenity package.
- At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties was approximately 2.5% versus 3.5% last year.
- The reported range of typical occupancy rates was 95% to 100%. The median typical occupancy rate was around 98%. Three of the four surveyed market properties reported having a waiting list.

- ***Number of properties.***

- Six program assisted properties targeting the general population, representing 242 units, were surveyed in detail.
- Four market rate properties, representing 74 units, were surveyed in the subject's overall competitive environment, in partial to complete detail.

- **Rent bands for each bedroom type proposed.**

Bedroom type	Rent Band (Subject)	Rent Band (Market Rate)
1BR/1b	\$310-\$318	\$487 - \$509
2BR/1b	Na	Na
2BR/2b	\$362-\$365	\$540 - \$655
3BR/2b	Na	Na

- **Average Market rents.**

Bedroom type	Average Market Rent
1BR/1b	\$500
2BR/1b	Na
2BR/2b	\$590
3BR/2b	Na

8. Absorption/Stabilization Estimate:

- **An estimate of the number of units to be leased at the subject property, on average.**
- The forecasted rent-up scenario suggests an average of 9-units being leased per month.
- **Number of units expected to be leased by AMI Targeting.**

AMI Target Group	Number of units Expected to be Leased*
50% AMI	12
60% AMI	48

* at the end of the 1 to 7-month absorption period

- **Number of months required for the project to reach stabilization of 93% occupancy.**
- A 93% occupancy rate is forecasted to occur within 7-months of the placed in service date. Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.
- **The absorption rate should coincide with other key conclusions. For example, insufficient demand or unachievable rents should be reflected in the absorption rate.**
- A reconciliation of the proposed LIHTC net rents by bedroom type with current average market rate net rents by bedroom type are supportive of the forecasted

absorption and stabilization periods. In addition, this is a market absent of any competitive program assisted LIHTC elderly supply.

9. Overall Conclusion:

- ***A narrative detailing the key conclusions of the report including the analyst's opinion regarding the potential for success of the proposed development.***
- Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application **proceed forward based on market findings, as presently configured.**
- Elderly population and household growth is very significant, with annual growth rates approximating 1.5% per year.
- At present, the Blue Ridge PMA is absent of any LIHTC elderly supply, representing a market that is clearly under served, in the 50% to 60% AMI segments.
- In the area of unit size, by bedroom type, the subject will offer a very competitive unit size, based on the proposed floor plans.
- The subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding proposed net rents by bedroom type.
- The proposed subject 1BR net rent at 50% AMI is approximately 38% less and at 60% AMI is approximately 36% less than the comparable/competitive 1BR market rate median net rent.
- The proposed subject 2BR/2b net rent at 50% AMI is approximately 34% less and at 60% AMI is approximately 38% less than the comparable/competitive 2BR/2b market rate median net rent.
- The proposed subject design, comprising a three story building with elevator access is a proven design. It is considered to be one that will be very marketable and competitive with the local area apartment market targeting low to moderate income households, seeking alternative affordable rental housing.
- The subject bedroom mix is considered to be appropriate. In the opinion of the analyst, the market is in need of larger bedroom sizes, both in terms of square footage and number of bedrooms.

Summary Table				
Development Name: Broadview Cove Apartments			Total Number of Units: 60	
Location: Blue Ridge, GA (Fannin County)			# LIHTC Units: 60	
PMA Boundary: North 7.5 miles; East 18 miles South 13-20 miles; West 12-18 miles			Farthest Boundary Distance to Subject: 20 miles	
Rental Housing Stock (found on pages 65 - 82)				
Type	# Properties	Total Units	Vacant Units	Avg Occupancy
All Rental Housing	10	316	6	98.1%
Market Rate Housing	4	74	1	98.6%
Assisted/Subsidized Housing Ex LIHTC	5	175	5	97.1%
LIHTC family	1	67	3	95.5%
LIHTC elderly	0	0	0	Na
Stabilized Comps	4	88	4	95.5%
Properties in Construction & Lease Up	0	0	Na	Na

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
Number Units	Number Bedrooms	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Adv (%)	Per Unit	Per SF
6	1	1	762	\$310-\$330	\$500	\$.77	38&36%	\$585	\$1.46
54	2	2	1078	\$318-\$365	\$590	\$.62	39&38%	\$670	\$.80

Demographic Data (found on pages 35 & 61)						
	2010		2013		2015	
Renter Households	1,215	11.92%	1,447	13.54%	1,497	13.57%
Income-Qualified Renter HHs (LIHTC)	292	24.00%	351	24.25%	365	24.38%
Income-Qualified Renter HHs (MR) (if applicable)	Na	%	Na	%	Na	%

Targeted Income Qualified Renter Household Demand (found on pages 55 - 61)						
Type of Demand	30%	50%	60%	MR	Other	Overall
Renter Household Growth		5	8			13
Existing Households (Overburdened & Substandard)		135	210			345
Homeowner Conversion (Seniors)		3	4			7
Total Primary Market Demand		143	222			365
Less Comparable Supply		0	0			0
Adjusted Income-Qualified Renter HHs		143	222			365
Capture Rates (found on page 62)						
Targeted Population	30%	50%	60%	MR	Other	Overall
Capture Rate		8.4%	21.6%			16.4%

MARKET STUDY FOLLOWS

SECTION B
PROPOSED PROJECT
DESCRIPTION

The proposed Low Income Housing Tax Credit (LIHTC) multi-family development will target elderly households, age 55 and over in Blue Ridge and Fannin County, Georgia. The subject property is located off Industrial Park Road, approximately 2.5 miles north of Downtown Blue Ridge.

Scope of Work

The market study assignment was to ascertain market demand for a proposed multi-family elderly development to be known as the **Broadview Cove Apartments**, for the Broadview Cove, L.P., under the following scenario:

Project Description

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2BR/2b	54	Na	1,078
Total	60		

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The proposed *Occupancy Type* is **Housing for Older Persons** (age 55+).

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), and 80% at 60% AMI. Rent excludes all utilities, yet will include trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	2	\$310	\$125	\$435
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*Provided by applicant, based upon GA-DCA Northern Region Utility Allowances.

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	4	\$318	\$125	\$443
2BR/2b	44	\$365	\$159	\$524

*Provided by applicant, based upon GA-DCA Northern Region Utility Allowances.

The proposed development will not have any project base rental assistant, nor private rental assistance.

Amenity Package

The development will include the following amenity package:

Unit Amenities

- range
- microwave
- disposal
- smoke alarms
- carpet
- patio/balcony
- central air
- energy star refrigerator w/icemaker
- energy star dish washer
- cable ready
- washer/dryer connections
- mini-blinds
- storage room

Development Amenities

- manager's office
- equipped library
- internet wiring
- picnic pavilion
- clubhouse/community room
- equipped computer center
- covered mail area
- gazebo w/grill
- central laundry in each building

The estimated projected first full year that the **Broadview Cove Apartments** will be placed in service as a new construction property, is mid to late 2015. The first full year of occupancy is forecasted to be in 2015. Note: The 2013 GA QAP states that "owners of projects receiving credits in the 2013 round must place all buildings in the project in service by December 31, 2015.

The architectural firm for the proposed development is McKean & Associates Architects, LLC. At the time of the market study, the floor plans and elevations were still at work in process. However, similar plans from past like-kind developments were submitted to the market analyst and were reviewed.

Utility estimated are based upon Georgia DCA utility allowances for the Northern Region. Effective date: June 1, 2013.

SECTION C
SITE & NEIGHBORHOOD
EVALUATION

The site of the proposed LIHTC elderly new construction apartment development is located off Industrial Park Drive, approximately .3 miles north of US Highway 76 and 2.5 miles north of Downtown Blue Ridge. The site is located outside of the city limits. Specifically,

the site is located in Census Tract 504, and Zip Code 30513.

Note: The site is not located within a Qualified Census Tract (QCT).

Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities within Blue Ridge can be accessed within a 5-minute drive. At the time of the market study, there was no significant infrastructure development underway within the vicinity of the site.

Site Characteristics

The approximately 10-acre, polygon shaped tract is relatively flat, mostly cleared, and appears to drain well. At present, there are no physical structures on the tract. The site is considered to be very marketable and buildable. However, this assessment is subject to both environmental and engineering studies. All public utility services are available to the tract and excess capacity exists.

The site is not located within a 100-year flood plain. Source: FEMA website (www.msc.fema.gov), Map Number 13111C0068E, Panel 68 of 350, Effective Date: September 17, 2010. The site is located within Fannin County, outside of the Blue Ridge city limits. There is no zoning in Fannin County. The surrounding land uses and zoning designations around the site are detailed below:

Direction	Existing Land Use	Zoning
North	Vacant	County
East	Vacant	County
South	Multi-family & commercial	County
West	Vacant	County

Neighborhood Description / Characteristics

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: vacant land use, with nearby commercial and multi-family use.

Directly north of the tract is vacant land.

Directly south of the tract are a small commercial/retail property known as the Appalachian Home Center, and the Brooks Summit (USDA-RD) Apartments. Brooks Summit was built in 1996, and is in good condition. At the time of the survey, it was 100% occupied and maintained a waiting list. An Ingles Grocery/Pharmacy is located about .5 miles south of the site.

Directly east of the tract is vacant land. US 76 is about .3 miles east of the tract. Several years ago the area between the site and US 76 was considered for mixed use development (hotel, grocery store, office space, and assisted living housing).

Directly west of the tract is vacant land.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.

Crime Statistics

The overall setting of the site is considered to be one that is acceptable for continuing residential and commercial development within the present neighborhood setting. The immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. The most recent crime rate trend data for Fannin County reported by the Georgia Bureau of Investigation, in 2011 is exhibited below.

Type of Offence	Number of Offences	% of Total
Murder	0	0.00
Rape	1	0.17
Robbery	2	0.35
Assault	92	15.89
Burglary	159	27.46
Larceny	309	53.37
Vehicle Theft	16	2.76
Total	579	100%

Source: Georgia Bureau of Investigation



(1) Site, north to south.



(2) Site, east to west.



(3) Entrance to site off Industrial Park Drive.



(4) Brooks Summit Apartments, Directly south of site.

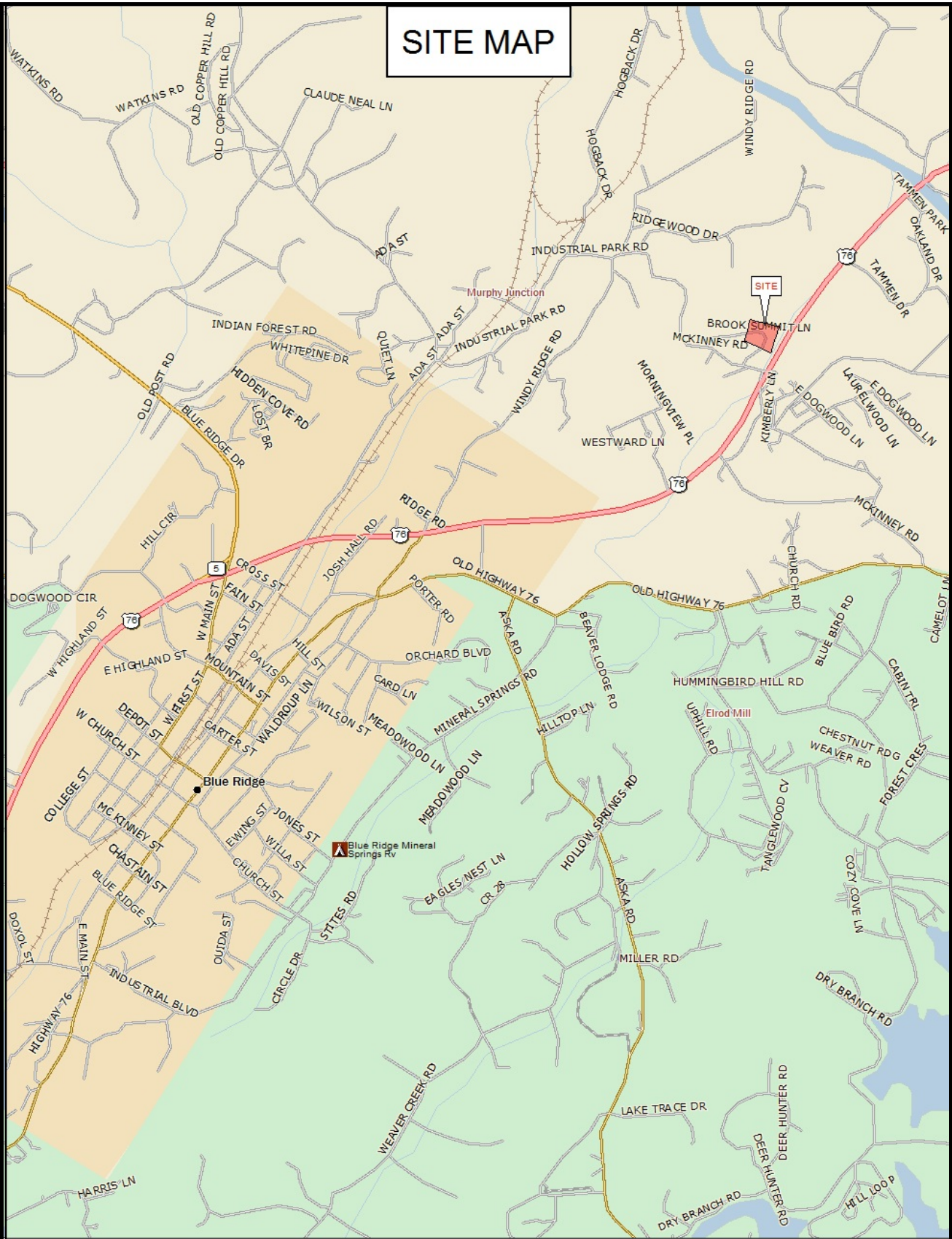


(5) CVS/Pharmacy, .7 miles from site.



(6) Ingles Grocery, .5 miles from site.

SITE MAP



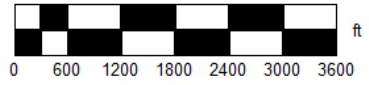
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MN (4.9° W)



Data Zoom 13-1

Access to Services

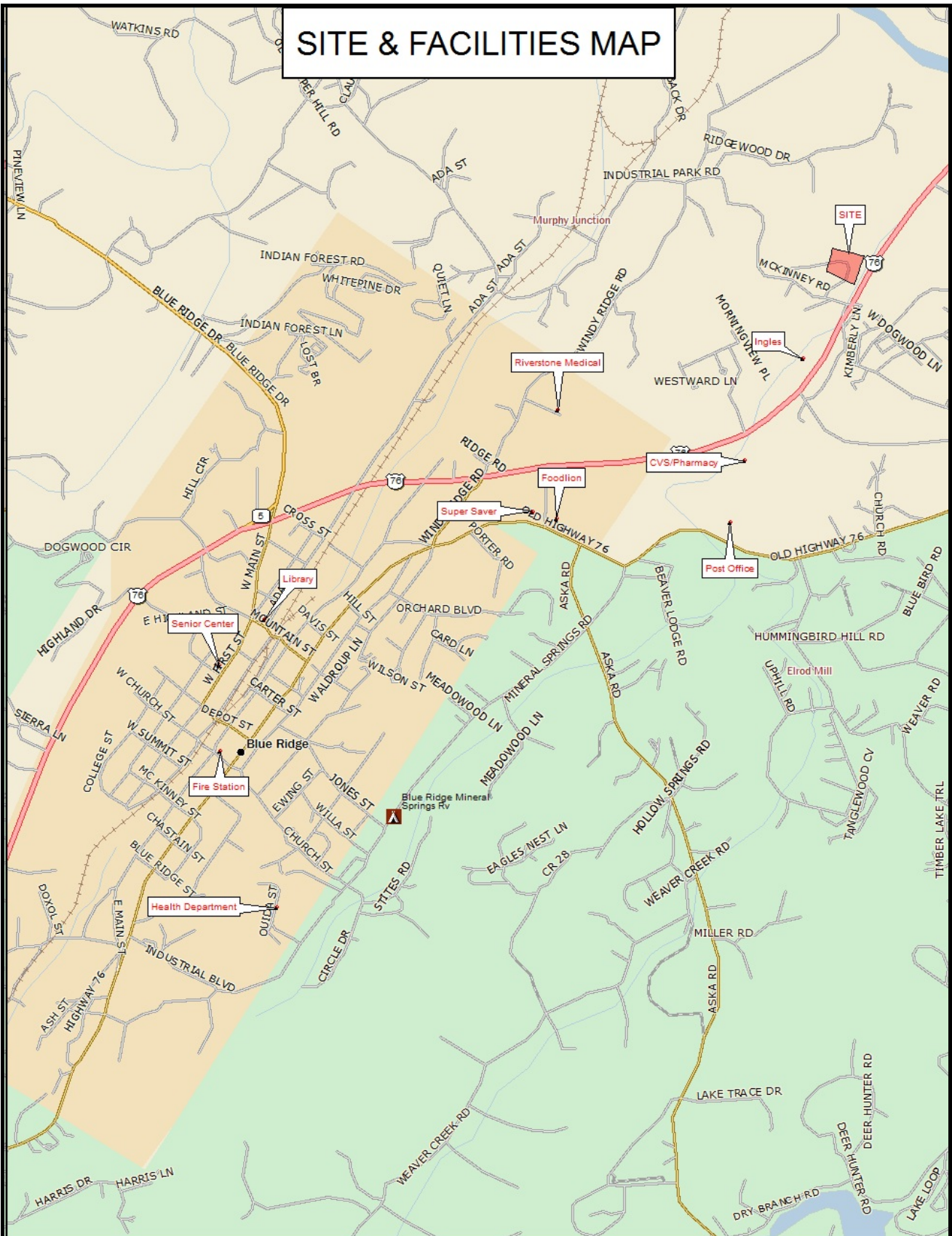
The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

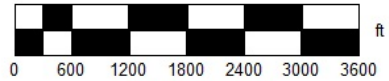
Points of Interest	Distance from Subject
Post Office	.9
CVS/Pharmacy	.7
Access to US Highway 76	.3
Ingles Grocery	.3
Foodlion Grocery	1.3
Super Saver Grocery	1.3
Riverstone Medical	1.6
Access to State Road 5	2.0
Library	2.2
Senior Center	2.5
Downtown Blue Ridge	2.5
Fire Station	2.6
Fannin County Health Department	2.8
Fannin Regional Hospital	5.0
McCaysville	11.5

Note: Distance from subject is in tenths of miles and are approximated.

