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SELF-CONTAINED APPRAISAL REPORT

OF THE PROPOSED RENOVATED

CENTENNIAL PLACE APARTMENTS PHASE I
526 CENTENNIAL OLYMPIC PARK DRIVE
ATLANTA, FULTON COUNTY, GEORGIA 30313

EHA File 13-175-1

DATE OF VALUE

May 14, 2013

PREPARED FOR

Mr. Trey Williams
Development Director
The Integral Group LLC
191 Peachtree St., NE, Suite 4100
Atlanta, GA 30303

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May 21, 2013

Mr. Trey Williams
Development Director
The Integral Group LLC
191 Peachtree St., NE, Suite 4100
Atlanta, GA 30303

RE: Self-Contained Appraisal Report Of The
Proposed Renovated Centennial Place Apartments Phase I
526 Centennial Olympic Park Drive
Atlanta, Fulton County, GA 30313
EHA File 13-175-1

Dear Mr. Williams:

At your request and authorization, we conducted the inspections, investigations, and analyses necessary to appraise the above referenced property. We have prepared a self-contained appraisal report. The purpose of this appraisal is to estimate prospective market value of the leasehold interest in the subject property, "upon completion and stabilization," of the proposed renovation under two scenarios, using both restricted and hypothetical unrestricted rents. We were also requested to estimate "as is" market value of the leasehold interest in the subject site and existing improvements, as well as the valuation of the tax credits and an analysis of the ground lease of the underlying site. The values are predicated upon market conditions prevailing on May 14, 2013, which is the date of our last inspection. This appraisal is intended for use by the addressee for internal decision making purposes and may be used and/or relied upon by the Department of Community Affairs.

Centennial Place Apartments Phase I is a 181-unit apartment development, built in 1996, situated on a 9.58-acre site. It consists of 22 two- and three-story apartment buildings and a free-standing management building. The unit mix consists of 66 one-bedroom units, 84 two-bedroom units, 27 three-bedroom units and four four-bedroom units , ranging from 688 to 1,594 square feet (net leasable), with an average size of 936 square feet. The subject includes a mixture of market (68 units, or 38%), Low Income Housing Tax Credit (LIHTC) units (39 units, or 22%), and authority assisted units 74 (41%). The project includes surface parking, common amenities with multiple playgrounds, two swimming pools and a clubhouse facility. It is our understanding that the property is planned for extensive renovation of all

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phases. The renovation will be financed with proceeds from the syndication of federal and state 9% low income housing tax credits. If funding is approved, the renovation will be done in phases beginning April, 2014. The entire renovation will take approximately twelve months to complete. The subject is located south of Merritts Avenue, east of Lovejoy Street, west of Interstate 75, and north of Hunnicutt Street. It is bisected by Pine Street and Centennial Park Drive, within the city limits of Atlanta, Fulton County, Georgia, at the center of the Atlanta CBD.

Reportedly, the renovation will be done in phases and current tenants will be temporarily re-located to other units and then placed back in their units once the renovation is completed. In essence, the subject would be basically stabilized at the end of construction. However, we have allowed an additional six months to re-locate all of the existing tenants and reach stabilization. Based on all of this information, it is our opinion that the subject should conservatively be able to reach stabilized occupancy within six months of the placed-in-service date (estimated at April 1, 2015), or by October 1, 2015, which is the date we will use for our "as completed / as stabilized" value estimate.

The subject is more fully described, legally and physically, within the attached report. Additional data, information and calculations leading to the value conclusion are in the report following this letter. This document in its entirety, including all assumptions and limiting conditions, is an integral part of this letter.

The attached narrative appraisal report contains the most pertinent data and analyses upon which our opinions are based. The appraisal was prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute. In addition, this appraisal was prepared in conformance with our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, the Interagency Appraisal and Evaluation Guidelines, the Office of the Comptroller of the Currency, and the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

Our opinions of value were formed based on our experience in the field of real property valuation, as well as the research and analysis set forth in this

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appraisal. Our concluded opinions of leasehold market value, subject to the attached Assumptions and Limiting Conditions and Certification, are as follows:

Estimate of Market Value of the Leasehold Interest in the Subject "As Is," As of May 14, 2013:	$6,800,000
Per Unit (181):	$37,569
Allocated Market Value of the Leasehold Interest in the Subject Improvements As of May 14, 2013:	$6,800,000
Allocated Market Value of the Leasehold Interest in the Subject Underlying Land As of May 14, 2013:	$0
Estimate of Market Value of the Leasehold Interest in the Subject "Upon Completion," Subject to Restricted Rents, As of April 1, 2015:	$9,000,000
Per Unit (181):	$49,724
Estimate of Market Value of the Leasehold Interest in the Subject "At Stabilization," Subject to Restricted Rents, As of October 1, 2015:	$9,500,000
Per Unit (181):	$52,486
Estimate of Hypothetical Market Value of the Leasehold Interest in the Subject "Upon Completion," Assuming Unrestricted/Market Rents, As of April 1, 2015:	$16,600,000
Per Unit (181):	$91,713
Estimate of Hypothetical Market Value of the Leasehold Interest in the Subject "At Stabilization," Assuming Unrestricted/Market Rents, As of October 1, 2015:	$17,200,000
Per Unit (181):	$95,028
Value of Tax Credits, As of May 14, 2013:	$10,000,000

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Estimate of the Market Value of the Leasehold Interest in the Subject Site "As Is", as of May 15, 2013:	$0
The entire Centennial site is leased by various ownership entities of the Integral Group, LLC, from The Housing Authority of the City of Atlanta, the current owner. The term for the subject site is 55 years at basically no rent ($10/year), begun March 1996. Essentially, the lease indicates the land has virtually no value. Typically, for a project of this type, based on development costs and income levels, there are insufficient revenues to support a residual land value. Further, the improvements are only feasible to construct with the assistance of substantial incentives. Therefore, the land does not contribute value to the leasehold interest in the subject and, thus, was given no further consideration in our analysis.	

It was our pleasure assisting you in this matter. If you have any questions concerning the analysis, or if we can be of further service, please call.

Respectfully submitted,

EVERSON, HUBER & ASSOCIATES, LC

By:

Ingrid Ott
Certified General Appraiser
Georgia Certificate No. 265709

Timothy P. Huber
Certified General Appraiser
Georgia Certificate No. 6110

Stephen M. Huber
Principal
Certified General Appraiser
Georgia Certificate No. 1350

We certify that to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Everson, Huber, and Associates, LLC prepared a restricted use appraisal report for the subject property July 2012.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Ingrid Ott inspected the subject and prepared this report under the supervision of Timothy P. Huber and Stephen M. Huber, who also inspected the subject.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, we have completed the Standards and Ethics Education Requirement for Associate Members of the Appraisal Institute.
14. We have extensive experience in the appraisal of commercial properties and are appropriately certified by the State of Georgia to appraise properties of this type.

Ingrid Ott
Certified General Real Property Appraiser
Georgia Certificate No. 265709

Timothy P. Huber
Certified General Real Property Appraiser
Georgia Certificate No. 6110

Stephen M. Huber
Principal
Certified General Real Property Appraiser
Georgia Certificate No. CG1350

Property Name/Address:	Centennial Place Apartments Phase I 526 Centennial Olympic Park Drive Atlanta, Fulton County, GA 30313
Location:	South of Merritts Avenue, east of Lovejoy Street, west of Interstate 75, and north of Hunnicutt Street. It is bisected by Pine Street and Centennial Park Drive, within the city limits of Atlanta, Fulton County, Georgia, at the center of the Atlanta CBD.
Tax Parcel Numbers:	14007900020138, 14007900020203, 14007900060191, and 14007900030756
Property Description:	Centennial Place Apartments Phase I is a 181-unit apartment development, built in 1996, situated on a 9.58-acre site. It consists of 22 two- and three-story apartment buildings and a free-standing management building. The unit mix consists of 66 one-bedroom units, 84 two-bedroom units, 27 three-bedroom units and four four-bedroom units , ranging from 688 to 1,594 square feet (net leasable), with an average size of 936 square feet. The subject includes a mixture of market (68 units, or 12%) 39 Low Income Housing Tax Credit (LIHTC) units (22%), and 74 (41%) authority assisted units. The project includes surface parking, common amenities with multiple playgrounds, two swimming pools and a clubhouse facility. It is our understanding that the property is planned for extensive renovation of all phases. The renovation will be financed with proceeds from the syndication of federal and state 9% low income housing tax credits. If funding is approved, the renovation will be done in phases beginning April, 2014. The entire renovation will take approximately twelve months to complete.
Highest and Best Use	As If Vacant: Future development with a multifamily use As Improved: Continued operation as an apartment complex
Purpose of the Appraisal:	The purpose of this appraisal is to estimate prospective market value of the leasehold interest in the subject property, "upon completion and stabilization," of the proposed renovation under two scenarios, using both restricted and hypothetical unrestricted rents. We were also requested to estimate "as is" market value of the leasehold interest in the subject site and existing improvements, as well as the valuation of the tax credits and an analysis of the ground lease of the underlying site.
Intended Use:	This appraisal is intended for use by the addressee for internal decision making purposes and may be used and/or relied upon by the Department of Community Affairs.
Property Rights:	Leasehold
Date of Inspection/Value:	May 14, 2013

Date of Report: May 21, 2013

Est. Marketing Time: 12 months or less

Valuation

Estimate of Market Value of the Leasehold Interest in the Subject "As Is," As of April 22, 2013:	$6,800,000
Per Unit (181):	$37,569
Allocated Market Value of the Leasehold Interest in the Subject Improvements As of May 14, 2013:	$6,800,000
Allocated Market Value of the Leasehold Interest in the Subject Underlying Land As of May 14, 2013:	$0
Estimate of Market Value of the Leasehold Interest in the Subject "Upon Completion," Subject to Restricted Rents, As of April 1, 2015:	$9,000,000
Per Unit (181):	$49,724
Estimate of Market Value of the Leasehold Interest in the Subject "At Stabilization," Subject to Restricted Rents, As of October 1, 2015:	$9,500,000
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Estimate of Hypothetical Market Value of the Leasehold Interest in the Subject "Upon Completion," Assuming Unrestricted/Market Rents, As of April 1, 2015:	$16,600,000
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Estimate of Hypothetical Market Value of the Leasehold Interest in the Subject "At Stabilization," Assuming Unrestricted/Market Rents, As of October 1, 2015:	$17,200,000
Per Unit (181):	$95,028
Value of Tax Credits, As of April 22, 2013:	$10,000,000
Estimate of the Market Value of the Leasehold Interest in the Subject Site "As Is", as of May 15, 2013:	$0

The entire Centennial site is leased by various ownership entities of the Integral Group, LLC, from The Housing Authority of the City of Atlanta, the current owner. The term for the subject site is 55 years at basically no rent ($10/year), begun March 1996. Essentially, the lease indicates the land has virtually no value. Typically, for a project of this type, based on development costs and income levels, there are insufficient revenues to support a residual land value. Further, the improvements are only feasible to construct with the assistance of substantial incentives. Therefore, the land does not contribute value to the leasehold interest in the subject and, thus, was given no further consideration in our analysis.

PROPERTY IDENTIFICATION

Centennial Place Apartments Phase I is a 181-unit apartment development, built in 1996, situated on a 9.58-acre site. It consists of 22 two- and three-story apartment buildings and a free-standing management building. The unit mix consists of 66 one-bedroom units, 84 two-bedroom units, 27 three-bedroom units and four four-bedroom units , ranging from 688 to 1,594 square feet (net leasable), with an average size of 936 square feet. The subject includes a mixture of market (68 units, or 12%) 39 Low Income Housing Tax Credit (LIHTC) units (22%), and 74 (41%) authority assisted units. The project includes surface parking, common amenities with multiple playgrounds, two swimming pools and a clubhouse facility. It is our understanding that the property is planned for extensive renovation of all phases. The renovation will be financed with proceeds from the syndication of federal and state 9% low income housing tax credits. If funding is approved, the renovation will be done in phases beginning April, 2014. The entire renovation will take approximately twelve months to complete.

The subject is located south of Merritts Avenue, east of Lovejoy Street, west of Interstate 75, and north of Hunnicutt Street. It is bisected by Pine Street and Centennial Park Drive, within the city limits of Atlanta, Fulton County, Georgia, at the center of the Atlanta CBD. The subject has a street address of 526 Centennial Olympic Drive and is legally identified as tax parcels 14007900020138, 14007900020203, 14007900060191, and 14007900030756.

OWNERSHIP AND PROPERTY HISTORY

According to Fulton County deed records, the current owner of the subject improvements is Legacy Partnership I LP, and the underlying land is owned by the Atlanta Housing Authority, both of whom have owned the property for over three years. The land underlying the project is subject to a long term ground lease, at nominal fee, to the owner of the improvements. We are aware of no other offers, contracts, or transactions, nor any ownership changes during the past three years.

PURPOSE AND INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to estimate prospective market value of the leasehold interest in the subject property, “upon completion and stabilization,” of the proposed renovation under two scenarios, using both restricted and hypothetical unrestricted rents. We were also requested to estimate “as is” market value of the leasehold interest in the subject site and existing improvements, as well as the valuation of the tax credits and an analysis of the ground lease of the underlying site. This appraisal is intended for use by the addressee for internal decision making purposes and may be used and/or relied upon by the Department of Community Affairs.

DATES OF INSPECTION AND VALUATION

The “as is” values reported are predicated upon market conditions prevailing on May 14, 2013, which is the date of our last inspection. Reportedly, the renovation will be done in phases and current tenants will be temporarily re-located to other units and then placed back in their units once the renovation is completed. In essence, the subject would be basically stabilized at the end of construction. However, we have allowed an additional six months to re-locate all of the existing tenants and reach stabilization. Based on all of this information, it is our opinion that the subject should conservatively be able to reach stabilized occupancy within six months of the placed-in-service date (estimated at April 1, 2015), or by October 1, 2015, which is the date we will use for our “as completed / as stabilized” value estimate. The date of report is May 21, 2013.

DEFINITION OF MARKET VALUE

Market value is one of the central concepts of the appraisal practice. Market value is differentiated from other types of value in that it is created by the collective patterns of the market. Market value means the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby[1]:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and acting in what they consider their own best interests.
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto.
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

We appraised the leasehold interest in the subject site and improvements. Real properties have multiple rights inherent with ownership. These include the right to use the real estate, to occupy, to sell, to lease, or to give away, among other rights. Often referred to as the "bundle of rights", an owner who enjoys all the rights in this bundle owns the fee simple title.

> Leasehold Interest: "The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease."[2]

The subject owner owns the improvements and has the right to collect rent thereon. As such, the owner is in a "sandwich" position, i.e. tenant (lessee) on the land and owner (lessor) on the improvements. The sandwich leasehold position is basically a situation in which one is a lessee in one instance, and the lessor on another, on the same property. A sandwich lease is described as follows:

> "A lease in which an intermediate, or sandwich, leaseholder is the lessee of one party and the lessor of another. The owner of the sandwich lease is

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[1] The Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, ♣34.42(f), August 24, 1990. This definition is compatible with the definition of market value contained in *The Dictionary of Real Estate Appraisal*, Fourth Edition, and the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of The Appraisal Foundation, 2012-2013 edition. This definition is also compatible with the OTS, FDIC, NCUA, and the Board of Governors of the Federal Reserve System definition of market value.

[2] Source: *The Dictionary of Real Estate Appraisal,* Appraisal Institute, Fifth Edition, 2010.

neither the fee owner nor the user of the property. He or she may be a leaseholder in a chain of leases, excluding the ultimate sublessee."[1]

APPRAISAL DEVELOPMENT AND REPORTING PROCESS

We completed the following steps for this assignment:

1. Analyzed regional, city, neighborhood, site, and improvement data.
2. Inspected the subject site and improvements, comparables and neighborhood.
3. Reviewed data regarding taxes, zoning, utilities, easements, and county services.
4. Considered comparable land sales and improved sales, as well as comparable rentals. Confirmed data with principals, managers, real estate agents representing principals, public records and / or various other data sources.
5. Analyzed the data to arrive at concluded estimates of value via each applicable approach.
6. Reconciled the results of each approach to value employed into a probable range of market value and finally an estimate of value for the subject, as defined herein.
7. Estimated reasonable exposure and marketing times associated with the value estimate.

The site and improvement descriptions included in this report are based on a personal inspection of the subject site and improvements; various documents provided by the owner and purchaser/developer including a unit mix, rent roll, site plan, unit floor plans, historical and budgeted operating statements, discussions with representatives of the current owner; property tax information; and our experience with typical construction features for apartment complexes. The available information is adequate for valuation purposes. However, our investigations are not a substitute for formal engineering studies.

This is a self-contained appraisal report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Standards of Professional Appraisal Practice. In a self-contained appraisal, all applicable approaches to value are used. The value estimate reflects all known information about the subject, market conditions and available data. This self-contained report incorporates to the fullest extent possible, a practical explanation of the data, reasoning and analysis used to develop the opinion of value. It also includes thorough descriptions of the subject and the market for the property type.

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[1] Source: *The Dictionary of Real Estate Appraisal,* Appraisal Institute, Fifth Edition, 2010.

SPECIAL APPRAISAL INSTRUCTIONS

As mentioned above, we were asked to appraise the subject “as is,” “upon completion,” and “at stabilization.” In addition, we were asked to appraise the subject using unrestricted rents, which is a hypothetical condition. The following are generally accepted definitions that pertain to the value estimates provided in this report.

Market Value “As Is” on Appraisal Date

An estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared. Market value “as is” assumes a typical marketing period, which we have estimated at 12 months or less.

Prospective Value Upon Completion of Construction

The value presented assumes all proposed construction, conversion, or rehabilitation is hypothetically completed, or under other specified hypothetical conditions, as of the future date when such construction completion is projected to occur. If anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate shall reflect the market value of the property in its then "as is" leased state (future cash flows must reflect additional lease-up costs, including tenant improvements and leasing commissions, for all areas not pre-leased). For properties where individual units are to be sold over a period of time, this value should represent that point in time when all construction and development cost have been expensed for that phase, or those phases, under valuation.

Prospective Value Upon Achieving Stabilized Occupancy

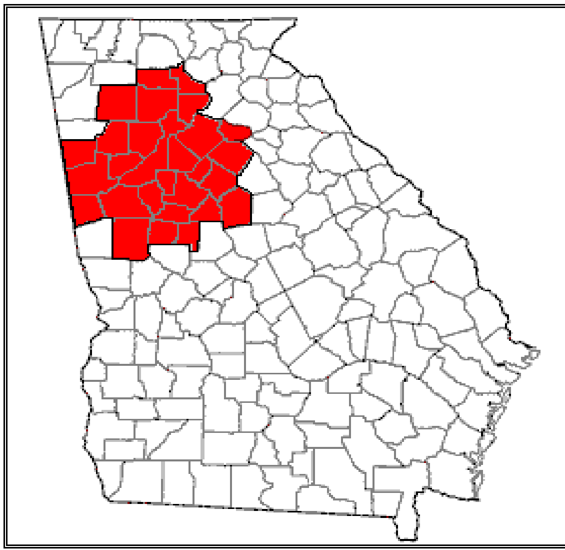
The value presented assumes the property has attained the optimum level of long-term occupancy which an income producing real estate project is expected to achieve under competent management after exposure for leasing in the open market for a reasonable period of time at terms and conditions comparable to competitive offerings. The date of stabilization must be estimated and stated within the report.

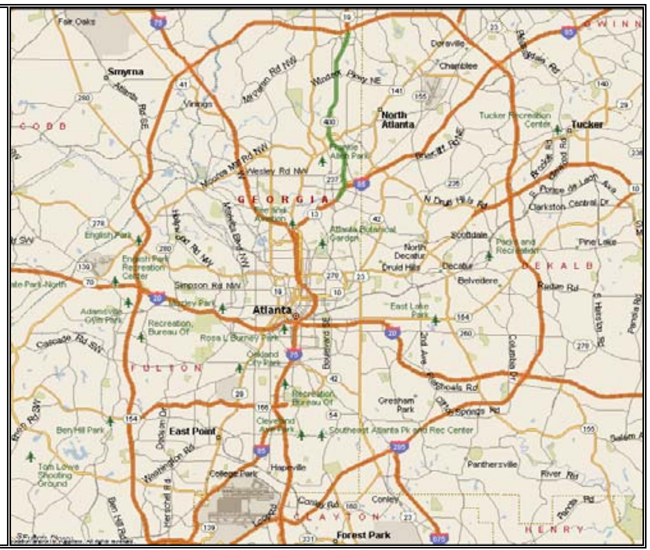
Hypothetical Condition on Appraisal Date

That which is contrary to what exists but is supposed for purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal or economic characteristics of the subject property or about conditions external to the property, such as market conditions or trends, or the integrity of data used in an analysis.

REGIONAL OVERVIEW

The following section of the report provides an overview of the 28-county Atlanta Metropolitan Statistical Area or MSA.





Location and Population

Located in the central, northwestern portion of Georgia, Atlanta is the state's capital and largest city. At almost 5.3 million, the current population of the Atlanta MSA is growing at an annual rate of about 3% since 2000, adding about 100,000 residents per year. Atlanta ranks as the 9th largest MSA in the U.S., sandwiched between Miami and Boston.

As can be seen in the following table, between 2000 and 2010, the MSA has been growing at a rate over twice as fast as the nation and 1/3 faster than the state of Georgia. The fastest growing counties are Henry, Forsyth and Paulding, all outlying counties and all growing at a rate of around 7.5% per year. In terms of absolute growth, the two largest counties, Gwinnett and Fulton, lead the way. An interesting facet of the Atlanta MSA growth pattern is the strong growth indicators within the core urbanizing counties. Typically, large older cities show stagnant growth or population loss at the core. Atlanta's growth varies (only one small county shows population loss over the 2000-2010 decade), but is essentially strong throughout.

Chief among the factors driving continued expansion of the MSA population are employment opportunities, transportation, climate, standard of living, and Atlanta's dominant position in the southeast for national and international business, industry, and trade. While it is true that most of the growth in the MSA has occurred in the north, available land in that sector is becoming scarce (as the MSA hits the north Georgia mountains and heads towards the

Alabama border to the west) and the pattern may more strongly turn to the south and west, where affordable land is available and the strong interstate system facilitates commuting patterns.

The following table shows the Atlanta MSA population trend, county by county, from 1990 to 2011 (new Census figures).

ATLANTA METROPOLITAN STATISTICAL AREA (MSA) POPULATION								
					2000 to 2010 Chge.		2010 to 2011 Chge.	
	1990	2000	2010	2011	Number	Percent	Number	Percent
Barrow	29,721	46,144	69,367	69,912	23,223	50%	545	1%
Bartow	55,911	76,019	100,157	100,421	24,138	32%	264	0%
Butts	15,326	19,522	23,655	23,504	4,133	21%	-151	-1%
Carroll	71,422	87,268	110,527	111,159	23,259	27%	632	1%
Cherokee	91,000	141,903	214,346	218,286	72,443	51%	3,940	2%
Clayton	184,100	236,517	259,424	261,532	22,907	10%	2,108	1%
Cobb	453,400	607,751	688,078	697,553	80,327	13%	9,475	1%
Coweta	53,853	89,215	127,317	129,629	38,102	43%	2,312	2%
Dawson	9,429	15,999	22,330	22,459	6,331	40%	129	1%
DeKalb	553,800	665,865	691,893	699,893	26,028	4%	8,000	1%
Douglas	71,700	92,174	132,403	133,355	40,229	44%	952	1%
Fayette	62,800	91,263	106,567	107,784	15,304	17%	1,217	1%
Forsyth	44,083	98,407	175,511	181,840	77,104	78%	6,329	4%
Fulton	670,800	816,006	920,581	949,599	104,575	13%	29,018	3%
Gwinnett	356,500	588,448	805,321	824,941	216,873	37%	19,620	2%
Hall	95,984	139,677	179,684	183,052	40,007	29%	3,368	2%
Haralson	21,966	25,690	28,780	26,638	3,090	12%	-2,142	-7%
Heard	8,628	11,012	11,834	11,744	822	7%	-90	-1%
Henry	59,200	119,341	203,922	207,360	84,581	71%	3,438	2%
Jasper	8,453	11,426	13,900	13,885	2,474	22%	-15	0%
Lamar	13,038	15,912	18,317	18,194	2,405	15%	-123	-1%
Meriwether	22,441	22,534	21,992	21,612	-542	-2%	-380	-2%
Newton	41,808	62,001	99,958	100,814	37,957	61%	856	1%
Paulding	41,611	81,678	142,324	143,542	60,646	74%	1,218	1%
Pickens	14,432	22,983	29,431	29,415	6,448	28%	-16	0%
Pike	10,224	13,688	17,869	17,751	4,181	31%	-118	-1%
Rockdale	54,500	70,111	85,215	85,765	15,104	22%	550	1%
Spalding	54,457	58,417	64,073	64,033	5,656	10%	-40	0%
Walton	38,586	60,687	83,768	84,580	23,081	38%	812	1%
MSA Total	3,209,173	4,387,658	5,448,544	5,540,252	1,060,886	24%	91,708	2%
State: Georgia	6,478,216	8,186,453	9,687,653	9,815,210	3,336,994	18%	127,557	1%
U.S.	248,709,873	281,421,906	308,745,538	311,591,917	62,882,044	10%	2,846,379	1%
Source: U.S. Census Bureau								

Employment By Industry

A key factor in Atlanta's population growth is the strength of its regional economy. Atlanta has a vigorous, diverse economic base. Only broad based, overall declines in the national economy are likely to affect the region’s economy to any significant extent. A breakdown of employment by industry sector within the MSA (from The Georgia Department of labor) is presented below.

MSA INDUSTRY MIX						
	Establishments			Employment		
	2010	2012(1)	% Change	2010	2012(1)	% Change
Construction	11,953	11,396	-4.7%	87,239	82,396	-5.6%
Manufacturing	4,625	4,613	-0.3%	140,948	145,390	3.2%
Finance/Info./Real Estate	18,233	18,611	2.1%	208,611	216,042	3.6%
Wholesale Trade	11,154	11,892	6.6%	127,792	129,422	1.3%
Retail Trade	15,908	16,111	1.3%	241,497	246,255	2.0%
Professional/Tech./Scientific	22,312	23,305	4.5%	154,312	166,473	7.9%
Health Care/Social Assistance	11,791	12,461	5.7%	213,204	237,233	11.3%
Accommodation/Food Services	10,116	10,468	3.5%	197,786	192,782	-2.5%
Transport/Warehousing	3,367	3,821	13.5%	105,839	128,651	21.6%
Adminstration/Support/Waste Mgt.	9,324	9,415	1.0%	161,422	166,190	3.0%
Government	3,112	4,481	44.0%	319,296	321,259	0.6%
All Other	23,143	14,364	-37.9%	176,333	135,406	-23.2%
Total	**145,038**	**140,938**	**-2.8%**	**2,134,279**	**2,167,499**	**1.6%**

** includes private and government sector*
Source: Georgia Department of Labor

As can be seen on this chart, in terms of absolute job numbers, the Government sector dominates the Atlanta employment base. This sector includes the entire county, city and state educational industries as well as state supported colleges and most of the state government structure. Health Care, Retail Trade and Finance also have high employment figures. From 2010, Transportation and Warehousing and Health Care have shown significant growth, while Construction has declined.

Unemployment

The unemployment rates for the Atlanta MSA over the years have generally equaled or consistently bettered the state and national averages. However, recently the state of Georgia, as well as the Atlanta MSA, unemployment has been climbing. According to a recent article in the *Atlanta Journal-Constitution*, Georgia's State Labor Commissioner – Michael Thurmond, stated the state of Georgia is facing an increasingly difficult economic environment. However, economists believe the rate to be a lagging and somewhat inexact indicator. Critics argue that a slowing economy typically does not immediately shove jobless rates much higher. On the other hand, an improving economy is often accompanied by rising rates as more people seek work. The following table looks at the MSA trend since 2005 and compares it with the state and the nation.

UNEMPLOYMENT RATES - ANNUAL AVERAGES								
	2006	2007	2008	2009	2010	2011	2012	Feb-13
Atlanta MSA	4.7%	4.2%	6.2%	9.6%	10.2%	9.6%	8.7%	8.7%*
Georgia	4.6%	4.4%	6.2%	9.6%	10.2%	9.8%	9.0%	8.6%
U.S.	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.7%

Source: Georgia Department of Labor / Atlanta Regional Commission
**Reflects the January 2013 figures*

The unemployment rates for the Atlanta MSA over the years have generally equaled or consistently bettered the state and national averages. However, recently unemployment has been climbing in the state of Georgia, as well as in the Atlanta MSA., and is currently slightly above the National percentage. Recently, however, all three rates have seen a dip. It does not include people who are out of work and have not been looking for a job and it does not include people who have worked even a little bit in the past month. Moreover, the jobless rate is calculated from a more limited survey than the one that produces the monthly figure on job growth.

Largest Employers

As indicated in the following chart, Atlanta's top employer continues to be Delta Airlines, Wal-Mart, Gwinnett County Public Schools, and Emory University. It is important to note that several of Atlanta's highest profile companies do not quite make the list of largest employers. For example, Coca Cola, Turner Broadcasting, Georgia Pacific, Bank of America, and the Georgia Institute of Technology were under the threshold.

MAJOR EMPLOYERS - ATLANTA REGION		
Rank	Company	Atlanta Employees
1	Delta Airlines	27,000
2	Wal-Mart Stores	26,000
3	Gwinnett County Public Schools	20,623
4	Emory University	17,994
5	Cobb County Public Schools	14,027
6	DeKalb County Public Schools	13,267
7	USPS - Atlanta District	10,342
8	Publix Super Markets, Inc.	9,453
9	The Home Depot	9,000
10	Centers for Disease Control (CDC)	8,639

Source: *Atlanta Business Chronicle, Book of Lists 2011 - 2012*

Other large employers (not on the list) GM and Ford announced auto plant closures. However, Delta has emerged from its bankruptcy, taking on a new Asian market – China, and has completed a $17.7 billion merger of Delta Airlines, Inc. and Northwest Airlines that keeps the headquarters in Atlanta, which is good news for the local economy. Although the Ford and GM plants have closed, Kia opened a new $1 billion 2.2 million square-foot auto plant in 2009 just outside the metro area's southwestern boundary near LaGrange, GA.

Income, Median Age, Home Value, and Education

According to a demographic report by STDBOnline, for 2010, the average household income estimate is $85,998 (2000 figure was $66,876), with a median of $68,106. The median home value for the MSA is $145,533 (versus 2000 figure of $130,800). As per the

2010 estimate, 87% of the population had completed high school, and 34% had at least a four-year college degree.

MARKET SECTOR SNAPSHOTS

Retail

According to the *CoStar Retail Report, First Quarter 2013,* the Atlanta retail market did not experience much change in market conditions in the first quarter 2013. The vacancy rate remained at 9.6% compared with the previous quarter. Net absorption was positive 312,310 square feet and vacant sublease space increased by 56,647 square feet. Quoted rental rates increased from fourth quarter 2012 levels, ending at $13.00 per square foot. A total of seven retail buildings with 154,534 square feet of retail space were delivered to the market in the quarter, with 1,104,979 square feet still under construction at the end of the quarter. Cap rates were higher in 2012, averaging 8.70% compared to the same period in 2011 when they averaged 8.52%.

Multi-Family

According to A*tlanta Apartment Market Tracker – Year End 2012* published by Dale Henson Associates, Inc., there are over 411,000 apartment units in market rate projects that contain over 50 units in the 11-county Tracker area. For 2012, unit starts were 4,343, up significantly from the 2011 figure of 2,537. There were 1,788 new units delivered in 2012 and 1,478 new units absorbed. The comparable 2011 figures were 1,331 new units delivered and 2,400 new units absorbed. Street rents in 2012 averaged $796, up 0.4% from the 2011 average figure of $793. Average class A rents in 2012 were $1,354, up 2.1% from the 2011 figure of $1,326. Average monthly effective rents in garden properties in the eleven-county *Tracker* area increased 2.4% from 2011 (from $759 in 2011 to $777 in 2012). Class A effective rent was at $954 in 2012 versus $911 in 2011, a 4.6% increase. Occupancy in the eleven core counties (garden properties only) increased to 90.8% in 2012, versus 89.8% in 2011. Class A occupancy went from 92.9% in 2011 to 94.0% in 2012.

Office

According to the *PwC Real Estate Investor Survey –First Quarter 2013,* the Atlanta office market is gaining momentum, buoyed by an improving local economy and positive net absorption. "An overall steady recovery is occurring in this market, and institutional capital is taking note," states an investor. Another investor reveals, "We like Atlanta and believe it is a good value." Investors shopping office assets in Atlanta indicate that sale prices range from 50.0% to 100.0% of replacement cost. The average sale price of 77.5% of replacement cost is below the aggregate average of 85.0% for the 18 individual office markets in our survey. However, surveyed investors foresee office property values increasing as much as 10.0% in Atlanta over the next 12 months. The average expected increase is just under 4.0%. While positive trends are occurring in many submarkets, expectations for future rent growth remain subdued as indicated by this quarter's average initial-year market rent change rate, which remains below 1.0%. Survey participants highlight the Central Perimeter as a top submarket in terms of rent growth. "Without speculative construction and nearly one million square feet of absorption last year, the Central Perimeter should see rent growth of 4.0% to 5.0% in 2013," predicts an investor.

Industrial

According to the *CoStar Industrial Report - Fourth Quarter 2012*, the Atlanta Industrial market ended the fourth quarter of 2012 with a vacancy rate of 12.0%. The vacancy rate improved from 12.45 in the third quarter 2012. Net absorption totaled a positive 1,953,676 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 3,013,082 square feet. Rental rates ended the fourth quarter at $3.80, a slight improvement over the previous quarter figure of $3.78. One building was delivered in the market area in the fourth quarter (8,500 square feet). A total of 1,598,581 square feet were still under construction at the end of the quarter. This compares to 1,155,640 square feet at the end of the third quarter and to 2,904,342 square feet still under construction at the end of the second quarter. The Industrial vacancy rate for Atlanta t the end of the fourth quarter 2012 was 12.0%. It was 12.3% at the end of the third quarter and 12.4% at the end of the second quarter. The largest lease signing in 2012 was for 1,044,288 square feet by Owens Corning in south Atlanta (McClarin Road). Total year-to-date building sales were up in Atlanta through the first nine months of 2012 versus the comparable period in 2011. There were 187 transactions totaling $780,845,511 in the first nine months of 2012. Cap rates have been lower in 2012, averaging 7.89%, compared to the first nine months of last year when they averaged 8.88%.

Housing

According to the *March 2013 Federal Reserve Beige Book for Atlanta's Sixth District,* conditions appear to have improved modestly in January and early February and the outlook among most contacts remained generally optimistic across sectors. Homebuilders and brokers noted home sales and prices were above year-ago levels for new and existing homes, while commercial real estate markets continued to witness slow but steady improvements in overall activity. According to District brokers, sales growth moderated somewhat on a year-over-year basis but the majority reported that sales were ahead of year earlier levels. Existing home inventories continued to contract and several brokers reported that this was constraining sales. Many noted that properties were receiving multiple offers, particularly at the low-end of the market. Home prices were reported to be ahead of the year earlier level and spring home sales are expected to exceed the year earlier level, as well.

Convention Trade

Tourism is a major business in Atlanta. The city hosts on average about 17,000,000 visitors a year. The industry typically generates between three and four billion in annual revenues. Convention and trade show business ranks as Atlanta's largest industry. Estimates vary, but overall annual attendance is approximately three million, with delegates spending an average of almost $200 per person, per day. To accommodate visitors there are approximately 92,000 hotel rooms in the 28-county metro area. As other cities continue to offer increasing competition for Atlanta's convention business, namely Orlando, Miami, Las Vegas and New Orleans, the city continually strives to improve its facilities. The largest facility, the Georgia World Congress Center (GWCC), completed its expansion from 950,000 to 1.4 million square feet of exhibit space, in 2002. The top trade shows and conventions booked during 2011 in Atlanta are shown next.

TOP TRADE SHOWS AND CONVENTIONS IN ATLANTA FOR 2011/2012

Show	Estimated or expected No. of Attendees	Location
AmericasMart January Gift & Home Furnishings Market	93,000	AmericasMart Atlanta
Cheersport Limited 2011	80,000	GWCC
AmericasMart July Gift & Home Furnishings Market	72,600	AmericasMart Atlanta
Chick-fil-a Bowl	72,217	Georgia Dome
Wrestlemania 2011	71,617	Georgia Dome
Chick-fil-a College Kick-Off	71,000	Georgia Dome
SEC Football Championship 2011	70,000	Georgia Dome
Atlanta Football Classic 2011	60,000	Georgia Dome
Tampa Bay Volleyball Big South Qualifier 2011	51,822	GWCC
Bronner Bros. Mid-Winter 2011 International Hair Show	45,000	GWCC

Source: *Atlanta Business Chronicle, Book of Lists 2011 - 2012*

Transportation

The Atlanta region's continued emphasis on upgrading the transportation system is a significant factor in the area's economic growth and development. The main focus on improvement has been primarily in three areas over the recent past: the Metropolitan Atlanta Rapid Transit Authority (MARTA) commuter railway project; Hartsfield-Jackson Atlanta International Airport; and the interstate highway system.

MARTA is a public agency that provides mass rail transportation in the two most populated counties of the Atlanta region. Its transit system consists of extensive bus service (over 150 routes) and a heavy-rail, rapid transit system in DeKalb and Fulton Counties. The rail system consists of north-south and east-west lines that intersect near the center of Atlanta's CBD. The system currently consists of 47 miles of rail and 38 stations, including one at Hartsfield Airport. Cobb, Gwinnett and Clayton counties also have bus transit systems that have routes to the CBD, as well as links to other MARTA routes.

