



A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF

HORIZON SENIOR VILLAGE Wrightsboro Road & Northrop Place Grovetown, Columbia County, Georgia

Effective Date: June 5, 2013

Report Date: June 12, 2013

Prepared For

**Mr. Josh Thomason
Peachtree Housing Communities
80 West Wieuca Rd., NE
Atlanta, Georgia 30342**

Prepared By

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June 12, 2013

Mr. Josh Thomason
Peachtree Housing Communities
80 West Wieuca Rd., NE
Atlanta, Georgia 30342

Re: Market Study for Horizon Senior Village in Grovetown, Georgia

Dear Mr. Thomason:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the Grovetown, Columbia County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Horizon Senior Village, a proposed Housing for Older Persons (HFOP) development consisting of 68 units. Units will be restricted to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

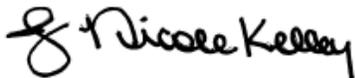
This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report was completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company, LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP



J. Nicole Kelley
Manager
Novogradac & Company LLP



Julia Grace Smith
Real Estate Analyst

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author

or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.

20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Horizon Senior Village will be located on the northern side of Wrightsboro Road in between Northrop Place and Creek Side Drive in Grovetown, Columbia County, Georgia. The property will be newly constructed and upon completion will consist of 68 one- and two-bedroom units in seven one-story residential buildings and will also feature a one-story clubhouse.

The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

PROPOSED RENTS

Unit Type	Number of Units	Square Footage	Asking Rent	Utility Allowance (1)	Gross Rent	LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	6	700	\$369	\$164	\$533	\$533	\$619
2BR	9	900	\$432	\$208	\$640	\$640	\$738
<i>60% AMI</i>							
1BR	21	700	\$437	\$164	\$601	\$639	\$619
2BR	32	900	\$521	\$208	\$729	\$768	\$738
Total	68						

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

The Subject will offer the following amenities: energy star refrigerators and dishwashers, microwaves, stoves, carpet/vinyl flooring, washer/dryer connections, mini-blinds, pull cords/grab bars, mail kiosk, community building with covered porch computer room, fitness center, on-site management office, and on-site central laundry facility. The Subject’s proposed unit and property amenities will be competitive with those offered at existing comparables.

2. Site Description/Evaluation:

The Subject is located along Wrightsboro Road, a major thoroughfare in Grovetown, in a primarily residential neighborhood. Residential uses in the immediate neighborhood range in condition from fair to excellent. There are several new single-family home subdivisions in the immediate neighborhood with homes starting at approximately \$150,000. As new construction, the Subject will be similar to superior to existing uses in the immediate neighborhood. Because the Subject site is located on a major

thoroughfare, the neighborhood, and the Subject site in particular, is located in close proximity (approximately 0.5 miles) to a variety of retail and commercial uses that are also located along Wrightsboro Road. Retail and commercial uses in the area range in condition from average to good and appeared to be approximately 90 percent occupied. In general, access to important services such as an Urgent Care facility and the local senior center, and retail uses such as a grocer and pharmacy, is considered excellent as all are located within one mile of the Subject site. Overall, the Subject site is well suited for the Subject as proposed and the Subject will be an improvement to the neighborhood.

3. Market Area Definition:

The boundaries of the PMA are as follows:

North - Columbia-Lincoln County Line
South - US Highway 25/Georgia Highway 88
East - Georgia-South Carolina State Line/Interstate 20/Interstate 520
West - Columbia-McDuffie County Line / Fort Gordon Military Base

This area includes the entirety of Columbia County as well as portions of Richmond County. Major cities in the PMA include Grovetown, Evans, and Martinez. The area was defined based on interviews with the local officials, property managers at comparable properties, and a representative of the local senior center.

Many property managers indicated that a significant portion of their tenants come from out of the PMA and out of state. We would account from leakage from the PMA; however, per GA DCA 2013 market study guidelines, GA DCA does not take into account demand from outside of the PMA. The farthest boundary from the Subject site is 21 miles. This distance is mitigated by the fact that the closest PMA boundary to the Subject is approximately six miles from the Subject site.

4. Community Demographic Data:

Overall, demographic indicators are strong for the Subject's units. As of 2012, there were 46,749 seniors in the PMA; this figure is projected to increase to 52,048 by June 2015, the date of market entry. Senior population and general households in the PMA have historically outpaced and are projected to continue to outpace growth in both the MSA and nation as a whole. Senior households with incomes ranging

from \$15,990 to \$27,300 will be eligible to reside at the Subject. At the point of market entry, approximately 21 percent of the senior households in the PMA will have incomes ranging from \$10,000 to \$29,999. Persons within these income cohorts are expected to create demand for the Subject. Further, although the majority of senior households in the PMA are owners, this is similar to the national average of 13 percent and is likely at least in part a result of the lack of age-restricted rental properties in the PMA. The Subject will fill this void.

Per RealtyTrac's April 2013 data, the foreclosure rate in Grovetown as of April 2013 is one in every 1,254 housing units, which although higher than that of the county as a whole (one in every 2,004 housing units), is much lower than that of the state (one in every 682 housing units). Grovetown's foreclosure rate is also significantly lower than the national rate of one in every 905 housing units. This low foreclosure rate speaks toward the inherent economic strength of the city and bodes well for the Subject property. Given the low rate of foreclosed properties in the region in conjunction with the findings of the site inspection, we believe the impact of foreclosed, abandoned and vacant structures to be negligible.

5. Economic Data:

Total employment in the MSA has been on an upward trend since at least 1990 and currently sits at 241,722 as of March 2013. Employment seems to have begun recovering and is currently trending upward year to date, but overall employment in the MSA is still slightly lower than it was in 2008. This discrepancy is less than one percent, however, and if the upward trend continues the MSA should see employment levels above pre-recession levels in the near future.

Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.2 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US, but the rate of recovery currently outpaces the national average slightly. The significant proportion of employers in the PMA in the healthcare industry brings highly skilled employees with relatively high pay, while the heavy presence of manufacturing jobs brings relatively lower-skilled employees with lower pay.

6. Project-Specific Affordability And Demand Analysis:

The Subject's capture rates at the 50 percent AMI level will range from 5.8 to 9.7 percent, with an overall capture rate of 7.6 percent. The Subject's 60 percent AMI capture rates range from 16.9 to 28.7 percent, with an overall capture rate of 22.5 percent. The overall capture rates range from 16.9 to 28.5 percent with an overall capture rate of 22.4 percent. Therefore, we believe there is adequate demand for the Subject.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR at 50% AMI	6	104	0	104	5.8%
2BR at 50% AMI	9	93	0	93	9.7%
50% AMI Overall	15	197	0	197	7.6%
1BR at 60% AMI	21	124	0	124	16.9%
2BR at 60% AMI	32	112	0	112	28.7%
60% AMI Overall	53	236	0	236	22.5%
1BR Overall	27	160	0	160	16.9%
2BR Overall	41	144	0	144	28.5%
Overall	68	304	0	304	22.4%

7. Competitive Rental Analysis:

The availability of LIHTC data is considered adequate. There are four LIHTC family properties located within the PMA. Of these, three offer comparable unit types (one- and two-bedroom units) to that proposed at the Subject. The fourth, Magnolia Trace, is the most recent addition to the LIHTC housing stock in the PMA, but offers only three- and four-bedroom single-family homes and is therefore not considered comparable to the proposed Subject due to its differing targeted tenancy and unit mix. Although there are no senior LIHTC properties in the PMA, we have included four senior LIHTC properties from neighboring Augusta and believe these properties to be comparable to the proposed Subject. Additionally, several of the LIHTC comparables offer units restricted at both the 50 and 60 percent AMI level which is similar to the proposed Subject. Overall, LIHTC data is considered adequate. We have also included all three traditional market rate developments located within Grovetown and all three of these offer both of the unit types proposed at the Subject and all three reported at least some senior tenants. Therefore, we consider the availability of market data to be adequate.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison. The following table illustrates the Subject’s rents compared to the average market rents.

Subject Comparison To "Market Rents"

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage over Average
50% AMI					
1 BR	\$369	\$379	\$685	\$462	25%
2 BR	\$432	\$441	\$865	\$546	26%
60% AMI					
1 BR	\$437	\$381	\$685	\$486	11%
2 BR	\$521	\$441	\$865	\$577	11%

As illustrated, all of the Subject’s proposed rents will have a rent advantage in the market when compared to the market averages. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate:

The following table illustrates absorption information from six of the comparable properties.

ABSORPTION

Property name	Type	Tenancy	In PMA?	Year Built	Number of Units	Units Absorbed / Month
Sterlington Apartments	Market	Family	Yes	2012	122	8
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	2011	75	12 to 24
Terraces At Edinburgh	LIHTC	Senior	No	2010	72	24
Linden Square	LIHTC / Market	Senior	No	2003	48	3
Woodlake Club Apartments	LIHTC	Family	Yes	2003	192	32
Augusta Spring Apartments	LIHTC / Home	Senior	No	1996 and 2002	200	8

Of the six properties that were able to report absorption information, three (Sterlington Apartments, Legacy at

Walton Oaks, Terraces at Edinburgh) were built in the past three years and of these, the first is a family market rate property located in Grovetown within two miles of the Subject site and the other two are senior LIHTC properties. Of the three built since 2010, Sterlington Apartments reported the slowest absorption pace at eight units per month. According to management at Sterlington Apartments, the property was leased as buildings were delivered; this may explain why this property experienced a slower absorption pace. This property however also has significantly higher rents than other market rate properties in Grovetown and this may also explain the slower absorption pace. The two senior LIHTC properties reported absorption rates ranging from 12 to 24 units per month.

Based on the absorption pace reported by these properties, the waiting lists at six of the seven LIHTC comparables, the waiting lists at two of the three market rate properties in Grovetown, and the strong demand for age-restricted affordable housing in Columbia County, we anticipate that the Subject will absorb 12 units per month, for an absorption period of five to six months, to reach an occupancy rate of 93 percent or above.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property even if it was proposed new construction. Vacancy rates for all three groups of comparable properties (family market rate, family LIHTC in PMA, and senior LIHTC outside of PMA) is low ranging from zero to four percent with an overall average vacancy rate of 1.4 percent. Additionally, eight of the ten comparables reported waiting lists. Finally, both property managers at the comparables and local officials reported significant demand for affordable age-restricted housing in Columbia County. The Subject, as proposed, will help to fill this void as the Subject will offer one- and two-bedroom units to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less, and the proposed rents at the Subject are below the surveyed market average. Overall, we believe the Subject is feasible as proposed.

Horizon Senior Village, Grovetown, GA; Market Study

Summary Table:

Development Name:	Horizon Senior Village	Total # Units:	68
Location:	Wrightsboro Road in between Northrop Place and Creek Side Drive	# LIHTC Units:	68
	Grovetown, Georgia		
PMA Boundary:	North - Columbia-Lincoln County Line; South - US Highway 25/Georgia Highway 88; East - Georgia-South Carolina State Line/Interstate 20/Interstate 520; West - Columbia-McDuffie County Line / Fort Gordon Military Base		
	Farthest Boundary Distance to Subject:		21.0 miles

Rental Housing Stock (found on pages 90)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	6	904	11	98.8%
Market-Rate Housing	3	272	2	99.3%
<i>Assisted/Subsidized Housing not to include</i>	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	3	632	9	98.6%
Stabilized Comps	6	904	11	98.8%
Properties in Construction & Lease Up	0	0	N/Ap	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1BR at 50% AMI	1	700	\$369	\$462	\$0.65	25%	\$685	\$0.94
9	2BR at 50% AMI	2	900	\$432	\$546	\$0.57	26%	\$865	\$0.81
21	1BR at 60% AMI	1	700	\$437	\$486	\$0.68	11%	\$685	\$0.94
32	2BR at 60% AMI	2	900	\$521	\$577	\$0.59	11%	\$865	\$0.81

Demographic Data (found on page 27)

	2000		2012		2015	
Renter Households	2,080	13.90%	4,140	14.30%	4,595	14.00%
Income-Qualified Renter HHs (LIHTC)	349	16.76%	694	16.76%	770	16.76%

Targeted Income-Qualified Renter Household Demand (found on pages 42-61)

Type of Demand	30%	50%	60%	Market-rate	Other:___	Overall*
Renter Household Growth	N/Ap	49	59	N/Ap	N/Ap	76
Existing Households (Overburdened + Substandard)	N/Ap	202	242	N/Ap	N/Ap	311
Homeowner conversion (Seniors)	N/Ap	5	6	N/Ap	N/Ap	8
Total Primary Market Demand	N/Ap	256	307	N/Ap	N/Ap	395
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	256	307	N/Ap	N/Ap	395

Capture Rates (found on page 60)

Targeted Population	30%	50%	60%	Market-rate	Other:___	Overall
Capture Rate:	N/Ap	7.60%	22.50%	N/Ap	N/Ap	22.40%

*Includes LIHTC and unrestricted (when applicable)

**May differ slightly from demand analysis due to rounding.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

**Project Address and
Development Location:**

The Subject will be located on the northern side of Wrightsboro Road in between Northrop Place and Creek Side Drive in the western portion of Grovetown, Columbia County, Georgia.

Construction Type:

The Subject will be a newly constructed property consisting of seven, one-story, brick and fiber-cement siding, garden-style apartment buildings and one single-story community building.

Occupancy Type:

Housing for Older Persons (HFOP).

Special Population Target:

None.

**Number of Units by Bedroom
Type and AMI Level:**

See following property profile.

Unit Size:

See following property profile.

Structure Type:

See following property profile.

Rents and Utility Allowances:

See following property profile.

**Existing or Proposed
Project Based Rental Assistance:**

None of the units will have Project-Based Rental Assistance following the renovations.

Proposed Development Amenities: See following property profile.

Horizon Senior Village, Grovetown, GA; Market Study

Horizon Senior Village

Comp # Subject
Effective Rent Date 6/5/2013
Location Wrightsboro Rd & Northrop Place
 Grovetown, GA 30813
 Columbia County
 (verified)
Distance n/a
Units 68
Type One-story (age-restricted)
Year Built / Renovated 2015 / n/a



Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	One-story	6	700	\$369	\$0	@50%	n/a	N/A	N/A	yes
1	1	One-story	21	700	\$437	\$0	@60%	n/a	N/A	N/A	no
2	2	One-story	9	900	\$432	\$0	@50%	n/a	N/A	N/A	yes
2	2	One-story	32	900	\$521	\$0	@60%	n/a	N/A	N/A	no

Amenities

In-Unit	Balcony/Patio Blinds Central A/C Dishwasher Hand Rails Microwave Oven Pull Cords Refrigerator Washer/Dryer hookup	Security	none
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management	Premium	none
Services	none	Other	none

Comments

The property is a proposed senior LIHTC property that will target seniors ages 55 and older (HFOP). The property's proposed net rents are listed in the rent grid. The property's proposed utility allowances for the one and two-bedroom units are \$164 and \$208, respectively. The property's proposed gross 50 percent AMI rents are \$533 and \$640. The property's proposed gross 60 percent AMI rents are \$601 and \$729 for the one and two-bedroom units, respectively. This property will be financed with both tax credits and a HOME loan.

Placed in Service Date:

The projected placed in service date is June 2015.

Conclusion:

The Subject will be an excellent-quality one-story garden style apartment complex consisting of seven residential buildings and one clubhouse, comparable to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

1. Date of Site Visit and Name of Site Inspector:

Nicole Kelley visited the site on June 5, 2013.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

The Subject site has frontage along Wrightsboro Road.

Visibility/Views:

The Subject site is located on the northern side of Wrightsboro Road, a major thoroughfare in Grovetown. As such, upon completion, the Subject will have excellent visibility. Views consist primarily of residential uses ranging in condition from fair to excellent. Overall views are considered good.

Surrounding Uses:

The following map illustrates the surrounding land uses.



The Subject's neighborhood is dominated by residential uses ranging in condition from fair to excellent. There are several new single-family home subdivisions in the neighborhood with homes starting at approximately \$150,000. As new construction, the Subject will be similar to superior to existing uses in the immediate neighborhood.

Positive/Negative Attributes of Site: There are no known negative attributes of the site. Positive attributes include good visibility from major thoroughfare

and proximity to local services and amenities.

3. Physical Proximity to Locational Amenities:

The Subject site is located in a predominantly residential neighborhood with a walk score of 32 indicating that most errands require a car. However, because the site is located on a major thoroughfare, the neighborhood, and the Subject site in particular, is located in close proximity (approximately 0.5 miles) to a variety of retail and commercial uses that are also located along Wrightsboro Road. Retail and commercial uses in the area range in condition from average to good and appeared to be approximately 90 percent occupied. Overall, access to important services such as an Urgent Care facility and the local senior center, and retail uses such as a grocer and pharmacy, is considered excellent as all are located within one mile of the Subject site.

4. Pictures of Site and Adjacent Uses:



View NW on Wrightsboro Road



View SE on Wrightsboro Road



Subject Site



Subject Site

Horizon Senior Village, Grovetown, GA; Market Study



View Adjacent to Site



View Adjacent to Site



North - 4 plexes



North - Single Family Home



North - Single Family Home



South - Mobile Homes



South - Retail



South - Retail



South - Retail



South - Retail



West - Single Family Home

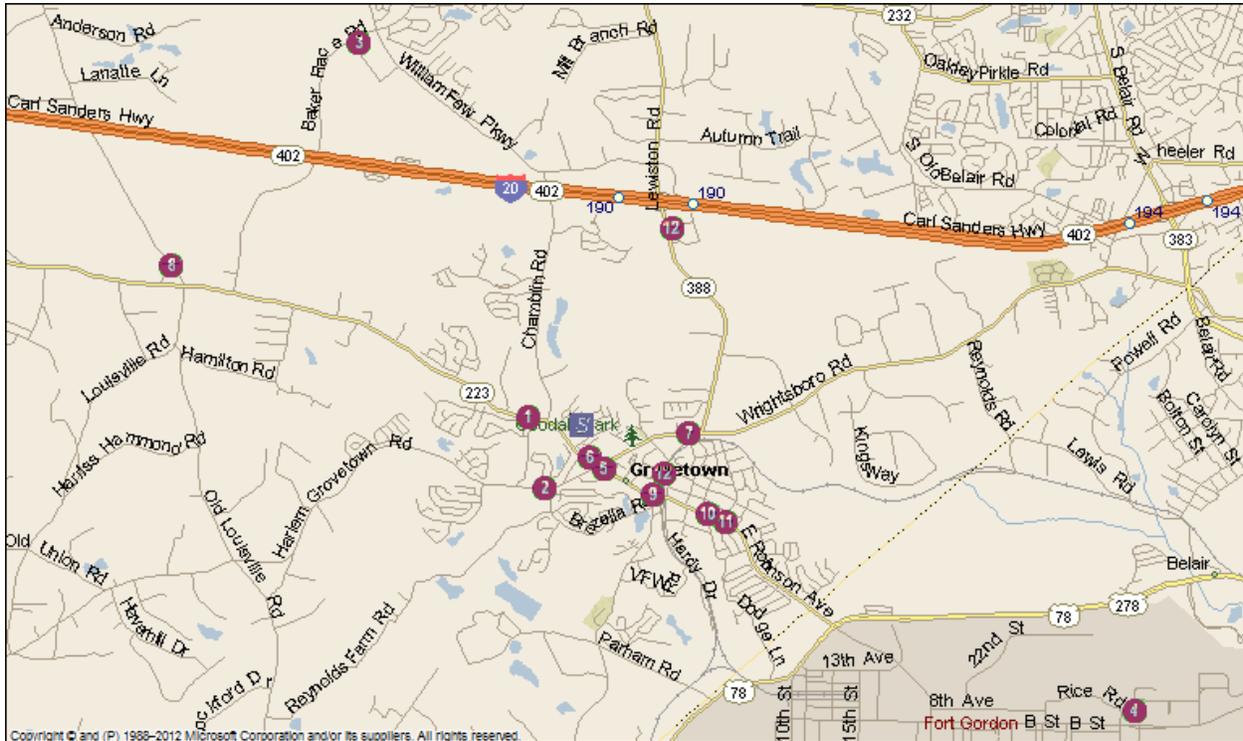


West - Single Family Home

5. Proximity to Locational Amenities:

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

Horizon Senior Village, Grovetown, GA; Market Study



Local Distances from Services

Map #	Service/Amenity	Distance from Subject
1	Cedar Ridge Elementary School	0.3 miles
2	Grovetown Middle School	0.6 miles
3	Grovetown High School	3.1 miles
4	Eisenhower Army Medical Center	5.3 miles
5	Urgent Care Grovetown	0.3 miles
6	IGA Foodliner Grocery Store	0.3 miles
7	Fred's Pharmacy	1.0 miles
8	Euchee Creek Library	3.1 miles
9	Grovetown Senior Center	0.9 miles
10	Grovetown Police Department	1.4 miles
11	Grovetown Fire Department	1.4 miles
12	Employment Centers	1.5 - 3.0 miles
N/Ap	Columbia County Transit-Curb to Curb Service by appt only	N/Ap

6. Description of Land Uses:

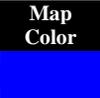
The Subject's neighborhood is dominated by residential uses ranging in condition from fair to excellent. As new construction, the Subject will be similar to superior to existing uses in the immediate neighborhood. The Subject will be an improvement to the neighborhood.

7. Multifamily Residential within Two Miles:

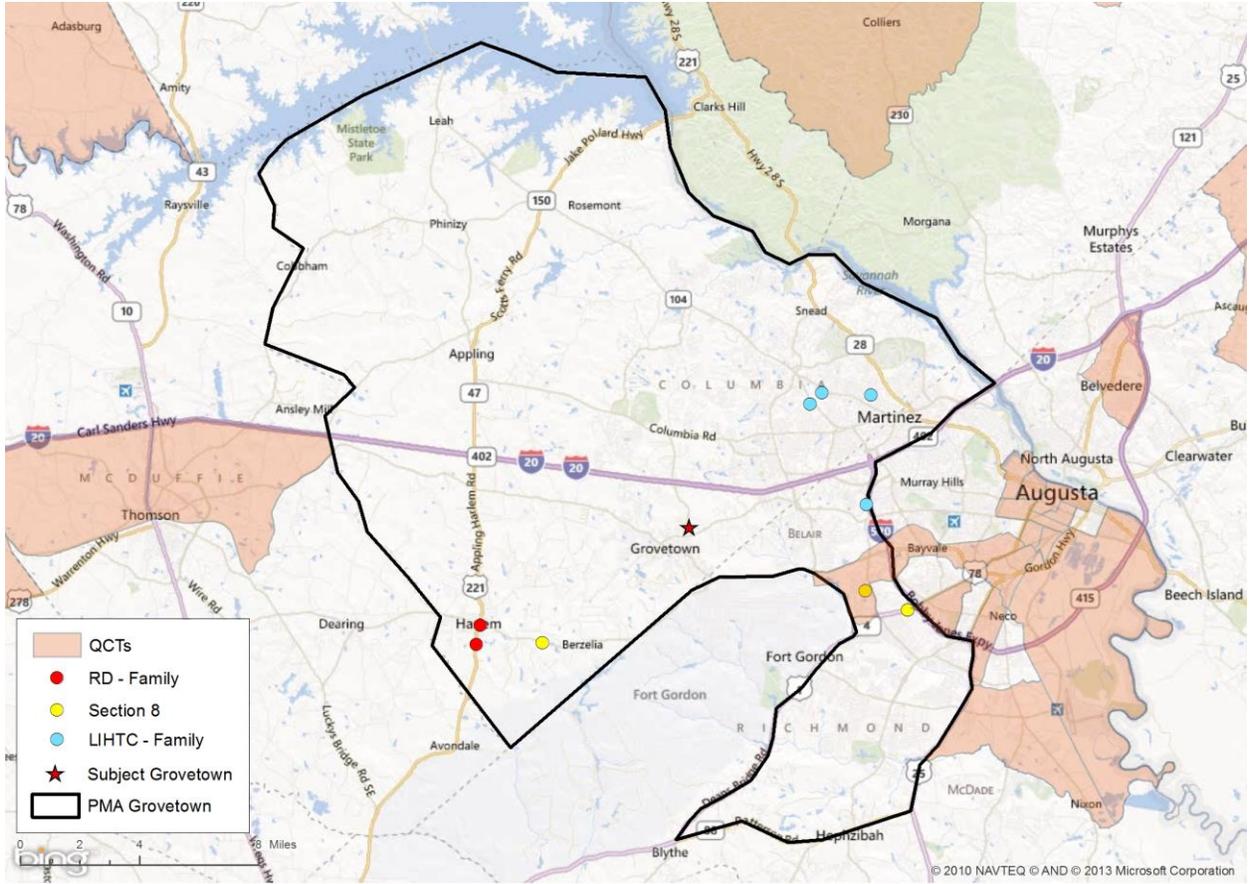
There are three traditional multifamily properties located within two miles of the Subject site: Eagle Pointe Apartments, Sycamore Place (also known as Jenkins Properties), and Sterlington Apartments. All three properties are family market rate developments and together these properties offer a total of 272 one-, two-, and three-bedroom units. All three are occupied primarily by families, but all three do have some senior tenants as well. Vacancy at these properties ranges from zero to 1.9 percent. All three of these properties have been included as comparable properties in this report and will be discussed at length in the supply section of this report.