SITE & FACILITIES MAP



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Data Zoom 13-2

Program Assisted Apartments Located w/in Blue Ridge PMA

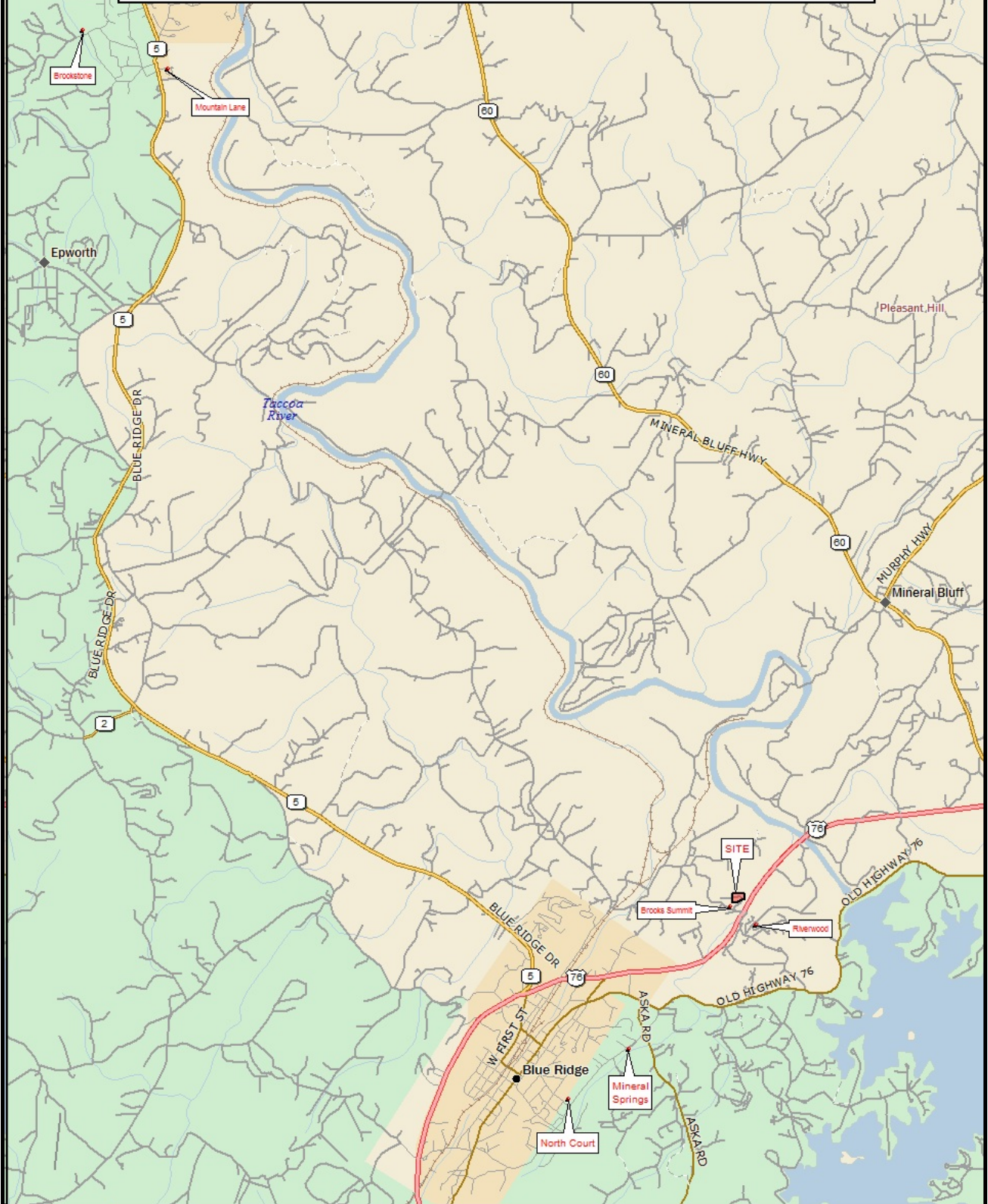
At present there are six program assisted apartment complexes located within the Blue Ridge PMA. At the time of the survey, there were no program assisted LIHTC elderly apartment properties located within Blue Ridge, however, there is one USDA-RD program assisted elderly development. A map showing the location of the program assisted properties within Blue Ridge and Fannin County in relation to the site is exhibited on the next page.

Project Name	Program Type	Number of Units	Distance from Site
Brooks Stone	USDA-RD fm	40	11.3
Brooks Summit	USDA-RD fm	36	.1
Mineral Springs	LIHTC fm	67	1.8
Mountain Lane	USDA-RD fm	24	10.7
North Court	USDA-RD fm	34	2.3
Riverwood	USDA-RD el	41	.6

Distance in tenths of miles

Note: No awards were made for LIHTC-elderly developments in Blue Ridge or Fannin County in 2010, 2011 or 2012.

Program Assisted Apartments Located w/in PMA



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MN (4.9° W)



Data Zoom 11-6

SUMMARY

The field visit for the site and surrounding market area was conducted on **May 30, 2013**. The site inspector was Mr. Jerry M. Koontz (of the firm Koontz & Salinger).

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: vacant land use, with nearby commercial and multi-family use. The site is located in the northeastern portion of Blue Ridge, outside of the city limits. The site is not zoned.

Access to the site is available off Industrial Park Drive via a short connector. Industrial Park Drive is a low density connector, linking the site to US Highway 76. It is a lightly traveled road, with a speed limit of 35 miles per hour. Also, the location of the site off Industrial Park Drive does not present problems of egress and ingress to the site.

The site offers good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities, including: noxious odors, close proximity to cemeteries, high tension power lines, rail lines and junk yards. In addition, the site offers the potential of scenic views of the surrounding highlands. The site in relation to the subject and the surrounding roads is very agreeable to signage. There are no negative visibility issues in relation to the site.

Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability. In the opinion of the analyst, the site of the subject is considered appropriate as a LIHTC elderly multi-family development.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to: services, trade, the post office, and an Ingles grocery/pharmacy	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

SECTION D

MARKET AREA DESCRIPTION

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the **location** and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography as well as local interviews with key respondents regarding market specific input relating to market area delineation.

Primary Market Area

Based upon field research within Blue Ridge, and the Blue Ridge rural hinterland, along with an assessment of relevant items including: the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers, the Primary Market Area (PMA) for the proposed LIHTC multi-family elderly development consists of the following 2010 census tracts in Fannin, Gilmer, and Union Counties:

501 - 505 in Fannin County,

801 & 802 in Gilmer County, and

1.01, 2.01 & 2.04 in Union County.

Blue Ridge is the largest city within the PMA, with a 2010 population of 1,290. Also included within the PMA are three other incorporate places: McCaysville, with a 2010 population of 1,056, Cherry Log, with a 2010 population of 119, and Morganton, with a 2010 population of 303.

The Primary Market Area is located in the northwestern portion of Georgia. Blue Ridge is centrally located within the PMA.

The local transportation network within Blue Ridge is excellent. US Highway 76 provides and east/west access and SR 5 north/south access.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	GA/TN & GA/NC state lines	7.5 miles
East	Blairsville, US Hwy 19, Nottely Lake	17 miles
South	Ellijay/East Ellijay, US 76, & SR 52	13.5 - 20 miles
West	Murray County	12 - 18 miles

The Blue Ridge PMA excluded Blairsville and Ellijay/East Ellijay.

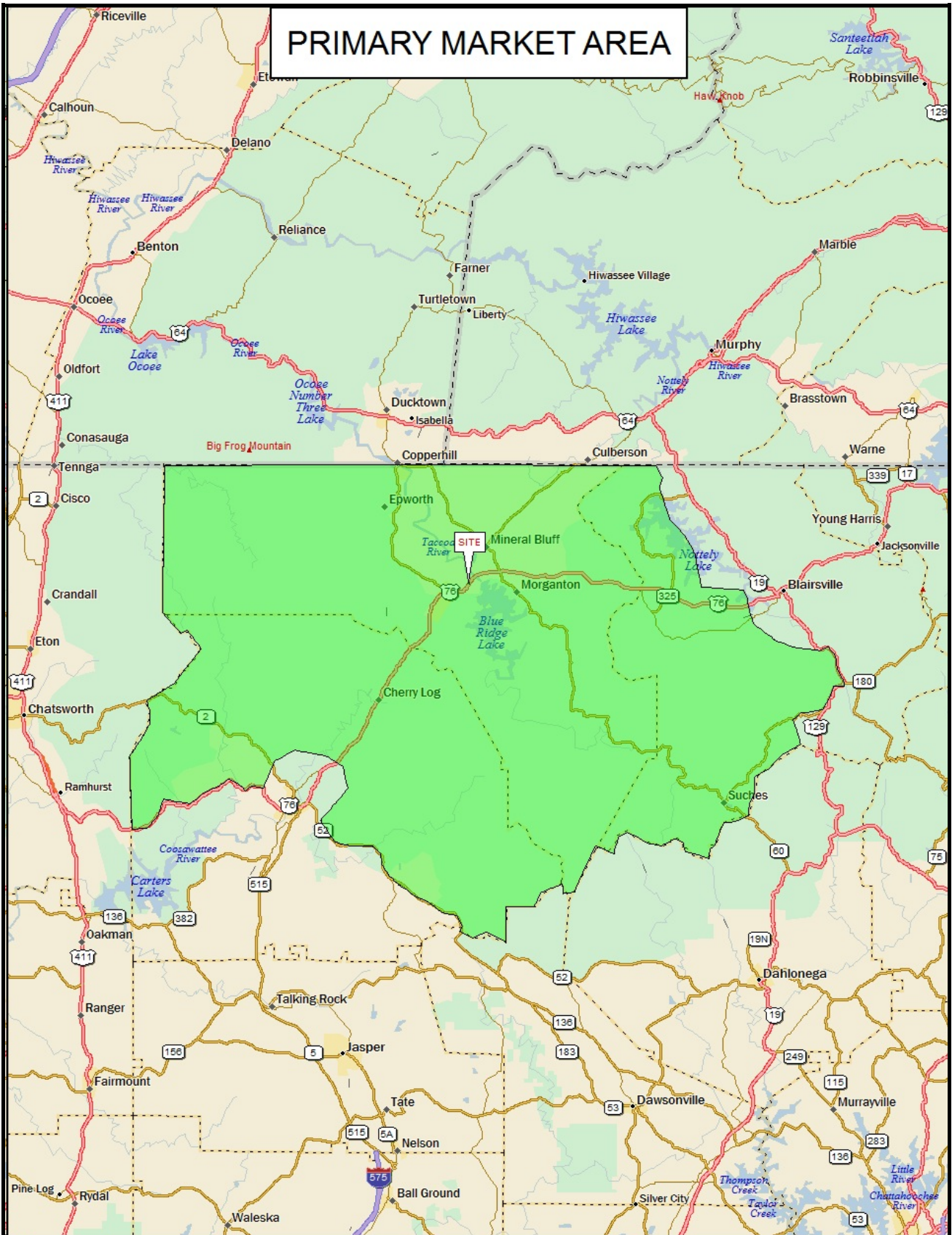
Based upon physical geography the PMA appears to be overly large. Much of the southern and western portions of Fannin County are sparsely populated. In addition, much of the northern portion of Gilmer County is sparsely populated as is the majority of the southern portion of Union County. For the most part, the rural areas within these counties comprise portions of the Chattahoochee National Forest and the Cohutta Wilderness Area.

With regard to the location of an independent living elderly apartment complex, without deep subsidy rental assistance, the City of Blue Ridge, and too a much lesser degree McCaysville would be the most logical choice as a location of a LIHTC elderly complex within the PMA. In this case the complex would not only serve Blue Ridge, but also the PMA as a whole, given the lack of alternative choices.

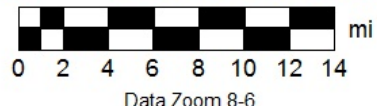
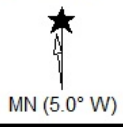
Secondary Market Area

The Secondary Market Area (SMA) consists of that area beyond the PMA, principally from out of market, as well as from out of state. Note: The demand methodology **excluded** any potential demand from a SMA, as stipulated within the 2013 GA-DCA market study guidelines.

PRIMARY MARKET AREA



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Data Zoom 8-6

SECTION E
COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 10 exhibit indicators of trends in total population and household growth, as well as for population and households and 55 and older.

Population Trends

Table 1, exhibits the change in **total** population in Blue Ridge, the Blue Ridge PMA, and Fannin County between 2000 and 2018. Table 3, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Blue Ridge, the Blue Ridge PMA, and Fannin County between 2000 and 2018.

The year 2015 is estimated to be the first year of availability for occupancy of the subject property, as noted within the 2013 GA-DCA Market Study Manual. The year 2013 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure, in accordance with the 2013 GA-DCA Market Study Manual (page 8 of 16, Section 3, item a).

Total Population

The PMA exhibited very significant total population gains between 2000 and 2010, at approximately 2% per year. Owing to the recent recession and current slow growth period, population gains over the next several years, (2013-2018) are forecasted for the PMA at a much reduced rate of growth, at approximately .20% per year.

The projected change in population for Blue Ridge is subject to local annexation policy. However, recent indicators, including the 2012 US Census estimates (at the place level) suggest that the population trend of the late 2000's in Blue Ridge has continued at a similar rate of gain.

Population 55+

The PMA exhibited significant to very significant population gains for population age 55+ between 2000 and 2010, at around 3.5% per year. Population gains over the next several years are forecasted for the PMA for the 55 and over age group continuing at a significant rate of increase, with a forecasted rate of growth at approximately 1.5% per year.

Population gains are forecasted in both the 55 and 65 and over age groups for the year 2013 and beyond. The projected increase is not owing to a significant increase in elderly in-migration into the PMA, but instead owing to significant age in-place as the "war baby generation, (1940-1945)" and the beginning of the "baby boom generation, (1946 to 1950)" begin to enter into the empty nester and retirement population segments in large numbers.

Population Projection Methodology

The forecast for total population, and population age 55 and over is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas 2013 and 2018 population projections.

Sources: (1) 2000 and 2010 US Census.

(2) Nielsen Claritas 2013 and 2018 Projections.

(3) 2012 US Census population estimates.

Table 1					
Total Population Trends and Projections: Blue Ridge, Blue Ridge PMA, and Fannin County					
Blue Ridge					
Year	Population	Total Change	Percent	Annual Change	Percent
2000	1,210	-----	-----	-----	-----
2010	1,290	+ 80	+ 6.61	+ 8	+ 0.66
Blue Ridge PMA					
2000	34,064	-----	-----	-----	-----
2010	41,995	+ 7,931	+ 23.28	+ 793	+ 2.33
2013	41,879	- 116	- 0.28	- 39	- 0.09
2015*	42,035	+ 156	+ 0.37	+ 78	+ 0.19
2018	42,271	+ 236	+ 0.56	+ 79	+ 0.19
Fannin County					
2000	19,798	-----	-----	-----	-----
2010	23,682	+ 3,884	+ 19.62	+ 388	+ 1.96
2013	23,729	+ 47	+ 0.20	+ 16	+ 0.07
2015	23,865	+ 136	+ 0.57	+ 68	+ 0.29
2018	24,074	+ 209	+ 0.88	+ 70	+ 0.29

* 2015 - Estimated year that project is placed in service.

Calculations - Koontz and Salinger. June, 2013.

Table 2 exhibits the change in population by age group within the Blue Ridge PMA between 2010 and 2013.

Table 2 Population by Age Groups: Blue Ridge PMA, 2010 - 2013						
	2010 Number	2010 Percent	2013 Number	2013 Percent	Change Number	Change Percent
Age Group						
0 - 20	9,093	21.65	9,010	21.51	- 83	- 0.91
21 - 24	1,424	3.39	1,596	3.81	+ 172	+ 12.08
25 - 44	8,252	19.65	7,881	18.82	- 371	- 4.50
45 - 54	6,465	15.39	5,895	14.08	- 570	- 8.82
55 - 64	7,543	17.96	7,711	18.41	+ 168	+ 2.23
65 +	9,218	21.95	9,786	23.37	+ 568	+ 6.16

Sources: 2010 Census of Population, Georgia.
Nielsen-Claritas 2013 Projections.
Koontz and Salinger. June, 2013.

Table 2 revealed that population increased in half of the displayed age groups in Fannin County between 2010 and 2013. The increase in the primary renter age group: of 55 and over, is estimate at approximately 5%. Overall, a significant portion of the total population is in the target property age eligible group of 55 and over, representing almost 42% of the total population.

Between 2013 and 2015 total population is projected to increase in the PMA at around .2% per year. This is considered to be a very modest rate of growth. For the most part growth within the PMA has been around Blue Ridge, and along the major highway corridors in Fannin County north and east. Much of the growth in the early to mid 2000's was due to in-migration, which slowed significantly owing to the recession, and is in the beginning phase of resuming into the remainder of the decade. The figure to the right presents a graphic display of the numeric change in population in the PMA between 2000 and 2018.

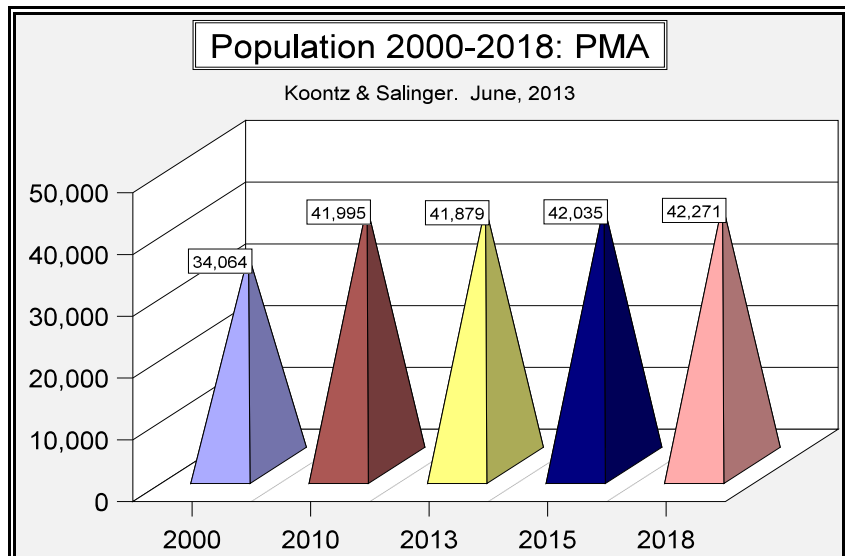


Table 3, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Blue Ridge, the Blue Ridge PMA, and Fannin County between 2000 and 2018.

Table 3					
Elderly Population (Age 55+) Trends and Projections: Blue Ridge, Blue Ridge PMA, and Fannin County					
Blue Ridge					
2000	350	-----	-----	-----	-----
2010	474	+ 124	+ 35.43	+ 12	+ 3.54
Blue Ridge PMA					
2000	10,915	-----	-----	-----	-----
2010	16,761	+5,846	+ 53.56	+ 585	+ 5.36
2013	17,497	+ 736	+ 4.39	+ 245	+ 1.46
2015*	18,029	+ 532	+ 3.04	+ 266	+ 1.52
2018	18,827	+ 798	+ 4.43	+ 266	+ 1.48
Fannin County					
2000	6,342	-----	-----	-----	-----
2010	9,301	+2,959	+ 46.66	+ 296	+ 4.67
2013	9,777	+ 476	+ 5.12	+ 159	+ 1.71
2015	10,106	+ 329	+ 3.37	+ 165	+ 1.68
2018	10,601	+ 495	+ 4.90	+ 165	+ 1.63

* 2015 - Estimated year that project is placed in service.

Calculations - Koontz and Salinger. June, 2013.

HOUSEHOLD TRENDS & CHARACTERISTICS

Table 4 exhibits the change in **elderly** households (age 55 and over) in the Blue Ridge PMA between 2000 and 2018. The significant increase in household formations age 55+ in the PMA has continued over a 10 year period and reflects the recent population trends and near term forecasts for population 55 and over.

The increase in the rate of persons per household exhibited between 2000 and 2010 is forecasted to stabilize at around 1.62 to 1.63 between 2010 and 2018 within the PMA. The rate of change in person per household is based upon: (1) the increase in the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and death rates.

The projection of household formations age 55 and over in the PMA between 2010 and 2015 exhibited a very significant increase of around 165 households per year or approximately +1.5% per year. The rate and size of the annual increase is considered to be very supportive of additional new construction LIHTC elderly apartment development, that targets the very low, low and moderate income elderly household population.