The interstate highway system in and around Atlanta is well developed. Encircling the city is the six- to 10-lane, 64-mile, I-285. The highway system also includes three major freeways that intersect in the middle of town and radiate out in all directions. These are I-20 (east/west), I-75 (northwest/southeast), and I-85 (northeast/southwest). Additionally, the extension of Georgia Highway 400 from I-285 to I-85 near the downtown connector was completed in 1993. This is Atlanta's first toll road and provides multiple-lane, direct access to the central business district for residents of north Fulton and Forsyth Counties.

Hartsfield-Jackson Atlanta International Airport is the world's largest passenger terminal complex and the world's busiest airport. In 2008, Hartsfield-Jackson Atlanta International Airport accommodated some 85 million passengers and almost one million flight operations. Since 1998, Hartsfield-Jackson has been the busiest airport in the world, thus making it the busiest airport in the history of aviation. Hartsfield-Jackson is also one of the world's leading air cargo terminals, ranked 22nd globally. Only Atlanta, Los Angeles and Chicago are both top 10 U.S cargo and passenger airport lists.

Hartsfield-Jackson is now in the process of a 10-year, $5.4 billion expansion. The initial phase involved acquisition of 550 acres of land and construction of a fifth runway of 9,000 feet, which opened May 2006. This was followed by expansion of parking capacity, relocation of the control tower and rental car complex, and new road systems.

Other Features

Some additional features of Atlanta are 29 degree-granting colleges and universities and the Jimmy Carter Presidential Center. Atlanta is one of few cities with three major professional sports teams: football with the Atlanta Falcons (1998 NFC Champions); basketball with the Atlanta Hawks; and baseball with the Atlanta Braves (1992, 1996, and 2000 National League Champions and 1995 World Series Champions); The Atlanta Thrashers hockey team moved from Atlanta to Winnipeg, Manitoba in June 2011. Additionally, the Atlanta area hosts a major NASCAR race every year (over 100,000 in attendance). Major recreational attractions include Six Flags Over Georgia, Stone Mountain Park, Lakes Sidney Lanier and Allatoona, and multiple museums and theater venues. New attractions in the Atlanta area include the Georgia Aquarium and Atlantic Station.

Over the last decade, Atlanta has been a huge presence in the world of spectator sports. It all started with its selection as the site of the 1996 Summer Olympics. A key factor in that achievement, as well as the city's hosting of the 1994 and 2000 Super Bowls, 2002 and

2007 NCAA Men's Basketball Final Four, 2003 NCAA Women's Basketball Final Four, and major indoor track events, has been the Georgia Dome. This indoor stadium was completed for the Falcons' 1992 football season. Coupled with recent improvements to the nearby Georgia World Congress Center, it has proven to be a big plus for the city. The spin-off from the events has further enhanced Atlanta's reputation as a true international city, not to mention the significant economic impact. Phillip's Arena hosted the NHL all-star game in 2008.

CONCLUSIONS / OUTLOOK

One of the recognized experts on the Atlanta economy is Dr. Rajeev Dhawan of Georgia State University in Atlanta. In May 2012, he released his quarterly forecast for the local economy. He indicated potential good news for job seekers in metro Atlanta and Georgia in the second half of 2012 and 2013: more positions will be added than lost over the next 36 months. The bad news: home values, which have yet to show they have hit bottom, will continue to struggle and that will probably lead to more layoffs in local governments whose revenue depends on property tax collections.

In his quarterly economic forecast, he predicted Atlanta will add 37,600 jobs this year and 47,300 in 2013. That's a switch from 2011 when the area was losing employment. It's also an increase from Dhawan's prior forecasts. But the job growth and housing demand it could spark will not be enough to lift home prices out of the doldrums this year, he said, adding that may take another year or more.

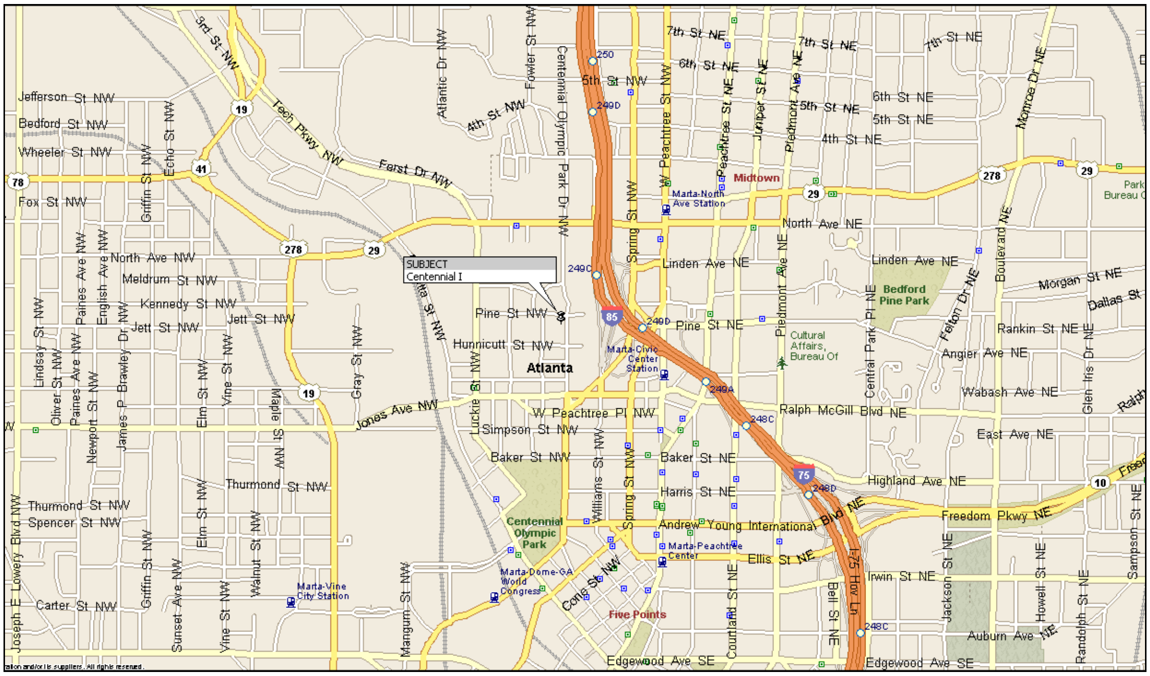
Another expert, economist Jeff Humphreys, director of the Selig Center for Economic Growth at the University of Georgia, forecasts one percent employment growth for the state and metro Atlanta in 2012 and 2013. He said the private sector, which has shed jobs in technology, construction and financial activities during the downturn, will complete restructuring by year's end and be in better shape to hire in 2013. But Humphreys thinks there is a 30 percent chance the nation could fall into another recession next year, especially if Europe continues to teeter financially, oil prices rise and the federal government doesn't address spending. Nationwide recession could derail Georgia's recovery and reverse the progress of 2012, Humphreys said.

NEIGHBORHOOD OVERVIEW

Location and Boundaries

The subject is located south of Merritts Avenue, east of Lovejoy Street, west of Interstate 75, and north of Hunnicutt Street. It is bisected by Pine Street and Centennial Park

Drive, within the city limits of Atlanta, Fulton County, Georgia, at the center of the Atlanta CBD. We are defining the neighborhood boundaries as Collier Road to the north, Moreland Avenue to the east, State Route 54 / McDonough Boulevard to the south and Lake Avenue to the west. A neighborhood map is presented below with a larger map, as well as a regional map, included in the Addenda.



Access and Availability of Utilities

Accessibility of the neighborhood is considered good. The buildings are convenient to the interstate and to arterial roads, with multiple interior streets and access to parking courtyards. Exposure is also good, with buildings arranged around the perimeter of the blocks and parking within the courtyard interiors of the blocks. Phase I units have frontage along Merritts Avenue, Lovejoy, Pine, Center, Hunnicutt and McAfee Streets; and Centennial Park Drive. Streets are asphalt paved and bidirectional, with curbside parking. Centennial Park Drive provides the primary access to Interstates I-75 and I-85 via North Avenue, which is located ¼ mile to the north. Both Interstates provide north and south access through downtown Atlanta. South of the subject (approximately ½ mile), Simpson Street (a.k.a Jones Avenue south of the subject, Joseph E. Boone Boulevard west of Joseph E. Lowery Boulevard, Ivan Allen Boulevard and Ralph McGill Boulevard east of Interstates I-75/85) is a two-four lane roadway that runs in an east to west direction through downtown Atlanta.

Other primary roadways in the subject area are Tech Parkway / Luckie Street, the western most border of the subject development, which runs north/south parallel to Marietta Street. D.L. Hollowell Parkway is four lanes with a center turn lane or a median, and provides east to west traffic flows respectively. D.L. Hollowell Parkway extends west from I-75/85. Furthermore, D.L. Hollowell Parkway continues west outside of the I-285 (accessed six miles west of the subject) perimeter into the cities of Mableton and Douglasville, running parallel to I-20 (accessed 1.5 miles south of the subject) into Alabama. East of I-75/85 D.L. Hollowell Parkway merges into North Avenue where it continues east through Midtown Atlanta and the city of Decatur in neighboring DeKalb County. Approximately ½ mile northwest of the subject is Marietta Boulevard, which runs in a north to south direction from D.L. Hollowell Parkway to Atlanta Road, where it continues in a northwesterly direction through Vinings and Smyrna in neighboring Cobb County.

The subject neighborhood has a number of secondary roadways that enhance accessibility to and throughout the area. All of the streets serving the neighborhood are asphalt-paved, with surface and subsurface drainage. Sidewalks are common in improved areas with a combination of overhead and underground utilities. Utilities available to the neighborhood include public water, sanitary sewer, electricity, natural gas and telephone. Municipal services in the area include police and fire protection. The availability of schools, public services, places of worship, recreation and employment are very good in the area.

Land Use

The predominant land use in the subject's neighborhood is Georgia Institute of Technology (Georgia Tech). The Georgia Institute of Technology is one of the nation's top research universities, with programs focused on advanced science and technology. Georgia Tech's campus occupies 400 acres in the city of Atlanta. Current enrollment includes more than 21,500 undergraduate and graduate students and 900 full time faculty. Georgia Tech is accredited by the Southern Association of Colleges and Schools (SACS) and offers many nationally recognized, top-ranked programs. Georgia Tech is consistently ranked in *U.S. News & World Report*'s top ten public universities in the United States. The campus begins ¼ mile north of the subject on the north side of North Avenue. Georgia State University has facilities within a quarter-mile of the subject as well, with some student housing corner-adjacent the subject on the east side of Centennial Park Drive.

The northwestern portion of the neighborhood encompasses one of metropolitan Atlanta's oldest industrial areas, the Chattahoochee Industrial District. The past decade has seen this area experience an explosion of new development, primarily along parts of Northside Drive, Ellsworth Industrial Drive and Marietta Street. The area's rail road infrastructure, built in the 1800's, allowed for the development of large warehouse and manufacturing facilities that are now being converted to planned "Live, Work, Play" developments.

South of the subject, within ½ mile, are numerous downtown tourist attractions including Centennial Olympic Park, Georgia Aquarium, Georgia World Congress Center, Georgia Dome and Phillips Arena. Coca Cola Enterprises headquarters are ¼ mile northwest on the south side of North Avenue.

Emory University Hospital (formerly known as Crawford Long) Midtown is less than ½ mile east of the subject on the east side of the interstate. Emory University Hospital Midtown is a 511-bed community-based, acute care teaching facility and full-service hospital located in Midtown Atlanta. A part of Emory Healthcare, the hospital offers a full range of services, which include general medicine, maternal and infant care, orthopedics and surgery. Emory University Hospital Midtown is staffed by 600 Emory medical faculty and 800 community physicians. More than 23,205 inpatients and 143,961 outpatients come to Emory University Hospital Midtown each year. Patients receive care from community-based physicians, physicians of The Emory Clinic and from a highly-trained staff of nurses and other clinical professionals. Medical services include 56 intensive care beds, a level III neonatal intensive care unit (NICU), and four hyperbaric oxygen units. This full-service hospital is known for services in cancer, cardiology, cardiac surgery, gastroenterology, and emergency medicine. Women's services include prenatal and postnatal education, bone density testing, mammography, and obstetrics, with a specialization in high-risk pregnancy.

There are also observed a number of churches, government services and schools in the area. Schools serving the subject include Centennial Elementary, and Washington and Henry Grady High Schools. The Zell Miller Community Center and YMCA are adjacent to the north of the subject. Because of the large scope of the subject development, there are numerous adjacent uses that include single family condos, university facilities associated with Georgia State and Georgia Tech, and government services buildings.

Demographics

To gain additional insight into the characteristics of the subject's neighborhood, we reviewed a demographic study prepared by ESRI through *STDBOnline*. The information in the following table primarily pertains to a three-mile radius around the subject property and the Atlanta metropolitan statistical area (MSA). The full reports are included in the Addenda.

DEMOGRAPHICS SUMMARY Area: 3- Mile Radius, 526 Centennial Olympic Park Drive			
	2000	**2012**	**2017**
Population	144,881	158,949	172,089
Growth		10%	8%
Households	61,274	73,064	81,600
Growth		19%	12%
		3 Mile Ring	**Atlanta MSA**
Income			
Average HH		$61,956	$85,998
Median HH		$39,474	$68,106
Per Capita		$34,004	$31,282
Median Home Value		$216,244	$145,533
Housing Units			
Renter - Occupied		52%	30%
Owner - Occupied		29%	60%
Vacant		19%	10%
Average Household Size		1.82	2.72
Most Homes Built (decade)		1969 or Earlier	1990s
Percentage		N/Av	31%
Education Levels (Adults > 25)			
High School Graduate		84%	87%
4-Year College Degree		47%	34%
Largest Employment Categories			
Services		42%	36%
Retail Trade		8%	12%
Construction		3%	8%
Professional, Scientific, Technical		16%	9%
Finance/Insurance/Real Estate		7%	8%
Manufacturing		4%	7%

Source: ESRI forecasts for 2010 & 2012 based on 2000 US Census Data.

The demographic information illustrates the subject neighborhood's moderate growth in population and households since 2000, and this trend is expected to continue over the next five years. Overall, income levels are lower than those for the MSA and area residents are slightly less educated when it comes to high school graduates. The proximity of Georgia Tech and Georgia State Universities inflates the college educated figures. Homes are weighted towards renters and there is a large percentage of vacancies. Employment is weighted towards services, particularly professional, scientific and technical, again showing the influence of Georgia Tech.

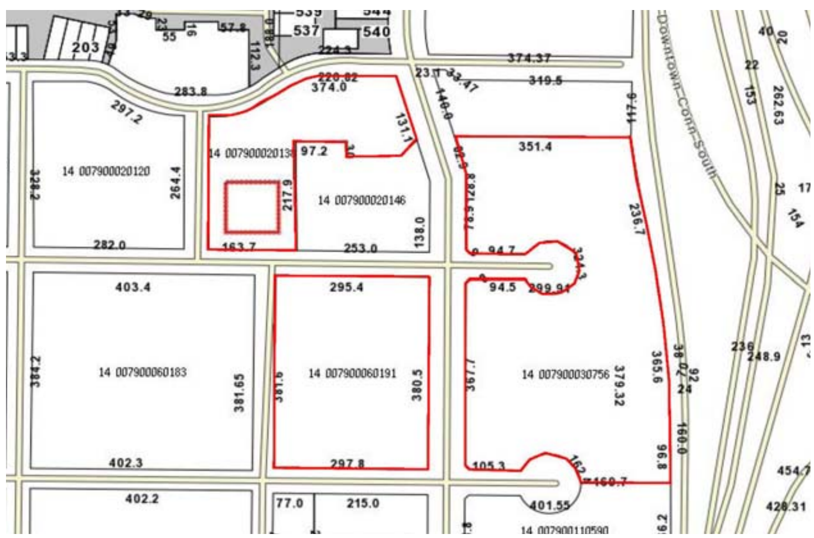
Conclusion

In general, the neighborhood is an established and moderately growing urban area of downtown Atlanta. The area appears to be adequately served by supportive retail and service businesses. Access to and through the area is good with easy access to several major interstates. We expect the overall demographic nature and development characteristics of the neighborhood to remain relatively consistent, with continued moderate growth over the foreseeable future, limited only by the availability of developable land or re-developable properties.

The site and improvement descriptions included in this report are based on a personal inspection of the subject site and improvements; various documents provided by the owner and purchaser/developer including a unit mix, rent roll, site plan, unit floor plans, historical and budgeted operating statements, discussions with representatives of the current owner; property tax information; and our experience with typical construction features for apartment complexes. The available information is adequate for valuation purposes. However, our investigations are not a substitute for formal engineering studies.

SITE DESCRIPTION

Address:	526 Centennial Olympic Park Drive Atlanta, Fulton County, GA 30313
Location:	South of Merritts Avenue, east of Lovejoy Street, west of Interstate 75, and north of Hunnicutt Street. It is bisected by Pine Street and Centennial Park Drive, within the city limits of Atlanta, Fulton County, Georgia, at the center of the Atlanta CBD.
Tax Parcel Number:	14007900020138, 14007900020203, 14007900060191, and 14007900030756



Land Area:	9.58 acres
Shape and Frontage:	Irregular shape with frontage along the south side of Merritts Avenue, east side of Lovejoy Street, west side of Interstate 75, and north side of Hunnicutt Street. It has internal frontage along Pine Street and Centennial Park Drive
Ingress and Egress:	Multiple curb cuts provide access to numerous surface parking areas.
Topography and Drainage:	The subject site is graded, buildings have piped downspouts and paved areas have collection basins. Drainage occurs in a number of directions. The parking/drive areas are sloped to

	promote subsurface drainage. We are unaware of any drainage issues and assume that none exist.
Soils:	We were not provided a geotechnical exploration report. We are not aware of any soil problems and assume the site can support the existing improvements both now and into the future. We have no expertise in this area. We recommend the consultation of a specialist for further questions of this nature.
Easements:	The provided site plans show easements for utilities and roadways, and for Interstate 75/85along the eastern border. We assume the only other easements are those typically provided for the installation and maintenance of utilities or other right of way easements. We are aware of no detrimental easements and assume that none exist. However, we are not qualified in this legal matter.
Covenants, Conditions, and Restrictions:	We are not aware of any deed restrictions, or restricting covenants, other than zoning. However, this is a legal matter, and we recommend professional counsel for questions of this nature.
Utilities/Services:	Utilities available to the subject include water/sewer, electricity, natural gas, and telephone. Services include police and fire protection.
Flood Zone:	According to the provided site plan, the subject property is identified on Federal Emergency Management Agency Flood Insurance Rate Map Number 13121C0244E, effective date May 7, 2001, and is located in an area of low flood risk.
Environmental Issues:	We were not provided a Phase I Environmental Assessment. We did not observe any evidence of environmental contamination on inspection. However, we are not experts in this area and suggest the consultation of an expert if a problem is suspected.
	This analysis assumes that there is no hazardous material on or in the property, including land and improvements, which would cause a significant loss in value. We reserve the right to adjust our conclusion of value if any environmental conditions are discovered.
Conclusion:	The subject site is considered to have adequate overall physical utility for its current use. This conclusion is based on the site’s size, shape, topography, accessibility and exposure, and availability of all utilities and services. Additionally, it is our opinion that the improvements reflect good utilization of the site’s physical characteristics.

IMPROVEMENT DESCRIPTION

Construction Class: The class of construction is the basic subdivision in *Marshall Valuation Service* dividing all buildings into five basic groups by type of framing (supporting columns and beams), walls, floors, roof structure, and fireproofing. The subject buildings feature wood-frame construction with wood and brick-veneer siding exteriors. According to the *Marshall Valuation Service* cost manual, the buildings qualify as average, Class D[1] construction.

Competitive Rating: The subject is perceived in its market as a Class B property in terms of quality, features, amenities and age.

Unit Mix:

UNIT MIX AND MARKET RENT SCHEDULE - AS IS MAY 2013
Centennial Place Phase I Apartments

Unit Type	No. Units	Unit SF	Total SF	Average Res Rent	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA Market	29	688	19,952	$775.00	$852	$1.24	$296,496
1BR/1BA Market	1	688	688	$0.00	$835	$1.21	$10,020
1BR/1BA PHA	9	688	6,192	$130.88	$651	$0.95	$70,308
1BR/1BA PHA HC	1	688	688	$323.00	$610	$0.89	$7,320
1BR/1BA LIHTC 60%	26	688	17,888	$643.36	$599	$0.87	$186,888
2BR/1BA Market	4	869	3,476	$886.67	$815	$0.94	$39,120
2BR/1BA Market	1	875	875	$990.00	$815	$0.93	$9,780
2BR/2BA Market	23	1,057	24,311	$958.68	$1,049	$0.99	$289,524
2BR/2BA Market	3	1,041	3,123	$1,109.33	$1,049	$1.01	$37,764
2BR/1.5BA Market	2	1,215	2,430	$1,357.00	$1,049	$0.86	$25,176
2BR/2BA PHA	23	869	19,987	$202.29	$790	$0.91	$218,040
2BR/2BA PHA HC	2	869	1,738	$144.00	$790	$0.91	$18,960
2BR/2BA PHA	16	1,041	16,656	$327.33	$790	$0.76	$151,680
2BR/2BA PHA	2	1,057	2,114	$91.50	$790	$0.75	$18,960
2BR/2BA LIHTC 60%	3	869	2,607	$756.50	$772	$0.89	$27,792
2BR/2BA LIHTC 60%	4	1,041	4,164	$811.00	$772	$0.74	$37,056
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$829.00	$772	$0.64	$9,264
3BR/2.5BA Market	1	1,254	1,254	$1,499.33	$1,185	$0.94	$14,220
3BR/2.5BA Market	1	1,340	1,340	$1,499.33	$1,575	$1.18	$18,900
3BR/2.5BA Market	1	1,594	1,594	$1,499.33	$1,675	$1.05	$20,100
3BR/2.5BA PHA	19	1,254	23,826	$316.05	$919	$0.73	$209,532
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$898.60	$750	$0.60	$27,000
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$898.60	$750	$0.47	$18,000
4BR/2.5BA Market	2	1,581	3,162	$1,837.50	$1,820	$1.15	$43,680
4BR/2.5BA PHA	2	1,581	3,162	$579.00	$1,031	$0.65	$24,744
Totals/Average	181	936	169,392		$843	$0.90	$1,830,324

Improvement Summary

Area (SF):	169,392-SF net leasable / 936-SF average
Year Built:	1996
Type:	Garden-style
Units:	181
Condition:	Average
Buildings/Stories:	22 two- and three-story apartment buildings and a free-standing management building
Access:	Walk-up with breezeways

[1] Class D buildings are characterized by combustible construction. The exterior walls may be made up of closely spaces wood or steel studs, as in the case of a typical frame house, with an exterior covering of wood siding, shingles, stucco, brick, or stone veneer, or other materials. Floors and roofs are supported on wood or steel joists or trusses or the floor may be a concrete slab on the ground. Upper floors or roofs may consist of wood or metal deck, prefabricated panels or sheathing. (Source: Marshall Valuation Service, January 2012, §1, p. 8)

Exterior Description	Foundation:	Poured, reinforced concrete slab, on grade
	Frame:	Wood
	Exterior Finish:	Brick and vinyl
	Roof:	Pitched, asphalt shingles
Interior Living Areas	Walls:	Painted drywall
	Windows:	Double-pane glass
	Ceiling:	Painted drywall
	Lighting:	Fixtures, fluorescent and incandescent
	Flooring:	Carpet, ceramic tile, laminate
Kitchen Areas	Wood cabinets with laminate countertops, refrigerator, stainless sink, range/oven, washers and dryers	
Bath	Porcelain commode, wood vanity cabinet with laminate countertop, single sink, ceramic tile tub/shower combination	
Other	HVAC:	Pad mounted A/C units
	Electrical/plumbing:	Typical, assumed adequate. Units and common areas are not sprinklered.
	Interior doors:	Hollow core with glass doors to patio
	Exterior doors:	Metal
	Other:	Most units have small patio or balcony
Parking/Sidewalks:	Adequate surface, uncovered parking spaces including handicapped spaces. We assume parking spaces are in compliance with local zoning requirements.	
Landscaping/Other:	Attractive landscaping and mature trees	
Property Amenities:	The project includes surface parking, common amenities with multiple playgrounds, swimming pool and a clubhouse facility.	
Utilities:	Tenants are responsible for all utilities except trash.	

Economic Age and Life: The subject complex was built in 1996 and is in average to good condition. According to *Marshall Valuation Service* cost guide, buildings of this type and quality have an expected life of 50 years. However, this may be extended by a consistent repair schedule. The provided Project Capital Needs Assessment (PCNA) states that once the immediate physical repairs are completed, the Remaining Useful Life is at least 35 years. We concur with this conclusion. Our estimate considers the following factors:

1. The economic make-up of the community and the ongoing demand for the subject type,
2. The relationship between the property and the immediate environment,
3. Architectural design, style and utility from a functional point of view,
4. The trend and rate of change in the characteristics of the neighborhood that affect values,
5. Construction quality, and
6. Physical condition

	Considering all of these factors, our estimate of remaining economic life for the subject seems reasonable.
Deferred Maintenance/ Capital Issues:	Overall, the property is in average to good physical condition. There were no significant deferred maintenance issues observed on inspection. The clubhouse is currently being repaired after fire damage in March 2013.
Conclusion/Comments:	The subject's construction is consistent with newer garden-style apartment complexes in the metro area and is competitive with other similar-vintage complexes in Atlanta.

RENOVATIONS

The prospective purchaser is planning a substantial renovation in the amount of approximately $46,000 per unit in improvements. We were provided a synopsis of planned upgrades/improvements.

Unit improvements will include interior painting; new low-flow plumbing, fixtures, faucets and accessories; new kitchen and bathroom cabinetry and countertops; new Energy Star appliances; new hot water heaters; new HVAC systems; new light fixtures; and new flooring.

ZONING ANALYSIS

The property is subject to the zoning regulations of the City of Atlanta, Georgia. According to the Atlanta Department of Planning and Zoning, the subject parcel is zoned RG-3, General Residential. This zoning class permits multi-family development and is a subset of the Multifamily Residential District. The RG-3 district allows single-family, duplex and multifamily structures, including apartment structures. Other uses allowed, subject to specific limitations, are places of worship, primary and secondary schools, daycare, community based residential facilities, and convenience establishments. It appears that the subject is a conforming use. Our analysis assumes that the subject is not in violation of the zoning ordinance. We recommend a letter be obtained from the City of Atlanta Zoning Commission for any further questions.

TAX ANALYSIS

The property is subject to taxation by the city of Atlanta and Fulton County. Real estate in Georgia is assessed at 40% of the assessor's estimated market value. The current millage rate applicable to the subject is $44.431 per $1,000 of assessed value. The 2012 tax information is presented in the following chart.

ASSESSMENT AND TAX INFORMATION								
Parcel ID No.	Land Value	Improvement Value	Total Value	Assessed Value	Tax Rate / $1,000	Tax Rate / $1,000	Actual Taxes	Annual Taxes Computed
14007900020138	$1,879,000	$0	$1,879,000	$751,600	$33.680	$10.751	Exempt	$33,394
14007900020203	$0	$8,800,000	$8,800,000	$3,520,000	$33.680	$10.751	$92,308	$156,397
14007900060191	$10,548,900	$0	$10,548,900	$4,219,560	$33.680	$10.751	Exempt	$187,479
14007900030756	$5,756,400	$0	$5,756,400	$2,302,560	$33.680	$10.751	Exempt	$102,305
*Source: Fulton County Tax Assessor / Commisioner * Assessed valued for improvements actually $2,076,800*								

As mentioned, the prospective purchaser is planning a substantial renovation in the amount of approximately $46,000 per unit, in building improvements. In our opinion, this will extend the remaining useful life of the subject and increase its appeal to potential renters. We estimate an appraised value of $100,000 per unit, or a total tax value (181 units) of $18,100,000. This equates to an assessed value (40%) of $7,240,000. At the current tax rate ($44.431/$1,000 of assessed value), the resulting taxes would be $321,680 rounded to $320,000. These are the taxes we used in our post-renovation income analysis at hypothetical market rate.

APARTMENT INVESTMENT MARKET

The following paragraphs were taken from *Emerging Trends in Real Estate 2013*. According to the study, the multi-family bandwagon rolls on. “It’s such a good story you have a hard time resisting making investments,” says an interviewee. Positive demographics - the bulge of young adult renters and downsizing baby boomers - supplemented by homeownership displacement from the housing bust create significant demand drivers. Population shifts into infill areas and urbanizing suburbs, especially locations near mass transit stops, favor multifamily, too. More people willingly forsake space and yards for greater convenience and avoiding car dependency. On the supply side, some fallow development years have further tightened many markets as developers only now begin to catch up. In high-barrier-to-entry places, particularly in metropolitan areas along the coasts, new projects may have trouble keeping up with demand, resulting in mid- to low-single-digit vacancy rates, rent spikes, and “extremely solid” appreciation. So long as these trends continue, over the long term apartments should continue to outperform all other property types on a risk-adjusted basis, with excellent cash flow components. Whereas other sectors must weather impacts from technology buffeting and slackened demand growth, future population increases suggest a vibrant and expanding apartment market.

“Inordinately large” capital flows course into the apartment sector and raise concerns among some investors despite the solid fundamentals. The best deals “have been picked over” and what is left has become just “too pricey.” Some interviewees warn to back off: “Without job creation, this [performance] growth cannot continue.” Some “scary” loan underwriting does not compute: Exit caps at 4 in ten years when interest rates could be much higher will require a good run of value creation. New projects, meanwhile, could get out of hand in traditional hot-growth, easy-to-build Sunbelt markets, as well as in suburban areas where apartments traditionally tend to under deliver. Shut out of much activity in the office and retail sectors, developers of all stripes “pile into the sector” as lenders offer construction loans. If the housing market starts to recover and homebuyers gain confidence, apartment demand could slacken; at some point purchasing may begin to look like a better deal than leasing if rents keep increasing. And new investment funds scarf up single-family homes for rental properties, which could compete with multifamily units.

Developers find some solace - “a lot of [apartment] supply is needed to keep up with obsolescence as well as natural growth” - and banks and insurers eagerly boost construction financing volumes. Even with stepped-up activity, interviewees say unit deliveries in 2012 - about 200,000 - “will come up short” of the roughly 300,000 mark typically needed to maintain equilibrium in markets nationwide. High-barrier-to-entry urban infill markets around 24-hour cities cry out for new projects. Developers who can secure scarce sites and overcome typical entitlement hurdles should score winners, catering to the wave of echo-boomer career builders and their empty-nester parents. Development approaches “hinge on location and quality: at the high end, developers must provide amenities inside and outside" of projects. At the lower end, neighborhoods and convenience count more. For younger, less-affluent renters, "developers can meet price points providing less space" as long as the surrounding area offers "a quality experience" defined by shops, restaurants, parks, and, most important, access to workplaces or mass transit to get to work. As light rail and bus rapid transit service is expanded in many markets, construction opportunities will likely present themselves around new transit stations. The "continuing urbanization" wave underway should give developers at least "a three- to four-year" window in major markets.

The "rah-rah" multifamily story seems "a little long in the tooth" and will eventually "lose some steam" as housing rebounds, but expect the run of increasing rents and values to continue in most markets at least through 2013 and probably well into 2014. Cap rates - although not out of range compared with other sectors with higher capital costs and risks - probably have nowhere to go but up, and rent growth should moderate after a boom in infill locations. Car-access suburban markets "will do okay, but underperform."

According to the *PwC Real Estate Investor Survey - First Quarter 2013*, demand trends in the national apartment market remain steadfast despite elevated rental rates in some markets and a gradual recovery in the single-family housing sector of other markets. "There is a cultural shift in the rising generation away from ownership and towards the flexibility of rental living, which will continue to drive demand for apartments," comments an investor. While certain investors foresee strong demographics sustaining apartment demand and outpacing new supply in the near term, others believe growing costs may weaken demand. "Rising rental rates are a concern in markets where tenants have options to move to single-family dwellings," states a participant. This quarter's survey results of two key indicators reveal a modest change in investor sentiment. First, the average initial-year market rent change rate is static this quarter, hinting at investors' awareness of an upper limit for rent growth in their cash flow projections. Second, the average overall capitalization rate is virtually unchanged, suggesting stabilization in asset pricing. Over the next six months, the majority of surveyed investors foresee overall cap rates holding steady in this market.

The *PwC Survey* indicates that overall capitalization rates for apartments range from 3.50% to 10.00%, with an average of 5.73% (5.58% for the Southeast Region). This rate is an increase in the overall average rate of 1 basis point from the prior quarter and a decrease of 10 basis points higher than the same period one year ago. The investors indicated inflation assumptions for market rent generally ranging between negative 2.00% and 6.00%, with an average of 2.57% (1.80% for the Southeast Region). Additionally, these investors quoted an expense inflation rate between 1.00% and 3.50%, with an average of 2.71% (2.90% for the Southeast Region). Internal rate of return requirements for the investors ranged from 5.00% to 14.00%, with an average of 8.06% (7.90% for the Southeast Region), down from 8.17% the prior quarter and 8.28% one year ago. The average marketing time reported ranged from 0 to 18 months, with an average of 5.1 months (6.2 months for the Southeast Region).

ATLANTA MSA APARTMENT MARKET

Inventory And Overall Market Conditions

According to A*tlanta Apartment Market Tracker –Year-End 2012* published by Dale Henson Associates, Inc., there are over 400,000 apartment units in market rate projects that contain over 50 units in the 11-county Tracker area. During 2012, there were 18 new starts in the 11-county metro Atlanta area. These complexes along with their respective submarkets and number of units are shown in the chart below.

New Market Rate Starts - 2012		
Complex Name	**Submarket**	**# of Units**
92 West Paces Ferry	Buckhead	210
Ashford at Brookhaven	Buckhead	215
Camden Paces	Buckhead	379
Fairfield Town Brookhaven	Buckhead	299
77 12th Street	Midtown	330
Elan Westside	Midtown	197
Reserve at Collier Hills	Midtown	288
Skyhouse	Midtown	320
Waton Westside	Midtown	254
AMLI Ponce Park	Central	305
Bohemian House	Central	276
2924 Clairmont Phase II	North DeKalb	362
Riverwood	Cobb-Galleria	315
Heights at Old Peachtree	Gwinnett-Duluth	258
Terraces at Suwanee Gateway	Gwinnett-Duluth	335
Greystone Summit	Forsyth	216
Summit Crossing	Forsyth	140
Waterstone at Big Creek	Forsyth	270
Total		4,969

In the 2012, unit starts were 4,969, up significantly from 2,527 in 2011. New unit market-rate deliveries increased to 1,788 in the 11-county Tracker area during 2012, up from 1,331 during 2011. The eleven-county *Tracker* area experienced new unit absorption (new never occupied units) of 1,478, down from 2,400 in 2011.

Effective Rent Trends

According to A*tlanta Apartment Market Tracker – Year-End 2012* published by Dale Henson Associates, Inc., average monthly effective rents in garden properties in the eleven-county *Tracker* area increased 2.4% from the end of 2011. Effective rents were up to $777 from $759. At the end of 2012, Class A apartments showed an increase of 4.6%, Class B apartments increased their effective rent by 0.9%, and Class C units were up 2.5% over the end of 2011. In addition, concessions were down at $19, from $34 a year earlier.

Occupancy/Occupancy Trends

According to A*tlanta Apartment Market Tracker – Year-End 2012* published by Dale Henson Associates, Inc., occupancy in the eleven core counties (garden properties only) increased to 90.8% during the end of 2012, up from 89.8% the prior year. In addition, occupancy was, 89.1% in 2010, 88.5% in 2009 and 88.6% in 2008. In fact, 20 of the 29 submarkets experienced gains in occupancy. The losses in occupancy during the first half of 2012 were reported by the Dunwoody (high rise only), Buckhead (high rise only), Decatur, Buckhead, Midtown, South Fulton, Lindbergh, Clayton, Cherokee, and Southeast DeKalb markets.

THE SUBJECT'S CENTRAL SUBMARKET

Inventory

According to the Dale Henson reports, the subject is located in the Central submarket. According to the *Year-End 2012 Atlanta Apartment Market Tracker*, in the Central submarket, inventory is 13,076 apartment units. For the submarket, there were 911 units started in 2008; 325 in 2009, no starts in 2010 and 2011, and 581 in 2012.

The A*tlanta Apartment Market Tracker – Pipeline Report Year-End 2012* published by Dale Henson Associates, Inc. reports three properties in the under construction, in initial lease-up or recently stabilized category. Only Renaissance Walk (140 unit conversion) is in the lease-up stage and has been leasing at a rate of 7.8 units per month. The other two properties are the Bohemian House (276 units, market-rate, mid-rise, Class-A) and AMLI Ponce Park (305 units, market rate, garden, Class-A). These two complexes are not expected to begin lease-up until Q4 2013 and Q1 2014, respectively. The report also lists five properties in the planning stages in the Central submarket. Two of those properties are further along. Perennial Somerset, located along North Avenue, will have 227 units and plans on starting their leasing in the third quarter of 2013. The second is located in the old City Hall East building along Ponce De Leon Avenue. It will be called Ponce City Market and will be developed by Green Street Communities. It will have 260 units and plans on opening in the second quarter 2014. A complex possibly named 131 Ponce De Leon Avenue is being planned at that address. It’s slated to contain 281 units. A 225-unit complex named Paces Krog Street is being planned along Lake Avenue at Krog Street. Finally, an unnamed 186-unit complex is planned along Elizabeth Street and will be developed by JPX Works.