8. Existing Assisted Rental Housing Property Map:

The following map and list identifies all assisted rental housing properties in the PMA.

Name	Address	City	Distance to Subject Site	Type	Map Color	Included/ Excluded	Reason for Exclusion
Horizon Senior Village - Subject	Wrightsboro Rd & Northrop Pl	Grovetown	--	LIHTC - Senior		--	--
Westwood Club	650 Thoroughbred Lane	Evans	11.7 miles	LIHTC - Family		Included	N/Ap
Wedgewood Park	473 Old Evans Rd	Martinez	12.6 miles	LIHTC - Family		Included	N/Ap
Woodlake Club	1020 Amli Way	Augusta	10.3 miles	LIHTC - Family		Included	N/Ap
Magnolia Trace	520 Pacifica Drive	Martinez	13.6 miles	LIHTC - Family		Excluded	Unit mix not comparable (3 & 4BR units only)
Harlem Oaks Apartments	Milledgeville Road East	Harlem	9.1 miles	RD - Family		Excluded	Tenancy and rent structure not comparable
Southside Villas	100 Peachtree Street	Harlem	8.5 miles	RD - Family		Excluded	Tenancy and rent structure not comparable
Independent Living Horizons Thirteen	3872 Gordon Hwy	Harlem	7.5 miles	Section 8 - Disabled		Excluded	Rent Subsidized
Mt Zion Apartments	2445 Amsterdam Dr	Augusta	9.3 miles	Section 8 - Family		Excluded	Rent Subsidized
Villa Marie Apartments	3200 Dean Bridge Road	Augusta	11.0 miles	Section 8 - Family		Excluded	Rent Subsidized

Horizon Senior Village, Grovetown, GA; Market Study



Grovetown, GA



**9. Road/Infrastructure
Proposed Improvements:**

We witnessed no infrastructure improvements in the Subject's immediate neighborhood.

**10. Access, Ingress/Egress and
Visibility of site:**

The Subject site is located on the northern side of Wrightsboro Road, a major thoroughfare in Grovetown. As such, upon completion, the Subject will have excellent visibility.

11. Environmental Concerns:

None visible upon site inspection.

Detrimental Influences:

There are no significant detrimental influences.

12. Conclusion:

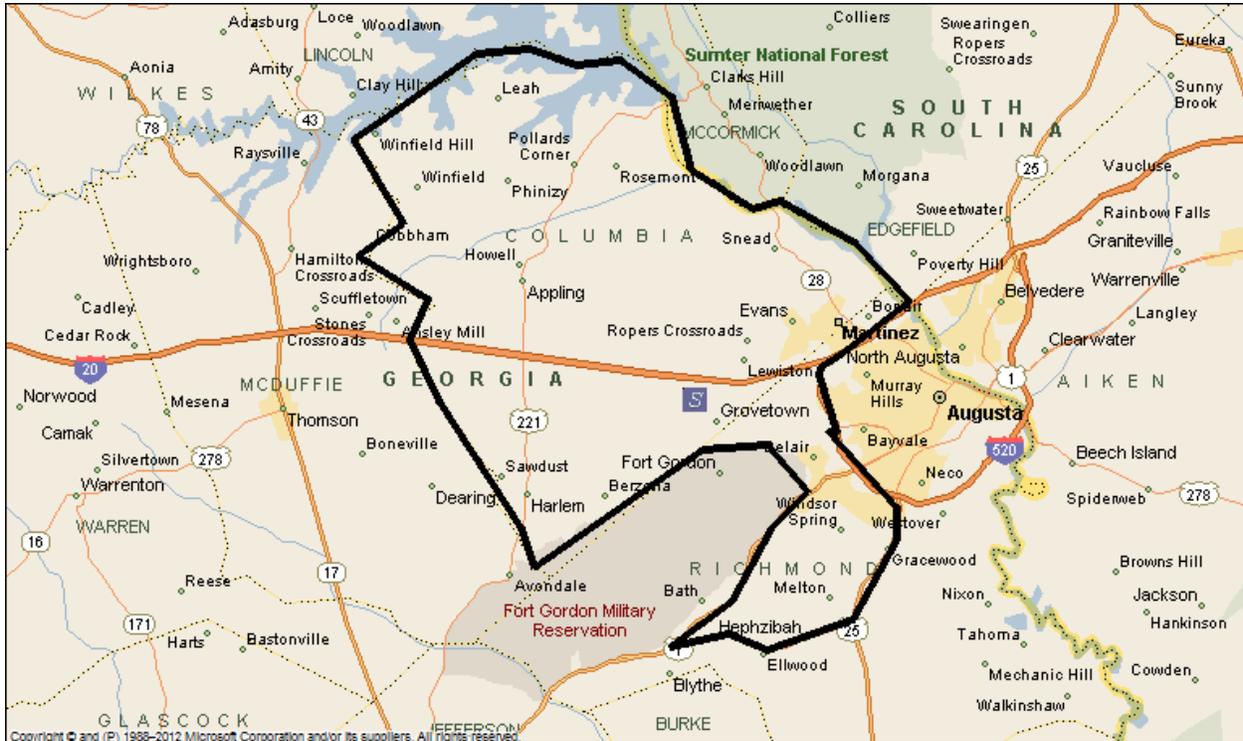
The Subject is located along Wrightsboro Road, a major thoroughfare in Grovetown, in a primarily residential neighborhood. Residential uses in the immediate neighborhood range in condition from fair to excellent. There are several new single-family home subdivisions in the immediate neighborhood with homes starting at approximately \$150,000. As new construction, the Subject will be similar to superior to existing uses in the immediate neighborhood. Because the Subject site is located on a major thoroughfare, the neighborhood, and the Subject site in particular, is located in close proximity (approximately 0.5 miles) to a variety of retail and commercial uses that are also located along Wrightsboro Road. Retail and commercial uses in the area range in condition from average to good and appeared to be approximately 90 percent occupied. In general, access to important services such as an Urgent Care facility and the local senior center, and retail uses such as a grocer and pharmacy, is considered excellent as all are located within one mile of the Subject site. Overall, the Subject site is well suited for the Subject as proposed and the Subject will be an improvement to the neighborhood.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



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

The boundaries of the PMA are as follows:

North - Columbia-Lincoln County Line

South - US Highway 25/Georgia Highway 88

East - Georgia-South Carolina State Line/Interstate 20/Interstate 520

West - Columbia-McDuffie County Line / Fort Gordon Military Base

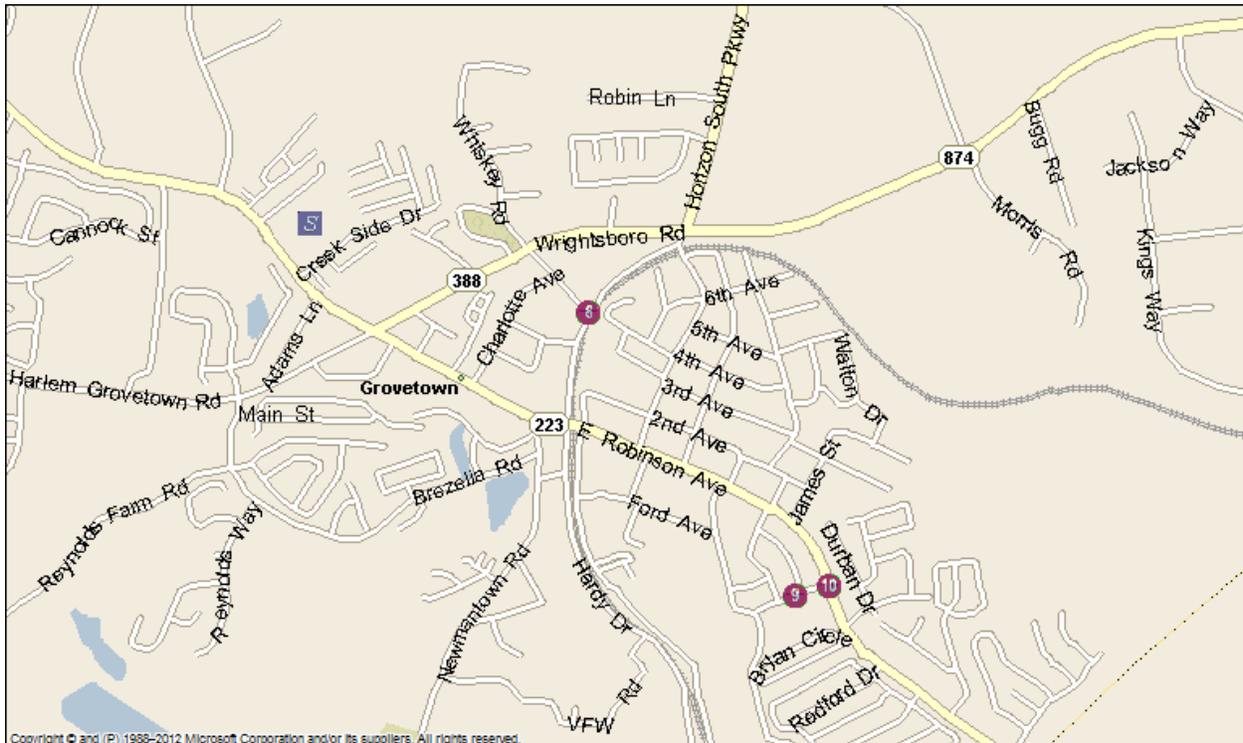
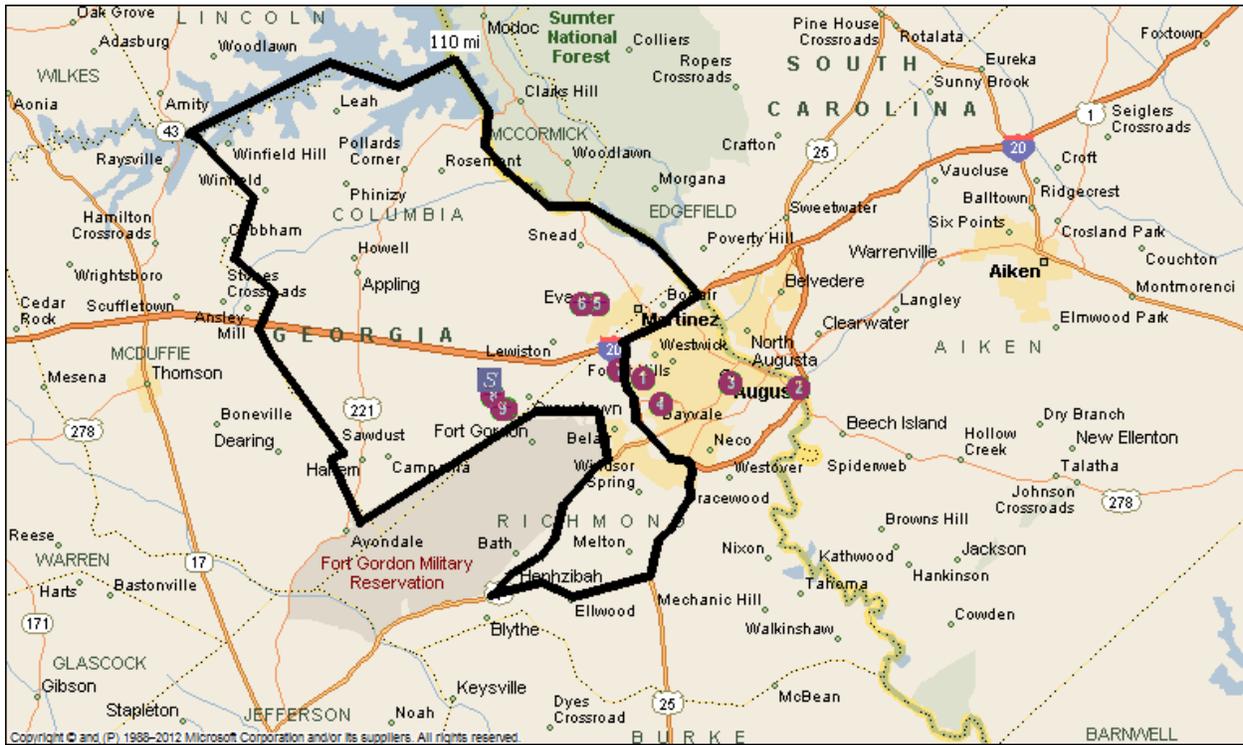
This area includes the entirety of Columbia County as well as portions of Richmond County. Major cities in the PMA include Grovetown, Evans, and Martinez. The area was defined based on interviews with the local officials, property managers at comparable properties, and a representative of the local senior center.

According to Ms. Thomas, Director of the local senior center, although Evans and Martinez are established communities (like Grovetown), because there are no senior specific properties in these areas, she does think that seniors would be willing to move from one bedroom community of Augusta to another for an age restricted property. Ms. Thomas also said demand would come from throughout the county. The significant source of demand is from military stationed at Fort Gordon whose parents are either (a) living with them now but want to live on their own and cannot find anywhere or (b) want to relocate to be closer to children stationed at the base, but cannot because there are no senior properties nearby. Ms. Thomas does not think seniors would move from Thomson to Grovetown because Thomson is more rural and people are less mobile than those of Evans, Martinez, Grovetown, other bedroom communities of Augusta, and Augusta itself. The decision to exclude Thomson from the PMA was based primarily on this, but was also confirmed by the property managers of properties in both the PMA and in Thomson. The decision to include Evans and Martinez in the PMA was supported by property managers at family LIHTC properties in these towns who reported that they themselves market to households in Grovetown particularly since there are no LIHTC communities in the Grovetown area.

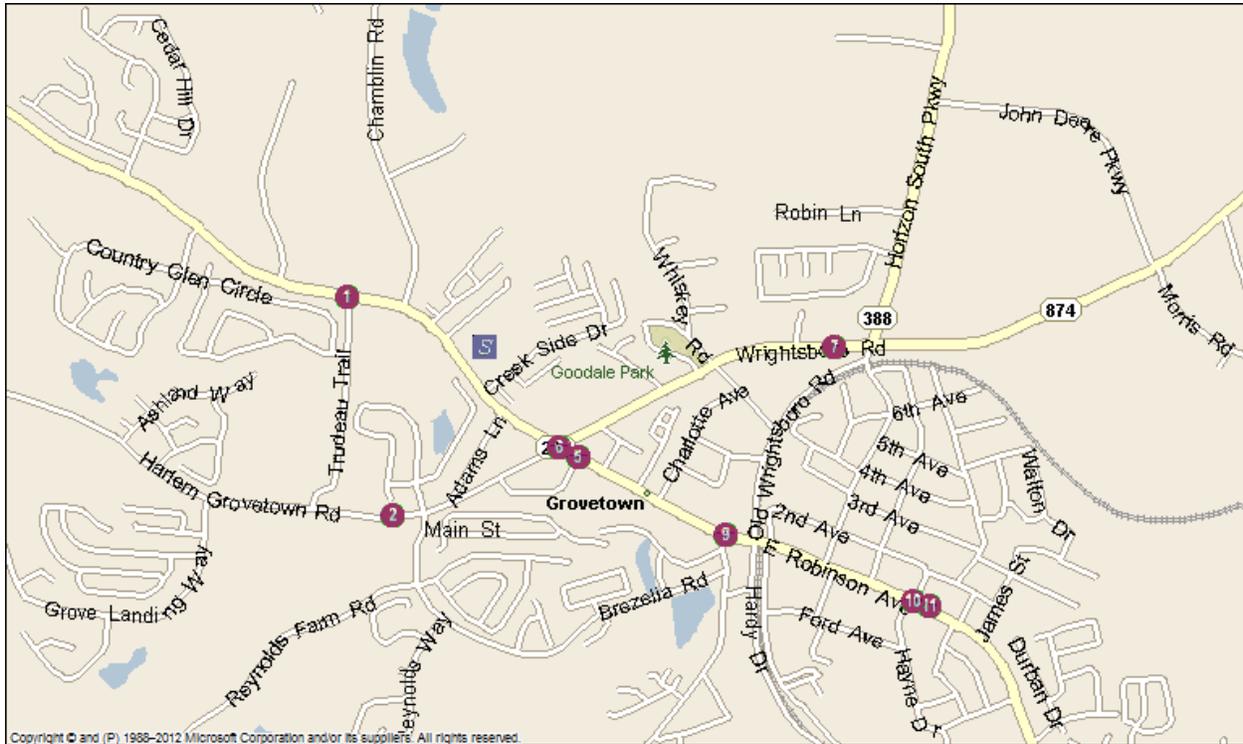
Many property managers indicated that a significant minority of their tenants come from out of state and attributed this fact to the presence of Fort Gordon in Columbia County. While we believe that a sizeable minority of the Subject's tenants will originate from outside of the PMA boundaries, per DCA guidelines we have not accounted for this leakage in the demand calculations.

In general, the boundaries of the PMA are Columbia County (excluding Fort Gordon) as well as southwestern portions of Richmond County that are outside of the Augusta beltway and considered bedroom communities of Augusta.

Primary Market Area – Comparable Properties Map



Horizon Senior Village, Grovetown, GA; Market Study



Local Distances from Services

Map #	Service/Amenity	Distance from Subject
1	Cedar Ridge Elementary School	0.3 miles
2	Grovetown Middle School	0.6 miles
3	Grovetown High School	3.1 miles
4	Eisenhower Army Medical Center	5.3 miles
5	Urgent Care Grovetown	0.3 miles
6	IGA Foodliner Grocery Store	0.3 miles
7	Fred's Pharmacy	1.0 miles
8	Euchee Creek Library	3.1 miles
9	Grovetown Senior Center	0.9 miles
10	Grovetown Police Department	1.4 miles
11	Grovetown Fire Department	1.4 miles
12	Employment Centers	1.5 - 3.0 miles
N/Ap	Columbia County Transit-Curb to Curb Service by appt only	N/Ap

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 1990 through 2017.

TOTAL POPULATION

Year	PMA		Augusta-Richmond County, GA-SC MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	121,622	-	435,702	-	248,709,873	-
2000	155,207	2.8%	499,675	1.5%	281,421,906	1.3%
2012	204,879	2.6%	572,248	1.2%	313,129,017	0.9%
Projected Mkt Entry June 2015	216,165	1.9%	590,406	1.1%	319,462,390	0.7%
2017	224,226	1.9%	603,376	1.1%	323,986,227	0.7%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

TOTAL SENIOR POPULATION (55+)

Year	PMA		Augusta-Richmond County, GA-SC MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	14,597	-	79,018	-	52,389,754	-
2000	24,658	6.9%	97,310	2.3%	59,266,437	1.3%
2012	46,749	7.3%	147,336	4.2%	80,980,372	3.0%
Projected Mkt Entry June 2015	52,048	3.9%	159,788	2.9%	86,619,802	2.4%
2017	55,833	3.9%	168,682	2.9%	90,647,966	2.4%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

POPULATION BY AGE GROUP

Age Cohort	PMA				2017
	1990	2000	2012	Projected Mkt Entry June 2015	
0-4	10,196	10,863	14,201	14,988	15,550
5-9	10,889	12,924	15,247	16,064	16,648
10-14	10,592	13,995	15,755	16,730	17,427
15-19	9,606	12,690	14,864	15,257	15,538
20-24	7,992	8,612	12,749	12,757	12,763
25-29	10,601	9,596	13,855	14,635	15,192
30-34	12,143	10,838	13,827	14,623	15,191
35-39	11,903	13,686	13,431	14,633	15,492
40-44	10,230	14,103	13,869	13,854	13,843
45-49	7,533	12,829	14,979	15,147	15,267
50-54	5,340	10,412	15,351	15,427	15,481
55-59	4,353	7,321	13,818	14,865	15,612
60-64	3,443	5,168	11,406	12,507	13,294
65-69	2,685	4,024	7,962	9,423	10,467
70-74	1,777	3,164	5,322	6,307	7,011
75-79	1,121	2,260	3,651	4,083	4,391
80-84	642	1,434	2,396	2,492	2,560
85+	576	1,287	2,194	2,371	2,498
Total	121,622	155,206	204,877	216,163	224,225

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Augusta-Richmond County, GA-SC MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
1990	121,622	107,025	14,597	435,701	356,683	79,018
2000	155,206	130,548	24,658	499,673	402,363	97,310
2012	204,877	158,128	46,749	572,248	424,912	147,336
Projected Mkt Entry June 2015	216,163	164,115	52,048	590,406	430,618	159,788
2017	224,225	168,392	55,833	603,376	434,694	168,682

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

As illustrated above, all three areas of analysis have experienced growth in both the general and senior populations. Of the three areas, growth has historically been, and is projected to continue to be strongest in the PMA. In particular, the growth in the senior population in the PMA has significantly outpaced that of both the MSA and nation as a whole. Seniors 55 and older are expected to comprise nearly a quarter of the population by the projected market entry date.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Augusta-Richmond County, GA-SC MSA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	40,903	-	156,127	-
2000	54,609	3.4%	186,249	1.9%
2012	74,760	3.0%	216,849	1.3%
Projected Mkt Entry June 2015	79,517	2.2%	225,236	1.3%
2017	82,914	2.2%	231,226	1.3%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

TOTAL NUMBER OF SENIOR HOUSEHOLDS (55+)

Year	PMA		Augusta-Richmond County, GA-SC MSA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	-	-	-	-
2000	14,982	-	62,084	-
2012	28,905	7.6%	92,463	4.0%
Projected Mkt Entry June 2015	32,997	4.9%	110,441	6.7%
2017	35,919	4.9%	123,282	6.7%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

AVERAGE HOUSEHOLD SIZE

Year	PMA		Augusta-Richmond County, GA-SC MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.80	-	2.59	-	2.58	-
2012	2.71	-0.3%	2.56	-0.1%	2.58	0.0%
Projected Mkt Entry June 2015	2.69	-0.2%	2.54	-0.2%	2.58	0.0%
2017	2.68	-0.2%	2.53	-0.2%	2.58	0.0%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

Similar to population trends, total senior household growth in the PMA has been, and is projected to continue, to outpace growth in the MSA and nation as a whole. Average household size decreased from 2000 to 2012 and is projected to continue to decline through 2017. This decline is likely due to the strong growth of senior households in the PMA which tend to be smaller in size. Despite the decline in average household size, the average household size in the PMA remains above the national average.

2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2017.

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,903	86.1%	2,080	13.9%
2012	24,765	85.7%	4,140	14.3%
Projected Mkt Entry				
June 2015	28,402	86.0%	4,595	14.0%
2017	30,999	86.3%	4,920	13.7%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

As illustrated, a significant majority of seniors are owners rather than renters; this is similar to the national average of 13 percent. This trend is likely due to the limited supply of age-restricted rental housing in the PMA.