Table 4					
Household Formations Age 55+: 2000 to 2018					
Blue Ridge PMA					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household	Total Households
2000	10,915	113	10,802	1.5925	6,783
2010	16,761	86	16,675	1.6354	10,196
2013	17,497	85	17,412	1.6297	10,684
2015	18,029	85	17,944	1.6271	11,028
2018	18,827	85	18,742	1.6239	11,541

Sources: Nielsen Claritas Projections.
2000 and 2010 Census of Population, Georgia.

Calculations: Koontz & Salinger. June, 2013.

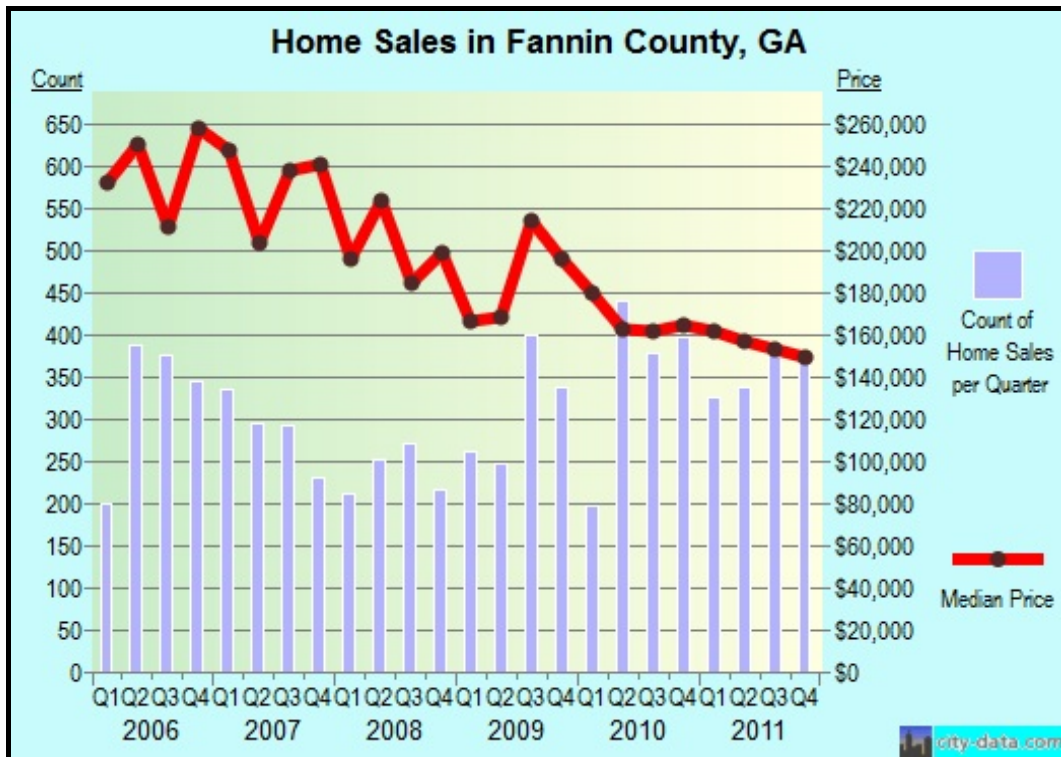
Table 5 exhibits households in the Blue Ridge PMA, age 55 and over, by owner-occupied and renter-occupied tenure. The 2010 to 2013 projected trend supports a change in the tenure ratio favoring renter-occupied households on a percentage basis.

Overall, significant net numerical gains are forecasted for both owner-occupied and renter-occupied households age 55 and over within the PMA. Between 2013 and 2015, the increase in renter-occupied households age 55 and over remains positive, but at a reduced rate of annual increase.

Table 5					
Households by Tenure: Age 55+ Blue Ridge PMA					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	6,783	6,095	89.86	688	10.14
2010	10,196	8,981	88.08	1,215	11.92
2013	10,684	9,237	86.46	1,447	13.54
2015	11,028	9,531	86.43	1,497	13.57
2018	11,541	9,977	86.45	1,564	13.55

Sources: 2000 & 2010 Census of Population, Georgia.
Nielsen Claritas Projections.
Koontz and Salinger. June, 2013.

The figure below exhibits homes in Fannin County, between 2006 and 2011. Between 2010 and 2011 most home sales were in the vicinity of \$145,000 to \$160,000.



Source: www.city-data.com/county/Fannin_County-GA.html

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those elderly households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households age 55+ must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents, average minimum social security payments, and/or the availability of deep subsidy rental assistance (RA) for USDA-RD, PHA and HUD Section 8 developments.

The estimate of the upper income limit is based upon the most recent set of HUD Median Income Guidelines for two person households (the maximum household size allowable for the estimation of elderly in the GA-DCA Market Study Guidelines) in Fannin County, Georgia at 50% and 60% of the area median income (AMI).

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 35% of household income.

Tables 6A and 6B exhibit owner-occupied households, by age 55+, and by income group, in the Blue Ridge PMA in 2010, and forecasted in 2013 and 2018. Tables 7A and 7B exhibit renter-occupied households, by age 55+, and by income group, in the Blue Ridge PMA in 2010, and forecasted in 2013 and 2018.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2013 and 2018, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey.

Tables 6A and 6B exhibit owner-occupied households age 55+, by income in the Blue Ridge PMA in 2010, and projected in 2013 and 2018.

Table 6A				
Blue Ridge PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2013 Number	2013 Percent
Under \$10,000	657	8.41	899	9.73
10,000 - 20,000	1,451	18.57	1,833	19.84
20,000 - 30,000	1,363	17.45	1,782	19.29
30,000 - 40,000	993	12.71	1,107	11.98
40,000 - 50,000	821	10.51	869	9.41
50,000 - 60,000	582	7.45	668	7.23
\$60,000 and over	1,945	24.90	2,079	22.51
Total	7,812	100%	9,237	100%

Table 6B				
Blue Ridge PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2013 Number	2013 Percent	2018 Number	2018 Percent
Under \$10,000	899	9.73	1,004	10.06
10,000 - 20,000	1,833	19.84	1,953	19.58
20,000 - 30,000	1,782	19.29	1,898	19.02
30,000 - 40,000	1,107	11.98	1,197	12.00
40,000 - 50,000	869	9.41	942	9.44
50,000 - 60,000	668	7.23	689	6.91
\$60,000 and over	2,079	22.51	2,294	22.99
Total	9,237	100%	9,977	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. June, 2013.

Tables 7A and 7B exhibit renter-occupied households age 55+, by income in the Blue Ridge PMA in 2010, and projected in 2013 and 2018.

Table 7A				
Blue Ridge PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2013 Number	2013 Percent
Under \$10,000	231	19.71	334	23.08
10,000 - 20,000	298	25.43	354	24.46
20,000 - 30,000	149	12.71	195	13.48
30,000 - 40,000	130	11.09	153	10.57
40,000 - 50,000	83	7.08	104	7.19
50,000 - 60,000	87	7.42	97	6.70
60,000 +	194	16.55	210	14.51
Total	1,172	100%	1,447	100%

Table 7B				
Blue Ridge PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2013 Number	2013 Percent	2018 Number	2018 Percent
Under \$10,000	334	23.08	363	23.21
10,000 - 20,000	354	24.46	386	24.68
20,000 - 30,000	195	13.48	208	13.30
30,000 - 40,000	153	10.57	166	10.61
40,000 - 50,000	104	7.19	117	7.48
50,000 - 60,000	97	6.70	107	6.84
60,000 +	210	14.51	217	13.87
Total	1,447	100%	1,564	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. June, 2013.

Table 8

**Households, by Tenure, by Person Per Household (Age 55+)
Blue Ridge PMA, 2013 - 2018**

Households	Owner				Renter			
	2013	2018	Change	% 2013	2013	2018	Change	% 2013
1 Person	2,536	2,787	+ 251	27.45%	787	865	+ 78	54.39%
2 Person	5,494	5,806	+ 312	59.48%	383	414	+ 31	26.47%
3 Person	824	956	+ 132	8.92%	135	139	+ 4	9.33%
4 Person	184	225	+ 41	1.99%	71	82	+ 11	4.91%
5 + Person	199	203	+ 4	2.15%	71	64	- 7	4.91%
Total	9,237	9,977	+ 740	100%	1,447	1,564	+ 117	100%

Sources: 2010 American Community Survey, North Carolina.
Nielsen Claritas 2013 Projections.
Koontz and Salinger. June, 2013.

Table 8 indicates that in 2013 approximately 81% of the renter-occupied households in the Blue Ridge PMA contain 1 to 2 persons (the target group by household size).

Table 8 indicates that in 2013 approximately 87% of the owner-occupied households in the Blue Ridge PMA contain 1 and 2 persons (the target group by household size).

A significant increase in renter-occupied elderly households, by size was exhibited by a 1 person household. A moderate increase in renter-occupied households by size was exhibited by 2 person households. One person elderly households are typically attracted to both 1 and 2 bedroom rental units and 2 person elderly households are typically attracted to two bedroom units, and to a much lesser degree three bedroom units.

SECTION F
ECONOMIC & EMPLOYMENT
TRENDS

Analysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area to create and sustain growth, and job formation is typically the primary motivation for positive net in-

migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 9 through 15 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Fannin County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 9			
Civilian Labor Force and Employment Trends, Fannin County: 2005, 2011 and 2012			
	2005	2011	2012
Civilian Labor Force	10,134	10,759	10,549
Employment	9,625	9,654	9,537
Unemployment	509	1,105	1,012
Rate of Unemployment	5.0%	10.3%	9.6%

Table 10				
Change in Employment, Fannin County				
Years	# Total	# Annual*	% Total	% Annual*
2005 - 2009	- 24	- 5	- 0.25	- 0.05
2009 - 2010	- 34	Na	- 0.35	Na
2011 - 2012	- 117	Na	- 1.21	Na

* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2005 - 2012. Georgia Department of Labor, Workforce Information Analysis. Koontz and Salinger. June, 2013.

Table 11 exhibits the annual change in civilian labor force employment in Fannin County between 2005 and 2013. Also, exhibited are unemployment rates for the County, State and Nation.

Table 11							
Change in Labor Force: 2005 - 2013							
	Fannin County					GA	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2005	10,134	9,625	-----	509	5.0%	5.2%	5.1%
2006	10,795	10,363	738	432	4.0%	4.7%	4.6%
2007	10,988	10,566	203	422	3.8%	4.6%	4.6%
2008	10,900	10,215	(351)	685	6.3%	6.3%	5.8%
2009	10,715	9,601	(614)	1,114	10.4%	9.8%	9.3%
2010	10,728	9,567	(34)	1,161	10.8%	10.2%	9.6%
2011	10,759	9,654	87	1,105	10.3%	9.8%	8.9%
2012	10,549	9,537	(117)	1,012	9.6%	9.0%	8.1%
Month							
1/2013	10,377	9,360	-----	1,017	9.8%	9.1%	8.5%
2/2013	10,171	9,211	(149)	960	9.4%	8.5%	8.1%
3/2013	10,096	9,217	6	879	8.7%	8.1%	7.6%

Sources: Georgia Labor Force Estimates, 2005 - 2013.
 Georgia Department of Labor, Workforce Information Analysis.
 Koontz and Salinger. June, 2013.

Table 12 exhibits the annual change in covered employment in Fannin County between 2000 and 2012. Covered employment data differs from civilian labor force data in that it is based on a place -of- service work basis within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

Table 12		
Change in Covered Employment: 2000 - 2012		
Year	Employed	Change
2000	4,877	-----
2001	4,878	1
2002	4,956	78
2003	4,779	(177)
2004	4,900	121
2005	5,098	198
2006	5,556	458
2007	5,636	80
2008	5,427	(209)
2009	5,149	(278)
2010	5,176	27
2011	5,240	64
2012 1 st Q	4,971	-----
2012 2 nd Q	5,105	134
2012 3 rd Q	5,094	(11)

Sources: Georgia Department of Labor, Workforce Information Analysis, 2000 and 2012. Koontz and Salinger. June, 2013.

Commuting

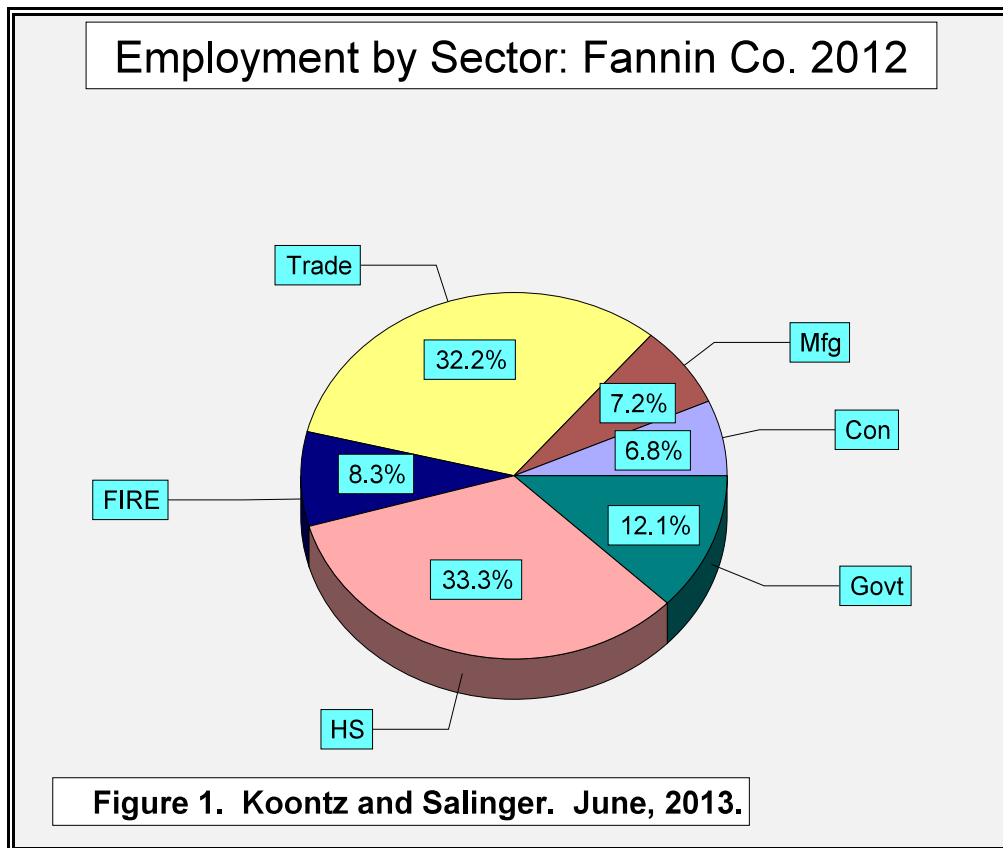
The majority of the workforce have relatively short commutes to work within Blue Ridge and Fannin County. Average commuting times range between 15 and 30 minutes. It is estimated that about 40% of the PMA workforce commutes out of county to work. The majority commute to the surrounding adjacent counties, in particular south towards the northern Atlanta metro counties, and north into Tennessee.

Source: Commuting Patterns, Southeast Industrial Development Association

Table 13 Average Monthly Covered Employment by Sector, Fannin County, 3 rd Quarter 2011 and 2012							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2011	5,310	227	221	1,090	271	952	347
2012	5,094	202	213	949	245	983	357
11-12 # Ch.	- 216	- 25	- 8	- 141	- 26	+ 33	+ 10
11-12 % Ch.	- 4.1	-11.0	-3.6	-12.9	- 9.6	+3.5	+2.9

Note: Con - Construction; Mfg - Manufacturing; T - Retail and Wholesale Trade; FIRE - Finance, Insurance and Real Estate; HCSS - Health Care and Social Services; G - Federal, State & Local Government

Figure 1 exhibits employment by sector in Fannin County in the 3rd Quarter of 2012. The top three employment sectors in the County are: trade, government, and service. The forecast for 2013, is for the service and trade sectors to stabilize.



Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, 2011 and 2012. Koontz and Salinger. June, 2013.

Table 14, exhibits average annual weekly wages in the 3rd Quarter of 2011 and 2012 in the major employment sectors in Fannin County. It is estimated that the majority of workers in the service and trade sectors in 2013 will have average weekly wages between \$450 and \$700.

Table 14				
Average 3 rd Quarter Weekly Wages, 2011 and 2012				
Fannin County				
Employment Sector	2011	2012	% Numerical Change	Annual Rate of Change
Total	\$ 562	\$ 560	- 2	- 0.4
Construction	\$ 594	\$ 643	+ 49	+ 8.2
Manufacturing	\$ 571	\$ 528	- 43	- 7.5
Wholesale Trade	\$ 669	\$ 612	- 57	- 8.5
Retail Trade	\$ 459	\$ 432	- 27	- 5.9
Transportation & Warehouse	\$ 640	\$ 756	+ 116	+18.1
Finance	\$ 708	\$ 684	- 24	- 3.4
Real Estate Leasing	\$ 405	\$ 439	+ 34	+ 8.4
Health Care Services	\$ 717	\$ 725	+ 8	+ 1.1
Hospitality	\$ 263	\$ 270	+ 7	+ 2.7
Federal Government	\$ 662	\$ 418	- 244	-36.9
State Government	\$ 803	\$ 759	- 44	- 5.5
Local Government	\$ 583	\$ 540	- 43	- 7.4

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2011 and 2012.

Koontz and Salinger. June, 2013.

Major Employers

The major employers in Blue Ridge, and Fannin County are listed in Table 15.

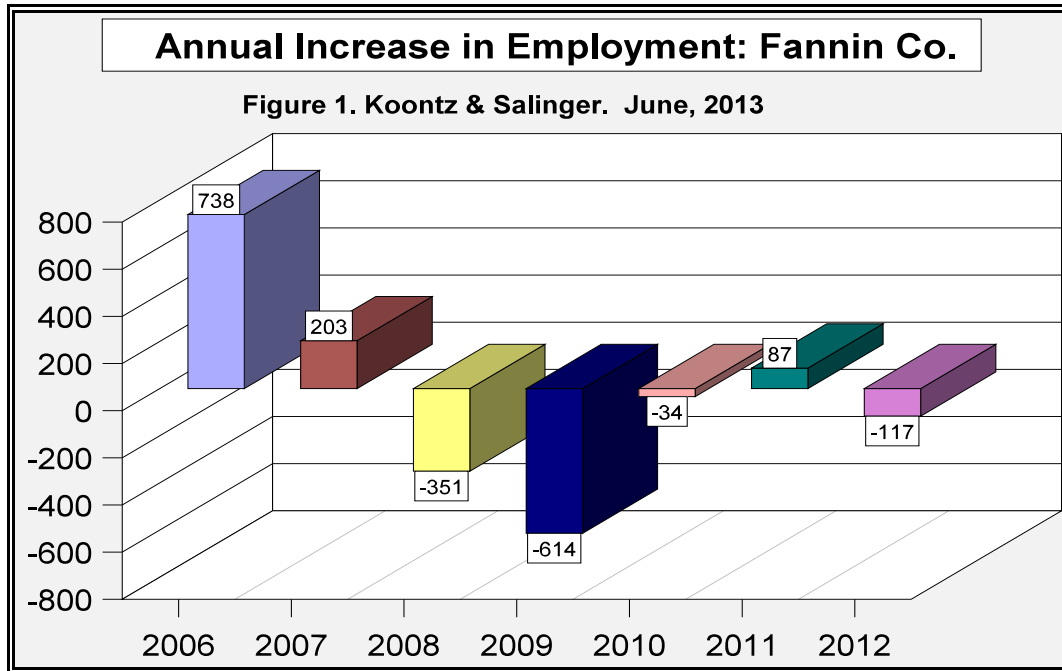
Table 15		
Major Employers		
Firm	Product/Service	Employees
A & S Clothing	Fabrics	32
Inner Dimensions	Rugs	80
Kismet Rubber	Rubber Products	40
Sisson Log Homes	Log Cabins	13 FT 15 PT
Whitepath Fab Tech	Wire Products	40
Fannin County School System	Education	462
Fannin County Government	Government	211
Home Depot	Retail Trade	104
Ingles Grocery	Retail Trade	193
Fannin Regional Hospital	Health Care	301
Heritage Healthcare of Blue Ridge	Health Care	129
Mercier Orchards	Agri-Business	138
Unihealth Solutions of N Georgia	Health Care	12
Day Corp	Textiles	80
Riverstone Medical Campus	Healthcare Complex	70
United Commerce Bank	Finance	64
Whitepath Fabtech	Electric Components	40
Poise Medical	Lead Aprons	33

Sources: Fannin County Chamber of Commerce.