Occupancy

Overall occupancy for the Central submarket at year end 2012 was 93.0%, up from 90.2% a year earlier. Occupancy for Class-A properties in this submarket at year end 2012 was 96.4%, an increase from 95.8% a year earlier. Occupancy for Class-B properties was 92.2%, a decrease from 94.5% a year earlier. As mentioned, we surveyed a total of six comparable apartment developments in the area, as shown in the following chart.

RENT COMPARABLES - OCCUPANCY			
Complex	# of Units	Vacant	Occupancy
1. Ashley Auburn Pointe I	154	6	96%
2. Columbia Mechanicsville	199	0	100%
3. Capital Gateway I and II	421	29	93%
4. Magnolia Park	220	68	69%
5. Villages at Castleberry Hill	450	45	90%
6. Ashley Collegetown II	177	9	95%
Total/Average	1621	158	90%

The comparables reported physical occupancies from 69% to 100% with a weighted average of about 90%. The subject property is currently 93% occupied and 97% pre-leased. We also reviewed the historical operating statements at the subject over the past three years (details are shown in the Income Approach section of this report). According to the statements, the economic loss attributable to physical vacancy was about 6% in 2010, 7% in 2011 and 7% in 2012. One dedicated model unit contributes to the total physical vacancy figure. The owner’s 2013 budget includes a 4.3% physical vacancy loss. Collection loss was minimal, below 1% all three years and in the 2013 budget. Based on all of this information, we concluded a 94% physical and 92% economic occupancy after factoring collection loss.

Unit Vacancy Rates

Most complex managers do not have and/or divest vacancy rates by specific unit types. When queried, none of the "occupancy" comparable managers noted any abnormal vacancy trends as regard apartment sizes or unit mixes. We therefore project the subject will experience approximate 8% economic vacancies in all unit types.

Concessions

The subject is not offering any concessions other than ongoing reduced rents. According to the provided historical operating statements, concessions have been dropping over the past three years and were less than 1% in 2012, with a similar budget for 2013. It does not appear that concessions are a significant factor in this submarket. However, in our competitive rent analysis, we will compare effective rent at the subject to effective rent at the comparables.

Competitive Rental Analysis

We found a total of six comparable complexes in the area, all of which offer market-rate and LIHTC units, as well as authority assisted units. The comparables are all Class-A/B complexes, built between 1998 and 2010 with unit counts from 154 to 450. All of the complexes have generally similar unit and complex amenities as the subject. At the subject, tenants are responsible for all utilities except trash. All of the comparables include trash, while Comparables Four and Five include water and sewer with the rent. The following analysis discusses market rate units first, followed by LIHTC units. It is important to note that the subject's location is superior to the comparables; the subject is located in the heart of downtown Atlanta, north of all the comparable properties. The subject's and the comparable rents are presented in the following chart. Further details, as well as photographs and a location map, are presented in the Addenda.

MARKET RENT ANALYSIS

APARTMENT RENT COMPARABLE SUMMARY ONE-BEDROOM UNITS								
Comparable No. and Name	Bath Qty.	Size (SF)	Market Rent Per Unit	Market Rent Per SF	AHA 60% Per Unit	AHA 60% Per SF	LIHTC (60%) Per Unit	LIHTC (60%) Per SF
Subject	1.0	688	$775	$1.13	$651	$0.95	$600	$0.87
1. Ashley Auburn Pointe I	1.0	756	$850	$1.12	N/Ap	N/Ap	$645	$0.85
2. Columbia Mechanicsville	1.0	750	$790	$1.05	$536	$0.71	$675	$0.90
3. Capitol Gateway I and II	1.0	708	$799	$1.13	N/Ap	N/Ap	$678	$0.96
3. Capitol Gateway I and II	1.0	742	$799	$1.08	N/Ap	N/Ap	$678	$0.91
3. Capitol Gateway I and II	1.0	772	$799	$1.03	N/Ap	N/Ap	$678	$0.88
3. Capitol Gateway I and II	1.0	867	$799	$0.92	N/Ap	N/Ap	$678	$0.78
4. Magnolia Park	1.0	600	$545	$0.91	N/Ap	N/Ap	$545	$0.91
4. Magnolia Park	1.0	710	$565	$0.80	N/Ap	N/Ap	$565	$0.80
5. Villages at Castleberry Hill	1.0	710	$795	$1.12	N/Ap	N/Ap	$620	$0.87
5. Villages at Castleberry Hill	1.0	799	$795	$0.99	N/Ap	N/Ap	N/Ap	N/Ap
6. Ashley Collegetown II	1.0	730	$750	$1.03	N/Ap	N/Ap	$665	$0.91
6. Ashley Collegetown II	1.0	820	$750	$0.91	N/Ap	N/Ap	$665	$0.81
Average of comps		747	$753	$1.01	$536	$0.71	$645	$0.87
Maximum		867	$850	$1.13	$536	$0.71	$678	$0.96
Minimum		600	$545	$0.80	$536	$0.71	$545	$0.78

One-Bedroom Units – Market

The subject has one 1BR/1BA floor plan of 688-SF plan for $775 per month ($1.13/SF). The comparable one-bedroom units range in size from 600 to 867 square feet and average 747 square feet. The subject's floor plan is within the range of the comparables.

Effective rents at the comparables range from $545 to $850 ($0.80 to $1.13 per square foot) and average $753 ($1.01 per square foot). The subject's effective rent is within the range of the comparables on a monthly and per-SF basis, albeit at the top of the range on a per-square-foot basis.

One-Bedroom Units – 60% LIHTC

The subject 688-SF floor plan is also offered as 60% LIHTC unit at a rent of $600 per month. The comparable 1BR 60% LIHTC units have an effective rental range of $545 to $678 with an average of $645 per month. The subject's effective rent is within the range of the comparables, similar to the average on a per-square –foot basis and lower than most of the comparables on a per-unit basis. Maximum allowable rent with current utilities structure is $643. We also reviewed the rent roll at the subject which indicated an average contract rent of $643. Considering all of this information, we estimated rent of $643 ($0.93 PSF) as reasonable and it will be used in our analysis.

APARTMENT RENT COMPARABLE SUMMARY TWO-BEDROOM UNITS								
Comparable	Bath	Size	Market Rent		AHA 60%		LIHTC (60%)	
No. and Name	Qty.	(SF)	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF
Subject	1.0	869	$815	$0.94	$790	$0.91	$772	$0.89
Subject	1.0	875	$815	$0.93	N/Ap	N/Ap	N/Ap	N/Ap
Subject	2.0	1,041	$1,049	$1.01	$790	$0.76	$772	$0.74
Subject	2.0	1,057	$1,049	$0.99	$790	$0.75	N/Ap	N/Ap
Subject	1.5	1,215	$1,049	$0.86	N/Ap	N/Ap	$772	$0.64
1. Ashley Auburn Pointe I	2.0	1,079	$1,100	$1.02	N/Ap	N/Ap	$736	$0.68
2. Columbia Mechanicsville	2.0	1,005	$900	$0.90	$606	$0.60	$773	$0.77
3. Capitol Gateway I and II	1.0	910	$850	$0.93	N/Ap	N/Ap	$777	$0.85
3. Capitol Gateway I and II	2.0	978	$900	$0.92	N/Ap	N/Ap	$777	$0.79
3. Capitol Gateway I and II	2.0	1,031	$900	$0.87	N/Ap	N/Ap	$777	$0.75
3. Capitol Gateway I and II	2.0	1,047	$900	$0.86	N/Ap	N/Ap	$777	$0.74
3. Capitol Gateway I and II	2.0	1,050	$900	$0.86	N/Ap	N/Ap	$777	$0.74
3. Capitol Gateway I and II	2.5	1,178	$1,175	$1.00	N/Ap	N/Ap	$777	$0.66
3. Capitol Gateway I and II	2.5	1,319	$1,300	$0.99	N/Ap	N/Ap	$777	$0.59
4. Magnolia Park	1.5	870	$705	$0.81	N/Ap	N/Ap	$705	$0.81
4. Magnolia Park	2.0	955	$745	$0.78	N/Ap	N/Ap	$745	$0.78
5. Villages at Castleberry Hill	1.0	890	$820	$0.92	N/Ap	N/Ap	$715	$0.80
5. Villages at Castleberry Hill	2.0	947	$799	$0.84	N/Ap	N/Ap	$750	$0.79
5. Villages at Castleberry Hill	2.0	1,064	$799	$0.75	N/Ap	N/Ap	$750	$0.70
5. Villages at Castleberry Hill	2.5	1,188	$1,365	$1.15	N/Ap	N/Ap	$795	$0.67
6. Ashley Collegetown II	2.0	989	$875	$0.88	N/Ap	N/Ap	N/Ap	N/Ap
6. Ashley Collegetown II	2.0	1,073	$875	$0.82	N/Ap	N/Ap	$760	$0.71
6. Ashley Collegetown II	2.0	1,223	$975	$0.80	N/Ap	N/Ap	$760	$0.62
6. Ashley Collegetown II	2.0	1,250	$1,025	$0.82	N/Ap	N/Ap	$760	$0.61
6. Ashley Collegetown II	2.0	1,285	$1,075	$0.84	N/Ap	N/Ap	$760	$0.59
Average of comps		1,067	$949	$0.89	$606	$0.60	$760	$0.72
Maximum		1,319	$1,365	$1.15	$606	$0.60	$795	$0.85
Minimum		870	$705	$0.75	$606	$0.60	$705	$0.59

Two-Bedroom Units – Market

The subject has five 2BR floor plans including an 869-SF plan for $815 per month ($0.94/SF), an 875-SF plan for $815 per month ($0.83/SF), a 1,041-SF plan for $1,049 per month ($1.01/SF), a 1,057-SF plan for $1,049 per month ($0.99/SF), and a 1,215-SF plan for $1,049 per month ($0.86/SF). The comparable two-bedroom units range in size from 870 to 1,319 square feet and average 1,067 square feet. The smallest floor plan is just below the range of the comparables, while the rest are within the range of the comparables. Effective rents at the comparables range from $705 to $1,365 ($0.75 to $1.15 per square foot) and average $949 ($0.89 per square foot). The subject's effective rents are within the range of the comparables on a monthly and per-SF basis. It appears three of the floorplans, however, could support higher rent levels. The 869-SF and 875-SF floorplans have average contract rent of $875, and this rent appears reasonable. Rent for the largest 1,215 SF floorplan averages $1,357 per unit and appears to support rent of $1,250 per month.

Two-Bedroom Units – 60% LIHTC

The subject 869-SF, 1,041-SF and 1,215-SF floor plans are also offered as 60% LIHTC units. Rents are $772 for the units, which equates to $0.89, $0.74 and $0.64 per square foot, respectively. The comparable 2BR 60% LIHTC units have an effective rental range of $705 to $795 with an average of $760 per month. The subject's effective rents for the plans are within the range of the comparables on a per-unit basis, with the smallest floorplan above the range on a per square foot basis. The 869-SF, 1,041-SF and 1,057-SF floor plans are offered as Authority Assisted units. We reviewed the rent roll at the subject that indicated an average contract rent of $768 for these units. At several of the comparables, rents were reported uniform for LIHTC units regardless of size, and encompassing a wide range of unit sizes. Maximum allowable rent with current utilities structure is $768. Considering all of this information, we relied on the $768 rents for our analysis.

APARTMENT RENT COMPARABLE SUMMARY
THREE-BEDROOM UNITS

Comparable	Bath	Size	Market Rent		AHA 60%		LIHTC (60%)	
No. and Name	Qty.	(SF)	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF
Subject	2.5	1,254	$1,550	$1.24	$919	$0.73	$750	$0.60
Subject	2.5	1,340	$1,550	$1.16	N/Ap	N/Ap	N/Ap	N/Ap
Subject	2.5	1,594	$1,550	$0.97	N/Ap	N/Ap	$750	$0.47
1. Ashley Auburn Pointe I	2.0	1,264	N/Ap	N/Ap	N/Ap	N/Ap	$811	$0.64
2. Columbia Mechanicsville	2.0	1,200	$1,100	$0.92	$691	$0.58	$853	$0.71
3. Capitol Gateway I and II	2.0	1,258	$1,300	$1.03	N/Ap	N/Ap	$859	$0.68
3. Capitol Gateway I and II	2.0	1,314	$1,325	$1.01	N/Ap	N/Ap	$859	$0.65
4. Magnolia Park	2.0	1,080	$875	$0.81	N/Ap	N/Ap	$875	$0.81
4. Magnolia Park	2.5	1,290	$925	$0.72	N/Ap	N/Ap	$925	$0.72
5. Villages at Castleberry Hill	2.5	1,138	$899	$0.79	N/Ap	N/Ap	N/Ap	N/Ap
5. Villages at Castleberry Hill	2.5	1,038	N/Ap	N/Ap	N/Ap	N/Ap	$850	$0.82
6. Ashley Collegetown II	2.0	1,594	$1,250	$0.78	N/Ap	N/Ap	$811	$0.51
Average of comps		1,242	$1,096	$0.87	$691	$0.58	$855	$0.69
Maximum		1,594	$1,325	$1.03	$691	$0.58	$925	$0.82
Minimum		1,038	$875	$0.72	$691	$0.58	$811	$0.51

Three-Bedroom Units – Market

The subject has three 3BR floor plans including a 1,254-SF 2.5 bath plan for $1,185 per month ($0.94/SF), a 1,340-SF 2.5 bath townhome plan for $1,575 per month ($1.18/SF) and a 1,594-SF 2.5 bath plan for $1,675 per month ($1.05/SF). The comparable three-bedroom units range in size from 1,038 to 1,594 square feet and average 1,242 square feet. All of the subject's floor plans are within the range of the comparables. Effective rents at the comparables (which consider concessions) range from $875 to $1,325 ($0.72 to $1.03 per square foot) and average $1,096 ($0.87 per square foot). The subject's effective rents are above the range of the comparables on a monthly basis and on a per-SF basis for two of the three floorplans, but actual contract rents are $1,499 per unit. We recommend rents above the range indicated by the comparables, $1,500 per month or $0.94 - $1.20 per square foot.

Three-Bedroom Units – 60% LIHTC

Two of the subject's 3BR floor plans are also offered as 60% LIHTC units. Rents are $750 for all plans. The comparable 3BR 60% LIHTC units have an effective rental range of $811 to $925 with an average of $855 per month. The subject's effective rents are below the range of the comparables. We also reviewed the rent roll at the subject which indicated an average contract rent of $899 for the 1,254-SF plan. Maximum allowable rent with current utilities structure is $886. We concluded an average 60% LIHTC rent of $886 per month ($0.71 and $0.56 per square foot, respectively) for both 3BR plans.

APARTMENT RENT COMPARABLE SUMMARY FOUR-BEDROOM UNITS								
Comparable	**Bath**	**Size**	**Market Rent**		**AHA 60%**		**LIHTC (60%)**	
No. and Name	**Qty.**	**(SF)**	**Per Unit**	**Per SF**	**Per Unit**	**Per SF**	**Per Unit**	**Per SF**
Subject	2.5	1,581	$1,820	$1.15	$1,031	$0.65	N/Ap	N/Ap
3. Capitol Gateway I and II	2.0	1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Average of comps		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Maximum		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Minimum		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64

Four-Bedroom Units – Market

The subject has one 4BR floor plan 2.5 bath plan for $1,820 per month ($1.15/SF). The comparable four-bedroom unit is 1,447 square feet, slightly smaller than the subject. Effective rent at the comparable (which considers concessions) is $1,300 ($0.90 per square foot). The subject's effective rent is above the comparable on a monthly and per-SF basis. It is also above the range for the comparable three-bedroom units on a per square foot basis, but average contract rent for those units is $1,838. We recommend rent of $1,820 per month.

SUBJECT'S CHARACTERISTICS / MARKETABILITY

Centennial Place Apartments Phase I is a 181-unit apartment development, built in 1996, situated on a 9.58-acre site. It consists of 22 two- and three-story apartment buildings and a free-standing management building. The unit mix consists of 66 one-bedroom units, 84 two-bedroom units, 27 three-bedroom units and four four-bedroom units , ranging from 688 to 1,594 square feet (net leasable), with an average size of 936 square feet. The subject includes a mixture of market (68 units, or 12%) 39 Low Income Housing Tax Credit (LIHTC) units (22%), and 74 (41%) authority assisted units. The project includes surface parking, common amenities with multiple playgrounds, two swimming pools and a clubhouse facility. It is our understanding that the property is planned for extensive renovation of all phases. The renovation will be financed with proceeds from the syndication of federal and state 9% low income housing tax credits. If funding is approved, the renovation will be done in phases beginning April, 2014. The entire renovation will take approximately twelve months to complete.

Basic construction is wood framing, with brick and vinyl-siding exterior and pitched, asphalt-shingled roofs. Exterior stairs are steel and concrete, with concrete sidewalks and breezeways. Interior features include: smooth painted drywall walls and ceilings, carpeted living areas and vinyl flooring in the kitchen and baths, tub/shower combinations, wood cabinetry in kitchen and bath, laminate countertops, refrigerators, ovens with stove tops and washer/dryers.

The unit sizes, features and amenities are typical for similar-vintage, garden-style apartments in the area and are similar compared to most of the product in the neighborhood. However, it is noted that the owner is planning a substantial renovation that will include interior upgrades to the fixtures, appliances and flooring. Once completed, the subject property will be similar or slightly superior to most competitive properties in the area.

The subject is currently 93% occupied, with six units preleased (97%). As mentioned, 74 of the 181 subject units are Atlanta Housing Authority Assisted units and the rents are contracted. Thirty-nine of the units are subject to the requirements of low income housing tax credits at 60% of the area median income. The remaining 68 units are market-rate units. In addition, there are no specials being offered. Post renovation, there will still be 74 Atlanta Housing Authority Assisted units, and the gross rent limit will be at the 60% AMI level. 39 of the units will be subject to the requirements of low income housing tax credits at 60% of the area median income (AMI). The remaining 68 units will be market-rate units.

The reported rents are presented in the following charts and include the current and proposed rents.

UNIT MIX AND MARKET RENT SCHEDULE - AS IS MAY 2013 Centennial Place Phase I Apartments							
Unit Type	No. Units	Unit SF	Total SF	Average Res Rent	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA Market	29	688	19,952	$775.00	$852	$1.24	$296,496
1BR/1BA Market	1	688	688	$0.00	$835	$1.21	$10,020
1BR/1BA PHA	9	688	6,192	$130.88	$651	$0.95	$70,308
1BR/1BA PHA HC	1	688	688	$323.00	$610	$0.89	$7,320
1BR/1BA LIHTC 60%	26	688	17,888	$643.36	$599	$0.87	$186,888
2BR/1BA Market	4	869	3,476	$886.67	$815	$0.94	$39,120
2BR/1BA Market	1	875	875	$990.00	$815	$0.93	$9,780
2BR/2BA Market	23	1,057	24,311	$958.68	$1,049	$0.99	$289,524
2BR/2BA Market	3	1,041	3,123	$1,109.33	$1,049	$1.01	$37,764
2BR/1.5BA Market	2	1,215	2,430	$1,357.00	$1,049	$0.86	$25,176
2BR/2BA PHA	23	869	19,987	$202.29	$790	$0.91	$218,040
2BR/2BA PHA HC	2	869	1,738	$144.00	$790	$0.91	$18,960
2BR/2BA PHA	16	1,041	16,656	$327.33	$790	$0.76	$151,680
2BR/2BA PHA	2	1,057	2,114	$91.50	$790	$0.75	$18,960
2BR/2BA LIHTC 60%	3	869	2,607	$756.50	$772	$0.89	$27,792
2BR/2BA LIHTC 60%	4	1,041	4,164	$811.00	$772	$0.74	$37,056
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$829.00	$772	$0.64	$9,264
3BR/2.5BA Market	1	1,254	1,254	$1,499.33	$1,185	$0.94	$14,220
3BR/2.5BA Market	1	1,340	1,340	$1,499.33	$1,575	$1.18	$18,900
3BR/2.5BA Market	1	1,594	1,594	$1,499.33	$1,675	$1.05	$20,100
3BR/2.5BA PHA	19	1,254	23,826	$316.05	$919	$0.73	$209,532
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$898.60	$750	$0.60	$27,000
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$898.60	$750	$0.47	$18,000
4BR/2.5BA Market	2	1,581	3,162	$1,837.50	$1,820	$1.15	$43,680
4BR/2.5BA PHA	2	1,581	3,162	$579.00	$1,031	$0.65	$24,744
Totals/Average	181	936	169,392		$843	$0.90	$1,830,324

UNIT MIX AND MARKET RENT SCHEDULE - POST RENOVATION Centennial Place Phase I Apartments						
Unit Type	No. Units	Unit SF	Total SF	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA Market	30	688	20,640	$852	$1.24	$306,720
1BR/1BA PHA	9	688	6,192	$568	$0.83	$61,344
1BR/1BA PHA HC Elec	1	688	688	$590	$0.86	$7,080
1BR/1BA LIHTC 60%	24	688	16,512	$568	$0.83	$163,584
1BR/1BA LIHTC 60% Elec	2	688	1,376	$584	$0.85	$14,016
2BR/1BA Market	4	869	3,476	$1,010	$1.16	$48,480
2BR/1BA Market	1	875	875	$1,010	$1.15	$12,120
2BR/2BA Market	23	1,057	24,311	$1,146	$1.08	$316,296
2BR/2BA Market	3	1,041	3,123	$1,146	$1.10	$41,256
2BR/1.5BA Market	2	1,215	2,430	$1,505	$1.24	$36,120
2BR/2BA PHA	23	869	19,987	$651	$0.75	$179,676
2BR/2BA PHA HC Elec	1	869	869	$669	$0.77	$8,028
2BR/2BA PHA	16	1,041	16,656	$651	$0.63	$124,992
2BR/2BA PHA Elec	1	1,041	1,041	$669	$0.64	$8,028
2BR/2BA PHA	2	1,057	2,114	$651	$0.62	$15,624
2BR/2BA LIHTC 60%	3	869	2,607	$651	$0.75	$23,436
2BR/2BA LIHTC 60%	4	1,041	4,164	$651	$0.63	$31,248
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$651	$0.54	$7,812
3BR/2.5BA Market	1	1,254	1,254	$1,209	$0.96	$14,508
3BR/2.5BA Market	1	1,340	1,340	$1,607	$1.20	$19,284
3BR/2.5BA Market	1	1,594	1,594	$1,709	$1.07	$20,508
3BR/2.5BA PHA	18	1,254	22,572	$722	$0.58	$155,952
3BR/2.5BA PHA Elec	1	1,254	1,254	$735	$0.59	$8,820
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$722	$0.58	$25,992
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$722	$0.45	$17,328
4BR/2.5BA Market	2	1,581	3,162	$1,887	$1.19	$45,288
4BR/2.5BA PHA	1	1,581	1,581	$774	$0.49	$9,288
4BR/2.5BA PHA Elec	1	1,581	1,581	$781	$0.49	$9,372
Totals/Average	181	937	169,564	$798	$0.85	$1,732,200

INCOME/RENT RESTRICTIONS

It is our understanding that the property is planned for interior renovation of all phases. The renovation will be financed with proceeds from the syndication of federal and state 9% low income housing tax credits. When the tax credits are in place, income levels for the 39 LIHTC units must be at or below 60% of area median income (AMI). For Atlanta in 2013, per HUD, area median income is defined at $66,300. The restricted income levels are shown in the following chart. Note that the current rents include water, sewer and trash. Currently, the appropriate utility allowances for electric (per DCA / 2013) are as follows: 1BR total $104, 2BR total $127, 3BR total $149 and 4BR $170. After renovation, when the tenant is responsible for all utilities, the appropriate utility allowances for electric (per DCA / 2013) are as follows: 1BR total $179, 2BR total $244, 3BR total $313 and 4BR $381. It should be noted that the maximum rent thresholds only apply to the LIHTC units. The PBRA units are contracted with the Atlanta Housing Authority and qualified tenants pay 30% of their income towards rent with the Atlanta Housing Authority paying the difference between this amount and the 60% AMI maximum allowable rent. As can be seen, all of the subject's proposed 60% LIHTC rents are at or below the maximum allowable rents.

MAXIMUM ALLOWABLE RENT PER AMI LEVEL - BEFORE RENOVATION												
60% Inc.	1BR	2.0	(	$29,880	x	30%	) / 12 =	$747	-	$104	=	$643
60% Inc.	2BR	3.0	(	$35,820	x	30%	) / 12 =	$896	-	$127	=	$769
60% Inc.	3BR	4.5	(	$41,445	x	30%	) / 12 =	$1,036	-	$149	=	$887
60% Inc.	4BR	6.0	(	$46,200	x	30%	) / 12 =	$1,155	-	$170	=	$985
MAXIMUM ALLOWABLE RENT PER AMI LEVEL - AFTER RENOVATION												
60% Inc.	1BR	2.0	(	$29,880	x	30%	) / 12 =	$747	-	$179	=	$568
60% Inc.	2BR	3.0	(	$35,820	x	30%	) / 12 =	$896	-	$244	=	$652
60% Inc.	3BR	4.5	(	$41,445	x	30%	) / 12 =	$1,036	-	$313	=	$723
60% Inc.	4BR	6.0	(	$46,200	x	30%	) / 12 =	$1,155	-	$381	=	$774

REASONABLE EXPOSURE AND MARKETING TIMES

Exposure time is always presumed to precede the effective date of appraisal. It is the estimated length of time the property would have been offered prior to a hypothetical market value sale on the effective date of appraisal. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable marketing effort. To arrive at an estimate of exposure time for the subject, we considered direct and indirect market data gathered during the market analysis, the amount of time required for marketing the comparable sales included in this report, broker surveys, as well as information provided by national investor surveys that we regularly review. This information indicated typical exposure periods of less than twelve months for properties similar to the subject. Recent sales of similar quality apartment complexes were marketed for periods of less than twelve months. Therefore, we estimate a reasonable exposure time of 12 months or less.

A reasonable marketing time is the period a prospective investor would forecast to sell the subject immediately after the date of value, at the value estimated. The sources for this information include those used in estimating reasonable exposure time, but also an analysis of the anticipated changes in market conditions following the date of appraisal. Based on the premise that present market conditions are the best indicators of future performance, a prudent investor will forecast that, under the conditions described above, the subject property would require a marketing time of 12 months or less. This seems like a reasonable projection, given the current and projected market conditions.

In appraisal practice, the concept of highest and best use is the premise upon which value is based. The four criteria that the highest and best use must meet are: legal permissibility; physical possibility; financial feasibility; and maximum profitability.

Highest and best use is applied specifically to the use of a site as vacant. In cases where a site has existing improvements, the concluded highest and best use as if vacant may be different from the highest and best use as improved. The existing use will continue, however, until land value, at its highest and best use, exceeds that total value of the property under its existing use plus the cost of removing or altering the existing structure.

HIGHEST AND BEST USE AS IF VACANT

The subject property is zoned RG-3, Residential General Sector 3, by the city of Atlanta. This zoning district does permit apartment development. Given the subject's specific location and surrounding uses, a zoning change seems unlikely. The site has adequate size and shape, and sufficient access and exposure to allow for nearly all types of allowable uses, but given the surrounding development, it is best suited for some type of moderate- to high-density multi-family use. In our opinion, multi-family development will ultimately result in the maximum productive use of the site. Therefore, the highest and best use, as if vacant, is likely future development with a multi-family project.

HIGHEST AND BEST USE AS IMPROVED

The subject improvements are reported to be in compliance with the city of Atlanta zoning ordinance. Further, the improvements are well suited for use as an apartment complex. It is possible the improvements could be converted to another use entirely, if the costs were justified. This seems highly unlikely. Our investigation indicates that there is sufficient demand in the area for apartments. Given that use of the improvements is basically limited to the existing or a similar use physically, and the fact that the improvements are financially feasible to operate, we conclude that the highest and best use of the property as improved is for continued use as an apartment complex.

Three basic approaches to value are typically considered. The cost, sales comparison, and income capitalization methodologies are described below.

- The **cost approach** is based on the premise that an informed purchaser will pay no more for the subject than the cost to produce an equivalent substitute. This approach is particularly applicable when the subject property is relatively new and represents the highest and best use of the land, or when relatively unique or specialized improvements are located on the site for which there exist few sales or lease comparables. The first step in the cost approach is to estimate land value (at its highest and best use). The second step is to estimate cost of all improvements. Improvement costs are then depreciated to reflect value loss from physical, functional and external causes. Land value and depreciated improvement costs are then added to indicate a total value.

- The **income approach** involves an analysis of the income-producing capacity of the property on a stabilized basis. The steps involved are: analyzing contract rent and comparing it to comparable rentals for reasonableness; estimating gross rent; making deductions for vacancy and collection losses as well as building expenses; and then capitalizing net income at a market-derived rate to yield an indication of value. The capitalization rate represents the relationship between net income and value.

  Related to the direct capitalization method is discounted cash flow (DCF). In this method of capitalizing future income to a present value, periodic cash flows (which consist of net income less capital costs, per period) and a reversion (if any) are estimated and discounted to present value. The discount rate is determined by analyzing current investor yield requirements for similar investments.

- In the **sales comparison** approach, sales of comparable properties, adjusted for differences, are used to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per square foot excluding land, price per unit, etc., or economic units of comparison such as a net operating income (NOI) or gross rent multiplier (GRM). Adjustments are applied to the physical units of comparison. Economic units of comparison are not adjusted, but rather are analyzed as to relevant differences, with the final estimate derived based on the general comparisons. The reliability of this approach is dependent upon: (a) availability of comparable sales data; (b) verification of the data; (c) degree of comparability; and (d) absence of atypical conditions affecting the sale price.

The purpose of this appraisal is to estimate prospective market value of the leasehold interest in the subject property, "upon completion and stabilization," of the proposed renovation under two scenarios, using both restricted and hypothetical unrestricted rents. We were also requested to estimate "as is" market value of the leasehold interest in the subject site and existing improvements, as well as the valuation of the tax credits and an analysis of the ground lease of the underlying site.

The subject is situated on the former site of the Techwood Homes public housing community. The entire property is owned by the Housing Authority of the City of Atlanta (HACA), who acquired the site for development of the original complex. The site underlying the subject is ground leased to a limited partnership of the owner (Legacy Partnership I, LP) for a term of 55 years (Begun March 1996), at an annual rental rate of $10.00. A provision in the ground lease stipulates The Housing Authority will provide funding for construction of 40% of the units to be available to "Housing Authority Assisted" tenants, and rent on these units will be limited to reimbursement of operating expenses only. Further, Low Income Housing Tax Credits will provide funding for an additional 20% of the units with rent restricted to 60% of Area Median Income. Essentially, the restrictions on use of the land results in insufficient revenues to support a residual land value. Further, the improvements are only feasible to construct with the assistance of substantial incentives. Therefore, the land does not contribute value to the leasehold interest in the subject and, thus, was given no further consideration in our analysis.

The income approach is particularly applicable to this appraisal since the income producing capability is the underlying factor that would attract investors to the subject property. There is an adequate quality and quantity of income and expense data available to render a reliable and defensible value conclusion. Therefore, this approach was employed for this assignment. We performed the direct capitalization analyses in this approach. It is more direct with fewer subjective variables, and is more commonly relied upon by investors for the subject property type.

In regard to the sales comparison approach, sale prices of income producing properties are highly dependent on income characteristics. For this reason, a comparison of the net income of each property is more indicative of value for the property than comparison of physical units. We also performed a physical adjustment analysis. Given the quality of the comparable sales information that we did obtain, we believe that this approach provides a fairly reliable value estimate.

At the request of our client, in order to comply with DCA appraisal requirements, we are appraising the property under several scenarios, including hypothetical market rents assuming no rent restrictions. Thus, we must estimate the “hypothetical market value” of the leasehold interest in the subject property without regard to any restrictions.

In conclusion, we used two of the three traditional methods of analysis in this appraisal of the leasehold value of the subject. For various reasons that are discussed above, it is our opinion that the typical investor would place most reliance on the income approach.

The income capitalization approach to value is based upon an analysis of the economic benefits to be received from ownership of the subject. These economic benefits typically consist of the net operating income projected to be generated by the improvements. There are several methods by which the present value of the income stream may be measured, including direct capitalization and a discounted cash flow analysis. In this section, we used the direct capitalization method. We initially estimated potential rental income, followed by projections of vacancy and collection loss and operating expenses. The resultant net operating income is then capitalized into a value indication based on application of an appropriate overall capitalization rate.

RENTAL INCOME ANALYSIS

Subject Rental Income Analysis

The rent analysis compares the subject's current and proposed rents with effective rents at comparable developments in the area and then recommends rents for the subject based on market indications. The current rents were discussed in the Market Analysis Section previously, and the following chart shows our estimates of market rent by unit type. The subject's post-renovation rents and the comparable market and effective rents are presented in the following chart. Among the comparables, Ashley Auburn Pointe was most recently built and should be most similar to the renovated units at the subject post-renovation. Columbia Mechanicsville is the second most recently built complex of the comparables. It is important to note that the subject’s location is superior to the comparables; the subject is located in the heart of downtown Atlanta, north of all the comparable properties.

UNIT MIX AND APPRAISER RECOMMENDED RENTS - AS IS MAY 2013 AHA AT 60% AMI SCENARIO Centennial Place Phase I Apartments							
Unit Type	No. Units	Unit SF	Total Heated	Average Res Rent	Monthly Rent	Rent SF	Total Income
1BR/1BA Market	29	688	19,952	$775.00	$775	$1.13	$269,700
1BR/1BA Market	1	688	688	$0.00	$775	$1.13	$9,300
1BR/1BA PHA	9	688	6,192	$130.88	$643	$0.93	$69,444
1BR/1BA PHA HC	1	688	688	$323.00	$643	$0.93	$7,716
1BR/1BA LIHTC 60%	26	688	17,888	$643.36	$643	$0.93	$200,616
2BR/1BA Market	4	869	3,476	$886.67	$875	$1.01	$42,000
2BR/1BA Market	1	875	875	$990.00	$875	$1.00	$10,500
2BR/2BA Market	23	1,057	24,311	$958.68	$1,049	$0.99	$289,524
2BR/2BA Market	3	1,041	3,123	$1,109.33	$1,049	$1.01	$37,764
2BR/1.5BA Market	2	1,215	2,430	$1,357.00	$1,250	$1.03	$30,000
2BR/1BA PHA	23	869	19,987	$202.29	$768	$0.88	$211,968
2BR/1BA PHA HC	2	869	1,738	$144.00	$768	$0.88	$18,432
2BR/2BA PHA	16	1,041	16,656	$327.33	$768	$0.74	$147,456
2BR/2BA PHA	2	1,057	2,114	$91.50	$768	$0.73	$18,432
2BR/1BA LIHTC 60%	3	869	2,607	$756.50	$768	$0.88	$27,648
2BR/2BA LIHTC 60%	4	1,041	4,164	$811.00	$768	$0.74	$36,864
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$829.00	$768	$0.63	$9,216
3BR/2.5BA Market	1	1,254	1,254	$1,499.33	$1,500	$1.20	$18,000
3BR/2.5BA Market	1	1,340	1,340	$1,499.33	$1,500	$1.12	$18,000
3BR/2.5BA Market	1	1,594	1,594	$1,499.33	$1,500	$0.94	$18,000
3BR/2.5BA PHA	19	1,254	23,826	$316.05	$886	$0.71	$202,008
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$898.60	$886	$0.71	$31,896
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$898.60	$886	$0.56	$21,264
4BR/2.5BA Market	2	1,581	3,162	$1,837.50	$1,820	$1.15	$43,680
4BR/2.5BA PHA	2	1,581	3,162	$579.00	$985	$0.62	$23,640
Totals/Average	181	936	169,392		$835	$0.89	$1,813,068

Post Renovation Rents

After renovation, the subject will offer the same unit mix with updated interiors. The owner will install individual meters for water and sewer, making the tenant responsible for those utility expenses.

UNIT MIX AND MARKET RENT SCHEDULE - POST RENOVATION Centennial Place Phase I Apartments						
Unit Type	No. Units	Unit SF	Total SF	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA Market	30	688	20,640	$852	$1.24	$306,720
1BR/1BA PHA	9	688	6,192	$568	$0.83	$61,344
1BR/1BA PHA HC Elec	1	688	688	$590	$0.86	$7,080
1BR/1BA LIHTC 60%	24	688	16,512	$568	$0.83	$163,584
1BR/1BA LIHTC 60% Elec	2	688	1,376	$584	$0.85	$14,016
2BR/1BA Market	4	869	3,476	$1,010	$1.16	$48,480
2BR/1BA Market	1	875	875	$1,010	$1.15	$12,120
2BR/2BA Market	23	1,057	24,311	$1,146	$1.08	$316,296
2BR/2BA Market	3	1,041	3,123	$1,146	$1.10	$41,256
2BR/1.5BA Market	2	1,215	2,430	$561	$0.46	$13,464
2BR/2BA PHA	23	869	19,987	$651	$0.75	$179,676
2BR/2BA PHA HC Elec	1	869	869	$669	$0.77	$8,028
2BR/2BA PHA	16	1,041	16,656	$651	$0.63	$124,992
2BR/2BA PHA Elec	1	1,041	1,041	$669	$0.64	$8,028
2BR/2BA PHA	2	1,057	2,114	$651	$0.62	$15,624
2BR/2BA LIHTC 60%	3	869	2,607	$651	$0.75	$23,436
2BR/2BA LIHTC 60%	4	1,041	4,164	$651	$0.63	$31,248
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$651	$0.54	$7,812
3BR/2.5BA Market	1	1,254	1,254	$1,209	$0.96	$14,508
3BR/2.5BA Market	1	1,340	1,340	$1,607	$1.20	$19,284
3BR/2.5BA Market	1	1,594	1,594	$1,709	$1.07	$20,508
3BR/2.5BA PHA	18	1,254	22,572	$722	$0.58	$155,952
3BR/2.5BA PHA Elec	1	1,254	1,254	$735	$0.59	$8,820
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$722	$0.58	$25,992
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$722	$0.45	$17,328
4BR/2.5BA Market	2	1,581	3,162	$1,887	$1.19	$45,288
4BR/2.5BA PHA	1	1,581	1,581	$774	$0.49	$9,288
4BR/2.5BA PHA Elec	1	1,581	1,581	$781	$0.49	$9,372
Totals/Average	181	937	169,564	$787	$0.84	$1,709,544

One-Bedroom Units

The subject will have one 1BR/1BA floor plan of 688-SF plan for $852 per month ($1.24/SF). The comparable one-bedroom units range in size from 600 to 867 square feet and average 747 square feet. The subject's floor plan is within the range of the comparables. Effective rents at the comparables range from $545 to $850 ($0.80 to $1.13 per square foot) and average $753 ($1.01 per square foot). The subject's proposed rent is above the range of the comparables on a monthly and per-SF basis, similar to the Ashley Auburn Pointe comparable, though smaller. We feel that $852 is a reasonable post-renovation rent projection, given the subject's superior location. The subject 688-SF floor plan will also be offered as 60% LIHTC unit at a rent of $747 per month, less a utility allowance of $179, for a net rent of $568 (one all-electric unit could be $590). This projection is the maximum allowable rents and is within the range of the comparables; therefore, we used it in our analysis. We also relied on the projections for maximum allowable Authority Assisted rents at $568 per unit.