2c. Households by Income

The following table depicts household income in 2012, 2015 and 2017 for the PMA.

HOUSEHOLD INCOME DISTRIBUTION - PMA (AGE 55+)

Income Cohort	2012		Projected Mkt Entry June 2015		2017	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,576	5.5%	1,732	5.2%	1,844	5.1%
\$10,000-19,999	3,328	11.5%	3,598	10.9%	3,791	10.6%
\$20,000-29,999	2,987	10.3%	3,325	10.1%	3,567	9.9%
\$30,000-39,999	3,088	10.7%	3,449	10.5%	3,706	10.3%
\$40,000-49,999	2,658	9.2%	2,939	8.9%	3,140	8.7%
\$50,000-59,999	2,601	9.0%	3,027	9.2%	3,332	9.3%
\$60,000-74,999	3,263	11.3%	3,742	11.3%	4,085	11.4%
\$75,000-99,999	3,799	13.1%	4,422	13.4%	4,868	13.6%
\$100,000-124,999	2,227	7.7%	2,667	8.1%	2,982	8.3%
\$125,000-149,999	951	3.3%	1,175	3.6%	1,336	3.7%
\$150,000-199,999	1,151	4.0%	1,361	4.1%	1,511	4.2%
\$200,000+	1,276	4.4%	1,558	4.7%	1,759	4.9%
Total	28,905	100.0%	32,997	100.0%	35,919	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, May 2013

The Subject will target a range of senior households as it will offer units restricted at both the 50 and 60 percent AMI levels. Senior households with incomes ranging from \$15,990 to \$27,300 will be eligible to reside at the Subject. At the point of market entry, approximately 21 percent of the senior households in the PMA will have incomes ranging from \$10,000 to \$29,999 and many of these will be income-qualified to reside at the Subject.

2d. Renter Households by Number of Persons in the Household

The following table illustrates the number of persons per senior household among renter households.

SENIOR RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

	2000		2012		Projected Mkt Entry June 2015		2017	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	904	43.5%	2,082	50.3%	2,307	50.2%	2,468	50.1%
With 2 Persons	711	34.2%	1,073	25.9%	1,224	26.6%	1,333	27.1%
With 3 Persons	234	11.2%	442	10.7%	479	10.4%	506	10.3%
With 4 Persons	100	4.8%	278	6.7%	298	6.5%	313	6.4%
With 5+ Persons	130	6.3%	264	6.4%	286	6.2%	302	6.1%
Total Renter Households	2,080	100.0%	4,140	100.0%	4,595	100.0%	4,920	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, May 2013

The majority of senior households have between one or two persons.

2e and f. Elderly and HFOP

Per DCA’s guidelines, elderly households populations will be based on households who are 62 years and older and HFOP populations will be based on households who are 55 years or older according to the census. The Subject will target older persons ages 55 and older.

CONCLUSION

Overall, demographic indicators are strong for the Subject’s units. Senior population and general households in the PMA have historically outpaced and are projected to continue to outpace growth in both the MSA and nation as a whole. Senior households with incomes ranging from \$15,990 to \$27,300 will be eligible to reside at the Subject. At the point of market entry, approximately 21 percent of the senior households in the PMA will have incomes ranging from \$10,000 to \$29,999. Persons within these income cohorts are expected to create demand for the Subject. Further, although the majority of senior households in the PMA are owners, this is similar to the national average of 13 percent and is likely at least in part a result of the lack of age-restricted rental properties in the PMA. The Subject will fill this void.

F. EMPLOYMENT TRENDS

Employment Trends

The Augusta-Richmond County, Georgia-South Carolina MSA is comprised of six counties across two states. Richmond County is home to Augusta, Georgia and Columbia County is located immediately south and west of Richmond County. The MSA economy is rooted in several key economic drivers that are located throughout the MSA including, but not limited to, the Savannah River Site (SRS) in South Carolina and Fort Gordon, a U.S. Army base in Richmond and Columbia Counties. The MSA economy is driven in large part by the following industries: government, military, medical, retail, and other service sectors. Columbia County features a similar economic base. Because of its proximity to Augusta and Richmond County, Columbia County is generally considered a “residential hub” for the Augusta metropolitan area. Grovetown, the county seat of Columbia County, is itself considered a bedroom community of Augusta, but it is also located at the gates of Fort Gordon and as such is driven in large part by its proximity to the military base which is by far the largest employer in the county. Fortunately for the local economy, the base was unaffected by the 2005 BRAC announcement. Unlike in 2005 however, the recent budget cuts are projected to have an effect, albeit a small one, on Fort Gordon. According to the Augusta Chronicle, nearly all of the 3,100 civilian employees of Fort Gordon will be forced to take 11 days of unpaid leave during the 2013 summer. While this is expected to have an impact on the local economy, the effect will likely be limited to a reduction in consumer spending rather than having a direct effect on employment rates. Further, according to the Grovetown City Planner, there have been no major business closures or downsizing in Grovetown and this in conjunction with several expansions and new business openings indicates that the local economy is continuing to recover from the recent national recession.

1. Total Jobs

The following table illustrates the total jobs (also known as “covered employment”) in Columbia County.

COVERED EMPLOYMENT		
Columbia County		
Year	Total Employment	% Change
2002	21,527	
2003	22,951	6.20%
2004	24,787	7.41%
2005	26,185	5.34%
2006	26,998	3.01%
2007	29,681	9.04%
2008	30,518	2.74%
2009	28,263	-7.98%
2010	28,909	2.23%
2011	28,983	0.26%
2012 YTD Average*	29,412	1.46%
11-Sep	28,855	-
12-Sep	29,247	1.34%

Source: U.S. Bureau of Labor Statistics

*YTD as of Sept 11

Columbia County has experienced considerable employment growth between 2001 and 2008. This growth is generally attributed to the county’s shift from being primarily a residential hub for Augusta into being its own bedroom community equipped with its own major private sector employers. In 2009, there was a 7.98 percent decrease in total employment indicating that the local economy was heavily impacted by the national recession. This decline in total employment is well above the national decline of 3.6 percent. Despite this significant drop, the total jobs in Columbia County in 2009 remained above the 2006 levels which is a positive indicator that although the local economy suffered, it did not lose all of the growth that came from the previous eight years. Further, since the 2009 decline, Columbia County has experienced positive growth in terms of total employment.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the county as of third quarter 2012 (most recent data available).

SEPT 2012 EMPLOYMENT JOBS BY INDUSTRY

Columbia County		
Industry	Number Employed	Percent Employed
Trade, Transportation, and Utilities	19,657	52.24%
Leisure and Hospitality	4,016	10.67%
Professional and Business Services	3,668	9.75%
Education and Health Services	3,113	8.27%
Manufacturing	2,642	7.02%
Construction	1,956	5.20%
Financial Activities	1,131	3.01%
Other Services	905	2.41%
Information	353	0.94%
Unclassified	113	0.30%
Natural Resources and Mining	75	0.20%
Public Administration*	-	-
Total Employment	37,629	100.00%

*Monthly data is not available

Source: U.S. Bureau of Labor Statistics 2012. Covered Employment

Trade, Transportation, and Utilities employs the largest number of workers in the PMA followed by leisure and hospitality and education and health services. Of these, leisure and hospitality is considered a somewhat volatile industry as it relies on tourism. In contrast, education and healthcare are considered stable industries.

Horizon Senior Village, Grovetown, GA; Market Study

2010 EMPLOYMENT BY INDUSTRY

Occupation	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	350	0.40%	1,790,318	1.32%
Mining	234	0.27%	723,991	0.53%
Construction	4,821	5.51%	8,872,843	6.52%
Manufacturing	6,692	7.65%	13,047,475	9.59%
Wholesale Trade	1,887	2.16%	4,407,788	3.24%
Retail Trade	9,456	10.81%	15,464,986	11.37%
Transportation/Warehousing	2,675	3.06%	5,487,029	4.03%
Utilities	2,810	3.21%	1,115,793	0.82%
Information	1,703	1.95%	3,158,778	2.32%
Finance/Insurance	2,564	2.93%	6,883,526	5.06%
Real Estate/Rental/Leasing	1,970	2.25%	2,825,263	2.08%
Prof/Scientific/Tech Services	4,130	4.72%	8,520,310	6.26%
Mgmt of Companies/Enterprises	149	0.17%	202,384	0.15%
Admin/Support/Waste Mgmt	3,560	4.07%	5,114,479	3.76%
Educational Services	11,576	13.23%	14,168,096	10.42%
Health Care/Social Assistance	16,755	19.15%	18,891,157	13.89%
Arts/Entertainment/Recreation	1,464	1.67%	2,628,374	1.93%
Accommodation/Food Services	5,641	6.45%	9,114,767	6.70%
Other Services (excl Publ Adm)	3,939	4.50%	6,679,783	4.91%
Public Administration	5,122	5.85%	6,916,821	5.09%
Total Employment	87,498	100.0%	136,013,961	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, June 2013

*Industry data current as of 2010. Other projections current as of 2010.

The previous table reflects the workforce for the PMA and the nation. The largest proportion of the PMA is employed in the health care sector with 19.2 percent of total employment, followed by educational services at 13.2 percent, and retail trade at 10.8 percent. Combined, these three industries make up 43.2 percent of the total employment in the PMA. The health care/social assistance and educational services sectors employ a higher proportion, three and five percent respectively, of the population than the nation.

3. Major Employers

The following table illustrates top private sector employers in Columbia County, Georgia. Employment information for public sector employers was not available at the time of this study.

Major Employers			
#	Firm/Institution	Industry	Number of Employees
2	Car Club	Manufacturing	700
3	Quad/Graphics	Manufacturing	650
4	John Deere	Manufacturing	600
5	Wal-Mart	Retail	450
6	Georgia Iron Works	Manufacturing	425
7	Publix	Retailer	355
8	Augusta Sportswear	Manufacturing	248
9	Lowe's	Retail	210
10	Bi-Lo	Retail	185
TOTAL			3,823

Source: Economic Assessment of Columbia County, March 2012, most recent available.

Within the private sector, major employers are concentrated in two key industries: industrial/manufacturing and retail. In addition to these top ten private sector employers, there are also several large employers in the service sector including, but not limited to, Georgia Bank and

Trust (181 employees), University Healthcare Evans Facility (165 employees), and TaxSlayer Rhodes Financial Services (120 employees).

According to the 2012 Economic Assessment of Columbia County prepared by the Development Authority of Columbia County, the recent economic recession did have an impact on several of the county’s top employers including Club Car and Quad/Graphics both of whom downsized in wake of the recession. Other major employers however either remained stable (Augusta Sportswear) or experienced employment increases (Georgia Iron Works). According to the report, the expansion at GIW resulted in the addition of approximately 100 jobs at the Grovetown based operation.

Expansions/Contractions

Despite the recent economic recession, according to the city planner of Grovetown, Mr. Neal, there have been no recent major contractions nor are any planned for the immediate future. In fact, the Grovetown area has actually experienced considerable growth relative to much of the rest of the country in recent years. According to Mr. Neal, there is a major grocery store (IGA) that is currently under construction and the store will be contained within a commercial strip; other businesses to be located in the strip were not known at the time of the study. A CVS was recently completed and a Walgreens is in the planning stages. There have also been several new fast food restaurants completed in recent years. Finally, although not located within the city limits, Mr. Neal also provided information on a significant new commercial development, The Gateway, located three miles north of the Subject site just outside of the city limits off Interstate 20 that has been underway for the past two or so. The development is anchored by a new Walmart (opened early 2012), a new YMCA (opened May 2013, and an Urgent Care Center (approximately 65 percent complete). The development will also feature a variety of other smaller retailers and restaurants.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Augusta-Richmond County, GA-SC MSA from 2002 to 2013 (through March).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Year	<u>Augusta-Richmond County, GA-SC MSA</u>				<u>USA</u>			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	225,737	-	5.0%	-	136,485,000	-	5.8%	-
2003	230,446	2.1%	5.0%	0.0%	137,736,000	0.9%	6.0%	0.2%
2004	236,638	2.7%	5.4%	0.4%	139,252,000	1.1%	5.5%	-0.5%
2005	238,272	0.7%	6.0%	0.6%	141,730,000	1.8%	5.1%	-0.4%
2006	239,079	0.3%	5.9%	-0.1%	144,427,000	1.9%	4.6%	-0.5%
2007	242,838	1.6%	5.5%	-0.4%	146,047,000	1.1%	4.6%	0.0%
2008	242,358	-0.2%	6.3%	0.8%	145,362,000	-0.5%	5.8%	1.2%
2009	235,741	-2.7%	9.2%	2.9%	139,877,000	-3.8%	9.3%	3.5%
2010	235,174	-0.2%	9.2%	0.0%	139,064,000	-0.6%	9.6%	0.3%
2011	241,022	2.5%	9.1%	-0.1%	139,869,000	0.6%	8.9%	-0.7%
2012	240,699	-0.1%	8.8%	-0.3%	142,469,000	1.9%	8.1%	-0.8%
2013 YTD Average*	241,451	0.3%	9.3%	0.5%	142,180,000	-0.2%	8.1%	0.0%
Mar-2012	242,037	-	8.5%	-	141,412,000	-	8.4%	-
Mar-2013	241,722	-0.1%	8.0%	-0.5%	142,698,000	0.9%	7.6%	-0.8%

Source: U.S. Bureau of Labor Statistics December 2012

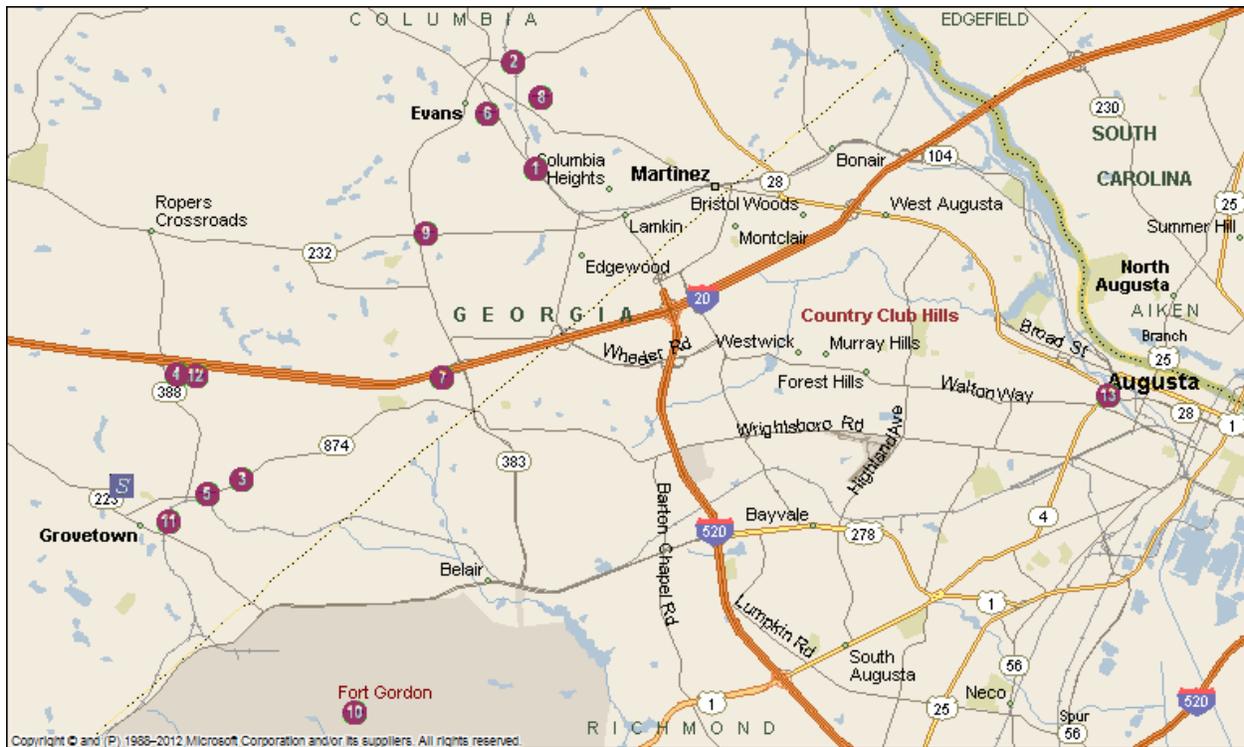
*2013 data is through Mar

The Augusta-Richmond County, GA-SC MSA experienced moderate employment growth prior to the advent of the recession in 2008. From 2008 through 2010, the MSA experienced total

employment declines which negated the growth experienced in the previous four years. Since 2011 the MSA has begun to once again add to its total employment numbers however, and total employment in the MSA is slightly below the 2008 level. Additionally, although unemployment has historically been equivalent to or above national levels, the 2008 figures indicate that the region was not impacted as heavily by the recession as the rest of the nation. The unemployment rate for the MSA was outpaced by the national average. The MSA continues to feel the effects of the recession, however, with the rate of reemployment lagging sluggishly behind the nation as a whole. While there has been some degree of recovery in the past few years, as of March 2013 the MSA unemployment rate is still 0.4 percent higher than the national average.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers and employment centers in Columbia County.



Map #	Employer / Employment Center	Industry
1	Car Club	Manufacturing
2	Quad Graphics	Manufacturing
3	John Deere	Manufacturing
4	Wal-Mart	Retail
5	Georgia Iron Works	Manufacturing
6	Publix	Retailer
7	Augusta Sportswear	Manufacturing
8	Lowe's	Retail
9	Bi-Lo	Retail
10	Fort Gordon	Military
11	Downtown Grovetown	Government / Services / Retail
12	The Gateway Shopping District	Retail / Services
13	Downtown Augusta	Government / Services / Retail

Conclusion

Total employment in the MSA has been on an upward trend since at least 1990 and currently sits at 572,248 as of March 2013. Employment seems to have begun recovering and is currently trending upward year to date, but overall employment in the MSA is still slightly lower than it was in 2008. This discrepancy is less than one percent, however, and if the upward trend continues the MSA should see employment levels above pre-recession levels in the near future.

Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.2 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US, but the rate of recovery currently outpaces the national average slightly. The significant proportion of employers in the PMA in the healthcare industry brings highly skilled employees with relatively high pay, while the heavy presence of manufacturing jobs brings relatively lower-skilled employees with lower pay.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

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

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

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

2. AFFORDABILITY

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

3. DEMAND

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated in the following tables.

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2015, the anticipated date of market entry, as the base year for the analysis. Therefore, 2012 household population estimates are inflated to 2015 by interpolation of the difference between 2012 estimates and 2017 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2015. This number takes the overall growth from 2012 to 2017 and applies it to its respective income cohorts by percentage.

This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

Demand for existing households is estimated by summing three sources of potential tenants. The first source (2a.) is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using CHAS data based on appropriate income levels.

The second source (2b.) is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source (2c.) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

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

3C. SECONDARY MARKET AREA

Per the 2013 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. OTHER

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2011 to the present.

ADDITIONS TO SUPPLY

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2011 and 2012.
- Vacancies in projects placed in service prior to 2011 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market in 2011 or 2012. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Horizon Senior Village, Grovetown, GA; Market Study

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

There have been no age-restricted LIHTC properties that have been or will be built since 2011 in the PMA; therefore, no units have been removed from the demand analysis.

PMA OCCUPANCY

Per DCA's guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the total competitive units in the PMA.

PMA OCCUPANCY

Name	Distance to Subject Site	Type	Occupancy	Included/ Excluded	Reason for Exclusion
Eagle Pointe Apartments	1.2 miles	Market - Family	99.0%	Included	N/Ap
Sterlington Apartments	1.7 miles	Market - Family	100.0%	Included	N/Ap
Sycamore Place Apartments	1.7 miles	Market - Family	98.1%	Included	N/Ap
Westwood Club	11.7 miles	LIHTC - Family	99.2%	Included	N/Ap
Wedgewood Park	12.6 miles	LIHTC - Family	98.5%	Included	N/Ap
Woodlake Club	10.3 miles	LIHTC - Family	97.9%	Included	N/Ap
Magnolia Trace	13.6 miles	LIHTC - Family	100.0%	Excluded	Unit mix not comparable (3 & 4BR units only)
Harlem Oaks Apartments	9.1 miles	RD - Family	100.0%	Excluded	Tenancy and rent structure not comparable
Southside Villas	8.5 miles	RD - Family	85.0%	Excluded	Tenancy and rent structure not comparable
Independent Living Horizons Thirteen	7.5 miles	Section 8 - Disabled	N/Av	Excluded	Rent Subsidized
Mt Zion Apartments	9.3 miles	Section 8 - Family	N/Av	Excluded	Rent Subsidized
Villa Marie Apartments	11.0 miles	Section 8 - Family	98.6%	Excluded	Rent Subsidized
Bradford Pointe	7.4 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Walden Glen	6.3 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Ridge Crossing	5.2 miles	Market - Family	91.0%	Excluded	Other properties considered more comparable
The Haven at Reed Creek	7.0 miles	Market - Family	90.5%	Excluded	Other properties considered more comparable
Avalon Apartments	6.8 miles	Market - Family	94.3%	Excluded	Other properties considered more comparable
Ansley at Town Center	7.4 miles	Market - Family	91.0%	Excluded	Other properties considered more comparable
Blue Ridge Commons	12.1 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
The Park at Flowing Wells	6.3 miles	Market - Family	88.0%	Excluded	Other properties considered more comparable
Shenandoah Ridge	7.9 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Pinnacle Place Apartments	13.3 miles	Market - Family	96.0%	Excluded	Other properties considered more comparable
Oakview Place	13 miles	Market - Family	96.0%	Excluded	Other properties considered more comparable
Average Occupancy			95.5%		

As illustrated, occupancy rates in the market range from 85 to 100 percent, averaging 95.5 percent. With the exception of two properties, all of the properties in the market area for which information was available, reported occupancy rates of 90 percent and above.

Rehab Developments and PBRA

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

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total

Horizon Senior Village, Grovetown, GA; Market Study

units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

Capture Rates

The above calculations and derived capture rates are illustrated in the following tables.