Fannin County Development Authority, (706) 632-4450, Ms Stephanie Scarce, Executive Director.

SUMMARY

The economic situation for Fannin County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 9-14, Fannin County experienced moderate to significant employment gains between 2005 and 2007. Between 2008 and 2010 the decrease in employment in Fannin County was very significant, owing primarily to declines in manufacturing and in trade employment. The negative trend reversed in 2011 (moderately), yet continued into 2012.



As represented in Figure 1 (and Table 10), between 2005 and 2009, the average decrease in employment was approximately -5 workers or approximately -0.05% per year. The rate of employment loss between 2009 and 2010, was moderate at -.35%, representing a net loss of almost 35 workers. The rate of employment loss between 2011 and 2012, was more significant at around -1.2%, representing a net loss of almost 120 workers.

The rate of employment change thus far into 2013, is forecasted to stabilize on a year to year basis. Currently, local market employment conditions still remain in a fragile state, exhibiting recent signs of stabilization, on a sector by sector basis, but still very much subject to a downturn in local, state, and national economic conditions, such as the recent "fiscal cliff", "debt ceiling", and "budget sequestration" discussions at the national level.

Monthly unemployment rates in 2010 and 2011 were among the highest exhibited in over 10-years in Fannin County. Monthly unemployment rates remained high in 2012, ranging between 8.7% and 10.9%, with an overall average of 9.6%. These rates of unemployment for the local economy are reflective of Fannin County participating in the last State, National, and Global recession and the subsequent period of slow to very slow recovery growth. The last recession was severe. The National forecast for 2013 (at present) is for the unemployment rate to approximate 7% to 7.5%, in the later portion of the year. Typically, during the last

three years, the overall unemployment rate in Fannin County has been, on average, .5% greater than the state average unemployment rate, and 1% to 1.5% greater than the national average. The annual unemployment rate in 2013 in Fannin County is forecasted to remain high, in the vicinity of 8% to 8.5%, but improving on a relative year to year basis.

Fannin County's economy is service oriented, with service providers accounting for roughly 86% of private sector jobs and nearly 70% of all at-place employment. In common with many counties in Georgia, a high ratio of jobs are in the Health Care and Social Assistance sector, but employment in both the Retail and Accommodation and Food Services sectors is increasing.

Tourism is also an important part of Fannin County's economy. The County is strategically located at the southern extent of the Blue Ridge Mountains, and is often referred to as the 'gateway' to the Blue Ridge. The proximity to Atlanta has further strengthened the tourism base, and allowed the County to become a second home destination as well as a vacation destination. Tourist Expenditures were \$29,970,000 which was based off the last TIA study by the Fannin County Chamber of Commerce. Service and trade sectors employ nearly 70% of the Fannin county workforce, with government employment at nearly 19%, and the production of goods making up 11%. The Per Capita income is about \$29,000 and has grown even through the recent recession.

Fannin County's population increased significantly during the 2000-2010 period, which led to growth in the retail and service sectors. Retail employment has increased during the past few months during a time when jobs were lost in other parts of Georgia.

There are a few small manufacturing firms in Fannin County, but this remains a minor part of the economy. Most are small firms with fewer than 10 employees, but includes some textile products and wood products (including sawmills). While there have been no expansions in recent years, nether have jobs been lost. The WARN list published by the Georgia Department of Labor lists no closings or downsizings (layoffs) over the past five years.

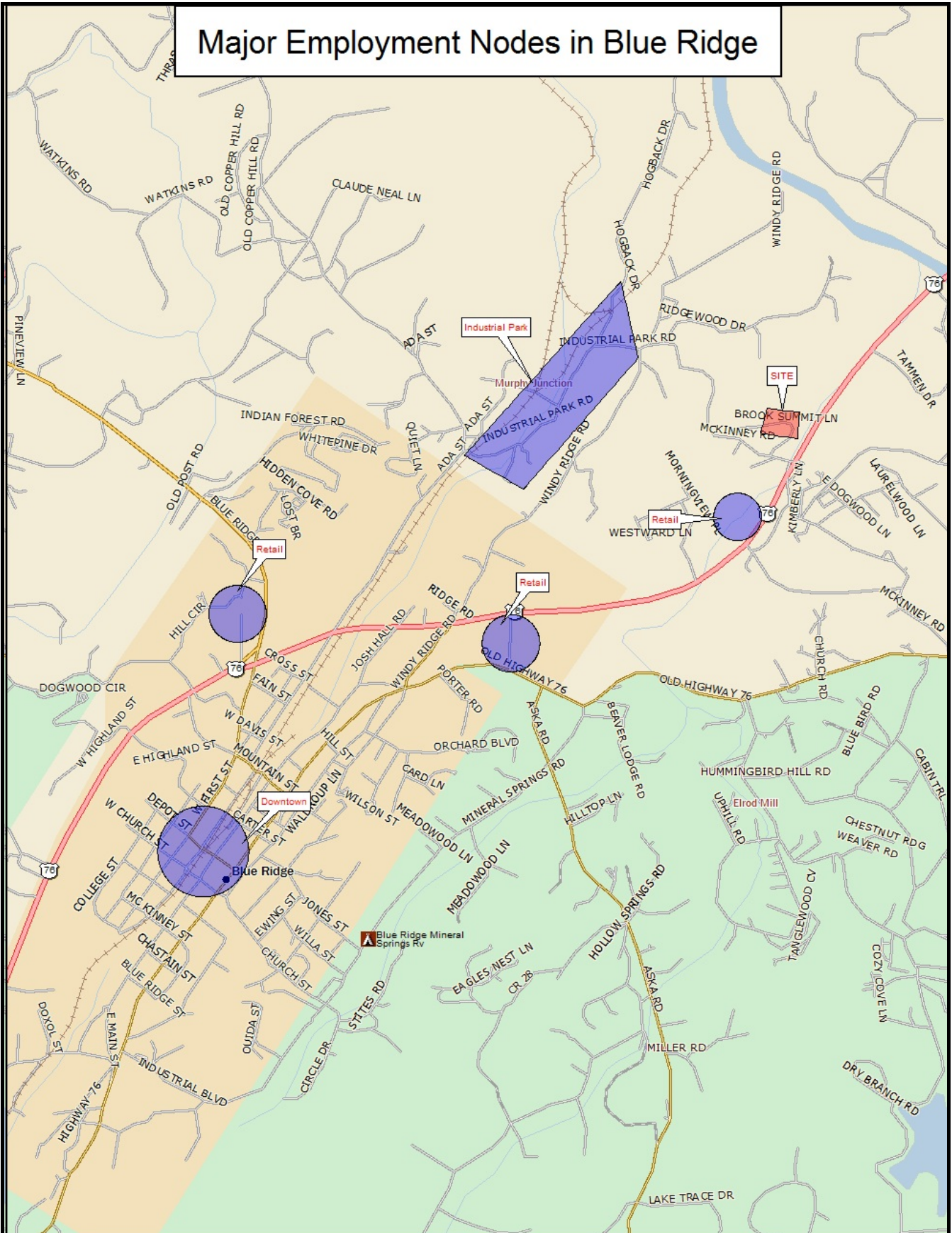
Local Economy - Relative to Subject & Impact on Housing Demand

Overall, the 2013 economic forecast for Fannin County is for a stable economy. Like many locales in rural Georgia the Blue Ridge economy is presently participating in an on-going battle for growth, new employment prospects and the retention of existing businesses.

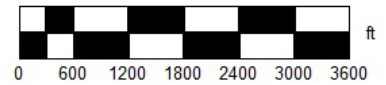
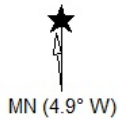
The Blue Ridge - Fannin County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the good location of the site, with good proximity to several employment nodes, the proposed subject development will very likely attract potential elderly renters from those sectors of the workforce who are in need of affordable housing, a reasonable commute to work, and still participating in the local labor market.

A map of the major employment concentrations in Blue Ridge is exhibited on the next page.

Major Employment Nodes in Blue Ridge



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Data Zoom 13-1

SECTION G

PROJECT-SPECIFIC
DEMAND ANALYSIS

This analysis examines the area market demand in terms of a specified GA-DCA demand methodology. This incorporates several sources of income eligible demand, including demand from new renter household growth and demand from

existing elderly renter households already in the Blue Ridge PMA market.

Note: All elements of the demand methodology will be segmented by age (elderly 55 and over) and income, owing to the availability of detailed age 55+ income by tenure data.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimated projected year that the subject will be placed in service of 2015.

In this section, the effective project size is 60-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 6 and 7 from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered in the context of the current market conditions. This assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like-kind competitive supply. In this case, it is discriminated by age and income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted elderly apartment projects in the market area.

Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2013 HUD Income Guidelines.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 6 one and 54 two-bedroom units. The recommended maximum number of people per unit (for elderly designation) is:

1BR - 1 and 2 persons
2BR - 2 persons

Analyst Note: As long as the unit in demand is income qualified there is no minimum number of people per unit. It is assumed that the target group for the proposed elderly development (by household size) will be one and two persons. Given the intended subject targeting by age, only household sizes of 1 and 2 persons were utilized in the determination of the income ranges, by AMI.

The proposed development will target 20% of the units at 50% or below of area median income (AMI), and 80% at 60% AMI.

The lower portion of the target income range is set by the proposed subject 1BR and 2BR rents at 50% and 60% AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income on rent. GA-DCA has set the estimate for elderly applications at 40%.

The proposed 1BR net rent at 50% AMI is \$310. The estimated utility costs is \$125. (Source: Applicant) The proposed 1BR gross rent is \$435. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$13,050.

The proposed 2BR net rent at 50% AMI is \$362. The estimated utility costs is \$159. (Source: Applicant) The proposed 2BR gross rent is \$521. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$15,630.

The proposed 1BR net rent at 60% AMI is \$318. The estimated utility costs is \$125. (Source: Applicant) The proposed 1BR gross rent is \$443. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$13,290.

The proposed 2BR net rent at 60% AMI is \$365. The estimated utility costs is \$159. (Source: Applicant) The proposed 2BR gross rent is \$524. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$15,720.

The AMI at 50% and 60% for 1 and 2 person households located within Fannin County follows:

	<u>50%</u> <u>AMI</u>	<u>60%</u> <u>AMI</u>
1 Person -	\$16,000	\$19,200
2 Person -	\$18,250	\$21,900

Source: 2013 HUD National Non-Metro Median Income Limits.

The overall income range for the targeting of income eligible households at 50% AMI is \$13,050 to \$18,250.

The overall income range for the targeting of income eligible households at 60% AMI is \$13,290 to \$21,900.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 50% AMI is \$13,050 to \$18,250.

It is projected that in 2015, approximately **10.5%** of the elderly owner-occupied households age 55+ in the PMA were in the subject property 50% AMI LIHTC target income group of \$13,050 to \$18,250.

It is projected that in 2015, approximately **15%** of the elderly renter-occupied households age 55+ in the PMA were in the subject property 50% AMI LIHTC target income group of \$13,050 to \$18,250.

60% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$13,290 to \$21,900.

It is projected that in 2015, approximately **16%** of the elderly owner-occupied households age 55+ in the PMA were in the subject property 60% AMI LIHTC target income group of \$13,290 to \$21,900.

It is projected that in 2015, approximately **20%** of the elderly renter-occupied households age 55+ in the PMA were in the subject property 60% AMI LIHTC target income group of \$13,290 to \$21,900.

Adjustments

In order to adjust for income overlap between the 50% and 60% AMI income segments several adjustments were made resulting in the following discrete estimates/percentages of household age 55+, within the 50% and 60% AMI income ranges. The 60% income segment estimate was reduced in order to account for overlap with the 50% AMI income target group, but only moderately, given fact that only 12-units will target renters at 50% AMI.

	<u>Owner-Occupied</u>	<u>Renter-Occupied</u>
50% AMI	7.0%	10.0%
60% AMI	13.0%	15.5%

Reconciliation of Net Rents

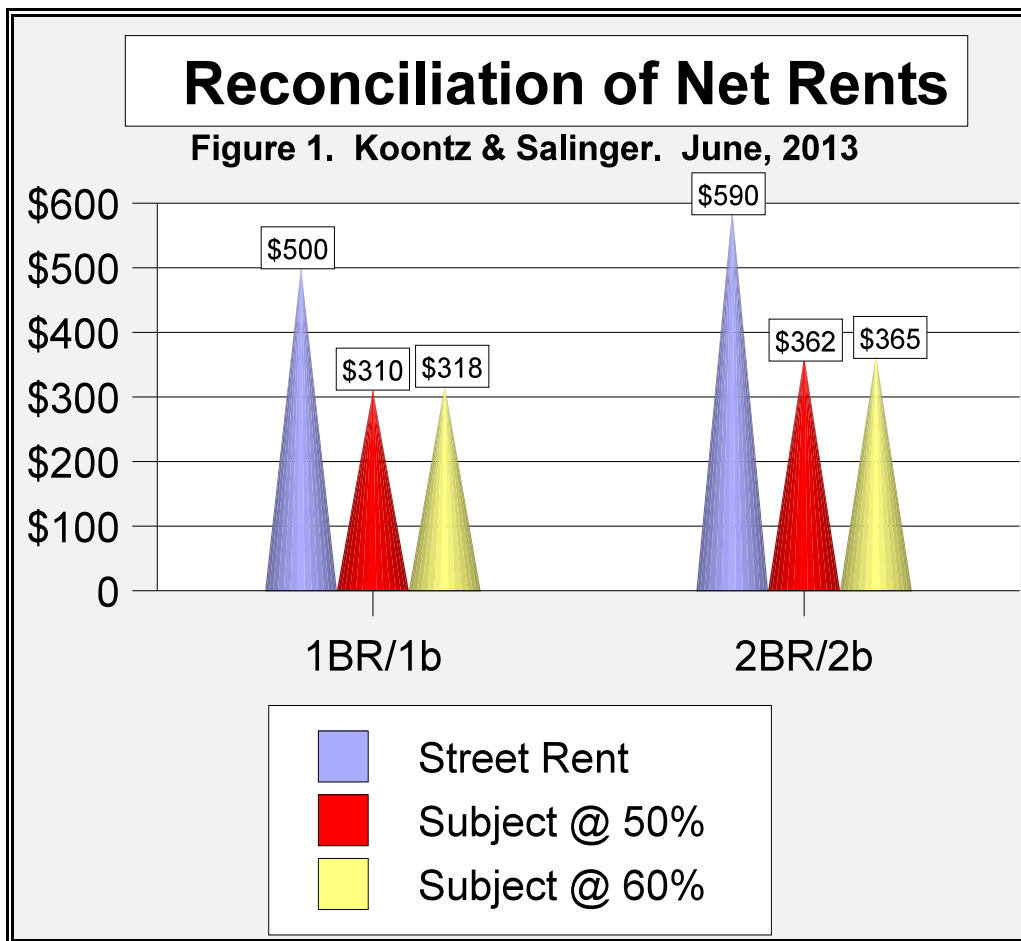
The survey of the competitive environment (which included local real estate professionals) revealed the following market based findings regarding net rents. Figure 1 below exhibits the estimated average conventional (street) net rents by bedroom type in relation to the proposed subject property net rents at 50% AMI, and 60% AMI.

Data Set

<u>Bedroom Type</u>	<u>Street Rent*</u>	<u>Subject Rents at</u>	
		<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b	\$500	\$310	\$318
2BR/2b	\$590	\$362	\$365

* average net rent

Figure 1, reveals that the proposed subject 1BR net rent at 50% AMI is approximately 38% less and at 60% AMI is approximately 36% less than the comparable/competitive 1BR market rate net rent. The proposed subject 2BR/2b net rent at 50% AMI is approximately 34% less and at 60% AMI is approximately 38% less than the comparable/competitive 2BR/2b market rate net rent.



Effective Demand Pool

In this methodology, there are four basic sources of demand for an apartment project to acquire potential elderly tenants:

- * net renter household formation (normal growth),
- * existing elderly renter households who are living in substandard housing,
- * existing renters who choose to move to another unit, typically based on affordability (rent overburdened), and project location, and features, and
- * current homeowners who elect to become renters, typically based on changing physical and financial circumstances and yield to the difficulty in maintaining a home.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2011 and 2012.

Demand from New Elderly Renter Households (Growth)

For the PMA, forecast housing demand through household formation totals 50 elderly renter-occupied households over the 2013 to 2015 forecast period.

Based on 2015 income forecasts, 5 new elderly renter households fall into the 50% AMI target income segment of the proposed subject property, and 8 into the 60% AMI target income segment.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2007-2011 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2007-2011 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 10 elderly renter-occupied households were defined as residing in substandard housing. Based upon 2007-2011 American Community Survey data, 50 elderly renter-occupied households were defined as residing in substandard housing. The forecast in 2015 was for 50 elderly renter occupied households residing in substandard housing in the PMA.

Based on 2015 income forecasts, 5 substandard elderly renter households fall into the target income segment of the proposed subject property at 50% AMI, and 8 in the 60% AMI segment.

Demand from Existing Renters

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2007-2011 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2014 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to: (1) the recent 2008-2010 national and worldwide recession since the report of the findings in the 2007-2011 American Community Survey, and (2) the low net rent and AMI income limits of the proposed subject development.

It is estimated that approximately 90% of the elderly renters with incomes in the 50% AMI target income segment are rent overburdened, and 90% of the elderly renters with incomes in the 60% AMI target income segment are rent overburdened.

*Note: HUD and the US Census define a rent over burdened household at 30% of income to rent.

In the PMA it is estimated that 130 existing elderly renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property, and 202 are in the 60% AMI segment.

Elderly Homeowner Tenure Conversion

An additional source of potential tenants involves elderly householders who currently own a home, but who may switch to a rental unit. This tendency is divergent for non-elderly and elderly households, and is usually the result of changes in circumstances in the households - the financial ability to pay maintenance costs and property taxes, the physical ability to maintain a larger, detached house, or an increased need for security and proximity of neighbors. In most cases, the need is strongest among single-person households, primarily female, but is becoming more common among older couples as well. Frequently, pressure comes from the householders' family to make the decision to move.

Recent surveys of new assisted housing for the elderly have indicated that an average of 15% to 30% of a typical, elderly apartment project's tenants were former homeowners. In order to remain conservative this demand factor was capped at **2.5%**.

After income segmentation, this results in 17 elderly households added to the target demand pool at 50% AMI, and 31 elderly households added to the target demand pool at 60% AMI.

Note: This element of the demand methodology does not allow for more than 2% of the overall demand estimate (up to this portion of the demand methodology) to be derived from owner-occupied tenure. (This is to ensure that there is no over weighting of demand from this portion of the demand methodology.)

After adjusting for the 2% Rule, the 50% AMI segment was reduced by 14, and the 60% AMI segment was reduced by 27.