APARTMENT RENT COMPARABLE SUMMARY ONE-BEDROOM UNITS								
Comparable	Bath	Size	Market Rent		AHA 60%		LIHTC (60%)	
No. and Name	Qty.	(SF)	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF
Subject	1.0	688	$852	$1.24	$568	$0.83	$568	$0.83
1. Ashley Auburn Pointe I	1.0	756	$850	$1.12	N/Ap	N/Ap	$645	$0.85
2. Columbia Mechanicsville	1.0	750	$790	$1.05	$536	$0.71	$675	$0.90
3. Capitol Gateway I and II	1.0	708	$799	$1.13	N/Ap	N/Ap	$678	$0.96
3. Capitol Gateway I and II	1.0	742	$799	$1.08	N/Ap	N/Ap	$678	$0.91
3. Capitol Gateway I and II	1.0	772	$799	$1.03	N/Ap	N/Ap	$678	$0.88
3. Capitol Gateway I and II	1.0	867	$799	$0.92	N/Ap	N/Ap	$678	$0.78
4. Magnolia Park	1.0	600	$545	$0.91	N/Ap	N/Ap	$545	$0.91
4. Magnolia Park	1.0	710	$565	$0.80	N/Ap	N/Ap	$565	$0.80
5. Villages at Castleberry Hill	1.0	710	$795	$1.12	N/Ap	N/Ap	$620	$0.87
5. Villages at Castleberry Hill	1.0	799	$795	$0.99	N/Ap	N/Ap	N/Ap	N/Ap
6. Ashley Collegetown II	1.0	730	$750	$1.03	N/Ap	N/Ap	$665	$0.91
6. Ashley Collegetown II	1.0	820	$750	$0.91	N/Ap	N/Ap	$665	$0.81
Average of comps		747	$753	$1.01	$536	$0.71	$645	$0.87
Maximum		867	$850	$1.13	$536	$0.71	$678	$0.96
Minimum		600	$545	$0.80	$536	$0.71	$545	$0.78

Two-Bedroom Units

The subject will have five 2BR floor plans including an 869-SF plan for $1,010 per month ($1.16/SF), an 875-SF plan for $1,010 per month ($1.15/SF), a 1,041-SF plan for $1,146 per month ($1.10/SF), a 1,057-SF plan for $1,146 per month ($1.08/SF), and a 1,215-SF plan for $1,505 per month ($1.24/SF). The comparable two-bedroom units range in size from 870 to 1,319 square feet and average 1,067 square feet. The smallest floor plan is just below the range of the comparables, while the rest are within the range of the comparables. Effective rents at the comparables range from $705 to $1,365 ($0.75 to $1.15 per square foot) and average $949 ($0.89 per square foot). The subject's proposed rents are within the range for all the floorplans except the largest (1,215 SF at $1,505). For the two smaller floorplans, lower rent levels seem appropriate; none of the smaller floorplans at the comparables are above $900. Given the superior location, we estimate rents for the two smaller floorplans of $925. For the two mid-sized floorplans, projected rents of $1,146 are slightly above those of Ashley Auburn Pointe and appear reasonable. For the largest floorplan, rent of $1,300 appears to be about the maximum supported by the comparables. At these rent levels, all the two-bedroom floorplans have rents between $1.06 and $1.10 per square foot, at the top of the range indicated by the comparables.

The subject 869-SF, 1,041-SF and 1,215-SF floor plans are also offered as 60% LIHTC units. Proposed rents are $895 for the units, less a $244 utility allowance, for net rent of $651. This projection is the maximum allowable rent although below the range of the comparables; therefore, we used it in our analysis. We also relied on the projections for maximum allowable Authority Assisted rents at $651 per unit.

APARTMENT RENT COMPARABLE SUMMARY TWO-BEDROOM UNITS								
Comparable	Bath	Size	Market Rent		AHA 60%		LIHTC (60%)	
No. and Name	Qty.	(SF)	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF
Subject Post Renovation	1.0	869	$1,010	$1.16	$651	$0.75	$651	$0.75
Subject Post Renovation	1.0	875	$1,010	$1.15	N/Ap	N/Ap	N/Ap	N/Ap
Subject Post Renovation	2.0	1,041	$1,146	$1.10	$651	$0.63	$651	$0.63
Subject Post Renovation	2.0	1,057	$1,146	$1.08	$651	$0.62	N/Ap	N/Ap
Subject Post Renovation	1.5	1,215	$1,505	$1.24	N/Ap	N/Ap	$651	$0.54
1. Ashley Auburn Pointe I	2.0	1,079	$1,100	$1.02	N/Ap	N/Ap	$736	$0.68
2. Columbia Mechanicsville	2.0	1,005	$900	$0.90	$606	$1.00	$773	$0.77
3. Capitol Gateway I and II	1.0	910	$850	$0.93	N/Ap	N/Ap	$777	$0.85
3. Capitol Gateway I and II	2.0	978	$900	$0.92	N/Ap	N/Ap	$777	$0.79
3. Capitol Gateway I and II	2.0	1,031	$900	$0.87	N/Ap	N/Ap	$777	$0.75
3. Capitol Gateway I and II	2.0	1,047	$900	$0.86	N/Ap	N/Ap	$777	$0.74
3. Capitol Gateway I and II	2.0	1,050	$900	$0.86	N/Ap	N/Ap	$777	$0.74
3. Capitol Gateway I and II	2.5	1,178	$1,175	$1.00	N/Ap	N/Ap	$777	$0.66
3. Capitol Gateway I and II	2.5	1,319	$1,300	$0.99	N/Ap	N/Ap	$777	$0.59
4. Magnolia Park	1.5	870	$705	$0.81	N/Ap	N/Ap	$705	$0.81
4. Magnolia Park	2.0	955	$745	$0.78	N/Ap	N/Ap	$745	$0.78
5. Villages at Castleberry Hill	1.0	890	$820	$0.92	N/Ap	N/Ap	$715	$0.80
5. Villages at Castleberry Hill	2.0	947	$799	$0.84	N/Ap	N/Ap	$750	$0.79
5. Villages at Castleberry Hill	2.0	1,064	$799	$0.75	N/Ap	N/Ap	$750	$0.70
5. Villages at Castleberry Hill	2.5	1,188	$1,365	$1.15	N/Ap	N/Ap	$795	$0.67
6. Ashley Collegetown II	2.0	989	$875	$0.88	N/Ap	N/Ap	N/Ap	N/Ap
6. Ashley Collegetown II	2.0	1,073	$875	$0.82	N/Ap	N/Ap	$760	$0.71
6. Ashley Collegetown II	2.0	1,223	$975	$0.80	N/Ap	N/Ap	$760	$0.62
6. Ashley Collegetown II	2.0	1,250	$1,025	$0.82	N/Ap	N/Ap	$760	$0.61
6. Ashley Collegetown II	2.0	1,285	$1,075	$0.84	N/Ap	N/Ap	$760	$0.59
Average of comps		1,067	$949	$0.89	$606	$1.00	$760	$0.72
Maximum		1,319	$1,365	$1.15	$606	$1.00	$795	$0.85
Minimum		870	$705	$0.75	$606	$1.00	$705	$0.59

Three-Bedroom Units – Market

The subject will have three 3BR floor plans including a 1,254-SF 2.5 bath plan for $1,209 per month ($0.96/SF), a 1,340-SF 2.5 bath townhome plan for $1,607 per month ($1.20/SF) and a 1,594-SF 2.5 bath plan for $1,709 per month ($1.07/SF). The comparable three-bedroom units range in size from 1,038 to 1,594 square feet and average 1,242 square feet. All of the subject's floor plans are within the range of the comparables. Effective rents at the comparables (which consider concessions) range from $875 to $1,325 ($0.72 to $1.03 per square foot) and average $1,096 ($0.87 per square foot). The subject's proposed effective rents for the two larger floorplans are considerably above the range of the comparables on a monthly basis and on a per-SF basis, but they are well supported by the actual rents already in place. We recommend rents above the indicated range of the comparables; $1,550 per month

($1.24 per square foot), $1,550 ($1.16 per square foot), and $1,600 ($1.00 per square foot), respectively.

Two of the subject's 3BR floor plans will be offered as 60% LIHTC units. Proposed rents are $1,035 for the units, less a $313 utility allowance, for net rent of $722. One all-electric unit could rent at $735. This projection is the maximum allowable rent, although below the range of the comparables; therefore, we used it in our analysis. We also relied on the projections for maximum allowable Authority Assisted rents at $722 per unit.

APARTMENT RENT COMPARABLE SUMMARY THREE-BEDROOM UNITS								
Comparable	**Bath**	**Size**	**Market Rent**		**AHA 60%**		**LIHTC (60%)**	
No. and Name	**Qty.**	**(SF)**	**Per Unit**	**Per SF**	**Per Unit**	**Per SF**	**Per Unit**	**Per SF**
Subject Post Renovation	2.5	1,254	$1,209	$0.96	$618	$0.49	$722	$0.58
Subject Post Renovation	2.5	1,340	$1,607	$1.20	N/Ap	N/Ap	N/Ap	N/Ap
Subject Post Renovation	2.5	1,594	$1,709	$1.07	N/Ap	N/Ap	$722	$0.45
1. Ashley Auburn Pointe I	2.0	1,264	N/Ap	N/Ap	N/Ap	N/Ap	$811	$0.64
2. Columbia Mechanicsville	2.0	1,200	$1,100	$0.92	$691	$0.58	$853	$0.71
3. Capitol Gateway I and II	2.0	1,258	$1,300	$1.03	N/Ap	N/Ap	$859	$0.68
3. Capitol Gateway I and II	2.0	1,314	$1,325	$1.01	N/Ap	N/Ap	$859	$0.65
4. Magnolia Park	2.0	1,080	$875	$0.81	N/Ap	N/Ap	$875	$0.81
4. Magnolia Park	2.5	1,290	$925	$0.72	N/Ap	N/Ap	$925	$0.72
5. Villages at Castleberry Hill	2.5	1,138	$899	$0.79	N/Ap	N/Ap	N/Ap	N/Ap
5. Villages at Castleberry Hill	2.5	1,038	N/Ap	N/Ap	N/Ap	N/Ap	$850	$0.82
6. Ashley Collegetown II	2.0	1,594	$1,250	$0.78	N/Ap	N/Ap	$811	$0.51
Average of comps		1,242	$1,096	$0.87	$691	$0.58	$855	$0.69
Maximum		1,594	$1,325	$1.03	$691	$0.58	$925	$0.82
Minimum		1,038	$875	$0.72	$691	$0.58	$811	$0.51

Four-Bedroom Units – Market

The subject will have one 4BR floor plan 2.5 bath plan with proposed rent of $1,887 per month ($1.19/SF). The comparable four-bedroom unit is 1,447 square feet, slightly smaller than the subject. Effective rent at the comparable (which considers concessions) is $1,300 ($0.90 per square foot). The subject's effective rent is above the comparable on a monthly and per-SF basis. It is also above the range for the comparable three-bedroom units on a per square foot basis, though it is well supported by the actual rents in place. We recommend rent of $1,850 per month as more in-line with the comparable and market for larger apartment floorplans. We relied on the projections for maximum allowable Authority Assisted rents at $781 per unit.

APARTMENT RENT COMPARABLE SUMMARY FOUR-BEDROOM UNITS								
Comparable	Bath	Size	Market Rent		AHA 60%		LIHTC (60%)	
No. and Name	Qty.	(SF)	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF
Subject Post Renovation	2.5	1,581	$1,887	$1.19	$781	$0.49	N/Ap	N/Ap
3. Capitol Gateway I and II	2.0	1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Average of comps		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Maximum		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64
Minimum		1,447	$1,300	$0.90	N/Ap	N/Ap	$920	$0.64

Conclusion

Our estimates of rents for the subject's units (post renovation) are presented in the following chart. Potential gross rental income at these rents is $1,833,456, or $10,130 per unit.

UNIT MIX AND APPRAISER RECOMMENDED RENTS - POST RENOVATION Centennial Place Phase I Apartments						
Unit Type	No. Units	Heated SF	Total SF	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA Market	30	688	20,640	$852	$1.24	$306,720
1BR/1BA PHA	9	688	6,192	$568	$0.83	$61,344
1BR/1BA PHA HC	1	688	688	$568	$0.83	$6,816
1BR/1BA LIHTC 60%	26	688	17,888	$925	$1.34	$288,600
2BR/1BA Market	4	869	3,476	$925	$1.06	$44,400
2BR/1BA Market	1	875	875	$925	$1.06	$11,100
2BR/2BA Market	23	1,057	24,311	$1,146	$1.08	$316,296
2BR/2BA Market	3	1,041	3,123	$1,146	$1.10	$41,256
2BR/1.5BA Market	2	1,215	2,430	$1,300	$1.07	$31,200
2BR/1BA PHA	23	869	19,987	$651	$0.75	$179,676
2BR/1BA PHA HC	2	869	1,738	$651	$0.75	$15,624
2BR/2BA PHA	16	1,041	16,656	$651	$0.63	$124,992
2BR/2BA PHA	2	1,057	2,114	$651	$0.62	$15,624
2BR/1BA LIHTC 60%	3	869	2,607	$651	$0.75	$23,436
2BR/2BA LIHTC 60%	4	1,041	4,164	$651	$0.63	$31,248
2BR/1.5BA LIHTC 60%	1	1,215	1,215	$651	$0.54	$7,812
3BR/2.5BA Market	1	1,254	1,254	$1,550	$1.24	$18,600
3BR/2.5BA Market	1	1,340	1,340	$1,550	$1.16	$18,600
3BR/2.5BA Market	1	1,594	1,594	$1,600	$1.00	$19,200
3BR/2.5BA PHA	19	1,254	23,826	$722	$0.58	$164,616
3BR/2.5BA LIHTC 60%	3	1,254	3,762	$722	$0.58	$25,992
3BR/2.5BA LIHTC 60%	2	1,594	3,188	$722	$0.45	$17,328
4BR/2.5BA Market	2	1,581	3,162	$1,850	$1.17	$44,400
4BR/2.5BA PHA	2	1,581	3,162	$774	$0.49	$18,576
Totals/Average	181	936	169,392	$844	$0.90	$1,833,456

OTHER INCOME

As will be seen in the re-constructed operating statements on a following page, for 2010, 2011 and 2012, actual other income for the subject was $1,037, $206 and $260 per unit, respectively. The 2013 budget was $197. IREM indicates a range of $337 to $1,029 per unit, and a median of $779 per unit for the Atlanta area. Our experience has shown that other income is typically on the low-end of the spectrum for lower-income properties like the subject. Based upon the above, as well as our experience with similar properties, we forecast other income at $275 per unit, or $49,775.

VACANCY AND COLLECTION LOSS

The comparables reported physical occupancies from 69% to 100% with a weighted average of about 90%. The subject property is currently 93% occupied and 97% pre-leased. We also reviewed the historical operating statements at the subject over the past three years (details are shown in the Income Approach section of this report). According to the statements, the economic loss attributable to physical vacancy was about 6% in 2010, 7% in 2011 and 7% in 2012. One dedicated model unit contributes to the total physical vacancy figure. The owner's 2013 budget includes a 4.3% physical vacancy loss. Collection loss was minimal, below 1% all three years and in the 2013 budget. Based on all of this information, we concluded a 94% physical and 92% economic occupancy after factoring collection loss.

EFFECTIVE GROSS INCOME

After accounting for other income, and factoring in vacancy and collection loss of 9%, our projected annual effective gross rental income "as is" is $1,695,187 or $9,366 per unit. After renovation, reduction in rents for the LIHTC and Authority-Assisted units to account for utility expense lower expected income. Projected effective gross income after renovation is $1,713,740 or $9,468 per unit.

EXPENSE ANALYSIS

In deriving an estimate of net income, it is necessary to consider various expenses and allowances ascribable to the operation of a property of this type. We were provided actual operating history for 2010, 2011 and 2012, as well as a 2013 budget. In addition, we reviewed industry standard expenses as published in the 2012 edition of the *Income/Expense Analysis – Conventional Apartments* published by IREM (Institute of Real Estate Management). Further, we considered recent operating expense data from four apartment projects in various locations in Atlanta. The subject's historical operating data and budget, IREM data, and expense comparables are summarized in the following charts.

HISTORICAL OPERATING STATEMENTS 2010 - 2012 Centennial Phase I

168,286 SF 181 Units

	Actual 2010	Per Unit	Actual 2011	Per Unit	Actual 2012	Per Unit	Budget 2013	Per Unit
Potential Rental Income	$1,366,250	$7,548	$1,318,180	$7,283	$1,302,248	$7,195	$1,289,976	$7,127
Subsidy	$481,180		$400,536		$351,377		$290,486	$1,605
Misc. Other Income	187,712	1,037	37,294	206	47,141	260	35,744	197
Subtotal Other Income	668,892	3,696	437,830	2,419	398,518	2,202	326,230	1,802
Other as % of Rental Inc.	48.96%		33.21%		30.60%		25.29%	
Potential Gross Income	$2,035,142	$11,244	$1,756,010	$9,702	$1,700,766	$9,396	$1,616,206	$8,929
Vacancy & Collection Loss	-5.6%		-6.8%		-7.0%		-4.3%	
Vacancy	(113,433)	(627)	(118,696)	(656)	(119,323)	(659)	(69,792)	(386)
Bad Debt	(16,976)	(94)	(6,626)	(37)	(10,032)	(55)	(9,021)	(50)
Concessions	(116,215)	(642)	(75,435)	(417)	(10,045)	(55)	(9,174)	(51)
Subtotal V & C Loss	(246,624)	(1,363)	(200,757)	(1,109)	(139,400)	(770)	(87,987)	(486)
V & C as % of PGI	-12.12%		-11.43%		-8.20%		-5.44%	
Effective Gross Income	$1,788,518	$9,881	$1,555,253	$8,593	$1,561,366	$8,626	$1,528,219	$8,443
Real Estate Taxes	$124,801	$690	$107,669	$595	$98,099	$542	$100,808	$557
Insurance	36,632	202	53,845	297	33,527	185	36,006	199
Management Fee	95,045	525	96,891	535	97,224	537	114,176	631
Mgmt. as a % of EGI	5.3%		6.2%		6.2%		7.5%	
Utilities	282,845	1,563	354,904	1,961	354,212	1,957	272,880	1,508
Payroll	280,073	1,547	293,090	1,619	296,414	1,638	287,488	1,588
Cleaning & Redecorating		0		0		0		
Repairs & Maintenance	412,969	2,282	317,614	1,755	265,274	1,466	259,483	1,434
Landscaping and grounds	3,122	17	26,935	149	33,879	187	32,127	177
Advertising & Promotion	27,508	152	26,717	148	20,719	114	21,092	117
Admin. & Misc.	96,472	533	101,145	559	80,269	443	69,415	384
Total Expenses	$1,359,467	$7,511	$1,378,810	$7,618	$1,279,617	$7,070	$1,193,475	$6,594
As a % of EGI	76.01%		88.66%		81.95%		78.10%	
Net Income	$429,051	$2,370	$176,443	$975	$281,749	$1,557	$334,744	$1,849
Capital Expenditures	0	$0	$0	$0	$49,605	$274	$76,791	424
Net Cash Flow	$429,051	$2,370	$176,443	$975	$232,144	$1,283	$257,953	$1,425

Notes: Totals may not sum exactly, due to rounding.
Source: The operating statements were reconstructed from information provided by the owner.

LIHTC OPERATING EXPENSE COMPARABLES								
Property Name	Capitol Gateway I&II		Carver, Phase III		Carver, Phase V		Collegetown, Phase I	
Location	Atlanta, GA		Atlanta, GA		Atlanta, GA		Atlanta, GA	
No. Units	269		216		165		199	
Avg. Unit Size	937		996		933		1,006	
Year Built	2007		2004		2007		2005	
	Actual	Trended	Actual	Trended	Actual	Trended	Actual	Trended
Effective Date/% Trendec	2012	0.0%	2012	0.0%	2012	0.00%	2012	0.00%
Real Estate Taxes	$465	$465	$268	$268	$355	$355	$275	$275
Insurance	194	194	217	217	171	171	197	197
Management Fee:	493	493	437	437	447	447	482	482
% of EGI	5.9%		5.8%		6.1%		5.9%	
Utilities	1,089	1,089	1,563	1,563	1,365	1,365	1,512	1,512
Salaries & Labor	1,443	1,443	1,710	1,710	1,611	1,611	1,649	1,649
Repairs/Redecorating	609	609	939	939	899	899	417	417
Landscaping/Amenities	67	67	131	131	131	131	80	80
Security	285	285	454	454	363	363	571	571
Advert. & Promotion	122	122	71	71	73	73	99	99
Administrative/Misc.	533	533	628	628	742	742	637	637
Total Expenses	$5,300	$5,300	$6,418	$6,418	$6,157	$6,157	$5,919	$5,919

2012 IREM INCOME & EXPENSE DATA FOR ATLANTA, GEORGIA									
	Annual Income and Expense as % of Gross Potential Income			Annual Income and Expense Per Unit			$/Sq. Ft.		
Income & Expense Category (A)	**Low**	**Median**	**High**	**Low**	**Median**	**High**	**Med**	**Low**	**High**
Income									
Gross Possible Rents:	90.5%	92.4%	96.0%	$7,959	$9,352	$11,057	$9.60	$8.17	$11.35
Other Income:	3.2%	7.6%	9.1%	$337	$779	$1,029	$0.81	$0.35	$1.07
Gross Possible Income:	100.0%	100.0%	100.0%	$8,631	$10,344	$11,948	$10.51	$8.77	$12.14
Vacancies/Rent Loss:	5.5%	11.7%	19.6%	$631	$1,239	$2,168	$1.12	$0.57	$1.96
Total Collections:	77.0%	85.2%	91.5%	$7,550	$8,676	$11,754	$8.09	$7.04	$10.96
Expenses (B)									
Real Estate Taxes	5.3%	7.2%	8.8%	$521	$718	$954	$0.73	$0.53	$0.97
Insurance	1.4%	1.8%	2.5%	$161	$171	$231	$0.17	$0.16	$0.23
Management Fee	2.2%	2.6%	4.0%	$241	$281	$492	$0.28	$0.24	$0.49
Total Utilities	5.7%	7.5%	9.6%	$598	$753	$973			
Water/sewer (common & Apts)	4.2%	5.4%	6.9%	$442	$535	$710	$0.52	$0.43	$0.69
Electric (common only)	1.4%	1.8%	2.1%	$148	$188	$218	$0.19	$0.15	$0.22
Gas (common only)	0.1%	0.3%	0.6%	$8	$30	$45	$0.04	$0.01	$0.06
Salaries and Administrative (C)	8.2%	10.3%	15.1%	$856	$1,142	$1,639			
Other Administrative	3.3%	4.8%	7.4%	$384	$554	$788	$0.52	$0.36	$0.74
Other Payroll	4.9%	5.5%	7.7%	$473	$588	$851	$0.56	$0.45	$0.81
Maint. & Repairs	1.8%	3.1%	4.7%	$165	$310	$533	$0.32	$0.17	$0.55
Painting & Redecorating (D)	1.1%	1.7%	2.3%	$107	$175	$233	$0.18	$0.11	$0.24
Grounds Maint. & Amenities (D)	1.3%	1.7%	2.3%	$138	$190	$274			
Grounds Maintenance	1.2%	1.5%	2.1%	$128	$170	$244	$0.16	$0.12	$0.23
Recreational/Amenities	0.1%	0.2%	0.2%	$10	$20	$30	$0.02	$0.01	$0.03
Security (D)	0.1%	0.2%	0.7%	$0	$18	$54	$0.02	$0.00	$0.06
Other/Miscellaneous	0.4%	2.0%	3.0%	$45	$161	$270			
Building Services	0.3%	0.7%	1.0%	$37	$65	$102	$0.07	$0.04	$0.11
Other Operating	0.1%	1.3%	2.0%	$8	$96	$168	$0.12	$0.01	$0.21
Total Expenses:	32.6%	37.8%	43.8%	$3,596	$4,168	$4,781	$4.01	$3.46	$4.60
Net Operating Income:	32.8%	46.0%	52.5%	$3,329	$4,908	$6,357	$4.91	$3.33	$6.36

Notes: Survey for Atlanta, Georgia includes 19,328 apartment units with an average unit size of 1,023 square feet.
(A) *Median* is the middle of the range, *Low* means 25% of the sample is below this figure, *High* mean 25% of the sample is above figure.
(B) Line item expenses do not necessarily correspond to totals due to variances in expenses reported and sizes of reporting complexes.
(C) Includes administrative salaries and expenses, as well as maintenance salaries.
(D) Includes salaries associated with these categories.

Source: 2012 *Income/Expense Analyses: Conventional Apartments* by the Institute of Real Estate Management (IREM).

Real Estate Taxes

Real estate taxes were discussed in an earlier section of this report. We used a rounded $100,000, or $552 per unit, in our analysis.

Insurance

For 2010, 2011 and 2012, actual insurance expenses for the subject were $202, $297, and $185, respectively. The 2013 budget is projected at $199 per unit. IREM indicates a range of $161 to $231 per unit, and a median of $171 per unit for the Atlanta area. The comparables indicate insurance expenses within a range of $171 to $217 per unit and average $195. After the March 2013 fire in the clubhouse/leasing office, the complex decided to carry more comprehensive insurance. Based upon the foregoing considerations, we forecast insurance expense at $300 per unit.

Management Fee

Management expense for an apartment complex is typically negotiated on a percent of collected revenues (effective gross income, or EGI). This percentage typically ranges from 3.0% to 5.0% for a traditional apartment complex, depending on the size of the complex and position in the market. The historical operating statements indicate a range for the past few years from 5.3% to 6.2%, with 2013 budgeted at 7.5%, which appears high. Current management clarified that their fee is 5.5%, and that the Atlanta Housing Authority receives a 1% management fee as well. IREM indicates a range from 2.2% to 4.0% with a median of 2.6%. However, LIHTC properties, such as the subject, tend to have higher management fees. We included a management fee of 6.5%.

Utilities

This expense covers all energy costs related to the leasing office, vacant units, and common areas, including exterior lighting. At some complexes, it also may include trash removal and water/sewer costs for apartments. In the subject's case, the complex pays for water, sewer and trash. The tenants pay for electric and gas. For 2010, 2011 and 2012, actual utilities expenses for the subject were $1,563, $1,961 and $1,957, respectively, with the 2013 budget at $1,508 per unit, though year-to-date figures show the utilities expense above budget. The proposed renovation will make water/sewer expenses the responsibility of the tenant. Analysis of trailing 12-month utilities shows water and sewer expenses account for almost $1,000 per unit of the almost $2,000 per unit of utility expense. IREM indicates a range of $598 to $973 per unit, and a median of $753 per unit. The comparables indicate utilities expenses within a range of $1,089 to $1,563 per unit and average $1,382. The lower budgeted number should be reliable because the complex is changing the way the utilities are allocated among phases, with Phase I seeing a reduction in their share. Based upon the foregoing considerations, we forecast utilities expense at $1,500 per unit “as is,” with a reduction, post renovation, to $900 per unit.

Salaries and Labor

This expense covers all payroll and labor expenses, including direct and indirect expenses. The taxes and benefits portion of this expense also includes the employer's portion of social security taxes, group health insurance and workman's comp insurance. In addition, employees typically incur overtime pay at times. For 2010, 2011 and 2012, actual expenses for the subject were $1,547, $1,619 and $1,638, respectively. The 2013 budget is projected at $1,588 per unit. IREM indicates a range of $856 to $1,639 per unit, and a median of $1,142 per unit. The comparables indicate salaries and labor expenses within a range of $1,443 to $1,710 per unit and average $1,603. Based upon the foregoing considerations, we forecast salaries and labor expense, post renovation, at $1,600 per unit.

Maintenance and Repairs / Painting and Redecorating

This expense category includes the cost of minor repairs to the apartment units, including painting and redecorating. Interior maintenance amounts to cleaning, electrical repairs, exterminating, contract labor for painting, and plumbing repairs. Exterior maintenance amounts to painting, and replacement or repairs to parking lots, roofs, windows, doors, etc. Maintenance and repairs expenses vary considerably from complex to complex and from year to year due to scheduling of repairs and accounting procedures. Apartment owners often list replacement items under "maintenance and repairs" for more advantageous after-tax considerations.

For 2010, 2011 and 2012, actual combined repairs and redecorating expenses for the subject were $1,750, $1,372 and $1,202, respectively. The 2013 budget is projected at $1,033 per unit. The comparables indicate combined repairs and redecorating expenses within a range of $609 to $939 per unit and average $716. IREM indicates a range of $272 to $766 per unit, and a median of $485 per unit. Maintenance expenses seem extraordinarily high for the subject historically. Based upon the foregoing considerations, we forecast combined maintenance and repairs and redecorating expense at $1,000 per unit “as is,” and reduce it to $800 per unit after renovation.

Landscaping and Amenities

Landscaping, or grounds maintenance, includes normal grounds landscaping and maintenance, as well as maintenance of the amenities. The subject is a large site and has attractive landscaping, mature trees and shrubs, and outdoor pool amenity. For 2010, 2011 and 2012, actual expenses for the subject were $17, $149 and $187 per unit. The 2013 budget is projected at $177 per unit. IREM indicates a range of $138 to $274 per unit, and a median of $190 per unit. The comparables indicate landscaping and amenities expenses within a range of $67 to $131 per unit and average $102. Based upon the foregoing considerations, we forecast landscaping and amenities expense at $175 per unit.

Security

For 2010, 2011 and 2012, actual security expenses for the subject were $414, $383 and $263, respectively. The 2013 budget is projected at $401 per unit. IREM indicates a range of $0 to $54 per unit, and a median of $18 per unit. The comparables indicate security expense within a range of $285 to $571 per unit and average $418. Based upon the foregoing considerations and placing emphasis on the history of the subject, we forecast security expense at $400 per unit.

Advertising and Promotion

This expense category accounts for placement of advertising, commissions, signage, brochures, and newsletters. Advertising and promotion costs are generally closely tied to occupancy. If occupancy is considered high and the market is stable, then the need for advertising is not as significant. However, if occupancy is considered to be low or occupancy tends to fluctuate, then advertising becomes much more critical. Our analysis assumes that the property is operating at stabilized levels. For 2010, 2011 and 2012, actual expenses for the subject were $152, $148 and $114, respectively. The 2013 budget is projected at $117 per unit. IREM does not include this category. The comparables indicate advertising expenses within a range of $71 to $122 per unit and average $91. The subject is 40% PBRA and 22% LIHTC units. As such, advertising expenses should continue to be moderate. The complex has decided to discontinue several print media advertisers because they do not find them effective, and focus on more internet advertising, which is less expensive. Based upon the foregoing considerations, we forecast advertising expense at $100 per unit.

Administrative and Miscellaneous Expense

This expense includes such items as legal, accounting, office supplies, answering service, telephone, etc. For 2010, 2011 and 2012, actual expenses for the subject were $533, $559 and $443, respectively. The 2013 budget is projected at $384 per unit. IREM indicates a range of $45 to $270 per unit, and a median of $161 per unit. The comparables indicate administrative/misc. expenses within a range of $533 to $742 per unit and average $635. Based upon the foregoing considerations, we forecast administrative and miscellaneous expense, post renovation, at $450 per unit.

Reserves for Replacement

Reserves for replacement is an annual allowance for the periodic replacement of roof covers, paving, carpeting, HVAC units, appliances, and other short-lived items. Investors of apartment properties sometimes establish separate accounts for reserves in the pro forma analysis. IREM does not chart this category and it is not included for the comparables. Typically, reserves range from $150 to $300 per unit, depending on age, condition, and size.

For 2012, actual capital expenditures for the subject were $274. The 2013 budget is projected at $424 per unit. Post renovation, the property should be in overall very good condition. We forecast reserves at $300 per unit before renovation, and $250 post-renovation.

Summary of Expenses – As-Is

Our estimated expenses total $1,265,452 including reserves, which equates to $6,991 per unit. If excluding reserves, the estimated expenses are $6,691 per unit. For 2010, 2011 and 2012, actual expenses (not including capital expenditures) for the subject were $7,511, $7,618 and $7,070, respectively. The 2013 budget (not including reserves) is projected at $6,594 per unit. Our projections are below the actual figures for the past few years. The subject is proposed for a substantial renovation and some expense categories, particularly utilities, maintenance and repairs should be reduced. Our estimates (not including reserves) are about 2% higher than the 2013 budget. Total expenses reported by IREM, which do not include reserves, ranged from $3,596 to $4,781 with a median of $4,168 per unit for Atlanta. The comparables indicate total trended expenses within a range of $5,300 to $6,418 per unit and average $5,949. Our estimates (not including reserves) are above IREM and the range of the comparables, but appear supported by actual expenses historically. Based on this information, our estimates appear reasonable.

Net Operating Income – As-Is

Our estimates of income and expenses for the subject apartments, post renovation, result in a net operating income projection of $444,200, or $2,454 per unit.

Summary of Expenses – After Renovation

After renovation, the tenants will be responsible for water/sewer utilities. This allowance is deducted from the maximum allowable rent for the LIHTC and PBRA units, resulting in lower potential gross income. Utility expenses will also be correspondingly lower. Our estimated expenses total $1,112,822 including reserves, which equates to $6,148 per unit. If excluding reserves, the estimated expenses are $5,898 per unit. Our projections are below the actual figures for the past few years. The subject is proposed for a substantial renovation and some expense categories, particularly utilities, maintenance and repairs should be reduced. Our estimates post renovation, not including reserves, are still above IREM and within the range of the comparables. Based on this information, our estimates appear reasonable.

Net Operating Income – After Renovation

Our estimates of income and expenses for the subject apartments, post renovation, result in a net operating income projection of $615,588, or $3,401 per unit.

CAPITALIZATION OF NET OPERATING INCOME

Capitalization is the process by which net operating income of investment property is converted to a value indication. Capitalization rates reflect the relationship between net operating income and the value of receiving that current and probable future income stream during a certain projection period or remaining economic life. Generally, the best method of estimating an appropriate overall rate is through an analysis of recent sales in the market. Overall rates (OAR's) are typically derived from sales of similar properties by dividing net operating income by sale price.

In selecting an appropriate capitalization rate for the subject, we considered those rates indicated by recent sales of properties that are similar to the subject with regard to risk, duration of income, quality and condition of improvements, and remaining economic life. Primary factors that influence overall rates include potential for income increases over both the near and long terms, as well as appreciation potential. Adjustments for dissimilar factors that influence the utility and/or marketability of a property, such as specific location within a market area; land/building ratio; functional efficiency, quality, and condition of improvements; and specific features of the building and land improvements, are inherently reflected by the market in the form of varying market rent levels. As rent levels form the basis for net income levels, the market has, in effect, already made the primary adjustments required for those factors, and any significant adjustments to overall rates based upon these dissimilarities would merely distort the market data.

The following table summarizes capitalization rates extracted from several recent apartment sales in the metro area. The subject is an urban complex proposed for a substantial renovation in the amount of approximately $46,000 per unit. The subject was constructed in 1996. We chose a variety of property types built between 1986 and 2000.

IMPROVED SALES SUMMARY - MARKET RATE COMPLEXES								
No.	Name Location	Sale Date	Number of Units	Year Built	Price Per Unit	Avg. Unit Size (SF)	NOI/Unit at Sale	OAR
1	Ellington Woods, Norcross, GA	Mar-13	180	1997	$59,722	1,048	$3,882	7.01%
2	Fernwood Apartments, Atlanta, GA	Dec-12	120	1986	$76,250	747	$4,575	6.00%
3	Windmont, Atlanta, GA	Aug-12	178	2000	$66,573	842	$4,161	6.25%
4	Wynthrope Forest, Riverdale, GA	Aug-12	270	1999	$51,574	1,083	$3,413	6.62%
5	Walden Landing, Hampton, GA	Feb-12	240	2000	$54,167	1,122	$3,589	6.63%

The comparable sales used in this analysis present a range of overall rates between 6.25% and 7.01%, with a mean of 6.50%. Comparable One was a distress/foreclosure sale; otherwise, the comparables indicate a downward trend in overall rates.