Renter Household Income Distribution 2012 to Projected Market Entry June 2015						
Horizon Senior Village						
PMA						
	2012		Projected Mkt Entry June 2015		Percent	
	#	%	#	%	Growth	
\$0-9,999	371	9.0%	402	8.7%	7.7%	
\$10,000-19,999	776	18.8%	837	18.2%	7.3%	
\$20,000-29,999	534	12.9%	595	12.9%	10.2%	
\$30,000-39,999	484	11.7%	530	11.5%	8.7%	
\$40,000-49,999	322	7.8%	349	7.6%	7.8%	
\$50,000-59,999	371	9.0%	415	9.0%	10.5%	
\$60,000-74,999	307	7.4%	339	7.4%	9.4%	
\$75,000-99,999	436	10.5%	488	10.6%	10.7%	
\$100,000-124,999	239	5.8%	282	6.1%	15.1%	
\$125,000-149,999	96	2.3%	114	2.5%	16.3%	
\$150,000-199,999	83	2.0%	99	2.1%	16.1%	
\$200,000+	120	2.9%	145	3.1%	17.2%	
Total	4,140	100.0%	4,595	100.0%	9.9%	

Renter Household Income Distribution Projected Market Entry June 2015				
Horizon Senior Village				
PMA				
	Projected Mkt Entry June 2015		Change 2012 to Prj Mkt Entry June 2015	
	#	%	#	%
\$0-9,999	402	8.7%	40	0.9%
\$10,000-19,999	837	18.2%	83	1.9%
\$20,000-29,999	595	12.9%	59	1.4%
\$30,000-39,999	530	11.5%	53	1.2%
\$40,000-49,999	349	7.6%	35	0.8%
\$50,000-59,999	415	9.0%	41	1.0%
\$60,000-74,999	339	7.4%	34	0.8%
\$75,000-99,999	488	10.6%	48	1.0%
\$100,000-124,999	282	6.1%	28	0.6%
\$125,000-149,999	114	2.5%	11	0.3%
\$150,000-199,999	99	2.1%	10	0.2%
\$200,000+	145	3.1%	14	0.3%
Total	4,595	100.0%	455	10.1%

Tenure Prj Mkt Entry June 2015	
Renter	13.9%
Owner	86.1%
Total	100.0%

Renter Household Size for Prj Mkt Entry June 2015		
Size	Number	Percentage
1 Person	2,307	50.2%
2 Person	1,224	26.6%
3 Person	479	10.4%
4 Person	298	6.5%
5+ Person	286	6.2%
Total	4,595	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	3,378	25.6%
2 Person	3,301	25.0%
3 Person	2,460	18.6%
4 Person	2,271	17.2%
5+ Person	1,795	13.6%
Total	13,205	100.0%

Horizon Senior Village, Grovetown, GA; Market Study

50% AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50%		
Minimum Income Limit			\$15,990		
Maximum Income Limit			\$22,750		
	New Renter Households - Total Change in Households PMA 2012 to Pjg Mrkt Entry June 2015				2
Income Category			Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	39.83	8.7%		0.0%	0
\$10,000-19,999	83.00	18.2%	4,009	40.1%	33
\$20,000-29,999	58.94	12.9%	2,750	27.5%	16
\$30,000-39,999	52.50	11.5%		0.0%	0
\$40,000-49,999	34.63	7.6%		0.0%	0
\$50,000-59,999	41.08	9.0%		0.0%	0
\$60,000-74,999	33.61	7.4%		0.0%	0
\$75,000-99,999	48.37	10.6%		0.0%	0
\$100,000-124,999	27.97	6.1%		0.0%	0
\$125,000-149,999	11.35	2.5%		0.0%	0
\$150,000-199,999	9.79	2.1%		0.0%	0
\$200,000+	14.33	3.1%		0.0%	0
	455	100.0%			49
Percent of renter households within limits versus total number of renter households					10.87%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50%		
Minimum Income Limit			\$15,990		
Maximum Income Limit			\$22,750		
	Total Renter Households PMA Pjg Mrkt Entry June 2015				2
Income Category			Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	402	8.7%	\$0	0%	0
\$10,000-19,999	837	18.2%	4009	40%	336
\$20,000-29,999	595	12.9%	2750	28%	164
\$30,000-39,999	530	11.5%	\$0	0%	0
\$40,000-49,999	349	7.6%	\$0	0%	0
\$50,000-59,999	415	9.0%	\$0	0%	0
\$60,000-74,999	339	7.4%	\$0	0%	0
\$75,000-99,999	488	10.6%	\$0	0%	0
\$100,000-124,999	282	6.1%	\$0	0%	0
\$125,000-149,999	114	2.5%	\$0	0%	0
\$150,000-199,999	99	2.1%	\$0	0%	0
\$200,000+	145	3.1%	\$0	0%	0
	4,595	100.0%			499
Percent of renter households within limits versus total number of renter households					10.87%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Pjg Mrkt Entry June 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$47,961
\$58,423
\$10,462
21.8%
3.6%
3.6%
\$22,750
\$22,750
2
50%
\$533
\$533.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

Horizon Senior Village, Grovetown, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry June 2015

Income Target Population		50%
New Renter Households PMA		455
Percent Income Qualified		10.9%
New Renter Income Qualified Households		49

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2012

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		4,595
Income Qualified		10.9%
Income Qualified Renter Households		499
Percent Rent Overburdened Prj Mrkt Entry June 2015		40.0%
Rent Overburdened Households		200

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		499
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		2

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		28402
Rural Versus Urban	0.02%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		207
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		207
Total New Demand		49
Total Demand (New Plus Existing Households)		256

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

By Bedroom Demand

One Person	50.2%	129
Two Persons	26.6%	68
Three Persons	10.4%	27
Four Persons	6.5%	17
Five Persons	6.2%	16
Total	100.0%	256

Horizon Senior Village, Grovetown, GA; Market Study

To place Person Demand into Bedroom Type Units		
Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
<hr/>		
Of one-person households in 1BR units	70%	90
Of two-person households in 1BR units	20%	14
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
<hr/>		
Of one-person households in 2BR units	30%	39
Of two-person households in 2BR units	80%	55
Of three-person households in 2BR units	60%	16
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
<hr/>		
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	11
Of four-person households in 3BR units	80%	13
Of five-person households in 3BR units	70%	11
<hr/>		
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	3
Of five-person households in 4BR units	30%	5
<hr/>		
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<hr/>		
Total Demand		256
Check		OK
<hr/>		
Total Demand by Bedroom		50%
1 BR		104
2 BR		93
Total Demand		197
<hr/>		
Additions To Supply 2012 to Prj Mrkt Entry June 2015		50%
1 BR		0
2 BR		0
Total		0
<hr/>		
Net Demand		50%
1 BR		104
2 BR		93
Total		197
<hr/>		
Developer's Unit Mix		50%
1 BR		6
2 BR		9
Total		15
<hr/>		
Capture Rate Analysis		50%
1 BR		5.8%
2 BR		9.7%
Total		7.6%

Horizon Senior Village, Grovetown, GA; Market Study

60%AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%			
Minimum Income Limit		\$18,030			
Maximum Income Limit		\$27,300		2	
Income Category	New Renter Households - Total Change in Households PMA 2012 to Prj Mkt Entry June 2015		Renter Households within Bracket		Percent within Cohort
	Income Brackets	Households	Income Brackets	Households	
\$0-9,999	39.83	8.7%		0	0.0%
\$10,000-19,999	83.00	18.2%	1,969	16	19.7%
\$20,000-29,999	58.94	12.9%	7,300	43	73.0%
\$30,000-39,999	52.50	11.5%		0	0.0%
\$40,000-49,999	34.63	7.6%		0	0.0%
\$50,000-59,999	41.08	9.0%		0	0.0%
\$60,000-74,999	33.61	7.4%		0	0.0%
\$75,000-99,999	48.37	10.6%		0	0.0%
\$100,000-124,999	27.97	6.1%		0	0.0%
\$125,000-149,999	11.35	2.5%		0	0.0%
\$150,000-199,999	9.79	2.1%		0	0.0%
\$200,000+	14.33	3.1%		0	0.0%
	455	100.0%			
Percent of renter households within limits versus total number of renter households					13.04%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%			
Minimum Income Limit		\$18,030			
Maximum Income Limit		\$27,300		2	
Income Category	Total Renter Households PMA Prj Mkt Entry June 2015		Households within Bracket		Percent within Cohort
	Income Brackets	Households	Income Brackets	Households	
\$0-9,999	402	8.7%	\$0	0	0%
\$10,000-19,999	837	18.2%	1969	165	20%
\$20,000-29,999	595	12.9%	7300	434	73%
\$30,000-39,999	530	11.5%	\$0	0	0%
\$40,000-49,999	349	7.6%	\$0	0	0%
\$50,000-59,999	415	9.0%	\$0	0	0%
\$60,000-74,999	339	7.4%	\$0	0	0%
\$75,000-99,999	488	10.6%	\$0	0	0%
\$100,000-124,999	282	6.1%	\$0	0	0%
\$125,000-149,999	114	2.5%	\$0	0	0%
\$150,000-199,999	99	2.1%	\$0	0	0%
\$200,000+	145	3.1%	\$0	0	0%
	4,595	100.0%			
Percent of renter households within limits versus total number of renter households					13.04%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Prj Mkt Entry July 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$47,961
\$58,423
\$10,462
21.8%
3.6%
3.6%
Two year adjustment
1,0000
\$27,300
\$27,300
\$2
60%
\$601
\$601.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

Horizon Senior Village, Grovetown, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry June 2015

Income Target Population		60%
New Renter Households PMA		455
Percent Income Qualified		13.0%
New Renter Income Qualified Households		59

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2012

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		4,595
Income Qualified		13.0%
Income Qualified Renter Households		599
Percent Rent Overburdened Prj Mrkt Entry June 2015		40.0%
Rent Overburdened Households		240

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		599
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		2

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		28402
Rural Versus Urban	0.02%	
Senior Demand Converting from Homeownership		6

Total Demand

Total Demand from Existing Households		248
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		248
Total New Demand		59
Total Demand (New Plus Existing Households)		307

Demand from Seniors Who Convert from Homeownership

Percent of Total Demand From Homeownership Conversion

Is this Demand Over 2 percent of Total Demand?

6
2.0%
No

By Bedroom Demand

One Person	50.2%	154
Two Persons	26.6%	82
Three Persons	10.4%	32
Four Persons	6.5%	20
Five Persons	6.2%	19
Total	100.0%	307

Horizon Senior Village, Grovetown, GA; Market Study

To place Person Demand into Bedroom Type Units		
Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
<hr/>		
Of one-person households in 1BR units	70%	108
Of two-person households in 1BR units	20%	16
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
<hr/>		
Of one-person households in 2BR units	30%	46
Of two-person households in 2BR units	80%	65
Of three-person households in 2BR units	60%	19
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
<hr/>		
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	13
Of four-person households in 3BR units	80%	16
Of five-person households in 3BR units	70%	13
<hr/>		
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	4
Of five-person households in 4BR units	30%	6
<hr/>		
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
Total Demand		307
Check		OK
Total Demand by Bedroom		60%
1 BR		124
2 BR		112
Total Demand		236
Additions To Supply 2012 to Prj Mrkt Entry June 2015		60%
1 BR		0
2 BR		0
Total		0
Net Demand		60%
1 BR		124
2 BR		112
Total		236
Developer's Unit Mix		60%
1 BR		21
2 BR		32
Total		53
Capture Rate Analysis		60%
1 BR		16.9%
2 BR		28.7%
Total		22.5%

Overall

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall			
Minimum Income Limit			\$15,990		2	
Maximum Income Limit			\$27,300			
Income Category	New Renter Households - Total Change in Households PMA 2012 to Prj Mrkt Entry June 2015		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	\$0-9,999	39.83				8.7%
\$10,000-19,999	83.00	18.2%	4,009	40.1%	33	
\$20,000-29,999	58.94	12.9%	7,300	73.0%	43	
\$30,000-39,999	52.50	11.5%		0.0%	0	
\$40,000-49,999	34.63	7.6%		0.0%	0	
\$50,000-59,999	41.08	9.0%		0.0%	0	
\$60,000-74,999	33.61	7.4%		0.0%	0	
\$75,000-99,999	48.37	10.6%		0.0%	0	
\$100,000-124,999	27.97	6.1%		0.0%	0	
\$125,000-149,999	11.35	2.5%		0.0%	0	
\$150,000-199,999	9.79	2.1%		0.0%	0	
\$200,000+	14.33	3.1%		0.0%	0	
455			100.0%		76	
Percent of renter households within limits versus total number of renter households					16.76%	

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall			
Minimum Income Limit			\$15,990		2	
Maximum Income Limit			\$27,300			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2015		Income Brackets	Percent within Cohort	Households within Bracket	
	\$0-9,999	402				8.7%
\$10,000-19,999	837	18.2%	4009	40%	336	
\$20,000-29,999	595	12.9%	7300	73%	434	
\$30,000-39,999	530	11.5%	\$0	0%	0	
\$40,000-49,999	349	7.6%	\$0	0%	0	
\$50,000-59,999	415	9.0%	\$0	0%	0	
\$60,000-74,999	339	7.4%	\$0	0%	0	
\$75,000-99,999	488	10.6%	\$0	0%	0	
\$100,000-124,999	282	6.1%	\$0	0%	0	
\$125,000-149,999	114	2.5%	\$0	0%	0	
\$150,000-199,999	99	2.1%	\$0	0%	0	
\$200,000+	145	3.1%	\$0	0%	0	
4,595			100.0%		770	
Percent of renter households within limits versus total number of renter households					16.76%	

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Prj Mrkt Entry June 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$47,961
\$58,423
\$10,462
21.8%
3.6%
3.6%
Two year adjustment
1.0000
\$27,300
\$27,300
2
Overall
\$533
\$533.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

Horizon Senior Village, Grovetown, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry June 2015

Income Target Population		Overall
New Renter Households PMA		455
Percent Income Qualified		16.8%
New Renter Income Qualified Households		76

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2012

Demand form Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		4,595
Income Qualified		16.8%
Income Qualified Renter Households		770
Percent Rent Overburdened Prj Mrkt Entry June 2015		40.0%
Rent Overburdened Households		308

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		770
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		3

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		28402
Rural Versus Urban	0.03%	
Senior Demand Converting from Homeownership		8

Total Demand

Total Demand from Existing Households		319
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		319
Total New Demand		76
Total Demand (New Plus Existing Households)		395

Demand from Seniors Who Convert from Homeownership		8
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	50.2%	198
Two Persons	26.6%	105
Three Persons	10.4%	41
Four Persons	6.5%	26
Five Persons	6.2%	25
Total	100.0%	395

Horizon Senior Village, Grovetown, GA; Market Study

To place Person Demand into Bedroom Type Units		
Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
<hr/>		
Of one-person households in 1BR units	70%	139
Of two-person households in 1BR units	20%	21
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
<hr/>		
Of one-person households in 2BR units	30%	59
Of two-person households in 2BR units	80%	84
Of three-person households in 2BR units	60%	25
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
<hr/>		
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	16
Of four-person households in 3BR units	80%	21
Of five-person households in 3BR units	70%	17
<hr/>		
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	5
Of five-person households in 4BR units	30%	7
<hr/>		
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<hr/>		
Total Demand		395
Check		OK
<hr/>		
Total Demand by Bedroom		Overall
1 BR		160
2 BR		144
Total Demand		304
<hr/>		
Additions To Supply 2012 to Prj Mrkt Entry June 2015		Overall
1 BR		0
2 BR		0
Total		0
<hr/>		
Net Demand		Overall
1 BR		160
2 BR		144
Total		304
<hr/>		
Developer's Unit Mix		Overall
1 BR		27
2 BR		41
Total		68
<hr/>		
Capture Rate Analysis		Overall
1 BR		16.9%
2 BR		28.5%
Total		22.4%

Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of senior households in the PMA is expected to increase 4.9 percent between 2012 and 2015.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50% AMI	\$15,990 - \$22,750	6	104	0	5.8%	5 - 6 months	\$462	\$306	\$369
2BR at 50% AMI	\$15,990 - \$22,750	9	93	0	9.7%	5 - 6 months	\$546	\$424	\$432
50% AMI Overall	\$15,990 - \$22,750	15	197	0	7.6%	5 - 6 months	-	-	-
1BR at 60% AMI	\$18,570 - \$27,300	21	124	0	16.9%	5 - 6 months	\$486	\$304	\$437
2BR at 60% AMI	\$18,570 - \$27,300	32	112	0	28.7%	5 - 6 months	\$577	\$424	\$521
60% AMI Overall	\$18,570 - \$27,300	53	236	0	22.5%	5 - 6 months	-	-	-
1BR Overall	\$15,990 - \$27,300	27	160	0	16.9%	5 - 6 months	-	-	-
2BR Overall	\$15,990 - \$27,300	41	144	0	28.5%	5 - 6 months	-	-	-
Overall	\$15,990 - \$27,300	68	304	0	22.4%	5 - 6 months	-	-	-

Demand and Net Demand

	HH at 50% AMI (\$15,990 - \$22,750)	HH at 60% AMI (\$18,570 - \$27,300)	All Tax Credit Households (\$15,990 - \$27,300)
Demand from New Households (age and income appropriate)	49	59	76
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	2	2	3
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	200	240	308
PLUS	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0
Sub Total	251	301	387
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	5	6	8
Equals Total Demand	256	307	395
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0
Equals Net Demand	256	307	395

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 5.8 to 9.7 percent, with an overall capture rate of 7.6 percent. The Subject's 60 percent AMI capture rates range from 16.9 to 28.7 percent, with an overall capture rate of 22.5 percent. The overall capture rate for the project's 50 and 60 percent units is 22.4 percent. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,299 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered adequate. There are four LIHTC family properties located within the PMA. Of these, three offer comparable unit types (one- and two-bedroom units) to that proposed at the Subject. The fourth, Magnolia Trace, is the most recent addition to the LIHTC housing stock in the PMA, but offers only three- and four-bedroom single-family homes and is therefore not considered comparable to the proposed Subject due to its differing targeted tenancy and unit mix. Although there are no senior LIHTC properties in the PMA, we have included four senior LIHTC properties from neighboring Augusta and believe these properties to be comparable to the proposed Subject. Overall, LIHTC data is considered adequate. We have also included all three traditional market rate developments located within Grovetown and all three of these offer both of the unit types proposed at the Subject and all three reported at least some senior tenants. Therefore, we consider the availability of market data to be adequate.

General Market Overview/Included/Excluded Properties

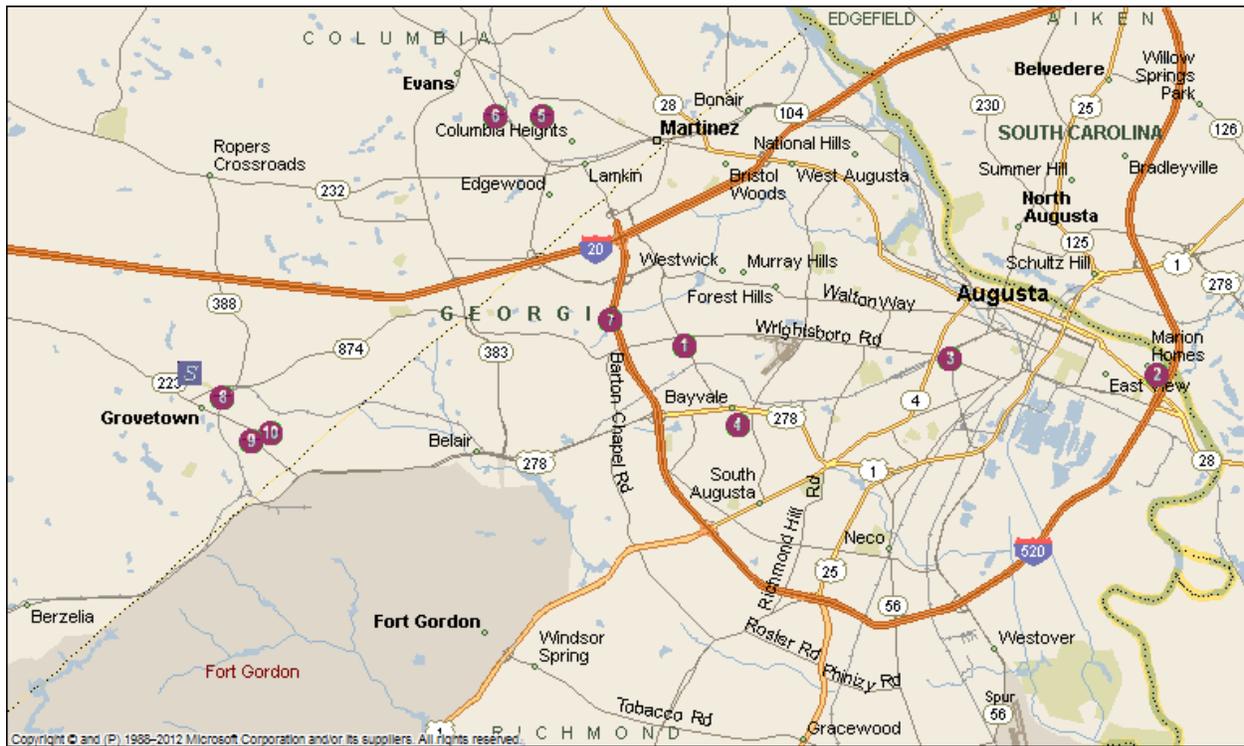
The following table illustrates properties that are within the PMA or a similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

GENERAL MARKET OVERVIEW

Name	Distance to Subject Site	Type	Occupancy	Included/ Excluded	Reason for Exclusion
Eagle Pointe Apartments	1.2 miles	Market - Family	99.0%	Included	N/Ap
Sterlington Apartments	1.7 miles	Market - Family	100.0%	Included	N/Ap
Sycamore Place Apartments	1.7 miles	Market - Family	98.1%	Included	N/Ap
Westwood Club	11.7 miles	LIHTC - Family	99.2%	Included	N/Ap
Wedgewood Park	12.6 miles	LIHTC - Family	98.5%	Included	N/Ap
Woodlake Club	10.3 miles	LIHTC - Family	97.9%	Included	N/Ap
Magnolia Trace	13.6 miles	LIHTC - Family	100.0%	Excluded	Unit mix not comparable (3 & 4BR units only)
Harlem Oaks Apartments	9.1 miles	RD - Family	100.0%	Excluded	Tenancy and rent structure not comparable
Southside Villas	8.5 miles	RD - Family	85.0%	Excluded	Tenancy and rent structure not comparable
Independent Living Horizons Thirteen	7.5 miles	Section 8 - Disabled	N/Av	Excluded	Rent Subsidized
Mt Zion Apartments	9.3 miles	Section 8 - Family	N/Av	Excluded	Rent Subsidized
Villa Marie Apartments	11.0 miles	Section 8 - Family	98.6%	Excluded	Rent Subsidized
Bradford Pointe	7.4 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Walden Glen	6.3 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Ridge Crossing	5.2 miles	Market - Family	91.0%	Excluded	Other properties considered more comparable
The Haven at Reed Creek	7.0 miles	Market - Family	90.5%	Excluded	Other properties considered more comparable
Avalon Apartments	6.8 miles	Market - Family	94.3%	Excluded	Other properties considered more comparable
Ansley at Town Center	7.4 miles	Market - Family	91.0%	Excluded	Other properties considered more comparable
Blue Ridge Commons	12.1 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
The Park at Flowing Wells	6.3 miles	Market - Family	88.0%	Excluded	Other properties considered more comparable
Shenandoah Ridge	7.9 miles	Market - Family	N/Av	Excluded	Other properties considered more comparable
Pinnacle Place Apartments	13.3 miles	Market - Family	96.0%	Excluded	Other properties considered more comparable
Oakview Place	13 miles	Market - Family	96.0%	Excluded	Other properties considered more comparable
Average Occupancy			95.5%		

As illustrated, occupancy rates in the market range from 85 to 100 percent, averaging 95.5 percent. With the exception of two properties, all of the properties in the market area for which information was available, reported occupancy rates of 90 percent and above.