Total Effective Tenant Pool

The potential demand from these sources (in the methodology) total 143 households/units at 50% AMI. The potential demand from these sources (in the methodology) total 222 households/units at 60% AMI. These estimates comprise the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA. These estimates of demand were adjusted for the introduction of new like-kind supply into the PMA since 2011. Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

The final segmentation process of the demand methodology was to subtract out like-kind competition/supply in the PMA built since 2011. In the case of the subject, like-kind supply includes other LIHTC and/or LIHTC/Home elderly developments. Note: Since 2011, no like-kind LIHTC elderly supply has been introduced within the Blue Ridge PMA.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct competitive supply under construction and/or in the pipeline for development must be taken into consideration. According to local sources, no other elderly multi-family apartment development supply is under construction or in the pipeline for development.

A review of the 2010 to 2012 list of awards for both LIHTC & Bond applications made by the Georgia Department of Community Affairs revealed that no awards were made for a **LIHTC elderly new construction or acquisition rehab development within Fannin County, nor within the Blue Ridge PMA.**

The segmented, effective demand pool for the proposed LIHTC elderly development is summarized in Table 16.

Table 16

LIHTC Quantitative Demand Estimate: Blue Ridge PMA

	AMI	AMI
● <u>Demand from New Growth - Elderly Renter Households</u>	<u>50%</u>	<u>60%</u>
Total Projected Number of Households (2015)	1,497	1,497
Less: Current Number of Households (2013)	<u>1,447</u>	<u>1,447</u>
Change in Total Renter Households	+ 50	+ 50
% of Renter Households in Target Income Range	<u>10%</u>	<u>15.5%</u>
Total Demand from New Growth	5	8
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing(2010)	50	50
Number of Households in Substandard Housing(2015)	50	50
% of Substandard Households in Target Income Range	<u>10%</u>	<u>15.5%</u>
Number of Income Qualified Renter Households	5	8
● <u>Demand from Existing Elderly Renter Households</u>		
Number of Renter Households (2015)	1,497	1,497
Minus Number of Substandard Renter Household	<u>- 50</u>	<u>- 50</u>
Total in Eligible Demand Pool	1,447	1,447
% of Households in Target Income Range	<u>10%</u>	<u>15.5%</u>
Number of Income Qualified Renter Households	145	224
Proportion Income Qualified (that are Rent Overburden)	<u>90%</u>	<u>90%</u>
Total	130	202
● <u>Total Demand From Elderly Renters</u>	140	218
● <u>Demand from Existing Elderly Owner Households</u>		
Number of Owner Households (2015)	9,531	9,531
% of Households in Target Income Range	<u>7%</u>	<u>13%</u>
Number of Income Qualified Owner Households	667	1,239
Proportion Income Qualified (likely to Re-locate)	<u>2.5%</u>	<u>2.5%</u>
Total	17	31
2% Rule Adjustment	<u>- 14</u>	<u>- 27</u>
Net (after adjustment)	3	4
● <u>Net Total Demand</u>	143	222
● <u>Minus New Supply of Competitive Units (2011-2012)</u>	<u>- 0</u>	<u>- 0</u>
● <u>Gross Total Demand</u>	143	222

Capture Rate Analysis

Total Number of Households Income Qualified = 365. For the subject 60 LIHTC units, this equates to an overall LIHTC Capture Rate of 16.4%.

	50%	60%
● <u>Capture Rate</u> (60-units)	<u>AMI</u>	<u>AMI</u>
Number of Units in LIHTC Segment	12	48
Number of Income Qualified Households	143	222
Required Capture Rate	8.4%	21.6%

● Total Demand by Bedroom Mix

Approximately 44% of the 55 and over population in the PMA is in the 55 to 64 age group. Also, of the PMA population that comprises 1 and 2 person households (both owners and renters), approximately 37% are 1 person and 63% are 2 person (see Table 8). In addition, the size of the households age 55+ in the 2013 to 2015 forecast period is estimated to have stabilized at around 1.63, well over a 1.5 ratio. Finally, the Applicant has experience in offering a product at a very affordable net rent, with large size units that make the proposed 2BR units very attractive to the market. All these factors in turn suggests additional demand support for 2BR units.

Based on these data it is assumed that 25% of the target group will demand a 1BR unit and 75% a 2BR unit.

* At present there are no LIHTC like kind competitive properties either under construction or in the pipeline for development.

Total Demand by Bedroom Type (at 50% AMI)

1BR - 36
 2BR - 107
 Total - 143

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	36	0	36	2	5.6%
2BR	107	0	107	10	9.4%

Total Demand by Bedroom Type (at 60% AMI)

1BR - 55
 2BR - 167
 Total - 222

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	55	0	55	4	7.3%
2BR	167	0	167	44	26.4%

Table 16 - Converted w/in GA-DCA Required Table

	HH @30% AMI xxxxxx to xxxxxx	HH @50% AMI \$13,050 to \$18,250	HH@ 60% AMI \$13,290 to \$21,900	HH @ Market xxxxxx to xxxxxx	All LIHTC Households
Demand from New Household (age & income appropriate)		5	8		13
Plus					
Demand from Existing Renter Households - Substandard Housing		5	8		13
Plus					
Demand from Existing Renter Households - Rent Overburdened households		130	202		332
Sub Total		140	218		358
Demand from Existing Households - Elderly Homeowner Turnover (limited to 2%)		3	4		7
Equals Total Demand		143	222		365
Less					
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the project market between 2011 and the present		0	0		0
Equals Net Demand		143	222		365

Capture Rate Analysis Chart

Income Targeting	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Abspt
30% AMI							
1BR							
2BR							
3BR							
4BR							
50% AMI	\$13,050-\$18,250	12	143	0	143	8.4%	2 mos.
1BR	\$13,050-\$16,000	2	36	0	36	5.6%	1 mo.
2BR	\$15,630-\$18,250	10	107	0	107	9.4%	2 mos.
3BR							
4BR							
60% AMI	\$13,290-\$21,900	48	222	0	222	21.6%	7 mos.
1BR	\$13,290-\$19,200	4	55	0	55	7.3%	1 mo.
2BR	\$15,720-\$21,900	44	167	0	167	26.4%	7 mos.
3BR							
4BR							
Market Rate							
1BR							
2BR							
3BR							
4BR							
Total 30%							
Total 50%	\$13,050-\$18,250	12	143	0	143	8.4%	2 mos.
Total 60%	\$13,290-\$21,900	48	222	0	222	21.6%	7 mos.
Total LIHTC	\$13,050-\$21,900	60	365	0	365	16.4%	7 mos.

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

Rent Analysis Chart

Income Targeting	Average Market Rent	Market Rent Band Min-Max	Proposed Rents
30% AMI			
1BR			
2BR			
3BR			
4BR			
50% AMI			
1BR	\$500	\$487-\$509	\$310
2BR	\$590	\$540-\$655	\$362
3BR			
4BR			
60% AMI			
1BR	\$500	\$487-\$509	\$318
2BR	\$590	\$540-\$655	\$365
3BR			
4BR			
Market Rate			
1BR			
2BR			
3BR			
4BR			

Overall Impact to the Rental Market

Given the current rental market vacancy rate and the forecasted strength of demand for the expected entry of the subject in 2015, it is estimated that the introduction of the proposed development will have no long term negative impact on the PMA program assisted elderly apartment market.

At present, there are no existing program assisted LIHTC elderly properties located within Blue Ridge nor Fannin County. However, there is one USDA-RD elderly development, Riverwood. At the time of the market survey, Riverwood was 100% occupied and maintained a waiting list. This property could experience some short term negative impact, but it is unlikely it would experience any long term negative impact, owing to the fact that it offers 100% deep subsidy rental assistance.

SECTION H
COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS

This section of the report evaluates the general rental housing market conditions in the PMA, for both program assisted properties and market rate properties. Part I of the survey focused upon the existing program assisted properties within the PMA. Part II consisted of a sample survey of conventional apartment properties

in the PMA. The analysis includes individual summaries and pictures of properties as well as an overall summary rent reconciliation analysis.

Overall, the Blue Ridge and Fannin County apartment market is representative of a small size town, which is the county seat, serving a predominantly rural to semi-rural market in which there are predominantly small to medium size properties. In addition, the local market has a number of mobile homes that target the rental market, as well as a number of single-family homes for rent.

Survey of the Competitive Environment - Program Assisted Properties

Six program assisted properties, representing 242 units, were surveyed in Blue Ridge and Fannin County, in complete detail. One property is a LIHTC-family development, and five are USDA-RD Section 515 properties (1 elderly and four family). The remainder of the supply of program assisted apartment properties within the competitive environment comprises the local housing authority. Several key factors in the Blue Ridge program assisted apartment market include:

- * At the time of the survey, the overall estimated vacancy rate at the program assisted apartment properties was approximately 2% (2.1%). Waiting lists are common at these properties.
- * One USDA-RD Section 515 elderly development, Riverwood is located in Blue Ridge. At the time of the survey, the property was 100% occupied and reported to be maintaining a waiting list with four applicants. The property manager reported a typical occupancy rate of 99%+.
- * All of the existing program assisted properties in Blue Ridge and Fannin County have a basic amenity package. For example, most have: a stove, refrigerator, mini-blinds, carpet, central laundry, wall sleeve or central a/c and an on-site management office. When compared to the subject property, the local USDA-Rd complexes are at a non competitive position regarding marketing of product based on amenity package.
- * The survey of the USDA-RD Section 515 properties in Blue Ridge/Fannin County revealed low income / basic net rents for 1BR units at between \$385 and \$435 and two-bedroom units ranged between \$410 and \$445.
- * At the time of the survey, no rent concessions were being offered at the program assisted properties.

* The bedroom mix of the surveyed program assisted apartment properties, excluding the Blue Ridge Housing Authority is 39% 1BR, 46% 2BR, and 15% 3BR.

Survey of the Competitive Environment - Market Rate Supply

Four market rate properties and the market rate units at the Mineral Springs LIHTC property, representing 88 units, were surveyed in the subject's competitive environment, in detail. Several key factors in the local conventional apartment market include:

* At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties was approximately 2.5% (2.3%).

* The reported range of typical occupancy rates was 95% to 100%. The median typical occupancy rate was around 98%. One of the surveyed market properties reported having a waiting list.

* The bedroom mix of the surveyed conventional apartment properties is 24% 1BR, and 76% 2BR.

* The survey of the market rate apartment market exhibited the following data; the median, average, and range of net rents, by bedroom type, within the area competitive environment. Note: The rents at Coventry Ridge were adjusted in order to factor in the that fact that all utilities are included within the net rent.

Conventional Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
1BR/1b	\$515	\$525	\$475-\$532
2BR/1b	\$575	\$575	\$570-\$600
2BR/1.5b & 2b	\$605	\$605	\$550-\$670
3BR/2b	\$625	\$625	\$600-\$650

Source: Koontz & Salinger. June, 2013

* The sizes of the units vary widely. Listed below are the average, median and range of the unit sizes, by bedroom type for the surveyed market rate properties:

Conventional Competitive Environment - Unit Size, by Bedroom			
Bedroom Type	Average	Median	Range
1BR/1b	632	760	400-800
2BR/1b	947	1100	800-1200
2BR/2b	1000	1000	900-1100
3BR/2b	1104	1104	1104-1104

Source: Koontz & Salinger. June, 2013

Blue Ridge Housing Authority

The Blue Ridge Housing Authority does not manage the HUD Section 8 Housing Choice program for Fannin County. The Authority manages 48-units. At the time of the survey 100% of the units were occupied and 19-applicants were on the waiting list. Source: Ms. Missy Crowder, Blue Ridge Housing Authority, (706) 632-5742 (May 1, 2013).

Comparability

The most direct, like-kind comparable surveyed property to the proposed subject development in terms of age targeting is the Riverwood USDA-RD Section 515 elderly property located in Blue Ridge.

* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Austin Place	Austin Place	
Coventry Ridge	Highland	
Holly Faith	Mineral Springs	

Source: Koontz & Salinger. June, 2013

Fair Market Rents

The 2013 Fair Market Rents for Fannin County, GA are as follows:

- Efficiency = \$ 440
- 1 BR Unit = \$ 443
- 2 BR Unit = \$ 599
- 3 BR Unit = \$ 753
- 4 BR Unit = \$1061

*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.org

Note: The proposed subject property LIHTC one and two-bedroom gross rents at 50% AMI are set below the maximum Fair Market Rent for a one and two-bedroom unit. The proposed subject property LIHTC two-bedroom gross rents at 60% AMI are set at or below the maximum Fair Market Rent for a two-bedroom unit. Thus, the majority of the subject property LIHTC 1BR and 2BR units will be readily marketable to Section 8 voucher holders in Fannin County.

Table 17 exhibits building permit data between 2000 and February, 2013. The permit data is for Fannin County.

Between 2000 and February, 2013, 7,142 permits were issued in Fannin County, of which, 6 or less than 1% were multi-family units.

Table 17			
New Housing Units Permitted: Fannin County, 2000-2013¹			
Year	Net Total²	Single-Family Units	Multi-Family Units
2000	797	797	--
2001	835	835	--
2002	929	929	--
2003	1,011	1,011	--
2004	1,103	1,103	--
2005	814	814	--
2006	548	548	--
2007	419	423	4
2008	185	185	--
2009	118	118	--
2010	106	104	2
2011	111	111	--
2012	138	138	--
2013	20	20	--
Total	7,142	7,136	6

¹Source: New Privately Owned Housing Units Authorized In Permit Issuing Places, U.S. Department of Commerce, C-40 Construction Reports. U.S. Census Bureau.

Selig Center for Economic Growth.

²Net total equals new SF and MF dwellings units.

Table 18, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed program assisted family apartment properties in the Blue Ridge competitive environment.

Table 18											
SURVEY OF PROGRAM ASSISTED FAMILY APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	60	6	54	--	Na	\$310-\$318	\$362-\$365	--	762	1078	--
Brookstone	40	24	16	--	0	\$405	\$430	--	624	928	--
Brooks Summit	36	8	24	4	0	\$435	\$445	\$455	650	805	954
Mineral Springs	67	--	35	32	3	--	\$431-\$670	\$617-\$658	--	840	1104-1428
Mountain Lane	24	8	16	--	0	\$385	\$415-\$425	--	610	810-867	--
Northcourt	34	14	20	--	5	\$385	\$410	--	500	700	--
Riverwood	41	40	1	--	0	\$410	Na	--	Na	Na	--
Total*	242	94	112	36	5						

* - Excludes the subject property

Na - Not available

** Basic rent noted for USDA-RD properties

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. June, 2013.

Table 19, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed market rate apartment properties in the Blue Ridge competitive environment.

Table 19											
SURVEYED MARKET RATE APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	60	6	54	--	Na	\$310-\$318	\$362-\$365	--	762	1078	--
Austin Place	26	8	18	--	1	\$525	\$550	--	760	1100	--
Coventry Ridge	18	8	10	--	0	\$585	\$715	--	400	800	--
Highland	18	--	18	--	0	--	\$575	--	--	900	--
Holly Faith	12	5	7	--	0	\$475	\$570	--	800	1100	--
Total*	74	21	53	--	1						

* - Excludes the subject property

Na - Not available

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. June, 2013.

Table 20, exhibits the key amenities of the subject and the surveyed program assisted and conventional apartment properties. Overall, the subject is competitive to very competitive with all of the existing conventional apartment properties in the market regarding the unit and development amenity package.

Table 20													
SURVEY OF APARTMENT COMPLEXES UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
Program Assisted													
Brookstone	x	x							x	x	x	x	x
Brooks Summit	x	x			x			x	x	x	x		
Mineral Springs	x	x			x	x	x	x	x	x	x	x	x
Mountain Ln	x	x			x				x	x	x		
North Court	x	x			x			x	x	x	x		x
Riverwood	x	x						x	x	x	x	x	
Market Rate													
Austin Place								x	x	x	x		x
Coventry Ridge									x	x	x		x
Highland	x							x	x	x	x		x
Holly Faith						x	x	x	x	x	x		x

Source: Koontz and Salinger. June, 2013.

Key: A - On-Site Mgmt* B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

* or office

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information.

A map showing the location of the surveyed Program Assisted properties is provided on page 25. A map showing the location of the surveyed Market Rate properties is provided on page 83.

Part I - Survey of Program Assisted Properties

1. Brookstone Apartments, 185 Penland St, (706) 492-3304

Type: USDA-RD Section 515 (mix use)

Contact: Boyd Management (Ms Bibi Ray)

Date Built: 1995

Interview Date: 5/3/2013

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	24	\$405	\$554	\$ 83	624	0
2BR/1b	16	\$430	\$581	\$105	928	0
Total	40					0

Typical Occupancy Rate: 97%

Security Deposit: \$150

Utilities Included: water, sewer, trash

Waiting List: Yes (5)

Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Community Room	Yes
Security	No	Storage	Yes

Design: 1 and 2 story

Additional Information: 39-units have RA; expects no negative impact



Type: USDA-RD Section 515 (family)

Contact: Boyd Management (Ms Bibi Ray)

Date Built: 1996

Interview Date: 5/3/2013

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$435	\$560	\$ 63	650	0
2BR/1b	24	\$445	\$580	\$ 89	805	0
3BR/1.5b	4	\$455	\$595	\$102	954	0
Total	36					0

Typical Occupancy Rate: 95%

Waiting List: Yes (13)

Security Deposit: \$150

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Recreation Area	Yes
Security	No	Storage	No

Project Design: two story

Additional Information: 35-units have RA; 0 tenants have Section 8 vouchers



Type: LIHTC (family)

Contact: Ms Annelle Pressley, Mgr
Date Built: 2003

Interview Date: 5/8/2013
Condition: Very Good

<u>Unit Type</u>	<u>30%</u>	<u>50%</u>	<u>60%</u>	<u>Mrk</u>	<u>30%</u>	<u>50%</u>	<u>60%</u>	<u>Mrk</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
	<u>Number</u>				<u>Rent*</u>						
2BR/2.5	-	21	--	14	---	\$431	---	\$670	\$159	840	0
3BR/2b	4	--	20	--	\$208	---	\$617	---	\$200	1104	1
4BR/2b	3	--	5	--	\$202	---	\$658	---	\$254	1428	2
Total	7	21	25	14							3

Typical Occupancy Rate: 93%-94%
Security Deposit: \$200
Utilities Included: trash removal

Waiting List: Yes (1 yr - PBRA; 2 Mrkt)
Concessions: No
Turnover: "very low"

Amenities - Unit (after rehab)

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project (after rehab)

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Community Rm	Yes	Recreation Area	Yes
Fitness Rm	Yes	Storage	Yes

Project Design: two & three story

Additional Information: 32-units are new construction and 35-units are renovated town homes; reported that 3BR units are hard to rent, owing to the economy



4. Mountain Lane Apartments, 40 Mountain Lane (706) 492-2894

Type: USDA-RD Section 515 (family)

Contact: Boyd Management (Ms Beverly Patterson) **Interview Date:** 5/3/2013

Date Built: 1983

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$385	\$523	\$120	610	0
2BR/1b	8	\$415	\$585	\$138	810	0
2BR/1.5b TH	8	\$425	\$601	\$152	867	0
Total	24					0

Typical Occupancy Rate: 91%

Waiting List: Yes (2)

Security Deposit: \$150

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Recreation Area	Yes
Security	No	Storage	No

Project Design: one & two story

Additional Information: 10-units have RA; 0 tenants have Section 8 vouchers



5. North Court Apartments, 301 Jones St

(706) 632-3819

Type: USDA-RD Section 515 (family)

Contact: Crimson Mgmt (Ms Becky Wilson)

Date Built: around 1987

Interview Date: 5/8/2013

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	14	\$385	\$515	\$121	500	2
2BR/1b	20	\$410	\$600	\$144	700	0
Total	34					2