As mentioned in the Market Analysis section, the *First Quarter 2013 PwC Real Estate Investor Survey* indicates that overall capitalization rates for apartments range from 3.50% to 10.00%, with an average of 5.73% (5.58% for the Southeast Region). This is an increase in the overall average rate of one basis point from the prior quarter and a decrease of 10 basis points higher than the same period one year ago.

Mortgage Equity Technique

We also utilized the mortgage-equity procedure, which is presented in the following chart. Under this procedure, the overall capitalization rate considers the returns on the mortgage and equity positions as well as the equity build-up that accrues as the loan principle is paid off. For properties like the subject, our research of the current financing market indicate a typical loan-to-value ratio of 75% to 80%, a fixed interest rate of about 3.50% to 5.65% (4.09%-4.34% for ten year term, 5.65%-6.50% for 30 year term) and a 30-year amortization with a balloon in 10 years. For this analysis, we used an 80% loan-to-value, an interest rate of 4.50%, 30-year amortization, a 10-year balloon, and property appreciation of 2.5% annually (reasonable considering the current market). Equity yield rates are more difficult to ascertain. However, based on discussions with investors and valuation experts, and consideration of alternative investment choices and comparing the risks involved with each, we find a typical range of 15% to 20%. Based on the specific characteristics of the subject, we concluded an equity yield rate of 17%. As shown on the following chart, the indicated overall capitalization rate based on the foregoing parameters equates to approximately 6.25%.

CAPITALIZATION RATE DERIVATION BY MORTGAGE/EQUITY TECHNIQUE								
ASSUMPTIONS								
Mortgage Amortization Term	30 Years							
Holding Period	10 Years							
Mortgage Interest Rate	4.50%							
Loan-to-Value Ratio	80%							
Annual Constant for Monthly Payments	0.060802							
Required Equity Yield Rate	17%							
Assumed Net Annual Appreciation	2.50%							
CALCULATIONS								
Basic Rate Calculation:								
Mortgage:	80%	x	0.060802	=			0.048642	
Equity:	20%	x	0.170000	=			+ 0.034000	
Composite Basic Rate:								0.082642
Credit For Equity Build-up Due to Amortization Over Holding Period:								
Mortgage (Loan-to-Value Ratio):				80%				
Sinking Fund Factor @	17%	For		10 Years		=	0.044657	
Percentage of Loan Principal Repaid After				10 Years		=	19.9103%	
Credit:	80%	x	0.044657	x	0.199103	=		0.007113
Appreciation Factor Over the Holding Period:								
Appreciation Credit @	3%	Over		10 Years		=	28.0085%	
Sinking Fund Factor @	17%	For		10 Years		=	0.044657	
Credit:	28.0085%	x	0.044657			=		0.012508
INDICATED CAPITALIZATION RATE								
Basic Rate:								0.082642
Less Credit For Equity Build-up:							-	0.007113
Less Credit For Appreciation:							-	0.012508
INDICATED CAPITALIZATION RATE:								**0.063021**
ROUNDED:								**6.25%**

Direct Capitalization Conclusion

Based on the information presented from the actual sales, the investor survey and the mortgage equity technique, with particular consideration given to the subject's age, size, quality and location, as well as the fact that the subject is eligible for favorable financing, we are of the opinion that the typical investor would select an overall rate in the range of 6.25% to 6.75% for the subject property, and reconcile toward the middle. Our direct capitalization analysis is presented in the following chart. As shown, our estimate of prospective “as is” value is **$6,800,000, or $37,569 per unit**. Our estimate “as complete and stabilized,” post renovation, is **$9,500,000 or $52,486 per unit**.

APPRAISERS PRO FORMA ANALYSIS - AS IS CENTENNIAL PLACE APARTMENTS - PHASE I 181 Units - 169,392 SF				
		Total	Per Unit	Per SF
Potential Gross Rental Income		$1,813,068	$10,017	$10.70
Plus Other Income	2.4%	45,250	250	0.27
Potential Gross Income		$1,858,318	$10,267	$10.97
Vacancy and Collection Loss	8.0%	$148,665	$821	$0.88
Effective Gross Income		$1,709,653	$9,446	$10.09
Expenses				
Real Estate Taxes		$100,000	$552	$0.59
Insurance		54,300	300	0.32
Management Fee	6.5%	111,127	614	0.66
Utilities		271,500	1,500	1.60
Salaries & Labor		289,600	1,600	1.71
Maintenance & Repairs / Turnkey		181,000	1,000	1.07
Security		72,400	400	0.43
Landscaping		31,675	175	0.19
Advertising & Promotion		18,100	100	0.11
Administrative/Misc.		81,450	450	0.48
Total Expenses		$1,211,152	$6,691	$7.15
Reserves		54,300	300	0.32
Total Operating Expenses		$1,265,452	$6,991	$7.47
Net Income		$444,200	$2,454	$2.62
Overall Rates/Indicated	6.25%	$7,107,202	$39,266	$41.96
Values	6.50%	$6,833,848	$37,756	$40.34
	6.75%	$6,580,743	$36,358	$38.85
Stabilized Reconciled Value		$6,800,000	$37,569	$40.14

APPRAISERS PRO FORMA ANALYSIS - AFTER RENOVATION CENTENNIAL PLACE APARTMENTS - PHASE I 181 Units - 169,392 SF				
		Total	Per Unit	Per SF
Potential Gross Rental Income		$1,833,456	$10,130	$10.82
Plus Other Income	2.4%	45,250	250	0.27
Potential Gross Income		$1,878,706	$10,380	$11.09
Vacancy and Collection Loss	8.0%	$150,296	$830	$0.89
Effective Gross Income		$1,728,410	$9,549	$10.20
Expenses				
Real Estate Taxes		$100,000	$552	$0.59
Insurance		54,300	300	0.32
Management Fee	6.5%	112,347	621	0.66
Utilities		162,900	900	0.96
Salaries & Labor		289,600	1,600	1.71
Maintenance & Repairs / Turnkey		144,800	800	0.85
Security		72,400	400	0.43
Landscaping		31,675	175	0.19
Advertising & Promotion		18,100	100	0.11
Administrative/Misc.		81,450	450	0.48
Total Expenses		$1,067,572	$5,898	$6.30
Reserves		45,250	250	0.27
Total Operating Expenses		$1,112,822	$6,148	$6.57
Net Income		$615,588	$3,401	$3.63
Overall Rates/Indicated	6.25%	$9,849,406	$54,417	$58.15
Values	6.50%	$9,470,583	$52,324	$55.91
	6.75%	$9,119,821	$50,386	$53.84
Stabilized Reconciled Value		$9,500,000	$52,486	$56.08

Hypothetical Market Rent Analysis

We were also asked to estimate the market value of the subject using hypothetical market rents. We applied the market rent levels, as discussed previously in the market analysis section, to all of the subject's units. Market rate complexes typically also have much higher other income. A market rate project would also have different expense levels in some categories. Taxes and advertising will be higher, while management, salary and administrative expenses will be lower. Four market-rate expense comparables are shown for support. Furthermore, vacancy and credit loss would likely be higher at 10%, average for the submarket. As a market-rate property, the subject would be less risky as an investment, and would support a slightly lower capitalization rate as well.

MARKET RATE OPERATING EXPENSE COMPARABLES								
Property Name	Woodside Vista		Ansley at Princeton		Southwood Vista		Sandtown Vista	
Location	Atlanta, GA		Atlanta, GA		Atlanta, GA		Atlanta, GA	
No. Units	376		306		300		350	
Avg. Unit Size	1,028		1,001		1,029		1,161	
Year Built	2008		2009		2008		2008	
	Actual	Trended	Actual	Trended	Trailing 12	Trended	Trailing 12	Trended
Effective Date/% Trended	2012	0.0%	2012	0.0%	2012*	2.00%	2012*	2.00%
Real Estate Taxes	$775	$775	$1,376	$1,376	$723	$737	$1,012	$1,032
Insurance	291	291	116	116	147	150	182	186
Management Fee:	294	294	418	418	468	477	267	272
% of EGI	3.5%		3.5%		5.0%		3.0%	
Utilities	771	771	1,267	1,267	1,120	1,142	797	813
Salaries & Labor	1,264	1,264	1,214	1,214	997	1,017	1,027	1,048
Repairs/Redecorating	452	452	326	326	331	338	396	404
Landscaping/Amenities	150	150	199	199	105	107	124	126
Advert. & Promotion**	198	198	237	237	142	145	236	241
Administrative/Misc.**	198	198	262	262	206	210	236	241
Total Expenses	$4,393	$4,393	$5,415	$5,415	$4,239	$4,324	$4,277	$4,363
Capital Expenses	N/Av		$271		$486		$544	

*Trailing 12 Months

**Woodside Vista and Sandtown Vista combined Admin and Marketing on their P&L's. We allocated 50% to each

JNIT MIX AND MARKET RENT SCHEDULE - HYPOTHETICAL MARKET - POST RENOVATIO
Centennial Place Phase I Apartments

Unit Type	No. Units	Heated SF	Total SF	Monthly Unit Rent	Rent SF	Total Income
1BR/1BA	66	688	45,408	$852	$1.24	$674,784
2BR/1BA	32	869	27,808	$1,010	$1.16	$387,840
2BR/1BA	1	875	875	$1,010	$1.15	$12,120
2BR/2BA	25	1,057	26,425	$1,150	$1.09	$345,000
2BR/2BA	23	1,041	23,943	$1,150	$1.10	$317,400
2BR/1.5BA	3	1,215	3,645	$1,500	$1.23	$54,000
3BR/2.5BA	23	1,254	28,842	$1,550	$1.24	$427,800
3BR/2.5BA	1	1,340	1,340	$1,550	$1.16	$18,600
3BR/2.5BA	3	1,594	4,782	$1,600	$1.00	$57,600
4BR/2.5BA	4	1,581	6,324	$1,850	$1.17	$88,800
Totals/Average	181	936	169,392	$1,098	$1.17	$2,383,944

HYPOTHETICAL PRO FORMA ANALYSIS - AFTER RENOVATION CENTENNIAL PLACE I APARTMENTS 181 Units - 169,392 SF				
		Total	Per Unit	Per SF
Potential Gross Rental Income		$2,383,944	$13,171	$14.07
Plus Other Income	3.7%	90,500	500	0.53
Potential Gross Income		$2,474,444	$13,671	$14.61
Vacancy and Collection Loss	10.0%	$247,444	$1,367	$1.46
Effective Gross Income		$2,227,000	$12,304	$13.15
Expenses				
Real Estate Taxes		$320,000	$1,768	$1.89
Insurance		36,200	200	0.21
Management Fee	3.5%	77,945	431	0.46
Utilities		162,900	900	0.96
Salaries & Labor		217,200	1,200	1.28
Maintenance & Repairs / Turnkey		108,600	600	0.64
Security		72,400	400	0.43
Landscaping		31,675	175	0.19
Advertising & Promotion		36,200	200	0.21
Administrative/Misc.		40,725	225	0.24
Total Expenses		$1,103,845	$6,099	$6.52
Reserves		49,775	275	0.29
Total Operating Expenses		$1,153,620	$6,374	$6.81
Net Income		$1,073,380	$5,930	$6.34
Overall Rates/Indicated	6.00%	$17,889,660	$98,838	$105.61
Values	6.25%	$17,174,074	$94,884	$101.39
	6.50%	$16,513,533	$91,235	$97.49
Stabilized Reconciled Value		$17,200,000	$95,028	$101.54

Our estimated expenses total $1,153,620 including reserves, which equates to $6,374 per unit. If excluding reserves, the estimated expenses are $6,099 per unit. Total expenses reported by IREM, which do not include reserves, ranged from $3,596 to $4,781 with a median of $4,168 per unit for Atlanta. The comparables indicate total expenses within a range of $4,324 to $5,415 per unit and average $4,624. Our estimates (not including reserves) are above IREM and just above the range of the comparables. However, much of this difference can be attributed to the security expense at this in-town development. Based on this information, our estimates appear reasonable. At this income and expense scenario, the value estimate is $17,200,000.

The sales comparison approach provides an estimate of market value based on an analysis of recent transactions involving similar properties in the subject's or comparable market areas. This method is based on the premise that an informed purchaser will pay no more for a property than the cost of acquiring an equally desirable substitute. When there are an adequate number of sales involving truly similar properties, with sufficient information for comparison, a range of value for the subject can be developed.

In the analysis of sales, considerations for such factors as changing market conditions over time, location, size, quality, age/condition, and amenities, as well as the terms of the transactions, are all significant variables relating to the relative marketability of the subject property. Any adjustments to the sale price of comparables to provide indications of market value for the subject must be market-derived; thus, the actions of typical buyers and sellers are reflected in the comparison process.

There are various units of comparison available in the evaluation of sales data. The sale price per unit (NOI) and effective gross income multiplier (EGIM) are most commonly used for apartments. Based on the information available, we used only the sale price per unit method in our analysis.

Arguably, this approach is not appropriate for the subject property. Although there are other low-income housing developments, properties subject to tax credits typically do not sell in the open market, because the properties have to meet specified requirements for 15 years or the tax credits will be forfeited. Thus, the owners have a vested interest in overseeing the operation of the property over the long term. Making subjective adjustments to sales of conventional multifamily properties for the subject's differences would not provide a meaningful value estimate of the property with rent restrictions. Rent restrictions suppress income levels, so the expense ratio will be higher than traditional complexes, with net income per unit being much lower. While net incomes can still be compared, as this is the driving valuation characteristic for income producing properties, the variance in expense ratios limits the value of an EGIM analysis. However, we performed a limited sales comparison approach to estimate stabilized value of the property using restricted rents.

The following summary chart provides pertinent details regarding each transaction; additional information including photographs and a location map are included in the Addendum.

IMPROVED SALES SUMMARY - MARKET RATE COMPLEXES								
1	Ellington Woods, Norcross, GA	Mar-13	180	1997	$59,722	1,048	$3,882	6.50%
2	Fernwood Apartments, Atlanta, GA	Dec-12	120	1986	$76,250	747	$4,575	6.00%
3	Windmont, Atlanta, GA	Aug-12	178	2000	$66,573	842	$4,161	6.25%
4	Wynthrope Forest, Riverdale, GA	Aug-12	270	1999	$51,574	1,083	$3,413	6.62%
5	Walden Landing, Hampton, GA	Feb-12	240	2000	$54,167	1,122	$3,589	6.63%

These properties were reportedly built between 1986 and 2000 with unit counts between 120 and 270. The transactions occurred between February 2012 and March 2013. Overall rates indicated by the transactions range between 6.00% and 6.63%, with an average of 6.50%. It should be noted that all of the comparables were in average to good condition. Sales prices per unit range widely from $51,574 to $76,250. This range appears to fluctuate most with net operating income per unit, which ranges from $3,413 to $4,575.

SALE PRICE PER UNIT ANALYSIS

While some general observations can be made, isolating physical and locational adjustments in the comparison of income producing comparable sales can be very subjective. This subjectivity is particularly true when the comparables are drawn from different locations. Most investors believe that all these factors are already accounted for in the rental that an income property can achieve and, thus, place most reliance upon net income characteristics as the basis for adjustment. The assumption is that tenants shop and compare, and rent paid in the open market automatically reflects differences in the age and condition of improvements, location, construction, size, amenities, and various other factors.

To further illustrate, we analyzed the net operating income (NOI) generated by each comparable as compared to the subject's projected stabilized income estimated in the income capitalization approach. Basically, by developing a ratio between the subject's and the comparable's net operating income, an adjustment factor can be calculated for each of the individual sales. This factor can then be applied to the comparable's price per unit to render indications for the subject. This process illustrates an attempt to isolate the economic reasoning of buyers. In general, it is a fundamental assumption that the physical characteristics of a project (location, access, design/appeal, condition, etc.) are reflected in the net operating income being generated, and that the resulting price per unit paid for a property has a direct relationship to the net operating income being generated. The following charts depict the calculations involved in developing adjustment factors to be applied to the respective price per unit for the comparables employed.

NET OPERATING INCOME (NOI) ANALYSIS - RESTRICTED AS IS CENTENNIAL PARK I									
Sale No.	Subject's NOI/Unit		Comp. NOI/Unit		Multiplier		Sale Price $/Unit		Adjusted $/Unit For Subject
1	$2,454	/	$3,882	=	0.63	X	$59,722	=	$37,625
2	$2,454	/	$4,575	=	0.54	X	$76,250	=	$41,175
3	$2,454	/	$4,161	=	0.59	X	$66,573	=	$39,278
4	$2,454	/	$3,413	=	0.72	X	$51,574	=	$37,133
5	$2,454	/	$3,589	=	0.68	X	$54,167	=	$36,834

NET OPERATING INCOME (NOI) ANALYSIS - RESTRICTED POST RENOV CENTENNIAL PARK I									
Sale No.	**Subject's NOI/Unit / Comp. NOI/Unit**				**Multiplier**		**Sale Price $/Unit**		**Adjusted $/Unit For Subject**
1	$3,401	/	$3,882	=	0.88	X	$59,722	=	$52,555
2	$3,401	/	$4,575	=	0.74	X	$76,250	=	$56,425
3	$3,401	/	$4,161	=	0.82	X	$66,573	=	$54,590
4	$3,401	/	$3,413	=	1.00	X	$51,574	=	$51,574
5	$3,401	/	$3,589	=	0.95	X	$54,167	=	$51,459

NET OPERATING INCOME (NOI) ANALYSIS (HYPOTHETICAL MARKET RENTS) POST RENOVATION - CENTENNIAL PARK I									
Sale No.	Subject's NOI/Unit / Comp. NOI/Unit				Multiplier		Sale Price $/Unit		Adjusted $/Unit For Subject
1	$5,930	/	$3,882	=	1.53	X	$59,722	=	$91,375
2	$5,930	/	$4,575	=	1.30	X	$76,250	=	$99,125
3	$5,930	/	$4,161	=	1.43	X	$66,573	=	$95,199
4	$5,930	/	$3,413	=	1.74	X	$51,574	=	$89,739
5	$5,930	/	$3,589	=	1.65	X	$54,167	=	$89,376

As shown above, the adjusted values indicated for the subject as is, restricted, range from $36,834 to $41,175 per unit, with an average of $38,409 (assuming restricted rents). After renovation, the range is $51,459 to $56,425 per unit, with an average of $53,321 (assuming restricted rents). For hypothetical market rents post renovation, the range is from $89,376 to $99,125 per unit, with an average of $92,963.

In the restricted rent scenario, we estimate a value indication of $38,000 per unit as is and $52,000 per unit as complete. For the hypothetical market rent at completion scenario, we estimated a value of $93,000 per unit assuming hypothetical unrestricted or market rents.

SALES COMPARISON APPROACH SUMMARY – RESTRICTED AS-IS		
# Units	**$/Unit**	**Indicated Value**
181	$38,000	$6,878,000
Rounded		**$6,900,000**
SALES COMPARISON APPROACH SUMMARY – RESTRICTED AS COMPLETE AND STABILIZED		
# Units	**$/Unit**	**Indicated Value**
181	$53,000	$9,593,000
Rounded		**$9,600,000**
SALES COMPARISON APPROACH SUMMARY – HYPO MARKET AS COMPLETE AND STABILIZED		
# Units	**$/Unit**	**Indicated Value**
181	$93,000	$16,833,000
Rounded		**$16,800,000**

PHYSICAL ADJUSTMENT ANALYSIS

For additional support, we are including an adjustment grid for the comparable sales. Adjustments were made for conditions of sale and market conditions, along with common characteristics including location, access/exposure, size, average unit size, quality/amenities and age/condition.

Conditions of Sale

For both scenarios, restricted rents and hypothetical market rate, Comparable One was adjusted upward because it sold out of foreclosure. For the restricted rent scenario, the comparables are adjusted downward to account for limited income expectations.

Market Conditions

No adjustments are necessary.

Location

The subject is located in an excellent location in the heart of downtown Atlanta. Comparables Two and Three are located within the perimeter highway (I-285) in Atlanta, and Comparable One is in a desirable suburb of Atlanta. Comparable Two is located in an area similar to the subject, a little further from downtown (an inferior quality) in a neighborhood that is considered safer but still convenient, so it netted zero adjustment for location. Comparable Three is in the appealing Brookhaven neighborhood, inferior to the subject only because it is further from downtown; it was adjusted upward. Comparable Three is much farther from downtown Atlanta in an attractive outlying suburb and was adjusted upward more significantly. Comparables Four and Five are located much farther from Atlanta in outlying southern suburbs of Clayton County. Clayton County has had recent problems with their public schools and public transportation network that have significantly negatively impacted the apartment market in that county. Comparables Four and Five received larger upward adjustment.

Access/Exposure

The subject has good access and exposure along secondary roadways. The comparables have similar access and exposure and do not warrant adjustment.

Size/Number of Units

The subject has 181 units. Typically, smaller properties sell for higher per unit prices. Conversely, larger properties tend to sell for lower per unit prices. This represents something of a quantity discount. Comparables Four and Five were adjusted upward.

Average Unit Size

The subject has an average unit size of 936 square feet. Comparables Two and Three have smaller average unit sizes and received upward adjustments. None of the other comparables warranted adjustment.

Quality/Amenities

The subject will be average quality and have few amenities. All of the comparables have superior amenities compared to the subject and were adjusted downward.

Age/Condition

The subject was built in 1996 and has been well maintained. The comparables were built between 1986 (recently remodeled) and 2000 and do not warrant adjustment in the restricted scenario, particularly since renovations will not increase the amount of rent the owner can charge for the restricted units. In the market rate scenario at completion, the comparables are adjusted upward for inferior interior finish.

SUMMARY AND COMMENTS

The following adjustment grid illustrates our thought processes in the comparison of the comparables to the subject. As shown, prior to adjustment, the comparables present a range of price per unit between $51,574 and $76,250, with a mean of $61,657.

COMPARABLE SALES ADJUSTMENT CHART - Restricted Rents						
Sale No.	**Subject**	**1**	**2**	**3**	**4**	**5**
Informational Data						
Sale Date	N/Ap	Mar-13	Dec-12	Aug-12	Aug-12	Feb-12
Sale Price	N/Ap	$10,750,000	$9,150,000	$11,850,000	$13,925,000	$13,000,000
Building Type	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment
# Units	181	180	120	178	270	240
Avg. Unit Size	936	1,048	747	842	1,083	1,122
Year Built	1996	1997	1986	2000	1999	2000
Location	Excellent	Inferior	Similar	Inferior	Inferior	Inferior
Price per Unit	N/Ap	$59,722	$76,250	$66,573	$51,574	$54,167
Comparative Analysis						
Conditions of Sale		-40%	-50%	-50%	-50%	-50%
Adjusted Price/SF		$35,833	$38,125	$33,287	$25,787	$27,083
Market Conditions		0%	0%	0%	0%	0%
Adjusted Price/SF		$35,833	$38,125	$33,287	$25,787	$27,083
Physical Adjustments						
Location		10%	0%	15%	40%	40%
Access / Exposure		0%	0%	0%	0%	0%
Size (# of units)		0%	0%	0%	10%	10%
Avg. Unit Size		0%	5%	5%	0%	-5%
Quality/Amenities		0%	0%	0%	0%	0%
Age/Condition		0%	0%	0%	0%	0%
Net Adjustment		10%	5%	20%	50%	45%
Adjusted Price/SF		$39,417	$40,031	$39,944	$38,681	$39,271
Indicated Range:			$38,681	to	$40,031	
Mean:				$39,469		
Indicated Range: (Ex. Extremes)			$39,417	to	$39,944	
Mean:				$39,347		

As shown, after adjustments, the indicated range is a narrowed to between $38,681 and $40,031, with a mean of $39,469. Based on this information, we estimate value for the subject at a rounded $39,000 per unit. Our estimate of value for the subject property, based on a price per unit method is shown as follows.

SALES COMPARISON APPROACH VALUE – PRICE PER UNIT				
Indicated Value/Unit		**Subject Units**		**Total**
$39,500	X	181	=	$7,149,500
Rounded				$7,100,000

COMPARABLE SALES ADJUSTMENT CHART - Restricted Rents - As Complete - Centennial Park I						
Sale No.	**Subject**	**1**	**2**	**3**	**4**	**5**
Informational Data						
Sale Date	N/Ap	Mar-13	Dec-12	Aug-12	Aug-12	Feb-12
Sale Price	N/Ap	$10,750,000	$9,150,000	$11,850,000	$13,925,000	$13,000,000
Building Type	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment
# Units	181	180	120	178	270	240
Avg. Unit Size	936	1,048	747	842	1,083	1,122
Year Built	1996	1997	1986	2000	1999	2000
Location	Excellent	Inferior	Similar	Inferior	Inferior	Inferior
Price per Unit	N/Ap	$59,722	$76,250	$66,573	$51,574	$54,167
Comparative Analysis						
Conditions of Sale		-40%	-50%	-50%	-50%	-50%
Adjusted Price/SF		$35,833	$38,125	$33,287	$25,787	$27,083
Market Conditions		0%	0%	0%	0%	0%
Adjusted Price/SF		$35,833	$38,125	$33,287	$25,787	$27,083
Physical Adjustments						
Location		10%	0%	15%	40%	40%
Access / Exposure		0%	0%	0%	0%	0%
Size (# of units)		0%	0%	0%	10%	10%
Avg. Unit Size		0%	5%	5%	0%	-5%
Quality/Amenities		0%	0%	0%	0%	0%
Age/Condition		35%	35%	35%	35%	35%
Net Adjustment		45%	40%	55%	85%	80%
Adjusted Price/SF		$51,958	$53,375	$51,594	$47,706	$48,750
Indicated Range:			$47,706	to	$53,375	
Mean:				$50,677		
Indicated Range: (Ex. Extremes)			$48,750	to	$51,594	
Mean:				$50,767		

As shown, after adjustments, the indicated range is a narrowed to between $47,706 and $53,375, with a mean of $50,677. Based on this information, we estimate value for the subject at a rounded $51,000 per unit. Our estimate of value for the subject property, based on a price per unit method is shown as follows.

SALES COMPARISON APPROACH VALUE – PRICE PER UNIT				
Indicated Value/Unit		**Subject Units**		**Total**
$51,000	X	181	=	$9,231,000
Rounded				$9,200,000

COMPARABLE SALES ADJUSTMENT CHART - HYPOTHETICAL MARKET RENTS						
Sale No.	**Subject**	**1**	**2**	**3**	**4**	**5**
Informational Data						
Sale Date	N/Ap	Mar-13	Dec-12	Aug-12	Aug-12	Feb-12
Sale Price	N/Ap	$10,750,000	$9,150,000	$11,850,000	$13,925,000	$13,000,000
Building Type	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment
# Units	181	180	120	178	270	240
Avg. Unit Size	936	1,048	747	842	1,083	1,122
Year Built	1996	1997	1986	2000	1999	2000
Location	Excellent	Inferior	Similar	Inferior	Inferior	Inferior
Price per Unit	N/Ap	$59,722	$76,250	$66,573	$51,574	$54,167
Comparative Analysis						
Conditions of Sale		10%	0%	0%	0%	0%
Adjusted Price/SF		$65,694	$76,250	$66,573	$51,574	$54,167
Market Conditions		0%	0%	0%	0%	0%
Adjusted Price/SF		$65,694	$76,250	$66,573	$51,574	$54,167
Physical Adjustments						
Location		10%	0%	15%	40%	40%
Access / Exposure		0%	0%	0%	0%	0%
Size (# of units)		0%	0%	0%	10%	10%
Avg. Unit Size		0%	5%	5%	0%	-5%
Quality/Amenities		0%	0%	0%	0%	0%
Age/Condition		35%	35%	35%	35%	35%
Net Adjustment		45%	40%	55%	85%	80%
Adjusted Price/SF		$95,257	$106,750	$103,188	$95,412	$97,500
Indicated Range:			$95,257	to	$106,750	
Mean:				$99,621		
Indicated Range: (Ex. Extremes)			$95,412	to	$103,188	
Mean:				$98,700		

As shown, after adjustments, the indicated range is a narrowed to between $95,257 and $106,750, with a mean of $99,621. Based on this information, we estimate value for the subject at a rounded $100,000 per unit. Our estimate of value for the subject property, based on a price per unit method is shown as follows.

SALES COMPARISON APPROACH VALUE – PRICE PER UNIT				
Indicated Value/Unit		**Subject Units**		**Total**
$99,000	X	181	=	$17,919,000
Rounded				$17,900,000

SALES COMPARISON APPROACH CONCLUSION

The following table summarizes the value indications provided by the methods of analysis presented in the sales comparison approach.

SUMMARY OF VALUE ESTIMATES BY SALES COMPARISON APPROACH RESTRICTED RENTS AS IS	
Method	**Indicated Value**
NOI Per Square Foot	$6,900,000
Physical Adjustments	$7,100,000
Reconciled:	**$7,000,000**

SUMMARY OF VALUE ESTIMATES BY SALES COMPARISON APPROACH RESTRICTED RENTS AT COMPLETION	
Method	**Indicated Value**
NOI Per Square Foot	$9,600,000
Physical Adjustments	$9,200,000
Reconciled:	**$9,300,000**

SUMMARY OF VALUE ESTIMATES BY SALES COMPARISON APPROACH HYPOTHETICAL MARKET RENTS	
Method	**Indicated Value**
NOI Per Square Foot	$16,800,000
Physical Adjustments	$17,900,000
Reconciled:	**$17,000,000**

We were asked to estimate market value "as is" and prospective market value "upon completion of renovation" and "at stabilization" of the subject using restricted rents. In addition, we were asked to provide the prospective hypothetical value "upon completion of renovation/conversion" and "at stabilization" of the subject using unrestricted/market rents. We were also requested to estimate "as is" market value of the leasehold interest in the subject site and existing improvements, as well as the valuation of the tax credits and an analysis of the ground lease of the underlying site.

FINAL VALUE ESTIMATE – "AS IS"

We used the income and sales comparison approaches to estimate market value for the subject property. The indications from each are presented in the following chart.

FINAL VALUE ESTIMATES – RESTRICTED AS IS	
Income Capitalization Approach	$6,800,000
Sales Comparison Approach	$7,000,000

Apartment properties are typically purchased by investors; thus, the income approach most closely parallels the anticipated analysis that would be employed by a likely buyer. Most multifamily buyers place emphasis on this approach, particularly the direct capitalization analysis for existing properties operating at or near stabilization.

The sales comparison approach is predicated on the principle that an investor will pay no more for an existing property than for a comparable property with similar utility. This approach is contingent on the reliability and comparability of available data. We used sales of conventional apartment complexes located in the metro Atlanta market of similar investment quality.

Based on the research and analysis contained in this report, and placing greater weight on the income approach, we estimate the market value of the leasehold interest in the subject property, as follows:

Estimate of Market Value of the Leasehold Interest in the Subject
"As Is," Subject To Restricted Rents, As of May 15, 2013

SIX MILLION NINE HUNDRED THOUSAND DOLLARS
$6,800,000

FINAL VALUE ESTIMATE – "AT STABILIZATION"

We used the income and sales comparison approaches to estimate market value for the subject property. The indications from each are presented in the following chart.

FINAL VALUE ESTIMATES – RESTRICTED AS COMPLETE	
Income Capitalization Approach	$9,500,000
Sales Comparison Approach	$9,300,000
FINAL VALUE ESTIMATES – MARKET – AS COMPLETE	
Income Capitalization Approach	$17,200,000
Sales Comparison Approach	$17,000,000

Estimate of Market Value of the Leasehold Interest in the Subject "As Complete And Stabilized," Subject To Restricted Rents, As of May 15, 2013

NINE MILLION SIX HUNDRED THOUSAND DOLLARS
$9,500,000

Estimate of Market Value of the Leasehold Interest in the Subject "As Complete And Stabilized," Subject To Hypothetical Market Rents, As of May 15, 2013

SEVENTEEN MILLION TWO HUNDRED THOUSAND DOLLARS
$17,200,000

FINAL VALUE ESTIMATES – "UPON COMPLETION"

In order to estimate the prospective value "upon completion of renovation," we must deduct those additional costs yet to be incurred in order to achieve stabilization. In the case of the subject, this requires consideration of rent loss, and entrepreneurial profit. These costs are then deducted from our reconciled "at stabilization" value estimates of $9,500,000 assuming restricted rents and $17,200,000 assuming unrestricted or market rents.

Rent loss is calculated for the period between the "as is" value and date of stabilization. The subject will need to lease roughly 167 (Restricted) or 163 (Market) units to reach their respective stabilized operating levels of 92% / 90%. Tenants will shift into existing vacant units as units are renovated, so a minimal loss of tenants is anticipated. As discussed in our Market Analysis, competition among apartments in the subject's market is strong. We estimated that the subject should be able to reach a stabilized operating level within six months from the date of completion, April 1, 2015. Our analysis assumes that the units will be taken down evenly over the stabilization period. Our estimated "at stabilization" effective gross rental incomes are

$1,728,410 or $144,034 per month (Restricted) and $2,227,000 or $185,583 per month (Market). The development will never be completely vacant, since tenants will move into units as they are completed. Since this loss will be reduced, over time, to zero by the time the property is stabilized, we estimate that the typical buyer of the property would calculate the total loss by taking one-half of these figures or $72,017 ($144,034/2) and $92,792 ($185,583/2) and then multiplying by the lease-up period of six months. This methodology produces total rent loss of $432,103 and $556,752, respectively.

In addition, investors in destabilized properties expect to make a profit on any additional investment required. According to brokers and buyers/sellers, as well as developers, profit requirements tend to range from 10% to 20% of total cost to achieve stabilization for most property types. The lower end of the range typically applies to single-tenant, build-to-suit type properties with limited risk, while the upper end pertains to multi-tenant, larger properties with extensive marketing and lease-up costs and thus, greater risk. Based on conversations with representatives involved in the sale of similar apartment properties, and considering the subject's condition and the current market conditions, we estimate an appropriate profit for the subject property at 10%. Thus, we applied a 10% profit to the total rent loss estimates, which equates to $43,210 ($432,103 x 10%) assuming restricted rents and $55,675 ($556,752x 10%) assuming unrestricted or market rents. When added, the total rounded costs are $500,000 ($432,103 + 43,210 = $475,313) and $600,000 ($556,752+ 55,675 = $612,427). Deducting these amounts from our stabilized values result in the following "upon completion" value estimates using this methodology:

Estimate of Market Value of the Leasehold Interest in the Subject "Upon Completion," Subject To Restricted Rents, As of July 1, 2014

NINE MILLION DOLLARS
$9,000,000

Estimate of Hypothetical Market Value of the Leasehold Interest in the Subject "Upon Completion," Assuming Unrestricted/Market Rents, As of July 1, 2014

SIXTEEN MILLION SIX HUNDRED THOUSAND DOLLARS
$16,600,000

LOW INCOME HOUSING TAX CREDITS

The subject property will be renovated subject to the Georgia Housing Development Agency Low Income Housing Program, and accordingly is eligible to receive tax credits under Section 42 of the Internal Revenue Code. The subject developer intends to syndicate the tax credits, with the proceeds to comprise the tax credit equity source of funds for development.

The LIHTC program provides incentives to developers to provide affordable housing to low-income residents. According to the program, low income qualifies as having income at or below 60% of the median family income for a particular area. This was discussed in the Market Analysis section of this report. Because the subject is offering 39 of its units to qualified residents, it is allowed to receive Low Income Housing Tax Credits to offset future federal and state income taxes. Should the property be sold or foreclosed upon and resold during the 10-year period, the remaining amount of tax credits is transferable.

Information provided to us indicates the developer has projected a tax credit allocation of $8,239,577 in federal and state tax credits. We were provided information indicating that they will pay $1.20 per dollar for the combined federal and state tax credits.

The market for tax credits has changed significantly over the past few years, and only recent activity could accurately reflect the current market for tax credits. Research indicates the pool of purchasers and demand for tax credits had diminished when the recession began, and pricing had fallen considerably as a result. Rates selling for $0.70 - $0.75 per dollar of tax credit were common. More recently demand has steadily increased and so has pricing, with rates returning to the high $0.80s for Federal and mid to high $0.20s for State tax credits. We were provided information indicating that they will pay $0.87 per dollar for the federal tax credits and $0.33 per dollar of state tax credits.

Based on this data, the contract figures for the subject are considered reasonable. Therefore, utilizing the foregoing figures, the tax credits are projected to generate approximately $9,887,492 in proceeds upon sale, which we rounded to **$10,000,000**.

The value estimates provided above are subject to the assumptions and limiting conditions stated throughout this report.

1. Unless otherwise noted in the body of the report, we assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions that would adversely affect marketability or value. We are not aware of any title defects nor were we advised of any unless such is specifically noted in the report. We did not examine a title report and make no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title were not reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.

2. We assume that improvements are constructed or will be constructed according to approved architectural plans and specifications and in conformance with recommendations contained in or based upon any soils report(s).

3. Unless otherwise noted in the body of this report, we assumed: that any existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are, or will be upon completion, in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that it or they will withstand any known elements such as windstorm, hurricane, tornado, flooding, earthquake, or similar natural occurrences; and, that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. We are not engineers and are not competent to judge matters of an engineering nature. We did not retain independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, make no representations relative to the condition of improvements. Unless otherwise noted in the body of the report no problems were brought to our attention by ownership or management. We were not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, we reserve the right to amend the appraisal conclusions reported herein.

4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the appraisal. Any existing or proposed improvements, on- or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon information submitted. This report may be subject to amendment upon re-inspection of the subject property subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.

5. We assume that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise noted in the appraisal report. We have no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, we reserve the right to amend our conclusions if errors are revealed. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify us of any questions or errors.