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Tenancy	In PMA?	Distance
1	Augusta Spring Apartments	Augusta	LIHTC / Home	Senior	No	10.7 miles
2	Legacy At Walton Oaks	Augusta	LIHTC / PHA / PBRA	Senior	No	20.8 miles
3	Linden Square	Augusta	LIHTC / Market	Senior	No	17.2 miles
4	Terraces At Edinburgh	Augusta	LIHTC	Senior	No	10.5 miles
5	Wedgewood Park Apartments	Martinez	LIHTC	Family	Yes	12.6 miles
6	Westwood Club Apartments	Evans	LIHTC	Family	Yes	11.7 miles
7	Woodlake Club Apartments	Augusta	LIHTC	Family	Yes	10.3 miles
8	Eagle Pointe Apartments	Grovetown	Market	Family	Yes	1.2 miles
9	Sterlington Apartments	Grovetown	Market	Family	Yes	1.7 miles
10	Sycamore Place Apartments	Grovetown	Market	Family	Yes	1.7 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate										
Subject	Horizon Senior Village Wrightshoresh Rd & Northrup Place Grovetown, GA 30813 Columbia County	n/a	One-story (age-restricted) 2015 / n/a	LIHTC/HOME	1BR / 1BA	6	8.80%	@50%	\$369	700	yes		N/A	N/A										
					1BR / 1BA	21	30.90%	@60%	\$437	700	no		N/A	N/A										
					2BR / 2BA	9	13.20%	@50%	\$432	900	yes		N/A	N/A										
					2BR / 2BA	32	47.10%	@60%	\$521	900	no		N/A	N/A										
					68	100%							N/A	N/A										
1	Augusta Spring Apartments 1730 Sibley Road Augusta, GA 30909 Richmond County	10.7 miles	One-story (age-restricted) 1996 and 2002 / n/a	LIHTC/HOME	1BR / 1BA	4	2.00%	@50%	\$379	660	yes	Yes	0	0.00%										
					1BR / 1BA	36	18.00%	@50%	\$379	660	yes	Yes	1	2.80%										
					1BR / 1BA	6	3.00%	@60%	\$488	660	yes	Yes	1	16.70%										
					1BR / 1BA	54	27.00%	@60%	\$416	660	no	Yes	0	0.00%										
					2BR / 1BA	37	18.50%	@50%	\$398	840	yes	Yes	1	2.70%										
					2BR / 1BA	4	2.00%	@50%	\$441	840	no	Yes	0	0.00%										
					2BR / 1BA	53	26.50%	@60%	\$518	840	yes	Yes	1	1.90%										
					2BR / 1BA	6	3.00%	@60%	\$441	840	no	Yes	0	0.00%										
										200	100%							4	2.00%					
										11	14.70%	PHA	N/A	800	no	Yes	0	0.00%						
2	Legacy At Walton Oaks 602 Fairhope St Augusta, GA 30901 Richmond County	20.8 miles	Garden (age-restricted) 2011 / n/a	PHA, @60%, PBRA	1BR / 1BA	10	13.30%	@60%	\$536	800	yes	No	0	0.00%										
					1BR / 1BA	24	32.00%	PBRA	N/A	800	no	Yes	0	0.00%										
					2BR / 2BA	1	1.30%	PHA	N/A	1,150	no	Yes	0	0.00%										
					2BR / 2BA	27	36.00%	@60%	\$646	1,150	yes	No	3	11.10%										
					2BR / 2BA	2	2.70%	PBRA	N/A	1,150	no	Yes	0	0.00%										
										75	100%							3	4.00%					
										14	29.20%	@50%	\$388	663	yes	Yes	0	0.00%						
					3	Linden Square 1425 Lee Beard Way Augusta, GA 30901 Richmond County	17.2 miles	Lowrise (age-restricted) 2003 / n/a	LIHTC / Market	1BR / 1BA	14	29.20%	@60%	\$441	663	yes	Yes	0	0.00%					
										1BR / 1BA	14	29.20%	@60%	\$441	663	yes	Yes	0	0.00%					
										1BR / 1BA	8	16.70%	Market	\$471	663	yes	Yes	0	0.00%					
2BR / 1BA	6	12.50%	@50%	\$471						890	yes	Yes	0	0.00%										
2BR / 1BA	4	8.30%	@60%	\$526						890	yes	Yes	0	0.00%										
2BR / 1BA	2	4.20%	Market	\$561						890	yes	Yes	0	0.00%										
										48	100%							0	0.00%					
										7	9.70%	@50%	\$378	891	yes	Yes	0	0.00%						
4	Terraces At Edinburgh 3265 Milledgeville Road Augusta, GA 30909 Richmond County	10.5 miles	One-story (age-restricted) 2010 / n/a	LIHTC						1BR / 1BA	11	15.30%	@60%	\$485	891	yes	Yes	0	0.00%					
										1BR / 1BA	22	30.60%	@50%	\$444	1,103	yes	Yes	0	0.00%					
					2BR / 2BA	32	44.40%	@60%	\$552	1,103	yes	Yes	0	0.00%										
										72	100%							0	0.00%					
										36	18.00%	@60%	\$466	794	no	5 HH - closed	0	0.00%						
					5	Wedgewood Park Apartments 473 Old Evans Road Martinez, GA 30907 Columbia County	12.6 miles	Garden (2 stories) 2000 / n/a	LIHTC	1BR / 1BA	24	24.00%	@60%	\$551	1,119	no	5 HH - closed	1	0.90%					
										3BR / 2BA	48	24.00%	@60%	\$623	1,320	no	5 HH - closed	2	4.20%					
															200	100%							3	1.50%
															44	18.30%	@60%	\$495	822	yes	2 HH	0	0.00%	
										6	Westwood Club Apartments 650 Throughbred Lane Evans, GA 30809 Columbia County	11.7 miles	Garden (3 stories) 2003 / n/a	LIHTC	1BR / 1BA	108	45.00%	@60%	\$588	1,086	yes	No	1	0.90%
3BR / 2BA	64	26.70%	@60%	\$659											1,209	yes	4 HH	0	0.00%					
4BR / 2BA	24	10.00%	@60%	\$708											1,460	yes	1 HH	1	4.20%					
															240	100%							2	0.80%
															44	22.90%	@60%	\$495	822	yes	No	0	0.00%	
7	Woodlake Club Apartments 1020 Amli Way Augusta, GA 30909 Richmond County	10.3 miles	Garden (3 stories) 2003 / n/a	LIHTC											2BR / 2BA	84	43.80%	@60%	\$588	1,090	yes	No	1	1.20%
					3BR / 2BA	40	20.80%	@60%	\$659						1,200	yes	No	3	7.50%					
					4BR / 3BA	24	12.50%	@60%	\$708						1,400	yes	No	0	0.00%					
															192	100%							4	2.10%
															36	37.50%	Market	\$381	600	n/a	Yes	0	0.00%	
					8	Eagle Pointe Apartments 100 Whiskey Road Grovetown, GA 30813 Columbia County	1.2 miles	Garden (2 stories) 1988 / n/a	Market	2BR / 1.5BA	32	33.30%	Market	\$501	975	n/a	Yes	1	3.10%					
										2BR / 2BA	12	12.50%	Market	\$501	975	n/a	Yes	0	0.00%					
										3BR / 2BA	16	16.70%	Market	\$583	1,130	n/a	Yes	0	0.00%					
															96	100%							1	1.00%
															N/A	N/A	Market	\$655	725	n/a	17 HH	0	N/A	
9	Sterling Apartments 205 Woodward Drive Grovetown, GA 30813 Columbia County	1.7 miles	Various 2012 / n/a	Market						1BR / 1BA (Garden)	N/A	N/A	Market	\$685	725	n/a	17 HH	0	N/A					
										1BR / 1BA (Garden)	N/A	N/A	Market	\$815	1,064	n/a	17 HH	0	N/A					
										2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$765	985	n/a	17 HH	0	N/A					
										2BR / 2BA (Garden)	N/A	N/A	Market	\$795	985	n/a	17 HH	0	N/A					
										2BR / 2BA (Garden)	N/A	N/A	Market	\$865	1,092	n/a	17 HH	0	N/A					
										122	100%							0	0.00%					
										N/A	N/A	Market	\$426	715	n/a	No	0	N/A						
					10	Sycamore Place Apartments 507 East Robinson Avenue Grovetown, GA 30813 Columbia County	1.7 miles	Garden (2 stories) 1986/2007 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$446	715	n/a	No	0	N/A					
										1BR / 1BA	N/A	N/A	Market	\$511	1,015	n/a	No	0	N/A					
										2BR / 1BA	N/A	N/A	Market	\$531	1,015	n/a	No	1	N/A					
										54	100%							1	1.90%					

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

Effective Rent Date:	Jun-13	Units Surveyed:	1,299	Weighted Occupancy:	98.60%
		Market Rate	272	Market Rate	99.30%
		Tax Credit	1,027	Tax Credit	98.40%

One Bedroom One Bath

Two Bedrooms Two Bath

	Property	Average	Property	Average	Property	Average	
RENT	Sterlington Apartments	\$685	Sterlington Apartments	\$865			
	Sterlington Apartments	\$655	Sterlington Apartments	\$795			
	Legacy At Walton Oaks * (60%)	\$536	Sterlington Apartments	\$765			
	Westwood Club Apartments * (60%)	\$495	Legacy At Walton Oaks * (60%)	\$646			
	Woodlake Club Apartments * (60%)	\$495	Westwood Club Apartments * (1BA 60%)	\$588			
	Augusta Spring Apartments * (60%)	\$488	Woodlake Club Apartments * (60%)	\$588			
	Terraces At Edinburg * (60%)	\$485	Linden Square * (1BA M)	\$561			
	Linden Square * (M)	\$471	Terraces At Edinburg * (60%)	\$552			
	Wedgewood Park Apartments * (60%)	\$466	Wedgewood Park Apartments * (60%)	\$551			
	Sycamore Place Apartments	\$446	Sycamore Place Apartments (1BA)	\$531			
	Linden Square * (60%)	\$441	Linden Square * (1BA 60%)	\$526			
	Horizon Senior Village * (60%)	\$437	Horizon Senior Village * (60%)	\$521			
	Sycamore Place Apartments	\$426	Augusta Spring Apartments * (1BA 60%)	\$518			
	Augusta Spring Apartments * (60%)	\$416	Sycamore Place Apartments (1BA)	\$511			
	Linden Square * (50%)	\$398	Eagle Pointe Apartments	\$501			
	Eagle Pointe Apartments	\$381	Linden Square * (1BA 50%)	\$471			
	Augusta Spring Apartments * (50%)	\$379	Terraces At Edinburg * (50%)	\$444			
	Augusta Spring Apartments * (50%)	\$379	Augusta Spring Apartments * (1BA 50%)	\$441			
	Terraces At Edinburg * (50%)	\$378	Augusta Spring Apartments * (1BA 60%)	\$441			
	Horizon Senior Village * (50%)	\$369	Horizon Senior Village * (50%)	\$432			
			Augusta Spring Apartments * (1BA 50%)	\$398			
	SQUARE FOOTAGE	Terraces At Edinburg * (50%)	891	Legacy At Walton Oaks * (60%)	1,150		
		Terraces At Edinburg * (60%)	891	Wedgewood Park Apartments * (60%)	1,119		
Westwood Club Apartments * (60%)		822	Terraces At Edinburg * (50%)	1,103			
Woodlake Club Apartments * (60%)		822	Terraces At Edinburg * (60%)	1,103			
Legacy At Walton Oaks * (60%)		800	Sterlington Apartments	1,092			
Wedgewood Park Apartments * (60%)		794	Woodlake Club Apartments * (60%)	1,090			
Sterlington Apartments		725	Westwood Club Apartments * (1BA 60%)	1,086			
Sterlington Apartments		725	Sycamore Place Apartments (1BA)	1,015			
Sycamore Place Apartments		715	Sycamore Place Apartments (1BA)	1,015			
Sycamore Place Apartments		715	Sterlington Apartments	985			
Horizon Senior Village * (50%)		700	Sterlington Apartments	985			
Horizon Senior Village * (60%)		700	Eagle Pointe Apartments	975			
Linden Square * (50%)		663	Horizon Senior Village * (50%)	900			
Linden Square * (60%)		663	Horizon Senior Village * (60%)	900			
Linden Square * (M)		663	Linden Square * (1BA 50%)	890			
Augusta Spring Apartments * (50%)		660	Linden Square * (1BA 60%)	890			
Augusta Spring Apartments * (50%)		660	Linden Square * (1BA M)	890			
Augusta Spring Apartments * (60%)		660	Augusta Spring Apartments * (1BA 50%)	840			
Augusta Spring Apartments * (60%)		660	Augusta Spring Apartments * (1BA 50%)	840			
Eagle Pointe Apartments		600	Augusta Spring Apartments * (1BA 60%)	840			
			Augusta Spring Apartments * (1BA 60%)	840			
RENT PER SQUARE FOOT		Sterlington Apartments	\$0.94	Sterlington Apartments	\$0.81		
		Sterlington Apartments	\$0.90	Sterlington Apartments	\$0.79		
	Augusta Spring Apartments * (60%)	\$0.74	Sterlington Apartments	\$0.78			
	Linden Square * (M)	\$0.71	Linden Square * (1BA M)	\$0.63			
	Legacy At Walton Oaks * (60%)	\$0.67	Augusta Spring Apartments * (1BA 60%)	\$0.62			
	Linden Square * (60%)	\$0.67	Linden Square * (1BA 60%)	\$0.59			
	Eagle Pointe Apartments	\$0.64	Horizon Senior Village * (60%)	\$0.58			
	Augusta Spring Apartments * (60%)	\$0.63	Legacy At Walton Oaks * (60%)	\$0.56			
	Horizon Senior Village * (60%)	\$0.62	Westwood Club Apartments * (1BA 60%)	\$0.54			
	Sycamore Place Apartments	\$0.62	Woodlake Club Apartments * (60%)	\$0.54			
	Westwood Club Apartments * (60%)	\$0.60	Linden Square * (1BA 50%)	\$0.53			
	Woodlake Club Apartments * (60%)	\$0.60	Augusta Spring Apartments * (1BA 50%)	\$0.52			
	Linden Square * (50%)	\$0.60	Augusta Spring Apartments * (1BA 60%)	\$0.52			
	Sycamore Place Apartments	\$0.60	Sycamore Place Apartments (1BA)	\$0.52			
	Wedgewood Park Apartments * (60%)	\$0.59	Eagle Pointe Apartments	\$0.51			
	Augusta Spring Apartments * (50%)	\$0.57	Sycamore Place Apartments (1BA)	\$0.50			
	Augusta Spring Apartments * (50%)	\$0.57	Terraces At Edinburg * (60%)	\$0.50			
	Terraces At Edinburg * (60%)	\$0.54	Wedgewood Park Apartments * (60%)	\$0.49			
	Horizon Senior Village * (50%)	\$0.53	Horizon Senior Village * (50%)	\$0.48			
	Terraces At Edinburg * (50%)	\$0.42	Augusta Spring Apartments * (1BA 50%)	\$0.47			
			Terraces At Edinburg * (50%)	\$0.40			

PROPERTY PROFILE REPORT

Augusta Spring Apartments

Effective Rent Date 2/22/2013

Location 1730 Sibley Road
Augusta, GA 30909
Richmond County
Intersection: Sibley Rd and Woodcrest Dr

Distance 10.7 miles

Units 200

Vacant Units 4

Vacancy Rate 2.0%

Type One-story (age-restricted)

Year Built/Renovated 1996 and 2002 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Terrace at Edinburgh, Walton Ridge, Walton Terrace

Tenant Characteristics Seniors ages 62 and over; Avg age 70; Majority from within Waynesboro; Some from N Augusta and out-of-state

Contact Name Nicole

Phone 706-733-9200



Market Information

Program @50%, @50% (HOME), @60%, @60%

Annual Turnover Rate 12%

Units/Month Absorbed 8

HCV Tenants 25%

Leasing Pace Pre-leased

Annual Chg. in Rent Slightly increased

Concession \$99 first month's rent for two-bedroom

Utilities

A/C included -- central

Cooking included -- electric

Water Heat included -- electric

Heat included -- electric

Other Electric included

Water included

Sewer included

Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	4	660	\$543	\$0	@50%	Yes	0	0.0%	yes	None
1	1	One-story	36	660	\$543	\$0	@50% (HOME)	Yes	1	2.8%	yes	None
1	1	One-story	6	660	\$652	\$0	@60%	Yes	1	16.7%	yes	None
1	1	One-story	54	660	\$580	\$0	@60% (HOME)	Yes	0	0.0%	no	None
2	1	One-story	37	840	\$652	\$46	@50%	Yes	1	2.7%	yes	None
2	1	One-story	4	840	\$649	\$0	@50% (HOME)	Yes	0	0.0%	no	None
2	1	One-story	53	840	\$783	\$57	@60%	Yes	1	1.9%	yes	None
2	1	One-story	6	840	\$649	\$0	@60% (HOME)	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / IBA	\$543	\$0	\$543	-\$164	\$379	1BR / IBA	\$580 - \$652	\$0	\$580 - \$652	-\$164	\$416 - \$488
2BR / IBA	\$649 - \$652	\$0 - \$46	\$606 - \$649	-\$208	\$398 - \$441	2BR / IBA	\$649 - \$783	\$0 - \$57	\$649 - \$726	-\$208	\$441 - \$518

Augusta Spring Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Oven
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Hand Rails
Pull Cords
Trash Compactor

Security

Patrol

Services

None

Property

Clubhouse/Meeting
Exercise Facility
Off-Street Parking

Courtyard
Central Laundry
On-Site Management

Premium

None

Other

None

Comments

All of the property's vacant units are pre-leased and tenants will move in on March 1, 2013. The property maintains a waiting list that is four to six months in length. The contact indicated that the majority of income-restricted properties in the area have waiting lists that are equivalent or one to two years in length. In general, demand for senior housing in the local area is strong, particularly for market rate properties. The property manager noted that the property has to turn down applicants due to the income restrictions and if the applicants are voucher holders, they typically qualify and desire the one-bedroom units at the 50 percent AMI level. However, the 50 percent AMI level units are rarely open and there are only 40 units at the property.

The contact also noted that the property's inclusion of utilities in the rent provides a competitive advantage. Management lost approximately four tenants to the Edinburgh development when the project delivered as it offered lower rental rates. However, its rents do not include utilities. Thus, the property manager indicated that the gross rent at Edinburgh is not significantly less than at Augusta Spring.

Lastly, the property was constructed in two phases and Phase 1 was financed with both tax credits and HOME. The Phase 1 rents for one-bedroom and two-bedroom units at 60 percent are significantly below the maximum allowable. According to the property manager, the maximum rent is \$616 for the one-bedroom and \$692 for the two-bedroom. Phase 2 was financed with tax credits and only those units have a dishwasher and washer/dryer hookups.

Augusta Spring Apartments, continued

Trend Report

Vacancy Rates

1Q09	3Q09	2Q10	1Q13
0.5%	0.0%	0.5%	2.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$505	\$0	\$505	\$341
2009	3	N/A	\$505 - \$515	\$0	\$505 - \$515	\$341 - \$351
2010	2	N/A	\$520	\$0	\$520	\$356
2013	1	2.5%	\$543	\$0	\$543	\$379

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$595 - \$605	\$0	\$595 - \$605	\$387 - \$397
2009	3	N/A	\$595 - \$615	\$0	\$595 - \$615	\$387 - \$407
2010	2	N/A	\$614 - \$625	\$0	\$614 - \$625	\$406 - \$417
2013	1	2.4%	\$649 - \$652	\$0 - \$46	\$606 - \$649	\$398 - \$441

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$531 - \$580	\$0	\$531 - \$580	\$367 - \$416
2009	3	N/A	\$531 - \$590	\$0	\$531 - \$590	\$367 - \$426
2010	2	N/A	\$558 - \$624	\$0	\$558 - \$624	\$394 - \$460
2013	1	1.7%	\$580 - \$652	\$0	\$580 - \$652	\$416 - \$488

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$595 - \$680	\$0	\$595 - \$680	\$387 - \$472
2009	3	N/A	\$595 - \$690	\$0	\$595 - \$690	\$387 - \$482
2010	2	N/A	\$635 - \$707	\$0	\$635 - \$707	\$427 - \$499
2013	1	1.7%	\$649 - \$783	\$0 - \$57	\$649 - \$726	\$441 - \$518

Trend: Comments

- 1Q09** The contact reported that rents are set at the maximum allowable but there are different rents for units set at the same AMI level because the property consists of two phases. While the contact could not estimate the number of seniors that are previous homeowners, the contact indicated that property's occupancy is not affected by prospective tenants having difficulty selling their homes prior to moving. The contact reported that senior tenants could afford a \$20 rent increase so long as it is spread out among two years. Tenants have indicated that they will have to move if (gross) rents are increased to more than \$700 because they are only earning approximately \$980 per month in income.
- 3Q09** Management reported that there is a need for additional age restricted LIHTC units in the market. Management further noted that there is demand for both 50 and 60 percent AMI units.
- 2Q10** The property contact said that demand remains strong for senior housing in the Augusta market. The property maintains a wait list that averages six months for all unit types.
- 1Q13** All of the property's vacant units are pre-leased and tenants will move in on March 1, 2013. The property maintains a waiting list that is four to six months in length. The contact indicated that the majority of income-restricted properties in the area have waiting lists that are equivalent or one to two years in length. In general, demand for senior housing in the local area is strong, particularly for market rate properties. The property manager noted that the property has to turn down applicants due to the income restrictions and if the applicants are voucher holders, they typically qualify and desire the one-bedroom units at the 50 percent AMI level. However, the 50 percent AMI level units are rarely open and there are only 40 units at the property.
- The contact also noted that the property's inclusion of utilities in the rent provides a competitive advantage. Management lost approximately four tenants to the Edinburgh development when the project delivered as it offered lower rental rates. However, its rents do not include utilities. Thus, the property manager indicated that the gross rent at Edinburgh is not significantly less than at Augusta Spring.
- Lastly, the property was constructed in two phases and Phase 1 was financed with both tax credits and HOME. The Phase 1 rents for one-bedroom and two-bedroom units at 60 percent are significantly below the maximum allowable. According to the property manager, the maximum rent is \$616 for the one-bedroom and \$692 for the two-bedroom. Phase 2 was financed with tax credits and only those units have a dishwasher and washer/dryer hookups.

PROPERTY PROFILE REPORT

Legacy At Walton Oaks

Effective Rent Date	5/17/2013
Location	602 Fairhope St Augusta, GA 30901 Richmond County
Distance	20.8 miles
Units	75
Vacant Units	3
Vacancy Rate	4.0%
Type	Garden (age-restricted)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Linden Square, Bon Air, Richmond Summit
Tenant Characteristics	Seniors ages 55 and older (HFOP)
Contact Name	Property Manager
Phone	(706) 993-1271



Market Information

Program	@50% (ACC), @60%, PBRA
Annual Turnover Rate	8%
Units/Month Absorbed	12-24 (estimate)
HCV Tenants	0%
Leasing Pace	1-3 weeks
Annual Chg. in Rent	Increased
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	11	800	N/A	\$0	@50% (ACC)	Yes	0	0.0%	no	None
1	1	Garden	10	800	\$536	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden	24	800	N/A	\$0	PBRA	Yes	0	0.0%	no	None
2	2	Garden	1	1,150	N/A	\$0	@50% (ACC)	Yes	0	0.0%	no	None
2	2	Garden	27	1,150	\$646	\$0	@60%	No	3	11.1%	yes	None
2	2	Garden	2	1,150	N/A	\$0	PBRA	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	N/A	\$0	N/A	\$0	N/A	1BR / 1BA	\$536	\$0	\$536	\$0	\$536
2BR / 2BA	N/A	\$0	N/A	\$0	N/A	2BR / 2BA	\$646	\$0	\$646	\$0	\$646
PBRA	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	N/A	\$0	N/A	\$0	N/A						
2BR / 2BA	N/A	\$0	N/A	\$0	N/A						

Legacy At Walton Oaks, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Dishwasher
Garbage Disposal
Microwave
Pull Cords
Walk-In Closet

Blinds
Carpeting
Coat Closet
Ceiling Fan
Hand Rails
Oven
Refrigerator
Washer/Dryer hookup

Security

Intercom (Buzzer)
Limited Access
Perimeter Fencing

Services

Adult Education
Shuttle Service

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
Neighborhood Network
On-Site Management
Recreation Areas

Clubhouse/Meeting
Elevators
Central Laundry
Off-Street Parking
Picnic Area
Service Coordination

Premium

Medical Professional

Other

None

Comments

The property manager reported that the property typically maintains a high occupancy rate and that vacant units typically lease within one week with the exception of corner units, which are more difficult to lease. Management does not accept Housing Choice Vouchers as the property offers project-based subsidy. This property is one phase of the Walton Oaks development. Walton Oaks I is a family LIHTC property and Walton Oaks II is another family phase that is projected to break ground in September 2013. The contact estimated the absorption period and indicated that the property stabilized rapidly.