Typical Occupancy Rate: 98%

Waiting List: Yes (2)

Security Deposit: 1 month rent

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Recreation Area	Yes
Security	No	Storage	Yes

Project Design: one story

Additional Information: 24-units have RA; 2 tenants have Section 8 vouchers



6. Riverwood Apartments, 36 W Dogwood Lane (706) 632-5747

Type: USDA-RD Section 515 (elderly)

Contact: Investors Mgmt (Ms Susan Singleton)

Interview Date: 5/1/2013

Date Built: 1993

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent*</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	40	\$410	\$532	\$ 69	Na	0
2BR/1b	1*	Na	Na	Na	Na	0
Total	41					0

*non revenue mgr unit

Typical Occupancy Rate: 99%-100%

Waiting List: Yes (4)

Security Deposit: \$150

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Community Rm	Yes	Recreation Area	No
Security	No	Storage	No

Project Design: one story

Additional Information: 35-units have RA; 0 tenants have Section 8 vouchers



Part II - Survey of Market Rate Properties

1. Austin Place Apartments, 3017 Chatsworth Hwy, (706) 273-2727

Contact: Mr John Marshall, Owner
Date Built: 1998 (rehab 2001)

Interview Date: May 3, 2013
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$525	760	1
2BR/1.5b	18	\$550	1100	0
Total	26			1

Typical Occupancy Rate: 96%

Waiting List: Yes (6 to 8)

Security Deposit: \$300

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Tennis	No
Fitness Ctr	No	Recreation Area	No
Security	No	Trails	No
Storage	No	Garages	No

Design: one & two story

Remarks: "able to stay full lately"



2. Coventry Ridge Apartments, 137 Sumner Top Ln (706) 635-2857

Contact: Manager (name not given)

Interview Date: 5/7/2013

Date Built: 1995

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$585	400	0
2BR/1b	10	\$715	800	0
Total	18			0

Typical Occupancy Rate: 99%

Waiting List: "usually stay full"

Security Deposit: \$300

Concessions: No

Utilities Included: All

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Tennis	No
Fitness Ctr	No	Recreation Area	No
Security	No	Trails	No
Storage	No	Car Wash Area	No

Design: one story

Additional Information: all utilities are included in the rent; weekly rates



3. Highland Apartments, 131 Penland St,

(706) 632-3737

Contact: Tina, Mtn Tracks Realty
Date Built: 2006

Interview Date: 5/1/2013
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	18	\$575	900	0

Typical Occupancy Rate: 95%

Waiting List: Yes

Security Deposit: \$250

Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes
Fire Place	No	Microwave	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	No	Tennis	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Car Wash Area	No

Design: two story

Additional Information: increased rent from \$575 to \$595



4. Holly Faith Apartments, 79 Tower Rd,

(706) 635-1501

Contact: Owner
Date Built: 1995

Interview Date: 5/7/13
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	5	\$475	784	0
2BR/1b	7	\$570	1100-1200	0
Total	12			0

Typical Occupancy Rate: 100%

Waiting List: Yes (1)

Security Deposit: \$200

Concessions: No

Utilities Included: Trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	No
Fire Place	No	Microwave	No

Amenities - Project

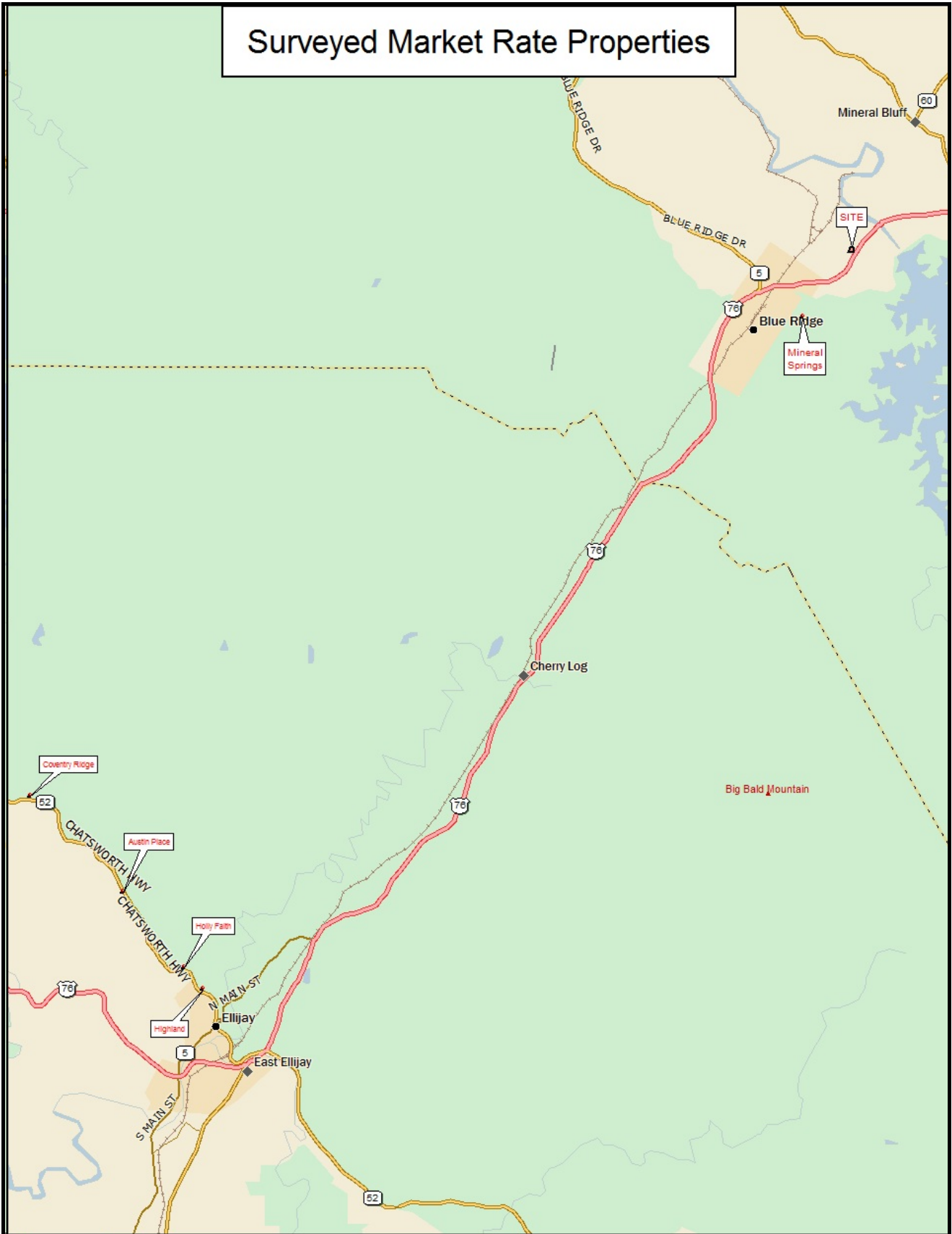
On-Site Mgmt	No	Pool	No
Laundry Room	No	Tennis	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Car Wash Area	No

Design: one story walk-up

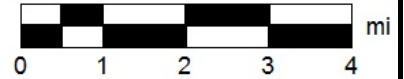
Additional Information: "no pets allowed"



Surveyed Market Rate Properties



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Data Zoom 10-5

SECTION I
ABSORPTION &
STABILIZATION RATES

Given the strength (or lack of strength) of the demand estimated in Table 16, the most likely/best case scenario for 93% to 100% rent-up is estimated to be 7-months (at approximately 9-units per month on average) or less. The worst case estimate is 9-months, or approximately 6-units per month.

The rent-up period is based upon recently built LIHTC-elderly developments in Calhoun and Ringgold:

Calhoun

Catoosa Sr Village 60-units 7-months to attain 95% occupancy

Ringgold

Lone Mtn. Village 56-units 3-months to attain 95% occupancy

Note: In addition, the absorption of the project is contingent upon an attractive product, a competitive amenity package, competitive rents and professional management.

Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.

NCHMA Definitions

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

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

Stabilized Level of Occupancy: The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

SECTION J

INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research

process.

In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site location, project size, bedroom mix, income targeting and net rents. The following statements/comments were made:

(1) - Ms. Barbara (Babbie) Jaco, CPM, Vice President of Boyd Management Inc., stated that the Brookstone, Brooks Summit, and Mountain Lane (USDA:RD) Apartments would not be negatively impacted by the proposed new construction LIHTC-elderly development. At the time of the survey the three properties were on average 96% occupied and all three reported to be maintaining a waiting list. The 40-unit Brookstone property is a mixed use property, having some units set aside for the elderly. 39 of the units have deep subsidy rental assistance (RA), and 5-applicants are on the waiting list. Contact Number: (803) 419-6556.

(2) - Ms. Missy Crowder of the Blue Ridge Housing Authority was interviewed. At present, all 48-units of the PHA were occupied and 19-applicants were on the waiting list. Ms Crowder, stated that "the addition of the new LIHTC elderly development in Blue Ridge would be great. The need for this type of affordable housing has gone on for a long while, in particular for those elderly who can not afford to rent in the existing area rental properties, and elderly homeowners who can not afford the upkeep and repair maintenance costs of their homes." Contact Number: (770) 984-2100, ext 124.

(3) - The Executive Director of the Fannin County Development Authority was interviewed. Ms. Stephanie Searce, stated that "there has been an ongoing need for a property such as those proposed development by Mr Braden". In her opinion, the site is excellent as it offers nearby services such as a post office, a pharmacy, a grocery store and is within 1 mile of the Riverstone Medical complex. At the same time the site offers privacy and very good views of the surrounding landscape. In her opinion, the proposed development will fill a niche that exists in the county. In her opinion, there is an increasing number of elderly households coming into Fannin County, as well as a large number of local elderly households aging in place. Contact Number: (706) 632-4450.

(4) - The manager of the Riverwood (USDA-RD elderly) Apartments, as well as a contact at the management firm, Investors Management were interviewed. It was stated that the proposed development would not negatively impact Riverwood. At the time of the survey, Riverwood was

100% occupied, and maintained a waiting list, with 4-applicants. 35 of the existing 40 tenant units have deep subsidy rental assistance. Sources: Ms. Susan Singleton, Manager, (706) 632-5757, Ms Melanie Ferrell, Investors Management, mferrell@invmt.com.

(5) - Mr. Bill Sowers, the Blue Ridge City Manager was interviewed, (706) 632-2091. *In summary, he stated that the city was in support of the proposed subject development. At present, no negative issues exist with the city in relation to the process development process.*

(6) - Mr. William Simonds, the Chairman of the Fannin County Board of Commissioners was interviewed, (706) 632-2203. *In summary, he stated that the county was in support of the proposed subject development and had passed a support resolution stating as much. At present, no negative issues exist with the county in relation to the process development process.*

(7) - Ms. Rita D. Kirby, the County Clerk to Fannin County Board of Commissioners was interviewed, (706) 632-2203. *She reiterated that the county was in support of the proposed subject development and had passed a support resolution for the proposed LIHTC elderly development that would serve not only the senior population in Blue Ridge, but also the much larger surrounding area.*

SECTION K

CONCLUSIONS &
RECOMMENDATION

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that the Broadview Cove Apartments (a proposed LIHTC elderly (age 55+) property) proceed forward with the development process.

Detailed Support of Recommendation

1. Product Mix - The age and income qualified target group is large enough to absorb the proposed product development of 60 units. All capture rates were below the GA-DCA mandated threshold levels.
2. Assessment of rents - The proposed subject net rents will be very competitive within the PMA.
3. The current apartment market for both program assisted supply and conventional supply (located within the PMA) is **not** representative of an over saturated market, for well maintained, well amenitized and professionally managed properties.
4. The proposed complex unit amenity package is considered to be competitive in the PMA.
5. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 7-months.
6. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 93% or higher.
7. The site location is considered to be very marketable. It offers close proximity to shopping, healthcare services, and highway access.
8. The proposed development will not negatively impact the existing supply of program assisted elderly properties in the long term. There is one USDA-RD elderly development, Riverwood. At the time of the survey, Riverwood was 100% occupied and maintained a waiting list. This property could experience some short term negative impact, but it is unlikely it would experience any long term negative impact, owing to the fact that it offers 100% deep subsidy rental assistance.
9. No modifications to the proposed project development parameters as currently configured are recommended.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

Market Rent Advantage

Clearly, the rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50%, and 60% of AMI.

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	38%	34%
2BR/2b:	36%	38%

Overall: 38%

Rent Reconciliation			
50% AMI	1BR	2BR	3BR
Proposed subject net rents	\$310	\$362	---
Estimated Market net rents	\$500	\$590	---
Rent Advantage (\$)	+\$190	+\$228	---
Rent Advantage (%)	38%	39%	---
60% AMI	1BR	2BR	3BR
Proposed subject net rents	\$318	\$365	---
Estimated Market net rents	\$500	\$590	---
Rent Advantage (\$)	+\$182	+\$225	---
Rent Advantage (%)	36%	38%	---

Source: Koontz & Salinger. June, 2013

Recommendation

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that Broadview Cove (a proposed LIHTC new construction elderly development) proceed forward with the development process.

Negative Impact

In the professional opinion of the market analyst, the proposed LIHTC elderly development **will not negatively impact** the existing supply of program assisted properties located within the Broadview Cove PMA in the long term. At present, there are no existing program assisted LIHTC elderly properties located within Blue Ridge nor Fannin County. However, there is one USDA-RD elderly development, Riverwood. At the time of the survey, Riverwood was 100% occupied and maintained a waiting list. This property could experience some short term negative impact, but it is unlikely it would experience any long term negative impact, owing to the fact that it offers 100% deep subsidy rental assistance.

Some relocation of tenants in the area program assisted properties with limited deep subsidy rental assistance could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50%, and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income and age qualified Section 8 Housing Choice Voucher holders within Blue Ridge and Fannin County.

It is recommended that the proposed subject LIHTC net rents at 50%, and 60% AMI remain unchanged, neither increased nor decreased.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject net rents could be positioned at a higher level and still attain a rent advantage position of greater than 10%. However, the subject's gross rents are already closely positioned to be near Fair Market Rents for Fannin County, while at the same time it will be operating within a competitive environment.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained is not recommended.

Mitigating Risks

The subject development is very well positioned to be successful in the market place, in particular, when taking into consideration the current rent advantage positioning. It will offer a product that will be very competitive regarding project design, amenity package and professional management. The major unknown mitigating risk to the development process will be demand support from income eligible homeowners. Future economic market conditions in 2013 and 2014 will have an impact on the home buying and selling market environment in Blue Ridge and Fannin County.

At present, economic indicators point to a stable local economy. However, the operative word in forecasting the economic outlook in Fannin County, the State, the Nation, and the Globe, at present is "uncertainty". At present, the Blue Ridge/Fannin County local economic conditions are considered to be operating within an uncertain to fragile state, with recent signs that are cautiously optimistic.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

Rent Reconciliation Process

Five market rate properties in the Broadview Cove competitive environment were used as comparables to the subject. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- an adjustment was made for the floor/level of the unit in the building; this adjustment is consider to be appropriate for elderly apartment properties in order to take into consideration 1 story structures or elevator status, versus walk-up properties,
- no "time adjustment" was made; all of the comparable properties were surveyed in May, 2013,
- no "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being made between properties located within a comparable rural environment,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no specific adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout, however, the floor level does incorporate some project design factors,

- an adjustment was made for the age of the property; some of the comparables were built in the 1990's; this adjustment was made on a conservative basis in order to take into consideration the adjustment for condition of the property,
- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment is made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- an adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. Some of the comparable properties include cold water, sewer, and most include trash removal within the net rent.

ADJUSTMENT ANALYSIS

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

Adjustments:

- **Concessions:** None of the five surveyed market rate properties offers a concession.
- **Structure/Floors:** A \$10 net adjustment is made for 2 & 3 story structures versus the subject, owing to the fact that the subject offers an elevator.
- **Year Built:** Some of the comparable properties were built in the 1990's, and will differ considerably from the subject (after new construction) regarding age. The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property. Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.

- Square Feet (SF) Area: An adjustment was made for unit size; the SF adjustment is based on a Matched Pair Data Set Analysis of comps, by bedroom type. On average, the rent per sf difference for the 1BR comps was .01, .02, and .03 cents. The difference in the Matched Pair Data Set Analysis for the 2BR units was .01, .02 and .14. In order to allow for slight differences in amenity package the overall SF adjustment factor used is .02 per sf for a 1BR unit, and .03 per sf for a 2BR unit.
- Number of Baths: An adjustment was made for the proposed 2BR/2b units owing to the fact that most of the comparable properties offered 2BR/1b or 2BR/1.5b units. The adjustment was \$15 for a ½ bath and \$30 for a full bath. In the case of where a 2BR/2.5b unit is compared, the advantage is estimated at \$30.
- Balcony/Terrace/Patio: The subject will offer a patio with an attached storage locker. The balcony/patio adjustment is based on an examination of the market rate comps. The balcony/patio adjustment resulted in a \$5 value for the balcony/patio.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$175; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$4.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$600; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.

- Pool/Recreation Area: The subject offers recreation space, but not a pool or tennis court. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$15 for a tennis court and \$25 for a pool. Owing to the fact that the proposed development will be targeting the elderly, recreation such as a playground was not consideration be a critical component within the value adjustment process.
- Water: The subject excludes cold water and sewer in the net rent. All of the comparable properties exclude water and sewer in the net rent. Note: The source for the utility estimates by bedroom type (if needed) is based upon the Georgia Department of Community Affairs Utility Allowances - Northern Region (effective 6/1/2013). See Appendix.
- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.
- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$25. Note: None of the comparable properties are inferior to the subject regarding location.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Most of the comparable properties include trash in the net rent. Note: The source for the utility estimates by bedroom type (if needed) is based upon the Georgia Department of Community Affairs Utility Allowances - Northern Region (effective 6/1/2013). See Appendix.

Adjustment Factor Key:

SF - .02 per sf for 1BR; .03 per sf for a 2BR unit

Patio/balcony - \$5

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse - \$2 (each)

Disposal - \$4

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$40

Pool - \$25 Tennis Court - \$15

Playground - \$5 (Na for elderly) Craft/Game Room - \$2

Full bath - \$30; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;
Inferior - minus \$10*

Water & Sewer - 1BR - \$33; 2BR - \$40 (based upon the Georgia Department of Community Affairs Utility Allowances - Northern Region (effective 6/1/2013)).

Trash Removal - \$20 (based upon the Georgia Department of Community Affairs Utility Allowances - Northern Region (effective 6/1/2013))

Age - \$.50 per year (differential) Note: If difference is less than 10 years, a judgement choice is made for no valuation adjustment.*

*Could be included with the year built (age) adjustment, thus in most cases will not be double counted/adjusted. Also, the value of condition is somewhat included within the Age adjustment. Thus, the value adjustment applied to Condition is conservative.