6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, we will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.

7. We assume no private deed restrictions, limiting the use of the subject property in any way.

8. Unless otherwise noted in the body of the report, we assume that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated we also assumed that there are no air or development rights of value that may be transferred.

9. We are not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.

10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.

11. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation to buy, sell, or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.

12. Unless otherwise noted in the body of this report, we assume that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.

13. This study may not be duplicated in whole or in part without our written consent, nor may this report or copies hereof be transmitted to third parties without said consent. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without our written consent. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a “sale” or “offer for sale” of any “security”, as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. We shall have no accountability or responsibility to any such third party.

14. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.

15. Any distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.

16. The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be used only to assist in visualizing matters discussed within this report.

Except as specifically stated, data relative to size or area of the subject and comparable properties was obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.

17. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis was provided to us unless otherwise stated within the body of this report. If we were not supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. We assume no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

18. Acceptance and/or use of this report constitutes full acceptance of the Assumptions and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned assumptions and limiting conditions. We assume no responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.

19. We assume that the subject property will be under prudent and competent management and ownership; neither inefficient or super-efficient.

20. We assume that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.

21. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed correct. It is further assumed that no encroachments to the realty exist.

22. All value opinions expressed herein are as of the date of value. In some cases, facts or opinions are expressed in the present tense. All opinions are expressed as of the date of value, unless specifically noted.

23. The *Americans with Disabilities Act* (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, we did not perform a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since we have no specific information relating to this issue, nor are we qualified to make such an assessment, the effect of any possible non-compliance was not considered in estimating the value of the subject property.

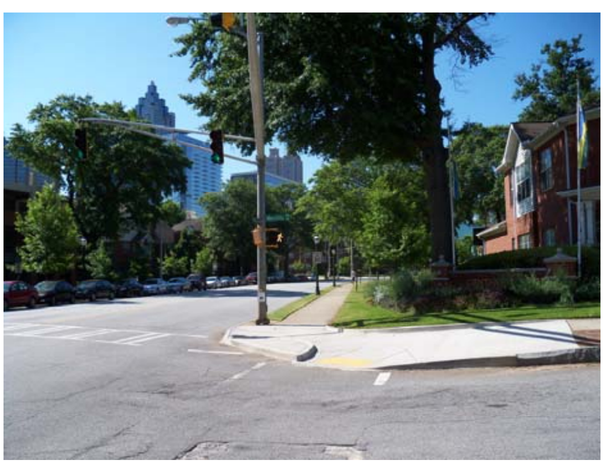
24. The value estimate rendered in this report is predicated on the assumption that there is no hazardous material on or in the property that would cause a loss in value. We were not provided with an Environmental Assessment Report. Further, we are not qualified to determine the existence or extent of environmental hazards. If there are any concerns pertaining to environmental hazards for this property, we recommend that an assessment be performed by a qualified engineer.

Looking East Along Merrits Avenue NW

Looking West Along Merrits Avenue NW

Looking South On Center Street

Clubhouse/Leasing Office At Southwest Corner of Centennial Park Dr and Merritts Ave



Looking South Along Centennial Park Drive

Looking North Along Centennial Park Drive

Pool

Clubhouse Interior, Renovations From Fire Damage Underway

Playground

Looking West Along Pine Street

Looking East Along Pine Street Across Centennial Park Drive (Ph I)

Apartments At SEC Pine Street And Centennial Park Drive (Ph I)

Apartments At SWC Pine Street And Centennial Park Drive (Ph I)

Looking South From Interior Courtyard/Parking (Ph I)

Looking South From Hunnicutt Street

Apartments At NWC Hunnicutt Street And Centennial Park Drive (Ph I)

Apartments At NWC Hunnicutt And Lovejoy Streets (Ph II)

Apartments Along East Side Of Lovejoy Street (Ph I)

View Into Courtyard, Ph II

Looking North Along McAfee Street

Looking South Along McAfee Street

Units With Garages East Side Of Center Street (Ph I)

Units With Garages West Side Of Center Street (Ph II)

Exterior Balcony

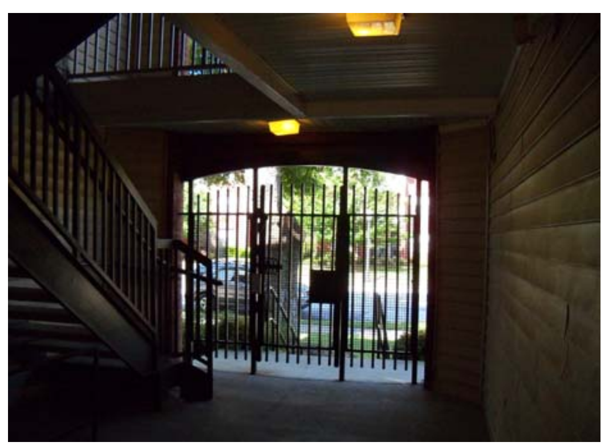
Kitchen, 2BR1BA Ph I

Kitchen, 2BR1BA Ph I

Bathroom, 2BR1BA Ph I

Bedroom, 2BR1BA Ph I

Built In, 2BR1BA Ph I



Security Gate To Breezeway

Air Conditioning Units

Living/Dining Room, 1BR1BA Ph I

Washer/Dryer/Utility Closet

Bathroom, 1BR1BA Ph I

Bathroom, 1BR1BA Ph I

Stairs To Bedrooms, Living Room 3BR2BA Ph II

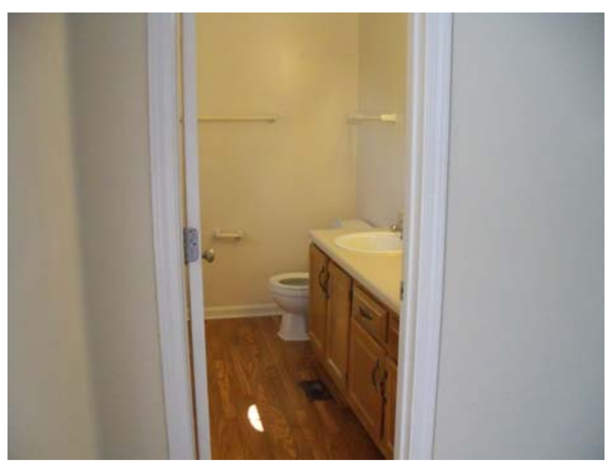
Dining Room 3BR2BA Ph II

Kitchen 3BR2BA Ph II

Kitchen 3BR2BA Ph II

Stairs To Bedrooms 3BR2BA Ph II

Hall Bathroom 3BR2BA
Ph II



Master Bathroom 3BR2BA
Ph II

Kitchen 2BR2BA Ph II

Open Living/Dining 2BR2BA Ph II

Bathroom 2BR2BA Ph II

Kitchen 1BR1BA Ph II

Open Living/Dining 1BR1BA Ph II

Kitchen 2BR1BA Ph II

Living Room 2BR1BA Ph II

Half Bath 2BR1.5BA With Garage Ph II

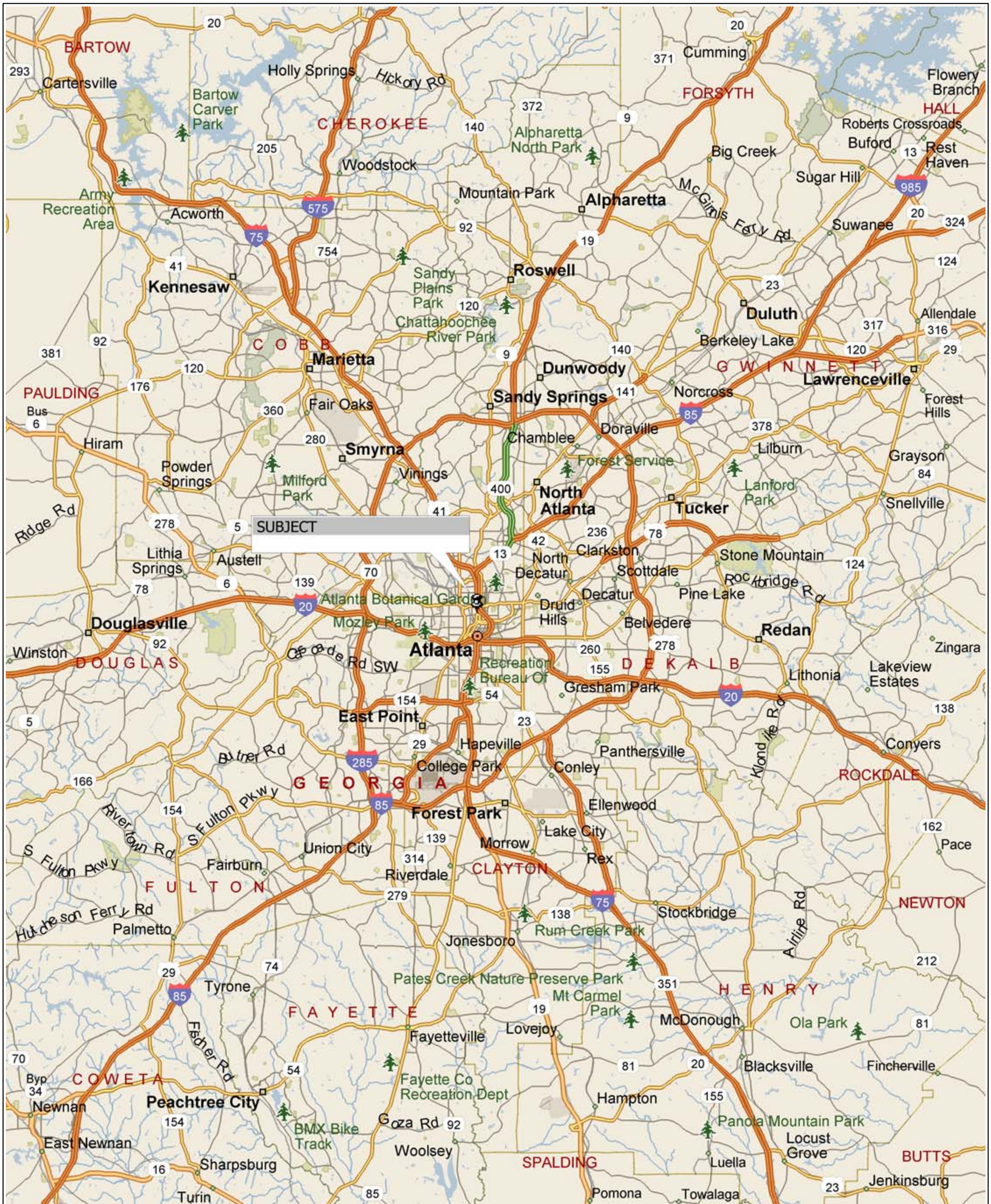
Hollywood Style Bathroom 2BR1.5BA Ph II

Stairs To Garage Ph II

Ground Floor Room Off Garage Ph II

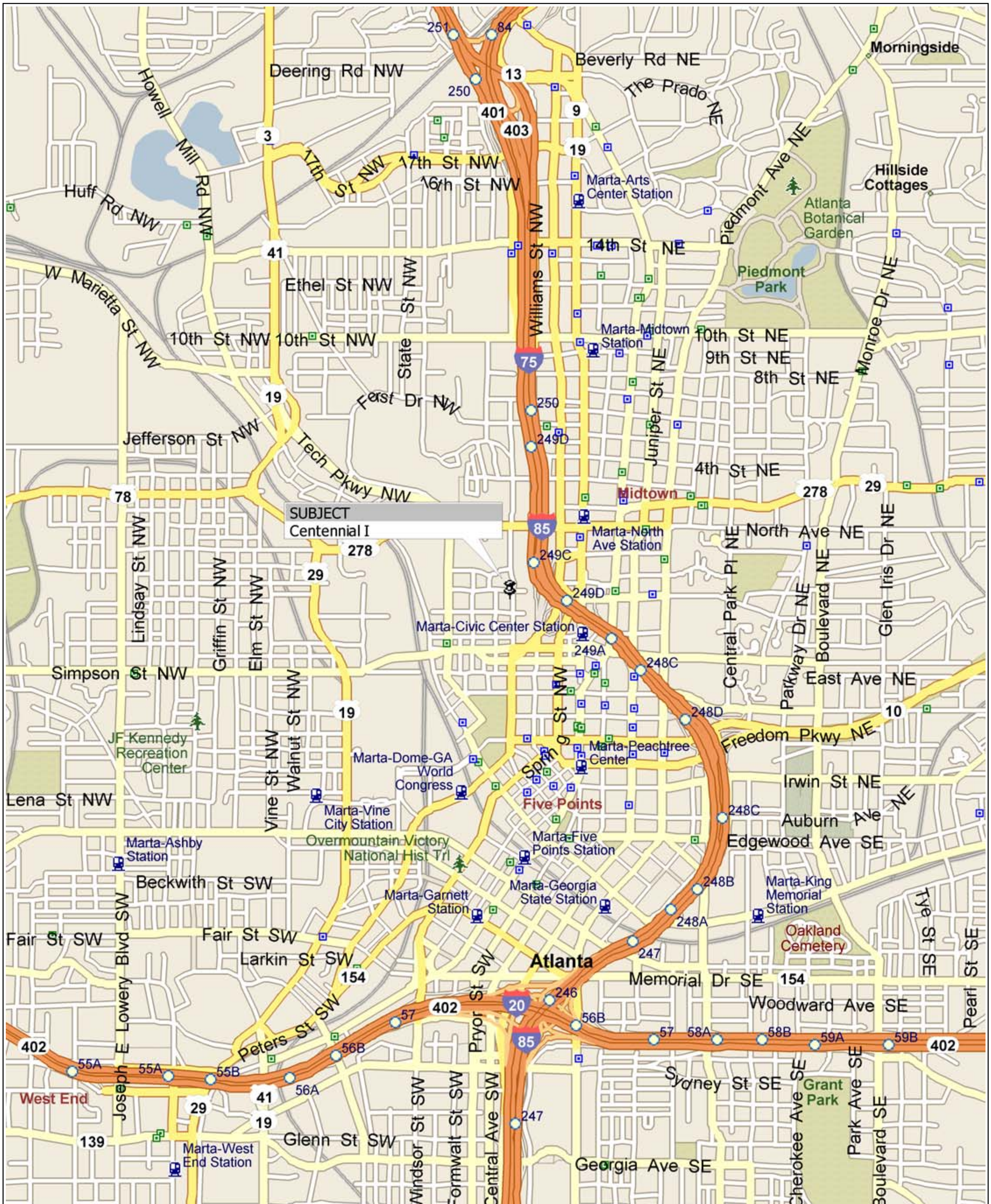
Garage Ph II

Region



0 mi 5 10 15 20

Neighborhood



0 mi 0.2 0.4 0.6 0.8 1 1.2 1.4

SHEET NO. 14-079

ZONING ORDINANCE
CITY OF ATLANTA, GEORGIA
OFFICIAL ZONING MAP

SHEET 24 OF 129 SHEETS

ORDINANCE Z-78-5

LAND LOTS ______________

__________ DISTRICT

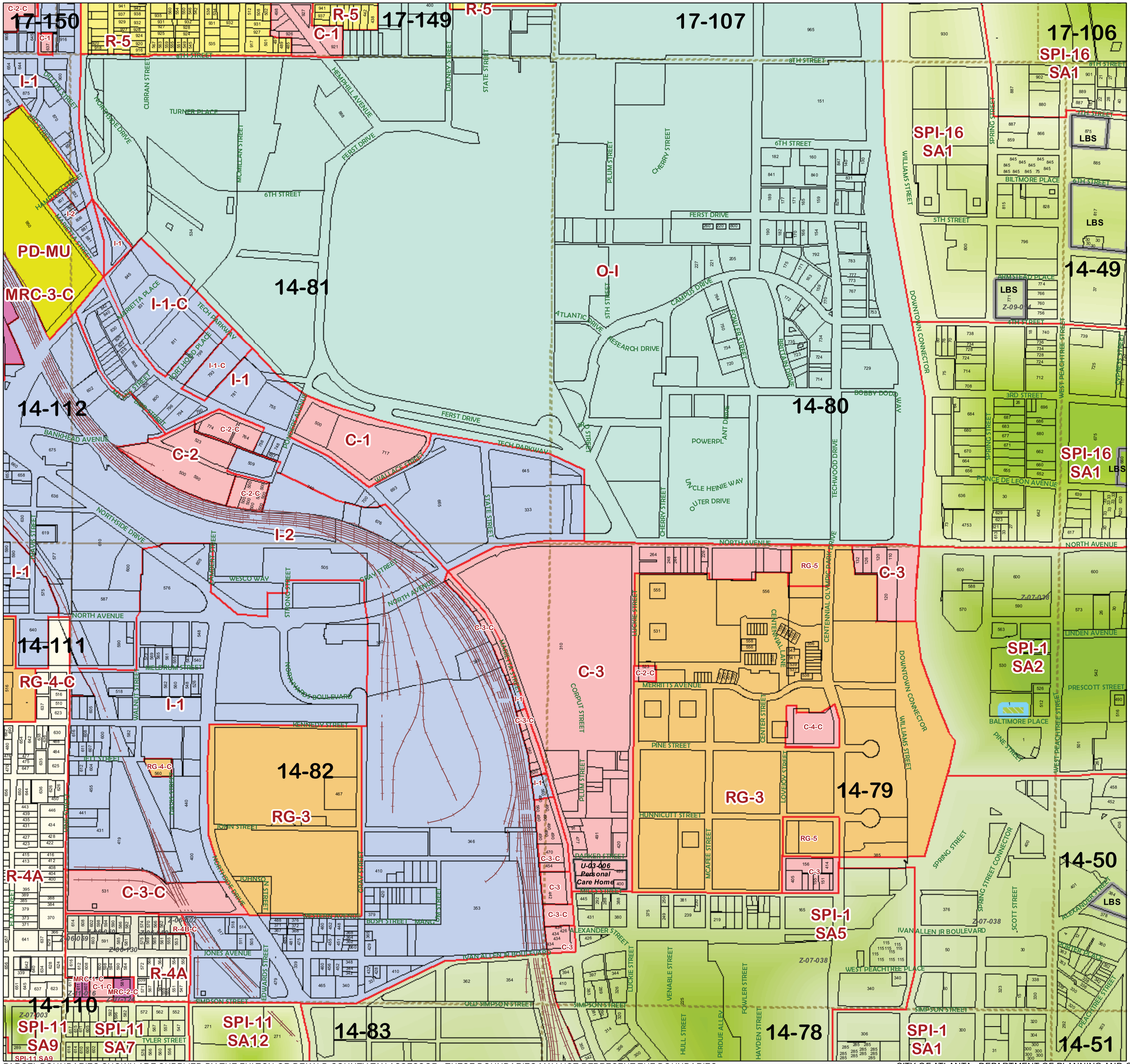
__________ COUNTY

CERTIFICATION

THIS SHEET 24 OF 129 SHEETS, IS HEREBY CERTIFIED AS INCLUDED IN THE OFFICIAL ZONING MAPS, ON FILE IN THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT, BUREAU OF PLANNING, AND FORMING A PART OF THE CITY OF ATLANTA ZONING ORDINANCE ADOPTED BY CITY COUNCIL ON DECEMBER 15, 1980 AND APPROVED BY THE MAYOR ON DECEMBER 19, 1980, AS AMENDED

DIRECTOR, BUREAU OF PLANNING
CITY OF ATLANTA, GEORGIA ______ DATE

MUNICIPAL CLERK, CMC
CITY OF ATLANTA, GA ______ DATE



PARCEL BOUNDARIES SHOWN ARE SUPPLIED BY THE FULTON OR DEKALB COUNTY TAX ASSESSOR. THESE BOUNDARIES MAY NOT REPRESENT THE BOUNDARIES RECOGNIZED BY THE CITY OF ATLANTA FOR THE PURPOSES OF ISSUING BUILDING PERMITS.

Legend

- Tax Parcels
- Zoning District Outline
- Human Service Facilities
- LBS/HBS

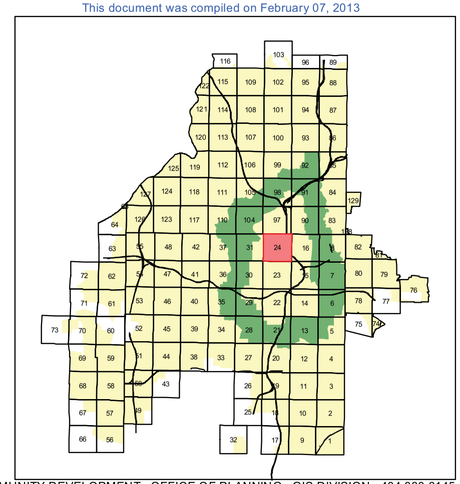
OVERLAY DISTRICTS

- Beltline
- SPI-19
- All Others

Base Zoning

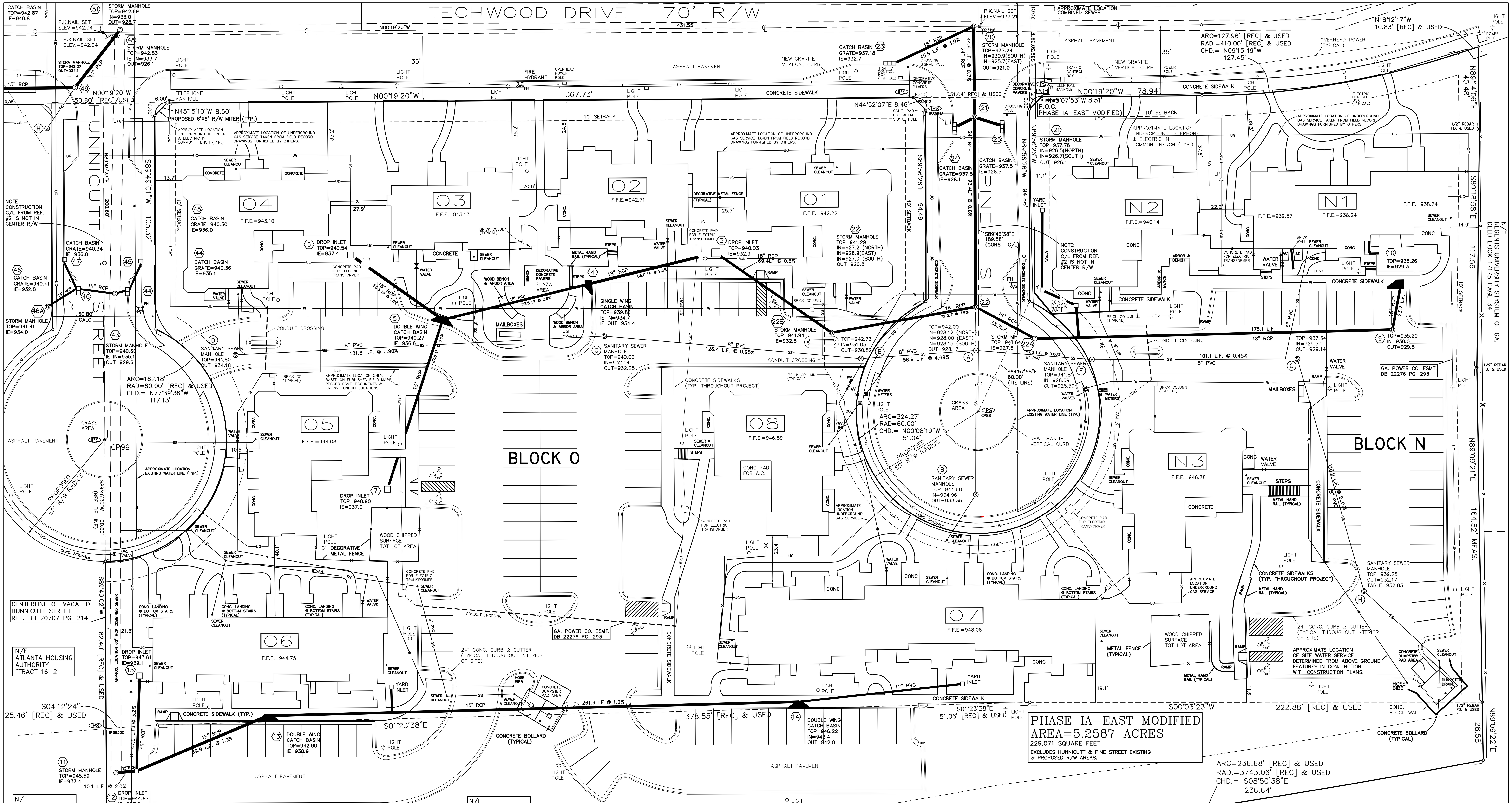
- SPI - Special Public Interest
- Commercial
- Industrial
- Historic & Cultural
- Live-Work
- QOL Multi-Family
- QOL Mixed Use
- Neighborhood Commercial
- Office Institutional
- Planned Development
- Residential - Single Family
- Residential - Duplex
- Residential - Multi-Family
- Residential - Limited Commercial

This document was compiled on February 07, 2013



CITY OF ATLANTA : DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT : OFFICE OF PLANNING : GIS DIVISION : 404.330.6145

1 INCH = 400 FEET



ARC=365.55' [REC] & USED
RAD=1990.00' [REC] & USED
CHD.= S05°23'35"E 365.04'

NOTE:
THE RECORD DESCRIPTION FOR PHASE 1A-EAST DOES NOT FORM A CLOSED MATHEMATICAL FIGURE. THE SOURCE OF THE MISCLOSURE APPEARS TO BE THE RECORD DISTANCES IN THESE INDICATED BOUNDARY LINES.

25' PERMANENT EASEMENT TO GA. DEPT. OF TRANSPORTATION DEED BOOK 20707 PAGE 210

R/W — 96.77' [REC] — S00°07'50"E 80.64' CALC. — 87.35' CALC. 104.83' [REC]

INTERSTATE 75/85
LIMITED ACCESS

LEGEND

- WATER METER
- FIRE HYDRANT
- WATER VALVE
- LIGHT POLE
- POWER POLE
- DOUBLE WING CATCH BASIN
- SINGLE WING CATCH BASIN
- CONC. PAD FOR ELECT. TRANSFORMER
- TELEPHONE PEDESTAL
- ELECTRIC METER ON BUILDING
- CABLE TV PEDESTAL

N/F = NOW OR FORMERLY
DB = DEED BOOK
PB = PLAT BOOK
PG. = PAGE
FD. = FOUND
MEAS. = MEASURED
[REC.] = RECORD
CALC. = CALCULATED
P/L = PROPERTY LINE
C/L = CENTERLINE
CONC. = CONCRETE
CHD. = CHORD
PVMT = PAVEMENT

PROPERTY DESCRIPTION
PHASE IA-EAST MODIFIED
THE VILLAGE AT TECHWOOD

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 79 OF THE 14TH DISTRICT, FULTON COUNTY (CITY OF ATLANTA), GEORGIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT LOCATED AT THE INTERSECTION OF NORTHERLY RIGHT-OF-WAY LINE OF PINE STREET, AS VACATED BY RESOLUTION ADOPTED BY THE ATLANTA CITY COUNCIL ON DECEMBER 5, 1995, APPROVED BY MAYOR BILL CAMPBELL ON DECEMBER 11, 1995, AS EVIDENCED BY QUITCLAIM DEED, DATED DECEMBER 18, 1995 AND RECORDED IN DEED BOOK 20707, PAGE 214, FULTON COUNTY SUPERIOR COURT (THE "VACATION PROCEEDINGS") WITH THE EASTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE (70 FOOT R/W) (SAID POINT ALSO BEING LOCATED SOUTH 89 DEGREES 30 MINUTES 38 SECONDS EAST A DISTANCE OF 70.01 FEET FROM THE POINT OF INTERSECTION FORMED BY THE WESTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE WITH THE NORTHERLY RIGHT-OF-WAY LINE OF PINE STREET.

THENCE NORTH 00 DEGREES 19 MINUTES 20 SECONDS WEST, ALONG THE EASTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE, 6.00 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AND THE POINT OF BEGINNING.

THENCE CONTINUING NORTH 00 DEGREES 19 MINUTES 20 SECONDS WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE A DISTANCE OF 78.94 FEET TO A POINT;

THENCE CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 127.96 FEET, SAID CURVE HAVING A RADIUS OF 410.00 FEET AND BEING SUBTENDED BY A CHORD OF NORTH 09 DEGREES 15 MINUTES 49 SECONDS WEST, 127.45 FEET, TO A POINT.

THENCE NORTH 18 DEGREES 12 MINUTES 17 SECONDS WEST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 10.83 FEET TO A POINT;

THENCE NORTH 89 DEGREES 14 MINUTES 06 SECONDS EAST, LEAVING SAID EASTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE, A DISTANCE OF 40.48 FEET TO A 1/2" REBAR FOUND;

THENCE SOUTH 89 DEGREES 18 MINUTES 58 SECONDS EAST, A DISTANCE OF 117.56 FEET TO A 1/2" REBAR FOUND;

THENCE NORTH 89 DEGREES 09 MINUTES 21 SECONDS EAST, A DISTANCE OF 164.82 FEET TO A 1/2" REBAR FOUND;

THENCE CONTINUING NORTH 89 DEGREES 09 MINUTES 22 SECONDS EAST, A DISTANCE OF 28.58 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF INTERSTATE 75/85 (VARIABLE R/W);

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 236.68 FEET, SAID CURVE HAVING A RADIUS OF 3743.06 FEET AND BEING SUBTENDED BY A CHORD OF SOUTH 08 DEGREES 50 MINUTES 38 SECONDS EAST, 236.64 FEET, TO A POINT;

THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE ON AN ARC OF A CURVE TO THE RIGHT A DISTANCE OF 365.55 FEET, SAID CURVE HAVING A RADIUS OF 1990.00 FEET AND BEING SUBTENDED BY A CHORD OF SOUTH 05 DEGREES 23 MINUTES 35 SECONDS EAST, 365.04 FEET, TO A POINT;

THENCE SOUTH 00 DEGREES 07 MINUTES 50 SECONDS EAST, CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 80.64 FEET TO A POINT ON THE NORTH LINE OF TRACT 16-2;

THENCE SOUTH 89 DEGREES 49 MINUTES 02 SECONDS WEST ALONG SAID TRACT 16-2 A DISTANCE OF 87.35 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET ON THE CENTERLINE OF HUNNICUTT STREET, AS VACATED BY SAID VACATION PROCEEDINGS;

THENCE SOUTH 89 DEGREES 49 MINUTES 02 SECONDS WEST ALONG SAID CENTERLINE OF HUNNICUTT STREET, AS VACATED, A DISTANCE OF 82.40 FEET TO A POINT AT THE INTERSECTION OF THE CENTERLINE OF VACATED HUNNICUTT STREET AND THE PROPOSED NORTHEASTERLY RIGHT OF WAY LINE OF HUNNICUTT STREET.

THENCE ALONG THE PROPOSED NORTHEASTERLY RIGHT OF WAY LINE OF HUNNICUTT STREET, ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 162.18 FEET, SAID CURVE HAVING A RADIUS OF 60.00 FEET AND BEING SUBTENDED BY A CHORD OF NORTH 77 DEGREES 39 MINUTES 36 SECONDS WEST, 117.13 FEET, TO A POINT.

THENCE SOUTH 89 DEGREES 49 MINUTES 01 SECONDS WEST ALONG THE PROPOSED NORTHERLY RIGHT-OF-WAY LINE OF HUNNICUTT STREET, A DISTANCE OF 105.32 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT.

THENCE NORTH 45 DEGREES 15 MINUTES 10 SECONDS WEST ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.50 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE (70 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE CONTINUING NORTH 00 DEGREES 19 MINUTES 20 SECONDS WEST, ALONG THE EASTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE A DISTANCE OF 367.73 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AT A PROPOSED MITERED RIGHT OF WAY POINT.

THENCE NORTH 44 DEGREES 52 MINUTES 07 SECONDS EAST, ALONG A PROPOSED MITERED RIGHT-OF-WAY LINE, 8.46 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET ON THE PROPOSED SOUTHERLY RIGHT OF WAY LINE OF PINE STREET.

THENCE SOUTH 89 DEGREES 56 MINUTES 26 SECONDS EAST, ALONG THE PROPOSED SOUTHERLY RIGHT-OF-WAY LINE OF PINE STREET, A DISTANCE OF 94.49 FEET TO A POINT.

THENCE ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 324.27 FEET, SAID CURVE HAVING A RADIUS OF 60.00 FEET AND BEING SUBTENDED BY A CHORD OF NORTH 00 DEGREES 08 MINUTES 19 SECONDS WEST, 51.04 FEET TO A POINT ON THE PROPOSED NORTHERLY RIGHT OF WAY LINE OF PINE STREET.

THENCE NORTH 89 DEGREES 56 MINUTES 26 SECONDS WEST, ALONG THE PROPOSED NORTHERLY RIGHT-OF-WAY LINE OF PINE STREET, 94.66 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT.

THENCE NORTH 45 DEGREES 07 MINUTES 53 SECONDS WEST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.51 FEET TO THE POINT OF BEGINNING.

SAID TRACT CONTAINING 5.2587 ACRES (229,071 SQUARE FEET).

FLOOD NOTE: By graphic plotting only, this property is in Zone(s) C of the Flood Insurance Rate Map,Community Panel No. 135157 0026, which bears an effective date of ______ and ~~is~~/is not in a Special Flood Hazard Area. By telephone call dated N/A to the National Flood Insurance Program (800-638-6620) we have learned this community does/does not currently participate in the program. No field surveying was performed to determine this zone and an elevation certificate may be needed to verify this determination or apply for a variance from the Federal Emergency Management Agency.

20' 0 20' 40' 60' 80'
GRAPHIC SCALE: 1" = 20'

SURVEYOR'S NOTES

1. A TOPCON GTS-3B (TOTAL STATION), TOPCON TRAVERSING EQUIPMENT, AND A 200 FOOT TAPE WERE USED TO OBTAIN THE ANGULAR AND LINEAR MEASUREMENTS FOR THIS SURVEY.
2. THE FIELD DATA UPON WHICH THIS PLAT IS BASED HAS A CLOSURE PRECISION OF ONE FOOT IN 27,351 FEET, AN ANGULAR ERROR OF 1 SECOND PER ANGLE POINT, AND WAS ADJUSTED USING THE LEAST SQUARES METHOD.
3. THIS PLAT HAS BEEN CALCULATED FOR CLOSURE AND FOUND TO BE ACCURATE WITHIN ONE FOOT IN 307,748 FEET.
4. NO N.G.S. MONUMENT WAS FOUND WITHIN 500 FEET OF ANY POINT ON THE SUBJECT PROPERTY.
5. THE FIRM OF SEILER & ASSOCIATES,INC DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF THE UNDERGROUND UTILITIES SHOWN OR NOT SHOWN HEREON. CONTACT THE UTILITY PROTECTION CENTER (800-282-7411) PRIOR TO ANY DIGGING.
6. A GEORGIA LICENCED ATTORNEY AT LAW SHOULD BE CONSULTED CONCERNING CORRECT OWNERSHIP, WIDTH AND LOCATION OF EASEMENTS, RIGHTS OF WAY, ENCUMBRANCES, QUESTIONABLE AREAS, AND OTHER MATTERS REVEALED BY A THOROUGH TITLE EXAMINATION.
7. I.P.S. INDICATES 1/2" REBAR SET WITH SURVEYOR'S CAP STAMPED "SEILER RLS 2388" UNLESS OTHERWISE NOTED.
8. ALL OFFSET DISTANCES SHOWN ARE PERPENDICULAR TO THE REFERENCED PROPERTY LINE UNLESS OTHERWISE SHOWN.
9. THE FIRM OF SEILER & ASSOCIATES, INC. DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF PIPE BEDDING, TRENCH COMPACTION, FITTINGS THRUST BLOCKING, COUPLINGS, OR OTHER SUCH MATTERS NOT TYPICALLY REVEALED BY AN ABOVE-GROUND FIELD SURVEY.

SURVEYOR'S REFERENCES

1 SURVEY FOR LEGACY PARTNERSHIP I, L.P., TECHWOOD/CLARK HOWELL PHASE IA (PROJECT NO. 061-35460-PM) PREPARED BY PIEDMONT OLSEN HENSLEY, LAST REVISED 2-27-96 (UNRECORDED).

2 CONSTRUCTION PLANS AND CAD FILES FOR THE VILLAGE AT TECHWOOD PREPARED BY LANCASTER & ASSOCIATES, INC.

\SDSKPROJ\9607NEW\SAASBLT2.DWG

SEILER & ASSOCIATES,INC
PROFESSIONAL SURVEYORS
3939 JODECO ROAD/MCDONOUGH, GA. 30253/770-954-9599

PLAT OF SURVEY
TECHWOOD/CLARK HOWELL -PHASE I
FHA PROJECT NO. 061-35460-PM-NC
ATLANTA, FULTON COUNTY, GEORGIA

NO.	DESCRIPTION	DATE	BY	APPR.
1	CLIENT COMMENTS	4-25-97	S.F.	K.S.
2	ADD MISC. H.C. SPACES & RAMPS	9-17-97	K.S.	K.S.
3	CHANGE DWG TO PLAT OF SURVEY	12-18-97	K.S.	K.S.
4	REVISE SITE BOUNDARIES, LEGAL DESCRIPTIONS & SITE AREAS	2-26-98	K.S.	K.S.
5	SITE INSPECTION REVISIONS & SURVEY UPDATE	6-30-98	K.S.	K.S.