Legacy At Walton Oaks, continued

Trend Report

Vacancy Rates

2Q10	3Q10	2Q13
N/A	N/A	4.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$400	\$0	\$400	\$400
2010	3	N/A	\$400	\$0	\$400	\$400
2013	2	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$576	\$0	\$576	\$576
2010	3	N/A	\$576	\$0	\$576	\$576
2013	2	0.0%	N/A	\$0	N/A	N/A

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$445	\$0	\$445	\$445
2010	3	N/A	\$445	\$0	\$445	\$445
2013	2	0.0%	\$536	\$0	\$536	\$536

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$525	\$0	\$525	\$525
2010	3	N/A	\$525	\$0	\$525	\$525
2013	2	11.1%	\$646	\$0	\$646	\$646

Trend: PBRA

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$520	\$0	\$520	\$520
2010	3	N/A	\$520	\$0	\$520	\$520
2013	2	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$625	\$0	\$625	\$625
2010	3	N/A	\$625	\$0	\$625	\$625
2013	2	0.0%	N/A	\$0	N/A	N/A

Trend: Comments

- 2Q10** Legacy at Walton Oaks is a proposed senior (55+) housing community to be located in Augusta, Georgia. The project as proposed will include 12 units of replacement public housing, as well as 26 units of project-based rental assistance. The property when complete will provide a range of support services to residents, such as shuttle transportation, field trips and continuing education.
- 3Q10** Legacy at Walton Oaks is a proposed senior (55+) housing community to be located in Augusta, Georgia. The project as proposed will include 12 units of replacement public housing, as well as 26 units with project-based Section 8 rental assistance and 37 units of LIHTC housing. The property when complete will provide a range of support services to residents, such as shuttle transportation, scheduled trips and continuing education.
- 2Q13** The property manager reported that the property typically maintains a high occupancy rate and that vacant units typically lease within one week with the exception of corner units, which are more difficult to lease. Management does not accept Housing Choice Vouchers as the property offers project-based subsidy. This property is one phase of the Walton Oaks development. Walton Oaks I is a family LIHTC property and Walton Oaks II is another family phase that is projected to break ground in September 2013. The contact estimated the absorption period and indicated that the property stabilized rapidly.

PROPERTY PROFILE REPORT

Linden Square

Effective Rent Date	5/20/2013
Location	1425 Lee Beard Way Augusta, GA 30901 Richmond County
Distance	17.2 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Augusta Spring, Maxwell House
Tenant Characteristics	20% employed; Majority from Augusta or out-of-state moving to be with family; Avg age is 62; None from N Augusta
Contact Name	Alice Wells
Phone	(706) 722-0017



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	20%
Units/Month Absorbed	3
HCV Tenants	16%
Leasing Pace	Immediate
Annual Chg. in Rent	+6-8%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	14	663	\$457	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise (2 stories)	14	663	\$500	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (2 stories)	8	663	\$530	\$0	Market	Yes	0	0.0%	yes	None
2	1	Lowrise (2 stories)	6	890	\$545	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Lowrise (2 stories)	4	890	\$600	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Lowrise (2 stories)	2	890	\$635	\$0	Market	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$457	\$0	\$457	-\$59	\$398	1BR / 1BA	\$500	\$0	\$500	-\$59	\$441
2BR / 1BA	\$545	\$0	\$545	-\$74	\$471	2BR / 1BA	\$600	\$0	\$600	-\$74	\$526
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$530	\$0	\$530	-\$59	\$471						
2BR / 1BA	\$635	\$0	\$635	-\$74	\$561						

Linden Square, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Pull Cords
Walk-In Closet

Blinds
Central A/C
Dishwasher
Oven
Refrigerator
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Business Center/Computer Lab
Elevators
Central Laundry
On-Site Management

Clubhouse/Meeting
Exercise Facility
Off-Street Parking

Premium

None

Other

Hair salon, shuffleboard

Comments

The property manager reported that there is a waiting list and currently there are eight-section 8 tenants.

Linden Square, continued

Trend Report

Vacancy Rates

3Q09	1Q10	2Q10	2Q13
0.0%	0.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$405	\$0	\$405	\$346
2010	1	0.0%	\$425	\$0	\$425	\$366
2010	2	0.0%	\$425	\$0	\$425	\$366
2013	2	0.0%	\$457	\$0	\$457	\$398

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$475	\$0	\$475	\$401
2010	1	0.0%	\$500	\$0	\$500	\$426
2010	2	0.0%	\$500	\$0	\$500	\$426
2013	2	0.0%	\$545	\$0	\$545	\$471

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$445	\$0	\$445	\$386
2010	1	0.0%	\$470	\$0	\$470	\$411
2010	2	0.0%	\$470	\$0	\$470	\$411
2013	2	0.0%	\$500	\$0	\$500	\$441

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$555	\$0	\$555	\$481
2010	1	0.0%	\$575	\$0	\$575	\$501
2010	2	0.0%	\$575	\$0	\$575	\$501
2013	2	0.0%	\$600	\$0	\$600	\$526

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$505	\$0	\$505	\$446
2010	1	0.0%	\$515	\$0	\$515	\$456
2010	2	0.0%	\$515	\$0	\$515	\$456
2013	2	0.0%	\$530	\$0	\$530	\$471

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$605	\$0	\$605	\$531
2010	1	0.0%	\$620	\$0	\$620	\$546
2010	2	0.0%	\$620	\$0	\$620	\$546
2013	2	0.0%	\$635	\$0	\$635	\$561

Trend: Comments

- 3Q09** Management reported that the senior LIHTC market is strong and there is a need for additional age restricted LIHTC units in the area.
- 1Q10** The contact reported 19 households on the current waiting list. She noted strong demand for senior housing in the area and did not know of any independent senior living properties in the Augusta area.
- 2Q10** The contact reported 20 households on the current waiting list. She noted strong demand for affordable senior housing in the area. The name of the street the property was formerly known as Linden Street prior to its renaming as Lee Beard Way.
- 2Q13** The property manager reported that there is a waiting list and currently there are eight-section 8 tenants.

PROPERTY PROFILE REPORT

Terraces At Edinburgh

Effective Rent Date 2/22/2013

Location 3265 Milledgeville Road
Augusta, GA 30909
Richmond County
Intersection: Milledgeville Rd and Bayvale Rd

Distance 10.5 miles

Units 72

Vacant Units 0

Vacancy Rate 0.0%

Type One-story (age-restricted)

Year Built/Renovated 2010 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Augusta Spring Apartments

Tenant Characteristics Seniors aged 55 years or older, primarily from the local Augusta area.

Contact Name Cheryl

Phone 706-504-9114



Market Information

Program @50%, @60%

Annual Turnover Rate 7%

Units/Month Absorbed 24

HCV Tenants 25%

Leasing Pace Pre-leased

Annual Chg. in Rent See comments

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water not included

Sewer not included

Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	7	891	\$378	\$0	@50%	Yes	0	0.0%	yes	None
1	1	One-story	11	891	\$485	\$0	@60%	Yes	0	0.0%	yes	None
2	2	One-story	22	1,103	\$444	\$0	@50%	Yes	0	0.0%	yes	None
2	2	One-story	32	1,103	\$552	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$378	\$0	\$378	\$0	\$378	1BR / 1BA	\$485	\$0	\$485	\$0	\$485
2BR / 2BA	\$444	\$0	\$444	\$0	\$444	2BR / 2BA	\$552	\$0	\$552	\$0	\$552

Terraces At Edinburgh, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Hand Rails
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Oven
Vaulted Ceilings

Security

None

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Non-shelter Services
On-Site Management

Clubhouse/Meeting
Central Laundry
Off-Street Parking

Premium

None

Other

Covered pavillion, gardens,

Comments

The property maintains a waiting list of over 100 households; however, only five households have paid application fees. The application fee is \$50. The property manager indicated that the need for affordable housing in the area is strong, particularly for senior developments that are restricted to individuals 55 years of age or older. The contact noted that the majority of the traffic at the property are tenants aged 57 to 62. Thus, the property manager indicated that absorption and occupancy levels would be stronger for a development restricted at 55 years of age, rather than 62.

In terms of year-over-year rent changes, the rents for the one-bedroom units at 60 percent AMI increased 0.2 percent; however, the rents for the one-bedroom units at 50 percent AMI did not change. The two-bedroom rents for the units restricted at the 50 and 60 percent AMI decreased 0.2 percent. The property is financed through the ARRA tax credit program.

Lastly, all of the units have a washer/dryer hookup and only the one-bedroom units have vaulted ceilings. Storage space is available on the patio.

Terraces At Edinburgh, continued

Trend Report

Vacancy Rates

2Q08	1Q13
N/A	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$373	\$0	\$373	\$373
2013	1	0.0%	\$378	\$0	\$378	\$378

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$440	\$0	\$440	\$440
2013	1	0.0%	\$444	\$0	\$444	\$444

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$447	\$0	\$447	\$447
2013	1	0.0%	\$485	\$0	\$485	\$485

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$483	\$0	\$483	\$483
2013	1	0.0%	\$552	\$0	\$552	\$552

Trend: Comments

2Q08 This is a Subject property.

1Q13 The property maintains a waiting list of over 100 households; however, only five households have paid application fees. The application fee is \$50. The property manager indicated that the need for affordable housing in the area is strong, particularly for senior developments that are restricted to individuals 55 years of age or older. The contact noted that the majority of the traffic at the property are tenants aged 57 to 62. Thus, the property manager indicated that absorption and occupancy levels would be stronger for a development restricted at 55 years of age, rather than 62.

In terms of year-over-year rent changes, the rents for the one-bedroom units at 60 percent AMI increased 0.2 percent; however, the rents for the one-bedroom units at 50 percent AMI did not change. The two-bedroom rents for the units restricted at the 50 and 60 percent AMI decreased 0.2 percent. The property is financed through the ARRA tax credit program.

Lastly, all of the units have a washer/dryer hookup and only the one-bedroom units have vaulted ceilings. Storage space is available on the patio.

PROPERTY PROFILE REPORT

Wedgewood Park Apartments

Effective Rent Date 6/06/2013

Location 473 Old Evans Road
Martinez, GA 30907
Columbia County

Distance 12.6 miles

Units 200

Vacant Units 3

Vacancy Rate 1.5%

Type Garden (3 stories)

Year Built/Renovated 2000 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Westwood Club, Woodlake Club

Tenant Characteristics Families, seniors, and young professionals;
65%+ Columbia County, rest from Richmond
County or out of state.

Contact Name Cynthia

Phone 706.228.5014



Market Information

Program @60%

Annual Turnover Rate 30%

Units/Month Absorbed N/A

HCV Tenants 20%

Leasing Pace Preleased to a couple of days

Annual Chg. in Rent Increased 2%

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water included

Sewer included

Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	36	794	\$525	\$0	@60%	5 HH -	0	0.0%	no	None
2	2	Garden (3 stories)	116	1,119	\$625	\$0	@60%	5 HH -	1	0.9%	no	None
3	2	Garden (3 stories)	48	1,320	\$715	\$0	@60%	5 HH -	2	4.2%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$525	\$0	\$525	-\$59	\$466
2BR / 2BA	\$625	\$0	\$625	-\$74	\$551
3BR / 2BA	\$715	\$0	\$715	-\$92	\$623

Wedgewood Park Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Oven
Washer/Dryer hookup

Carpeting
Coat Closet
Garbage Disposal
Refrigerator

Security

Limited Access

Services

None

Property

Basketball Court
Central Laundry
On-Site Management
Swimming Pool

Exercise Facility
Off-Street Parking
Playground

Premium

None

Other

None

Comments

Management indicated that unlike many of their competitors, the rents at this LIHTC property are below the maximum allowable so that the units can be eligible for the Housing Choice Voucher program. Management indicated that higher rents could be achieved, but it could come at the expense of voucher tenants and/or could result in higher turnover. The property manager has been at the property since it opened and reported that with the exception of early 2013, the property has never been less than 95 percent occupied. Management attributed the above average vacancy of the first quarter of 2013 to two things: first, the opening of a new LIHTC property, Magnolia Trace, which offers three- and four-bedroom single-family homes and second, to the closure of several nearby key employers including KMart, Krispy Kreme, and KFC.

Tenants are from a wide range of places including, throughout Columbia County, neighboring Richmond County, and from all across the U.S. The wide range was attributed to the property's proximity to Fort Gordon. The majority of the tenants are families, seniors, or military personnel. Management indicated that the majority of the downstairs units are occupied by seniors and there is presently a waiting list for ground level units. Management indicated that there is significant demand in Columbia County for senior LIHTC housing and that if a senior LIHTC property were to open, it would likely fill very quickly. Tenants would likely originate not only from Columbia County, but also from out of state as members of the military look to relocate his/her elderly parents to be closer to them and they themselves are stationed at Fort Gordon. Management indicated that she receives weekly inquiries from people looking for affordable, senior rental units. Management recommended a mix of one- and two-bedroom units and indicated that a second bedroom is sometimes needed for grandchildren/visitors or the storage of needed medical equipment, particularly if the one-bedroom units are small in size. A single-story design was also reported to be ideal.

Wedgewood Park Apartments, continued

Trend Report

Vacancy Rates

4Q06	2Q07	2Q10	2Q13
0.5%	0.5%	1.5%	1.5%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	2.8%	\$465	\$0	\$465	\$406
2007	2	0.0%	\$477	\$0	\$477	\$418
2010	2	0.0%	\$499	\$0	\$499	\$440
2013	2	0.0%	\$525	\$0	\$525	\$466

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	0.0%	\$555	\$0	\$555	\$481
2007	2	0.9%	\$567	\$0	\$567	\$493
2010	2	0.9%	\$599	\$0	\$599	\$525
2013	2	0.9%	\$625	\$0	\$625	\$551

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	0.0%	\$620	\$0	\$620	\$528
2007	2	0.0%	\$620	\$0	\$620	\$528
2010	2	4.2%	\$699	\$0	\$699	\$607
2013	2	4.2%	\$715	\$0	\$715	\$623

Wedgewood Park Apartments, continued

Trend: Comments

- 4Q06** All rents have remained the same since the last interview in September. The property only has one vacant unit; however, management stated that there is no waiting list. There was a rent increase of \$5, or one percent, on all units in April 2006. Management stated that rents are currently at the maximum allowable level. Management estimated that approximately 22 percent of tenants are using Section 8 vouchers. According to management, demand for tax credit units in the area is high and the property has stayed between 97 and 100 percent occupied since January 2006.
- 2Q07** Management no longer keeps a waiting list because according to the contact, the waiting list became too long. Rents increased in February 2007 by \$12 for one- and two-bedroom units and by \$25 for three-bedroom units. However, since our last interview in November 2006, rents for the three-bedroom units have increased by \$35. Management stated that finding a qualified tenant is a problem. Turnover has decreased since November 2006.
- 2Q10** The property is 100 percent leased and typically maintains a high occupancy rate. Demand for one-bedroom units is the highest but there is demand for three- and four-bedroom units from families that move to Columbia County for the reportedly desirable school system. Tenants are attracted to Wedgewood Park Apartments due to the low rents, size of the apartments, and large closets. The downfall of living in the area is the lack of public transportation. Demand is also high in the area among elderly households and employees of telephone and wireless companies (job transfers) and Wal-Mart.
- 2Q13** Management indicated that unlike many of their competitors, the rents at this LIHTC property are below the maximum allowable so that the units can be eligible for the Housing Choice Voucher program. Management indicated that higher rents could be achieved, but it could come at the expense of voucher tenants and/or could result in higher turnover. The property manager has been at the property since it opened and reported that with the exception of early 2013, the property has never been less than 95 percent occupied. Management attributed the above average vacancy of the first quarter of 2013 to two things: first, the opening of a new LIHTC property, Magnolia Trace, which offers three- and four-bedroom single-family homes and second, to the closure of several nearby key employers including KMart, Krispy Kreme, and KFC.
- Tenants are from a wide range of places including, throughout Columbia County, neighboring Richmond County, and from all across the U.S. The wide range was attributed to the property's proximity to Fort Gordon. The majority of the tenants are families, seniors, or military personnel. Management indicated that the majority of the downstairs units are occupied by seniors and there is presently a waiting list for ground level units. Management indicated that there is significant demand in Columbia County for senior LIHTC housing and that if a senior LIHTC property were to open, it would likely fill very quickly. Tenants would likely originate not only from Columbia County, but also from out of state as members of the military look to relocate his/her elderly parents to be closer to them and they themselves are stationed at Fort Gordon. Management indicated that she receives weekly inquiries from people looking for affordable, senior rental units. Management recommended a mix of one- and two-bedroom units and indicated that a second bedroom is sometimes needed for grandchildren/visitors or the storage of needed medical equipment, particularly if the one-bedroom units are small in size. A single-story design was also reported to be ideal.

PROPERTY PROFILE REPORT

Westwood Club Apartments

Effective Rent Date 6/07/2013
Location 650 Throughbred Lane
 Evans, GA 30809
 Columbia County
Distance 11.7 miles
Units 240
Vacant Units 2
Vacancy Rate 0.8%
Type Garden (3 stories)
Year Built/Renovated 2003 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Wedgewood
Tenant Characteristics Mostly families from local area; some from Columbia County and Grovetown in particular
Contact Name Chasidy
Phone 706-869-9111



Market Information

Program @60%
Annual Turnover Rate 40%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Pre-leased
Annual Chg. in Rent Decrease of 0.5% due to change in AMGI
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	44	822	\$554	\$0	@60%	2 HH	0	0.0%	yes	None
2	1	Garden (3 stories)	108	1,086	\$662	\$0	@60%	No	1	0.9%	yes	None
3	2	Garden (3 stories)	64	1,209	\$751	\$0	@60%	4 HH	0	0.0%	yes	None
4	2	Garden (3 stories)	24	1,460	\$822	\$0	@60%	1 HH	1	4.2%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$554	\$0	\$554	-\$59	\$495
2BR / 1BA	\$662	\$0	\$662	-\$74	\$588
3BR / 2BA	\$751	\$0	\$751	-\$92	\$659
4BR / 2BA	\$822	\$0	\$822	-\$114	\$708

Westwood Club Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Oven
Walk-In Closet

Blinds
Central A/C
Ceiling Fan
Refrigerator
Washer/Dryer hookup

Security

Limited Access
Perimeter Fencing

Services

Afterschool Program

Property

Business Center/Computer Lab
Clubhouse/Meeting
Central Laundry
On-Site Management
Playground
Volleyball Court

Car Wash
Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

Management indicated that the rents are set at the maximum allowable levels and the recent minimal rent decrease was attributed to this. Both vacancies are currently pre-leased which management indicated was typical for the property. Management would not comment tenant characteristics, but did state that there are both families and seniors at the development. Management also noted that while most are from the local area, because there are no LIHTC properties, or comparable market rate developments, in the Grovetown market, the property does market to that area.

Westwood Club Apartments, continued

Trend Report

Vacancy Rates

2Q07	2Q08	2Q10	2Q13
1.3%	1.3%	0.0%	0.8%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	2	2.3%	\$504	\$0	\$504	\$445
2008	2	4.5%	\$530	\$0	\$530	\$471
2010	2	0.0%	\$540	\$0	\$540	\$481
2013	2	0.0%	\$554	\$0	\$554	\$495

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	2	0.9%	\$594	\$0	\$594	\$520
2008	2	0.0%	\$635	\$0	\$635	\$561
2010	2	0.0%	\$648	\$0	\$648	\$574
2013	2	0.9%	\$662	\$0	\$662	\$588

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	2	1.6%	\$679	\$0	\$679	\$587
2008	2	1.6%	\$724	\$0	\$724	\$632
2010	2	0.0%	\$739	\$0	\$739	\$647
2013	2	0.0%	\$751	\$0	\$751	\$659

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	2	0.0%	\$743	\$0	\$743	\$629
2008	2	0.0%	\$798	\$0	\$798	\$684
2010	2	N/A	\$813	\$0	\$813	\$699
2013	2	4.2%	\$822	\$0	\$822	\$708

Trend: Comments

- 2Q07** Management reported that there are three vacancies but none of them are four-bedroom units. The contact commented that it is rare for the property to have vacancies. The property has a combined waiting list that currently has approximately 15 households on it. Management could not report on turnover because according to the contact, turnover is calculated by the corporate office. The move-in special reduces the normal expense, \$520, to \$99, which includes security deposit, gate card fee, apartment preparation fee, application fee, and holding fees. The contact reported that none of the units are market rate. Rents decreased by two to three percent since September 2006 but management could not explain why because according to the contact, rents normally increase by five to six dollars each year.
- 2Q08** The contact reported that the majority of units are pre-leased. Rents increased May 1, 2008. Prior reports show that only trash collection is included in the rent but currently, water, sewer, and trash collection services are included. The contact estimated that approximately 80 percent of prospective tenants are income overqualified and that tenants do not use Housing Choice Vouchers because the rents are too high for voucher use.
- 2Q10** Management reported that two- and three-bedroom units are in the highest demand and the property maintains a short waiting list of four to five households. Demand for larger bedroom types in the area has increased in part due to the housing crisis because households have been downsizing from single-family homes. Rents increased by two percent in May 2009 and management does not believe tenants can afford a higher rent.
- 2Q13** Management indicated that the rents are set at the maximum allowable levels and the recent minimal rent decrease was attributed to this. Both vacancies are currently pre-leased which management indicated was typical for the property. Management would not comment tenant characteristics, but did state that there are both families and seniors at the development. Management also noted that while most are from the local area, because there are no LIHTC properties, or comparable market rate developments, in the Grovetown market, the property does market to that area.

PROPERTY PROFILE REPORT

Woodlake Club Apartments

Effective Rent Date 6/06/2013
Location 1020 Amli Way
 Augusta, GA 30909
 Richmond County
Distance 10.3 miles
Units 192
Vacant Units 4
Vacancy Rate 2.1%
Type Garden (3 stories)
Year Built/Renovated 2003 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None Identified
Tenant Characteristics Mixed tenancy
Contact Name Devon
Phone (706) 210-0057



Market Information

Program @60%
Annual Turnover Rate 31%
Units/Month Absorbed 32
HCV Tenants 0%
Leasing Pace Couple of weeks
Annual Chg. in Rent Decrease of 0.5% due to change in AMGI
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	44	822	\$554	\$0	@60%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	84	1,090	\$662	\$0	@60%	No	1	1.2%	yes	None
3	2	Garden (3 stories)	40	1,200	\$751	\$0	@60%	No	3	7.5%	yes	None
4	3	Garden (3 stories)	24	1,400	\$822	\$0	@60%	No	0	0.0%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$554	\$0	\$554	-\$59	\$495
2BR / 2BA	\$662	\$0	\$662	-\$74	\$588
3BR / 2BA	\$751	\$0	\$751	-\$92	\$659
4BR / 3BA	\$822	\$0	\$822	-\$114	\$708

Woodlake Club Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Microwave
Refrigerator

Carpeting
Dishwasher
Oven
Washer/Dryer hookup

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
On-Site Management
Swimming Pool

Clubhouse/Meeting
Off-Street Parking
Playground

Premium

None

Other

None

Comments

Management indicated that rents were recently reduced by 0.5 percent because of a change in the AMGI. The property does not have any competition in the immediate area and tenants are mostly families, but there are also some seniors at the property. Although the property does not have a waiting list, traffic is sufficient to ensure that units are generally leased within a few weeks and concessions are not necessary in order to maintain a high occupancy level. Management indicated that the rents are above the current Housing Choice Voucher payment standard for Richmond County and as a result the property does not have any Housing Choice Voucher Tenants because the housing authority will not permit tenants to rent units above the payment standard.