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Broadview Cove		Austin Place		Coventry Ridge		Holly Faith	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$525		\$585		\$475	
Utilities	t	w,s,t	(\$33)	All	(\$185)	t	
Concessions		No		No		No	
Effective Rent		\$464		\$400		\$475	
B. Design, Location, Condition							
Structures/Stories	3/w elv	1 & 2		1		1	
Year Built/Rehab	2015	2001		1995	\$10	1995	\$10
Condition	Excell	V Good		Good	\$5	V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	762	760		400	\$7	800	(\$1)
Balcony/Patio/Stor	Y/Y	Y/N	\$5	N/N	\$10	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$4	N/N	\$9	N/N	\$9
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		N	\$40	Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2	N	\$2
Pool/Tennis	N/N	N/N		N/N		N/N	
Recreation Area	Y	N	\$2	N	\$2	N	\$2
Computer/Fitness	Y/N	N/N	\$2	N/N	\$2	N/N	\$2
F. Adjustments							
Net Adjustment			+\$15		+\$87		+\$34
G. Adjusted & Achievable Rent		\$507		\$487		\$509	
Estimated Market Rent (Avg of 3 comps, rounded)		\$501	Rounded to: \$500		see Table		

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Broadview Cove		Austin Place		Highland		Mineral Springs	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$550		\$575		\$670	
Utilities	t	w,s,t	(\$40)	w,s,t	(\$40)	t	
Concessions		No		No		No	
Effective Rent		\$510		\$535		\$670	
B. Design, Location, Condition							
Structures/Stories	3/w elv	1 & 2		2	\$10	2 & 3	\$10
Year Built/Rehab	2015	2001		2006		2003	
Condition	Excell	V Good		V Good		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1.5	\$15	2		2.5	(\$30)
Size/SF	1078	1100		900	\$5	840	\$7
Balcony-Patio/Stor	Y/Y	Y/N	\$5	Y/N	\$5	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$4	N/N	\$9	Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2	Y	
Pool/Tennis	N/N	N/N		N/N		N/N	
Recreation Area	Y	N	\$2	N	\$2	Y	
Computer/Fitness	Y/N	N/N	\$2	N/N	\$2	Y/Y	(\$2)
F. Adjustments							
Net Adjustment			+\$30		+\$35		-\$15
G. Adjusted & Achievable Rent		\$540		\$570		\$655	
Estimated Market Rent (Avg of 3 comps, rounded)		\$588	Rounded to: \$590		see Table	% Adv	

Three Bedroom Units (NA)

Subject		Comp # 4		Comp # 5		Comp # 6	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities							
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories							
Year Built/Rehab							
Condition							
Location							
C. Unit Amenities							
# of BR's							
# of Bathrooms							
Size/SF							
Balcony-Patio/Stor							
AC Type							
Range/Refrigerator							
Dishwasher/Disp.							
W/D Unit							
W/D Hookups or CL							
D. Development Amenities							
Clubhouse/Comm Rm							
Pool/Tennis							
Recreation Area							
Computer/Fitness							
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)		Avg	Rounded to:	see Table	% Adv		

SECTIONS L & M

IDENTITY OF INTEREST
&
REPRESENTATION STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property area and that information has been used in the full study of need and demand for the proposed units. The report was 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.

The report was written in accordance with my understanding of the 2013 GA-DCA Market Study Manual and 2013 GA-DCA Qualified Action Plan.

DCA may rely upon the representation made in the market study provided. In addition, the market study is assignable to other lenders that are parties to the DCA loan transaction.

CERTIFICATION

Koontz and Salinger
P.O. Box 37523
Raleigh, North Carolina 27627

Jerry M. Koontz
Real Estate Market Analyst
(919) 362-9085

MARKET ANALYST
QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental

agencies.

JERRY M. KOONTZ

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.
B.A. Economics 1980 Florida Atlantic Un.
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC

1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC

1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL

1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL

AREAS OF EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 29+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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National Council of Housing Market Analysts (NCHMA)

NCHMA Market Study Index

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number.

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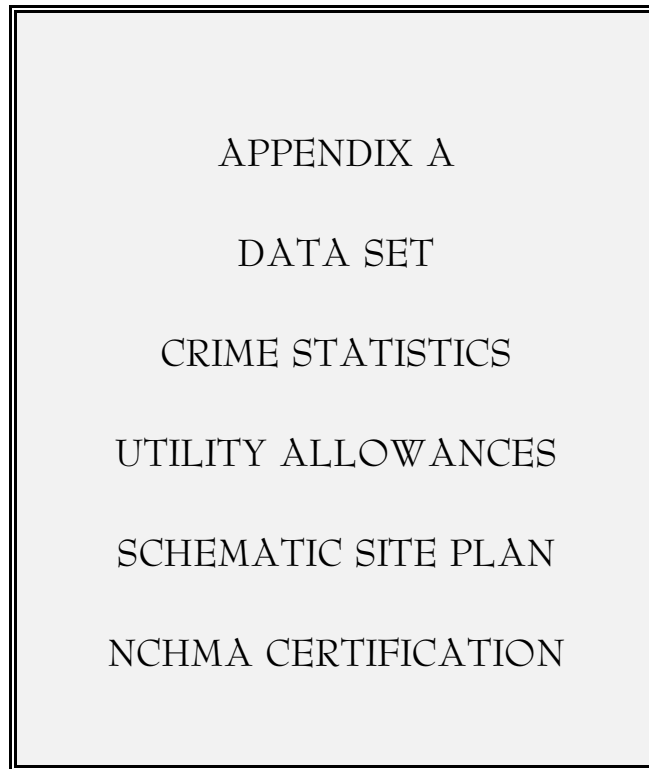
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NA

10 - Subject is not a rehab development of an existing apt complex

45 - Na (study focuses upon seniors selling not buying homes)



DATA SET

POPULATION DATA

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Population by Age & Sex Blue Ridge, GA - PMA

Census 2010				Current Year Estimates - 2013				Five-Year Projections - 2018			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	1,028	943	1,971	0 to 4 Years	1,040	973	2,013	0 to 4 Years	1,088	1,038	2,126
5 to 9 Years	1,099	1,092	2,191	5 to 9 Years	1,060	1,012	2,072	5 to 9 Years	1,055	989	2,044
10 to 14 Years	1,176	1,192	2,368	10 to 14 Years	1,134	1,136	2,270	10 to 14 Years	1,077	1,031	2,108
15 to 17 Years	735	648	1,383	15 to 17 Years	728	677	1,405	15 to 17 Years	712	691	1,403
18 to 20 Years	598	582	1,180	18 to 20 Years	624	626	1,250	18 to 20 Years	629	648	1,277
21 to 24 Years	713	711	1,424	21 to 24 Years	825	771	1,596	21 to 24 Years	930	878	1,808
25 to 34 Years	1,809	1,806	3,615	25 to 34 Years	1,770	1,796	3,566	25 to 34 Years	1,923	1,898	3,821
35 to 44 Years	2,321	2,316	4,637	35 to 44 Years	2,165	2,150	4,315	35 to 44 Years	1,931	1,923	3,854
45 to 54 Years	3,160	3,305	6,465	45 to 54 Years	2,882	3,013	5,895	45 to 54 Years	2,462	2,541	5,003
55 to 64 Years	3,565	3,978	7,543	55 to 64 Years	3,653	4,058	7,711	55 to 64 Years	3,690	4,102	7,792
65 to 74 Years	2,822	2,826	5,648	65 to 74 Years	3,032	3,068	6,100	65 to 74 Years	3,447	3,559	7,006
75 to 84 Years	1,303	1,485	2,788	75 to 84 Years	1,312	1,505	2,817	75 to 84 Years	1,413	1,634	3,047
85 Years and Up	293	489	782	85 Years and Up	329	540	869	85 Years and Up	369	613	982
Total	20,622	21,373	41,995	Total	20,554	21,325	41,879	Total	20,726	21,545	42,271
62+ Years	n/a	n/a	11,551	62+ Years	n/a	n/a	12,239	62+ Years	n/a	n/a	13,692

Source: Nielsen Claritas; Ribbon Demographics

Population by Age & Sex Fannin County, GA

Census 2010				Current Year Estimates - 2013				Five-Year Projections - 2018			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	584	547	1,131	0 to 4 Years	593	561	1,154	0 to 4 Years	629	599	1,228
5 to 9 Years	606	666	1,272	5 to 9 Years	597	604	1,201	5 to 9 Years	604	573	1,177
10 to 14 Years	679	654	1,333	10 to 14 Years	642	664	1,306	10 to 14 Years	609	618	1,227
15 to 17 Years	421	374	795	15 to 17 Years	422	387	809	15 to 17 Years	403	417	820
18 to 20 Years	347	319	666	18 to 20 Years	362	340	702	18 to 20 Years	363	363	726
21 to 24 Years	423	417	840	21 to 24 Years	484	439	923	21 to 24 Years	543	484	1,027
25 to 34 Years	1,051	1,023	2,074	25 to 34 Years	1,028	1,035	2,063	25 to 34 Years	1,123	1,101	2,224
35 to 44 Years	1,274	1,317	2,591	35 to 44 Years	1,217	1,220	2,437	35 to 44 Years	1,117	1,093	2,210
45 to 54 Years	1,791	1,888	3,679	45 to 54 Years	1,615	1,742	3,357	45 to 54 Years	1,362	1,472	2,834
55 to 64 Years	1,948	2,156	4,104	55 to 64 Years	2,029	2,213	4,242	55 to 64 Years	2,079	2,273	4,352
65 to 74 Years	1,508	1,559	3,067	65 to 74 Years	1,634	1,703	3,337	65 to 74 Years	1,871	1,984	3,855
75 to 84 Years	738	896	1,634	75 to 84 Years	748	906	1,654	75 to 84 Years	809	984	1,793
85 Years and Up	177	319	496	85 Years and Up	195	349	544	85 Years and Up	217	384	601
Total	11,547	12,135	23,682	Total	11,566	12,163	23,729	Total	11,729	12,345	24,074
62+ Years	n/a	n/a	6,419	62+ Years	n/a	n/a	6,821	62+ Years	n/a	n/a	7,659

Source: Nielsen Claritas; Ribbon Demographics

Owner Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	316	80	79	12	8	495
\$10,000-20,000	316	242	12	83	78	731
\$20,000-30,000	86	118	163	87	50	504
\$30,000-40,000	156	354	274	105	95	984
\$40,000-50,000	129	207	185	29	171	721
\$50,000-60,000	45	238	165	163	62	673
\$60,000-75,000	54	231	279	96	30	690
\$75,000-100,000	163	218	149	242	122	894
\$100,000-125,000	1	85	31	273	94	484
\$125,000-150,000	12	130	16	78	20	256
\$150,000-200,000	10	56	40	48	9	163
\$200,000+	7	51	19	27	45	149
Total	1,295	2,010	1,412	1,243	784	6,744

Owner Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	358	255	31	6	7	657
\$10,000-20,000	772	623	43	7	6	1,451
\$20,000-30,000	317	929	83	12	22	1,363
\$30,000-40,000	159	695	105	15	19	993
\$40,000-50,000	90	623	73	14	21	821
\$50,000-60,000	88	396	73	20	5	582
\$60,000-75,000	133	451	40	9	6	639
\$75,000-100,000	89	429	104	9	5	636
\$100,000-125,000	35	193	24	30	12	294
\$125,000-150,000	17	109	13	2	6	147
\$150,000-200,000	20	118	9	2	6	155
\$200,000+	16	43	2	1	5	74
Total	2,094	4,864	607	127	120	7,812

Owner Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	303	145	16	3	3	470
\$10,000-20,000	625	472	16	6	5	1,124
\$20,000-30,000	252	765	63	8	6	1,094
\$30,000-40,000	136	478	39	15	14	682
\$40,000-50,000	60	402	67	4	10	543
\$50,000-60,000	85	233	43	6	5	372
\$60,000-75,000	96	303	34	7	6	446
\$75,000-100,000	38	261	30	6	4	339
\$100,000-125,000	32	88	5	1	9	135
\$125,000-150,000	12	53	6	2	0	73
\$150,000-200,000	12	66	3	2	5	88
\$200,000+	8	19	4	1	0	32
Total	1,659	3,285	326	61	67	5,398

Owner Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	674	335	110	18	15	1,152
\$10,000-20,000	1,088	865	55	90	84	2,182
\$20,000-30,000	403	1,047	246	99	72	1,867
\$30,000-40,000	315	1,049	379	120	114	1,977
\$40,000-50,000	219	830	258	43	192	1,542
\$50,000-60,000	133	634	238	183	67	1,255
\$60,000-75,000	187	682	319	105	36	1,329
\$75,000-100,000	252	647	253	251	127	1,530
\$100,000-125,000	36	278	55	303	106	778
\$125,000-150,000	29	239	29	80	26	403
\$150,000-200,000	30	174	49	50	15	318
\$200,000+	23	94	28	28	50	223
Total	3,389	6,874	2,019	1,370	904	14,556

Renter Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	49	17	55	67	28	216
\$10,000-20,000	122	129	142	67	32	492
\$20,000-30,000	299	207	175	61	6	748
\$30,000-40,000	60	55	51	44	63	273
\$40,000-50,000	40	36	24	10	41	151
\$50,000-60,000	5	71	14	36	12	138
\$60,000-75,000	1	36	3	12	56	108
\$75,000-100,000	9	37	1	23	23	93
\$100,000-125,000	1	4	59	13	9	86
\$125,000-150,000	2	27	3	10	5	47
\$150,000-200,000	2	7	3	14	3	29
\$200,000+	7	4	4	8	1	24
Total	597	630	534	365	279	2,405

Renter Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	176	37	13	4	1	231
\$10,000-20,000	218	58	11	3	8	298
\$20,000-30,000	104	20	15	4	6	149
\$30,000-40,000	17	91	13	2	7	130
\$40,000-50,000	42	15	11	8	7	83
\$50,000-60,000	38	33	9	1	6	87
\$60,000-75,000	18	13	9	4	7	51
\$75,000-100,000	13	31	4	6	5	59
\$100,000-125,000	9	12	6	1	4	32
\$125,000-150,000	3	3	6	1	1	14
\$150,000-200,000	8	7	4	5	3	27
\$200,000+	2	1	4	0	4	11
Total	648	321	105	39	59	1,172

Renter Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	130	16	12	3	1	162
\$10,000-20,000	170	51	10	3	7	241
\$20,000-30,000	96	16	14	4	6	136
\$30,000-40,000	12	87	11	2	6	118
\$40,000-50,000	10	13	10	6	5	44
\$50,000-60,000	9	8	7	1	5	30
\$60,000-75,000	15	12	9	3	5	44
\$75,000-100,000	7	21	3	5	3	39
\$100,000-125,000	7	10	6	1	2	26
\$125,000-150,000	1	3	5	1	0	10
\$150,000-200,000	1	3	4	2	2	12
\$200,000+	0	1	1	0	3	5
Total	458	241	92	31	45	867

Renter Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	225	54	68	71	29	447
\$10,000-20,000	340	187	153	70	40	790
\$20,000-30,000	403	227	190	65	12	897
\$30,000-40,000	77	146	64	46	70	403
\$40,000-50,000	82	51	35	18	48	234
\$50,000-60,000	43	104	23	37	18	225
\$60,000-75,000	19	49	12	16	63	159
\$75,000-100,000	22	68	5	29	28	152
\$100,000-125,000	10	16	65	14	13	118
\$125,000-150,000	5	30	9	11	6	61
\$150,000-200,000	10	14	7	19	6	56
\$200,000+	9	5	8	8	5	35
Total	1,245	951	639	404	338	3,577

Owner Households						
Age 15 to 54 Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	240	89	56	20	10	415
\$10,000-20,000	261	176	12	85	73	607
\$20,000-30,000	74	89	142	119	51	475
\$30,000-40,000	96	195	244	102	87	724
\$40,000-50,000	76	123	139	29	118	485
\$50,000-60,000	28	149	154	138	68	537
\$60,000-75,000	24	148	209	100	36	517
\$75,000-100,000	84	155	146	249	120	754
\$100,000-125,000	1	59	42	202	48	352
\$125,000-150,000	3	77	11	48	21	160
\$150,000-200,000	9	30	22	40	4	105
\$200,000+	5	14	6	28	45	98
Total	901	1,304	1,183	1,160	681	5,229

Owner Households						
Aged 55+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	505	296	53	22	23	899
\$10,000-20,000	965	770	74	14	10	1,833
\$20,000-30,000	401	1,201	123	23	34	1,782
\$30,000-40,000	159	764	132	19	33	1,107
\$40,000-50,000	88	629	98	23	31	869
\$50,000-60,000	88	439	107	24	10	668
\$60,000-75,000	132	447	55	11	13	658
\$75,000-100,000	114	483	105	15	8	725
\$100,000-125,000	35	190	28	26	16	295
\$125,000-150,000	12	106	23	2	10	153
\$150,000-200,000	20	123	13	3	6	165
\$200,000+	17	46	13	2	5	83
Total	2,536	5,494	824	184	199	9,237

Owner Households						
Aged 62+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	437	175	32	14	12	670
\$10,000-20,000	812	556	29	12	9	1,418
\$20,000-30,000	315	979	84	16	11	1,405
\$30,000-40,000	139	529	57	18	25	768
\$40,000-50,000	54	426	89	3	16	588
\$50,000-60,000	86	274	67	6	7	440
\$60,000-75,000	95	275	41	9	11	431
\$75,000-100,000	47	303	33	10	4	397
\$100,000-125,000	31	92	7	1	12	143
\$125,000-150,000	10	53	7	2	3	75
\$150,000-200,000	13	71	5	3	4	96
\$200,000+	11	22	4	1	0	38
Total	2,050	3,755	455	95	114	6,469

Owner Households						
All Age Groups						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	745	385	109	42	33	1,314
\$10,000-20,000	1,226	946	86	99	83	2,440
\$20,000-30,000	475	1,290	265	142	85	2,257
\$30,000-40,000	255	959	376	121	120	1,831
\$40,000-50,000	164	752	237	52	149	1,354
\$50,000-60,000	116	588	261	162	78	1,205
\$60,000-75,000	156	595	264	111	49	1,175
\$75,000-100,000	198	638	251	264	128	1,479
\$100,000-125,000	36	249	70	228	64	647
\$125,000-150,000	15	183	34	50	31	313
\$150,000-200,000	29	153	35	43	10	270
\$200,000+	22	60	19	30	50	181
Total	3,437	6,798	2,007	1,344	880	14,466

Renter Households						
Age 15 to 54 Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	39	18	53	75	29	214
\$10,000-20,000	108	112	150	65	36	471
\$20,000-30,000	214	173	167	50	3	607
\$30,000-40,000	40	46	37	43	53	219
\$40,000-50,000	27	31	22	10	42	132
\$50,000-60,000	7	55	14	27	2	105
\$60,000-75,000	1	39	3	9	53	105
\$75,000-100,000	7	29	1	11	20	68
\$100,000-125,000	3	8	34	4	4	53
\$125,000-150,000	2	21	2	7	4	36
\$150,000-200,000	2	6	7	15	4	34
\$200,000+	2	8	3	4	1	18
Total	452	546	493	320	251	2,062

Renter Households						
Aged 55+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	254	54	14	7	5	334
\$10,000-20,000	246	70	20	9	9	354
\$20,000-30,000	134	25	19	11	6	195
\$30,000-40,000	19	103	15	4	12	153
\$40,000-50,000	45	17	22	16	4	104
\$50,000-60,000	34	39	12	4	8	97
\$60,000-75,000	10	19	9	6	5	49
\$75,000-100,000	20	25	9	5	7	66
\$100,000-125,000	8	10	3	3	4	28
\$125,000-150,000	4	6	3	0	6	19
\$150,000-200,000	11	14	5	5	3	38
\$200,000+	2	1	4	1	2	10
Total	787	383	135	71	71	1,447

Renter Households						
Aged 62+ Years						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	186	19	13	7	5	230
\$10,000-20,000	189	61	20	9	6	285
\$20,000-30,000	123	17	16	10	6	172
\$30,000-40,000	13	97	13	3	11	137
\$40,000-50,000	11	17	19	15	3	65
\$50,000-60,000	12	7	11	4	7	41
\$60,000-75,000	10	14	7	4	3	38
\$75,000-100,000	16	18	8	4	6	52
\$100,000-125,000	5	10	3	2	2	22
\$125,000-150,000	2	5	2	0	4	13
\$150,000-200,000	3	9	5	3	1	21
\$200,000+	1	1	4	0	1	7
Total	571	275	121	61	55	1,083