DATE: DECEMBER 18, 1997
SCALE: HORIZ. 1"=20' VERT.: N\A
LAND LOT(S): 79
DISTRICT: 14TH
SECTION: N/A
COUNTY: FULTON (CITY OF ATLANTA)
SURVEYED: L.S. DRAWN: S.F., B.K.,K.S.
CHECKED: K.S. APPROVED: K.S.

SHEET 1 OF 3

PROJECT NO. 96-07-S

SURVEYOR'S NOTES

1. A TOPCON GTS–3B (TOTAL STATION), TOPCON TRAVERSING EQUIPMENT, AND A 200 FOOT TAPE WERE USED TO OBTAIN THE ANGULAR AND LINEAR MEASUREMENTS FOR THIS SURVEY.
2. THE FIELD DATA UPON WHICH THIS PLAT IS BASED HAS A CLOSURE PRECISION OF ONE FOOT IN 27,351 FEET, AN ANGULAR ERROR OF 1 SECOND PER ANGLE POINT, AND WAS ADJUSTED USING THE LEAST SQUARES METHOD.
3. THIS PLAT HAS BEEN CALCULATED FOR CLOSURE AND FOUND TO BE ACCURATE WITHIN ONE FOOT IN 451,766 FEET.
4. NO N.G.S. MONUMENT WAS FOUND WITHIN 500 FEET OF ANY POINT ON THE SUBJECT PROPERTY.
5. THE FIRM OF SEILER & ASSOCIATES,INC DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF THE UNDERGROUND UTILITIES SHOWN OR NOT SHOWN HEREON. CONTACT THE UTILITY PROTECTION CENTER (800–282–7411) PRIOR TO ANY DIGGING.
6. A GEORGIA LICENCED ATTORNEY AT LAW SHOULD BE CONSULTED CONCERNING CORRECT OWNERSHIP, WIDTH AND LOCATION OF EASEMENTS, RIGHTS OF WAY, ENCUMBRANCES, QUESTIONABLE AREAS, AND OTHER MATTERS REVEALED BY A THOROUGH TITLE EXAMINATION.
7. I.P.S. INDICATES 1/2" REBAR SET WITH SURVEYOR'S CAP STAMPED "SEILER RLS 2388" UNLESS OTHERWISE NOTED.
8. ALL OFFSET DISTANCES SHOWN ARE PERPENDICULAR TO THE REFERENCED PROPERTY LINE UNLESS OTHERWISE SHOWN.
9. THE FIRM OF SEILER & ASSOCIATES, INC. DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF PIPE BEDDING, TRENCH COMPACTION, FITTINGS THRUST BLOCKING, COUPLINGS, OR OTHER SUCH MATTERS NOT TYPICALLY REVEALED BY AN ABOVE–GROUND FIELD SURVEY.

SURVEYOR'S REFERENCES

1 SURVEY FOR LEGACY PARTNERSHIP I, L.P., TECHWOOD/CLARK HOWELL PHASE IA (PROJECT NO. 061–35460–PM), PREPARED BY PIEDMONT OLSEN HENSLEY, LAST REVISED 2–27–96 (UNRECORDED).

2 CONSTRUCTION PLANS AND CAD FILES FOR THE VILLAGE AT TECHWOOD PREPARED BY LANCASTER & ASSOCIATES, INC.

PROPERTY DESCRIPTION
PHASE IA TRACT 8
MODIFIED
THE VILLAGE AT TECHWOOD

[BLOCK BOUNDED BY TECHWOOD DRIVE, PINE STREET, HUNNICUTT STREET AND LOVEJOY STREET]

ALL THAT TRACT OR PARCEL LYING IN LAND LOT 79 OF THE 14TH DISTRICT OF FULTON COUNTY (CITY OF ATLANTA), GEORGIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT LOCATED AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF THE ORIGINAL 27 FOOT RIGHT OF WAY OF LOVEJOY STREET AND THE NORTHERLY RIGHT OF WAY LINE OF HUNNICUTT STREET (51 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE NORTH 00 DEGREES 02 MINUTES 03 SECONDS EAST, ALONG THE EASTERLY RIGHT OF WAY LINE OF THE ORIGINAL 27 FOOT WIDE RIGHT OF WAY OF LOVEJOY STREET, 6.00 FEET TO THE POINT OF BEGINNING.

THENCE NORTH 00 DEGREES 02 MINUTES 03 SECONDS EAST CONTINUING ALONG SAID EASTERLY RIGHT OF WAY LINE OF LOVEJOY STREET A DISTANCE OF 369.56 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF LOVEJOY STREET AND THE SOUTHERLY RIGHT–OF–WAY LINE OF PINE STREET.

THENCE NORTH 45 DEGREES 01 MINUTES 44 SECONDS EAST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.49 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF PINE STREET (51 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE SOUTH 89 DEGREES 58 MINUTES 35 SECONDS EAST ALONG THE SOUTHERLY RIGHT OF WAY LINE OF PINE STREET A DISTANCE OF 283.44 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AT A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE OF PINE STREET AND THE WESTERLY RIGHT–OF–WAY LINE OF TECHWOOD DRIVE.

THENCE SOUTH 45 DEGREES 08 MINUTES 58 SECONDS EAST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.51 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET ON THE WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE (70 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE SOUTH 00 DEGREES 19 MINUTES 20 SECONDS EAST ALONG THE WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE A DISTANCE OF 368.49 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AT A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE AND THE NORTHERLY RIGHT OF WAY LINE OF HUNNICUTT STREET.

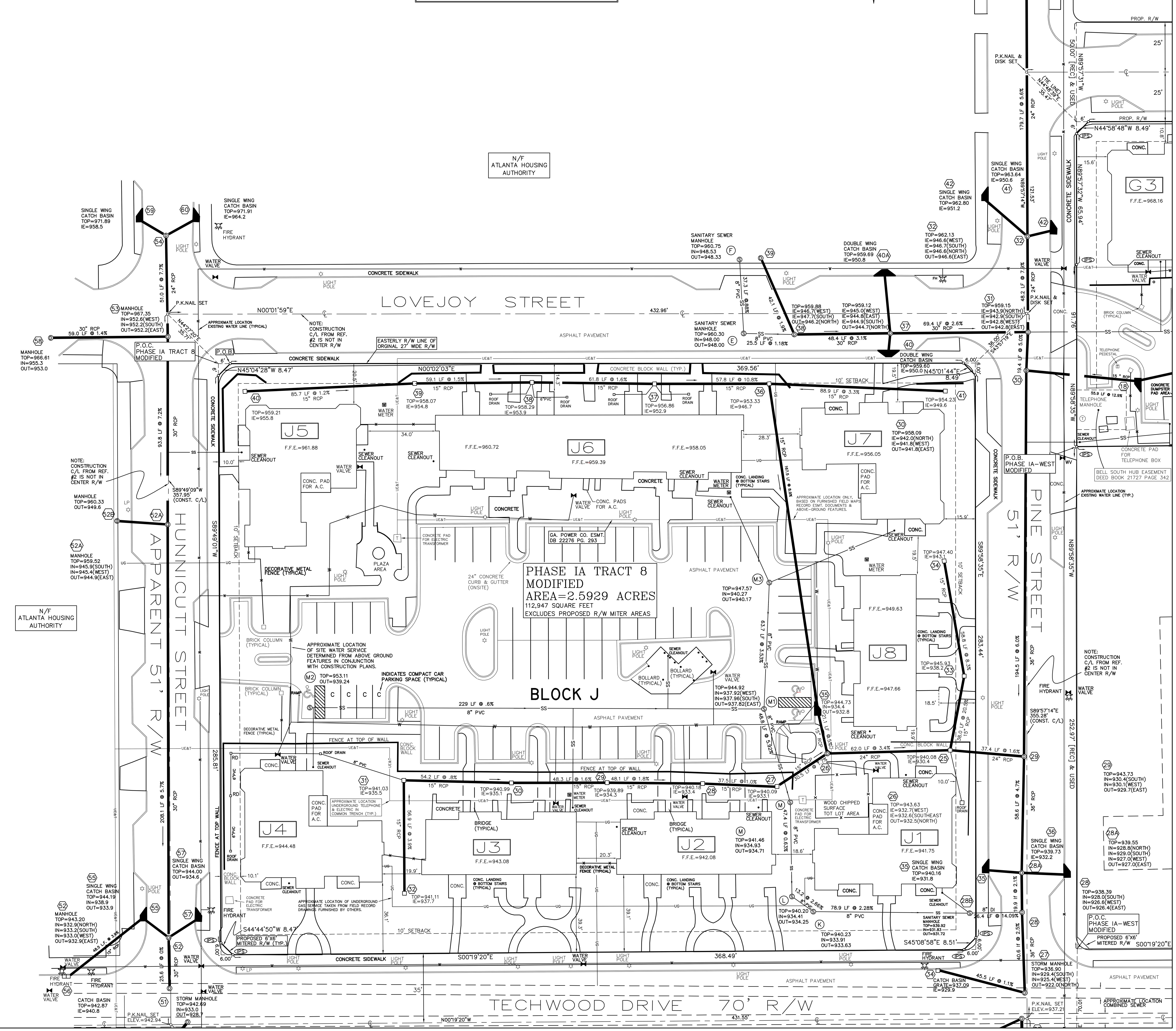
THENCE SOUTH 44 DEGREES 44 MINUTES 50 SECONDS WEST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.47 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET ON THE NORTHERLY RIGHT OF WAY LINE OF HUNNICUTT STREET (51 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE SOUTH 89 DEGREES 49 MINUTES 01 SECONDS WEST ALONG THE NORTHERLY RIGHT OF WAY LINE OF HUNNICUTT STREET A DISTANCE OF 285.81 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY LINE OF HUNNICUTT STREET AND THE EASTERLY RIGHT–OF–WAY LINE OF LOVEJOY STREET.

THENCE NORTH 45 DEGREES 04 MINUTES 28 SECONDS WEST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.47 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF LOVEJOY STREET AND THE POINT OF BEGINNING.

SAID TRACT CONTAINING 112,947 SQUARE FEET OR 2.5929 ACRES.

FLOOD NOTE: By graphic plotting only, this property is in Zone(s) C of the Flood Insurance Rate Map,Community Panel No. 135157 0026 ,which bears an effective date of ______ and ~~is~~/is not in a Special Flood Hazard Area. By telephone call dated N/A to the National Flood Insurance Program (800–638–6620) we have learned this community does/does not currently participate in the program. No field surveying was performed to determine this zone and an elevation certificate may be needed to verify this determination or apply for a variance from the Federal Emergency Management Agency.



LEGEND
WATER METER
FIRE HYDRANT
WATER VALVE
LIGHT POLE
POWER POLE
DOUBLE WING CATCH BASIN
SINGLE WING CATCH BASIN
CONC. PAD FOR ELECT. TRANSFORMER
TELEPHONE PEDESTAL
ELECTRIC METER ON BUILDING
CABLE TV PEDESTAL
N/F = NOW OR FORMERLY
DB = DEED BOOK
PB = PLAT BOOK
PG. = PAGE
FD. = FOUND
MEAS. = MEASURED
[REC.] = RECORD
CALC. = CALCULATED
P/L = PROPERTY LINE
C/L = CENTERLINE
CONC. = CONCRETE
CHD. = CHORD
PVMT = PAVEMENT

GRAPHIC SCALE: 1" = 20'

\SDSKPROJ\9607NEW\SAASBLT.DWG

SEILER & ASSOCIATES,INC
PROFESSIONAL SURVEYORS
3939 JODECO ROAD/MCDONOUGH, GA. 30253/770-954-9599

PLAT OF SURVEY

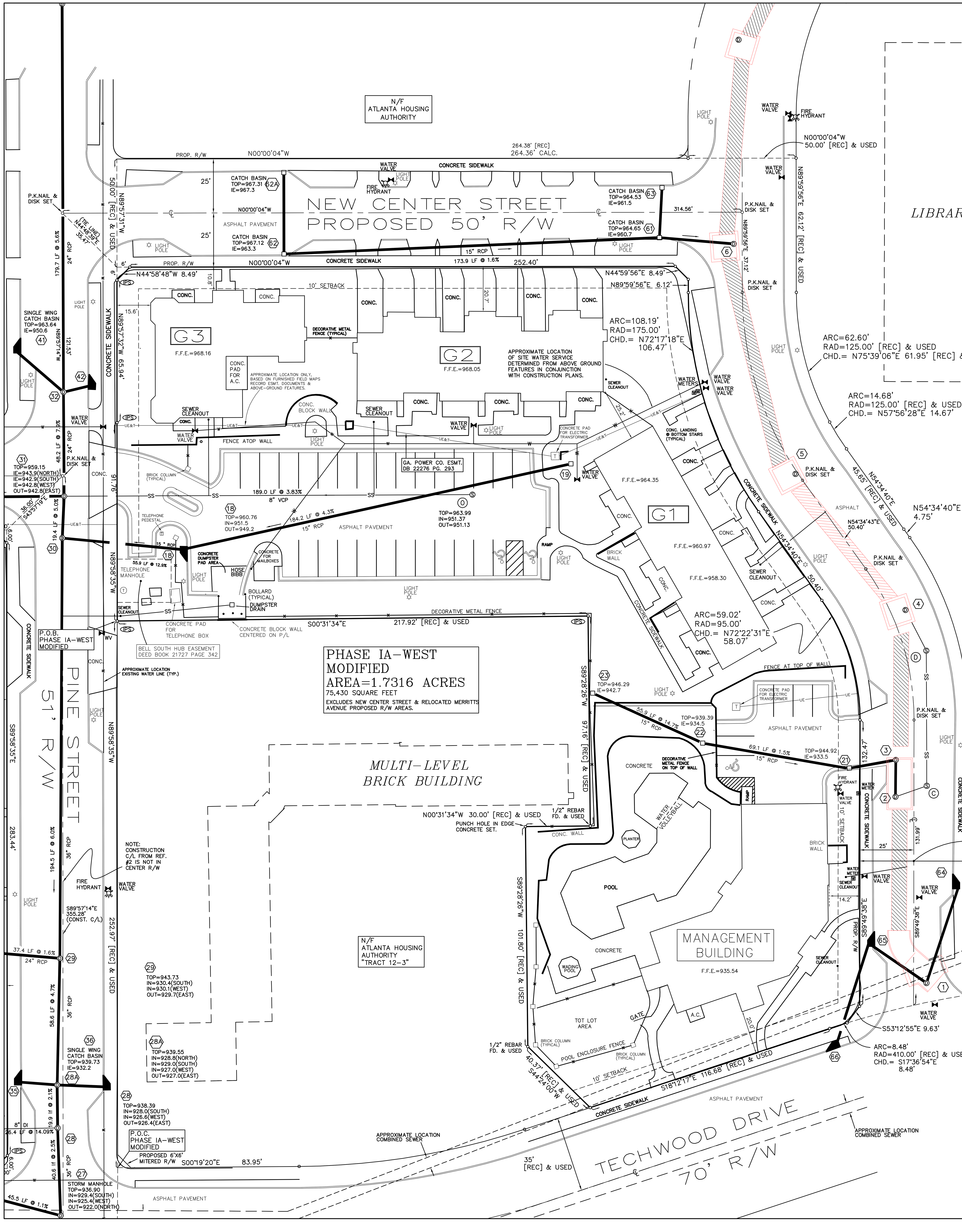
TECHWOOD/CLARK HOWELL –PHASE I
FHA PROJECT NO. 061–35460–PM–NC
ATLANTA, FULTON COUNTY, GEORGIA

NO.	DESCRIPTION	DATE	BY	APPR.
1	CLIENT COMMENTS	4–25–97	S.F.	K.S.
2	ADD MISC. H.C. SPACES & RAMPS	9–17–97	K.S.	K.S.
3	CHANGE DWG TO PLAT OF SURVEY	12–18–97	K.S.	K.S.
4	REVISE SITE BOUNDARIES, LEGAL DESCRIPTIONS & SITE AREAS	2–26–98	K.S.	K.S.
5	SITE INSPECTION REVISIONS & SURVEY UPDATE	6–30–98	K.S.	K.S.

DATE: DECEMBER 18, 1997
SCALE: HORIZ. 1"=20' VERT.: N\A
LAND LOT(S): 79
DISTRICT: 14TH
SECTION: N/A
COUNTY: FULTON (CITY OF ATLANTA)
SURVEYED: L.S. DRAWN: S.F., K.S.
CHECKED: K.S. APPROVED: K.S.

SHEET 2 OF 3

PROJECT NO. 96–07–S



GRAPHIC SCALE: 1" = 20'

FLOOD NOTE: By graphic plotting only, this property is in Zone(s) C of the Flood Insurance Rate Map, Community Panel No. 135157 0026 which bears an effective date of ___ and is/is not in a Special Flood Hazard Area. By telephone call dated N/A to the National Flood Insurance Program (800-638-6620) we have learned this community does/does not currently participate in the program. No field surveying was performed to determine this zone and an elevation certificate may be needed to verify this determination or apply for a variance from the Federal Emergency Management Agency.

LEGEND
- WATER METER
- FIRE HYDRANT
- WATER VALVE
- LIGHT POLE
- POWER POLE
- DOUBLE WING CATCH BASIN
- SINGLE WING CATCH BASIN
- CONC. PAD FOR ELECT. TRANSFORMER
- TELEPHONE PEDESTAL
- ELECTRIC METER ON BUILDING
- CATV CABLE TV PEDESTAL

N/F = NOW OR FORMERLY
DB = DEED BOOK
PB = PLAT BOOK
PG = PAGE
FD. = FOUND
MEAS. = MEASURED
[REC] = RECORD
CALC. = CALCULATED
P/L = PROPERTY LINE
C/L = CENTERLINE
CONC. = CONCRETE
CHD. = CHORD
PVMT = PAVEMENT

\SDSKPROJ\9607NEW\SAASBLT2.DWG

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, LEGACY PARTNERSHIP I, L.P., WMF/HUNTOON, PAIGE ASSOCIATES LIMITED AND CHICAGO TITLE INSURANCE COMPANY, AND THEIR SUCCESSORS AND ASSIGNS, THAT;

I MADE AN ON THE GROUND SURVEY PER RECORD DESCRIPTION OF THE LAND SHOWN HEREON LOCATED IN ATLANTA, FULTON COUNTY, GEORGIA, ON FEBRUARY THROUGH MAY, 1997; AND THAT IT AND THIS MAP WERE MADE IN ACCORDANCE WITH HUD SURVEY INSTRUCTIONS AND CERTIFICATE, FORM HUD-92457, AND MEET THE REQUIREMENTS FOR AN URBAN SURVEY, AS DEFINED IN THE "MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS", DATED 1992.

TO THE BEST OF MY KNOWLEDGE, BELIEF AND INFORMATION, EXCEPT AS SHOWN ON PLAT OF SURVEY FOR TECHWOOD/CLARK HOWELL-PHASE I, FHA PROJECT NO. 061-35460-PM-NC, ATLANTA, FULTON COUNTY, GEORGIA, CONSISTING OF THREE (3) PAGES, THERE ARE NO ENCROACHMENTS EITHER WAY ACROSS PROPERTY LINES; TITLE LINES AND LINES OF ACTUAL POSSESSION ARE THE SAME; AND THE PREMISES ARE FREE OF ANY 100 YEAR RETURN FREQUENCY FLOOD HAZARD, AND SUCH FLOOD FREE CONDITION IS SHOWN ON THE FEDERAL FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NO. 135157-0026-C, LAST REVISED MARCH 4, 1987.

KEITH R. SEILER, GA. R.L.S. NO. 2388 DATE
MEMBER SURVEYING AND MAPPING SOCIETY OF GEORGIA
MEMBER AMERICAN CONGRESS ON SURVEYING AND MAPPING

ARC=90.08' [REC] & USED
RAD=145.00' [REC] & USED
CHD.= N72°22'31"E 88.64'

RELOCATED
MERRITTS AVENUE
PROPOSED 50' R/W

SURVEYOR'S NOTES

1. A TOPCON GTS-3B (TOTAL STATION), TOPCON TRAVERSING EQUIPMENT, AND A 200 FOOT TAPE WERE USED TO OBTAIN THE ANGULAR AND LINEAR MEASUREMENTS FOR THIS SURVEY.
2. THE FIELD DATA UPON WHICH THIS PLAT IS BASED HAS A CLOSURE PRECISION OF ONE FOOT IN 27,351 FEET, AN ANGULAR ERROR OF 1 SECOND PER ANGLE POINT, AND WAS ADJUSTED USING THE LEAST SQUARES METHOD.
3. THIS PLAT HAS BEEN CALCULATED FOR CLOSURE AND FOUND TO BE ACCURATE WITHIN ONE FOOT IN 229,255 FEET.
4. NO N.G.S. MONUMENT WAS FOUND WITHIN 500 FEET OF ANY POINT ON THE SUBJECT PROPERTY.
5. THE FIRM OF SEILER & ASSOCIATES,INC DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF THE UNDERGROUND UTILITIES SHOWN OR NOT SHOWN HEREON. CONTACT THE UTILITY PROTECTION CENTER (800-282-7411) PRIOR TO ANY DIGGING.
6. A GEORGIA LICENCED ATTORNEY AT LAW SHOULD BE CONSULTED CONCERNING CORRECT OWNERSHIP, WIDTH AND LOCATION OF EASEMENTS, RIGHTS OF WAY, ENCUMBRANCES, QUESTIONABLE AREAS, AND OTHER MATTERS REVEALED BY A THOROUGH TITLE EXAMINATION.
7. I.P.S. INDICATES 1/2" REBAR SET WITH SURVEYOR'S CAP STAMPED "SEILER RLS 2388" UNLESS OTHERWISE NOTED.
8. ALL OFFSET DISTANCES SHOWN ARE PERPENDICULAR TO THE REFERENCED PROPERTY LINE UNLESS OTHERWISE SHOWN.
9. THE FIRM OF SEILER & ASSOCIATES, INC. DOES NOT CERTIFY TO THE CORRECTNESS OR ACCURACY OF PIPE BEDDING, TRENCH COMPACTION, FITTINGS THRUST BLOCKING, COUPLINGS, OR OTHER SUCH MATTERS NOT TYPICALLY REVEALED BY AN ABOVE-GROUND FIELD SURVEY.

SURVEYOR'S REFERENCES

1 SURVEY FOR LEGACY PARTNERSHIP I, L.P., TECHWOOD/CLARK HOWELL PHASE IA (PROJECT NO. 061-35460-PM) PREPARED BY PIEDMONT OLSEN HENSLEY, LAST REVISED 2-27-96 (UNRECORDED)

2 CONSTRUCTION PLANS AND CAD FILES FOR THE VILLAGE AT TECHWOOD PREPARED BY LANCASTER & ASSOCIATES, INC.

PROPERTY DESCRIPTION
PHASE IA-WEST
MODIFIED
THE VILLAGE AT TECHWOOD

[EXCLUDES NEW CENTER STREET & RELOCATED MERRITTS AVENUE PROPOSED R/W AREAS.]

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 79 OF THE 14TH DISTRICT OF FULTON COUNTY (CITY OF ATLANTA), GEORGIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE INTERSECTION OF THE WESTERLY RIGHT-OF-WAY LINE OF TECHWOOD DRIVE (70 FOOT TOTAL RIGHT OF WAY WIDTH) AND THE NORTHERLY RIGHT OF WAY LINE OF PINE STREET (51 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE NORTH 89 DEGREES 58 MINUTES 35 SECONDS WEST, ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF PINE STREET A DISTANCE OF 252.97 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AND THE POINT OF BEGINNING.

THENCE NORTH 89 DEGREES 58 MINUTES 35 SECONDS WEST, ALONG SAID NORTHERLY RIGHT OF WAY LINE OF PINE STREET A DISTANCE OF 91.76 FEET TO A 1/2" REBAR AND SURVEOR'S CAP SET.

THENCE NORTH 89 DEGREES 57 MINUTES 32 SECONDS WEST, ALONG THE NORTHERLY RIGHT OF WAY LINE OF PINE STREET A DISTANCE OF 65.94 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET AT A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY LINE OF PINE STREET AND THE EASTERLY RIGHT OF WAY LINE OF PROPOSED NEW CENTER STREET.

THENCE NORTH 44 DEGREES 58 MINUTES 48 SECONDS WEST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, 8.49 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF PROPOSED NEW CENTER STREET (PROPOSED 50 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE NORTH 00 DEGREES 00 SECONDS 04 MINUTES WEST, ALONG THE EASTERLY RIGHT OF WAY LINE OF PROPOSED NEW CENTER STREET, A DISTANCE OF 252.40 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF PROPOSED NEW CENTER STREET AND SOUTHERLY RIGHT-OF-WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE.

THENCE NORTH 44 DEGREES 59 MINUTES 56 SECONDS EAST, ALONG A PROPOSED MITERED RIGHT OF WAY LINE, A DISTANCE OF 8.49 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE (PROPOSED 50 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE NORTH 89 DEGREES 59 MINUTES 56 SECONDS EAST, ALONG THE SOUTHERLY RIGHT OF WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE A DISTANCE OF 6.12 FEET TO A POINT.

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE AND ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 108.19 FEET, SAID CURVE HAVING A RADIUS OF 175.00 FEET AND BEING SUBTENDED BY A CHORD OF NORTH 72 DEGREES 17 MINUTES 18 SECONDS EAST, A DISTANCE OF 106.47 FEET TO A POINT.

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF PROPOSED RELOCATION OF MERRITTS AVENUE NORTH 54 DEGREES 34 MINUTES 40 SECONDS EAST, A DISTANCE OF 50.40 FEET TO A POINT;

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE, ON AN ARC OF A CURVE TO THE RIGHT A DISTANCE OF 59.02 FEET, SAID CURVE HAVING A RADIUS OF 95.00 FEET AND BEING SUBTENDED BY A CHORD OF NORTH 72 DEGREES 22 MINUTES 31 SECONDS EAST A DISTANCE OF 58.07 FEET TO A POINT.

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE PROPOSED RELOCATION OF MERRITTS AVENUE, SOUTH 89 DEGREES 49 MINUTES 38 SECONDS EAST, A DISTANCE OF 132.47 FEET TO A PROPOSED MITERED RIGHT OF WAY POINT.

THENCE ALONG A PROPOSED MITERED RIGHT OF WAY LINE, SOUTH 53 DEGREES 12 MINUTES 55 SECONDS EAST A DISTANCE OF 9.63 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE (70 FOOT TOTAL RIGHT OF WAY WIDTH).

THENCE ALONG THE WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE ON AN ARC OF A CURVE TO THE LEFT A DISTANCE OF 8.48 FEET, SAID CURVE HAVING A RADIUS OF 410.00 FEET AND BEING SUBTENDED BY A CHORD OF SOUTH 17 DEGREES 36 MINUTES 54 SECONDS EAST, A DISTANCE OF 8.48 FEET TO A POINT.

THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE, SOUTH 18 DEGREES 12 MINUTES 17 SECONDS EAST, A DISTANCE OF 116.68 FEET TO A POINT AT THE NORTHEAST CORNER OF TRACT 12-3.

THENCE LEAVING SAID WESTERLY RIGHT OF WAY LINE OF TECHWOOD DRIVE RUNNING SOUTH 44 DEGREES 24 MINUTES 00 SECONDS WEST A DISTANCE OF 40.37 FEET TO A 1/2" REBAR FOUND.

THENCE SOUTH 89 DEGREES 28 MINUTES 26 SECONDS WEST A DISTANCE OF 101.80 FEET TO A PUNCH HOLE IN EDGE OF CONCRETE SET.

THENCE NORTH 00 DEGREES 31 MINUTES 34 SECONDS WEST A DISTANCE OF 30.00 FEET TO A 1/2" REBAR FOUND.

THENCE SOUTH 89 DEGREES 28 MINUTES 26 SECONDS WEST A DISTANCE OF 97.16 FEET TO A 1/2" REBAR AND SURVEYOR'S CAP SET.

THENCE SOUTH 00 DEGREES 31 MINUTES 34 SECONDS EAST, A DISTANCE OF 217.92 FEET TO THE POINT OF BEGINNING.

CONTAINING 75,430 SQUARE FEET OR 1.7316 ACRES.

SEILER & ASSOCIATES,INC
PROFESSIONAL SURVEYORS
3939 JODECO ROAD/MCDONOUGH, GA. 30253/770-954-9599

PLAT OF SURVEY

TECHWOOD/CLARK HOWELL -PHASE I
FHA PROJECT NO. 061-35460-PM-NC
ATLANTA, FULTON COUNTY, GEORGIA

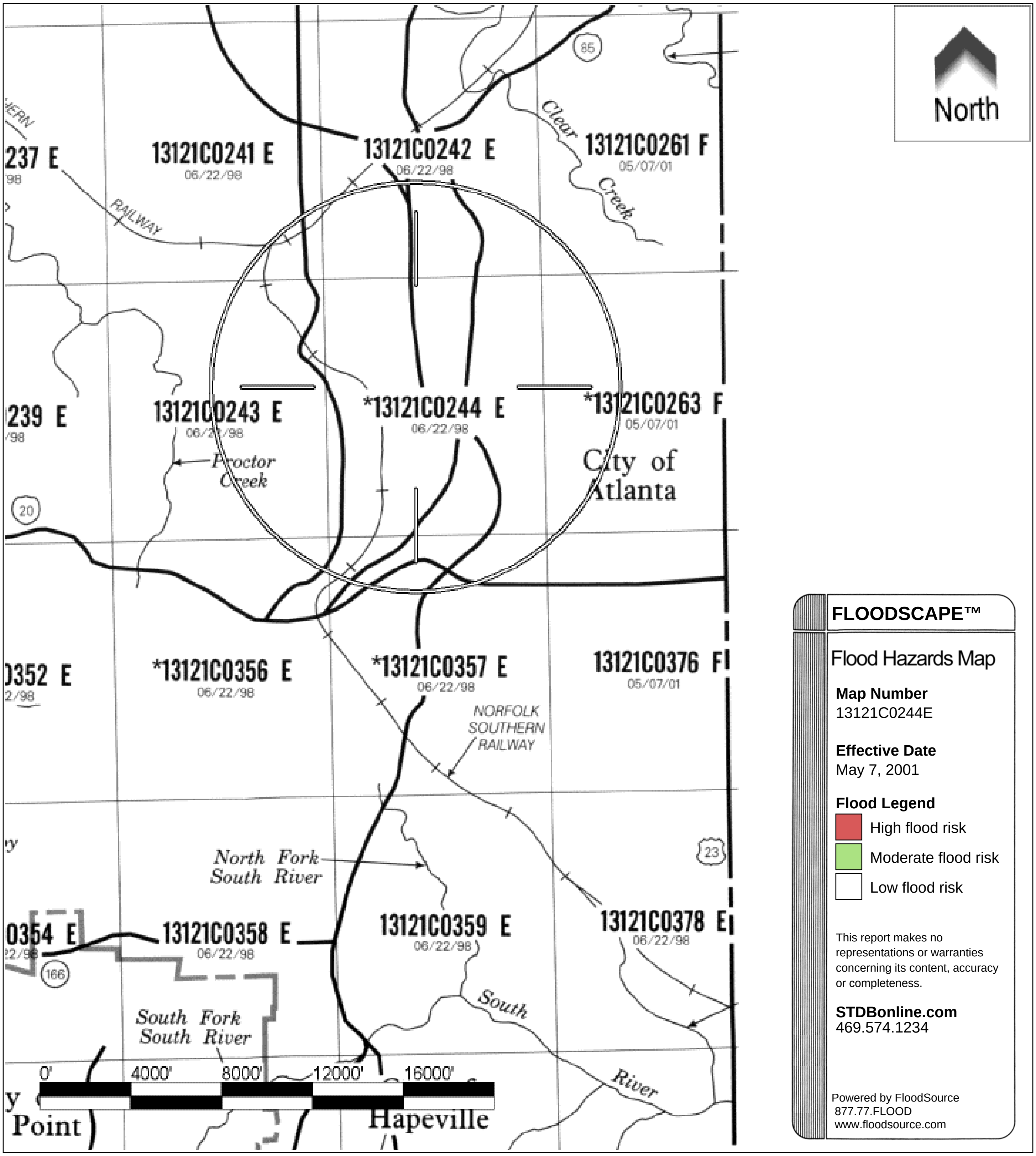
NO.	DESCRIPTION	DATE	BY	APPR.
1	CLIENT COMMENTS	4-25-97	S.F.	K.S.
2	ADD MISC. H.C. SPACES & RAMPS	9-17-97	K.S.	K.S.
3	CHANGE DWG TO PLAT OF SURVEY	12-18-97	K.S.	K.S.
4	REVISE SITE BOUNDARIES, LEGAL DESCRIPTIONS & SITE AREAS	2-26-98	K.S.	K.S.
5	SITE INSPECTION REVISIONS & SURVEY UPDATE	6-30-98	K.S.	K.S.

DATE: DECEMBER 18, 1997
SCALE: HORIZ. 1"=20' VERT.: N/A
LAND LOT(S): 79
DISTRICT: 14TH
SECTION: N/A
COUNTY: FULTON (CITY OF ATLANTA)
SURVEYED: L.S. DRAWN: S.F., K.S.
CHECKED: K.S. APPROVED: K.S.

SHEET 3 OF 3

PROJECT NO. 96-07-S

PROPERTY ADDRESS:
526+Centennial+Olympic+Park+Dr+NW%2C+Atlanta%2C+GA%2C+30313



FLOODSCAPE™

Flood Hazards Map

Map Number
13121C0244E

Effective Date
May 7, 2001

Flood Legend
- High flood risk
- Moderate flood risk
- Low flood risk

This report makes no representations or warranties concerning its content, accuracy or completeness.

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Atlanta Housing Authority

April 29, 2013

Beeleng Chan, Finance Director
Integral Investment Management
191 Peachtree Street, NE
Suite 4100
Atlanta, GA 30303

RE: Conversion of Centennial Place Phases I and II

Dear Ms. Chan:

As you know, HUD recently approved AHA's Voluntary Conversion demonstration program for Centennial Place. Under that program, AHA will be able to convert units that are currently receiving Section 9 public housing subsidies to Section 8 Project Based Rental Assistance (PBRA).

We plan to convert Phases I and II of Centennial Place to PBRA soon, but in any event prior to acquisition of the improvements by the new owner entities. The PBRA rents after conversion would be as follows:

Unit Type	Gross Rent	Utility Allowance	Net Rent
1 Bedroom	$747	$104	$643
2 Bedroom	$895	$127	$768
3 Bedroom	$1,035	$149	$886
4 Bedroom	$1,155	$170	$985

Please call me at 404-685-4374 if you have any questions. Thank you.