Woodlake Club Apartments, continued

Trend Report

Vacancy Rates

3Q09	2Q10	4Q12	2Q13
4.2%	2.6%	3.1%	2.1%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	6.8%	\$540	\$0	\$540	\$481
2010	2	0.0%	\$556	\$0	\$556	\$497
2012	4	0.0%	\$557	\$0	\$557	\$498
2013	2	0.0%	\$554	\$0	\$554	\$495

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	3.6%	\$648	\$0	\$648	\$574
2010	2	3.6%	\$664	\$0	\$664	\$590
2012	4	3.6%	\$666	\$0	\$666	\$592
2013	2	1.2%	\$662	\$0	\$662	\$588

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	5.0%	\$739	\$0	\$739	\$647
2010	2	5.0%	\$759	\$0	\$759	\$667
2012	4	5.0%	\$755	\$0	\$755	\$663
2013	2	7.5%	\$751	\$0	\$751	\$659

4BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	0.0%	\$813	\$0	\$813	\$699
2010	2	0.0%	\$813	\$0	\$813	\$699
2012	4	4.2%	\$827	\$0	\$827	\$713
2013	2	0.0%	\$822	\$0	\$822	\$708

Trend: Comments

3Q09	Contact had no additional comments.
2Q10	Rents increased \$16 per month in September 2011.
4Q12	There is currently only one voucher tenant.
2Q13	Management indicated that rents were recently reduced by 0.5 percent because of a change in the AMGI. The property does not have any competition in the immediate area and tenants are mostly families, but there are also some seniors at the property. Although the property does not have a waiting list, traffic is sufficient to ensure that units are generally leased within a few weeks and concessions are not necessary in order to maintain a high occupancy level. Management indicated that the rents are above the current Housing Choice Voucher payment standard for Richmond County and as a result the property does not have any Housing Choice Voucher Tenants because the housing authority will not permit tenants to rent units above the payment standard.

PROPERTY PROFILE REPORT

Eagle Pointe Apartments

Effective Rent Date 6/06/2013
Location 100 Whiskey Road
 Grovetown, GA 30813
 Columbia County
Distance 1.2 miles
Units 96
Vacant Units 1
Vacancy Rate 1.0%
Type Garden (2 stories)
Year Built/Renovated 1988 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Sycamore Place Apartments
Tenant Characteristics Families mostly from Grovetown and surrounding areas; a few seniors, students and military
Contact Name Kathy Greenhill
Phone 706.868.0717



Market Information

Program Market
Annual Turnover Rate 20%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Pre-leased to 2 weeks
Annual Chg. in Rent Increase of 2%
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	36	600	\$440	\$0	Market	Yes	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	32	975	\$575	\$0	Market	Yes	1	3.1%	N/A	None
2	2	Garden (2 stories)	12	975	\$575	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	1,130	\$675	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$440	\$0	\$440	-\$59	\$381
2BR / 1.5BA	\$575	\$0	\$575	-\$74	\$501
2BR / 2BA	\$575	\$0	\$575	-\$74	\$501
3BR / 2BA	\$675	\$0	\$675	-\$92	\$583

Eagle Pointe Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Oven
Washer/Dryer hookup

Carpeting
Coat Closet
Ceiling Fan
Refrigerator

Security

None

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

Eagle Pointe is typically 95 to 100 percent occupied and management indicated that there are applications pending for the one vacant unit. The property is not currently, and does not have a history of, offering any rent concessions. Turnover has been slightly higher than normal in recent years due to the economic downturn, but traffic has increased in the past three months and most vacancies have been pre-leased or leased within one to two weeks. The property no longer accepts Housing Choice Vouchers. Only two-bedroom and three-bedroom units are equipped with washer/dryer connections, the one-bedroom units do not feature this amenity. Tenants are mostly from the local area or are from surrounding rural towns looking to relocate closer, but not into, Augusta. The majority of the tenants are families but there are also a few seniors, students, and soldiers living at the property as well.

Eagle Pointe Apartments, continued

Trend Report

Vacancy Rates

4Q04	2Q05	2Q13
3.1%	0.0%	1.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$395 - \$405	\$0	\$395 - \$405	\$336 - \$346
2005	2	N/A	\$395 - \$405	\$0	\$395 - \$405	\$336 - \$346
2013	2	0.0%	\$440	\$0	\$440	\$381

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	9.4%	\$475	\$0	\$475	\$401
2005	2	0.0%	\$475	\$0	\$475	\$401
2013	2	3.1%	\$575	\$0	\$575	\$501

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	0.0%	\$515	\$0	\$515	\$441
2005	2	0.0%	\$515	\$0	\$515	\$441
2013	2	0.0%	\$575	\$0	\$575	\$501

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	0.0%	\$575	\$0	\$575	\$483
2005	2	0.0%	\$575	\$0	\$575	\$483
2013	2	0.0%	\$675	\$0	\$675	\$583

Trend: Comments

- 4Q04** The five Section 8 tenants have been living at the property for at least three years. The tenants work in the school system, John Deere factory, and four tenants are in the military. The property offers patios and washer/dryers for select units. We previously interviewed this property in April 2004. At that time, there were two vacancies for a total occupancy of 98 percent. In April, both vacancies were in one-bedroom units. Currently, both vacancies are in two-bedroom units.
- 2Q05** Eagle Pointe Apartments is currently 100% occupied. Rental rates have not changed and there are currently no concessions. The property contact indicated that there is a complex getting ready to be built next to her property. The contact also indicated that the market is stable because Fort Gordon remained open after the government had questioned shutting it down.
- 2Q13** Eagle Pointe is typically 95 to 100 percent occupied and management indicated that there are applications pending for the one vacant unit. The property is not currently, and does not have a history of, offering any rent concessions. Turnover has been slightly higher than normal in recent years due to the economic downturn, but traffic has increased in the past three months and most vacancies have been pre-leased or leased within one to two weeks. The property no longer accepts Housing Choice Vouchers. Only two-bedroom and three-bedroom units are equipped with washer/dryer connections, the one-bedroom units do not feature this amenity. Tenants are mostly from the local area or are from surrounding rural towns looking to relocate closer, but not into, Augusta. The majority of the tenants are families but there are also a few seniors, students, and soldiers living at the property as well.

PROPERTY PROFILE REPORT

Sterlington Apartments

Effective Rent Date	6/06/2013
Location	205 Woodward Drive Grovetown, GA 30813 Columbia County
Distance	1.7 miles
Units	122
Vacant Units	0
Vacancy Rate	0.0%
Type	Various
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy from both local area and out of state due to military affiliation
Contact Name	Leasing Agent
Phone	706.434.8070



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	8
HCV Tenants	0%
Leasing Pace	Pre-leased to couple of weeks
Annual Chg. in Rent	N/Ap
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	N/A	725	\$655	\$0	Market	17 HH	0	N/A	N/A	None
1	1	Garden	N/A	725	\$685	\$0	Market	17 HH	0	N/A	N/A	None
2	1.5	Townhouse	N/A	1,064	\$815	\$0	Market	17 HH	0	N/A	N/A	None
2	2	Garden	N/A	985	\$765	\$0	Market	17 HH	0	N/A	N/A	None
2	2	Garden	N/A	985	\$795	\$0	Market	17 HH	0	N/A	N/A	None
2	2	Garden	N/A	1,092	\$865	\$0	Market	17 HH	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$655 - \$685	\$0	\$655 - \$685	\$0	\$655 - \$685
2BR / 1.5BA	\$815	\$0	\$815	\$0	\$815
2BR / 2BA	\$765 - \$865	\$0	\$765 - \$865	\$0	\$765 - \$865

Sterlington Apartments, continued

Amenities

In-Unit

Balcony/Patio
Central A/C
Dishwasher
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Coat Closet
Ceiling Fan
Oven
Vaulted Ceilings

Security

None

Services

None

Property

Off-Street Parking

On-Site Management

Premium

None

Other

None

Comments

Marketing for the property began in January 2012 and pre-leasing began in February 2012. Units were leased as buildings came online. The final building was completed in early 2013 and the final lease signed in late May 2013. Assuming leasing began February 2012 and was completed by May 2013, this equates to an overall absorption pace of approximately eight units per month.

Management indicated there is a mixed tenancy originating from all over the U.S. and many of the tenants have some connection (employee/relative of employee/etc) to the military base. Management indicated that the property is one of the only newer complexes in the area and so has no real competition.

Rents at the property range depending on floorplan and level with the upstairs units achieving the higher rent and downstairs units the lower rent listed in the unit mix table. The unit mix was not available by floorplan but management was able to report that 32 of the units are one-bedroom units and 90 are two-bedroom units.

PROPERTY PROFILE REPORT

Sycamore Place Apartments

Effective Rent Date 6/06/2013
Location 507 East Robinson Avenue
 Grovetown, GA 30813
 Columbia County
Distance 1.7 miles
Units 54
Vacant Units 1
Vacancy Rate 1.9%
Type Garden (2 stories)
Year Built/Renovated 1986/2007 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None Identified
Tenant Characteristics Mostly families from the local area
Contact Name Jenkins
Phone 706.860.8416



Market Information

Program Market
Annual Turnover Rate 6%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Couple of weeks
Annual Chg. in Rent Increase of 4 to 5%
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	715	\$485	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	715	\$505	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	1,015	\$585	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	1,015	\$605	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$485 - \$505	\$0	\$485 - \$505	-\$59	\$426 - \$446
2BR / 1BA	\$585 - \$605	\$0	\$585 - \$605	-\$74	\$511 - \$531

Amenities

In-Unit

Balcony/Patio
 Carpeting
 Coat Closet
 Ceiling Fan
 Refrigerator

Blinds
 Central A/C
 Dishwasher
 Oven
 Washer/Dryer hookup

Security

None

Services

None

Property

Off-Street Parking

Premium

None

Other

None

Sycamore Place Apartments, continued

Comments

The property was built in two phases. Phase I was built in 1987 and consists of 30 one- and two-bedroom units. Phase II was built in 2007 and consists of 24 one- and two-bedroom units. The low rent for each bedroom type is for units at Phase I and the high rent for units at Phase II. The property is owned and managed by Jenkins Properties. Jenkins Properties also manages rentals at two mobile home parks in Grovetown where rents vary based on age, condition, size, and location. The rents at the mobile homes range from \$295 to \$525 per month which are considerably lower than the one- and two-bedroom rents at Sycamore Place. The property does not accept Housing Choice Vouchers.

Sycamore Place Apartments, continued

Trend Report

Vacancy Rates

4Q04	2Q13
0.0%	1.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	0.0%	\$415	\$0	\$415	\$356
2013	2	N/A	\$485 - \$505	\$0	\$485 - \$505	\$426 - \$446

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	0.0%	\$495	\$0	\$495	\$421
2013	2	N/A	\$585 - \$605	\$0	\$585 - \$605	\$511 - \$531

Trend: Comments

- 4Q04** We were not able to obtain detailed information about the property or tenants from the owner. The owner indicated he was very selective of tenants and the majority of his tenants have been living at the property for 5 or more years. In a previous interview conducted in April 2004, the manager indicated that approximately 50 percent of tenants were affiliated with the military. The manager also indicated an annual turnover rate of 50 percent and a leasing pace of one week. The property was 100 percent occupied during the previous interview. The property does not accept Section 8 vouchers and rents have not changed since the previous interview.
- 2Q13** The property was built in two phases. Phase I was built in 1987 and consists of 30 one- and two-bedroom units. Phase II was built in 2007 and consists of 24 one- and two-bedroom units. The low rent for each bedroom type is for units at Phase I and the high rent for units at Phase II. The property is owned and managed by Jenkins Properties. Jenkins Properties also manages rentals at two mobile home parks in Grovetown where rents vary based on age, condition, size, and location. The rents at the mobile homes range from \$295 to \$525 per month which are considerably lower than the one- and two-bedroom rents at Sycamore Place. The property does not accept Housing Choice Vouchers.

2. The following information is provided as required by DCA:

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Tenancy	In PMA?	Housing Choice Voucher Tenants
Augusta Spring Apartments	LIHTC / Home	Senior	No	25%
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	0%
Linden Square	LIHTC / Market	Senior	No	16%
Terraces At Edinburgh	LIHTC	Senior	No	25%
Wedgewood Park Apartments	LIHTC	Family	Yes	20%
Westwood Club Apartments	LIHTC	Family	Yes	0%
Woodlake Club Apartments	LIHTC	Family	Yes	0%
Eagle Pointe Apartments	Market	Family	Yes	0%
Sterlington Apartments	Market	Family	Yes	0%
Sycamore Place Apartments	Market	Family	Yes	0%

As illustrated in the table, four of the seven LIHTC properties reported having voucher tenants. Of the three LIHTC properties that reported no voucher tenants, two (Westwood Club and Woodlake Club) indicated that although vouchers would be accepted at the property, the rents are above the current payment standards and as a result voucher holders are not able to reside at these properties. The third (Legacy at Walton Oaks) has both public housing and project-based Section 8 units and management indicated that because of this vouchers are not accepted for the remaining LIHTC units. Of the four that reported voucher tenants, the percentage ranged from 16 to 25 percent. Of the Subject’s 68 total units, all of the 50 percent AMI units and the one-bedroom 60 percent AMI units have proposed rents below the current payment standards for Columbia County. Together, these units comprise 53 percent of the units at the Subject and voucher holders will likely to be eligible to reside in these units. Conversely, the proposed two-bedroom 60 percent AMI rent is \$46 above the payment standard. Overall, the local market does not appear to be dependent on voucher tenants.

Lease Up History

We were able to obtain absorption information from six of the comparable properties; this information is illustrated in the following table.

ABSORPTION

Property name	Type	Tenancy	In PMA?	Year Built	Number of Units	Units Absorbed / Month
Sterlington Apartments	Market	Family	Yes	2012	122	8
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	2011	75	12 to 24
Terraces At Edinburgh	LIHTC	Senior	No	2010	72	24
Linden Square	LIHTC / Market	Senior	No	2003	48	3
Woodlake Club Apartments	LIHTC	Family	Yes	2003	192	32
Augusta Spring Apartments	LIHTC / Home	Senior	No	1996 and 2002	200	8

Of the six properties that were able to report absorption information, three (Sterlington Apartments, Legacy at Walton Oaks, Terraces at Edinburgh) were built in the past three years and of these, the first is a family market rate property located in Grovetown within two miles of the

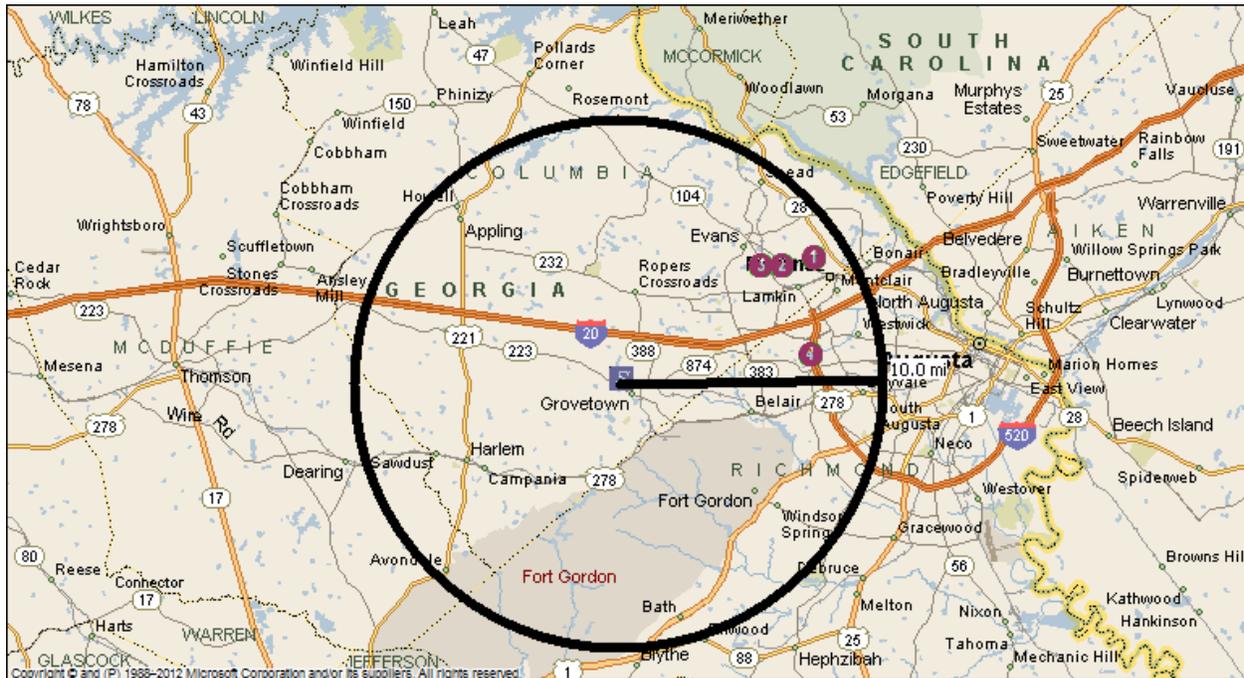
Subject site and the other two are senior LIHTC properties. Of the three built since 2010, Sterlington Apartments reported the slowest absorption pace at eight units per month. According to management at Sterlington Apartments, the property was leased as buildings were delivered; this may explain why this property experienced a slower absorption pace. This property however also has significantly higher rents than other market rate properties in Grovetown and this may also explain the slower absorption pace. The two senior LIHTC properties reported absorption rates ranging from 12 to 24 units per month.

Based on the absorption pace reported by these properties, the waiting lists at six of the seven LIHTC comparables, the waiting lists at two of the three market rate properties in Grovetown, and the strong demand for age-restricted affordable housing in Columbia County, we anticipate that the Subject will absorb 12 units per month, for an absorption period of five to six months.

Rural Areas

The Subject will be located in Grovetown, Columbia County, Georgia. Currently there are three traditional multifamily rental properties in Grovetown and all three have been included as comparable properties in this report. One of the property management companies for a traditional multifamily rental property, Sycamore Place, also manages mobile home rentals. Mobile homes range considerably in terms of achievable rents based on age, size, number of rooms, and age/condition. Mobile homes managed by the owner of Sycamore Place indicated that rents range from \$295 to \$525 per month with the lower end being for a very small two-bedroom mobile home and the latter for a four-plus-bedroom mobile home. Because of Grovetown’s proximity to Fort Gordon, there are also a large number of private single-family home rentals. Because the Subject will target seniors and offer only one- and two-bedroom units, these single-family home rentals are not expected to compete with the Subject.

3. COMPETITIVE PROJECT MAP



Horizon Senior Village, Grovetown, GA; Market Study

#	Property Name	City	Type	Tenancy	Included/Excluded	Reason for Exclusion
1	Magnolia Trace	Martinez	LIHTC	Family	Excluded	Unit mix not comparable (3 & 4BR units only)
2	Wedgewood Park Apartments	Martinez	LIHTC	Family	Included	N/Ap
3	Westwood Club Apartments	Evans	LIHTC	Family	Included	N/Ap
4	Woodlake Club Apartments	Augusta	LIHTC	Family	Included	N/Ap

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in grey, while those properties that do not offer an amenity that the Subject does offer are shaded in blue. Thus, the inferior properties can be identified by the blue and the superior properties can be identified by the grey.

AMENITY MATRIX											
Comp #	Horizon Senior Village Subject	Augusta Spring Apartments 1	Legacy At Walton Oaks 2	Linden Square 3	Terraces At Edinburgh 4	Wedgewood Park Apartments 5	Westwood Club Apartments 6	Woodlake Club Apartments 7	Eagle Pointe Apartments 8	Sterlington Apartments 9	Sycamore Place Apartments 10
Property Information											
Property Type	One-story (age-restricted)	One-story (age-restricted)	Garden (age-restricted)	Lowrise (age-restricted) (2 stories)	One-story (age-restricted)	Garden (3 stories)	Garden (3 stories)	Garden (3 stories)	Garden (2 stories)	Various	Garden (2 stories)
Year Built	2015 / n/a	1996 and 2002 / n/a	2011 / n/a	2003 / n/a	2010 / n/a	2000 / n/a	2003 / n/a	2003 / n/a	1988 / n/a	2012 / n/a	1986/2007 / n/a
Market (Conv.)/Subsidy Type	LIHTC / HOME	LIHTC / HOME	LIHTC / PHA / PBRA	LIHTC / Market	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market
In-Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	yes	no	yes	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	no	yes	no	no	no	yes	no	yes	yes	yes
Garbage Disposal	no	yes	yes	yes	no	yes	no	no	no	yes	no
Hand Rails	yes	yes	yes	no	yes	no	no	no	no	no	no
Microwave	yes	no	yes	no	no	no	no	yes	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	yes	yes	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Trash Compactor	no	yes	no	no	no	no	no	yes	no	no	no
Vaulted Ceilings	no	no	no	no	yes	no	no	no	no	yes	no
Walk-In Closet	no	no	yes	yes	yes	no	yes	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities											
Basketball Court	no	no	no	no	no	yes	no	no	no	no	no
Business Center/Computer Lab	yes	no	yes	yes	yes	no	yes	yes	no	no	no
Car Wash	no	no	no	no	no	no	yes	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	no	yes	yes	no	no	no
Courtyard	no	yes	yes	yes	no	no	no	no	no	no	no
Elevators	no	no	yes	yes	no	no	no	no	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	yes	no	yes	no	no
Neighborhood Network	no	no	yes	no	no	no	no	no	no	no	no
Non-shelter Services	no	no	no	no	yes	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Picnic Area	no	no	yes	no	no	no	yes	yes	no	no	no
Playground	no	no	no	no	no	yes	yes	yes	no	no	no
Recreation Areas	no	no	yes	no	no	no	no	no	no	no	no
Service Coordination	no	no	yes	no	no	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	yes	no	no
Volleyball Court	no	no	no	no	no	no	yes	no	no	no	no
Services											
Adult Education	no	no	yes	no	no	no	no	no	no	no	no
Afterschool Program	no	no	no	no	no	no	yes	no	no	no	no
Shuttle Service	no	no	yes	no	no	no	no	no	no	no	no
Security											
Intercom (Buzzer)	no	no	yes	no	no	no	no	no	no	no	no
Limited Access	no	no	yes	yes	no	yes	yes	yes	no	no	no
Patrol	no	yes	no	no	no	no	no	no	no	no	no
Perimeter Fencing	no	no	yes	no	no	no	yes	yes	no	no	no
Premium Amenities											
Medical Professional	no	no	yes	no	no	no	no	no	no	no	no
Other Amenities											
Other	n/a	n/a	n/a	Hair salon, shuffleboard	Covered pavilion, gardens, walking trail	n/a	n/a	n/a	n/a	n/a	n/a

The Subject’s proposed unit and property amenities will be competitive with those offered at existing comparables.

5. The Subject will target senior households aged 55 and older. There are no comparable senior properties in the PMA. We have included senior properties in the neighboring market of Augusta and believe these properties to be comparable to the proposed Subject. Although there are no senior LIHTC properties in the PMA, there are four family LIHTC developments. Of the family LIHTC properties in the PMA, three offer similar unit types. Management at each of these three family LIHTC properties reported some senior tenants and we have therefore included all three as comparables in this report.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property name	Type	Tenancy	In PMA?	Total Units	Vacant Units	Vacancy Rate
Augusta Spring Apartments	LIHTC / Home	Senior	No	200	4	2.0%
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	75	3	4.0%
Linden Square	LIHTC / Market	Senior	No	48	0	0.0%
Terraces At Edinburgh	LIHTC	Senior	No	72	0	0.0%
Wedgewood Park Apartments	LIHTC	Family	Yes	200	3	1.5%
Westwood Club Apartments	LIHTC	Family	Yes	240	2	0.8%
Woodlake Club Apartments	LIHTC	Family	Yes	192	4	2.1%
Eagle Pointe Apartments	Market	Family	Yes	96	1	1.0%
Sterlington Apartments	Market	Family	Yes	122	0	0.0%
Sycamore Place Apartments	Market	Family	Yes	54	1	1.9%
Total				1,299	18	1.4%

As illustrated, vacancy rates in the market range from zero to four percent, averaging 1.4 percent. Vacancy at LIHTC properties ranges from zero to four percent averaging 1.5 percent and market rate properties range from zero to 1.9 percent averaging 1.3 percent. All three market rate properties are located in Grovetown within two miles of the Subject site and as previously mentioned, all three feature low vacancy rates. Overall, vacancy in the market is low and upon stabilization, we expect the Subject to maintain a vacancy rate of five percent or less.

7. Properties Under Construction and Proposed

There are no new LIHTC or market rate properties that have been proposed or under construction in the PMA.