Renter Households						
All Age Groups						
Year 2013 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	293	72	67	82	34	548
\$10,000-20,000	354	182	170	74	45	825
\$20,000-30,000	348	198	186	61	9	802
\$30,000-40,000	59	149	52	47	65	372
\$40,000-50,000	72	48	44	26	46	236
\$50,000-60,000	41	94	26	31	10	202
\$60,000-75,000	11	58	12	15	58	154
\$75,000-100,000	27	54	10	16	27	134
\$100,000-125,000	11	18	37	7	8	81
\$125,000-150,000	6	27	5	7	10	55
\$150,000-200,000	13	20	12	20	7	72
\$200,000+	4	9	7	5	3	28
Total	1,239	929	628	391	322	3,509

Owner Households						
Age 15 to 54 Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	213	77	55	19	9	373
\$10,000-20,000	201	150	15	82	68	516
\$20,000-30,000	57	71	120	121	48	417
\$30,000-40,000	95	172	233	101	79	680
\$40,000-50,000	74	102	120	22	103	421
\$50,000-60,000	33	109	139	134	62	477
\$60,000-75,000	19	125	201	98	33	476
\$75,000-100,000	74	126	142	237	121	700
\$100,000-125,000	1	35	32	197	65	330
\$125,000-150,000	4	61	6	48	23	142
\$150,000-200,000	6	24	20	42	11	103
\$200,000+	7	10	4	28	49	98
Total	784	1,062	1,087	1,129	671	4,733

Owner Households						
Aged 55+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	570	324	69	20	21	1,004
\$10,000-20,000	1,038	809	75	17	14	1,953
\$20,000-30,000	434	1,261	140	28	35	1,898
\$30,000-40,000	174	826	148	21	28	1,197
\$40,000-50,000	93	668	113	32	36	942
\$50,000-60,000	100	439	113	24	13	689
\$60,000-75,000	131	461	80	19	17	708
\$75,000-100,000	132	533	124	14	9	812
\$100,000-125,000	54	195	29	42	14	334
\$125,000-150,000	14	114	34	3	6	171
\$150,000-200,000	22	123	16	1	5	167
\$200,000+	25	53	15	4	5	102
Total	2,787	5,806	956	225	203	9,977

Owner Households						
Aged 62+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	501	198	44	15	13	771
\$10,000-20,000	884	598	29	15	13	1,539
\$20,000-30,000	347	1,051	98	17	12	1,525
\$30,000-40,000	155	591	67	19	20	852
\$40,000-50,000	55	483	103	4	22	667
\$50,000-60,000	99	282	71	6	10	468
\$60,000-75,000	99	289	51	15	12	466
\$75,000-100,000	57	355	49	10	6	477
\$100,000-125,000	52	102	7	1	10	172
\$125,000-150,000	12	65	12	1	1	91
\$150,000-200,000	14	73	6	1	1	95
\$200,000+	18	25	5	4	0	52
Total	2,293	4,112	542	108	120	7,175

Owner Households						
All Age Groups						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	783	401	124	39	30	1,377
\$10,000-20,000	1,239	959	90	99	82	2,469
\$20,000-30,000	491	1,332	260	149	83	2,315
\$30,000-40,000	269	998	381	122	107	1,877
\$40,000-50,000	167	770	233	54	139	1,363
\$50,000-60,000	133	548	252	158	75	1,166
\$60,000-75,000	150	586	281	117	50	1,184
\$75,000-100,000	206	659	266	251	130	1,512
\$100,000-125,000	55	230	61	239	79	664
\$125,000-150,000	18	175	40	51	29	313
\$150,000-200,000	28	147	36	43	16	270
\$200,000+	32	63	19	32	54	200
Total	3,571	6,868	2,043	1,354	874	14,710

Renter Households						
Age 15 to 54 Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household	Total
\$0-10,000	37	19	56	77	26	215
\$10,000-20,000	87	120	152	66	35	460
\$20,000-30,000	209	167	159	46	2	583
\$30,000-40,000	31	38	37	38	49	193
\$40,000-50,000	23	24	17	9	42	115
\$50,000-60,000	4	47	21	28	10	110
\$60,000-75,000	0	42	3	8	53	106
\$75,000-100,000	5	21	1	10	23	60
\$100,000-125,000	2	2	31	5	4	44
\$125,000-150,000	1	26	4	5	5	41
\$150,000-200,000	4	4	9	12	3	32
\$200,000+	3	4	4	2	4	17
Total	406	514	494	306	256	1,976

Renter Households						
Aged 55+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household	Total
\$0-10,000	278	57	15	9	4	363
\$10,000-20,000	274	74	19	11	8	386
\$20,000-30,000	144	26	20	9	9	208
\$30,000-40,000	20	116	15	6	9	166
\$40,000-50,000	47	18	25	19	8	117
\$50,000-60,000	39	43	12	7	6	107
\$60,000-75,000	10	21	12	6	4	53
\$75,000-100,000	25	26	5	2	4	62
\$100,000-125,000	4	16	4	4	6	34
\$125,000-150,000	5	6	4	2	3	20
\$150,000-200,000	15	11	4	4	3	37
\$200,000+	4	0	4	3	0	11
Total	865	414	139	82	64	1,564

Renter Households						
Aged 62+ Years						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household	Total
\$0-10,000	213	20	14	8	4	259
\$10,000-20,000	215	67	19	10	7	318
\$20,000-30,000	133	20	18	8	5	184
\$30,000-40,000	14	110	14	6	8	152
\$40,000-50,000	12	17	23	18	6	76
\$50,000-60,000	17	8	11	7	6	49
\$60,000-75,000	9	16	11	4	3	43
\$75,000-100,000	20	21	4	1	3	49
\$100,000-125,000	2	14	4	3	4	27
\$125,000-150,000	2	4	4	2	2	14
\$150,000-200,000	8	8	4	3	3	26
\$200,000+	3	0	4	1	0	8
Total	648	305	130	71	51	1,205

Renter Households						
All Age Groups						
Year 2018 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household	Total
\$0-10,000	315	76	71	86	30	578
\$10,000-20,000	361	194	171	77	43	846
\$20,000-30,000	353	193	179	55	11	791
\$30,000-40,000	51	154	52	44	58	359
\$40,000-50,000	70	42	42	28	50	232
\$50,000-60,000	43	90	33	35	16	217
\$60,000-75,000	10	63	15	14	57	159
\$75,000-100,000	30	47	6	12	27	122
\$100,000-125,000	6	18	35	9	10	78
\$125,000-150,000	6	32	8	7	8	61
\$150,000-200,000	19	15	13	16	6	69
\$200,000+	7	4	8	5	4	28
Total	1,271	928	633	388	320	3,540



B25074

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units

2007-2011 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Fannin County, Georgia	
	Estimate	Margin of Error
Total:	2,019	+/-322
Less than \$10,000:	378	+/-117
Less than 20.0 percent	3	+/-6
20.0 to 24.9 percent	24	+/-31
25.0 to 29.9 percent	23	+/-21
30.0 to 34.9 percent	0	+/-98
35.0 percent or more	193	+/-88
Not computed	135	+/-70
\$10,000 to \$19,999:	606	+/-210
Less than 20.0 percent	46	+/-57
20.0 to 24.9 percent	24	+/-33
25.0 to 29.9 percent	49	+/-45
30.0 to 34.9 percent	27	+/-36
35.0 percent or more	268	+/-173
Not computed	192	+/-99
\$20,000 to \$34,999:	608	+/-220
Less than 20.0 percent	126	+/-101
20.0 to 24.9 percent	45	+/-45
25.0 to 29.9 percent	56	+/-43
30.0 to 34.9 percent	138	+/-119
35.0 percent or more	201	+/-119
Not computed	42	+/-32
\$35,000 to \$49,999:	187	+/-86
Less than 20.0 percent	90	+/-59
20.0 to 24.9 percent	3	+/-5
25.0 to 29.9 percent	25	+/-29
30.0 to 34.9 percent	10	+/-18
35.0 percent or more	0	+/-98
Not computed	59	+/-58
\$50,000 to \$74,999:	146	+/-70
Less than 20.0 percent	111	+/-64
20.0 to 24.9 percent	5	+/-10
25.0 to 29.9 percent	2	+/-4
30.0 to 34.9 percent	16	+/-25
35.0 percent or more	0	+/-98

	Fannin County, Georgia	
	Estimate	Margin of Error
Not computed	12	+/-14
\$75,000 to \$99,999:	53	+/-38
Less than 20.0 percent	38	+/-30
20.0 to 24.9 percent	0	+/-98
25.0 to 29.9 percent	0	+/-98
30.0 to 34.9 percent	0	+/-98
35.0 percent or more	0	+/-98
Not computed	15	+/-24
\$100,000 or more:	41	+/-37
Less than 20.0 percent	34	+/-35
20.0 to 24.9 percent	0	+/-98
25.0 to 29.9 percent	0	+/-98
30.0 to 34.9 percent	0	+/-98
35.0 percent or more	0	+/-98
Not computed	7	+/-12

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2007-2011 American Community Survey (ACS) data generally reflect the December 2009 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2000 data. Boundaries for urban areas have not been updated since Census 2000. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2007-2011 American Community Survey

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

CRIME STATISTICS



Crime Statistics

[georgia.gov](#) > [Agencies](#) > [Georgia Bureau of Investigations](#) > [Crime Statistics](#)

Georgia Crime Statistics

Results for All Months, 2011, Fannin County

Number of Crimes by Offense

Fannin County

Month	Murder	Rape	Robbery	Assault	Burglary	Larceny	Vehicle Theft
January	0	0	0	4	9	14	1
February	0	0	0	10	8	20	1
March	0	0	0	1	12	20	2
April	0	0	1	2	13	21	1
May	0	0	0	2	19	23	0
June	0	0	0	8	10	27	1
July	0	1	0	6	19	31	1
August	0	0	1	10	10	28	1
September	0	0	0	2	11	29	0
October	0	0	0	10	9	41	1
November	0	0	0	13	20	26	2
December	0	0	0	24	19	29	5
Total	0	1	2	92	159	309	16

SEARCH AGAIN

UTILITY ALLOWANCES

Georgia Department of Community Affairs
Office of Affordable Housing

UTILITY ALLOWANCES
Effective 6/1/2013

NORTHERN REGION

Unit Type	Use	Appliance Type	0 BR	1 BR	2 BR	3 BR	4 BR
MULTI-FAMILY	Heating	Natural Gas	24	34	43	53	68
		Electric	26	36	46	56	72
		Propane	51	71	91	110	142
		78%+ AFUE Gas	16	21	25	34	42
		Electric Heat Pump	9	10	13	18	22
		Electric Aquatherm	18	25	32	39	50
		Gas Aquatherm	16	24	30	37	48
	Cooking	Natural Gas	6	9	10	13	16
		Electric	6	9	11	13	17
		Propane	14	17	23	28	34
	Hot Water	Natural Gas	16	22	28	34	43
		Electric	19	26	34	41	53
		Propane	34	45	59	71	91
	Air Cond.	Electric	17	23	30	36	46
Lights/Refr.	Electric	17	24	31	38	49	
Sewer		15	20	24	32	39	
Water		10	13	16	22	28	
Trash Collection		20	20	20	20	20	
SINGLE FAMILY	Heating	Natural Gas	27	37	49	59	76
		Electric	28	40	51	62	80
		Propane	57	79	102	125	156
		78%+ AFUE Gas	25	33	42	49	62
		Electric Heat Pump	18	28	31	36	48
		Electric Aquatherm	20	28	36	44	56
		Gas Aquatherm	19	27	34	42	53
	Cooking	Natural Gas	6	9	10	13	16
		Electric	6	9	11	13	17
		Propane	14	17	23	28	34
	Hot Water	Natural Gas	16	22	28	34	43
		Electric	19	27	34	41	53
		Propane	34	45	59	71	91
	Air Cond.	Electric	18	26	33	40	51
Lights/Refr.	Electric	19	28	35	43	54	
Sewer		15	21	26	31	39	
Water		10	14	18	22	28	
Trash Collection		20	20	20	20	20	

PART FIVE - UTILITY ALLOWANCES - 2013-0 Broadview Cove, Blue Ridge, Fannin County

DCA Utility Region for project: **North**

I. UTILITY ALLOWANCE SCHEDULE #1

Utility	Fuel	Source of Utility Allowances		DCA			
		Tenant	Owner	June 1, 2013	Structure	3+ Story	
Heat	Electric Heat Pump	X			10	13	
Air Conditioning	Electric	X			23	30	
Cooking	Electric	X			9	11	
Hot Water	Electric	X			26	34	
Lights	Electric	X			24	31	
Water & Sewer	Submetered? <input type="checkbox"/> Yes	X			33	40	
Refuse Collection			X				
Total Utility Allowance by Unit Size				0	125	159	0

II. UTILITY ALLOWANCE SCHEDULE #2

Utility	Fuel	Source of Utility Allowances		DCA			
		Tenant	Owner	June 1, 2013	Structure	3+ Story	
Heat	<<Select Fuel >>						
Air Conditioning	Electric						
Cooking	<<Select Fuel >>						
Hot Water	<<Select Fuel >>						
Lights	Electric						
Water & Sewer	Submetered? <input type="checkbox"/> <Select>						
Refuse Collection							
Total Utility Allowance by Unit Size				0	0	0	0

*Elderly allowances cannot be used except at properties that have 100% HUD PBRA and satisfy the DCA definition of "elderly"

APPLICANT COMMENTS AND CLARIFICATIONS

DCA COMMENTS

SCHEMATIC SITE PLAN

LEGEND

UNIT TYPE	COUNT
UNIT 'A' - ONE BEDROOM	4 UNITS
UNIT 'B' - ONE BEDROOM - HANDICAP	1 UNIT
UNIT 'C' - ONE BEDROOM - SENSORY	1 UNIT
UNIT 'D' - TWO BEDROOM	51 UNITS
UNIT 'E' - TWO BEDROOM - HANDICAP	2 UNITS
UNIT 'F' - TWO BEDROOM - SENSORY	1 UNIT
TOTAL UNITS:	60 UNITS

SITE DATA

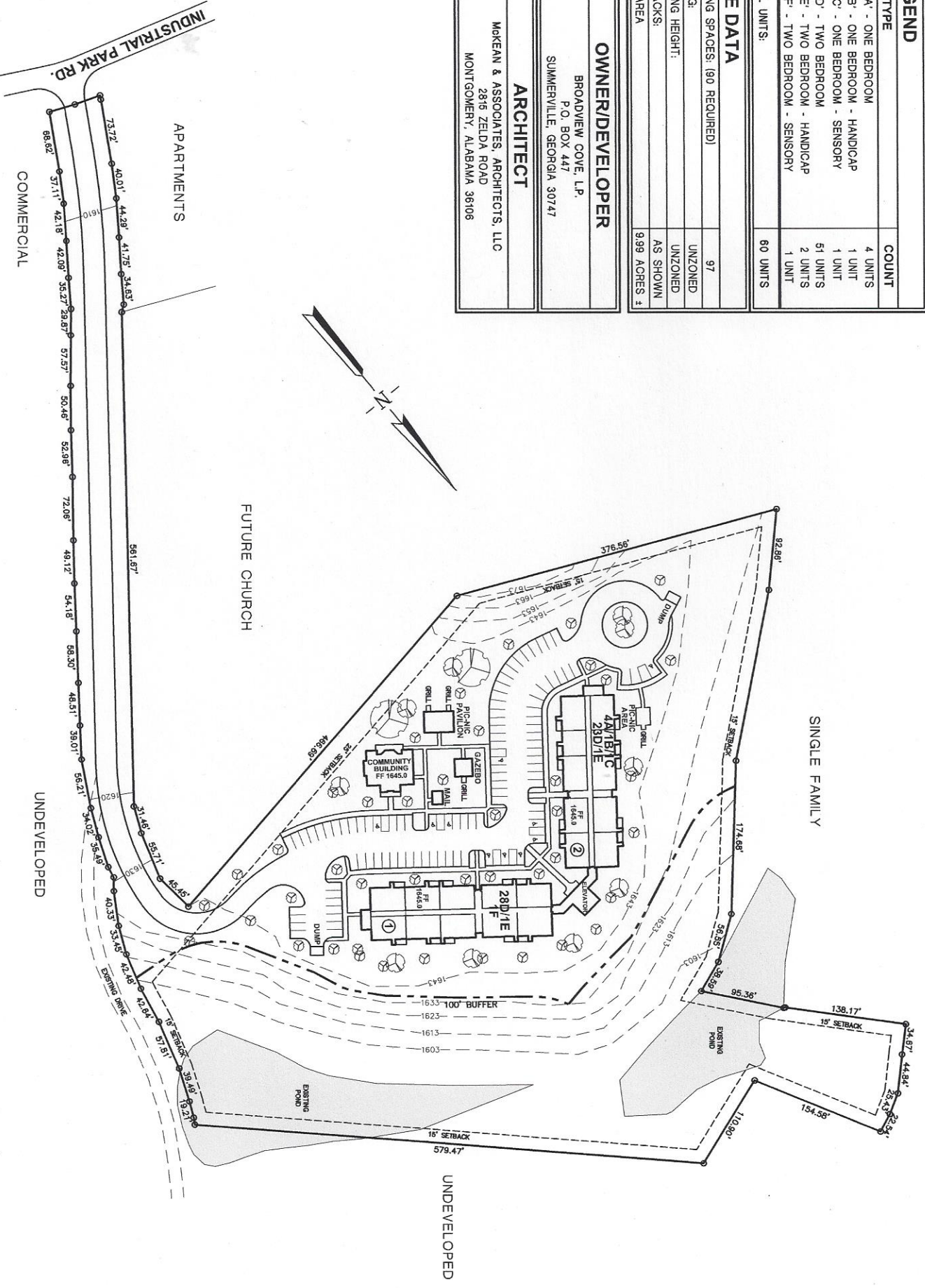
PARKING SPACES: (90 REQUIRED)	97
ZONING:	UNZONED
BUILDING HEIGHT:	UNZONED
SETBACKS:	AS SHOWN
SITE AREA	9.99 ACRES ±

OWNER/DEVELOPER

BROADVIEW COVE, L.P.
P.O. BOX 447
SUMMERVILLE, GEORGIA 30747

ARCHITECT

MCKEAN & ASSOCIATES, ARCHITECTS, LLC
2818 ZELDA ROAD
MONTGOMERY, ALABAMA 36108

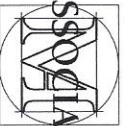


SCHEMATIC SITE PLAN

BROADVIEW COVE
BLUE RIDGE, GEORGIA

MAY 21, 2013

MCKEAN & ASSOCIATES
ARCHITECTS
LLC
MONTGOMERY
ALABAMA



NCHMA CERTIFICATION

Certificate of Professional Designation

This certificate verifies that

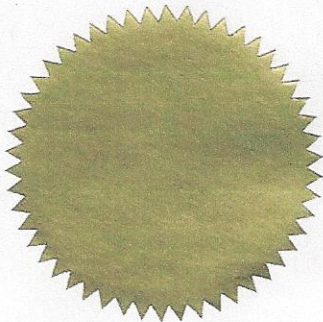
Jerry Koontz
Koontz & Salinger

*Has completed NCAHMA's Professional Designation Requirements
and is hence an approved member in good standing of:*



National Council of Affordable Housing Market Analysts

1400 16th St. NW, Suite 420
Washington, DC 200036
(202) 939-1750



Designation Term
7/1/2012 to 6/30/2013

Thomas Amdur
Executive Director, NCAHMA