Sincerely,

Michael D. Wilson

Michael D. Wilson
Director of Real Estate Transactions
Real Estate Development and Acquisitions

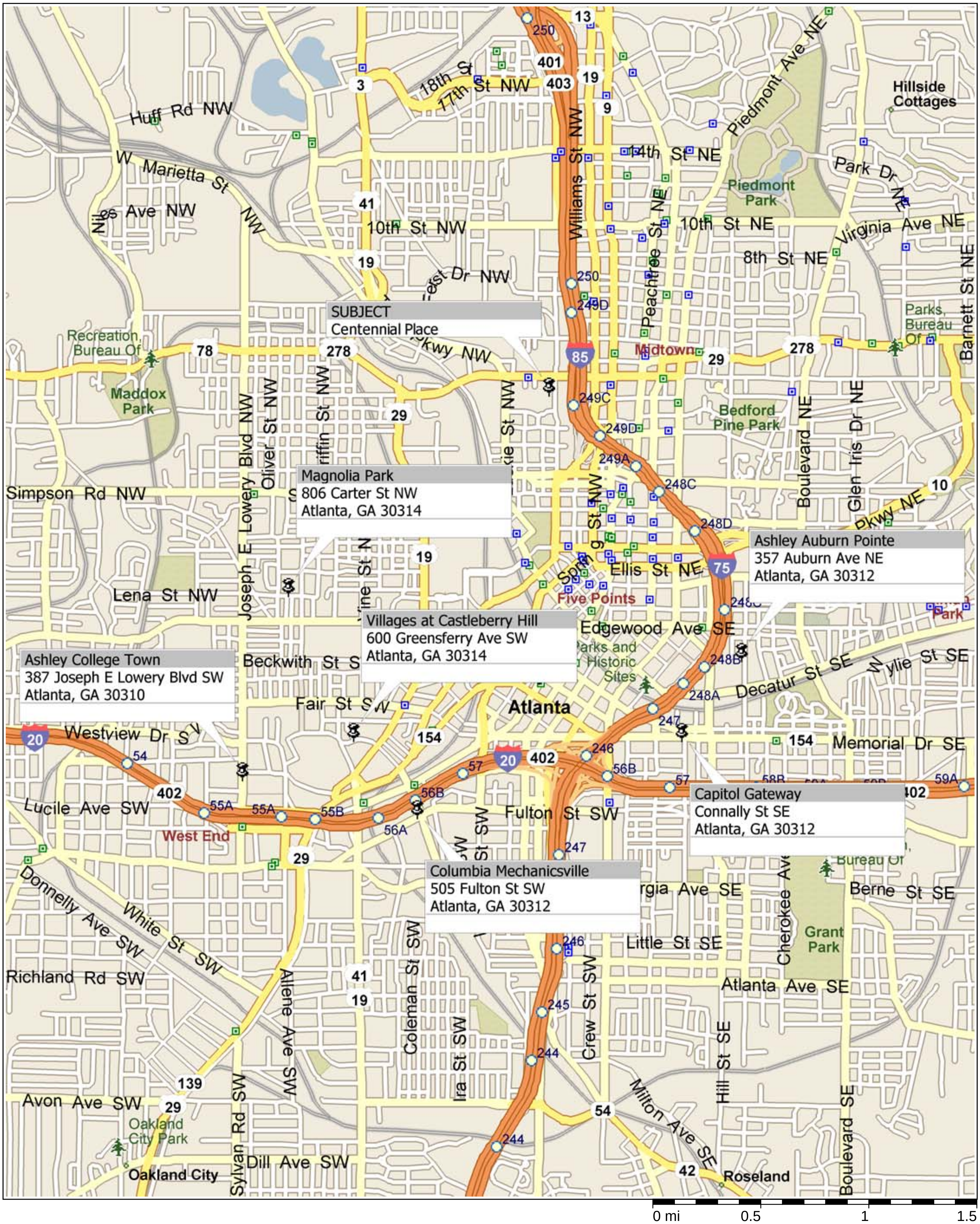
Unit Statistics

Property: Centennial Place I (0116aff)

As of Date: 05/16/2013

Unit Type	Total Units	Occupied Units	Occupied Percent	Total SqFt	Occupied SqFt	Avg Market Rent Per Unit	Avg Occupied Rent Per Unit	Total Market Rent	Occupied Market Rent	Occupied Potential Rent	Loss/Gain to Lease	Ready to Rent	Not Ready to Rent	Non Revenue Units: Model	Non Revenue Units: Admin	Non Revenue Units: Down
Centennial Place I (0116aff)																
1 BR PHA, G (1161aa60)	9	8	88.89%	6,192	5,504	651.00	130.88	5,859.00	5,208.00	1,047.00	4,161.00	0	0	0	0	0
1 BR MKT, G (1161am00)	29	28	96.55%	19,952	19,264	889.00	775.00	25,781.00	24,892.00	21,700.00	3,192.00	0	1	0	0	0
1 BR TC, G, 30% (1161at30)	1	1	100.00%	688	688	599.00	610.00	599.00	599.00	610.00	(11.00)	0	0	0	0	0
1 BR TC, G, 60% (1161at60)	25	25	100.00%	17,200	17,200	599.00	643.36	14,975.00	14,975.00	16,084.00	(1,109.00)	0	0	0	0	0
1 BR PHA, G, HC (1161ha60)	1	1	100.00%	688	688	651.00	323.00	651.00	651.00	323.00	328.00	0	0	0	0	0
2 BR PHA, G (1162aa60)	23	21	91.30%	19,987	18,249	790.00	202.29	18,170.00	16,590.00	4,248.00	12,342.00	0	1	0	0	0
2 BR MKT, G (1162am00)	4	3	75.00%	3,476	2,607	815.00	886.67	3,260.00	2,445.00	2,660.00	(215.00)	0	1	0	0	0
2 BR TC, G, 60% (1162at60)	3	2	66.67%	2,607	1,738	772.00	756.50	2,316.00	1,544.00	1,513.00	31.00	0	0	0	0	0
2 BR MKT, G (1162bm00)	1	1	100.00%	875	875	815.00	990.00	815.00	815.00	990.00	(175.00)	0	0	0	0	0
2 BR PHA, TH (1162ca60)	16	15	93.75%	16,656	15,615	790.00	327.33	12,640.00	11,850.00	4,910.00	6,940.00	0	0	0	0	0
2 BR MKT, TH (1162cm00)	3	3	100.00%	3,123	3,123	1,049.00	1,109.33	3,147.00	3,147.00	3,328.00	(181.00)	0	0	0	0	0
2 BR TC, TH, 60% (1162ct60)	4	4	100.00%	4,164	4,164	772.00	811.00	3,088.00	3,088.00	3,244.00	(156.00)	0	0	0	0	0
2 BR PHA, TH (1162da60)	2	2	100.00%	2,114	2,114	790.00	91.50	1,580.00	1,580.00	183.00	1,397.00	0	0	0	0	0
2 BR MKT, G (1162dm00)	23	19	82.61%	24,311	20,083	815.00	958.68	18,745.00	15,485.00	18,215.00	(2,730.00)	0	3	0	0	0
2 BR MKT, TH (1162fm00)	2	2	100.00%	2,430	2,430	1,049.00	1,357.00	2,098.00	2,098.00	2,714.00	(616.00)	0	0	0	0	0
2 BR TC, TH, 60% (1162ft60)	1	1	100.00%	1,215	1,215	772.00	829.00	772.00	772.00	829.00	(57.00)	0	0	0	0	0
2 BR PHA, G, HC (1162ha60)	2	2	100.00%	1,738	1,738	790.00	144.00	1,580.00	1,580.00	288.00	1,292.00	0	0	0	0	0
3 BR PHA, TH (1163aa60)	19	19	100.00%	23,826	23,826	919.00	316.05	17,461.00	17,461.00	6,005.00	11,456.00	0	0	0	0	0
3 BR MKT, TH (1163am00)	3	3	100.00%	4,188	4,188	1,550.00	1,499.33	4,650.00	4,650.00	4,498.00	152.00	0	0	0	0	0
3 BR TC, TH, 60% (1163at60)	5	5	100.00%	6,950	6,950	750.00	898.60	3,750.00	3,750.00	4,493.00	(743.00)	0	0	0	0	0
4 BR PHA, TH (1164aa60)	2	2	100.00%	3,162	3,162	1,031.00	579.00	2,062.00	2,062.00	1,158.00	904.00	0	0	0	0	0
4 BR MKT, TH (1164am00)	2	2	100.00%	3,162	3,162	1,820.00	1,837.50	3,640.00	3,640.00	3,675.00	(35.00)	0	0	0	0	0
1 BR MKT, G (wait116)	1	0	0.00%	688	0	835.00	0.00	835.00	0.00	0.00	0.00	0	0	1	0	0
Total	**181**	**169**	**93.37%**	**169,392**	**158,583**	**820.30**	**607.78**	**148,474.00**	**138,882.00**	**102,715.00**	**36,167.00**	**0**	**6**	**1**	**0**	**0**

Rent Comparables



Multi-Family Lease No. 1

Property Identification

Record ID	1576
Property Type	Garden LIHTC
Property Name	Ashley Auburn Pointe I
Address	357 Auburn Pointe Drive, Atlanta, Fulton County, Georgia 30312
Location	Central Atlanta
Owner	Integral
Management Co.	Integral
Verification	Leasing Agent - Clarissa Doyle; 404-224-1893, April 01, 2013; Confirmed by Doug Rivers

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1/1 MKT	33	756	$850	$1.12
1/1 LIHTC	23	645	$645	$1.00
2/2 MKT	28	1,079	$1,100	$1.02
2/2 LIHTC	56	1,079	$736	$0.68
3/2 LIHTC	14	1,264	$811	$0.64

Occupancy	96%
Total Units	154
Unit Size Range	645 - 1264
Avg. Unit Size	962
Avg. Rent/Unit	$820
Avg. Rent/SF	$0.85
Net SF	148,115

Physical Data

Construction Type	Brick/Stucco

Multi-Family Lease No. 1 (Cont.)

Electrical	Assumed Adequate
HVAC	Assumed Adequate
Stories	3/4
Utilities with Rent	Trash Collection
Unit Amenities	Patios/Balconies, Ceiling Fans, Security System, Icemakers, Washer/Dryer Connections, Microwaves, Washer/Dryers
Project Amenities	Outdoor Pool, Clubhouse, Exercise/Fitness, Playground
Parking	Surface
Year Built	2010
Condition	Excellent

Remarks

This is a 154-unit, Class-A, mixed-income apartment development within the Auburn Pointe re-development. It includes 40% market-rate, 20% LIHTC (60% AMI), 5% PBRA and 35% authority assisted units. Ashley Auburn Pointe I reached substantial completion on November 22, 2010. All market rate and non-Authority Assisted units leased within 3 months. The occupancy of the subsidized units took a little longer because of the re-occupancy process of residents from the former Grady Homes development. Tenants pay all utilities except trash and there are currently no concessions being offered.

Multi-Family Lease No. 2

Property Identification

Record ID	1396
Property Type	Garden LIHTC
Property Name	Columbia Mechanicsville
Address	505 Fulton Street, Atlanta, Fulton County, Georgia 30312
Location	Central Atlanta
Verification	Leasing Agent - Dika; 404-577-2833, April 01, 2013; Confirmed by Doug Rivers

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1BR 1BA MKT	5	750	$790	$1.05
1BR 1BA 50% TC	15	750	$536	$0.71
1BR 1BA 60% TC	20	750	$675	$0.90
2BR 2BA MKT	24	1,005	$900	$0.90
2BR 2BA 50% TC	25	1,005	$606	$0.60
2BR 2BA 60% TC	54	1,005	$773	$0.77
3BR 2BA MKT	35	1,200	$1,100	$0.92
3BR 2BA 50% TC	10	1,200	$691	$0.58
3BR 2BA 60% TC	11	1,200	$853	$0.71

Occupancy	100%
Total Units	199
Unit Size Range	750 - 1200
Avg. Unit Size	1,009
Avg. Rent/Unit	$798
Avg. Rent/SF	$0.79
Net SF	200,715

Multi-Family Lease No. 2 (Cont.)

Physical Data

Construction Type	Midrise Brick and Stucco
Electrical	Assumed adequate
HVAC	Assumed adequate
Stories	4
Utilities with Rent	Trash Collection
Unit Amenities	Patios/Balconies, Security System, Washer/Dryer Connections
Project Amenities	Clubhouse, Laundry, Exercise/Fitness
Year Built	2007
Condition	Good

Remarks

This property is located along McDaniel and Fulton Streets, just south of I-20, just west of I-75/85, and about a mile south of the Atlanta CBD. This mixed-income property offers 50% and 60% LIHTC units, as well as market-rate units. No specials are being offered. Typically small discounts are being offered to city employees.

Multi-Family Lease No. 3

Property Identification

Record ID	903
Property Type	Garden & Townhomes LIHTC
Property Name	Capitol Gateway I & II
Address	89 Woodward Avenue, Atlanta, Fulton County, Georgia 30312
Location	Memorial Drive and Connally Street
On-Site Manager	IMS Management
Verification	Kya Smith/Jane Finch; 404-586-0411, May 07, 2013; Confirmed by Ingrid Ott

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1BR/1BA MKT	15	742	$799	$1.08
1BR/1BA MKT	22	772	$799	$1.03
1BR/1BA MKT	17	708	$799	$1.13
1BR/1BA MKT	23	867	$799	$0.92
1BR/1BA TC	24	742	$678	$0.91
1BR/1BA TC	32	772	$678	$0.88
1BR/1BA TC	25	708	$678	$0.96

Multi-Family Lease No. 3 (Cont.)

1BR/1BA TC	25	867	$678	$0.78
2BR/1BA MKT	24	910	$850	$0.93
2BR/2BA MKT	1	978	$900	$0.92
2BR/2BA MKT	6	1,031	$900	$0.87
2BR/2BA MKT	30	1,047	$900	$0.86
2BR/2BA MKT	11	1,050	$900	$0.86
2BR/2.5BA M	6	1,178	$1,175	$1.00
2BR/2.5BA M	3	1,319	$1,300	$0.99
2BR/1BA TC	35	910	$777	$0.85
2BR/2BA TC	7	978	$777	$0.79
2BR/2BA TC	11	1,031	$777	$0.75
2BR/2BA TC	41	1,047	$777	$0.74
2BR/2BA TC	16	1,050	$777	$0.74
2BR/2BA TC	2	1,064	$777	$0.73
2BR/2.5BA TC	8	1,178	$777	$0.66
2BR/2.5BA TC	3	1,319	$777	$0.59
3BR/2BA MKT	3	1,258	$1,300	$1.03
3BR/2BA MKT	5	1,314	$1,325	$1.01
3BR/2BA TC	9	1,258	$859	$0.68
3BR/2BA TC	14	1,314	$859	$0.65
4BR/2BA TC	3	1,447	$920	$0.64

Occupancy	93%
Total Units	421 269 (Ph. I), 152 (Ph. II)
Unit Size Range	708 - 1447
Avg. Unit Size	937
Avg. Rent/Unit	$799
Avg. Rent/SF	$0.85
Net SF	394,643

Physical Data

Construction Type	Brick and Hardi-Plank
Electrical	Adequate
HVAC	Adequate
Stories	Three
Utilities with Rent	Trash Collection
Unit Amenities	Patios/Balconies, Ceiling Fans, Vaulted Ceilings, Icemakers, Washer/Dryer Connections, Washer/dryer in units
Project Amenities	Outdoor Pool, Clubhouse, Sports Court, Exercise/Fitness
Parking	Surface
Year Built	2006
Condition	Excellent

Remarks

This property represents the 34-acre Capitol Homes HOPE VI Revitalization Area, a mixed-income, mixed-use development. Construction of Phase II of this complex was completed in December 2007. The site is located in an urban area less than a mile southeast of the Atlanta CBD and just north of Interstate 20. The property is subject to requirements under the Low Income Housing Tax Credit (LIHTC) program and includes rent restrictions. The tax credit units are to be leased to tenants with incomes no greater than 54% and 60% of area median.

Multi-Family Lease No. 4

Property Identification

Record ID	826
Property Type	Garden & Townhomes
Property Name	Magnolia Park
Address	806 Carter Street, Atlanta, Fulton County, Georgia 30314
Location	Downtown Atlanta
Verification	Leasing Agent; 404-523-0740, April 05, 2013; Confirmed by Doug Rivers

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1 BR / 1 BA	9	600	$545	$0.91
1 BR / 1 BA	9	710	$565	$0.80
2 BR / 1.5 BA	18	870	$705	$0.81
2 BR / 2 BA	90	955	$745	$0.78
3 BR / 2 BA	18	1,080	$875	$0.81
3 BR /2.5 BA TH	76	1,290	$925	$0.72
1BR 1BA TC		600	$545	$0.91
1BR 1 BA TC		710	$565	$0.80

Multi-Family Lease No. 4 (Cont.)

2BR 1.5BA TC	870	$705	$0.81
2BR 2BA TC	955	$745	$0.78
3BR 2BA TC	1,080	$875	$0.81
3BR 2.5BA TC	1,290	$925	$0.72

Occupancy	69%
Total Units	220
Unit Size Range	600 - 1290
Avg. Unit Size	1,049
Avg. Rent/Unit	$799
Avg. Rent/SF	$0.76
Net SF	230,880

Physical Data

Construction Type	Wood frame, vinyl siding, brick exterior
Electrical	Assumed adequate
HVAC	Assumed adequate
Stories	3
Utilities with Rent	Water, Sewer, Trash Collection
Unit Amenities	Patios/Balconies, Security System, Washer/Dryer in Units
Project Amenities	Outdoor Pool, Outdoor Tennis, Clubhouse, Exercise/Fitness, Gated Entry, Playground
Year Built	2000
Condition	Good

Remarks

This mixed-income apartment complex is the redevelopment of John Eagan Homes. Application fee is $50, security deposit $200 (fully refundable), and pet fee is $300 (one-half refundable). Roughly the complex has 40% public housing units, 20% low-income tax credit units and 40% market rate units. The property is served by an onsite daycare and public transportation. Rents shown are long term special rents (low occupancy) that have realistically become the ongoing effective rents at this complex. Note these effective rents are the same as the tax credit rents - not an unknown phenomenon in big city apartment markets. Non-special market rents for the six unit types are (in order): $700, $745, $845, $890, $975 and $1,050.

Multi-Family Lease No. 5

Property Identification

Record ID	823
Property Type	Garden & Townhomes LIHTC
Property Name	The Villages at Castleberry Hill
Address	600 Greensferry Avenue, Atlanta, Fulton County, Georgia 30314
Location	Downtown Atlanta
Management Co.	H J Russell
Verification	Leasing Agent; 404-523-1330, April 05, 2013; Confirmed by Doug Rivers

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1BR/1BA MKT	32	710	$795	$1.12
1BR/1BA MKT	32	799	$795	$0.99
1BR/1BA LIHTC	34	710	$620	$0.87
2BR/1BA MKT	32	890	$820	$0.92
2BR/1BA LIHTC	32	890	$715	$0.80
2BR 2BA MKT	32	947	$799	$0.84
2BR 2BA LIHTC	32	947	$750	$0.79
2BR 2BA MKT	32	1,064	$799	$0.75
2BR 2BA LIHTC	32	1,064	$750	$0.70
2BR 2BA MKT	32	1,093	$799	$0.73
2BR 2BA LIHTC	32	1,093	$750	$0.69
2BR 2BA TH MKT	32	1,188	$1,365	$1.15
3BR 2.5BA MKT	32	1,138	$899	$0.79
3BR 2.5BA TC	32	1,038	$850	$0.82

Occupancy 90%

Multi-Family Lease No. 5 (Cont.)

Total Units	450
Unit Size Range	710 - 1188
Avg. Unit Size	968
Avg. Rent/Unit	$821
Avg. Rent/SF	$0.85
Net SF	435,692

Physical Data

Construction Type	Wood frame, vinyl siding and brick exterior
Electrical	Assumed adequate
HVAC	Assumed adequate
Stories	2 & 3
Utilities with Rent	Water, Sewer, Trash Collection
Unit Amenities	Patios/Balconies, Vaulted Ceilings, Security System, Washer/Dryer in Units, Garbage Disposal
Project Amenities	2 Outdoor Pools, Clubhouse, Exercise/Fitness, Gated Entry, Daycare, Playgrounds and Picnic
Year Built	1998-2000
Condition	Excellent

Remarks

This is the redevelopment of the John Hope public housing project. This project comprises the block at the southwest corner of Northside Drive and Greensferry Avenue, just southwest of downtown Atlanta. It consists of 450 total units. The property receives Low Income Housing Tax Credits with rent restrictions imposed on 60% of the units. The 284-unit Phase II achieved stabilized occupancy in September 2000 at a rate of approximately 30 units absorbed per month. Additional amenities for Phase II included two activity/community centers, pool, ball field, tennis courts and playgrounds. The 2BR/2.5BA Townhome unit includes a fireplace and garage. There is a remaining special on the 3BR market units of $899 per month. The agent indicated this special was going to go away shortly.

Multi-Family Lease No. 6

Property Identification

Record ID	1670
Property Type	Garden and Townhomes
Property Name	Ashley Collegetown, Phase II
Address	387 Jospeh E. Lowery Boulevard, Atlanta, Fulton County, Georgia 30310
Owner	Integral
On-Site Manager	Yes
Management Co.	Integral
Verification	Karim Sultan - Property Manager; 404-224-1893, April 15, 2013; Confirmed by Jon Reiss

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1/1 MKT	18	730	$750	$1.03
1/1 PBRA/TC	10	730	$665	$0.91
1/1 TC	4	756	$665	$0.88
1/1 MKT	7	820	$750	$0.91

Multi-Family Lease No. 6 (Cont.)

1/1 PBRA/TC	21	820	$665	$0.81
2/2 MKT	1	989	$875	$0.88
2/2 Model	1	989		
2/2 MKT	30	1,073	$875	$0.82
2/2 PBRA/TC	29	1,073	$760	$0.71
2/2 MKT	8	1,223	$975	$0.80
2/2 PBRA/TC	10	1,223	$760	$0.62
2/2 MKT	1	1,250	$1,025	$0.82
2/2 PBRA/TC	1	1,250	$760	$0.61
2/1.5 MKT (TH)	1	1,285	$1,075	$0.84
2/1.5 PBRA/TC	10	1,285	$760	$0.59
2/2 PBRA/TC	10	1,314	$760	$0.58
3/2.5 MKT (TH)	3	1,594	$1,250	$0.78
3/2.5 PBRA/TC	12	1,594	$811	$0.51

Occupancy	95% Physical / 96% Leased
Rent Premiums	No
Total Units	177
Unit Size Range	730 - 1594
Avg. Unit Size	1,059
Avg. Rent/Unit	$780
Avg. Rent/SF	$0.74
Net SF	187,408

Physical Data

Construction Type	Brick/HardiePlank
Electrical	Assumed Adequate
HVAC	Assumed Adequate
Stories	3/4
Utilities with Rent	Trash Collection
Unit Amenities	Patios/Balconies, Security System, Washer/Dryers
Project Amenities	Outdoor Pool, Clubhouse, Exercise/Fitness, Playgrounds
Parking	Surface
Year Built	2009
Condition	Good

Remarks

Ashley Collegetown, Phase II Apartments is a 177-unit, Class-B, mixed-income apartment development, built in 2009. The unit mix consists of one-, two- and three bedroom floor plans ranging in size from 730 to 1,594 square feet with an average unit size of 1,059 square feet. Complex amenities (for the overall Collegetown development) include a two-story leasing/management office with business center and fitness center, a swimming pool and several playgrounds and outdoor common areas. The property is currently 95% occupied and 96% pre-leased. The subject is in average to good condition. The subject is a mixed-income property that includes PBRA, public housing, tax credit, and market rate units. Currently, there are no specials being offered.

Improved Sales

Multi-Family Sale No. 1

Property Identification

Record ID	205
Property Type	Garden
Property Name	Ellington Woods
Address	1359 Beaver Ruin Road, Norcross, Gwinnett County, Georgia 30093
Tax ID	R6184-005

Sale Data

Grantor	GA 1359 Beaver Ruin Road
Grantee	Beaver Ruin Road Apartments LLC
Sale Date	March 28, 2013
Deed Book/Page	52118-57
Property Rights	Fee Simple
Marketing Time	6 months
Conditions of Sale	REO Bankruptcy Sale
Financing	20% Down
Sale History	Foreclosed 6/5/2012
User 4	Sold $13,750,000 12/21/2006
Sale Price	$10,750,000
Cash Equivalent	$10,750,000

Land Data

Land Size	13.880 Acres or 604,613 SF

Unit Mix

Unit Type	No. of Units	Size SF	Rent/Mo.	Mo. Rent/SF
1/1	33	783	$650	$0.83
1/1	12	864	$665	$0.77
1/1	9	890	$692	$0.78
1/1	35	909	$730	$0.80
2/2	36	1,100	$775	$0.70
2/2	27	1,215	$830	$0.68
3/2	28	1,440	$980	$0.68

Multi-Family Sale No. 1 (Cont.)

Total Units	180
Avg. Unit Size	1,049
Avg. Rent/Unit	$772
Avg. Rent/SF	$0.74
Net SF	188,757
<u>General Physical Data</u>	
No. of Buildings	19
Utilities with Rent	Trash Collection
Unit Amenities	Patios/Balconies, Fire places, Ceiling Fans, Vaulted Ceilings, Washer/Dryer Connections, Garages available
Project Amenities	Outdoor Pool, Outdoor Tennis, Laundry, Exercise/Fitness, Playground, gated access, business center
Year Built	1997
<u>Income Analysis</u>	
Potential Gross Income	$1,667,500
Vacancy	$133,400
Effective Gross Income	$1,534,100
Expenses	$855,000
Net Operating Income	$679,096
<u>Indicators</u>	
Sale Price/Net SF	$56.95
Sale Price/Unit	$59,722
Occupancy at Sale	92
PGIM	6.45
EGIM	7.01
Expenses/SF	$4.53 Net
Expenses/Unit	$4,750
Expenses as % of PGI	51.27%
Expenses as % of EGI	55.73%
Overall or Cap Rate	6.32%
NOI/SF	$3.60 Net
NOI/Unit	$3,773

<u>Remarks</u>

This property foreclosed because the owner declared bankruptcy. It was on the market for approximately six months. Expenses were reported at $4,750 per unit. The cap rate was reported at 6.5%, but that computation requires a higher than actual income expectation. Potential Gross Income is appraiser-generated based on reported lease rates.

The buyer owns a sister property and purchased this development because it felt it could capitalize on economies of scale and operate the complex profitably.

Multi-Family Sale No. 2

<u>Property Identification</u>

Record ID	936
Property Type	Garden
Property Name	Sterling Collier Hills (formerly Fernwood Apartments)
Address	1760 Northside Drive, Atlanta, Fulton County, Georgia 30318

<u>Sale Data</u>

Grantor	Fernwood Atlanta, LLC
Grantee	Grubb Properties, Inc.
Sale Date	December 28, 2012
Deed Book/Page	52083/475
Property Rights	Fee Simple
Marketing Time	4 Months
Conditions of Sale	Arms Length
Financing	Conventional
Sale Price	$9,150,000 $10,080,000 Adjusted for capital improvement budget

Land Data

Land Size	3.490 Acres or 152,024 SF

Unit Mix

Unit Type	No. of Units	Size SF	At Sale Rent/Mo.	Proforma Rent/Mo
1 BR/1 BA	36	550	$679	$719
1 BR/1 BA	60	800	$805	$850
2 BR/2 BA	24	910	$1,009	$1,049

Total Units	120
Avg. Unit Size	747
Net SF	89,640

General Physical Data

Construction Type	Brick/HardiePlank
Electrical	Assumed Adequate
HVAC	Assumed Adequate
Parking	Surface
Stories	3
Unit Amenities	Patios/Balconies, Fire places, Ceiling Fans, Security System
Project Amenities	Outdoor Pool, Clubhouse
Year Built	1986
Condition	Good

Income Analysis

Net Operating Income	$549,000

Indicators

Sale Price/Leasable SF	$102.07
Sale Price/Unit	$76,250
Adj. Sale Price/Leasable SF	$112.45
Adj. Sale Price/Unit	$84,000
Occupancy at Sale	97%
Overall or Cap Rate	6%
NOI/SF	$6.12 Leasable
NOI/Unit	$4,575

Remarks

This complex is located at the northwest corner of the Northside Drive interchange with Interstate 75 in Atlanta, Fulton County, GA. The 120-unit complex was built in 1986 on a 3.49-acre site. It sold at a reported 6.00% cap rate and was 97% occupied at the time of sale.

The property has an excellent location but had poor visibility because of overgrown trees, poor signage and older fencing. Buyer felt there was room for higher rents even without updates. The buyer's budget for capital improvements at purchase was $930,000, $500,000 of which has been spent (as of May, 2013) on exterior upgrades and for landscaping, office and clubhouse. Interior upgrades will include new flooring (plank laminate and new carpet), updated paint colors, nickel hardware and new laminate countertops. Trailing twelve month rents were $777 (average). Trailing three month rents were $807 average. First quarter rents after acquisition were meeting proforma at $848 average. The owner plans to push rents another $50/$60 per unit higher starting June 2013.

Multi-Family Sale No. 3

<u>Property Identification</u>

Record ID	898
Property Type	Garden
Property Name	Windmont (AKA Legacy Century Center)
Address	100 Windmont Drive, Atlanta, DeKalb County, Georgia 30329
Tax ID	18-203-02-009

<u>Sale Data</u>

Grantor	Deville Windmont Partners
Grantee	CSP Clairmont, LLC
Sale Date	August 27, 2012
Deed Book/Page	23223-765
Property Rights	Fee Simple
Marketing Time	6 Months
Conditions of Sale	Arms Length
Financing	Conventional
Sale History	Sold for $9,889,000 in August 2009
User 4	Sold for $8,966,000 in January 2000
Verification	CoStar, Deed Record; Confirmed by Jon Reiss
Sale Price	$11,850,000

<u>Land Data</u>

Land Size	6.780 Acres or 295,337 SF
Avg. Unit Size	842
Net SF	149,960

Multi-Family Sale No. 3 (Cont.)

General Physical Data	
Construction Type	Brick/HardiePlank
Electrical	Assumed Adequate
HVAC	Assumed Adequate
Parking	Surface/Gated
Stories	3
Unit Amenities	Patios/Balconies, Ceiling Fans, Washer/Dryer Connections
Project Amenities	Outdoor Pool, Clubhouse, Laundry, Exercise/Fitness
Year Built	2000
Condition	Good

Income Analysis	
Effective Gross Income	$1,595,030
Expenses	$854,400
Net Operating Income	$740,625

Indicators	
Sale Price/Net SF	$79.02
Sale Price/Unit	$66,573
Occupancy at Sale	96%
EGIM	7.43
Expenses/SF	$5.70 Net
Expenses/Unit	$4,800
Expenses as % of EGI	53.57%
Overall or Cap Rate	6.25%
NOI/SF	$4.94 Net
NOI/Unit	$4,161

Remarks

This is the sale of a 178-unit, Class-B apartment complex located along Clairmont Road, in Atlanta, DeKalb County, GA. It was on the market for about six months prior to going under contract. It was reported that the property was 96% occupied at the time of sale and sold at a 6.25% cap rate with $4,800 per unit in expenses. Property is in good condition.

Multi-Family Sale No. 4

<u>Property Identification</u>	
Record ID	894
Property Type	Garden
Property Name	Wynthrope Forest
Address	8082 Webb Road, Riverdale, Clayton County, Georgia 30274
Tax ID	13215CB005
<u>Sale Data</u>	
Grantor	Tritex Real Estate Advisors, Inc.
Grantee	CHC Wynthrope, LLC
Sale Date	August 17, 2012
Property Rights	Fee Simple
Marketing Time	6 Months
Conditions of Sale	Arms Length
Financing	Cash to Seller
Verification	Brad Simmel - CBRE; 404-504-7900, November 21, 2012; Other sources: CoStar, Public Records, Confirmed by Jon Reiss
Sale Price	$13,925,000
<u>Land Data</u>	
Land Size	28.100 Acres or 1,224,036 SF
Avg. Unit Size	1,083
Net SF	292,416
<u>General Physical Data</u>	
Construction Type	HardiePlank
Electrical	Assumed Adequate
HVAC	Assumed Adequate
Parking	Surface
Stories	2
Unit Amenities	Patios/Balconies, Ceiling Fans, Washer/Dryer Connections
Project Amenities	Outdoor Pool, Outdoor Tennis, Clubhouse, Laundry, Sports Court, Exercise/Fitness
Year Built	1999
Condition	Good

Multi-Family Sale No. 4 (Cont.)

Income Analysis

Net Operating Income	$921,600

Indicators

Sale Price/Gross SF	$47.62
Sale Price/Unit	$51,574
Occupancy at Sale	93%
Overall or Cap Rate	6.62%
NOI/SF	$3.15 Gross
NOI/Unit	$3,413

Remarks

This is the sale of a 270-unit, Class-A/B apartment complex located along Webb Road in Riverdale, Clayton County, Georgia, in south metro Atlanta. The complex was built in 1999 and is in good condition. Financial indicators are based on the trailing 6 months income and expenses, inclusive of $300/unit in reserves. It was on the market for six months at an asking price of $15,000,000.

Multi-Family Sale No. 5

<u>**Property Identification**</u>

Record ID	897
Property Type	Garden
Property Name	Walden Landing
Address	11015 Tara Blvd., Hampton, Clayton County, Georgia 30228
Tax ID	06126C-A010

<u>**Sale Data**</u>

Grantor	Walden Capital Group
Grantee	Triangle Real Estate Walden, LLC
Sale Date	February 01, 2012
Deed Book/Page	10068-0097
Property Rights	Fee Simple
Marketing Time	4 Months
Conditions of Sale	Arms Length
Financing	Conventional
Verification	Sean Henry - ARA; 404-495-7308, November 21, 2012; Other sources: CoStar, Public Records, Confirmed by Jon Reiss

Sale Price	$13,000,000

<u>**Land Data**</u>

Land Size	30.000 Acres or 1,306,800 SF
Avg. Unit Size	1,122
Net SF	269,180

<u>**General Physical Data**</u>

Construction Type	HardiePlank
Electrical	Assumed Adequate
HVAC	Assumed Adequate

Multi-Family Sale No. 5 (Cont.)

Parking	Surface
Stories	3
Unit Amenities	Patios/Balconies, Ceiling Fans, Washer/Dryer Connections
Project Amenities	Outdoor Pool, Outdoor Tennis, Clubhouse, Laundry, Sports Court, Exercise/Fitness
Year Built	2000
Condition	Good

Income Analysis

Effective Gross Income	$1,965,990
Expenses	$1,104,710
Net Operating Income	$861,282

Indicators

Sale Price/Gross SF	$48.29
Sale Price/Unit	$54,167
Occupancy at Sale	91%
EGIM	6.61
Expenses/SF	$4.10 Gross
Expenses/Unit	$4,603
Expenses as % of EGI	56.19%
Overall or Cap Rate	6.63%
NOI/SF	$3.20 Gross
NOI/Unit	$3,589

Remarks

This is the sale of a 240-unit, Class-A/B apartment complex located along Tara Blvd. in Hampton, Clayton County, Georgia, in south metro Atlanta. The complex was built in 2000 and is in good condition. Financial indicators are based on the trailing 12 months income and expenses, inclusive of reserves.

QUALIFICATIONS OF
INGRID OTT

EVERSON, HUBER & ASSOCIATES, LC
3535 Roswell Road, Suite 55
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EXPERIENCE

Appraiser with Everson, Huber & Associates, LC, since September 2003. Appraisal assignments have been performed on many types of commercial real estate located throughout metro Atlanta and the southeastern United States. These property types include vacant land, apartments, HUD, age-restricted, PBRA and LIHTC apartments; medical buildings and cancer treatment centers, light manufacturing buildings, single- and multi-tenant office buildings, single- and multi-tenant warehouse/distribution buildings, hangars and airport-based businesses, golf resorts, entertainment complexes, shopping centers, residential subdivisions, mixed-use developments, youth therapeutic camps, residential treatment centers, schools, restaurants, shopping centers and freestanding retail buildings. Appraisal assignments have been prepared for financial institutions and owners.

EDUCATION

Masters of Arts, Economic Geography, University of Georgia, Athens, Georgia

Bachelor of Business Administration, Major in Marketing and Distribution, University of Georgia, Athens, Georgia

Professional courses/tests by America's Real Estate Academy (This course fulfills the requirements of Chapter 539-2 under Rules and Regulations of the Georgia Real Estate Appraisers Board.):

Appraisal Principles
Appraisal Applications
USPAP

Appraisal Institute and professional courses/tests and seminars as follows:

Course 310	Basic Income Capitalization
Course 320	General Applications
Course 330	Apartment Appraisal: Concepts and Applications
Course 510	Advanced Income Capitalization
Course 520	Highest & Best Use & Market Analysis
Course 540	Report writing and Valuation Analysis

CERTIFICATION

State Certified General Real Property Appraiser: State of Georgia - Certificate Number 265709

PROFESSIONAL

Associate Member of the Appraisal Institute

Candidate for MAI Designation

STATE OF GEORGIA
REAL ESTATE APPRAISERS BOARD

INGRID N OTT

265709

IS AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF GEORGIA IN THE CAPACITY AS

CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES HEREWITH ARE CONTINGENT UPON THE REQUISITE FEES AND ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

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MARILYN R. WATTS

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QUALIFICATIONS OF
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EXPERIENCE

Twenty-five years appraisal experience as an independent fee appraiser with regional and national firms based in Atlanta, Georgia. Partner of Everson, Huber & Associates, LC since establishment in January 1995. Prior employers were CB Commercial Real Estate Group, Inc. - Appraisal Services (1991-1995), and McColgan & Company, Inc. (1986-1991). Appraisals have been performed on virtually all types of commercial real estate located throughout the eastern portion of the nation. Property types appraised include apartments, condominiums, subdivisions, hotels, industrial, office, and retail. Numerous major and secondary markets have been visited, including such cities as Atlanta, Augusta, Birmingham, Charlotte, Charleston, Chattanooga, Cincinnati, Columbus, Columbia, Huntsville, Knoxville, Louisville, Macon, Memphis, Miami, Mobile, Montgomery, Nashville, Orlando, Raleigh, Richmond, Savannah, Tampa, Tallahassee, and Washington D.C. Appraisal assignments have been prepared for financial institutions, government entities, insurance companies, portfolio advisors, private investors, and owners.

CERTIFICATION

Certified General Real Property Appraiser: State of Georgia - Certificate Number CG001350
Certified General Real Property Appraiser: State of Alabama - Certificate Number C00625
Certified General Real Property Appraiser: State of Tennessee - Certificate Number 3855

EDUCATION

Bachelor of Science in Business Administration, Major in Finance,
Bowling Green State University, Bowling Green, Ohio

Appraisal Institute courses and seminars completed are as follows:

Course 1A-1	Basic Appraisal Principles
Course 1A-2	Basic Valuation Procedures
Course 1B-A	Capitalization Theory & Techniques, Part A
Course 1B-B	Capitalization Theory & Techniques, Part B
Course 2-1	Case Studies in Real Estate Valuation
Course 2-2	Report Writing and Valuation Analysis
Course 410	Standards of Professional Practice, Part A (USPAP)
Course 420	Standards of Professional Practice, Part B
Seminar	Rates, Ratios, and Reasonableness
Seminar	Demonstration Appraisal Report Writing - Nonresidential
Seminar	Computerized Income Approach to Hotel/Motel Market Studies and Valuations
Seminar	Affordable Housing Valuation

Continuing education courses completed during last five years include:

- 2010-2011 National USPAP
- Appraising And Analyzing Retail Shopping Centers For Mortgage Underwriting
- Subdivision Valuation
- Expert Witness Testimony
- Business Practices And Ethics – Appraisal Institute
- Appraiser Liability
- Private Appraisal Assignments
- Modular Home Appraising
- Tax Free Exchanges
- Valuation of Detrimental Conditions

PROFESSIONAL

Associate Member of the Appraisal Institute

STATE OF GEORGIA

REAL ESTATE APPRAISERS BOARD

STEPHEN MICHAEL HUBER

1350

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A

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Vice Chairperson

WILLIAM R. COLEMAN, JR.
D. SCOTT MURPHY
MARILYN R. WATTS

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STEPHEN MICHAEL HUBER

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Status **ACTIVE**

ORIGINALLY LICENSED
07/11/1991

END OF RENEWAL
12/31/2013

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THIS LICENSE EXPIRES IF YOU FAIL TO PAY RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY REQUIRED EDUCATION IN A TIMELY MANNER.

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Real Estate Commission
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WILLIAM L. ROGERS, JR.
Real Estate Commissioner

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STEPHEN MICHAEL HUBER

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Status **ACTIVE**

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