8. Rental Advantage

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

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Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Augusta Spring Apartments	LIHTC / Home	Similar	Similar	Similar	Inferior	Slightly Inferior	-15
2	Legacy At Walton Oaks	LIHTC / PHA / PBRA	Superior	Similar	Slightly Superior	Similar	Superior	25
3	Linden Square	LIHTC / Market	Similar	Similar	Slightly Superior	Inferior	Slightly Inferior	-10
4	Terraces At Edinburgh	LIHTC	Similar	Similar	Similar	Similar	Superior	10
5	Wedgewood Park Apartments	LIHTC	Similar	Similar	Similar	Inferior	Superior	0
6	Westwood Club Apartments	LIHTC	Slightly Superior	Similar	Similar	Inferior	Superior	5
7	Woodlake Club Apartments	LIHTC	Similar	Similar	Similar	Inferior	Superior	0
8	Eagle Pointe Apartments	Market	Inferior	Similar	Similar	Inferior	Similar	-20
9	Sterlington Apartments	Market	Inferior	Similar	Similar	Similar	Slightly Superior	-5
10	Sycamore Place Apartments	Market	Inferior	Similar	Similar	Inferior	Slightly Superior	-15

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

The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following table.

LIHTC Rent Comparison - @50%

Property Name	Tenancy	In PMA?	1BR	2BR
Horizon Senior Village (Subject)	Senior	-	\$369	\$432
LIHTC Maximum (Net) - PIS on or after 12/4/2012	-	-	\$369	\$432
LIHTC Maximum (Net) - PIS prior to 12/4/2012	-	-	\$379	\$444
Augusta Spring Apartments	Senior	No	\$379	\$398 - \$441
Linden Square	Senior	No	\$398	\$471
Terraces At Edinburgh	Senior	No	\$378	\$444
Legacy At Walton Oaks	Senior	No	N/A	N/A
Average (excluding Subject)			\$385	\$439

LIHTC Rent Comparison - @60%

Property Name	Tenancy	In PMA?	1BR	2BR
Horizon Senior Village (Subject)	Senior	-	\$437	\$521
LIHTC Maximum (Net) - PIS on or after 12/4/2012	-	-	\$475	\$560
LIHTC Maximum (Net) - PIS prior to 12/4/2012	-	-	\$488	\$575
Westwood Club Apartments	Family	Yes	\$495	\$588
Woodlake Club Apartments	Family	Yes	\$495	\$588
Augusta Spring Apartments	Family	Yes	\$416 - \$488	\$441 - \$518
Wedgewood Park Apartments	Senior	No	\$466	\$551
Legacy At Walton Oaks	Senior	No	\$536	\$646
Linden Square	Senior	No	\$441	\$526
Terraces At Edinburgh	Senior	No	\$485	\$552
Average (excluding Subject)			\$487	\$551

As illustrated above, all of the Subject’s proposed rents are below the average by AMI level and unit type currently being achieved by the comparables. Further, all of the Subject’s proposed rents are below those being achieved by existing family LIHTC properties in the PMA, all of whom reported some senior tenants. When compared to the senior LIHTC comparables, the Subject’s proposed rents are again some of the lowest in the market. The below average proposed rents combined with the low vacancy rates and presence of waiting lists at existing LIHTC properties with higher rents, indicates that the Subject’s proposed 50 and 60 percent AMI rents should be achievable.

Upon completion, the Subject will be most similar to Terrace at Edinburgh, one of the newest addition to the senior LIHTC housing stock in Augusta. The following table compares the Subject’s proposed high end rents at 50 and 60 percent AMI to the current 50 and 60 percent rents at Terraces at Edinburgh.

Subject Rent Comparison to Terraces at Edinburgh

Property	1BR @ 50%	2BR @ 50%	1BR @ 60%	2BR @ 60%
Subject (Proposed)	\$369	\$432	\$437	\$521
Terraces at Edinburgh (Current)	\$378	\$444	\$485	\$552
Rental Disadvantage (Subject)	2.4%	2.7%	9.9%	5.6%

The Subject’s proposed rents will have a 2.4 to 9.9 percent rent advantage over rents currently being achieved at Terraces at Edinburgh. Terraces at Edinburgh and the Subject will be similar in terms of amenities, age/condition. The Subject will also be similar in terms of location because although The Terraces at Edinburgh are located in Augusta, the property is in southwest Augusta rather than in the immediate downtown area and the property features a relatively similar immediate neighborhood location in that it is dominated by residential uses. The primary difference between the two properties will be the unit sizes. One- and two-bedroom units at Terraces at Edinburgh are 191 and 203 square feet larger than units at the Subject, respectively. Overall, we believe that the Subject could achieve rental rates similar to slightly below those at Terraces at Edinburgh.

Analysis of “Market Rents”

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

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is

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a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

Subject Comparison To "Market Rents"					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage over Average
50% AMI					
1 BR	\$369	\$379	\$685	\$462	25%
2 BR	\$432	\$441	\$865	\$546	26%
60% AMI					
1 BR	\$437	\$381	\$685	\$486	11%
2 BR	\$521	\$441	\$865	\$577	11%

As illustrated, all of the Subject's proposed rents will have a rent advantage in the market when compared to the market averages. Overall, we believe that the Subject's proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

9. LIHTC Competition – Recent Allocations within PMA

According to information on Georgia Department of Community Affairs LIHTC allocation lists, there have been no senior properties allocated in the PMA in the past two years. One family property was allocated, Magnolia Trace. Magnolia Trace is located 13.6 miles northeast of the Subject site in Martinez. The property offers three- and four-bedroom single-family homes and this unit mix together with the differing tenancy indicates that this property will not compete with the proposed Subject.

10. Rental Trends in the PMA

The following table is a summary of the tenure patterns of the housing stock in the PMA.

PMA TENURE PATTERNS OF SENIORS 55+				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,903	86.1%	2,080	13.9%
2012	24,765	85.7%	4,140	14.3%
Projected Mkt Entry				
June 2015	28,402	86.0%	4,595	14.0%
2017	30,999	86.3%	4,920	13.7%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

As illustrated, a significant majority of seniors are owners rather than renters. This trend is similar to the national average of 13 percent and is likely due to the limited supply of age-restricted rental housing in the PMA. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people.

Historical Vacancy

The following table illustrates the historical vacancy at the comparable properties when available.

HISTORICAL VACANCY

Property name	Type	Tenancy	In PMA?	4Q2004	2Q2007	3Q2009	2Q2010	Current Vacancy Rate
Augusta Spring Apartments	LIHTC / Home	Senior	No	-	-	0.0%	0.5%	2.0%
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	-	-	-	-	4.0%
Linden Square	LIHTC / Market	Senior	No	-	-	0.0%	0.0%	0.0%
Terraces At Edinburgh	LIHTC	Senior	No	-	-	-	-	0.0%
Wedgewood Park Apartments	LIHTC	Family	Yes	-	0.5%	-	1.5%	1.5%
Westwood Club Apartments	LIHTC	Family	Yes	-	1.3%	-	0.0%	0.8%
Woodlake Club Apartments	LIHTC	Family	Yes	-	-	4.2%	2.6%	2.1%
Eagle Pointe Apartments	Market	Family	Yes	3.1%	-	-	-	1.0%
Sterlington Apartments	Market	Family	Yes	-	-	-	-	0.0%
Sycamore Place Apartments	Market	Family	Yes	0.0%	-	-	-	1.9%

As illustrated above, similar to current vacancy rates, historical vacancy rates at the comparables have generally been both stable and low.

Change in Rental Rates

The following table illustrates changes in rental rates in the past year at comparable properties, where applicable.

RENT GROWTH

Comparable Property	Type	Tenancy	In PMA?	Rent Growth
Augusta Spring Apartments	LIHTC / Home	Senior	No	Slightly increased
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	Increased
Linden Square	LIHTC / Market	Senior	No	Increase of 6-8%
Terraces At Edinburgh	LIHTC	Senior	No	Decrease of 0.5% to Increase of 0.5%
Wedgewood Park Apartments	LIHTC	Family	Yes	Increased 2%
Westwood Club Apartments	LIHTC	Family	Yes	Decrease of 0.5% due to change in AMGI
Woodlake Club Apartments	LIHTC	Family	Yes	Decrease of 0.5% due to change in AMGI
Eagle Pointe Apartments	Market	Family	Yes	Increase of 2%
Sterlington Apartments	Market	Family	Yes	N/Ap
Sycamore Place Apartments	Market	Family	Yes	Increase of 4 to 5%

With the exception of Linden Square and Sycamore Place Apartments, changes in rental rates in the market have been moderate at best over the past year. Several properties experienced slight decreases but this was attributable to changes in the maximum allowable rent levels rather than indicative of weak demand of unachievable rent levels. Overall, rents in the market appear relatively stable with the majority of the comparables achieving slight to moderate rent growth over the past year.

11. Impact of Foreclosed, Abandoned and Vacant Structures

Per RealtyTrac's March 2013 data, an estimated 12.7 percent of homes are vacant in Grovetown. The median list price is \$158,588 as of March 2013, which represents a one percent decrease over the median list price of March 2012. The median sales price however is currently \$135,000 and this represents a four percent increase over March 2012. The foreclosure rate in Grovetown as of April 2013 is one in every 1,254 housing units, which although higher than that of the county as a whole (one in every 2,004 housing units), is much lower than that of the state (one in every 682 housing units). Grovetown's foreclosure rate is also significantly lower than the national rate of one in every 905 housing units. This low foreclosure rate speaks toward the inherent economic strength of the city and bodes well for the Subject property. Given the low rate of foreclosed properties in the region in conjunction with the findings of the site inspection, we believe the impact of foreclosed, abandoned and vacant structures to be negligible.

12. Primary Housing Void

Currently there are no comparable age-restricted properties in Grovetown or in the PMA as a whole. Property managers at both LIHTC and market rate comparables reported significant demand for affordable age-restricted housing in the market. This housing void was confirmed and reiterated by the director of the local senior center and the Grovetown city planning office. As an age-restricted LIHTC property, the Subject will help to fill this void.

13. Affect of Subject on Other Affordable Units in Market

Vacancy rates at both LIHTC and market rate properties in the PMA are considered low. This coupled with the low vacancy rates at senior LIHTC properties in neighboring Augusta and the presence of waiting lists at eight of the ten comparables indicates that there is sufficient unmet demand in the market for rental housing and age-restricted affordable rental housing in particular. Therefore, we do not believe the Subject will affect other affordable units in the market as tenants are expected to remain in place post renovation.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property even if it was proposed new construction. Vacancy rates for all three groups of comparable properties (family market rate, family LIHTC in PMA, and senior LIHTC outside of PMA) is low ranging from zero to four percent with an overall average vacancy rate of 1.4 percent. Additionally, eight of the ten comparables reported waiting lists. Finally, both property managers at the comparables and local officials reported significant demand for affordable age-restricted housing in Columbia County. The Subject, as proposed, will help to fill this void as the Subject will offer one- and two-bedroom units to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less, and the proposed rents at the Subject are below the surveyed market average. Overall, we believe the Subject is feasible as proposed.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information from six of the comparable properties; this information is illustrated in the following table.

ABSORPTION

Property name	Type	Tenancy	In PMA?	Year Built	Number of Units	Units Absorbed / Month
Sterlington Apartments	Market	Family	Yes	2012	122	8
Legacy At Walton Oaks	LIHTC / PHA / PBRA	Senior	No	2011	75	12 to 24
Terraces At Edinburgh	LIHTC	Senior	No	2010	72	24
Linden Square	LIHTC / Market	Senior	No	2003	48	3
Woodlake Club Apartments	LIHTC	Family	Yes	2003	192	32
Augusta Spring Apartments	LIHTC / Home	Senior	No	1996 and 2002	200	8

Of the six properties that were able to report absorption information, three (Sterlington Apartments, Legacy at Walton Oaks, Terraces at Edinburgh) were built in the past three years and of these, the first is a family market rate property located in Grovetown within two miles of the Subject site and the other two are senior LIHTC properties. Of the three built since 2010, Sterlington Apartments reported the slowest absorption pace at eight units per month. According to management at Sterlington Apartments, the property was leased as buildings were delivered; this may explain why this property experienced a slower absorption pace. This property however also has significantly higher rents than other market rate properties in Grovetown and this may also explain the slower absorption pace. The two senior LIHTC properties reported absorption rates ranging from 12 to 24 units per month.

Based on the absorption pace reported by these properties, the waiting lists at six of the seven LIHTC comparables, the waiting lists at two of the three market rate properties in Grovetown, and the strong demand for age-restricted affordable housing in Columbia County, we anticipate that the Subject will absorb 12 units per month, for an absorption period of five to six months, to reach an occupancy rate of 93 percent or above.

J. INTERVIEWS

Georgia Department of Community Affairs, Eastman Regional Office

According to Sharon Macalluso, Area Director of the Georgia Department of Community Affairs Eastman Regional Office, the department currently has 110 Housing Choice Vouchers under contract in Columbia County. The current payment standard for Columbia County can be found in the following table.

Payment Standards	
1BR	\$615
2BR	\$692
3BR	\$927
4BR	\$1,119

Payment standards for the county are between 94 and 99 percent of FMR. While the Subject’s proposed one- and two-bedroom 50 percent AMI rents and one-bedroom 60 percent AMI rent are well below the payment standard, the proposed two-bedroom 60 percent AMI rent is \$37 above the payment standard. Voucher tenants will likely qualify for the 50 percent and one-bedroom 60 percent AMI units at the Subject, but will not be eligible for the 60 percent two-bedroom units. Voucher tenancy rates at senior LIHTC properties in Augusta is moderate ranging from zero to 25 percent. We expect the Subject to have a similar voucher tenancy and as such do not believe that the above payment standard rent for the two-bedroom 60 percent units will have a detrimental influence on the Subject as proposed, particularly when considering the Subject’s proposed 60 percent two-bedroom rent is within the range of rents currently being achieved by existing senior LIHTC developments.

Planning

We interviewed Frank Neal, City Planner for Grovetown. According to Mr. Neal, Grovetown has experienced considerable growth in recent years; the growth was attributed to the city’s proximity to Fort Gordon. In particular, there has been a significant increase in residential construction the majority of which has been for-sale single-family homes. According to Mr. Neal, the city council approved a proposed 250 home subdivision and a similar proposal is on the docket for the next meeting (and will likely be approved). Homes range in size from three to five bedrooms and in price from approximately \$150,000 to \$275,000. Mr. Neal also reported that although the majority of the new construction has been single-family homes, because many are purchased by members of the military, many of these units are actually functioning as rental properties when the homeowner is transferred or deployed.

Mr. Neal indicated that the rental market is comprised primarily of three types of properties: traditional apartment complexes, single-family homes that are operating as private rentals (see discussion above), and mobile homes. Of the traditional rental housing stock, only one was built in the past few years, Sterlington Apartments. Construction on Sterlington Apartments began in early 2112 and was completed in early 2013. According to Mr. Neal, the property was quickly absorbed into the market. With regards to mobile homes and mobile home parks, Mr. Neal indicated that the city is in the process of working with owners and developers to either relocate the mobile home parks out of town, bring the homes up to code, or re-develop the parks into more permanent and better quality housing for renters of the city. The city does regular inspections of these homes and according to Mr. Neal the rents range based on condition but the most recent

inspection was of one in poor to fair condition and the asking rent was \$500 per month. When asked about the need for senior housing in Grovetown, Mr. Neal indicated that there is significant demand for said housing in the Grovetown area. Not only do active members of the military stationed at Fort Gordon want to have elderly parents nearby, but the area is also popular with military retirees because there is a medical center on the base.

Grovetown has also experienced growth in its commercial sector. There is a major grocery store (IGA) that is being built and the store will be contained within a commercial strip; other businesses to be located in the strip were not known at the time of the study. A CVS was recently completed and a Walgreens is in the planning stages. There have also been several new fast food restaurants completed in recent years. Finally, although not located within the city limits, Mr. Neal also provided information on a significant new commercial development, The Gateway, located three miles north of the Subject site just outside of the city limits off Interstate 20 that has been underway for the past two or so.. The development is anchored by a new Walmart (opened early 2012), a new YMCA (opened May 2013, and an Urgent Care Center (approximately 65 percent complete). The development will also feature a variety of other smaller retailers and restaurants.

Senior Center

We interviewed Jennifer Thomas, Director of the Grovetown Senior Center. According to Ms. Thomas, the center serves anywhere from 15 to 25 seniors on a daily basis. The center provides a wide variety of services including, but not limited to, transit to/from the center, organized activities and educational workshops, and daily meals (lunch). While all the services are free; seniors usually donate \$1 if he/she has lunch at the facility. The majority of the seniors who utilize the center are homeowners or previous homeowners living with relatives. Further, many are still able to drive and would desire (and be able) to reside in independent living if said housing were available in the Grovetown area. The majority of the seniors who utilize the center are on social security and as such have a wide range of incomes. There are several seniors on incomes of as low as \$800 per month but others who get up to \$2,000 per month. The Subject's units will target senior households with monthly incomes within this range.

According to Ms. Thomas, there is a definite need for senior housing in Grovetown and Columbia County in general. Although Evans and Martinez are established communities (like Grovetown), because there are no senior specific properties in these areas, Ms. Thomas believes that seniors would be willing to move from one bedroom community of Augusta to another for an age restricted property. She also said demand for a senior property in Grovetown would likely come from throughout the county. The biggest source of demand is from military stationed at Fort Gordon whose parents are either (a) living with them now but want to live on their own and cannot find anywhere or (b) want to relocate to be closer to children stationed at the base, but cannot because there are no senior properties nearby. Unlike Evans and Martinez, Ms. Thomas did not believe that seniors currently residing in Thomson would move to a new senior in Grovetown because Thomson is more rural and people are considerably less mobile than those of in Evans, Martinez, Grovetown, other bedroom communities of Augusta, and Augusta itself.

Additional interviews can be found in the comments section of the property profiles.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- Overall, demographic indicators are strong for the Subject's units. Senior population and general households in the PMA have historically outpaced and are projected to continue to outpace growth in both the MSA and nation as a whole. Senior households with incomes ranging from \$15,990 to \$27,300 will be eligible to reside at the Subject. At the point of market entry, approximately 21 percent of the senior households in the PMA will have incomes ranging from \$10,000 to \$29,999. Persons within these income cohorts are expected to create demand for the Subject. Further, although the majority of senior households in the PMA are owners, this is similar to the national average and is likely at least in part a result of the lack of age-restricted rental properties in the PMA. The Subject will fill this void.
- Total employment in the MSA has been on an upward trend since at least 1990 and currently sits at 241,772 as of March 2013. Employment seems to have begun recovering and is currently trending upward year to date, but overall employment in the MSA is still slightly lower than it was in 2008. This discrepancy is less than one percent, however, and if the upward trend continues the MSA should see employment levels above pre-recession levels in the near future.

Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.2 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US, but the rate of recovery currently outpaces the national average slightly. The significant proportion of employers in the PMA in the healthcare industry brings highly skilled employees with relatively high pay, while the heavy presence of manufacturing jobs brings relatively lower-skilled employees with lower pay.

- The Subject's capture rates at the 50 percent AMI level will range from 5.8 to 9.7 percent, with an overall capture rate of 7.6 percent. The Subject's 60 percent AMI capture rates range from 16.9 to 28.7 percent, with an overall capture rate of 22.5 percent. The overall capture rates range from 16.9 to 28.5 percent with an overall capture rate of 22.4 percent. Therefore, we believe there is adequate demand for the Subject.
- Of the six properties that were able to report absorption information, three (Sterlington Apartments, Legacy at Walton Oaks, Terraces at Edinburgh) were built in the past three years and of these, the first is a family market rate property located in Grovetown within two miles of the Subject site and the other two are senior LIHTC properties. Of the three built since 2010, Sterlington Apartments reported the slowest absorption pace at eight units per month. According to management at Sterlington Apartments, the property was leased as buildings were delivered; this may explain why this property experienced a slower absorption pace. This property however also has significantly higher rents than other market rate properties in Grovetown and this may also explain the slower absorption pace. The two senior LIHTC properties reported absorption rates ranging from 12 to 24 units per month.

Based on the absorption pace reported by these properties, the waiting lists at six of the seven LIHTC comparables, the waiting lists at two of the three market rate properties in Grovetown, and the strong demand for age-restricted affordable housing in Columbia County, we anticipate that the Subject will absorb 12 units per month, for an absorption period of five to six months, to reach an occupancy rate of 93 percent or above.

- Vacancy rates in the market range from zero to four percent, averaging 1.4 percent. Vacancy at LIHTC properties ranges from zero to four percent averaging 1.5 percent and market rate properties range from zero to 1.9 percent averaging 1.3 percent. All three market rate properties are located in Grovetown within two miles of the Subject site and as previously mentioned, all three feature low vacancy rates. Overall, vacancy in the market is low and upon stabilization, we expect the Subject to maintain a vacancy rate of five percent or less.
- Eight of the ten comparables reported having waiting lists including all of the senior LIHTC comparables and the most comparable market rate comparable, Sterlington Apartments. This indicates that there is sufficient unmet demand in the market and the Subject will seek to fill this housing void.
- The primary strength of the Subject will be its single-story design. Several property managers at existing family properties indicated that seniors prefer to be on the ground floor. The Subject will consist of seven single-story residential buildings; this will give the Subject an additional competitive advantage over existing properties with regards to its targeted tenancy.
- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property even if it was proposed new construction. Vacancy rates for all three groups of comparable properties (family market rate, family LIHTC in PMA, and senior LIHTC outside of PMA) is low ranging from zero to four percent with an overall average vacancy rate of 1.4 percent. Additionally, eight of the ten comparables reported waiting lists. Finally, both property managers at the comparables and local officials reported significant demand for affordable age-restricted housing in Columbia County. The Subject, as proposed, will help to fill this void as the Subject will offer one- and two-bedroom units to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less, and the proposed rents at the Subject are below the surveyed market average. Overall, we believe the Subject is feasible as proposed.

Recommendations

- We recommend the project as proposed.

L. SIGNED STATEMENT REQUIREMENTS

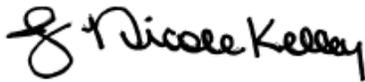
I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown 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.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-12-2013

Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

6-12-2013

Date



Julia Smith
Real Estate Analyst
Novogradac & Company LLP

6-12-2013

Date

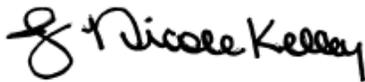
M. MARKET STUDY REPRESENTATION

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-12-2013
Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

6-12-2013
Date



Julia Smith
Real Estate Analyst
Novogradac & Company LLP

6-12-2013
Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI

I. Education

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

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

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Past Member Frostburg Housing Authority
Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 1201073262 – State of Michigan
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

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

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market

analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since.

V. Real Estate Assignments – Examples

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

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.
- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.

H. Blair Kincer

Qualifications

Page 3

- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

J. Nicole Kelley

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration: International Business
Auburn University, Auburn, Alabama
Master of Business Administration (MBA)

II. Professional Experience

Manager, Novogradac & Company LLP (July 2012-Present)
Real Estate Analyst, Novogradac & Company LLP (October 2009-June 2012)
Real Estate Researcher, Novogradac & Company LLP (May 2006-September 2009)

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Member, Women in Affordable Housing Network (WAHN)
Successfully completed "Introduction to Commercial Real Estate Analysis" and
"Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Conducted market studies for senior and family projects in Alabama, Arizona, California, Florida, Georgia, Guam, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Washington, Wisconsin, and Wyoming.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit and Special Needs properties in various states.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

JULIA SMITH

I. Education

The London School of Economics and Political Science
Master of Science, Social Policy and Planning

American University, Washington, DC
Bachelor of Arts

II. Professional Experience

Analyst, Novogradac & Company LLP (Start Date: January 2006 – Present)
Legal Secretary, Bergen & Bergen Law Firm
Research Assistant, Chr. Michelson Institute

III. Research Assignments

- Assisted with market studies of proposed new construction and existing Low-Income Housing Tax Credit (LIHTC) properties. Market analysis includes preliminary property screenings, market analysis, comparable rent surveys, and demand analysis.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.